ISAGRO

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INTERIM RESULTS REPORT

AS AT SEPTEMBER 30th, 2016

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Consolidated Data

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Milan, November 14th, 2016

ISAGRO S.p.A.
(A company directed and coordinated by Holdisa S.r.l.)
Registered offices: Via Caldera 21 - 20153 Milan
Share Capital € 24,961,207.65 fully paid-in
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CORPORATE OFFICES

BOARD OF DIRECTORS

Giorgio Basile	–	Chairman and C.E.O.
Maurizio Basile	–	Director and Deputy Chairman
Riccardo Basile	–	Director
Christina Economou	–	Director
Gianni Franco	–	Director
Enrica Maria Ghia	–	Independent Director (from April 28th, 2016)
Adriana Silvia Sartor	–	Independent Director
Stavros Sionis	–	Independent Director

BOARD OF STATUTORY AUDITORS

Filippo Maria Cova	–	Chairman
Giuseppe Bagnasco	–	Statutory Auditor
Claudia Costanza	–	Statutory Auditor

EXPLANATORY NOTES

This Interim Results Report as at September 30th, 2016 (hereinafter "Quarterly Report" or "Report") has been drafted in compliance with Article 154-*ter*, paragraph 5, Italian Legislative Decree 58/1998 (Consolidated Law on Finance - TUF), and further amendments and supplements, as well as the Issuers' Regulation issued by CONSOB.

This Quarterly Report is not subject to audit by the Independent Auditors and has been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board and approved by the European Union.

USE OF ESTIMATES

The preparation of the consolidated financial statements requires estimates and assumptions that affect the reported amounts of the assets and liabilities, and the disclosure relating to contingent assets and liabilities as at the reporting date. Consequently, the results actually achieved could then differ from said estimates.

The estimates are used in order to recognise the provisions for doubtful debts and inventory obsolescence, as well as depreciation and amortisation, write-downs, employee benefits, tax and other provisions. The estimates and assumptions are periodically reviewed and the effects of any changes are reflected in the Income Statement.

DIRECTORS' MANAGEMENT REPORT

ECONOMIC-FINANCIAL RESULTS

From an economic point of view, in the first nine months of 2016 the Isagro Group recorded consolidated **Revenues** of 110.3 Euro million, down by 4.1 million compared to the corresponding period of last year (-3.6%).

(€ 000)	9 months 2016	9 months 2015	Differences		Year 2015
Revenues	**110,349**	**114,425**	**-4,076**	**-3.6%**	**156,048**
Memo: Labour costs and provision for bonus	(21,264)	(20,965)	-299		(28,832)
EBITDA	**9,911**	**10,421**	**-510**	**-4.9%**	**19,457**
% on Revenues	*9.0%*	*9.1%*			*12.5%*
Depreciation and amortisation:					
- tangible assets	(2,854)	(2,798)	-56		(3,748)
- intangible assets	(4,021)	(3,754)	-267		(5,146)
- write-down of tangible and intangible assets and asset revaluation (IFRS 10)	(38)	(44)	+6		(776)
EBIT	**2,998**	**3,825**	**-827**	**-21.6%**	**9,787**
% on Revenues	*2.7%*	*3.3%*			*6.3%*
Interest, fees and financial discounts	(517)	(922)	+405		(1,127)
Gains/losses on foreign exchange and derivatives	963	(1,276)	+2,239		(1,296)
Profit from associates	8	37	-29		54
Result before taxes	**3,452**	**1,664**	**+1,788**	**N/S**	**7,418**
Current tax and deferred tax liabilities	(2,560)	(2,108)	-452		(4,036)
Net profit/(loss) from continuing operations	**892**	**(444)**	**1,336**	**N/S**	**3,382**
Net profit/(loss) from discontinued operations	-	-	-		(250)
Net result	**892**	**(444)**	**1,336**	**N/S**	**3,132**

Table 1: Consolidated Income Statement - Summary Data

The aforementioned decrease in **Revenues** for the first nine months of 2016 compared to 2015, concentrated in the third quarter, is mainly attributable to:

- lower sales of formulations based on the proprietary fungicide Tetraconazole on the important Brazilian market;
- lower turnover of copper-based products, also affected by the drop in copper prices on the LME,

these factors were partly offset by:

- higher sales of biostimulants and pyrethroids and,
- proceeds from Licensing for 1 Euro million (absent in the first nine months of 2015).

