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Testo del comunicato

Vedi allegato.

Press release

MARR: The Board of Directors approves the results of the first half of 2017.

The net profits in the first six months amount to 27.3 million Euros, an increase of +7.4% compared to 25.4 million in 2016. Increased revenues and profitability:

- **Total consolidated revenues of 768.5 million Euros (722.8 in 2016)**
- **Consolidated EBITDA of 50.8 million Euros (49.5 in 2016)**
- **Consolidated EBIT of 41.7 million Euros (41.5 in 2016)**

Rimini, 4 August 2017 – The Board of Directors of MARR S.p.A. (Milan: MARR.MI), the leading company in Italy in the sale and distribution of food products to the foodservice, today approved the half-year financial report as at 30 June 2017.

Main consolidated results of the first half of 2017

The total revenues in the first half year amounted to 768.5 million Euros, an increase compared to 722.8 million Euros in 2016.

EBITDA and EBIT also increased, amounting respectively to 50.8 million Euros (49.5 million in 2016) and 41.7 million Euros (41.5 million in 2016), with the EBIT which, compared to the same period in 2016, was affected by the depreciations for the investments in the modernisation and expansion of the distribution centres and the acquisitions of DE.AL. and Speca.

The net consolidated profits in the first six months amounted to 27.3 million Euros, an increase compared to 25.4 million in 2016, also thanks to the decrease in tax burden due to the reduction in the IRES taxation.

The trade net working capital amounted to 231.8 million Euros and its increase compared to 219.6 million at the end of the first half of 2016 is correlated to the increase in revenues.
The net financial debt as at 30 June 2017 amounted to 209.0 million Euros and, compared to 201.8 million in the same period of 2016, was affected by the price (7.3 million Euros) for the acquisition of Speca (closing on 30 December 2016 and effective from 1 January 2017).

The consolidated net equity as at 30 June 2017 amounted to 267.6 million Euros compared to 253.7 million as at 30 June 2016.

Results for the first half of 2017 by sector of activity

At the end of the first six months, the sales of the MARR Group amounted to 755.2 million Euros (711.4 million at the end of 2016), while those in the second quarter reached 431.9 million (410.9 million in 2016).

Specifically, the sales in the first quarter to clients in the Street Market and National Account categories reached 624.4 million Euros (586.1 million in 2016), while those in the second quarter amounted to 366.5 million Euros (347.5 million in 2016), with Easter falling in April (March in 2016), which had a positive effect on Street Market sales, but penalised those in the National Account category.

In the main "Street Market" category (restaurants and hotels not belonging to Groups or Chains), sales in the first six months reached 481.7 million Euros (443.0 million in 2016), with a contribution of 12.5

million Euros from the acquisitions of DE.AL. (4 April 2016) and Speca (effective from 1 January 2017).
In the second quarter, Street Market sales amounted to 294.9 million Euros (274.0 million in 2016), with a contribution from Speca of 3.2 million.
The trend in the reference market of Street Market clients, on the basis of the most recent survey by the *Confcommercio* Studies Office (July 2017) remains positive, recording an increase in consumption (by quantity) of +2.6% in the second quarter for the item "Hotels, meals and out-of-home food consumption"; this increase was +2.5% in the first quarter.

"National Account" sales (operators in Canteens and Chains and Groups) in the six months amounted to 142.7 million Euros (143.0 million in 2016), while those in the second quarter amounted to 71.6 million Euros (73.6 million in 2016).

Sales to clients in the "Wholesale" category in the six months amounted to 130.9 million Euros (125.3 million in 2016), while those in the second quarter amounted to 65.4 million compared to 63.4 million in 2016.

Outlook

The sales performance in July to clients in the Street Market and National Account categories has put the sales in the first seven months in line with the growth objectives for the year.
The contribution from the acquisition of Speca remains positive and in line with the objectives.

MARR (Cremonini Group), listed on the STAR segment of the Italian Stock Exchange, is the leading Italian company in the specialised distribution of food products to the foodservice and is controlled by Cremonini S.p.A..

