

ISAGRO AS OF DECEMBER 31ST, 2016

Conference Call
Milan, March 15th, 2017



2016: IN A STILL DIFFICULT YEAR FOR THE MARKET, ESPECIALLY IN SOUTH AMERICA ...

- In 2016, still unfavorable conditions for the Crop Protection market to recover:
 - adverse climatic conditions in some key markets
 - low prices of agricultural commodities
 - in Brazil, deep economic/financial crisis

- High level of inventory at distributor level

- Annual sales of main global players (BASF, Bayer, Dow, DuPont, Monsanto, Syngenta) lower than 2015 by around 5%

... ISAGRO HAS CONTINUED TO WORK FOR THE MID-TERM DEVELOPMENT PLAN

- Establishment of new companies in Mexico, Poland and Vietnam
- Strengthening of commercial structure of Isagro Argentina, Isagro Brasil, Isagro Shanghai and Isagro USA
- Hiring of new resources
- Production efficiency within manufacturing plants
- Continuation of new products / molecules development
- Agreements with Third Parties for the exploitation of Intellectual Property

▶ *Despite lower sales, especially in Brazil*

1 FACTS & FIGURES

2 BACK-UP

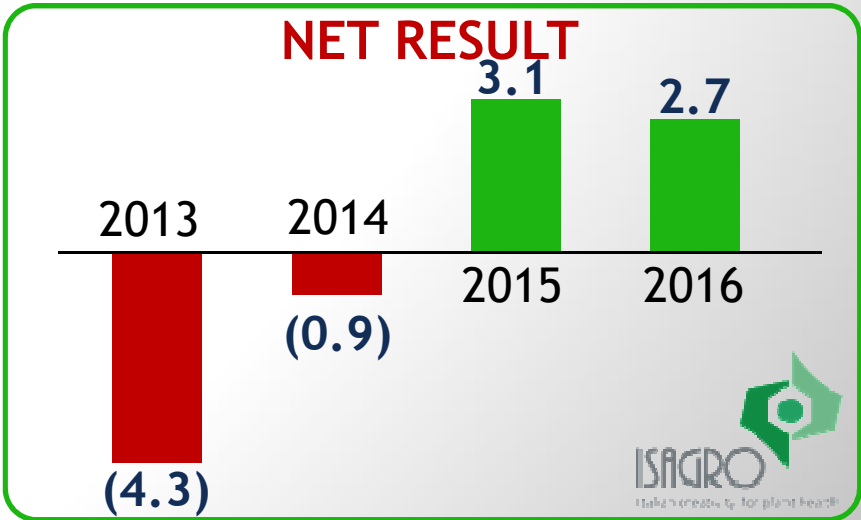
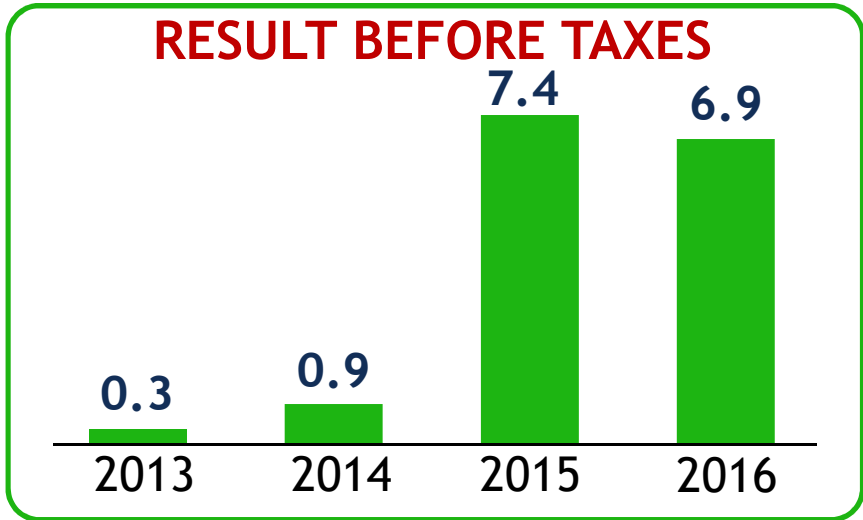
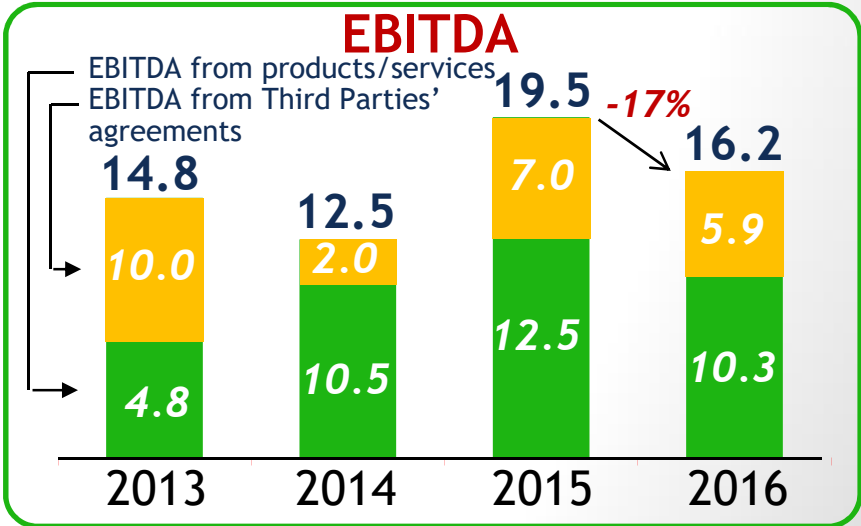
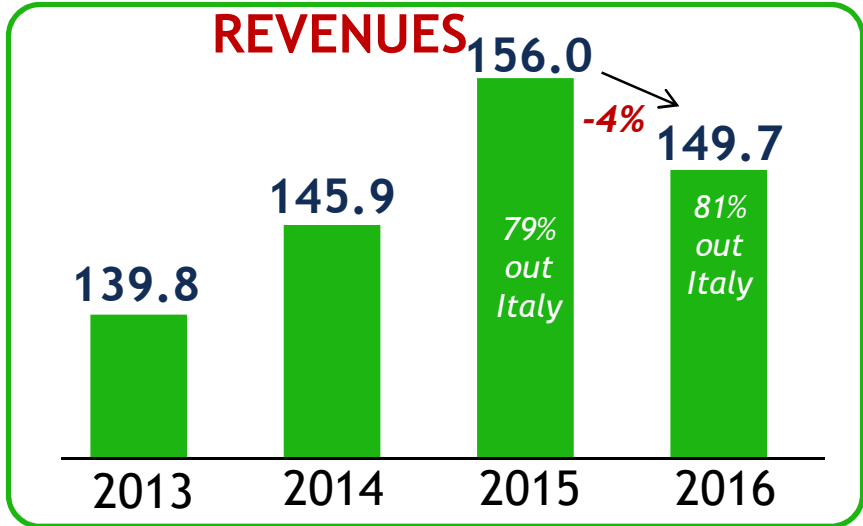
RESULTS AS OF DECEMBER 31ST, 2016