During the first nine months of 2016, Isagro carried on its **Research, Innovation & Development** activity incurring total costs amounting to 11.7 Euro million (compared to 12.4 Euro million in the period January-September 2015), of which 3.5 Euro million charged to the Income Statement (compared to 3.3 Euro million charged in the first nine months of 2015). In particular, it is worth to highlight the continuation of development projects for the new SDHi class broad spectrum fungicide (as a joint venture with FMC Corporation) and the new Biofumigant, as well as the development of new registrations and the extraordinary protection of proprietary products.

EBITDA in the first nine months of 2016 was equal to 9.9 Euro million, down by 0.5 Euro million (-5%), compared to 10.4 Euro million reported in the same period of last year. Compared to sales, EBITDA stood at 9.0% as at September 30th this year, essentially in line with the figure as at September 30th, 2015 (9.1%).

Amortisation and depreciation for the period amounted to 6.9 Euro million, slightly higher than the value of 6.6 Euro million recorded in the same period of the previous year.

Therefore, Isagro closed the period January-September 2016 with an **Operating profit** of 3.0 Euro million, decreasing by 0.8 Euro million compared to the 3.8 Euro million for the corresponding period of last year.

With reference to financial management, in the first nine months of 2016, compared to the first nine months of 2015, the Isagro Group recorded:

- lower **Interest fees, commissions and financial charges** of 0.4 Euro million, despite an increase in financial debt, as a result of (i) better funding conditions obtained from the parent Isagro S.p.A. due to an improvement in its rating from banks and benefiting from increased available liquidity in the framework of financial intermediation, and (ii) higher financial income achieved by the subsidiary Isagro Asia improving its available funds;
- **Net gains on foreign exchange and derivatives** amounting to 1.0 Euro million, compared to losses of 1.3 Euro million in the first nine months of 2015, attributable to derivative contracts signed for hedging the exchange rate risk associated with sales in US Dollars and generated by the strong depreciation of the US Dollar against the Euro.

On this last point note that, as usual, following the corporate policy guidelines, Isagro hedged the EUR-USD exchange rate risk of almost the entire turnover in USD expected in the twelve-month period at approximately USD 1.08 per EUR and then arranged to incorporate the fair value of the related hedges into its accounts as at September 30th, 2016.

It should be remembered that the Isagro Group operates on several markets internationally and many trade relations are managed in currencies other than the Euro, mainly in US dollars. As a result and in compliance with its “Financial risk management policy” designed to “grant security” to the annual budget, the Company arranges USD exchange rate risk hedges, using its forecast exposure for the year as indicated by the currency budget in USD as the reference basis. With regard to the hedging transactions carried out by the Group, it should also be noted that they are exclusively for operational transactions and therefore not for speculative purposes; however, as they do not meet the requirements of IAS 39 for the hedging of “specific” risks, they are considered as “trading” transactions and are therefore recognised directly as financial items in the Income Statement, both for the realised and unrealised portion.

Consequently, the Group closed the first nine months of 2016 with a positive **Result before taxes** of 3.5 Euro million, up by 1.8 Euro million compared to 1.7 Euro million in the same period of the previous year.

In terms of tax management, as at September 30th, 2016, current tax and deferred tax liabilities were recorded for a total of 2.6 Euro million, up by 0.5 Euro million compared to 2.1 Euro million of the first nine months of 2015. The high tax burden at September 30th, 2016, compared to the Group's result before taxes is mainly due to the non-allocation - for prudential purposes - of deferred tax assets on tax losses of the subsidiary Isagro USA.

Therefore, your Group closed the first nine months of 2016 with a **Net profit** of 0.9 Euro million, compared to a loss of 0.4 Euro million in the period January-September 2015.

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As regards equity, consolidated **Net invested capital** as at September 30th, 2016, amounted to 146.8 Euro million, substantially in line with the value of 147.0 Euro million and of 146.7 Euro million, respectively, as at December 31st, 2015 and as at September 30th, 2015.

Net fixed assets as at September 30th, 2016 amounted to 89.2 Euro million, up by 3.6 Euro million compared to 85.6 Euro million as at December 31st, 2015 and by 1.9 Euro million compared to the position as at September 30th, 2015.
The increase in net fixed assets compared to September 30th and December 31st of last year are due to the higher level of investments compared to amortisation and depreciation for the period.

Net current assets as at September 30th, 2016 amounted to 60.4 Euro million, down by 3.9 Euro million and by 1.8 Euro million compared to the values respectively as at December 31st, 2015 and as at September 30th, 2015.

