Greenyard announces results in line with earlier communications after a challenging first half year

Sint-Katelijne-Waver, Belgium, 20 November 2018 – Greenyard (Euronext Brussels: GREEN)

Key financials – first half accounting year ending 30 September 2018

- **Sales.** Greenyard suffered from exceptional weather circumstances over the whole of Europe. A persistent drought affected the growth of vegetables and fruit, with a high impact on the availability of the product and/or on market prices. Combined with earlier announced and continuing margin pressure in a number of Greenyard's key markets, this resulted in a net sales decline by 3,6% to € 1.982,8m (excluding discontinued operations). Without taking into account the FX effect (-0,2%), net sales declined by 3,2% versus last year.
    - Fresh: net sales declined by 3,5% to € 1.647,9m, mainly due to loss of volumes from competitive pressure and pricing impact as a result of the weather conditions.
    - Long Fresh: net sales declined by 4,1% to € 334,9m, primarily from the discontinuation of certain non-profitable contracts and delay of orders in Prepared, but also a temporary loss of sales due to the Listeria recall in Greenyard's Frozen division.
- **REBITDA**. In line with full year expectations as earlier communicated to the market, REBITDA for Greenyard fell with 39,9% to € 41,2m (excluding discontinued operations). The € 27,4m drop is mainly due to:
    - Fresh: REBITDA in Fresh fell by 49,0% to € 21,7m, given severe competitive pressure in Greenyard's key markets, causing inefficiencies, which was accelerated by the weather impact. Greenyard has taken measures to mitigate these factors, such as reorganisation of its footprint and organisational design. Greenyard expects a gradual improvement through a traditionally better second half year and stronger competitive position.
    - Long Fresh: REBITDA in Long Fresh for the first half year amounts to € 20,5m, representing a 20,3% drop. This decline is due to the negative impact of the exceptional weather conditions, causing shortages and lower cost absorption in the factories and to a lesser extent, the consequences of the Listeria recall.
    - Greenyard expects that its partnership strategy will bear fruit and will gradually improve profitability over the next few periods.
- **Non-recurring items.**
    - **Listeria.** Greenyard incurred a net non-recurring cost of € 22,6m and a recurring cost of € 3,5m related to the recall and destruction of frozen vegetables from its Hungarian facility and other related consequences thereof. The net non-recurring costs and related assets and liabilities are determined based on a conservative estimate of the costs and insurance income. Greenyard updates its

  estimations for the total costs and expected insurance proceeds to an amount of € 28,0m, which is less than the initially communicated € 30,0m.
  - **Impairment goodwill.** Greenyard has decided to impair the goodwill of Greenyard as it was calculated at the time of completion of the business combination in 2015. This goodwill impairment amounts to € 29,2m for Long Fresh due to a potential delay in the expected profitability growth, caused by the recent events. The goodwill impairment does not affect the strategy, business or liquidity of Greenyard.
- The effective tax rate for the first half year amounts to -14,1%. The tax rate is driven by the reported loss and the use and reversal of deferred tax assets.
- The net result from continued operations amounts to a loss of € 68,1m. This result was negatively impacted by non-recurring items for a total amount of € -53,0m.
- **Net financial debt.** Net financial debt increased by € 98,3m to € 517,4m (including Horticulture), predominantly due to a lower profitability, non-recurring recall costs and the inventory build-up in the Long Fresh segment. This led to a leverage ratio of 4,4x end of September. Greenyard appreciates the full support it received from its relationship banks for the waiver on the covenant levels of September (2018) and March (2019). Greenyard is determined to structurally reduce the leverage over the coming periods. In order to strengthen its balance sheet, Greenyard has decided to act decisively by selling its Horticulture segment. Even after the sale of the Horticulture segment, Greenyard’s focus remains on strengthening its balance sheet, now with strong emphasis on the improvement of its profitability and further internal growth.
- **Discontinued operations.**
  - The sale of the Horticulture segment to Straco will lead to total cash proceeds of € 120,0m. The proceeds of the sale of the Horticulture segment will be used to deleverage through the repayment of the € 150,0m retail bond that is due 5 July 2019, without affecting the existing credit facility or credit lines.
  - As the expected synergies with the Horticulture segment will no longer be realised within Greenyard, the sale entails an important goodwill impairment resulting from the valuation at fair value less cost to sell. The goodwill impairment does not affect the strategy, business or liquidity of Greenyard. Greenyard and Straco will examine how to further develop concepts for sustainably growing healthy and tasty vegetables and fruit, for a healthier future for all in the chain. Greenyard expects the closing of the transaction to occur before the end of this accounting year.
- **Profit/loss for the period.** A loss for the period from discontinued operations for an amount of € 44,9m results in a total loss for the period of € 113,0m.
- CAPEX spent (including discontinued operations) for the first half year amounted to € 40,2m, and includes € 15,1m of payments from investments executed at the end of last accounting year. CAPEX for this year was materially reduced.