MAIN EVENTS

ISAGRO IN THE STOCK MARKET

2016 HAS BEEN, AS ANTICIPATED, A YEAR OF "CONSOLIDATION"

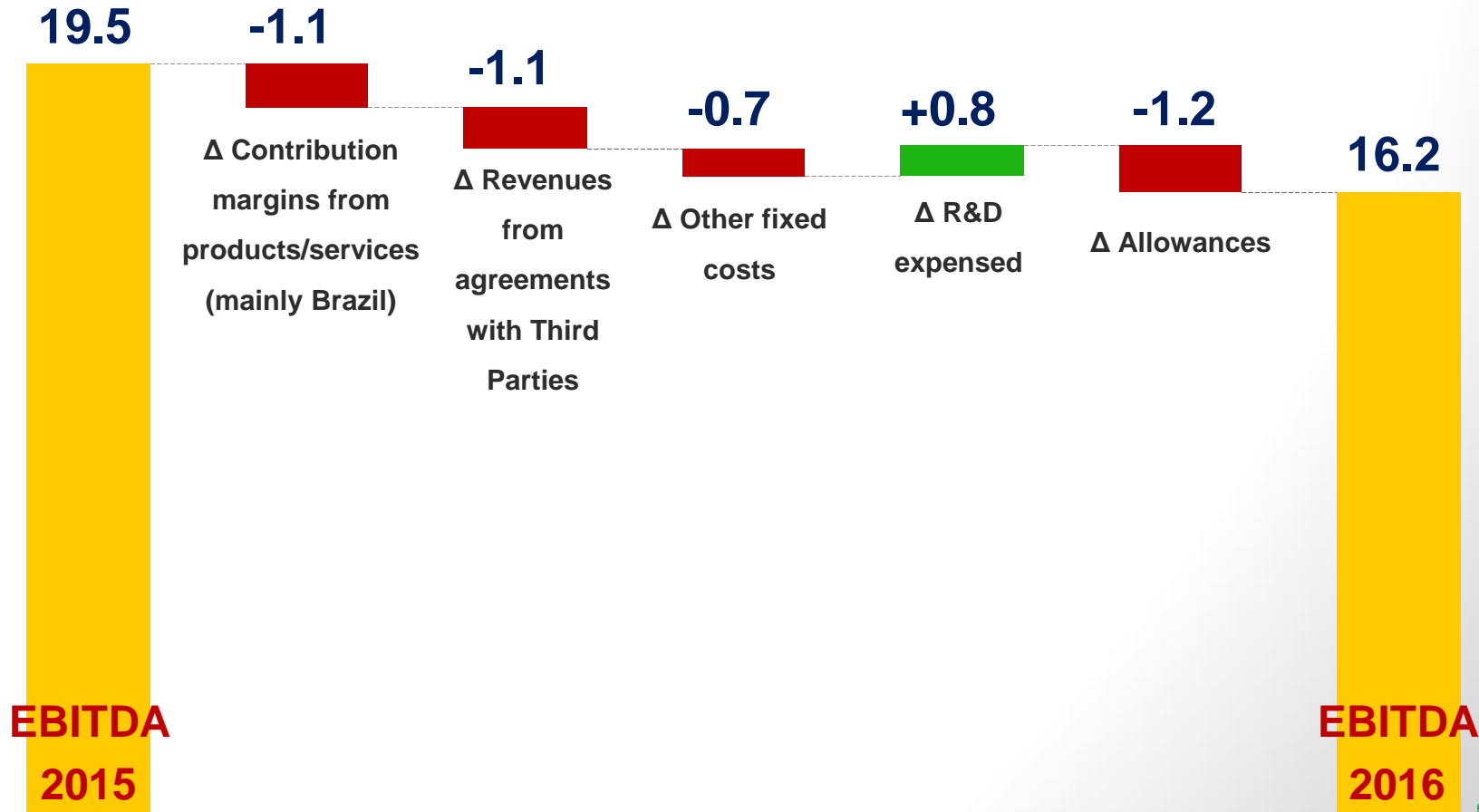
Consolidated data
(€ million)