(€ 000)	September 30th, 2016	September 30th, 2015	Differences		December 31st, 2015
Net fixed assets	**89,218**	**87,331**	**+1,887**	**+2.2%**	**85,558**
Net current assets	**60,381**	**62,165**	**-1,784**	**-2.9%**	**64,349**
of which:					
Net Working Capital	*59,889*	*62,047*	*-2,158*		*63,321*
Severance Indemnity Fund (SIF)	**(2,771)**	**(2,836)**	**+65**	**-2.3%**	**(2,872)**

Net invested capital	**146,828**	**146,660**	**+168**	**+0.1%**	**147,035**
Held for sale non-financial assets and liabilities	**-**	**-**	**-**	**-**	**-**
Total	**146,828**	**146,660**	**-168**	**+0.1%**	**147,035**
Financed by:					
Equity	**98,980**	**95,663**	**3,317**	**3.5%**	**99,858**
Net financial position	**47,848**	**50,997**	**-3,149**	**-6.2%**	**47,177**
Debt/Equity Ratio	***0.48***	***0.53***			***0.47***
Total	**146,828**	**146,660**	**+168**	**+0.1%**	**147,035**

Table 2: Consolidated Balance Sheet - Summary Data

The **Severance Indemnity Fund (SIF)** amounted to 2.8 Euro million as at September 30th, 2016, substantially in line with the value of 2.9 Euro million as at December 31st, 2015 and of 2.8 Euro million as at September 30th, 2015.

As regards funding, consolidated **Equity** as at September 30th, 2016 amounted to 99.0 Euro million, down by 0.9 Euro million compared to 99.9 Euro million reported as at December 31st, 2015 and up by 3.3 Euro million compared to 95.7 Euro million reported as at September 30th, 2015. The changes are due to the result for the period and to differences in the translation reserve, mainly relating to balance sheet items of the subsidiary Isagro (Asia) Agrochemicals Pvt. Ltd., whose operating currency - the Indian Rupee - was devalued during the period.

The consolidated **Net financial position (NFP)** as at September 30th, 2016, was therefore at debt for 47.8 Euro million, up by 0.6 Euro million compared to 47.2 Euro million reported as at December 31st, 2015.

Lastly and again at consolidated level, note that as at September 30th, 2016:

- the entire net financial debt is backing a part of the net working capital while the remaining 12 Euro million of the latter is directly financed by Equity;

- more than four-fifths of the Net financial position is represented by medium/long term debts;
- the **debt/equity** ratio (i.e. the ratio between Net financial position and Equity) at consolidated level came to 0.48 compared to 0.53 as at September 30th, 2015.

EVOLUTION OF THE CROP PROTECTION PRODUCTS MARKET

The sale of crop protection products for the top five operators in the Industry at global level recorded an aggregate turnover in local currency in the first nine months of 2016 that was approximately 4% lower than that of the same period of 2015, with a particularly marked decline seen in South America and, more specifically, in the important Brazilian market.

Vice versa, and again at global level, the increase in production levels of the main agricultural commodities has helped to keep international market prices down, thereby limiting the funding available to farmers and resulting in price tension.

The fourth quarter of the year is particularly significant in Brazil and Cuba, where it is estimated that inventory levels will be still high and the financial scenario still difficult in terms of access to credit and related costs, with forecasts of downward pressure effects on the crop protection products market compared to 2015.

A more accurate analysis, also by individual geographic markets, will be possible, as usual, with the results for the entire year, generally available in the first couple of months of the new year.

RESEARCH, INNOVATION AND DEVELOPMENT ACTIVITIES

During the first nine months of 2016, the Isagro Group incurred Research, Innovation & Development costs for a total of 11.7 Euro million, of which 8.2 Euro million were capitalised (against investments for development, registration and the extraordinary protection of proprietary products worldwide). In the first nine months of last year these expenses amounted to 12.4 Euro million, of which 9.1 Euro million were capitalised.

A) *RESEARCH AND INNOVATION*

The research activities carried out by the Group focused on several lines of research aimed at obtaining new candidates for development, with a view to achieving a "development-worthy" qualification for at least two new products over the next twelve months; this activity focused on:

- new series of broad spectrum fungicides, additional with respect to that belonging to the SDHi class development of which was launched in 2012;
- new candidates to combat soil parasites: the necessary in-depth testing is continuing on molecules previously identified as promising;
- new series of herbicides (grass weed and dicotyledons control) for pre-emergence and post-emergence use on arable crops at global level.

The study also continued, and is now at advanced stage, for the identification of new copper-based formulations capable of acting at low dosages and with a broader spectrum than those already on the market.

