Natra posted an adjusted net profit of €7 million in the first semester of this year, up from the adjusted loss of €3.2 million recorded last year.

- **The net profit for the period amounts to €10.5 million as it includes the impact of Natra's participation in Laboratorios Reig Jofré.**

- **EBITDA grew by 88% to €17 million.**

- **The semester's positive growth was a combined result of increased sales (+6% volume) and improved margins.**

- **Net financial debt was reduced by €15.1 million from June 2017, while liquidity exceeded operating cash flow requirements by €15.5 million.**

Madrid, 25 September 2018.- Natra, a Spanish multinational company and one of the leading European producers of chocolate confectionery and cocoa products, posted an adjusted net profit of €7 million in the first semester of this year, in stark contrast with the adjusted loss of €3.2 million recorded in the same period of last year.

The substantial increase in net profit, reaching €10.5 million during the first semester, was a combined result of increased sales, improved margins, and the value adjustment of Natra's interests in Laboratorios Reig Jofré.

This sales increase in volume (+6%), basically in the consumption business division, combined with improved margins mainly in the industry division achieved through efficient raw material hedges, together with measures implemented since 2017 to enhance efficiency and operational savings, have all contributed to this semester's good results. The company's total turnover was up 2% year on year, to €173.4 million. This was smaller than the volume effect, as the lower raw material prices were passed on.

The company posted a first-semester EBITDA of €17 million, compared to €9 million during the same period of 2017, which reflects an increase of 88%, with no relevant EBITDA adjustments during this semester.

Financial structure

The company's net debt was reduced by €15.1 million from the same semester of 2017, and €6.2 million from December 2017. This reduction was achieved mainly through the generation of cash during the year, used to repay debt and increase the cash balance.

Natra also has a sound financial structure, both in the long term, as 85% of the syndicated loan of €140 million nominal is not due until 2022, and structurally in the short term, since its available liquidity in June 2018 exceeded the average operating cash flow requirements by €15.5 million.

On the other hand, the first conversion period for its convertible bonds closed in January 2018. During that period, the equivalent nominal value of €1.6 million was converted, 11% of the total bonds issued.

At the end of June, the second conversion window was still open and it concluded at the end of July with a total conversion of 0.4% (€0.066 million) of the total bonds initially issued. In total, the company has converted 11.3% (€1.7 million) of the total bonds issued in 2016. There is a conversion window every 6 months for the remainder, up to maturity in 2023.

Conclusions

The results recorded in the first semester of 2018 surpassed previous company´s forecast. Natra did not have to wait for the second half of the year to see a positive net profit thanks to the good performance of sales volume in consumer division and the improved margins, which have exceeded initial expectations.

Natra expects to keep growing the earnings throughout 2018 thanks to both the increased volume of sales and efficiency programmes.

About Natra

Natra is a benchmark among European producers of chocolate and cocoa products for private label and branded food companies. Founded in Valencia in 1943, Natra is today a multinational that sells its products in 92 countries on the five continents; It has six production plants in Spain, Belgium, France and Canada, and permanent commercial presence in Europe, Canada, USA and Asia. Its shares have been listed on the Valencia and Madrid stock exchange since 1991.