EBITDA HAS BEEN AFFECTED BY “BRAZIL” AND “DEVELOPMENT OF COMMERCIAL ORGANIZATION” EFFECTS ...

Consolidated data

(€ million)



... WITH NET FINANCIAL DEBT STILL LOWER THAN NET WORKING CAPITAL

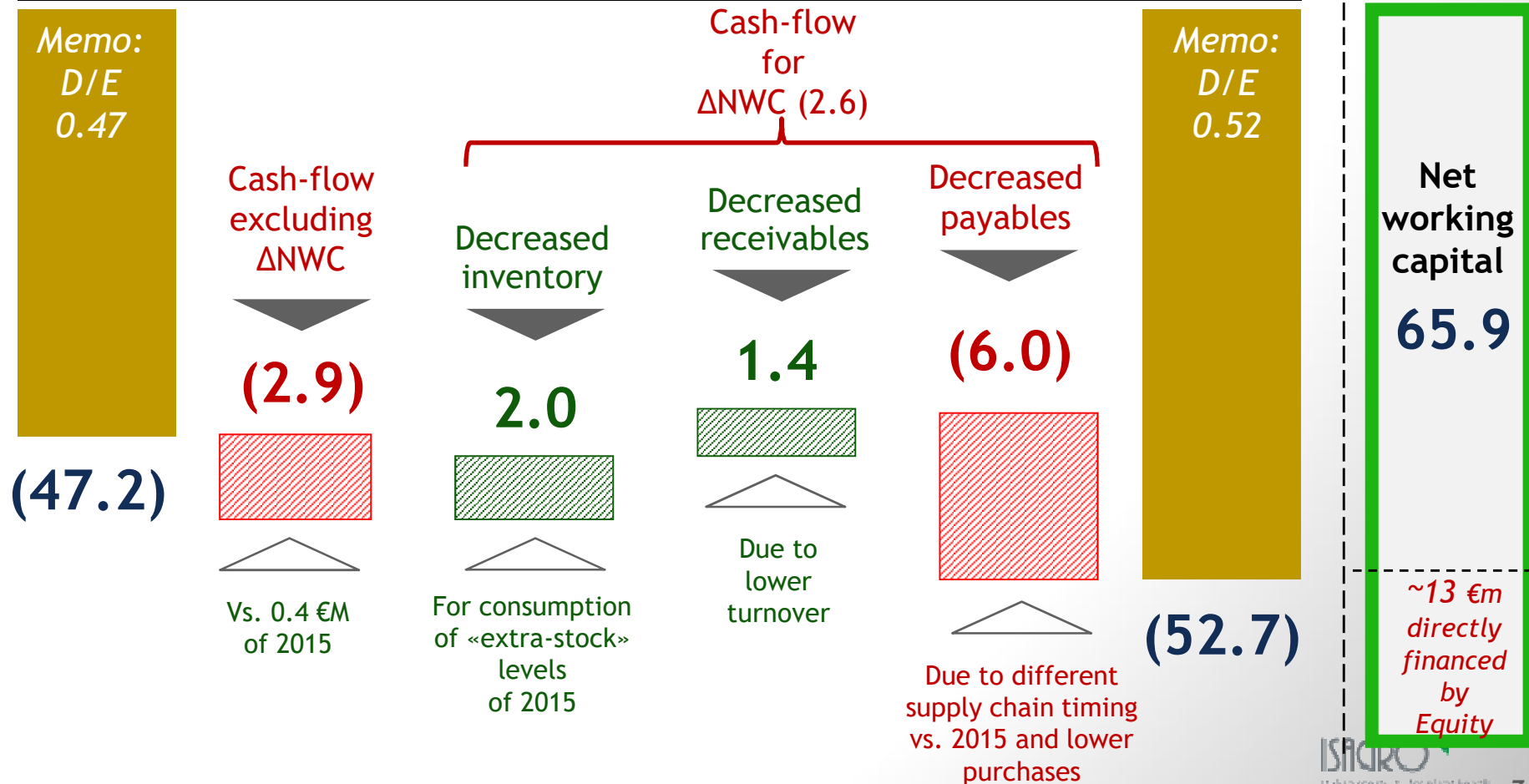
Consolidated data

(€ million)