Lastly, the evaluation of new biostimulant products, alone or in combination with other molecules, is continuing. In this respect, a new formula proving interesting from "top profile" studies moved on in 2016 to pre-sales assessment stage, whilst second generation formulas are already being tested.

B) *PRODUCT DEVELOPMENT*

The main development activities, carried out during the first nine months of 2016, are summarised below.

IR9792 (or Succinate dehydrogenase inhibitor or SDHi) - a broad spectrum fungicide

The main regulatory studies on the active ingredient continued in line with the plan. No critical issues have emerged to date, but merely the need for further studies dictated by current regulations.

Most of the 2016 programme of experiments and field testing for registration purposes has been completed, covering the strategic areas of Europe, Brazil and China. The main results in Brazil, particularly important for evaluating the active ingredient, have confirmed the technical value of IR9792 in the combinations tested.

IR6141 (or Kiralaxyl® or Benalaxyl-M) – active isomer of Benalaxyl

The development activity focused on the following projects, amongst others:

- continuation of preparation of the registration dossier for Kiralaxyl for seed treatment in the USA;
- follow-up of the re-registration process in EU member states for all formulations containing Kiralaxyl registered in Europe (STEP 2), after the inclusion in Annex 1 of EC Regulation 1107/2009;
- updating of the registration dossier for the Fantic M WG registration in France.

Tetraconazole - a broad spectrum fungicide

Activities focused on the following projects, amongst others:

- follow-up of the re-registration processes of formulations in Europe (STEP 2 of the European review process) and evaluation of the studies necessary for renewal of the active ingredient approval in the European Union;
- evaluation of studies for re-registration in the USA.

Lastly, field testing programmes for Brazil and Europe are also in progress this year.

Copper-based products

With reference to copper-based products, the activities - amongst others - were as follows:

- the follow-up of the re-registration processes of formulations in Europe (STEP 2 of the European review process);
- the participation in the European Copper Task Force's follow-up for the renewal of copper salts approval at European level;
- the completion of the registration dossier of formulations containing oxychloride and hydroxide for Algeria and support to Bayer for the registration in Russia of a mixture containing copper oxychloride;
- the follow-up of the registration process in Central Europe of the Airone SC and Airone WG formulations.

For copper as well, in 2016 testing programmes are in progress in Brazil, Europe and China.

Biofumigant

With regard to the Biofumigant, support has been given to activities to obtain registration in California (USA), Canada and Mexico.

Note that the Biofumigant has already obtained federal registration in the USA and that California, for which specific registration is expected by the end of 2017, is its main reference market.

Biostimulants, microbiological products and pheromones

The monitoring activity related to the authorisation processes, which are underway and aimed at supporting the business, continued.

C) *REGISTRATIONS OBTAINED*

In the first nine months of 2016 a total of 20 sales authorisations were obtained, including Tamarak (the trade name used for Siapton) in Australia, Talendo extra (a Tetraconazole + proquinazid mixture) in Russia, Ecodian SL in Italy, Scatto (25 g/L deltamethrin) in Poland and the Czech Republic. The Czech Republic also approved the registration of Airone SC and, as the Reporting Member State for the area, this opens the process for obtaining registration also in other Central European countries.

SIGNIFICANT EVENTS IN THE FIRST NINE MONTHS OF 2016

A) *APPROVAL OF 2015 FINANCIAL STATEMENTS WITH DIVIDEND DISTRIBUTION AND APPOINTMENT OF A NEW INDEPENDENT DIRECTOR*

On April 28th, 2016, the Shareholders' Meeting of Isagro S.p.A.:

- acknowledged the consolidated results of the Isagro Group and approved the 2015 financial statements of Isagro S.p.A., accompanied by the Directors' Management Report, as approved by the Company's Board of Directors on March 14th, 2016 and already disclosed to the Market, allocating profit for the year of Euro 3,395,071 as follows:

- to the Legal reserve for Euro 169,754;
- to the Shareholders 2.5 Eurocents for each of the 24,499,960 Ordinary Shares (excluding treasury shares) for a total of Euro 612,499 and 3.0 Eurocents for each of the 14,174,919 Growth Shares, for a total of Euro 425,248. As a result, the total dividend amounted to Euro 1,037,747;
- to "Retained earnings" for the remaining part of Euro 2,185,570, registered, pursuant to article 24 of the By-Laws, in a specific Equity reserve;

- appointed Enrica Maria Ghia as Member of the Board of Directors (Independent Director) until the date of the Shareholders' Meeting called to approve the financial statements as at December 31st, 2017. It should be remembered that this appointment became necessary following the resignation from office of Independent Director Daniela Mainini on March 14th, 2016, due to incompatibility following a recent public assignment.

