



PRESS RELEASE

Massimo Zanetti Beverage Group: the Board of Directors approves the Half-year Financial Statements at June 30, 2015.

- **Consolidated turnover: € 450.5 million, up 29.0% compared to H1 2014**
- **Consolidated Gross Profit: € 170.9 million, up 12.2% compared to H1 2014**
- **Consolidated EBITDA (adj): € 23.5 million, essentially unchanged compared to H1 2014**
- **Group profit: € 0.9 million, net of IPO costs amounted to Euro 2.6 million**

Financial results and business performance for H1 2015 were in line with the key elements of the Group's strategy.

The Group therefore foresees a considerable revenue growth in 2015 compared to the previous year, owing to improved profitability and efficiency.

Today, the Board of Directors of Massimo Zanetti Beverage Group S.p.A., a world leader in the production, processing and distribution of roasted coffee and other selected categories of colonial goods, approved the Half-year Financial Statements at June 30, 2015, prepared in accordance with Article 154-ter of Italy's Consolidate Law on Finance (TUF).

Consolidated financial highlights at June 30, 2015

The Group's consolidated net revenues amounted to € 450.5 million (+29.0% compared to € 349.2 million for H1 2014), Boncafé, acquired in August 2014, contributed to this result for € 20.6 million. The Group's profit was € 0.9 million, net of IPO costs amounted to € 2.6 million.

Consolidated Gross Profit was € 170.9 million, up 12.2% compared to the same period of 2014 (€ 152.3 million at June 30, 2014). Gross Profit performance was positive despite coffee price fluctuations.

EBITDA (adj) amounted to € 23.5 million, unchanged compared to € 23.6 million at June 30, 2014. This result was driven by the Group's efficiency-building process still underway.

Revenue performance by distribution channel and geographical area

MZBG distributes its products through three main channels: Mass Market (35.1%), Foodservice (20.3%), and Private Label (37.8%). The Group is increasingly focusing on the Foodservice channel, which is characterized by higher profitability, mainly in the U.S. and Asian markets. Sales through the Mass Market channel are also increasing, thanks to the strategic enhancement of brand awareness and a greater focus on single-serve products.

With reference to the Group's geographical footprint, the U.S. market accounts for approximately 49.6% of total revenues, whereas France is the Group's second market (10.8%), followed by Italy



(9.8%). Sales are effected under numerous brands, whereas Segafredo is the global trademark exporting Italian coffee worldwide.

“The Group — listed on the stock exchange as of June 3, 2015 — performed well in the first half of the year, in line with our strategy: improvement of operating efficiency and greater attention to all the opportunities offered by Asian markets,” commented Massimo Zanetti, Chairman and CEO. “We will forge ahead, both through organic growth achieved by strengthening our market positions and external growth through targeted acquisitions.”

The Board of Directors of Massimo Zanetti Beverage Group S.p.A., in execution of the Instructions accompanying the Rules of the Markets Organized and Managed by Borsa Italiana S.p.A., today approved the long-term incentivisation plan for the three-year period 2015–2017 for the Company’s executive directors, general managers and other key management personnel.

Further to the IPO Prospectus, Section X, page 471, this is to announce that Massimo Zanetti Beverage Group S.p.A. repaid its € 545 thousand financial debt to Cofiroasters SA within the maturity date of 30 June 2015.

The Group’s results for the first half of 2015 will be presented during the conference call to be held today, Friday, August 28, at 3.30pm CET. The presentation will be available on the company website (www.mzb-group.com) and through the storage system (www.emarketstorage.com).

The Manager in charge of the Company’s financial reports, Massimo Zuffi, pursuant to paragraph 2 of Article 154-bis of Italy’s Consolidated Law on Finance (TUF), declares that the accounting information contained in this press release corresponds to the documented results, books and accounting records.

Disclaimer

This press release contains forward-looking statements related to: investment plans, future management performance, growth objectives in terms of revenues and results, both at global level and by business area, net financial position, and other aspects of the Group’s business. Forward-looking statements involve risks and uncertainties inasmuch as they depend on the occurrence of future events and circumstances. Actual results may therefore differ materially from those announced herein due to several factors.



Massimo Zanetti Beverage Group is a world leader in the production, processing and marketing of roasted coffee and other selected categories of colonial products, distributed in about 110 countries. The Group manages the different activities, from procurement to consumption, operating 18 facilities across Europe, Asia and the Americas, and through a global network of about 400 coffee shops in 50 countries. Moreover, MZBG completes the range of its products through the sale of coffee makers and complementary products, such as tea, cocoa, chocolate and top quality spices.

