

PRESS RELEASE

CENTRALE DEL LATTE D'ITALIA S.p.A.: The Board of Directors – chaired by Mr. Luigi Luzzati – approved the results at 31 December 2017.

- **FY 2017: a year marked by growth and a recovery in profit margins and profitability, although not comparable with 2016 as a result of the business combination with Centrale del Latte della Toscana**
- **Consolidated net revenue of € 183.4 million (vs. € 117.7 million at 31/12/2016)**
- **EBITDA of € 7.2 million (vs. € 2.9 million at 31/12/2016)**
- **EBIT of € 661 thousand (vs. € -1.6 million at 31/12/2016)**
- **Net result after tax negative for € 261 thousand not comparable with the result recorded at 31/12/2016.**

Central Management set up to facilitate rapid, effective implementation of strategic decisions on the part of the Group companies.

Chaired by Mr. Luigi Luzzati, the Board of Directors of Centrale del Latte d'Italia S.p.A. (CLI) – a company listed, since 2001, on the STAR segment of Borsa Italiana and currently the third-ranking Italian player in the fresh and long-life milk market, with leadership positions in Piemonte, Liguria, Tuscany and Veneto – today approved the consolidated results at 31 December 2017, which will be submitted to the Shareholders' Meeting on 26 April 2018.

In FY 2017, CLI Group demonstrated significant signs of growth and consolidation of the new structure of the Group, with a recovery of profit margins and profitability of operations.

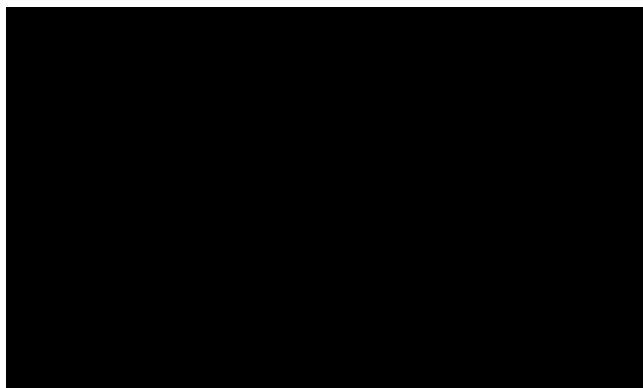
However, it must be noted that the consolidated income statements for FYs 2017 and 2016 cannot be compared, because the year that closed at 31/12/2016 included the income statement of the subsidiary Centrale del Latte della Toscana S.p.A only for the period from 1 October 2016 - 31 December 2016.

CLI Group's net revenue at 21 December 2017 amounted to € 183.4 million, compared to € 117.7 million at 31 December 2016, up 55.7%. EBITDA at 31 December 2017 equalled € 7.2 million (3.9% of the value of production), compared to € 2.9 million at 31 December 2016 (2.4% of the value of production); EBIT at 31 December 2017 was positive for € 661 thousand, while at 31 December 2016 it was negative for € -1.6 million. The consolidated net result after tax for FY 2017 was negative for € 261 thousand, and cannot be compared with that of FY 2016 (+€ 12 million), which was characterised by the result of the business combination deriving from the merger operation.

Please also note that the economic results of CLI Group at 31/12/2017 were affected by extraordinary, one-off costs, net of which EBITDA would have been € 7.4 million and EBIT € 881 thousand.

The Group's net financial position at 31 December 2017 was negative to the tune of € 62.3 million, slightly down compared to the negative figure of € -60.2 million of 31 December 2016 further to the investments undergoing in the Group's production plants.

Bonds were issued for a total of € 15 million, falling due on 1 December 2024.



The results of the Parent Company Centrale del Latte d'Italia S.p.A.