It should be recalled that the dividend as approved by the Shareholders' Meeting was made payable, for both categories of Shares, on May 18th, 2016 (the payment date). The ex-dividend date (coupon no. 7 for Ordinary Shares, no. 1 for Growth Shares) was May 16th, 2016 and the record date was May 17th, 2016.

On the same date, the Shareholders' Meeting resolved in favour of the Report on Remuneration for Directors, General Managers and Key Management Personnel (if any) - first section - prepared pursuant to article 123-*ter,* Italian Legislative Decree 58/1998 and article 84-*quater* of the Issuers' Regulation adopted by CONSOB Resolution no. 11971/1999.

B) APPOINTMENT OF THE NEW BOARD OF STATUTORY AUDITORS

On April 28th, 2016 the Shareholders' Meeting of Isagro S.p.A. also appointed the new Board of Statutory Auditors, which will remain in office for three years and will expire on the date of the Shareholders' Meeting called to approve the financial statements as at December 31st, 2018. The members of the new Board of Statutory Auditors (all appointed from the single list submitted and presented by the majority shareholder, Holdisa S.r.l.) are as follows:

Statutory Auditors:

1. Filippo Maria Cova, Chairman
2. Giuseppe Bagnasco
3. Claudia Costanza

Substitute Auditors:

1. Renato Colavolpe
2. Eleonora Ferraris

C) APRILIA TEMPORARY LAY-OFFS

On May 30th, 2016 a trade union agreement was signed at Unindustria, Latina, for recourse to a period of suspension of production at the Aprilia plant, with support from the CIGO (Ordinary Redundancy Fund) activated on June 27th, 2016 until September 25th, 2016 (13 weeks in total).

The reasons for recourse to the CIGO derived from economic and transitional factors mainly due, on the one hand, to the market crisis in South America where the parent Isagro S.p.A. has operated for several years and, on the other hand, to the non-confirmation of toll manufacturing contracts.

The return to production, based on work contracts already finalised and those pending finalisation, began on September 27th, 2016.

D) ESTABLISHMENT OF ISAGRO VIETNAM

On September 5th, 2016, in line with the plan for development of the Group's commercial coverage of South East Asia, the company Isagro Vietnam Company Limited was established, fully owned by Isagro Singapore PTE. LTD. Note that Isagro Singapore is a 100% subsidiary of Isagro S.p.A. and it was established on October 8th, 2015.

E) BUSSI TEMPORARY LAY-OFFS

On September 20th, 2016 a trade union agreement was signed at Confindustria Chieti Pescara, for recourse to a period of suspension of production at the Bussi sul Tirino plant, with support from the CIGO (Ordinary Redundancy Fund) activated on October 3rd, 2016 until January 1st, 2017.

Recourse to the CIGO became necessary due to economic and transitional factors attributable mainly to:

- deterioration of the economic and financial conditions in the agricultural industry in South America, the primary market on which Isagro mainly sells proprietary products based on Tetraconazole, which have generated difficulties for farmers in accessing credit and resulting stagnation of demand for agricultural commodities and a decline in crop protection product consumption;
- the intense drought suffered in the United States' major farming areas for soybean and maize, on which Tetraconazole-based products are used, which has led to the formation of a significant stock of finished products in the distribution channel resulting in the absence of purchase orders.

Based on work contracts already finalised and those pending finalisation, a return to production is planned from January 2nd, 2017.

EVENTS SUBSEQUENT TO SEPTEMBER 30th, 2016

No significant events occurred between September 30th, 2016 and the date of this Report.

ORGANISATION, MANAGEMENT AND CONTROL MODEL PURSUANT TO ITALIAN LEGISLATIVE DECREE 231/2001

On May 16th, 2016 the Board of Directors of Isagro S.p.A. approved the revised version of the Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001 (hereinafter also "Model") in accordance with the latest regulatory and law requirements.

The task of monitoring the operations and compliance with the Model and arrange its updating was assigned to the Supervisory Body, whose three-year term expires on approval of the financial statements as at December 31st, 2017.

TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties, which include intercompany transactions and those with Gowan, cannot be defined as atypical and/or unusual transactions and are included in the normal business of the Group companies. These transactions are carried out at arm's length, taking into account the characteristics of the goods and services traded.

