PRESS RELEASE

Greenyard Foods – Global leader in Fruit & Vegetables reports first full year results after merger

Sint-Katelijne-Waver, Belgium, June 7, 2016 – Greenyard Foods (Euronext Brussels: GRYFO; 'Greenyard Foods', 'the Group' or 'the Company') today announced its results for the second half and full year ending March 31,2016

Operational highlights* - FY ending March 31, 2016

- Since the incorporation of Univeg ('Fresh') and Peatinvest ('Horticulture') into Greenyard Foods on June 19, 2015, integration of the corporate teams is completed, financial reporting is aligned, the key strategic priorities and initiatives have been identified
- Operationally, sales were stable despite the discontinuation of an important client in Fresh and ongoing tough market conditions in Prepared
- Fresh performed in line with expectations and successfully managed to grow sales by regaining market share after the discontinuation of an important customer (annual sales in excess of € 300m), demonstrating the robust nature of the Fresh business model
- Prepared suffered from cost overruns due to temporary operational transition issues following ERP implementation in France and price pressure, but rebounded in H2
- Horticulture surpassed expectations as a result of good peat harvests and improving efficiencies combined with tight cost control
- In August, a JV with Veiling Haspengouw was concluded, providing the group with access to local fruit. In January of this year, Lutèce was acquired, a global market leader in high quality canned mushrooms, a complementary business compared to the existing activities in Canned. Lutèce operates state-of-the-art production facilities

Financial highlights – FY ending March 31, 2016

- Sales are in line with last year (excl. M&A and FX) and amount € 3.967,3m
- REBITDA was down 5,5% to € 136,2m. This implies a 2,9% recovery, or € 3,9m, from September LTM REBITDA of € 132,3m. The decrease was predominantly driven by Prepared due to transition issues following an ERP implementation and price pressure. Fresh and Horticulture were broadly in line
- Net profit came in at € 17,0m or an EPS of € 38c per share
- Net debt decreased by 9,1% or € 38,4m to € 382,9m or net leverage of 2,8x. Leverage is down from 2,9x last year, notwithstanding the acquisitions of Lutèce and H-Fruit and H-Pack and continued high capex
- Targeted tax synergies of € 1,0m were delivered
- Solvency of 34,9%
- Greenyard Foods will start dividend payments - the Board proposes € 0,2 per share.

* For comparison reasons, all numbers in this release are based on pro-forma unaudited management results. Comments refer to Mar '15 LTM vs. Mar '16 LTM as if Fresh and Horticulture would be included for 12 months in consolidation of Greenyard Foods. Legal consolidation, including 9,5 months Fresh and Horticulture and 12 months of Prepared FY ending March 2016, can be found in annexes.

CEO Marleen Vaesen comments on the results and the past year:

‘Greenyard Foods posted a solid performance in the past fiscal year. We managed to deliver stable sales, despite the discontinuation of a key customer in Fresh, representing over € 300m in turnover. REBITDA is down by 5,5%, mainly driven by Prepared due to the ERP implementation issues in France and pricing pressure. Encouragingly, there is a recovery in Prepared in the second half. The solid performance in Fresh and Horticulture have been in line with expectations, helping to strengthen the overall results.

We have identified the key priorities for 2016/2017 with a focus on implementing Greenyard Foods’ vision, mission, values, drive topline growth and realise cost synergies and, importantly, improve internal talent development. We are confident we have the right strategy and priorities in place for the long term development of the company to create a strong global leader of fruit and vegetables in all its forms.’

Figure 1 – Key financials: Pro forma numbers

(in € million)	Mar '15 LTM	Mar '16 LTM	YoY
Sales	4.012,2	3.967,3	-1,1%
REBITDA	144,1	136,2	-5,5%
REBITDA margin %	3,6%	3,4%	
Net result	N/A	17,0	
NFD	421,3	382,9	-9,1%
NFD/REBITDA	2,9	2,8	

Segment review

1 – Fresh

Figure 2 – Fresh sales & REBITDA evolution

(in € million)	Mar '15 LTM	Mar '16 LTM	YoY
Sales	3.310,5	3.248,8	-1,9%
REBITDA	75,7	75,4	-0,5%
REBITDA margin	2,3%	2,3%	