Net Fin. Debt
Dec. 31, 2015

Net Fin. Debt
Dec. 31, 2016

Memo:



PERSPECTIVES FOR 2017

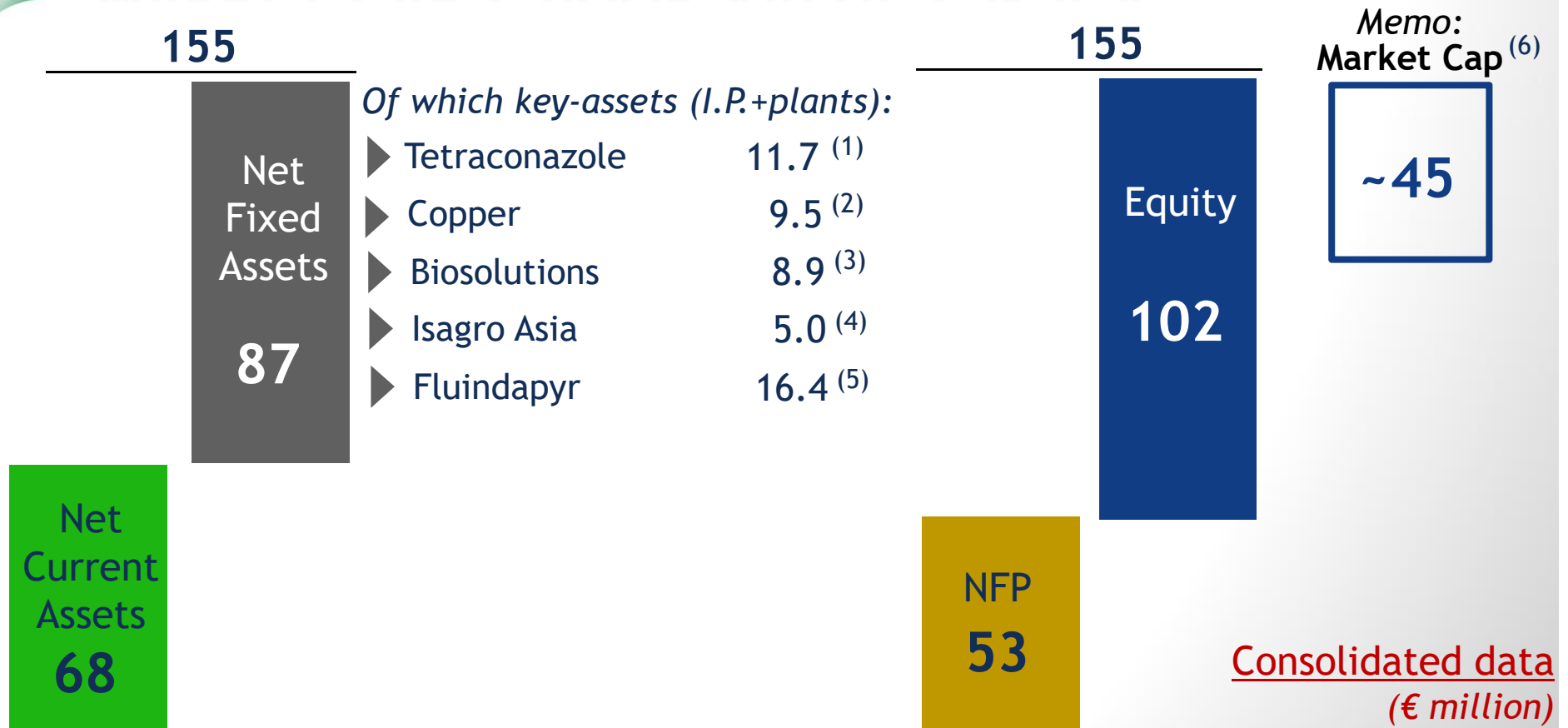
- Though achieved in a difficult year, 2016 results are encouraging as for the implementation of our Strategic Guidelines
- 2017 results:
 - will depend, at revenues level, upon (i) the normalization of market/climatic conditions, mainly in the Americas, and (ii) the realization of revenues from new agreements with Third Parties for the exploitation of our I. P.
 - will reflect, at cost/capex level, (a) the full year impact of 2016 newly hired resources, (b) the continuation of the strengthening of the global commercial organization and (c) the continuation of investments for new products / molecules

CONFIRMATION OF THE OBJECTIVE OF 200 MILLION EURO REVENUES IN THE MID-TERM

Based on our Strategic Guidelines:

- 1 DISCOVERY OF NEW MOLECULES BY OURSELVES**
- 2 DEVELOPMENT OF NEW MOLECULES MOSTLY THROUGH ATTRIBUTION OF RIGHTS TO “MAIN DEVELOPER(S)” WHILE RETAINING RIGHTS FOR ISAGRO ON SELECTED SEGMENTS/MARKETS**
- 3 VALUE EXTRACTION FROM OUR I.P. ALSO THROUGH LICENSING**
- 4 GROWTH IN THE BIOSOLUTIONS BUSINESS**
- 5 OPPORTUNISTIC DEVELOPMENT OF OFF-PATENTED PRODUCTS**
- 6 EXPANSION OF OUR GLOBAL COMMERCIAL ORGANIZATION**

“UN-EXPRESSED” VALUE OF ISAGRO’S SHARES: MARKET CAP < BOOK VALUE < N.A.V.



Net Invested Capital
Dec. 31, 2016

Equity and NFP
Dec. 31, 2016

(1) Generating ~30€m annual sales
 (2) Generating ~45€m annual sales
 (3) Including Biofumigant (significant sales from 17/18). Existing business generating ~20 €m annual sales

(4) Generating ~35€m extragroup annual sales
 (5) New broad spectrum fungicide originated by Isagro and being co-developed with FMC Corporation, with significant revenues starting from 2022/2023.

(6) Based on share prices as at March 13th, 2017

3 MESSAGES TO INVESTORS

- ▶ Current market cap (45 €M) < Equity book value (102 €M) < N.A.V.
- ▶ 2016 multiples indicate stock price penalization vs. “peers”

| | EV/Sales | EV/EBITDA | P/E |
|-----------------|-----------------|------------------|--------------|
| Syngenta* | 3.1x | 15.2x | 26.2x |
| Recordati* | 5.1x | 15.6x | 26.5x |
| ISAGRO** | 0.7x | 6.0x | 16.5x |

- ▶ Moreover, “unjustified” spread between Ordinary and Growth Shares (“Azioni Sviluppo”)

***Memo:** Growth Shares yield a 20% extra-dividend vs. Ordinary Shares and are automatically converted into Ordinary Shares if the Controlling Subject loses control and in any case of compulsory public offer*

* Source: Banca IMI

** Based on stock prices as at March 13th, 2017

1
FACTS & FIGURES

2
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RESULTS AS OF DECEMBER 31ST, 2016

