



# 1Q 2016 Results

Conference call – May 12, 2016



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The Group's business is also correlated to tourism flows. Q1 and Q4 represent the low point of the business year, whereby Q2 and Q3 the peak of the seasonality. Therefore quarterly sales, operating results, trade net working capital and net financial indebtedness are impacted by the seasonality and may not be directly compared or extrapolated to obtain forecasts of year-end results.



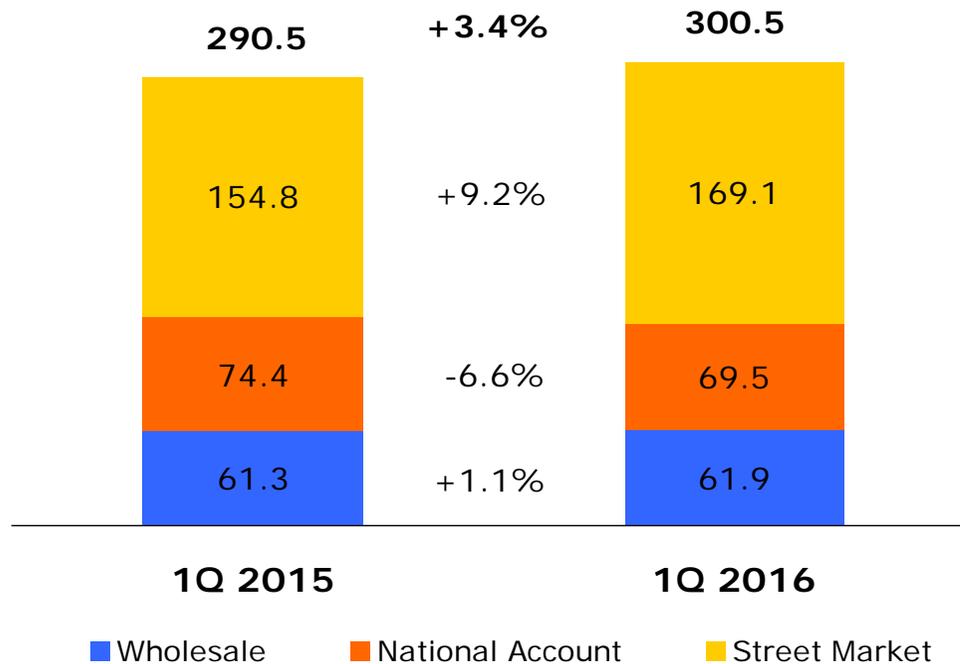
# 1Q 2016 - Highlights

- **Improving reference market** According to *Confcommercio* data (May, 2016) consumption (in quantity) for “Hotels and out-of-home food consumption” in 1Q 2016 increased by +1.3%
- **Sales growth** In the client segments of the Foodservice (*Street Market* and *National Account*) sales grew by +4.1% (+3.5% Organic)
- **Increase of operating profitability** EBITDA and EBIT grew respectively by +6.9% and +7.7%
- **Indebtedness reduction** Compared to 31 March 2015, Net financial position (187.8€m) decreased by 7.6€m, thanks to reduction of Trade NWC absorption (-6.6€m)



# 1Q 2016 – Sales

€m



Growth breakdown

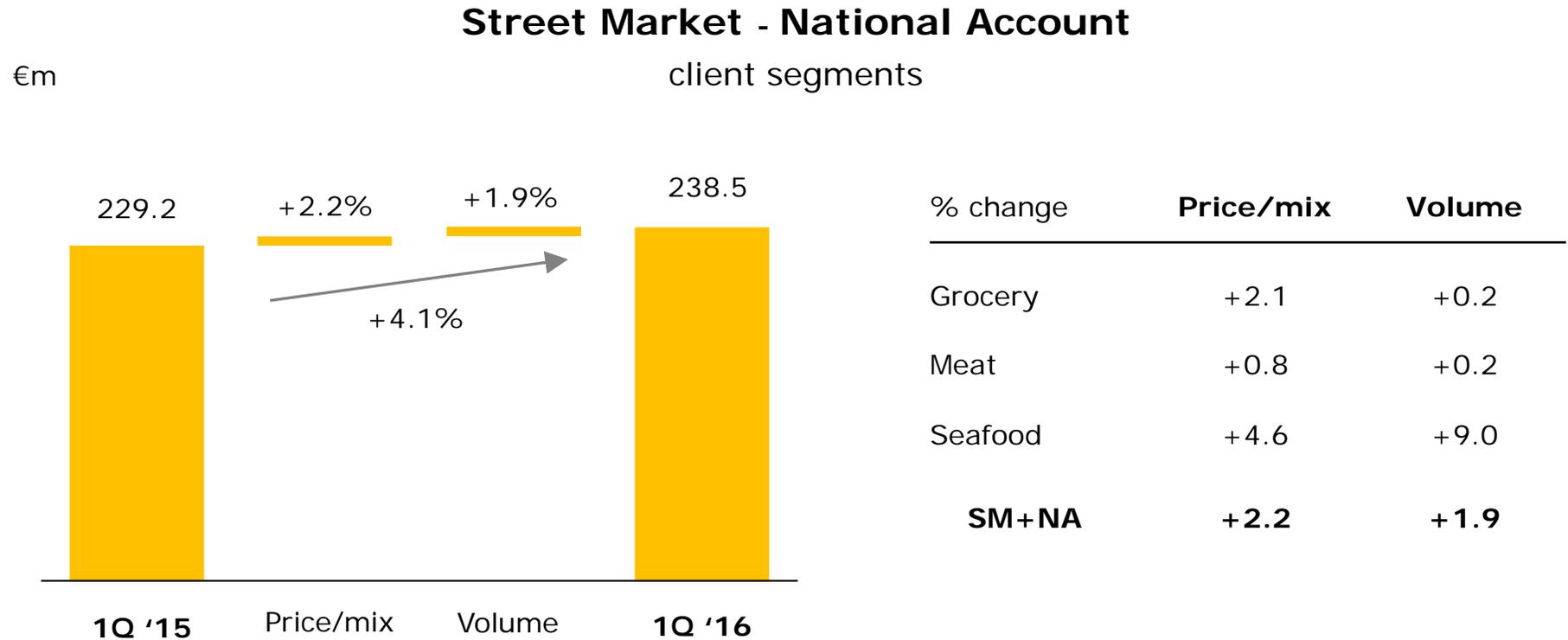
	Organic	Acquisition*
Street Market	+8.3%	+0.9%
National Account	-6.6%	---
SM+NA	+3.5%	+0.6%
Wholesale	+1.1%	---
<b>Total sales</b>	<b>+3.0%</b>	<b>+0.4%</b>

