



PRESS RELEASE

CENTRALE DEL LATTE D'ITALIA S.p.A.: the Board of Directors approved the results at 30 June 2017, which show significant signs of growth in terms of turnover and profit margins compared to Q1 of this year.

- **Consolidated net revenue of € 90.5 million (+85% vs € 48.7 million at 30/6/2016)**
- **Net revenue on a like-for-like basis +5% compared to 1H 2016**
- **EBITDA of € 2.5 million (+61.6% vs € 1.5 mln at 30/6/2016)**
- **EBIT negative for € 723 thousand (vs. € -275 thousand at 30/06/2016)**
- **Negative result after taxes of € 1 million (vs. € -555 thousand at 30/06/2016)**
- **Increase in market shares in the fresh, ESL (Extended Shelf life) and UHT (long life) milk segments.**

Three-year investment programme undertaken in the Turin plant for € 14.9 million.

The Board of Directors of Centrale del Latte d'Italia – a company listed on the STAR segment of Borsa Italiana, dealing in the production and sale of fresh milk, milk products and ultra-fresh products – representing the third-largest fresh and ESL milk in Italy in terms of volumes sold – approved the results at 30 June 2017. The results show significant signs of growth and improvement in terms of turnover and profit margins compared to Q1 of the current year. This is due to the positive performance of the new products launched in the first half of the year, the adjustments to price lists – the full positive effect of which will come into force during Q3 – and more careful efforts to contain costs.

The scope of consolidation has been amplified compared to the same period of the previous year and includes, in addition to Centrale del Latte d'Italia S.p.A., Centrale del Latte della Toscana S.p.A. and Centrale del Latte di Vicenza S.p.A. Therefore, the reclassified consolidated income statement for 1H 2017 is different from the one for the period that closed at 30 June 2016.

The results for the first half of 2017 have exceeded expectations, recording a consolidated net revenue of € 90.5 million, up 85% compared to the € 48.7 million recorded at 30 June 2016, and up 5% on a like-for-like basis compared to 1H 2016.

EBITDA at 30 June 2017 reached € 2.5 million, i.e. 2.7% of the value of production – at 31 March 2017 EBITDA accounted for 1.5% of the value of production – up 61.6% compared to € 1.5 million recorded at 30 June 2017.

EBIT at 30/6/2017 was negative for € 723 thousand (-0.8% of the value of production, against a -2% at 31/3/2017) compared to the negative figure of € 275 thousand at 30/6/2016. Finally, at 30/6/2017, the net result was negative for € 1 million, compared to the negative net result of € 555 thousand at 30/6/2016 and compared to 1.1 million at 31/3/2017; the figure therefore remained substantially equal for Q2 2017 compared to Q1.



It is important to note that in the first six months of the year, Centrale del Latte d'Italia Group strengthened its presence on the reference markets, confirming its position as the third-largest milk and dairy hub in Italy, increasing from a 7.3% market share in terms of value to a 7.7% share in the fresh and Extended Shelf Life (ESL) milk sector and increasing from a 3.7% to 3.9% market share in the long-life (UHT) milk sector. In the reference areas (Piemonte, Liguria, Tuscany and Veneto regions), the Group confirmed its leadership position in the fresh and ESL milk sector, with a market share of 28.5%, compared to the 27.3% share recorded in 2016, while its share in the long-life milk sector rose to 14.4%, compared to the 13.4% figure recorded 2016.

The Group's net financial position at 30 June 2017 – negative for € 64.3 million, compared to the negative figure of € 60.2 million at 31 December 2016 – takes account of the commitments to the investment programmes being implemented in the Group's factories in Florence and Vicenza.

In the month of July, Centrale del Latte d'Italia also completed the sale of the facility in Carmagnola (Turin), inactive for some time following the transfer of production from Carmagnola to the facility of Centrale del Latte di Vicenza and the sale of the Group's 50% equity investment in Odilla Chocolat Srl, since the strategic and operating conditions behind the acquisition of said equity investment no longer exist.

The company has also embarked upon an important programme of investments for the redevelopment and implementation of the operating offices in Turin, totalling € 14.9 million. Specifically, the programme will include the building of a new automated warehouse for storing finished products and the acquisition of highly innovative new systems for the processing and packaging of milk in the next three years.

As regards forecasts, given the positive performance recorded in Q2 2017 compared to Q1 of this year, and considering that the companies in the Group have confirmed their strong positions on the market, as well as the benefits expected to derive from the full application of the new price lists and the synergies deriving from increasing integration among the companies in the Group, it is believed that in the next quarter and over the months to follow, the Group is likely to achieve the economic results expected, in an overall situation of moderate recovery.

Pursuant to paragraph 2 of article 154-bis of the Consolidated Finance Law, the Executive in charge of drafting corporate accounts, Mr. Vittorio Vaudagnotti, stated that the accounting information herein contained tallies with the company's documentary evidence, ledgers and accounts.

Turin, 3 August 2017