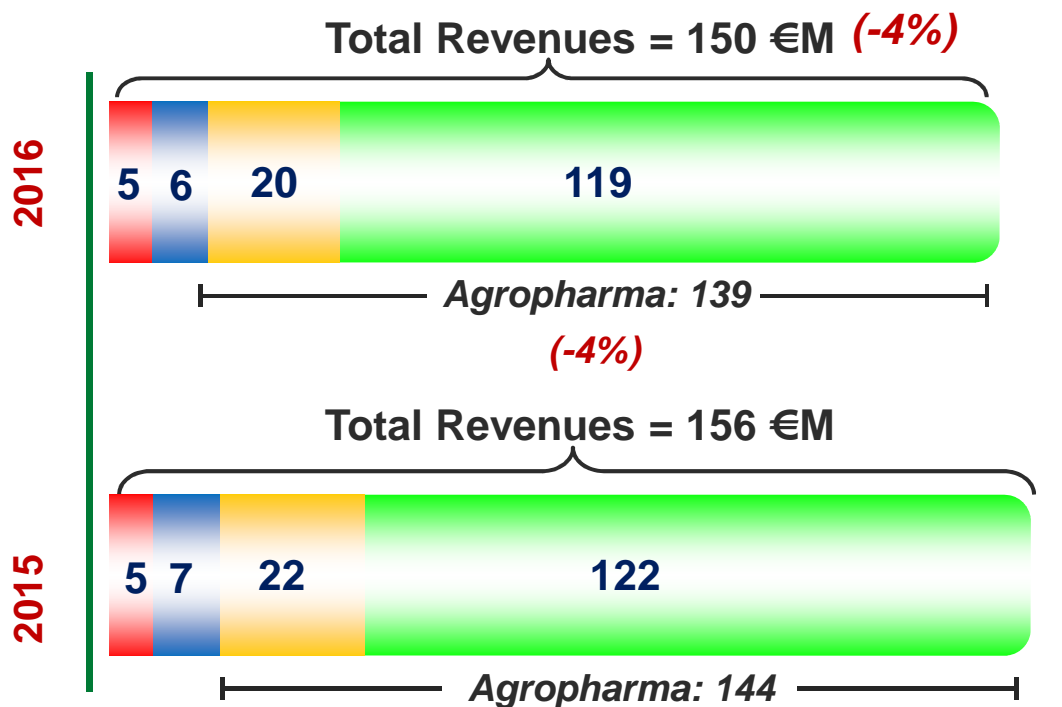
MAIN EVENTS

ISAGRO IN THE STOCK MARKET

CONSOLIDATED REVENUES

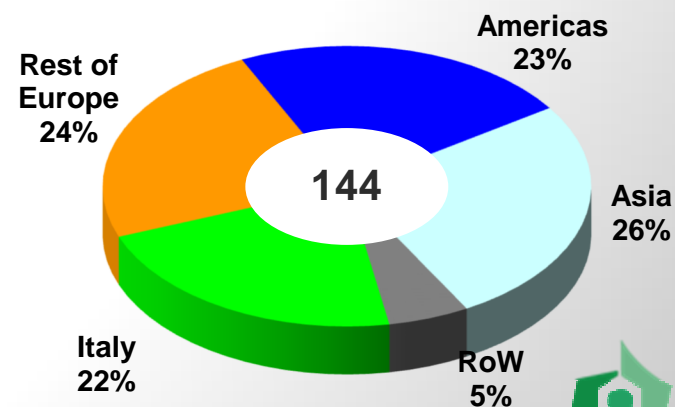
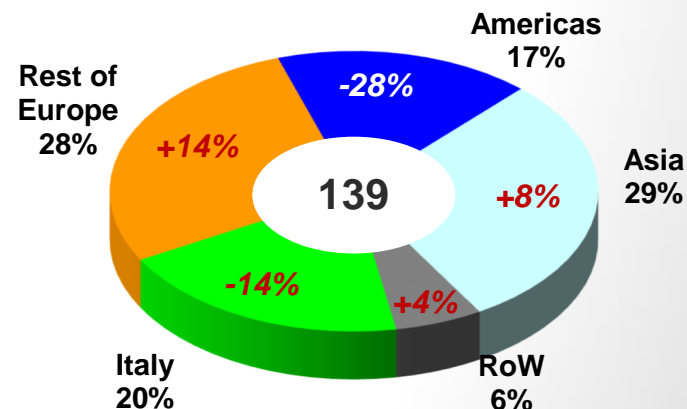
€ million

REVENUES BREAKDOWN BY PRODUCT CATEGORY



REVENUES BREAKDOWN BY REGION

(AGROPHARMA ONLY)





CONSOLIDATED P&L

€ million

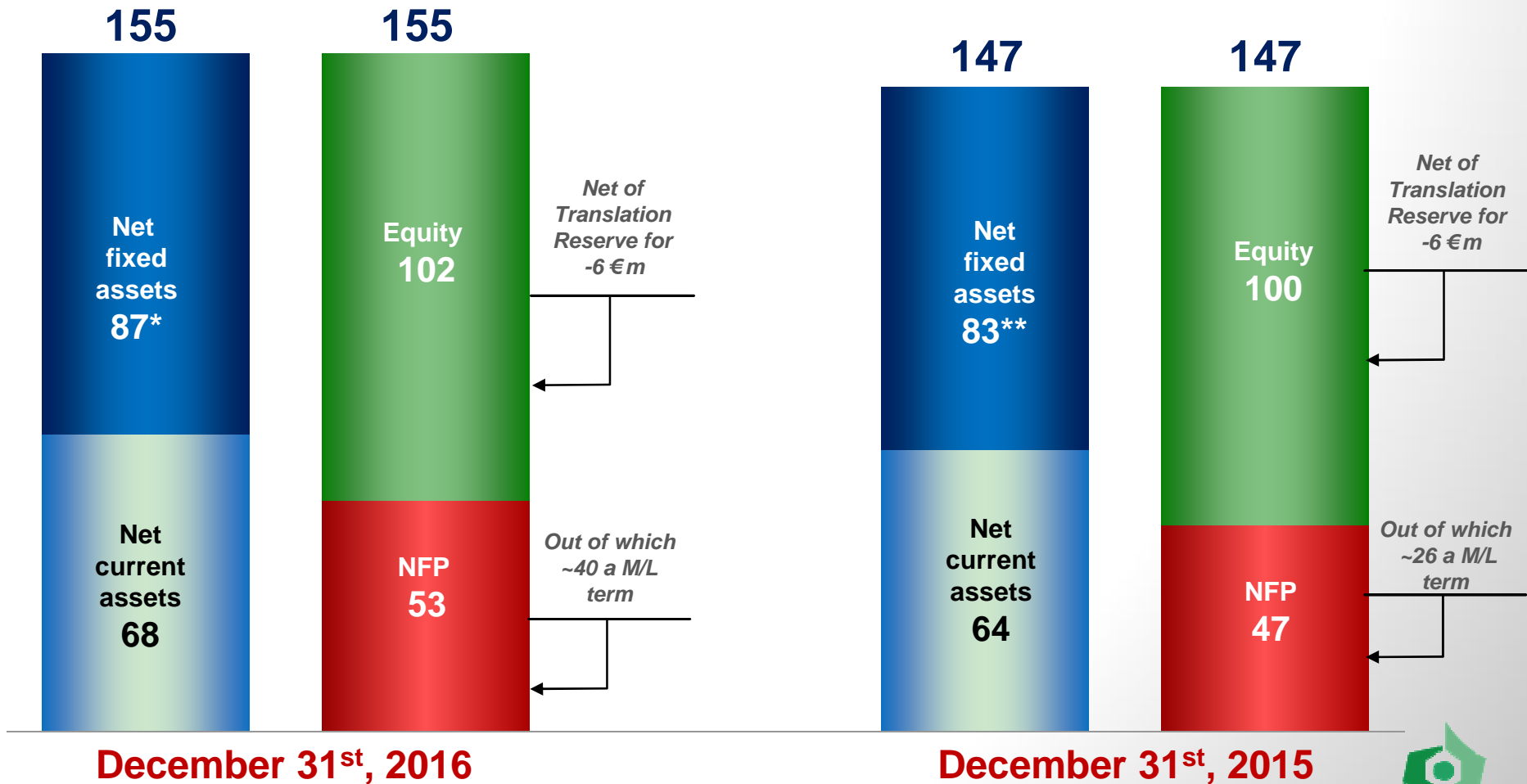
| | 2016 | 2015 | <i>Variances</i> | |
|------------------------------------------------|--------------|--------------|------------------|-------------|
| REVENUES | 149.7 | 156.0 | -6.3 | -4% |
| <i>Of which : Licensing</i> | 5.9 | 7.0 | -1.1 | |
| EBITDA | 16.2 | 19.5 | -3.3 | -17% |
| % ON REVENUES | 10.8% | 12.5% | | |
| Depreciation & amortization | (9.3) | (9.7) | +0.4 | |
| EBIT | 6.9 | 9.8 | -2.9 | n/s |
| Financial items | (0.7) | (1.1) | +0.4 | |
| Gain/(loss) from hedging on copper and EUR/USD | 0.7 | (1.3) | +2.0 | |
| RESULT BEFORE TAXES | 6.9 | 7.4 | -0.5 | n/s |
| Current and deferred taxes | (3.9) | (4.0) | +0.1 | |
| NET RESULT FROM CONTINUING OPERATIONS | 3.0 | 3.4 | -0.4 | n/s |
| Net result of discontinued operations | (0.3) | (0.3) | - | |
| NET RESULT | 2.7 | 3.1 | -0.4 | n/s |

