RESULTS
1Q 2019

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BUSINESS UNIT RESULTS 1Q 2019

1.1.1 Rice 1Q 2019

- One of our main objectives for this year is to improve profitability at our North American rice business, following the difficulties experienced last year.

- Results are currently satisfactory and the measures taken to improve the situation in Freeport are proving effective.

- In North America, we have started to regain ground following the loss of contribution in 2018 due to inflation on transport and logistics, packaging and containers and other secondary raw materials.

- The prices of aromatic varieties remain high, but have now levelled out. The price of rice from the local harvest in the US remains stable, and we anticipate it to continue this way for the rest of the year.

- In January, the EU approved its safeguarding mechanism on rice imports from Cambodia and Myanmar, leading to the return of tariffs on imports from those countries for three years. As a result, the European market has bounced back strongly, with increases in the cost of local rice, particularly in Italy. One positive effect of this measure is the increased use of European mills, helping to keep fixed costs down.

- Elsewhere, our brands are growing in our main markets, and are dominating new segments such as mixed cereals, ancient grains, vegetables and pulses.

1.1.2 Rice 1Q 2019

- First quarter results indicate a healthy growth in sales, which rose 11.6% to EUR386.3 million.

- Relative return remains at 13%, once the various costs had been transferred to tariffs. However, absolute return in terms of Ebitda grew 12.3% to EUR50.4 million. The exchange rate has had a positive impact of EUR2.1 million on the division’s Ebitda. At the same time, the entry into force of IFRS 16 has had a positive impact of EUR1.1 million.

- Operating Profit declined by 7.8% to EUR39.2 million, primarily due to the lack of significant extraordinary income (in contrast with the same period last year, in which we registered the sale of the SOS brand in Mexico, which created a capital gain of EUR6.8 million).

EUR Thous.	1Q 2017	1Q 2018	1Q 2019	19/18	CAGR 19/17
Sales	339,708	346,148	386,280	11.6%	6.6%
Advertising	6,427	6,713	8,497	26.6%	15.0%
Ebitda	59,402	44,872	50,383	12.3%	-7.9%
Ebitda Margin	17.5%	13.0%	13.0%		
Ebit	51,239	36,400	39,327	8.0%	-12.4%
Operating Profit	57,610	42,576	39,246	-7.8%	-17.5%

1.2.1 Pasta 1Q 2019

- The durum wheat market has remained stable in spite of decreased planting in Europe, due to the main operators having extensive hedges and high quality inventories in place.

- In the US, as in the rice division, our main goal is to improve the contribution, which last year was affected by logistics and operational factors. The market continues to remain flat and the strong promotional activity and seasonality (the second half is more active) are the key driving factors behind activating sales.

- In Canada, our gluten free and Supergreens specialties have grown significantly, and our brands are very well-positioned in the fastest-growing segments.

- In Europe, the most complicated factor during the quarter has been the difficult negotiations with retailers, but our brands have robust market shares, that provide us with leverage. Organic products posted double digit growth.

- In France, we are focused on making Roland Monterrat profitable again.

- Garofalo continues to grow in new countries, with a premium positioning in all of them. Of particular note is growth in Spain, France and Switzerland.

1.2.2 Pasta 1Q 2019

- Turnover grew 10.7% to EUR327.9 million. Organic growth stands at 2.8%.
- Advertising investment increased by 2.1% to EUR16.3 million.
- The Division’s Ebitda grew by a significant 9.6% to EUR38.2 million, with an 11.7% margin. The positive currency contribution on Ebitda stands at EUR0.2 million. The new accounting treatment of leases contributed positively with EUR1.9 million.
- The new IFRS 16 increased amortization, meaning Ebit remained virtually flat at EUR23.5 million.

EUR Thous.	1Q 2017	1Q 2018	1Q 2019	19/18	CAGR 19/17
Sales	307,196	296,282	327,892	10.7%	3.3%
Advertising	22,058	15,935	16,264	2.1%	-14.1%
Ebitda	36,886	34,886	38,222	9.6%	1.8%
Ebitda Margin	12.0%	11.8%	11.7%		
Ebit	25,592	23,745	23,520	-0.9%	-4.1%
Operating Profit	25,708	23,086	22,468	-2.7%	-6.5%

Ebro

CONSOLIDATED GROUP RESULTS
1Q 2019

2.1 P&L 1Q 2019

- The consolidated Sales figure grew 11% reaching close to EUR700 million, demonstrating the solid performance of our brands and products.
- Advertising investment rose by 5.5% to EUR24.2 million, demonstrating Ebro's strong commitment to supporting our new launches.
- Ebitda grew by 8% to EUR85.4 million, once cost inflation from 2018 had been fully transferred to tariffs. The exchange rate had a positive effect of EUR2.3 million. The entry into force of the new IFRS 16 added EUR3.2 million to this figure.
- Operating Profit declined by 10.6% to EUR58 million, given that last year included EUR6.8 million in extraordinary income from the sale of SOS in Mexico.
- Net Profit fell by 15%, reaching close to EUR37 million, after a transitional quarter on the road to recovery.

EUR Thous.	1Q 2017	1Q 2018	1Q 2019	19/18	CAGR 19/17
Sales	634,222	628,751	698,767	11.1%	5.0%
Advertising	28,262	22,892	24,155	5.5%	-7.6%
Ebitda	94,096	79,116	85,373	7.9%	-4.7%
Ebitda Margin	14.8%	12.6%	12.2%		
Ebit	74,481	59,345	59,266	-0.1%	-10.8%
Operating Profit	81,100	64,888	58,009	-10.6%	-15.4%
Pre-tax Profit	79,474	62,637	55,419	-11.5%	-16.5%
Net Profit	51,603	43,433	36,922	-15.0%	-15.4%
ROCE	16.9%	14.9%	11.9%	-20.1%	-16.1%

2.2 Debt Performance

- We ended 1Q with Net Debt standing at EUR793 million, nearly EUR88.3 million higher than at year-end 2018. This was largely due to the application of IFRS 16 which has modified the accounting treatment of leases and has made it compulsory to capitalise EUR84.5 million.