With an organisation comprising more than 800 technical sales agents, MARR serves over 40,000 customers (mainly restaurants, hotels, pizza restaurants, holiday resorts and canteens), with an offer that includes over 10,000 food products, including seafood, meat, various food products and fruit and vegetables.
The company operates nationwide through a logistical-distribution network composed of 34 distribution centres, 5 cash & carry, 4 agents with warehouses and over 700 vehicles.

In 2016 the MARR group achieved total consolidated revenues amounting to 1,544.4 million Euros, consolidated EBITDA of 111.0 million Euros and consolidated net profit of 58.5 million Euros.

For more information about MARR visit the company's web site at www.marr.it

The manager responsible for preparing the company's financial reports, Pierpaolo Rossi, declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to documents, books and accounting records.

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It should be noted that the half-yearly financial report as at 30 June 2017, approved today by the MARR S.p.A. Board of Directors, will be made available by the end of today, together with the Report by the Independent Audit Firm, on the Investor Relations Section of the company website http://www.marr.it/it/bilanci, at the company headquarters and on the authorized storage system. www.emarketstorage.com.

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The results of the first six months of 2017 will be illustrated in a conference call with the financial community, to be held today at 17:30 (CET), This presentation will be available in the "Investor Relations – Presentations" section of the MARR website (www.marr.it) from 17:15 today.

The speech in English of the presentation with a summary of the Q&A session will be published in the “Investor Relations – Presentations” (English version) section, where it will be available for 7 days from the morning of Monday, 7 August.

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ALTERNATIVE PERFORMANCE MEASURES

In this press release certain non-IFRS measures are presented for purposes of a better understanding of the trend of operations and financial condition of the MARR Group; however, such measures should not be construed as a substitute for the operating and financial information required by IFRS.
Specifically, the non-IFRS measures presented are described below:

- **EBITDA** (Gross Operating Result): this economic indicator is not defined by the IFRS and used by the company’s management to monitor and assess its operational performance. The management believes that the EBITDA is an important parameter for measuring the Group’s performance as it is not affected by the volatility due to the effects of various types of criteria for determining taxable items, the amount and characteristics of the capital employed and the relevant amortization and depreciation policies. The EBITDA (Earnings before interest, taxes, depreciation and amortization) is defined as the business year Profits/Losses gross of amortizations and depreciations, write downs and financial income and charges, non-recurrent items and income tax.
- **EBIT** (Operating Result): is an economic indicator of the operational performance of the Group. The EBIT (Earnings before interest and taxes) is defined as the business year Profits/Losses gross of financial income and charges, non-recurrent items and income tax.
- **Net Financial Position**: used as a financial indicator of debts is represented by the total of the following positive and negative components of the Balance sheet:
  - Positive short and long term components: cash and equivalents; items of net working capital collectables; financial assets; current financial receivables.
  - Negative short and long term components: payables to banks; payables to other financiers, payables to leasing companies and factoring companies; payables to shareholders for loans.

Re-classified Income Statement[1]

MARR Consolidated (€thousand)	30.06.17 (6 months)	%	30.06.16 (6 months)	%	% Change
Revenues from sales and services	747,907	97.3%	703,987	97.4%	6.2
Other earnings and proceeds	20,651	2.7%	18,772	2.6%	10.0
Total revenues	**768,558**	**100.0%**	**722,759**	**100.0%**	**6.3**
Cost of raw and secondary materials, consumables and goods sold	(644,343)	-83.8%	(595,828)	-82.4%	8.1
Change in inventories	37,098	4.8%	30,621	4.2%	21.2
Services	(85,738)	-11.2%	(83,820)	-11.6%	2.3
Leases and rentals	(4,877)	-0.6%	(4,664)	-0.7%	4.6
Other operating costs	(789)	-0.1%	(802)	-0.1%	(1.6)
Value added	**69,909**	**9.1%**	**68,266**	**9.4%**	**2.4**
Personnel costs	(19,074)	-2.5%	(18,713)	-2.5%	1.9
Gross Operating result	**50,835**	**6.6%**	**49,553**	**6.9%**	**2.6**
Amortization and depreciation	(3,203)	-0.4%	(2,684)	-0.5%	19.3
Provisions and write-downs	(5,963)	-0.8%	(5,332)	-0.7%	11.8
Operating result	**41,669**	**5.4%**	**41,537**	**5.7%**	**0.3**
Financial income	747	0.1%	730	0.1%	2.3
Financial charges	(3,764)	-0.5%	(3,976)	-0.5%	(5.3)
Foreign exchange gains and losses	(56)	0.0%	(54)	0.0%	3.7
Value adjustments to financial assets	(81)	0.0%	(40)	0.0%	102.5
Result from recurrent activities	**38,515**	**5.0%**	**38,197**	**5.3%**	**0.8**
Non-recurring income	0	0.0%	0	0.0%	0.0
Non-recurring charges	0	0.0%	0	0.0%	0.0
Profit before taxes	**38,515**	**5.0%**	**38,197**	**5.3%**	**0.8**
Income taxes	(11,207)	-1.4%	(12,759)	-1.8%	(12.2)
Net profit attributable to the MARR Group	**27,308**	**3.6%**	**25,438**	**3.5%**	**7.4**

