

18 July 2018, 5 p.m.

PRIVILEGED INFORMATION

HALF-YEAR RESULTS

Sales: € 90.3 million (€ 101.0 million in 1st half of 2017)

Operating result (EBIT): € -5.9 million (€ 0.7 million in 1st half of 2017)

Result for the period: € -4.8 million (€ 0 million in 1st half of 2017)

General context

Unfortunately, the trends we announced at the beginning of the year did not materialize, particularly during the second quarter.

Below are the key challenges the Rosier Group had to face during the first half of 2018:

- Sales of granular fertilizers in Europe decreased by 29% during the first quarter compared with the same period in 2017.
Weather conditions adversely impacted our deliveries. The farmers endured a cold spell, immediately followed by heavy rainfall, which hindered them from spreading the fertilizers in a manner that would achieve optimal results.
- A difficult second quarter for the European granular fertilizers market, as in 2017 and 2016. Our distributor encountered difficulties in marketing our products (stiffer competition from Eastern Europe and Northern Africa).
- However, export deliveries outside Europe were at their highest level in the last ten years despite an unfavourable EUR/USD exchange rate.
The commercial policy established for export countries outside Europe and our product differentiation have begun to bear fruit. In addition to reinforcing our commercial ties with our long-standing customers, new business opportunities have been introduced.
- Specialties fertilizer sales maintained the same level as last year.

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All these factors had a significant impact on our activities and results during the first half of 2018:

- § Sales in the first half of 2018 was € 90.3 million, down 12% from 2017 (€ 101.0 million).
- § The other operating revenues totalled to € 1.4 million (€ 1.7 million in 2017): it included various rebilled expenses for services provided.
- § Following the decline in both business and production activities, operating expenses decreased by € 4.6 million (excluding depreciation and impairments).
- § After deducting operating expenses, including depreciation and impairments of € 1.9 million (€1.7 million in 2017), the operating result (EBIT) was a loss of € 5.9 million (primarily due to the 2nd quarter); the operating result for the first half of 2017 was a profit of € 0.7 million.
- § After financial expenses and income taxes, the net result for the period was a loss of € 4.8 million (- € 18.8/share), compared with a result at break-even (€ 0.1/share) in the first half of 2017.

No event likely to significantly affect the situation of Rosier Group as of 30 June 2018 has occurred since the end of the period.

MANAGEMENT

The comparative half-year results and consolidated statements of the Group's financial position are as follows:

a) Half-year results

In € thousands	HY1 2018	HY1 2017
Operating revenues	91,764	102,709
<i>of which : Sales</i>	90,342	101,048
<i>Other operating revenues</i>	1,422	1,660
Operating expenses	(97,695)	(102,042)
Operating profit/(loss) (EBIT)	(5,931)	666
Net financial expense	(74)	(403)
Profit/(loss) before tax	(6,004)	263
Income tax	1,223	(237)
Net profit/(loss) for the period	(4,781)	26

in € / share	HY1 2018	HY1 2017
EBITDA	-15.78	9.30
EBIT	-23.26	2.61
Net profit/(loss) for the period	-18.75	0.10

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b) Consolidated statements of financial position:

In € thousands	30-06-18	31-12-17	2018/2017
<u>ASSETS</u>			
Net non-current assets	34,721	33,845	
Deferred tax assets	6,436	5,213	
Other non-current assets	1	1	
Total non-current assets	41,157	39,059	5.37%
Inventories	29,516	32,429	
Current tax receivable	0	326	
Trade receivables	22,383	26,849	
Other receivables	1,561	934	
Cash and cash equivalents	471	37	
Total current assets	53,931	60,575	-10.97%
TOTAL ASSETS	95,088	99,634	-4.56%
<u>EQUITY</u>			
Share capital	2,748	2,748	
Reserves and retained earnings	37,394	42,175	
Total equity	40,142	44,923	-10.64%
<u>LIABILITIES</u>			
Employee benefits	1,070	1,187	
Total non-current liabilities	1,070	1,187	-9.85%
Current tax liability			
Interest-bearing loans and borrowings	33,782	27,942	
Trade payables	17,223	22,401	
Other liabilities	2,871	3,181	
Provisions			
Total current liabilities	53,876	53,524	0.66%
Total liabilities	54,946	54,711	0.43%
TOTAL EQUITY AND LIABILITIES	95,088	99,634	-4.56%

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Outlook

In light of the information available to us during the drafting of this press release, the second half of the year will be marked by:

- Deliveries within Europe are expected to recover;
- Deliveries outside Europe which should follow the same trend as in the first half of the year;
- The continuation of the fixed cost optimization program and the establishment of initiatives to reduce variable costs.

In view of the foregoing, we can cautiously expect that the operating result for 2018 should be better than the one at the end of June 2018.

The combined effects of the measures taken in 2018 are expected to yield more significant results from 2019 onwards.

Half-year financial report

In accordance with the Royal Decree of 14/11/2007, the Group publishes a half-year financial report. This will be available by 27 July at the latest on the Rosier website (www.rosier.eu) under the heading 'Financial information'. This document can also be obtained on request by phoning + 32 69 87 15 31.

Financial calendar

- Publication of annual results 2018: 22 February 2019
- Release of annual report 2018: 30 April 2019
- General meeting 2019: 20 June, 10.30 am

Statement from PwC, statutory auditor to the Company

The statutory auditor, PwC Réviseurs d'Entreprises, has confirmed that the procedures related to its limited review in accordance with ISRE2410 on the draft interim financial information as of June 30th, 2018 have been substantially completed. The accounting data reported in the press release is consistent, in all material respects, with the draft interim financial information from which it has been derived.

Willy Raymaekers

Chairman and CEO of the Rosier Group

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