- Greenyard now confidently looks towards the future with the current combination of the two segments: Fresh and Long Fresh. Greenyard has no further plans to sell any core activities. The announced measures for the optimisation of assets and the sale of non-core assets, as well as CAPEX savings and working capital optimisations are on track. In addition, Greenyard is deploying further strategic projects for a renewed focus of both segments, with a view to reinforcing the offer, improving net sales and margins and responding to the ever-changing demand of retailers and consumers. Greenyard will communicate more details as soon as more information is available.
- For AY 18/19, Greenyard maintains its guidance of REBITDA -25% versus last year, excluding currency impact.
- Interested parties are invited to listen to a live webcast by visiting the following link, or through the following dial-in: +32 2 342 07 47 (or toll-free number +32 800 11960), Passcode: 52454049#. The call will begin promptly at 6:30 p.m. (CET). An audio replay of the conference call will be available on Greenyard's Investor Relations webpage as of Wednesday 21 November.

Hein Deprez, CEO Greenyard:

"As communicated in August, the first half year of our accounting year 2018/2019 was challenging for Greenyard. Our results reflect the fierce competition and difficult market circumstances in our key markets. Consolidation in these markets puts pressure on all suppliers to find ways to deliver their products, even at low prices.

The current challenging market conditions have also led us to take certain decisive actions, such as the sale of our Horticulture segment, which was needed to strengthen our balance sheet again. We will use these proceeds to repay the retail bond that is due in July 2019. We continue to work hard to further strengthen our company and are fully focused on further internal growth.

Despite this hard market reality, we continue to believe in our strategy to form partnerships with our retailers by working closely and transparently together with them to rationalise the entire supply chain to the benefit of all: consumers, retailers, growers and Greenyard.

We already see good examples and stable growth for those retailers and Greenyard where we are able to build such partnership model. We will do that in the current combination of our Fresh and Long Fresh segments as a unique player in the market offering all categories in fruit and vegetables in all its forms: fresh, frozen and prepared. We are convinced we have the right people, heart, assets and strategy to defend our market position, grow our base and build these partnerships for the future."

Figure 1 – Key financials

Key financials	H1 18/19	H1 17/18 *	Difference
Sales continuing (€'000 000)	1.982,8	2.056,6	-3,6%
Sales discontinued (€'000 000)	54,9	37,9	44,9%
REBITDA continuing (€'000 000)	41,2	68,5	-39,9%
REBITDA discontinued (€'000 000)	7,6	4,9	56,1%
REBITDA-margin continuing %	2,1%	3,3%	
REBITDA-margin discontinued %	13,9%	12,9%	
Net result continuing (€'000 000)	-68,1	10,1	-771,9%
Net result discontinued (€'000 000)	-44,9	2,3	-2072,6%
EPS continuing (€)	-1,57	0,22	-813,3%
EPS discontinued (€)	-1,07	0,05	-2120,6%
NFD continuing (€'000 000)	521,2	419,1	24,3%
NFD discontinued (€'000 000)	-3,8	-	
Leverage	4,4	2,8	

* For NFD and leverage the figure reported is March 2018

Segment review

1 - Fresh

Figure 2 – Sales & REBITDA evolution

Fresh	H1 18/19 €'000 000	H1 17/18 €'000 000	Difference
Sales	1.647,9	1.707,3	-3,5%
REBITDA	21,7	42,6	-49,0%
REBITDA-margin %	1,3%	2,5%	

Sales in Fresh declined with 3,5%. After FX correction of -0,1%, growth declined internally with a 3,2% drop.

Fresh felt competitive pressure in most of its core markets, particularly in Germany and Belgium. Sales decline was primarily due to exceptional weather conditions, a volume decline resulting from a combination of competitive pressure and shortages in certain Stock Keeping Units. Partnership model showing stable growth in all applicable markets.

REBITDA dropped by 49,0%, which represents a margin of 1,3% versus 2,5% last year (-120bps YoY). Key reason for the drop in REBITDA is the loss of volumes from competitive pressure, which entails loss of margin and increase in operational inefficiencies.