[1] Data unaudited

Re-classified Balance sheet[1]

MARR Consolidated (€thousand)	*30.06.17*	*31.12.16*	*30.06.16*
Net intangible assets	151,476	144,385	143,920
Net tangible assets	71,818	71,729	71,708
Equity Investments evaluated using the Net Equity method	811	891	960
Equity investments in other companies	315	315	367
Other fixed assets	25,235	28,688	28,467
Total fixed assets (A)	249,655	246,008	245,422
Net trade receivables from customers	441,975	375,650	434,539
Inventories	180,074	142,336	155,646
Suppliers	(390,277)	(312,094)	(370,627)
Trade net working capital (B)	231,772	205,892	219,558
Other current assets	50,959	54,948	45,625
Other current liabilities	(39,240)	(26,147)	(39,247)
Total current assets/liabilities (C)	11,719	28,801	6,378
Net working capital (D) = (B+C)	243,491	234,693	225,936
Other non current liabilities (E)	(981)	(855)	(563)
Staff Severance Provision (F)	(9,534)	(10,621)	(10,739)
Provisions for risks and charges (G)	(6,034)	(6,187)	(4,553)
Net invested capital (H) = (A+D+E+F+G)	476,597	463,038	455,503
Shareholders' equity attributable to the Group	(267,627)	(285,565)	(253,701)
Consolidated shareholders' equity (I)	(267,627)	(285,565)	(253,701)
(Net short-term financial debt)/Cash	(16,743)	(463)	(29,347)
(Net medium/long-term financial debt)	(192,227)	(177,010)	(172,455)
Net financial debt (L)	(208,970)	(177,473)	(201,802)
Net equity and net financial debt (M) = (I+L)	(476,597)	(463,038)	(455,503)

[1] Data unaudited

Re-classified Cash-flow statement[1]

MARR Consolidated (€thousand)	*30.06.17*	*30.06.16*
Net profit before minority interests	27,308	25,438
Amortization and depreciation	3,203	2,684
Change in Staff Severance Provision	(1,087)	759
Operating cash-flow	29,424	28,881
(Increase) decrease in receivables from customers	(66,325)	(57,102)
(Increase) decrease in inventories	(37,738)	(35,788)
Increase (decrease) in payables to suppliers	78,183	93,921
(Increase) decrease in other items of the working capital	17,082	18,753
Change in working capital	(8,798)	19,784
Net (investments) in intangible assets	(7,191)	(36,178)
Net (investments) in tangible assets	(3,194)	(5,736)
Net change in financial assets and other fixed assets	3,533	95
Net change in other non current liabilities	(27)	(558)
Investments in other fixed assets	(6,879)	(42,377)
Free - cash flow before dividends	13,747	6,288
Distribution of dividends	(46,568)	(43,907)
Other changes, including those of minority interests	1,324	344
Casf-flow from (for) change in shareholders' equity	(45,244)	(43,563)
FREE - CASH FLOW	(31,497)	(37,275)
Opening net financial debt	(177,473)	(164,527)
Cash-flow for the period	(31,497)	(37,275)
Closing net financial debt	(208,970)	(201,802)

[1] Data unaudited

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