The Fresh segment delivered strong performance in the 12 months ending March 2016. Sales were flat organically to € 3.248,8m. This performance was realized thanks to solid growth at the existing client base in the core markets and despite the discontinuation of a large German client with sales surpassed 10% of Fresh' total annual sales. Growth markets for Fresh (UK, France and the US) continued their rise and posted 11% sales increase. Throughout the year, new investments were made and will drive further growth and profitability going forward.
Pricing was generally healthy on the Continent and the product mix continues to be positively impacted by strong demand in exotics, Ready-To-Eat and mixes. Divestments of The Fruit Farm Group and other farming operations impacted top line negatively by 2,1% whereas FX was slightly positive (+0,6%).

REBITDA was almost flat (-0.5%) to € 75,4m. The Fresh segment almost fully compensated the margin drop resulting from the discontinuation of a German customer within 12 months' time. This was achieved thanks to a very strong performance at the existing client base, combined with restoring profitability of underperforming activities. After a drop of 7,4% in H1, REBITDA was up more than 9% in H2.

2 – Prepared

Figure 3 – Prepared sales & REBITDA evolution

(in € million)	Mar '15 LTM	Mar '16 LTM	YoY
Sales	635,4	646,1	1,7%
REBITDA	59,9	51,6	-13,9%
REBITDA margin	9,4%	8,0%	

* Due to alignment of P&L classification between the segments, REBITDA of Prepared reported March'15 was negatively impacted by € 2,7m which leads to € 59,9m as comparison base vs. € 62,6m reported last year.

On a full year basis, organic sales growth was up 0,7% and FX contributed 1,0% to top line growth as well. Market conditions in Prepared remained challenging in Europe, also in the second half. However, volume growth and continued efficiency efforts with lean focus and improvement in product mix were partially able to compensate ongoing price pressure in the market.

REBITDA dropped by 13,9% YoY due to temporary operational transition issues following ERP implementation in France and price pressure. However, gradually REBITDA evolution benefited from prior year's investments to improve operational efficiencies and the phasing. As a result, H2 reported a 9,4% increase YoY, resulting in a € 2,1m surge in REBITDA. This firm growth mitigated the FY decline to 13,9%, an improvement compared to the 27,4% decrease reported in H1.

The issues associated with the ERP transition in France were the driver for the overall decrease in the Prepared segment with an impact over the FY of € -8,0m. Various recovery and improvement initiatives have been implemented. Operational efficiencies more than doubled their impact towards € +4,1m (vs. H1 € +1,9m), clearly proving that ongoing investments increasingly contribute**,** boding well for future performance.

3 – Horticulture

Figure 4 – Horticulture sales & REBITDA evolution

(in € million)	Mar '15 LTM	Mar '16 LTM	YoY
Sales	66,3	72,4	9,2%
REBITDA	8,5	9,2	9,2%
REBITDA margin	12,8%	12,8%	

Horticulture had an excellent year with sales growth of 9,2%, in line with H1 reported 10,5% growth. The growth is the result of ongoing solid organic sales growth driven by innovative products (+4%) combined with new anti-cyclical winter products, launched in August, which added 5% to top line.

REBITDA improved by 9,2% thanks to strong top line growth and a good peat harvest. Cost control and ongoing efficiency improvements further supported margins. On the other hand, operating leverage was absent due to start-up costs related to the launch of the new winter products.

Non-recurring items

Figure 5 – Non-recurring items above EBIT

(in € million)	Mar '16 LTM
Restructuring & write offs	-3,2
Claims	-4,0
Merger & acquisition costs	-6,1
Lutèce Badwill	18,0
Other	-1,4
Total Non-recurring items	**3,4**

REBITDA is excluding non-recurring items, which impact EBITDA positively by € 3,4m. This is the net result of the Lutèce badwill of € 18,0m, which is almost fully absorbed by M&A costs of € 6,1m (Greenyard Foods merger & Lutèce mainly), legacy custom duty claims of € 4,0m and restructuring & write offs of € 3,2m.

