

Berentzen-Gruppe Aktiengesellschaft

Interim Report Q1 / 2017



This version of the Q1/2017 Interim Report is provided for the convenience of our English-speaking readers. It has been translated from the original German version, which takes precedence in all respects.



Content

- 3 Overview Q1/2017**
- 4 Business performance and financial position**
 - 4 Significant events during the reporting period
 - 4 Financial performance
 - 4 Cash flows and financial position
- 5 Report on subsequent events**
- 6 Report on opportunities and risks**
- 6 Outlook**
- 7 Information about the publisher /
Additional information /
Financial Calendar 2017**

Overview Q1/2017

Berentzen Group: higher consolidated revenues, earnings forecasts for the Group confirmed

Q1/2017

- Consolidated revenues: EUR 40.7 million (EUR 39.3 million).
- Consolidated EBIT: EUR 1.6 million (EUR 1.3 million).
- Consolidated EBITDA: EUR 3.2 million (EUR 2.9 million).
- Operating cash flow: EUR 2.2 million (EUR 2.1 million).
- Equity ratio: 25.5% (25.5%).

Outlook

- Group: Earnings forecasts for the 2017 financial year reaffirmed.

(1) Business performance and financial position

(1.1) Significant events during the reporting period

There were no events of significance for the business performance or the financial performance, cash flows and financial position of the Berentzen Group during the reporting period.

(1.2) Financial performance

		Q1/2017	Q1/2016	Change
Consolidated revenues excl. spirits tax	EURm	40.7	39.3	+ 3.7 %
Consolidated EBITDA	EURm	3.2	2.9	+ 12.9 %
Consolidated EBITDA margin	%	8.0	7.3	+ 0.7 PP ¹⁾
Consolidated EBIT	EURm	1.6	1.3	+ 21.9 %
Consolidated EBIT margin (operating margin)	%	3.8	3.3	+ 0.5 PP ¹⁾

¹⁾ PP = percentage points.

The Berentzen Group generated consolidated revenues of EUR 40.7 million (EUR 39.3 million) in the first three months of the 2017 financial year. Compared with the first quarter of the previous year, this 3.7 % increase is primarily attributable to the Non-alcoholic Beverages and Fresh Juice Systems segments. The international business with branded spirits similarly performed well, while there was a slight decline in the revenues generated with spirits on the German market, which was due, in particular, to the fact that the Easter business started at a later date in comparison to the first quarter of 2016. In light of this, the Spirits segment saw an overall fall in revenues.

The Group's expanded business was accompanied by a gross profit that was virtually unchanged in comparison to the 2016 interim reporting period. This development stemmed from greater volumes of gross profit in the Non-alcoholic Beverages and Fresh Juice Systems segments on the one hand and a lower level of gross profits in the Spirits segment on the other hand. A lower level of overheads, resulting in particular from the delay in spending on trade advertising in the spirits business in Germany in line with both the seasonal shift and revenues, ultimately brought about an improvement in the key performance indicators in the reporting period.

Consolidated EBIT stood at EUR 1.6 million (EUR 1.3 million), consolidated EBITDA, which is based on this figure, comes to EUR 3.2 million (EUR 2.9 million).

(1.3) Cash flows and financial position

Cash flows

		Q1/2017	Q1/2016	Change
Operating cash flow	EURm	2.2	2.1	+ 0.1
Cash flow from operating activities	EURm	- 11.4	- 8.5	- 2.9
Cash flow from investing activities	EURm	- 0.5	- 0.4	- 0.1
Cash flow from financing activities	EURm	0.0	- 0.1	+ 0.1
Cash and cash equivalents at the end of the period	EURm	55.1	54.1	+ 1.0

The total funding of the Berentzen Group presented in the Annual Report for the 2016 financial year remains unchanged at the end of the reporting period.

The operating cash flow, which excludes changes in working capital and hence documents the impact of operating profitability on the change in cash, increased to EUR 2.2 million (EUR 2.1 million) essentially on account of the higher consolidated EBITDA.

The cash flow from operating activities also encompasses changes in working capital. With individual asset and liability items moving in opposite directions within the total at the reporting date, a net cash outflow of EUR 11.4 million (EUR 8.5 million) arose in the first quarter of 2017 mainly on account of an increase in inventories and the decrease in spirits tax liabilities due to seasonal factors, among other things.

The Group's investing activities – notably including payments for investments in property, plant and equipment – led to a net cash outflow of EUR 0.5 million (EUR 0.4 million).

Financing activities did not rise to any net cash outflow, while there was a cash outflow of EUR 0.1 million in the previous year in connection with the share buy-back programme initiated by Berentzen-Gruppe Aktiengesellschaft in July 2015 that came to a conclusion in May 2016.

