



Corbion

## Q3 2017 RESULTS

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# Highlights first nine months 2017

- **Organic net sales decline of 0.6%, mostly volume driven**
  - Net sales decline of 0.7%
  - Food: Meat doing well; Bakery down; Other stable
  - Biochemicals: All markets grew except for Animal Health
- **EBITDA excluding one-off items: € 129.9M (YTD 2016: € 134.8M): -3.6%**
  - Organic decrease of 6.0% due to 1) higher input costs, 2) lower volumes in Bakery offset by continued business mix improvements
- **Innovations**
  - Higher volumes in the Lactic acid supply reflecting the new business model
  - PLA: Joint venture with Total finalized, March 2<sup>nd</sup>
- **TerraVia: Acquisition finalized, September 29th**

# Profit & Loss: Q3 2017

€ million	YTD 2017	YTD 2016	Q3 2017	Q3 2016	Growth YTD
<b>Net sales</b>					
<b>Biobased Ingredients</b>	<b>662.9</b>	<b>667.7</b>	<b>213.0</b>	<b>223.2</b>	<b>-0.7%</b>
- Food	495.6	507.1	159.2	170.3	-2.3%
- Biochemicals	167.3	160.6	53.8	52.9	4.2%
<b>Biobased Innovations</b>	<b>17.6</b>	<b>17.5</b>	<b>5.6</b>	<b>6.3</b>	<b>0.6%</b>
<b>Total net sales</b>	<b>680.5</b>	<b>685.2</b>	<b>218.6</b>	<b>229.5</b>	<b>-0.7%</b>
<b>EBITDA excluding one-off items</b>					
<b>Biobased Ingredients</b>	<b>134.1</b>	<b>137.6</b>	<b>42.9</b>	<b>45.5</b>	<b>-2.5%</b>
- Food	105.3	110.3	33.6	37.7	-4.5%
- Biochemicals	42.2	41.5	13.1	13.1	1.7%
- Central costs	(13.4)	(14.2)	(3.8)	(5.3)	-5.6%
<b>Biobased Innovations</b>	<b>(4.2)</b>	<b>(2.8)</b>	<b>(1.3)</b>	<b>(0.5)</b>	<b>48.9%</b>
<b>Total EBITDA excluding one-off items</b>	<b>129.9</b>	<b>134.8</b>	<b>41.6</b>	<b>45.0</b>	<b>-3.6%</b>
One-off items	5.5	(4.4)	(0.5)	(2.1)	
<b>Total EBITDA</b>	<b>135.4</b>	<b>130.4</b>	<b>41.1</b>	<b>42.9</b>	<b>3.8%</b>
Depreciation/amortization/ (reversal of) impairment (in)tangibles	(32.9)	(37.3)	(11.7)	(13.2)	-11.8%
<b>Total Operating Result</b>	<b>102.5</b>	<b>93.1</b>	<b>29.4</b>	<b>29.7</b>	<b>10.1%</b>