2 – Long Fresh

Figure 3 – Sales & REBITDA evolution

Long Fresh	H1 18/19 €'000 000	H1 17/18 €'000 000	Difference
Sales	334,9	349,4	-4,1%
REBITDA	20,5	25,7	-20,3%
REBITDA-margin %	6,1%	7,4%	

In Long Fresh, net sales declined with 4,1%. Foreign currencies impacted sales negatively by 0,6%, largely driven by the Brazilian Real and the GBP. As such, internal sales showed a -3,5% evolution.

This sales decrease is mainly driven by the lower volumes sold immediately after the Listeria recall in Frozen and a number of delays in export orders and orders from some larger customers in Prepared, as well as the termination of some non-profitable contracts in the UK, Germany and France.

The Frozen division suffered from the Listeria recall given the loss of margin caused by lost sales volumes, and a loss of fixed cost absorption, due to the temporary closing of production in Hungary. REBITDA in the Prepared division was affected by lower sales volumes and lower sales prices (mainly in mushrooms), but continued to stand its ground and even performed slightly better than last year.

Non-recurring items

Figure 4 –Non-recurring items from operating activities

Non-recurring items	H1 18/19 €'000	H1 17/18 €'000
Reorganisation costs Fresh	-	-2.198
Merger & acquisition project costs	-	-595
Costs related to impact of Listeria	-22.604	-
Waiver fee	-1.163	-
Impairment goodwill Long Fresh	-29.172	-
Other	-689	-675
Non-recurring expenses	**-53.628**	**-3.468**
Result on sale H-Pack & H-Fruit	-	1.379
Result on sale of assets	586	12
Non-recurring income	**586**	**1.391**
TOTAL	**-53.041**	**-2.076**

Non-recurring items amounted to € 53,0m, compared to € 2,1m last year. The two main total non-recurring items consist of costs related to the Listeria recall (€ 22,6m) and the goodwill impairment for Long Fresh (€ 29,2m).

Net Finance Income/ (Costs)

Figure 5 – Net finance income / (costs)

Net finance income/cost (-)	H1 18/19 €'000	H1 17/18 €'000
Interest expense	-15.844	-14.330
Interest income	215	218
Other finance result	351	-4.344
TOTAL	**-15.278**	**-18.456**

Net finance costs witnessed a decline of € 3,2m YoY due to lower exchange gains/losses and bank and other finance expenses, not offset by slightly higher interest expenses.

Income taxes & Net result

Figure 6 – Income taxes and net result

Income taxes and net result	H1 18/19 €'000	H1 17/18 €'000
CONTINUING OPERATIONS		
Profit/loss (-) before income tax	**-59.687**	**17.126**
Income tax expense (-)/income	-8.420	-6.989
Profit/loss (-) for the period from continuing operations	**-68.107**	**10.137**
DISCONTINUED OPERATIONS		
Profit/loss (-) for the period from discontinued operations	-44.850	2.274
PROFIT/LOSS (-) FOR THE PERIOD	**-112.957**	**12.411**
Attributable to:		
The shareholders of the Group	-113.378	11.688
Non-controlling interests	421	722

The corporate tax charge of € 8,4m results in a tax rate of -14,1%. The tax rate is driven by the reported loss and the use and reversal of deferred tax assets.