CONSOLIDATED BALANCE SHEET

€ million

D/E: 0.52

D/E: 0.47



* Net of Severance Indemnity Fund for 2.7 €m
 ** Net of Severance Indemnity Fund for 3.0 €m

P&L OF OPERATING COMPANIES

€ million

| ISAGRO GROUP (consolidated) | | Isagro S.p.A. (holding Co.) | Isagro Asia (at 100%) | Isagro Colombia (at 100%) | Isagro España (at 100%) | Isagro USA (at 100%) |
|--------------------------------|---------------------------------|--------------------------------|--------------------------|------------------------------|----------------------------|-------------------------|
| 149.7 156.0 | REVENUES Memo: 2015 | 103.0 108.7 | 43.5 45.7 | 4.5 3.9 | 11.7 11.3 | 6.1 5.5 |
| 16.2 19.5 | EBITDA Memo: 2015 | 9.8 12.9 | 8.0 8.6 | 0.7 (0.2) | 1.0 1.0 | (2.2) (1.2) |
| 2.7 3.1 | NET RESULT Memo: 2015 | (0.7) 3.4 | 5.3 5.5 | 0.2 (0.4) | 0.8 0.7 | (2.1) (1.5) |

BALANCE SHEET OF OPERATING COMPANIES

€ million

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|--------------------------------|-----------------------------|--------------------------------|--------------------------|------------------------------|----------------------------|-------------------------|
| 68 | NET CURRENT ASSETS | 45 | 20 | 1 | 1 | 5 |
| 87 | NET FIXED ASSETS * | 101 | 5 | 0 | 0 | 0 |
| 155 | NET INVESTED CAP. | 146 | 25 | 1 | 1 | 5 |
| 147 | <i>Memo: 12.31.2015</i> | 138 | 23 | 1 | 1 | 8 |
| | <u>FINANCED BY:</u> | | | | | |
| 102 | EQUITY | 87 | 35 | 1 | 1 | 1 |
| 100 | <i>Memo: 12.31.2015</i> | 89 | 30 | 1 | 1 | 1 |
| 53 | NFP at debt/(credit) | 59 | (10) | 0 | (0) | 4 |
| 47 | <i>Memo: 12.31.2015</i> | 49 | (8) | 1 | (0) | 6 |

* Net of Severance Indemnity Fund

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MAIN EVENTS

ISAGRO IN THE STOCK MARKET

MAIN EVENTS

- Establishment of Isagro Mexicana, Isagro Poland, Isagro Vietnam and strengthening of Isagro Argentina, Isagro Brasil, Isagro Shanghai, Isagro USA
- Finalization of long-term marketing and development agreement of the proprietary fungicide Kiralaxyl with Gowan Crop Protection Limited in November 2016
- Ordinary Redundancy Fund in Aprilia and Bussi plants
- Appointment of new Independent Director
- Appointment of new Board of Statutory Auditors

