



MARR: The Board of Directors approves the interim report as at 30 September 2016.

The third quarter confirms the increase in revenues and operating profits and after the first nine months of the year the MARR Group recorded:

- **Total consolidated revenues of 1,204.5 million Euros (1,152.7 in 2015)**
- **Consolidated EBITDA of 92.6 million Euros (88.0 in 2015)**
- **Consolidated EBIT of 79.3 million Euros (75.5 in 2015)**

Net consolidated result for the first nine months of 50.0 million Euros compared to 48.9 in 2015, which benefited from a non-recurrent income of 1.7 million

Binding agreement finalised for the purchase of Speca Alimentari S.r.l., which with more than 11 million Euros in sales is a reference player in the Lake Maggiore area

Rimini, 14 November 2016 – The Board of Directors of MARR S.p.A. (Milan: MARR.MI), the leading company in Italy in the distribution of food products to foodservice, today approved the interim report as at 30 September 2016.

Main consolidated economic results for the third quarter of 2016

The total consolidated revenues reached 481.7 million Euros in the third quarter, an increase compared to 454.8 million in 2015.

The operating profits also increased, with EBITDA of 43.1 million Euros (40.7 million in 2015) and EBIT of 37.8 million (35.9 million in 2015).

The result of the recurrent activities, including Net Interest, reached 36.6 million Euros, increasing compared to 34.4 million in 2015.

The net result for the period reached 24.5 million Euros, and was affected by 0.5 million Euros in non-recurrent costs for the reorganization of the DE.AL. business. It must also be recalled that the net result for the third quarter of 2015 – 25.3 million Euros – had benefited from a non-recurrent income of 1.7 million Euros relating to the price balance (plus interest) for the sale of the shareholding in Alisea (March 2014), the payment of which had been subject to the definitive awarding (condition which occurred in July 2015) to Alisea of important tenders for catering services.

Main consolidated results for the first nine months of 2016

The total consolidated revenues for the first nine months amounted to 1,204.5 million Euros, compared to 1,152.7 million Euros in 2015.



In the first nine months of 2016, EBITDA reached 92.6 million Euros (88.0 million in 2015), while EBIT was 79.3 million (75.5 million in 2015).

The net consolidated result for the nine months reached 50.0 million Euros, an increase compared to 48.9 million Euros in 2015, which had benefited by 1.7 million Euros from the non-recurrent income for the price balance of Alisea.

The trade net working capital as at 30 September 2016 amounted to 212.6 million Euros, and decreased, despite the increase in revenues, compared to 213.2 million Euros as at 30 September 2015.

The cash flow generation for the period improved, with a Free Cash Flow before dividends which *like for like*, i.e. net of the 36.0 million Euros for the purchase price¹ of DE.AL., amounting to 74.1 million Euros compared to 65.4 million in the first nine months of 2015.

The net financial debt at the end of the period reached 170.6 million Euros (151.8 million as at 30 September 2015), decreasing compared to 201.8 million as at 30 June 2016.

The consolidated net equity as at 30 September 2016 amounted to 277.7 million Euros compared to 262.7 million as at 30 September 2015.

Results by sector of activity as at 30 September 2016

The sales of the MARR Group in the first nine months of 2016 amounted to 1,184.5 million Euros (1,132.9 million in 2015), while those in the third quarter amounted to 473.1 million Euros (447.2 million in 2015).

In particular, sales to clients in the *Street Market* and *National Account* categories as at 30 September 2016 amounted to 991.4 million Euros (933.9 million in 2015), of which 405.4 million Euros in the third quarter (378.4 million in 2015).

In the main *Street Market* category (restaurants and hotels not belonging to Groups or Chains), sales in the first nine months amounted to 781.5 million Euros (714.9 million in 2015); while they amounted to 338.4 million in the third quarter (309.7 million in 2015), with a contribution from the consolidation of DE.AL. (on 4 April last) and SAMA (1 June 2015) amounting to 40.9 million Euros over the nine months and 20.2 million in the third quarter.