Cash flow

Figure 7 – Cash flow statement for the 6 month period ending 30 September 2018

Consolidated statement of cash flows	H1 18/19 €'000	H1 17/18 €'000
CASH, CASH EQUIVALENTS AND BANK OVERDRAFTS, OPENING BALANCE	57.432	112.735
CASH FLOW FROM OPERATING ACTIVITIES (A)	-40.502	41.476
EBIT	**-87.974**	**38.434**
Income taxes paid	**-1.288**	**-2.674**
Adjustments	**113.485**	**30.653**
Fair value adjustments biological assets	-476	-759
Amortisation of intangible assets	10.049	7.952
Depreciation and impairment of property, plant & equipment	26.577	24.872
Impairment on goodwill	76.185	
Write-off on stock/trade receivables	6.078	-1.437
Increase/decrease (-) in provisions and employee benefit liabilities	-3.975	661
Gain (-)/loss on disposal of property, plant & equipment	-771	-489
Share of profit/loss (-) of equity accounted investments	-182	-147
Increase (-) /decrease in working capital	**-64.726**	**-24.937**
Increase (-)/decrease in inventories	-43.177	-49.205
Increase (-)/decrease in trade and other receivables	23.295	70.496
Increase/decrease (-) in trade and other payables	-44.843	-46.229
CASH FLOW FROM INVESTING ACTIVITIES (B)	-40.516	-31.987
Acquisitions (-)	**-43.635**	**-35.175**
Acquisition of intangible assets and property, plant & equipment	-40.161	-34.688
Acquisition of subsidiaries/ associates	-3.474	-487
Disposals	**3.119**	**3.188**
Disposal of intangible assets and property, plant & equipment	1.851	1.172
Disposal of subsidiaries/ associates	1.268	2.017
CASH FLOW FROM FINANCING ACTIVITIES (C)	97.028	-41.208
Dividend payment	-11	-
Acquisition of treasury shares	-	-13.603
Repayment long- and short-term borrowings (-)	-12.301	-10.265
Proceeds long- and short-term borrowings	126.000	-
Net interests paid	-16.336	-16.239
Other financial expenses	-324	-1.100
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	16.009	-31.719
Effect of exchange rate fluctuations	-606	-1.003
CASH, CASH EQUIVALENTS AND BANK OVERDRAFTS, CLOSING BALANCE	72.834	80.014
Of which:		
Cash and cash equivalents	68.555	80.014
Bank overdrafts	49	-
Cash and cash equivalents related to disposal group held for sale	4.328	-

Key elements:

- Cash flow from operating activities decreased significantly to € -40,5m, driven by low EBIT and an increase in net working capital due to less receivables and stable payables. Inventory build-up in Long Fresh was lower than last year due to the weather conditions and the Listeria impact.

- Cash flow from investing activities amounts to € -40,5m which is higher than last year due to a spill-over effect in CAPEX from previous accounting year and the inclusion of the Mycoculture entities after being acquired.
- Cash flow from financing activities increased in order to finance the operating and investment activities.

CAPEX

Total CAPEX spent reached € 40,2m representing an increase of € 5,5m YoY.

CAPEX in Fresh related to the expansion project in Germany and its ERP system, and investments in a packing machine, equipment and additional ripening capacity in Belgium.

In Long Fresh, CAPEX mainly relates to investments in machinery and equipment, both replacements and new machines (e.g. for preparation of convenience products).

Financial Position

Net financial debt

Net financial debt on 30 September 2018 amounted to € 517,4m (including discontinued operations), which implies an increase of € 98,3m versus March 2018, which is primarily due to a lagging REBITDA performance, Listeria costs, CAPEX payments, deterioration of net working capital and finance charges. As a result, net financial debt/adjusted REBITDA increased to 4,4x from 2,8x per March 2018. Greenyard has taken and continues to take the necessary steps to decrease the net debt and increase profitability over the coming periods. A first decisive step has been made through the sale of the Horticulture segment, which will bring € 120,0m of total cash proceeds before the end of the accounting year.

Working capital

Working capital deteriorated to € -85,3m versus € -152,3m (March 2018). This deterioration is largely driven by a loss of volumes (lower sales) and therefore less receivables (€ -22,8m), resulting in a decrease of our factoring for an amount of € 33,8m. Payables consequently also decreased by € 54,3m. Seasonal inventory build-up amounted to € 35,6m.

Outlook statement

The Board of Directors and management consider that Greenyard continues to be well positioned to deliver profitable growth and to unlock the synergy potential of the business combination going forward.

Subsequent events

Between 30 September 2018 and 20 November 2018 no significant events occurred.

Change in consolidation perimeter

The parent company of Greenyard is Greenyard NV, Sint-Katelijne-Waver, Belgium. The subsidiaries and associates of Greenyard as per 30 September 2018 are the same as presented in the annual report as per 31 March 2018 apart from:

- On 3 April 2018 Greenyard reached an agreement to take over the 49% stake of Ben De Pelsmaeker in Greenyard Fresh Direct Belgium. Greenyard now holds 100% in Greenyard Fresh Direct Belgium. This transaction was mainly (97%) settled in treasury shares.
- On 10 April 2018 Greenyard has acquired a 49% stake in Mor International, whereby it has the option to become majority owner in the future. Currently Mor International is accounted for using the equity method. Mor International is a well-known Israeli fruit sourcing and exporting company strongly focused on sourcing high quality exotics (mangos, avocados, kakis, pomegranates, fresh dates and bell peppers).