As regards the parent company Centrale del Latte d'Italia S.p.A., at 31 December 2017 the Company recorded net revenue of € 79.1 million, up 5.4% compared to € 75 million at 31 December 2016; EBITDA stood at € 2.7 million, compared to the € 1.6 million of 31 December 2016, whereas EBIT was positive for € 581 thousand, compared to the negative figure € 498 thousand at 31 December 2016. The net result after tax was positive for € 204 thousand, and is not comparable with that of FY 2016 following the result of the business combination.

The Parent Company's net financial position at 31 December 2017 was negative for € 6.8 million, an improvement on the € -7.7 million figure at 31 December 2016. Bonds were issued for a total of € 15 million, falling due on 1 December 2024.

Appointment of Committees and Central Management

Within the framework of the new organisation of the Group, the Board of Directors also set up the following Committees: the Strategic Committee, the Central Management, the Marketing & Sales Committee, the Technical Committee and the Administration and Management Control Committee.

The task of the Strategic Committee is to provide indications on the Group's development guidelines, raise awareness among public structures and associations regarding the world of milk, and to stimulate operations.

The members are: Luigi Luzzati (Chairman of CLI Group), Riccardo Pozzoli (CEO of the CLI Group), Lorenzo Marchionni (Chairman of Centrale del Latte della Toscana) and Marco Massaccesi (General Manager of Centrale del Latte della Toscana).

The Central Management has the strategic role of analysing the overall situation of activities at Group level, thus aiding the transmission to the various companies of the strategic and operational decisions taken by the Strategic Committee or by the Central Management itself so that they can be implemented rapidly and effectively.

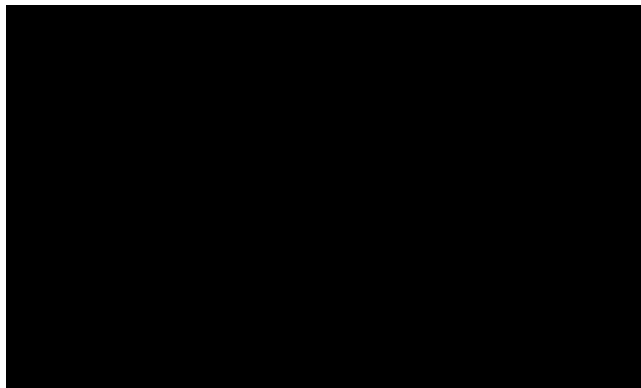
The Central Management consists of: Riccardo Pozzoli (CEO of CLI Group), Edoardo Pozzoli (Corporate Manager of CLI), Marco Luzzati (Sales Marketing Manager of CLI) and Marco Massaccesi (General Manager of Centrale del Latte della Toscana).

Call of Shareholders' Meeting – 26 April 2018

Today's Board meeting called the Shareholders' Meeting for 26 April at 11.00 a.m., at the Company's offices in Via Filadelfia 220, Turin.

Among the points on the agenda, in addition to the approval of the financial statements, the Board resolved to propose that the Meeting called appoint the Board of Auditors, whose appointment expired with FY 2017, and proposed the following use of profits for FY 2017, amounting to € 203,578:

- € 10,179 to the legal reserve
- € 193,399 to the extraordinary reserve



Business outlook

With the start of the new year, the Group confirmed its strong market position, with a 3% rise in turnover in the month of January, compared to the figure for the same period of the previous year. As regards the forecast for 2018, it may be seen as a year of further consolidation, thanks to the implementation of the Group's new organisational structures and the further rationalisation of operating costs.

Finally, the Board today approved the annual report of the Supervisory Body, the annual report on Corporate Governance, the report on the Remuneration paid to Directors and the new Organisation, Management and Control Model pursuant to Legislative Decree no. 231/2001.

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.

With 5 factories and some 450 employees, the Centrale del Latte d'Italia Group produces and sells more than 120 products, ranging from milk and milk products to yogurt, drinks of plant origin and fresh salads, distributed in over 16,000 points of sale in the pertinent areas under the brand names TappoRosso, Mukki, Tigullio and Vicenza and sold both in traditional shops and large retail chains.

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