Synergies

In the first year as a group, Greenyard Foods delivered on its targeted synergies by announcing tax savings in excess of € 1,0m.
Meanwhile, the process on how and when to reach our guided synergies are fine-tuned further. Also the acquisition of Lutèce is anticipated to lead to synergies going forward. As soon as there is more visibility on both size and timing, this will be communicated to the market.

Net financial income & costs

Total financial charges for the year amount to € -55,7m, which implies an increase of € 7,7m YoY. Interest expenses, IRS & fair value adjustments amount to € -43,7m, or a decline of € 2,9m YoY. Other financial charges are also down, by € 2,6m, to € -6,2m.

MTM adjustments & unrealized exchange rate losses, following movements in GBP and PLN vs. last year, amounted to € -5,8m. The swing factor amounts to € 13,1m as last year this was a large positive amount of € +7,3m. As such, the group managed to show savings of € 5,5m of the net financial costs, but this was more than compensated by negative forex movements.

Income taxes

The corporate tax charges in FY 2016, based on legally consolidated numbers, entailing 9,5 months of consolidation of Fresh and Prepared, amounted to € 12,4m. This implies a corporate consolidated tax rate of 42,0%. The tax rate is above the normalized level due to a number of non-tax deductible charges and profits which cannot be offset against tax losses carried forward. Despite the high tax level, a saving of € 1,7m was generated, ahead of the targeted € 1,0m savings in year one. Going forward, we see room for further optimizations.

Net profits

In AY 2015/2016, Greenyard Foods realized € 17,0m in net profit. Compared to last year, this entails an increase of 57%. This translates into an EPS of € 0,38.

Dividend & new dividend policy

Greenyard Foods' Board of Directors proposes to pay a dividend of € 0,20 per share. The dividend is subject to shareholder approval at the AGM, September 16, 2016. Ex-coupon date is September 30, 2016 and the dividend would be payable October 1, 2016. It is the Board's aim to have a stable, sustainable dividend going forward. This reflects the confidence from the Board of Director's in the future of the enlarged group.

Financial position

Cash flow

Figure 6 – Condensed cash flow statement – Legal consolidated numbers

(in € million)	Mar '15	Mar '16
Cash flow from operating activities	54,8	92,2
Working capital movements	2,6	126,1
Net cash flow from operating activities	**57,4**	**218,3**
Cash flow from investing activities	**-48,4**	**-45,0**
Cash flow from financing activities	**-0,9**	**-52,5**
Effect of exchange rates	-2,6	-3,2
FREE CASH FLOW	**5,5**	**117,5**

The cash flow statement shown above is on a legal consolidated basis. As such, the evolution cannot be compared with last year.

Some key observations:

- The positive cash flow from operating activities predominantly results from the contribution of Fresh's working capital position since the date of the business combination
- Cash flow from investing activities includes capital expenditure of all segments, investments in the JV with Veiling Haspengouw and the acquisition of Lutèce. This is partly offset by proceeds received by Fresh from the sale of assets related to the discontinuation of certain activities
- Cash flow from financing activities mainly comprises repayments of borrowings and paid interests. A subordinated loan with Gimv was converted into equity prior to the business combination

Capex

Capex spending was up 7,6% YoY to € 56,4m. Per segment, Fresh was strongly up mainly driven by investments in new cooling & ripening equipment. Prepared was slightly up due to significant catch-up and acceleration of capex programs in prior years. Horticulture was back to its normal level after years of additional investments to increase operational efficiencies.

Net debt

Greenyard Foods' net debt as of March 31, 2016 amounted to € 382,9,m, which implies an improvement of € 38,4m or -9,1%. As a result, leverage dropped to 2,8x, down from 3,1x at H1 and 2.9x in March 2015. This achievement shows that cash flow was solid notwithstanding the impact of the Lutèce acquisition, H-Fruit and H-Pack as well as increased capex spending.