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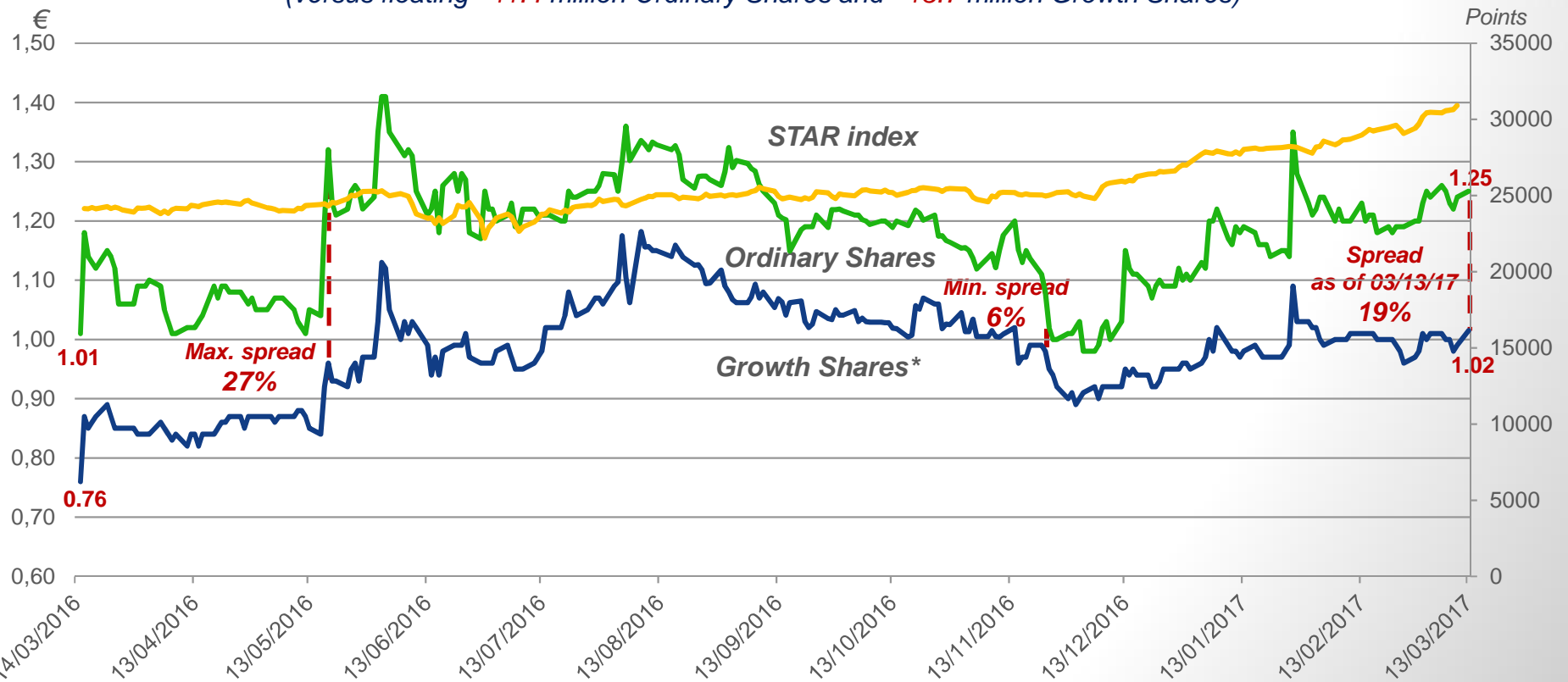
MAIN EVENTS

ISAGRO IN THE STOCK MARKET

UNJUSTIFIED SPREAD BETWEEN ORDINARY AND GROWTH SHARES

In the last 12-month period: **~14.2 million Ordinary Shares** and **~7.1 million Growth Shares** traded

(versus floating **~11.4 million Ordinary Shares** and **~13.7 million Growth Shares**)



***Growth Shares** are a new category of special shares, issuable by companies having a Controlling Subject, which against the absence of voting right:

- **grant an extra-dividend** vs. Ordinary Shares (20% in the case of Isagro);
- **are automatically converted into Ordinary Shares in the ratio 1:1** if the controlling Subject loses control and/or in any case of Compulsory Public Offer.

MARKET CAPITALIZATION LOWER THAN BOOK VALUE

| | Price as of March 13 th , 2017 (Euro per share) | Market Capitalization (Euro/million) |
|------------------------------|------------------------------------------------------------------|--------------------------------------------|
| ORDINARY SHARES | 1.25 | 30.7 |
| GROWTH SHARES | 1.02 | 14.4 |
| MARKET CAPITALIZATION | | 45.1 |
| EQUITY BOOK VALUE | | 102.1* |

Market capitalization < Equity Book Value

* Book value of net fixed assets significantly lower than realizable market value

For information:

Ruggero Gambini
Chief Financial Officer

tel. (+39) 02.40901.280

Erjola Alushaj

*IR Manager
& Financial Planner*

tel. (+39) 02.40901.340



email: ir@isagro.com

www.isagro.com



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