\* Sama (Bar segment) from 1 June 2015

- Street Market segment remains the growth driver also helped by Easter in 1Q (in 2Q in 2015) that, however, penalised the National Account segment
- Within National Account, the sub-segment of Canteens saw a selected reduction in direct supply to Public Administrations



# 1Q 2016 - Price/volume trend



- Increase of Street Market segment brought about the increase of Price/mix and also the Volume growth in Seafood category, in relation to which the inflationary trend is confirmed



# 1Q 2016 – Income statement

€m	1Q 2015	%	1Q 2016	%	% ch.
<b>Total Revenues</b>	<b>295.2</b>	100.0%	<b>304.6</b>	100.0%	+3.2%
COG's	(235.1)	-79.6%	(242.1)	-79.5%	
Services costs	(35.0)	-11.9%	(36.4)	-12.0%	
Other operating costs	(2.6)	-0.8%	(2.6)	-0.8%	
Personnel costs	(8.6)	-2.9%	(8.7)	-2.9%	
<b>EBITDA</b>	<b>13.8</b>	4.7%	<b>14.7</b>	4.8%	+6.9%
D&A	(1.2)	-0.4%	(1.3)	-0.4%	
Provisions	(2.2)	-0.8%	(2.3)	-0.7%	
<b>EBIT</b>	<b>10.3</b>	3.5%	<b>11.1</b>	3.7%	+7.7%
Net interest	(2.1)	-0.7%	(1.5)	-0.5%	
<b>Profit before tax</b>	<b>8.2</b>	2.8%	<b>9.7</b>	3.2%	
Taxes	(3.0)	-1.0%	(3.5)	-1.2%	
<b>Net Income</b>	<b>5.2</b>	1.8%	<b>6.2</b>	2.0%	+18.3%

- The increase in revenues with its sales mix and the control of operating costs led to the improvement of operating profitability. In addition, the reduction of interest rates helped the increase of Net Income



# 1Q 2016 – Trade NWC and Net debt

€m	31.03.15	<b>31.03.16</b>	change
Accounts Receivable	384.4	376.9	(7.5)
<i>Days</i>	117	111	(6)
Inventory	134.4	138.0	3.5
<i>Days</i>	51	51	-
Accounts Payable	(253.6)	(256.3)	(2.7)
<i>Days</i>	97	95	(2)
<b>Trade Net Working Capital</b>	<b>265.2</b>	<b>258.6</b>	<b>(6.6)</b>
<i>Cash conversion cycle (Days)</i>	72	67	(4)

Improvement of Cash conversion cycle of Trade NWC was driven by that of the days of Receivable

€m	31.03.15	<b>31.03.16</b>	change
Short-term Net debt	(33.1)	(10.6)	22.5
Long-term debt	(162.4)	(177.2)	(14.9)
<b>Net Debt</b>	<b>(195.5)</b>	<b>(187.8)</b>	<b>7.6</b>

Reduction of absorption of Trade NWC was reflected in the decrease of Net Debt



# Current trading

- Sales to clients of Street Market and National Account segments in the first four months are in line with the objectives for the year
- Positive and in line with expectations the sales contribution of DE.AL Srl (“PAC Food”), part of the MARR Group as of last 4 April
- Reference market is confirming a “+” sign (*Confcommercio* data, May 2016) and, on the basis of 1Q results, the objectives for 2016 (consolidation of the market share and maintenance of operating profitability and of absorption of Trade NWC) are confirmed



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