In the third quarter, as in the previous quarter, the positive impact of DE.AL. benefited from an acceleration in sales to those clients which before the acquisition had also been served by MARR. In this regard, it must be noted that, following the lease of the "PAC Food" going concern from DE.AL. S.r.l. to MARR S.p.A. as of 1 October last, the *MARR Adriatico* branch came into being, an operation which involved a reorganization of the former DE.AL. commercial activities.

As regards the performance of the end reference market of clients in the *Street Market* category, on the basis of the most recent survey by the *Confcommercio* Studies Office (ICC no. 10, November 2016), the item "Hotels, meals and out-of-home food consumption" recorded an increase in consumption in the third quarter of +0.7% (by quantity), compared to a variation of +1.4% and -1.0% respectively in the first and second quarters (ICC² no.10, November 2016).

The sales to clients in the National Account category (operators in Canteens and Chains and Groups) amounted to 209.9 million Euros as at 30 September 2016 (219.0 million in 2015), with

¹ 50% paid on closing on 4 April last and the remainder accounted among the financial payables

² It should be noted that the historical figures of the *ICC* (Confcommercio Consumption Indicator) indicators can vary by effect of the availability of more up-to-date figures



66.9 million Euros in the third quarter compared to 68.7 million in the same period in 2015, which benefited by about 2.5 million Euros in the quarter from the EXPO event.

The sales to clients in the Wholesale category amounted to 193.1 million Euros in the first nine months of 2016 (199.0 million in 2015), of which 67.8 million in the third quarter (68.8 million in the same period of 2015).

Events subsequent to the closure of the third quarter of 2016

The binding agreement for the purchase – with an expected closing date on 30 December next – by MARR S.p.A. of 100% of the holdings of Specia Alimentari S.r.l. (“Specia Alimentari”), a company in Baveno (Verbania) located in the Lake Maggiore area, was finalised in early November.

With more than 11 million Euros in annual sales, over 30 years’ experience in the food distribution sector and considerable expansion over the last decade, Specia Alimentari represents one of the reference players for clients in the non-structured commercial catering segment (those of the *Street Market* category for MARR) in the Lake Maggiore area.

Thanks to Specia Alimentari, which has a consolidated sales network and a distribution centre covering more than 2,000 m² well located to serve the western side of Lake Maggiore, MARR will be able to enhance the level of service in an area in which it currently achieves annual sales of just over 3 million Euros and will be able to make the most of the expansion opportunities in foodservice distribution (especially *Street Market*) offered by the Lake Maggiore area.

As a result of the closing of the operation, expected to be on 30 December, MARR will (effective from 1 January 2017): i) acquire 100% of the shares of Specia Alimentari S.r.l. for a price which is not expected to exceed 7 times the EBITDA of Specia Alimentari, and with 50% of the price paid on closing, 30% after one year and 20% after two years; ii) sign a lease contract for the distribution centre of Baveno; iii) sign a collaboration agreement with the current operational shareholders of Specia Alimentari.

Outlook

The trend in terms of sales of the “PAC Food” going concern of the newly acquired DE.AL. remains positive and in line with the plans, and following the start of the *MARR Adriatico* branch, the process of integration within the MARR Group of the business activities of the “PAC Food” going concern is coming to a close.

On the basis of the results of the first nine months, management has confirmed its orientation towards increasing its market share, maintaining the levels of profitability achieved and keeping the trade net working capital under control for the end of the year.

Press release



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 about 800 vehicles.

In 2015 the MARR group achieved total consolidated revenues amounting to 1,481.0 million Euros, consolidated EBITDA of 105.7 million Euros and consolidated net profit of 58.1 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, Antonio Tiso, 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 the document results, books and accounting records.

It should be noted that the interim report as at 30 September 2016, approved today by the MARR S.p.A. Board of Directors, will be made available by the end of today on the Investor Relations Section of the company website <http://www.marr.it/it/bilanci>, at the company headquarters and on the authorized storage www.emarketstorage.com.

The results as at 30 September 2016 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 Tuesday, 15 November.

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