Detailed below are the economic and equity effects of transactions with related parties on the consolidated data of the Isagro Group and the parent company Isagro S.p.A. as at September 30th, 2016.

Isagro Group - Income Statement		of which related parties				
In thousands of euro	09/30/2016	Associates	Parents	Other related parties	Tot. Related parties	Incidence % on the financial statements item
Revenues	110,349	-	-	7,477	7,477	6.78%
Other operating revenues	2,528	-	17	123	140	5.54%
Raw materials and consumables used	57,124	-	-	31	31	0.05%
Costs for services	19,808	83	-	-	83	0.42%
Other operating costs	4,835	-	-	1	1	0.02%

Isagro Group - Balance Sheet		of which related parties				
In thousand euro	As of 09/30/16	Associates	Parents	Other related parties	Tot. Related parties	Incidence % on the financial statements item
Trade receivables	42,437	-	-	233	233	0.55%
Other current assets and other current receivables	5,167	-	7	-	7	0.14%
Trade payables	31,105	-	-	60	60	0.19%

Isagro S.p.A. - Income Statement In thousands of euro	09/30/2016	of which related parties Controlled companies	Associates	Parents	Other related parties	Tot. Related parties	Incidence % on the financial statements item
Revenues	71,838	8,688	-	-	5,404	14,092	19.62%
Other operating revenues	2,078	160	-	17	-	177	8.52%
Raw materials and consumables used	41,063	6,248	-	-	31	6,279	15.29%
Costs for services	13,098	1,229	83	-	-	1,312	10.02%
Labor costs	15,402	1	-	-	-	1	0.01%
Other operating costs	1,628	475	-	-	1	476	29.24%
Financial incomes	1,696	78	-	-	-	78	4.60%
Financial charges	(1,821)	-	-	-	-	-	0.00%
Incomes from participations	1,697	1,686	11	-	-	1,697	100.00%

Isagro S.p.A. - Balance Sheet In thousands of euro	As of 09/30/16	of which related parties Controlled companies	Associates	Parents	Other related parties	Tot. Related parties	Incidence % on the financial statements item
Trade receivables	20,129	2,093	-	-	12	2,105	10.46%
Other current assets and other current receivables	3,328	179	-	7	-	186	5.59%
Financial credits and other current financial assets	2,636	2,636	-	-	-	2,636	100.00%
Trade payables	20,060	2,731	0	-	60	2,791	13.91%
Other current liabilities	3,606	345	-	-	-	345	9.57%

BUSINESS OUTLOOK

Isagro forecasts for the whole 2016:

- a marginal profit;
- a debt/equity ratio of around 0.5, with a Net financial position lower than Net working capital.

CONSOLIDATED BALANCE SHEET AS AT SEPTEMBER 30th, 2016

(€ 000)	September 30th, 2016	September 30th, 2015	Differences		December 31st, 2015
Net fixed assets					
Goodwill	3,571	3,435	+136		3,447
Other intangible assets	49,548	45,951	+3,597		45,282
Tangible assets	23,113	23,850	-737		23,850
Financial assets	293	279	+14		296
Other medium/long term assets and liabilities	12,693	13,816	-1,123		12,683
Total net fixed assets	**89,218**	**87,331**	**+1,887**	**+2.2%**	**85,558**
Net current assets					
Inventories	48,557	51,198	-2,641		49,010
Trade receivables	42,437	46,901	-4,464		52,000
Trade payables	(31,105)	(36,052)	+4,947		(37,689)
Subtotal Net Working Capital	***59,889***	***62,047***	***-2,158***		***63,321***
Risk funds	(1,004)	(1,029)	+25		(1,746)
Other current assets and liabilities	1,496	1,147	+349		2,774
Subtotal Other assets and liabilities	***492***	***118***	***+374***		***1,028***
Total net current assets	**60,381**	**62,165**	**-1,784**	**-2.9%**	**64,349**
Invested capital	**149,599**	**149,496**	**+103**	**+0.1%**	**149,907**
Severance Indemnity Fund (SIF)	**(2,771)**	**(2,836)**	**+65**		**(2,872)**
Net invested capital	**146,828**	**146,660**	**+168**	**+0.1%**	**147,035**
Held for sale non-financial assets and liabilities	**-**	**-**	**-**		**-**
Total	**146,828**	**146,660**	**+168**	**+0.1%**	**147,035**
financed by:					
Equity					
Paid-in share capital	24,961	24,961	-		24,961
Reserves and retained earnings	80,246	78,301	+1,945		78,227
Translation reserve	(7,119)	(7,155)	+36		(6,462)
Profit/(loss) of the Group	892	(444)	+1,336		3,132
Total equity	**98,980**	**95,663**	**+3,317**	**+3.5%**	**99,858**
Net financial position					
Medium/long term debts:					
- towards banks	36,693	28,066	+8,627		25,457
- towards other financiers	2,080	207	+1,873		191
Total medium/long term financial debts	**38,773**	**28,273**	**+10,500**	**+37.1%**	**25,648**
Short-term debts:					
- towards banks	24,224	36,316	-12,092		35,947
- towards other financiers	1,691	1,735	-44		2,395
- other financial liabilities (assets) and derivatives	63	(239)	+302		(99)
Total short-term financial debts	**25,978**	**37,812**	**-11,834**	**-31.3%**	**38,243**
Cash and cash equivalents	**(16,903)**	**(15,088)**	**-1,815**	**+12.0%**	**(16,174)**
Total net financial position	**47,848**	**50,997**	**-3,149**	**-6.2%**	**47,177**
Total	**146,828**	**146,660**	**+168**	**+0.1%**	**147,035**