Cash and cash equivalents at the end of the interim reporting period amounted to EUR 55.1 million (EUR 54.1 million), of which EUR 27.8 million (EUR 30.8 million) relates to receivables from the customer settlement accounts maintained with banks that are used to settle two factoring agreements.

Financial position

		3/31/2017	3/31/2016	Change
Equity ratio	%	25.5	25.5	0.0 PP ¹⁾
Dynamic gearing ratio	Ratio	-0.25	-0.24	-0.01

¹⁾ PP = percentage points.

The Group's asset and capital structure remains robust overall. This is illustrated by the fact that the equity ratio has remained constant in comparison to the previous year. The minus sign in front of dynamic gearing ratio as a performance indicator means that cash and cash equivalents exceed non-current and current financial liabilities and that, in this respect, there is no net debt recorded on the statement of financial position. The slight improvement in this figure illustrates the Berentzen Group's ongoing ability to service its debt.

(2) Report on subsequent events

No events that could have a significant impact on the future business performance and the financial performance, cash flows and financial position of the Berentzen Group occurred after the end of the reporting period.

(3) Report on opportunities and risks

The primary risks consolidated into categories that could have significant detrimental effects on the Group's business activities and its financial performance, cash flows and financial position are presented in the Berentzen Group Annual Report for the 2016 financial year together with the greatest opportunities and the structure of the risk management system.

Compared with the opportunities and risks regarding the anticipated development of the corporate group in the remaining nine months of the 2017 financial year as described in the Annual Report for the 2016 financial year, there were no significant changes in the first quarter of the 2017 financial year. This includes the overall assessment opportunities and risks described therein.

(4) Outlook

		2016	Forecast for the 2017 financial year in the 2016 Forecast Report	Forecast for the 2017 financial year Q1/2017
Consolidated revenues	EURm	170.0	170.4 to 179.2	unchanged
Consolidated EBIT	EURm	10.5	11.2 to 12.4	unchanged
Consolidated EBITDA	EURm	17.5	17.8 to 19.7	unchanged

At the end of the first quarter of 2017, the Berentzen Group reaffirms the forecasts made in the Annual Report for the 2016 financial year on the development of the Group's financial performance for the 2017 financial year.

All in all, the Berentzen Group does not have any new information suggesting that the forecasts and other statements regarding the anticipated development of the corporate group made in the 2016 Annual Report for the 2017 financial year have changed substantially. To summarize, the aforementioned improvement in the financial performance of the corporate group continues to be expected in the 2017 financial year.

In each case, the forecasts are based on a corporate structure unchanged in comparison to the 2016 financial year and are, furthermore, dependent of the general economic and industry-specific environment. The opportunities and risks described in the Report on risks and opportunities in the Annual Report for the 2016 financial year and also such opportunities and risks which were not identifiable when the present Interim Report was prepared may likewise have an impact on the forecast.

Information about the publisher

Berentzen-Gruppe Aktiengesellschaft

Ritterstraße 7
 49740 Haselünne
 Germany
 T: +49 (0) 5961 502 0
 F: +49 (0) 5961 502 268
 E: berentzen@berentzen.de
 Internet: www.berentzen-gruppe.de/en/

Publication date: May 10, 2017

Public Relations / Press

T: +49 (0) 5961 502 215
 F: +49 (0) 5961 502 550
 E: pr@berentzen.de

Investor Relations

T: +49 (0) 5961 502 219
 F: +49 (0) 5961 502 550
 E: ir@berentzen.de

Additional information about the Berentzen Group

In addition to the present Interim Report, the following information about the Berentzen Group is available at www.berentzen-gruppe.de/en/investors/:

Annual reports, including consolidated and separate financial statements
Group half-yearly financial reports
Group interim reports and Group interim announcements
Corporate governance reports / Corporate governance declarations
Declarations of Conformity with the German Corporate Governance Code
Publications concerning insider information (ad-hoc reports)
Publications concerning managers' transactions and directors' dealings
Press releases of the corporate group

Financial Calendar 2017

March 23, 2017	Publication of consolidated and separate financial statements and 2016 Annual Report
May 10, 2017	Publication of the Q1/2017 Interim Report
May 19, 2017	Annual general meeting in Hanover, Hannover Congress Centrum (HCC), Niedersachsenhalle
August 14, 2017	Publication of the 2017 Group Half-yearly Financial Report
October 27, 2017	Publication of the Q3/2017 Interim Report

Berentzen-Gruppe Aktiengesellschaft

Ritterstraße 7

49740 Haselünne

Germany

T: +49 (0) 5961 502 0

F: +49 (0) 5961 502 268

E: berentzen@berentzen.de

Internet: www.berentzen-gruppe.de/en/