Declaration of the statutory auditor

The statutory auditor confirms that the limited review is completed and did not reveal any significant adjustments to the financial information included in the press release.

Financial calendar

- Q3 trading update 2018/2019 — 26 February 2019 - before opening market
- FY results 2018/2019 — 4 June 2019 - before opening market
- Q1 trading update 2019/2020 — 27 August 2019 - before opening market
- HY results 2019/2020 — 19 November 2019 - before opening market

For additional information, please contact Greenyard:

Geert Peeters, CFO
T.: +32 15 32 42 60
Geert.peeters@greenyard.group

Dennis Duinslaeger, Investor Relations
T.: +32 15 32 42 49
M.: +32 477 90 39 98
Dennis.duinslaeger@greenyard.group

About Greenyard

Greenyard (Euronext Brussels: GREEN) is a global market leader of fresh, frozen and prepared fruit & vegetables, flowers, plants and growing media. Counting Europe's leading retailers amongst its customer base, the group provides efficient and sustainable solutions to customers and suppliers through best-in-class products, market leading innovation, operational excellence and outstanding service.

Our vision is to make lives healthier by helping people enjoy fruit & vegetables at any moment, easy, fast and pleasurable, whilst fostering nature.

With more than 10,000 employees operating in 27 countries worldwide, Greenyard identifies its people and key customer and supplier relationships as the key assets which enable it to deliver goods and services worth more than 4 billion euros per annum.

www.greenyard.group

Glossary

CAPEX	Capital expenditures
EBIT	Operating result
EPS	Earnings per share
Leverage	NFD/Adjusted REBITDA
Net financial debt (NFD)	Interest-bearing debt (at nominal value) less derivatives, bank deposits, cash and cash equivalents
Net result	Profit/loss (-) for the period
Non-recurring items	Non-recurring items are those that in management's judgement need to be disclosed by virtue of their size or incidence. Such items are disclosed on the face of the consolidated income statement and separately disclosed in the notes to the financial statements. Transactions which may give rise to non-recurring items are principally restructuring and reorganisation activities, impairments, disposal of assets and investments, claims, IFRS 3 acquisition accounting and merger & acquisition projects and the effect of the accelerated repayment of certain financial indebtedness.
REBITDA	EBIT corrected for depreciation, amortisation and impairments excluding non-recurring items and EBIT corrected for depreciation, amortisation and impairments from minor divested operations
Adjusted REBITDA	Last twelve months REBITDA, adjusted for acquisitions
Working capital	Working capital is the sum of the inventories, trade and other receivables (non-current and current) and trade and other payables (current). In this respect trade and other receivables are corrected for long-term (financing) receivables and accrued interest income and trade and other payables exclude accrued interest expenses and dividend payable.
AY 18/19	Accounting year ending 31 March 2019
AY 19/20	Accounting year ended 31 March 2020
H1 18/19	First half year of accounting year ending 31 March 2019
H1 19/20	First half year of accounting year ended 31 March 2020

APPENDIX 1: Consolidated income statement

Consolidated income statement	H1 18/19 €'000	H1 17/18 (*) €'000
CONTINUING OPERATIONS		
Sales	1.982.784	2.056.637
Cost of sales	-1.860.790	-1.911.371
Gross profit/loss (-)	**121.994**	**145.266**
Selling, marketing and distribution expenses	-48.884	-45.971
General and administrative expenses	-66.833	-64.402
Other operating income	2.174	2.619
Share of profit/loss (-) of equity accounted investments	182	147
EBIT before non-recurring items	**8.633**	**37.658**
Non-recurring items from operating activities	-53.041	-2.076
EBIT	**-44.409**	**35.582**
Interest expense	-15.844	-14.330
Interest income	215	218
Other finance result	351	-4.344
Net finance income/cost (-)	**-15.278**	**-18.456**
Profit/loss (-) before income tax	**-59.687**	**17.126**
Income tax expense (-)/income	-8.420	-6.989
Profit/loss (-) for the period from continuing operations	**-68.107**	**10.137**
DISCONTINUED OPERATIONS		
Profit/loss (-) for the period from discontinued operations	-44.850	2.274
PROFIT/LOSS (-) FOR THE PERIOD	-112.957	12.411
Attributable to:		
The shareholders of the Group	-113.378	11.688
Non-controlling interests	421	722

(*) The consolidated income statement is restated in accordance with IFRS 5 due to the discontinued operation.