CONSOLIDATED INCOME STATEMENT FOR THE FIRST NINE MONTHS OF 2016

(€ 000)	September 30th 2016	September 30th 2015	Differences		Year 2015
Revenues from sales of products and services	**110,349**	**114,425**	**-4,076**	**-3.6%**	**156,048**
Other revenues and income	2,528	2,029	+499		2,895
Consumption of materials and external services	(80,483)	(91,615)	+11,132		(117,822)
Changes in inventories of products	(1,830)	4,785	-6,615		5,028
Costs (capitalised) for internal work	2,140	2,669	-529		3,507
Allowances and provisions	(1,529)	(907)	-622		(1,367)
Labour costs	(20,492)	(20,210)	-282		(27,240)
Bonus accruals	(772)	(755)	-17		(1,592)
EBITDA	**9,911**	**10,421**	**-510**	**-4.9%**	**19,457**
% on Revenues	*9.0%*	*9.1%*			*12.5%*
Depreciation and amortisation:					
- tangible assets	(2,854)	(2,798)	-56		(3,748)
- intangible assets	(4,021)	(3,754)	-267		(5,146)
- write-down of tangible and intangible assets and asset revaluation (IFRS 10)	(38)	(44)	+6		(776)
EBIT	**2,998**	**3,825**	**-827**	**-21.6%**	**9,787**
% on Revenues	*2.7%*	*3.3%*			*6.3%*
Interest, fees and financial discounts	(517)	(922)	+405		(1,127)
Gains/losses on foreign exchange and derivatives	963	(1,276)	+2,239		(1,296)
Profit from associates	8	37	-29		54
Result before taxes	**3,452**	**1,664**	**+1,788**	**N/S**	**7,418**
Current and deferred taxes	(2,560)	(2,108)	-452		(4,036)
Net result from continuing operations	**892**	**(444)**	**1,336**	**N/S**	**3,382**
Net result of discontinued operations	-	-	-		(250)
Net result	**892**	**(444)**	**1,336**	**N/S**	**3,132**

CONSOLIDATED CASH FLOW STATEMENT
FOR THE FIRST NINE MONTHS OF 2016

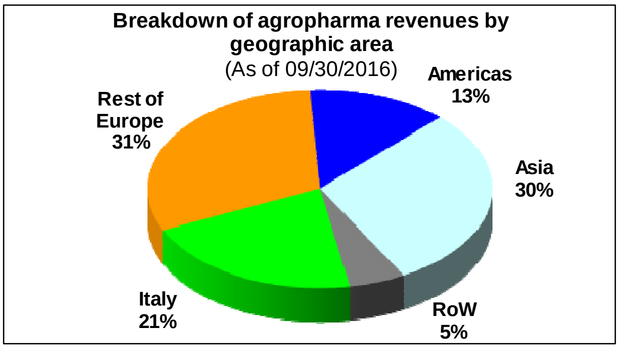
(€ 000)	09.30.2016	09.30.2015
Cash and cash equivalents (as at January 1st)	**16,714**	**17,149**
Operating activities		
Net profit/(loss) from continuing operations	**892**	**(444)**
- Depreciation of tangible assets, amortisation of intangible assets	6,875	6,552
- Write-down of tangible and intangible assets/asset revaluation (IFRS 10)	38	44
- Provisions (including severance indemnity fund)	900	832
Cash Flow	*8,705*	*6,984*
- Losses from disposal of tangible, intangible assets and branches	2	175
- Result on investments valued with equity method	(8)	(37)
- Change in net current assets	2,925	(16,703)
- Net change in other assets and liabilities	1,268	1,096
- Use of provisions (including severance indemnity fund)	(1,842)	(1,685)
Cash flow from/for operating activities	**11,050**	**(10,170)**
Investment activities		
- Investments in intangible assets	(8,318)	(9,293)
- Investments in tangible assets	(2,248)	(2,550)
- Dividends from affiliated companies	11	11
- Realization price on sale of tangible, intangible assets and branches	2	-
Cash flow for investment activities	**(10,553)**	**(11,832)**
Financing activities		
- Increase in financial debt (current and non-current)	860	17,105
- Decrease in financial receivables, derivatives and other financial assets	162	1,994
- Dividend distribution	(1,038)	-
Cash flow from/for financing activities	**(16)**	**19,099**
Change in translation difference	**(292)**	**842**
Cash flow for the period	**189**	**(2,061)**
Cash and cash equivalents (as at September 30th)	**16,903**	**15,088**