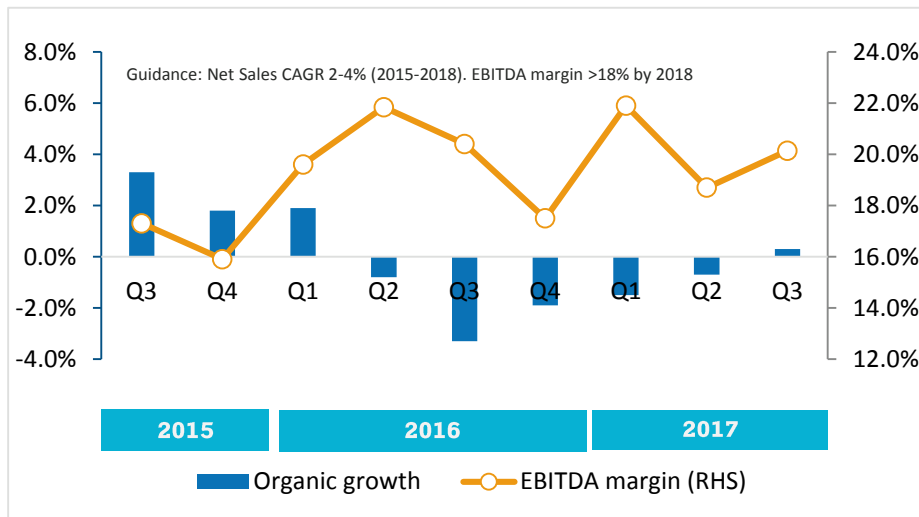
# Sales Growth per segment YTD/Q3 2017

	Total growth	Currency	Total growth at constant currency	Acquisitions	Organic	Price/Mix	Volume
<b>YTD 2017 vs 2016</b>							
<b>Biobased Ingredients</b>	<b>-0.7%</b>	<b>0.6%</b>	<b>-1.3%</b>	<b>-0.7%</b>	<b>-0.6%</b>	<b>1.6%</b>	<b>-2.2%</b>
- Food	-2.3%	0.8%	-3.1%	-0.9%	-2.2%	1.6%	-3.8%
- Biochemicals	4.2%	0.1%	4.1%	0.0%	4.1%	0.2%	3.9%
<b>Biobased Innovations</b>	<b>0.6%</b>	<b>2.1%</b>	<b>-1.5%</b>	<b>0.0%</b>	<b>-1.5%</b>	<b>-24.5%</b>	<b>33.1%</b>
<b>Total</b>	<b>-0.7%</b>	<b>0.6%</b>	<b>-1.3%</b>	<b>-0.7%</b>	<b>-0.6%</b>	<b>0.7%</b>	<b>-1.3%</b>
<b>Q3 2017 vs Q3 2016</b>							
<b>Biobased Ingredients</b>	<b>-4.6%</b>	<b>-4.3%</b>	<b>-0.3%</b>	<b>-0.6%</b>	<b>0.3%</b>	<b>1.4%</b>	<b>-1.1%</b>
- Food	-6.5%	-4.5%	-2.0%	-0.7%	-1.3%	1.5%	-2.8%
- Biochemicals	1.7%	-3.8%	5.5%	0.0%	5.5%	0.2%	5.3%
<b>Biobased Innovations</b>	<b>-11.1%</b>	<b>-0.6%</b>	<b>-10.5%</b>	<b>0.0%</b>	<b>-10.5%</b>	<b>-20.6%</b>	<b>11.2%</b>
<b>Total</b>	<b>-4.7%</b>	<b>-4.2%</b>	<b>-0.5%</b>	<b>-0.5%</b>	<b>0.0%</b>	<b>0.7%</b>	<b>-0.7%</b>

# Biobased Ingredients

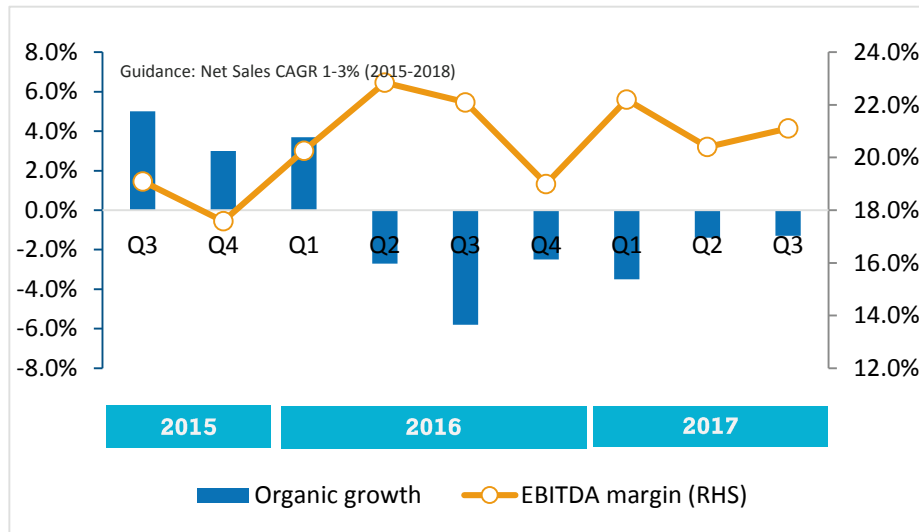
€ million	YTD 2017	YTD 2016	Q3 2017	Q3 2016
Net Sales	662.9	667.7	213.0	223.2
Organic growth	-0.6%	-0.8%	0.3%	-3.3%
<b>EBITDA excl. one-off items</b>	<b>134.1</b>	<b>137.6</b>	<b>42.9</b>	<b>45.5</b>
Margin	20.2%	20.6%	20.1%	20.4%