APPENDIX 2: Consolidated statement of financial position

Assets	30 September 2018 €'000	31 March 2018 €'000
NON-CURRENT ASSETS	**1.173.199**	**1.361.377**
Property, plant & equipment	366.498	419.512
Goodwill	526.765	633.852
Other intangible assets	221.971	252.706
Biological assets	20.883	20.711
Investments accounted for using equity method	11.813	9.435
Other financial assets	29	35
Deferred tax assets	18.586	19.630
Trade and other receivables	6.652	5.495
CURRENT ASSETS	**835.305**	**702.245**
Biological assets	-	76
Inventories	328.666	312.393
Trade and other receivables	291.465	331.786
Other financial assets	1.071	558
Cash and cash equivalents	68.555	57.432
Disposal group held for sale	145.547	-
TOTAL ASSETS	**2.008.503**	**2.063.622**

Equity and liabilities	30 September 2018 €'000	31 March 2018 €'000
EQUITY	**589.063**	**709.218**
Issued capital	288.392	288.392
Share premium and other capital instruments	317.882	317.882
Consolidated reserves	-18.794	97.316
Cumulative translation adjustments	-9.065	-7.893
Non-controlling interests	10.648	13.521
NON-CURRENT LIABILITIES	**315.857**	**479.573**
Employee benefit liabilities	20.640	21.708
Provisions	9.902	10.940
Interest-bearing loans	240.249	401.034
Other financial liabilities	569	1.341
Trade and other payables	2.558	3.118
Deferred tax liabilities	41.938	41.432
CURRENT LIABILITIES	**1.103.583**	**874.831**
Provisions	4.719	8.060
Interest-bearing loans	335.926	59.983
Other financial liabilities	541	2.317
Trade and other payables	736.849	804.470
Liabilities related to disposal group held for sale	25.547	-
TOTAL EQUITY AND LIABILITIES	**2.008.503**	**2.063.622**

APPENDIX 3: Reconciliation working capital

Reconciliation working capital	30 September 2018			31 March 2018		
	As reported	Reconciliation	Total	As reported	Reconciliation	Total
	€'000	€'000	€'000	€'000	€'000	€'000
Inventories	328.666	-	328.666	312.393	-	312.393
Trade and other receivables (non-current/current)[1]	298.117	-7.008	291.109	337.281	-5.861	331.420
Current trade and other payables[2]	-736.849	13.361	-723.488	-804.470	8.345	-796.125
Continuing operations			**-103.713**			**-152.311**
Inventories	19.277	-	19.277			
Trade and other receivables (non-current/current)[1]	17.562	-8	17.554			
Current trade and other payables[2]	-18.496	113	-18.383			
Discontinued operations			**18.448**			**-**
Working capital			**-85.265**			**-152.311**

[1] Long-term (financing) receivables for € 6,4m (AY 17/18 € 5,3m) and accrued interest income for € 0,6m (AY 17/18 € 0,6m) are excluded from the reported working capital.

[2] Accrued interest expenses for € 4,6m (AY 17/18 € 8,3m) are excluded from the reported working capital.

APPENDIX 4: Reconciliation net financial debt

Reconciliation net financial debt	30 September 2018			31 March 2018		
	As reported	Reconciliation (*)	Total	As reported	Reconciliation (*)	Total
	€'000	€'000	€'000	€'000	€'000	€'000
Cash and cash equivalents	-68.555	-	-68.555	-57.432	-	-57.432
Interest-bearing loans (non-current/current)	576.175	13.585	589.760	461.017	15.560	476.577
Continuing operations			**521.205**			**419.145**
Cash and cash equivalents	-4.328	-	-4.328	-	-	-
Interest-bearing loans (non-current/current)	558	-	558	-	-	-
Discontinued operations			**-3.770**			**-**
Net financial debt			**517.435**			**419.145**

(*) Net capitalised transaction costs related to the refinancing for € 5,4m (AY 17/18 € 6,2m) and net value of the conversion option at inception after amortisation for € 8,2m (AY 17/18 € 9,4m) are added back in order to present the nominal amounts of drawn financing as part of the reported net financial debt.

APPENDIX 5: Reconciliation REBITDA

EBIT before non-recurring items - REBITDA	H1 18/19	H1 17/18
	€'000	€'000
EBIT before non-recurring items	**8.633**	**37.658**
Depreciation and amortisation	32.147	30.601
Divestitures (not in IFRS 5 scope)	-	105
Net intercompany transactions between continued and discontinued operations	391	184
REBITDA	**41.171**	**68.549**