

PRESS RELEASE

2016 HALF-YEAR RESULTS

Sales: € 83.9 million (€ 134.5 million in HY1 2015)

Operating result (EBIT): € -6.8 million (€ -0.2 million in HY1 2015)

Net loss for the period: € -5.1 million (€ -0.4 million in HY1 2015)

Results

The tendencies we have seen in the first quarter of 2016 continued in the second quarter:

- § In Europe, and more particularly in the Rosier Group usual trading area, farmers are facing a difficult situation with the low quotation of their livestock and crop productions while the cost of inputs did not follow the same decreasing trend. They have adopted a wait and see attitude and postponed their orders hoping for a fall in prices; this situation has led to a fall in the consumption of complex fertilizers as produced and sold by Rosier.
- § In terms of export, certain countries that are highly dependent on financial returns from the sale of energy, and with which we have traded for many years, are significantly curtailing or postponing their purchases of fertilizers.

This unfavourable environment has greatly influenced our 2016 half-year activities and results:

- § Sales for the first half of 2016 totalled € 83.9 million, a sharp decline (- 37.6%) in comparison to sales of € 134.5 million in 2015. The decline in volumes came mainly from granulated products in all of our markets.
- § The activities of our speciality fertilizers were at the same level as last year.
- § Despite the average unit margins which are slightly higher than the level of 2015 half-year, the fall in volumes greatly influenced the gross margin; the overall gross margin decreased by € 8 million.
- § The implementation of a major programme aiming to reduce our operating expenses was launched at the beginning of the second quarter of 2016. This has led to a significant reduction of these expenditures.

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- § After deducting operating expenses, which include amortisation, depreciation and impairment charges of € 3.3 million (€ 2.6 million in 2015), the operating result (EBIT) was negative at € 6.8 million against a negative result of € 0.2 million for 2015 half-year.
- § After deduction of financial expenses and income tax, net loss for the period was € 5.1 million (€ -20.13 per share), compared with a net loss of € 0.4 million (€ -1.3 per share) for the first half of 2015.

No event likely to significantly affect Rosier Group's financial position at 30 June 2016 has arisen since the end of the period.

The main data from the results is as follows:

a) Half-year results

€ K	HY1 2016	HY1 2015*
Operating revenues	85,030	136,103
<i>of which : Sales</i>	83,914	134,471
<i>Other operating revenues</i>	1,116	1,633
Operating expenses	(91,812)	(136,318)
Operating profit/(loss) (EBIT)	(6,782)	(214)
Net financial expense	(255)	(164)
Profit/(loss) before tax	(7,037)	(379)
Income tax	1,904	27
Net profit/(loss) for the period	(5,133)	(351)

€ Per share	HY1 2016	HY1 2015*
EBITDA	(13.83)	9.27
EBIT	(26.60)	(0.84)
Net profit/(loss) for the period	(20.13)	(1.38)

*Data are restated in order to reflect the accounting policy change associated with the disclosure of exchange gains and losses

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b) Consolidated balance sheet :

	en K€	30/06/2016	31/12/2015
<u>ASSETS</u>			
Net non-current assets	33,173	33,096	
Deferred tax assets	3,551	1,553	
Other non-current assets	1	1	
Total non-current assets	36,725	34,650	
Inventories	42,536	56,813	
Current tax receivable	326	326	
Trade receivables	18,078	27,348	
Other receivables	1,110	2,528	
Cash and cash equivalents	325	106	
Total current assets	62,375	87,121	
TOTAL ASSETS	99,100	121,771	
<u>EQUITY</u>			
Share capital	2,748	2,748	
Reserves and retained earnings	46,976	52,109	
Total equity	49,724	54,857	
<u>LIABILITIES</u>			
Employee benefits	1,658	1,961	
Total non-current liabilities	1,658	1,961	
Current tax liability	-	181	
Interest-bearing loans and borrowings	26,462	30,127	
Trade payables	18,739	29,463	
Other liabilities	2,417	5,032	
Provisions	100	150	
Total current liabilities	47,718	64,953	
Total liabilities	49,376	66,914	
TOTAL EQUITY AND LIABILITIES	99,100	121,771	

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Outlook

The second half of 2016 remains uncertain:

- Taking into account our order book and the forecasts regarding the evolution of the demand over the next few months, the programme aiming at reducing our operating expenses will be maintained; this programme involves all our activities and shall continue to generate significant savings.
- Despite these major actions, too many uncertainties still remain for us to make any statement regarding the second half of the year. However, Rosier Group is expecting a future rebound in demand, in line with the industry fundamentals.

Half-year financial report

In accordance with the Royal Decree of 14 November 2007, the Group has published its half-year financial report.

This report is available on the Rosier website, www.rosier.eu under "Financial Information".

This document may also be requested by calling + 32 69 87 15 31.

Shareholders' agenda

- Publication of 2016 annual results : 17 February 2017
- Availability of the 2016 Annual Report : 28 April 2017
- 2017 Annual General Meeting : 15 June at 10.30 am

Statement from PwC, Statutory Auditor to the Company

The Statutory Auditor, PwC Réviseurs d'Entreprises, has carried out a limited review of the condensed consolidated interim financial statements of Rosier S.A. at 30 June 2016 and for the half-year period ending on the same date. This review was carried out pursuant to the ISRE 2410 standard on the limited review of the interim financial information, entitled "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". This report, dated 3 August 2016, is attached to the half-year financial report.

Willy Raymaekers

Président et CEO du Groupe Rosier

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