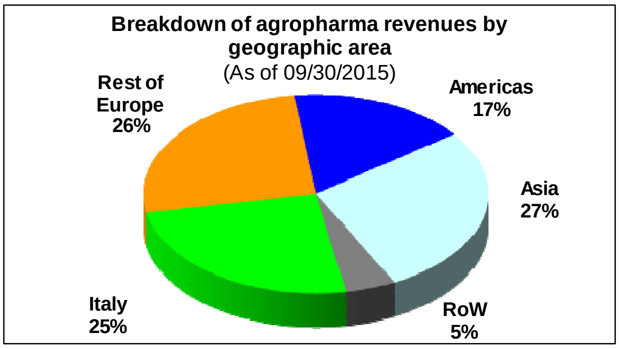
DETAILS OF CONSOLIDATED REVENUES
FOR THE FIRST NINE MONTHS OF 2016

BREAKDOWN OF REVENUES BY TYPE

(amounts in thousands euro)	SEPTEMBER 30TH, 2016			SEPTEMBER 30TH, 2015		
Sales	**Italy**	**Overseas**	**Total**	**Italy**	**Overseas**	**Total**
Agropharma	21,877	82,847	104,724	27,313	83,151	110,464
Raw materials	138	315	453	38	-	38
Total sales	**22,015**	**83,162**	**105,177**	**27,351**	**83,151**	**110,502**
Services						
Toll manufacturing fees	923	2,468	3,391	1,233	2,464	3,697
Defense and development	-	-	-	9	5	14
Commissions	-	-	-	-	9	9
Licensing	60	1,000	1,060	-	-	-
Others	130	591	721	35	168	203
Total services	**1,113**	**4,059**	**5,172**	**1,277**	**2,646**	**3,923**
Total Consolidated Revenues	**23,128**	**87,221**	**110,349**	**28,628**	**85,797**	**114,425**

BREAKDOWN OF CROP PROTECTION PRODUCT REVENUES BY AREA





INFORMATION PURSUANT TO ARTICLE 36 OF CONSOB REGULATION 16191/2007

Pursuant to Article 2.6.2, paragraph 15 of the Regulation of Markets organised and managed by Borsa Italiana S.p.A., Isagro S.p.A. declares that the requirements set forth under article 36, paragraphs a), b) and c) of Consob Regulation 16191/2007 are fulfilled for subsidiaries established and regulated by the laws of countries that are not member states of the European Union.

INFORMATION PURSUANT TO ARTICLES 70 AND 71 OF CONSOB REGULATION 11971/99 (ISSUERS' REGULATION)

It is noted that, on September 25th, 2012, pursuant to article 3 of CONSOB Resolution no. 18079 of January 20th, 2012, the Board of Directors of Isagro S.p.A. resolved to apply the opt-out regime under articles 70, paragraph 8, and 71, paragraph 1-*bis* of the Issuers' Regulation. Isagro therefore availed of the option to derogate from the obligation to publish information documents required for significant mergers, spin-offs, share capital increases through contribution of assets in kind, acquisitions or disposals.

CERTIFICATION OF THE MANAGER CHARGED WITH PREPARING THE COMPANY'S FINANCIAL REPORTS

The Manager charged with preparing the company's financial reports, Mr. Ruggero Gambini, hereby certifies, pursuant to Article 154-*bis*, paragraph 2 of the Consolidated Law on Finance, that the financial information in this consolidated quarterly report as at September 30th, 2016 is consistent with the entries in the accounting books and records.