- In addition, we have continued to invest a large amount in organic growth:

  - The skillet gnocchi line will become operational in Canada during 1H 2019.

  - It is expected that the extensions in Thailand, India and Memphis will complete during 2H 2019, as well as the investment in Cambodia, which although is of less importance for Europe, given that it is not duty-free, continues to be a very important source of aromatic rice.

- Therefore Capex in the quarter rose to EUR27.5 million.

- Working capital grew to EUR49 million due to the positions taken in raw materials.

EUR Thous.	31 Mar 17	31 Dec 17	31 Mar 18	31 Dec 18	31 Mar 19	19/18	CAGR 19/17
Net Debt	396,284	517,185	610,104	704,621	792,930	30.0%	41.5%
Average net debt	405,271	489,333	455,007	627,350	686,137	50.8%	30.1%
Equity	2,117,549	2,074,637	2,076,970	2,162,334	2,226,171	7.2%	2.5%
ND Leverage	18.7%	24.9%	29.4%	32.6%	35.6%	21.3%	38.0%
AND Leverage	19.1%	23.6%	21.9%	29.0%	30.8%	40.7%	26.9%
x Ebitda (ND)		1.44		2.27			
x Ebitda (AND)		1.4		2.0			

CONCLUSION

Conclusion

- We are very pleased with the positive sales growth, but above all, with the take-up of new products and the growing market share of our brands.
- We have stockpiled raw materials and we are well-stocked for the whole year ahead, although the increase in rice prices in Europe has been significant.
- We are making considerable investments in organic growth, prioritising this over non-organic growth, but we continue to carefully analyse all growth opportunities.
- Bertagni is now fully integrated into the Group and we recently introduced premium fresh pasta under the Garofalo brand in Italy, France, Switzerland and Sweden.
- 2019 has started on a positive note. The measures we put in place over the final months of 2018 have started to bear fruit and we hope to continue to improve the most important metrics over the course of 2019.

Corporate Calendar

As part of Ebro's commitment to complete transparency, below we provide our Corporate Calendar for 2019:

➢	28 February	Presentation of YE2018 Results ✓
➢	1 April	Four-month payment of ordinary dividend (EUR0.19/share) ✓
➢	30 April	Presentation of 1Q 2019 Results ✓
➢	28 June	Four-month payment of ordinary dividend (EUR0.19/share)
➢	26 July	Presentation of 1H 2019 results
➢	1 October	Four-month payment of ordinary dividend (EUR0.19/share)
➢	31 October	Presentation of 9M19 Results and Pre-YE 2019

Legal Disclaimer

- This presentation contains our true understanding to date of estimates on the future growth in the different business lines and the global business, market share, financial results and other aspects of business activity and the positioning of the Company. All the data included in this report has been put together according to International Accounting Standards (IAS). The information included herein does not represent a guarantee of any future actions that maybe taken and it entails risks and uncertainty. The true results may be materially different from the ones stated in our estimates as a result of various factors.

- Analysts and investors should not rely on these estimates, which only cover up to the date of this presentation. Ebro Foods does not assume any obligation to publicly report the results of any review of these estimates that may be carried out to reflect events and circumstances occurring after the date of this presentation - including but not limited to - changes in Ebro Foods business or its acquisitions strategy, or to reflect unforeseen events. We encourage analysts and investors to consult the Company's Annual Report, as well as the documents filed with the Authorities and more specifically with the Spanish National Securities Markets Commission (CNMV).

- The main risks and uncertainties affecting the Group's business are the same as those included in Note 28 of the Consolidated Annual Accounts and the Management Report for the year ending 31 December 2017, which is available at www.ebrofoods.es. We believe that there have been no significant changes during this financial year. The Group still has some exposure to the raw materials markets and to passing on changes in prices to its customers. Likewise, there is certain exposure to fluctuations in the exchange rate, especially the dollar, and changes in interest rates.

- According to the guidelines set by the European Securities and Markets Authority (ESMA), the following is a list of the indicators used in this report. These indicators are currently and consistently used by the Group to describe its business performance and their definitions have not been altered:

  - Ebitda. Earnings before interest, taxes, depreciation and amortization, excluding results considered as extraordinary or non-recurring (essentially profit earned from transactions relating to the Group's fixed assets, industrial restructuring costs, results from or provisions for lawsuits, etc.).

	31/03/2017	31/03/2018	31/03/2019	2019 - 2018
EBITDA	**94,096**	**79,116**	**85,373**	**6,257**
Provision for amortisation	(19,615)	(19,771)	(26,107)	(6,336)
Non-recurring income	7,941	7,379	314	(7,065)
Non-recurring costs	(1,322)	(1,836)	(1,571)	265
OPERATING PROFT	**81,100**	**64,888**	**58,009**	**(6,879)**

  - Net debt. Financial liabilities with cost, the value of shares and put/call options qualified as such, and where applicable, dividends that have accrued and are pending payment, minus cash and cash equivalents.
  - CAPEX. Capital expenditure - payments for investment in production related fixed assets.
  - ROCE. Return on capital employed – a measure on yield on assets calculated as income before tax and interest minus any income regarded as extraordinary or non-recurring for the period considered, divided by Net Average Assets for the period, minus Financial Assets and Goodwill.