- Organic sales growth YTD 2017: - 0.6%
- EBITDA margin decrease to 20.2% (YTD 2016: 20.6%)
  - Lower volumes
  - Higher input costs (sugar)
  - Improved business mix



# Business Segment Food

€ million	YTD 2017	YTD 2016	Q3 2017	Q3 2016
Net Sales	495.6	507.1	159.2	170.3
Organic growth	-2.2%	-1.8%	-1.3%	-5.8%
<b>EBITDA excl. one-off items</b>	<b>105.3</b>	<b>110.3</b>	<b>33.6</b>	<b>37.7</b>
Margin	21.2%	21.8%	21.1%	22.1%



## YTD 2017 key items

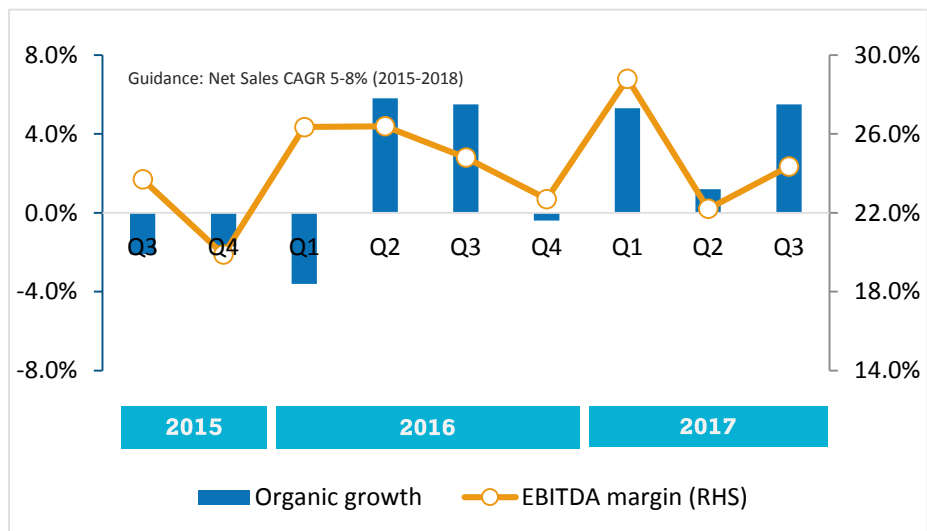
- **Organic sales growth of -2.2%**
- **Margin decrease** from higher input costs & lower volumes partly offset by improved business mix.
- **Bakery:** less pronounced sales reduction in Q3 than in H1
- **Meat:** Strong performance
  - US: Clean label
  - RoW: growth especially driven by LatAm
- **Other segments:** Slight decline

# Business Segment Biochemicals

€ million	YTD 2017	YTD 2016	Q3 2017	Q3 2016
Net Sales	167.3	160.6	53.8	52.9
Organic growth	4.1%	5.5%	5.5%	2.4%
<b>EBITDA excl. one-off items</b>	<b>42.2</b>	<b>41.5</b>	<b>13.1</b>	<b>13.1</b>
Margin	25.2%	25.8%	24.3%	24.8%

## YTD 2017 key items

- **Organic sales growth** of 4.1%
- **Margin decline** from higher input costs partly offset by better business mix
- All markets grew except for Animal Health





# Biobased Innovations

€ million	YTD 2017	YTD 2016	Q3 2017	Q3 2016
Net Sales	17.6	17.5	5.6	6.3
Organic growth	-1.5%	31.8%	-10.5%	2.1%
<b>EBITDA excl. one-off items</b>	<b>(4.2)</b>	<b>(2.8)</b>	<b>(1.3)</b>	<b>(0.5)</b>
Margin	-23.9%	-16.0%	-23.2%	-7.9%