Working capital

A lot of efforts were made on improving working capital throughout the organization. As a result, working capital reduced from -1,2% to -1,7% on sales or € -68,1m.
This reduction includes the negative impact of € 19,6m from the acquisition of Lutèce. The decrease is primarily explained by lower inventories in Prepared (€ -20,6m), improved factoring usage (€ -12,0m) and sustainable working capital improvement initiatives.
The use of factoring increased by € 14,5m to € 358,5m mainly due to an increased usage at Prepared whereas Fresh was stable YoY.

Subsequent events

In April, after closing date, the intention to centralize the Ben Fresh activities towards Greenyard Food's logistical operations was announced. Ben Fresh is a successful Direct-Store-Delivery specialist of fresh produce, which witnessed strong growth in recent years. This allows us to respond better to future client demand and benefit from the state-of-the-art facilities of the group as well.

Also in April, there was the announcement that Koen Sticker, CFO, will leave the company at the end of July. Meanwhile, the search for a successor is ongoing and the market will be updated as soon as a successor can be made public.

Outlook statement

The Board of Directors and management believe that the Company is well positioned to deliver profitable growth and to unlock the synergy potential of the business combination. Current market conditions are not expected to alter over the foreseeable future with ongoing pressure on prices during the first half.

Change in consolidation perimeter

On June 19, 2015, the business combination between Greenyard Foods (‘Prepared’), UNIVEG (‘Fresh’) and Peatinvest (‘Horticulture’), with the objective of creating a global leader in Fresh and Prepared fruit and vegetables, was successfully closed. The transaction was structured through the contribution of 100% of the shares of UNIVEG and Peatinvest respectively against newly issued Greenyard Foods shares.

Greenyard Foods remained the parent company of the newly formed group. Both contributions are considered as separate business combinations in the scope of IFRS 3. The underlying considerations of Fresh and Horticulture should therefore be measured at fair value. According to IFRS 3, the Company has a period of one year to finalise the purchase price allocating. Greenyard has included all possible fair value measurements in AY 15/16 to the maximum extent.
However, it is possible that further measurements will be included before year-end based on additional subsequent information.

On August 28, 2015, a joint venture was concluded with Veiling Haspengouw, comprising the acquisition of 50.01% shares of H-Fruit and 50.00% shares of H-Pack respectively. Both companies are accounted for using the equity method.

In early January of this year, we announced the acquisition of Lutèce, the global market leader in high quality canned mushrooms. The group realizes annual sales of € 110,5m and carries low single digit EBITDA margins. This is a very complementary business compared to our existing activities in Canned. Moreover, Lutèce is equipped with state-of-the-art production facilities located in Horst and Velden, which is nearby the Canned facilities. Lutèce is fully consolidated as from 31 March 2016, which entails the full balance sheet is included.

Declaration of the auditor

The auditor confirms that the audit, which is substantially completed, did not reveal any significant adjustments to the financial information included in the press release. Unless the circumstances would change, the auditor expects to issue an unqualified opinion.

Financial calendar

- Analyst meeting	June 8, 2016
- Availability of the Annual Report	July 19, 2016
- Q1 trading update	August 30, 2016
- Annual General Meeting	September 16, 2016
- H1 results	November 22, 2016

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About Greenyard Foods

Greenyard Foods (Euronext Brussels: GRYFO) is a global market leader in the supply of fresh 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 of the day in an easy, fast and pleasurable way whilst fostering nature.

With some 8,200 employees operating in 25 countries worldwide, Greenyard Foods identifies its people and key customer and supplier relationships as the key assets which enable it to deliver goods and services worth almost €4 billion per annum.

www.greenyardfoods.com

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This press release contains statements and estimates about anticipated future performances. Such statements and estimates are based on various assumptions and assessments of known and unknown risks, uncertainties and other factors, which were deemed reasonable when made but may or may not prove to be correct. Actual events are difficult to predict and may depend upon factors that are beyond control. Therefore, actual results, financial conditions, performances or achievements, or market results, may turn out to be materially different from any future results, performances or achievements expressed or implied by such statements and estimates. Given these uncertainties, no representations are made as to the accuracy or fairness of such forward-looking statements, forecasts and estimates.

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Rounding difference may occur in this press release as most of the tables are in € m.

When obliged, this press release will be provided to the FSMA.