Media: Barabino & Partners
Federico Vercellino
f.vercellino@barabino.it
mob: +39 331.57.45.171

Investors: investors@mzb-group.com

Villorba (Treviso, Italy), August 28, 2015

This press release is a translation, the Italian version will prevail

Interim Consolidated Income Statement

(in thousands of euro)	Six months ended June 30	
	2015	2014
Revenue	450,522	349,153
Other revenue	2,884	2,174
Purchases of goods	(279,614)	(196,807)
Purchases of services, leases and rentals	(83,209)	(72,778)
Personnel costs	(62,104)	(52,429)
Other operating costs	(5,726)	(2,937)
Amortization, depreciation and impairment	(16,988)	(15,382)
Operating profit	5,765	10,994
Finance income	94	184
Finance costs	(4,440)	(3,926)
Profit before tax	1,419	7,252
Income tax expense	(477)	(3,197)
Profit for the year from continuing operations	942	4,055
Loss for the year from discontinued operations	-	(708)
Profit for the period	942	3,347
Profit attributable to:		
Non-controlling interests	89	58
Owners of the parent	853	3,289
Earnings per share basic / diluted (in euro)	0.03	0.12
From continuing operations	0.03	0.14
From discontinued operations	-	(0.02)

Interim Consolidated Statement of Cash Flows

(in thousands of euro)	Six months ended June 30	
	2015	2014
Profit before tax	1,419	7,252
Adjustments for:		
Depreciation, amortization and impairment	16,988	15,382
Provisions for employee benefits and other charges	224	128
Finance costs	4,346	3,742
Other non-monetary items	(423)	(125)
Net cash generated from operating activities before changes in working capital	22,554	26,379
Increase in inventory	(13,026)	(13,576)
Decrease/(Increase) in trade receivables	2,882	(5,859)
Decrease in trade payables	(3,096)	(148)
Decrease/Increase in other assets/liabilities	(18,237)	5,413
Payments of employee benefits	(118)	(172)
Interest paid	(4,816)	(3,351)
Income tax paid	(4,939)	(4,067)
Net cash generated/(used) in operating activities	(18,796)	4,619
Acquisition of subsidiary, net of cash acquired	(2,640)	(2,423)
Purchase of property, plant and equipment	(15,253)	(14,070)
Purchase of intangible assets	(4,054)	(434)
Proceeds from sale of property, plant and equipment	418	454
Proceeds from sale of intangible assets	328	53
Increase in financial receivables	(30)	(581)
Interest received	205	119
Net cash used in investing activities	(21,026)	(16,882)
Proceeds from borrowings	35,837	10,996
Repayment of borrowings	(81,175)	(5,937)
Increase in short-term loans	18,825	3,838
Increase in share capital	69,659	-
Dividends paid to non-controlling interests	-	(220)
Net cash generated in financing activities	43,146	8,677
Exchange gains on cash and cash equivalents	443	66
Net increase/(decrease) in cash and cash equivalents	3,767	(3,520)
Net cash used from operating activities of discontinued operations	-	(13,073)
Net cash used from investing activities of discontinued operations	-	(163)
Net cash generated from financing activities of discontinued operations	-	16,986
Net cash generated from discontinued operations	-	3,750
Total net increase in cash and cash equivalents	3,767	230
Cash and cash equivalents at the beginning of the period	18,302	19,856
Cash and cash equivalents at the end of the period	22,069	20,086



MASSIMO ZANETTI
BEVERAGE GROUP

Interim Consolidated Statement of Financial Position

(in thousands of euro)	As at June 30 2015	As at December 31 2014
Intangible assets	117,128	108,435
Property, plant and equipment	210,978	203,226
Investment properties	4,473	4,525
Investments in joint venture	125	128
Non-current trade receivables	14,545	15,079
Deferred tax assets	16,798	10,311
Other non-current assets	5,744	5,521
Total non-current assets	369,791	347,225
Inventories	145,047	139,302
Trade receivables	118,438	119,903
Income tax assets	2,947	510
Other current assets	17,722	19,042
Cash and cash equivalents	22,069	18,302
Total current assets	306,223	297,059
Total assets	676,014	644,284
Share capital	34,300	28,000
Other reserves	135,415	62,754
Retained earnings	113,145	114,062
Equity attributable to owners of the parent	282,860	204,816
Non-controlling interests	1,852	1,759
Total equity	284,712	206,575
Non-current borrowings	102,804	145,731
Post-employment benefits	9,633	9,743
Other non-current provisions	2,439	2,291
Deferred tax liabilities	24,785	23,515
Other non-current liabilities	5,477	4,178
Total non-current liabilities	145,138	185,458
Current borrowings	140,793	116,504
Trade payables	79,614	92,576
Income tax liabilities	1,536	2,084
Other current liabilities	24,221	41,087
Total current liabilities	246,164	252,251
Total liabilities	391,302	437,709
Total equity and liabilities	676,014	644,284

MASSIMO ZANETTI BEVERAGE GROUP S.p.A.

31020 Villorba (Treviso) – Viale Gian Giacomo Felissent, 53

www.mzb-group.com