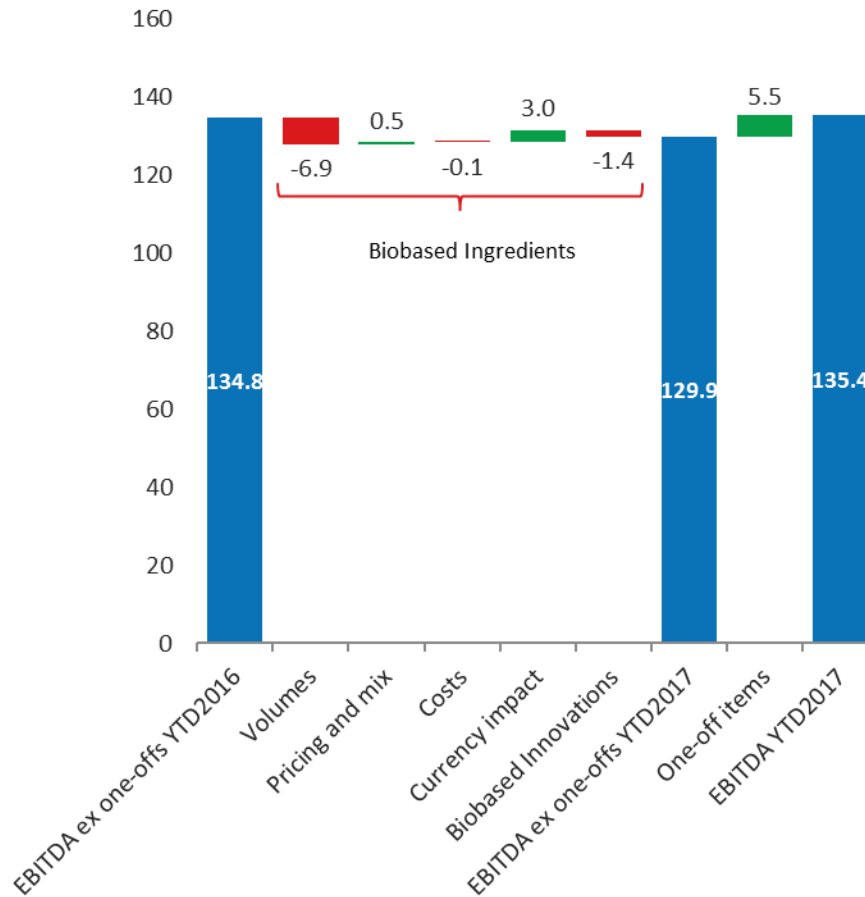
## YTD 2017 key items

- Lactide/PLA sales no longer reported in Biobased Innovations from March onwards
- Negative price/mix because lactic acid sales are sold at lower price/kg than lactide/PLA
- PLA construction in Thailand on schedule, requiring temporary shutdown in Q4 of lactide facility due to construction





# EBITDA bridge YTD 2017



- **Organic decline** mostly due to lower volumes
- Main **price/mix** components:
  - Higher input costs, mainly sugar
  - Business mix improvement in Food and Biochemicals
- **Cost level** including general inflation
- **Currency impact** mostly through USD in H1

## Outlook FY 2017

- **Biobased Ingredients sales growth below 2-4% range (unchanged)**
  - Organic sales growth in Biobased Ingredients higher in H2 2017 compared to H1
- **EBITDA excluding one-off items and excluding TerraVia impact slightly below 2016 (€ 170.1M) (unchanged)**
  - Assuming average USD/EUR 1.17 for H2 2017
- **Additional EBITDA impact TerraVia between US\$ -7M and -12M in Q4 2017**
- **Capex: € 60-70M (unchanged)**
  - Includes 50% share in Capex of PLA joint venture
- **Capital Markets Day on November 9th in Amsterdam**



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# EBITDA bridge Q3 2017