This press release is available in English and Dutch. Should there be discrepancies between both, the Dutch version will prevail.

All disputes in respect of this document will be resolved exclusively in the courts of Belgium under Belgian Law.

Glossary

EBIT	Result from operating activities
EBITDA	EBIT corrected for depreciations, amortisations and impairments
REBIT	EBIT excluding non-recurring items
REBITDA	EBITDA excluding non-recurring items
LTM	Last twelve months
Net financial debt	Interest-bearing debt (at nominal value) less derivatives, bank deposits, cash and cash equivalents, except for Fresh/ Horticulture for which derivatives are not included in net financial debt
Leverage	Net financial debt/ LTM REBITDA
Non-recurring items	Non-recurring items are those that in management's judgment need to be disclosed by virtue of their size or incidence. Such items are disclosed on the face of the consolidated income statement or separately disclosed in the notes to the financial statements. Transactions which may give rise to non-recurring items are principally restructuring activities, impairments, gains or losses on disposal of investments and on IFRS3 acquisition accounting.

Appendix 1 –P&L – Legal consolidation*

P & L (in € million)	Mar '15	Mar '16
CONTINUING OPERATIONS		
Revenue from sales	**635,4**	**3.203,2**
Cost of sales	-562,0	-2.968,8
Gross profit/(loss)	**73,4**	**234,4**
Selling, marketing and distribution expenses	-17,0	-72,9
General and administrative expenses	-31,3	-108,7
Other operating income	4,5	8,2
Operating profit/(loss) before non-recurring items	**29,5**	**61,0**
Non-recurring items from operating activities	-2,4	12,8
Operating profit/(loss) after non-recurring items	**27,2**	**73,8**
Finance income	10,9	10,8
Finance costs	-17,4	-54,6
Net finance income/(costs)	**-6,5**	**-43,8**
Share of profit/(loss) of equity accounted investments	0,0	-0,6
Profit/(loss) before income tax	**20,7**	**29,4**
Income tax income/(expense)	-9,9	-12,4
Profit/(loss) for the period	**10,8**	**17,0**
Attributable to:		
Owners of the parent company	10,6	16,7
Non-controlling interest	0,2	0,4

* The March 2015 numbers show a small difference on the level of REBIT and financial cost & income due to alignment of P&L classification within the group

Appendix 2 –Consolidated balance sheet - Simplified: Assets

ASSETS (in € million)	Mar '15	Mar '16
NON-CURRENT ASSETS	**294,3**	**1.286,2**
Property, plant and equipment	255,7	380,9
Goodwill	10,3	589,9
Intangible assets	21,4	249,7
Biological assets	0,0	21,1
Investments in associates	0,0	7,1
Other financial assets	0,0	0,2
Deferred tax assets	6,7	10,9
Trade and other receivables	0,1	26,4
CURRENT ASSETS	**335,7**	**800,3**
Biological assets	0,0	0,1
Inventories	234,0	293,6
Trade and other receivables	80,9	360,9
Other financial assets	0,4	7,8
Cash and cash equivalents	20,5	137,9
ASSETS HELD FOR SALE	**0,0**	**0,0**
Assets held for sale	0,0	0,0
TOTAL ASSETS	**629,9**	**2.086,5**

Appendix 3 –Consolidated balance sheet - Simplified: Liabilities

EQUITY AND LIABILITIES (in € million)	Mar '15	Mar '16
EQUITY	**221,8**	**728,3**
Equity	221,8	728,3
NON-CURRENT LIABILITIES	**207,6**	**534,9**
Post-employment benefits	1,6	21,6
Provisions for other liabilities and charges	0,8	11,4
Financial debts at credit institutions	6,7	13,8
Other financial liabilities	174,7	440,9
Trade and other payables	0,8	1,0
Deferred tax liabilities	23,0	46,2
CURRENT LIABILITIES	**200,5**	**823,4**
Provisions for other liabilities and charges	0,0	6,2
Financial debts at credit institutions	60,9	72,7
Other financial liabilities	14,5	3,6
Trade & other payables	125,1	740,9
TOTAL EQUITY AND LIABILITIES	**629,9**	**2.086,5**