



Q1 2016 presentation

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Pro forma operations

- Operations include MPS for the full quarter
- Pro forma Q1 2016 compared to pro forma Q1 2015
- Better future indicator than consolidated accounts

Consolidated accounts

- MPS acquisition closed on January 29, 2016
- Q1 2016 accounts include MPS for two months
- Q1 2015 accounts are Marel stand-alone

Business outlook

- Pro forma revenue for 2015 of 977m with adj. EBIT of 133m
- Management guidance is modest organic revenue and EBIT* growth



Pro forma operations



Pro forma: 15% EBIT and record order book



- Revenue of €234 million [Q1 2015: 244m]
 - Q1 2015 revenue includes €6 million in discontinued operations
- Order intake of €254 million [Q1 2015: 259m]
- Order book €340 million [Q1 2015: 289m]
- EBIT* €35.2 million or 15.1% [Q1 2015: 14.4%]
- EPS 1.93 euro cents on a consolidated basis [Q1 2015: 1.73]



**Adjustments in Q1 consist of a €4.5 million amortization of acquisition related intangible assets (PPA)*

Leading global provider in Poultry, Meat and Fish



- Since 1/1 2016, Marel views and manages the business as three industries; Poultry, Meat, and Fish
- Each industry operates in primary, secondary and further processing
- The vast majority of revenue and operational results in further processing relates to Poultry and Meat

Pro forma: Business overview



POULTRY

Record quarter in order intake with good geographical and product mix

Primary and secondary processing delivered good results while further processing is still lagging in profitability

53% of revenue
14.3% EBIT margin



MEAT

Marel, with MPS on board, is a leading global provider in primary and secondary processing of meat

The plan is to step up investments in further processing

33% of revenue
17.8% EBIT margin*



FISH

Order intake in Salmon is at an expected level while whitefish and on-board are underperforming

Roll-out of new products and increased focus on innovation in whitefish

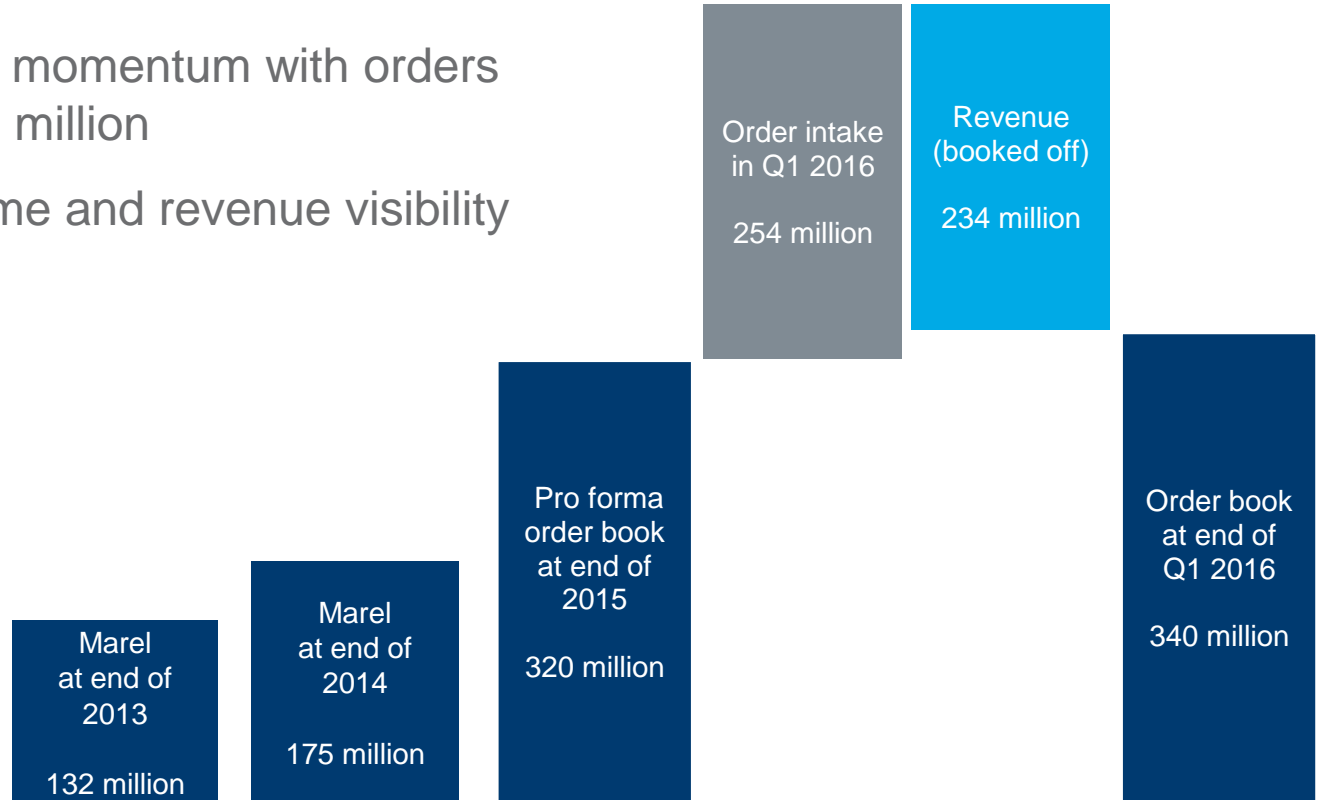
Refocusing of onboard operations in Seattle is ongoing

13% of revenue
7.4% EBIT margin

Record order book



- Maintaining the momentum with orders received of 254 million
- Increased volume and revenue visibility





Consolidated accounts

MPS is having a positive impact on operating results



	Consolidated accounts		Pro forma
	Q1 2016	Q1 2015	Q1 2016
Adjusted EBIT	31,123	23,837	35,241
Adjustment for refocusing costs	-	(7,593)	-
Amortization of acquisition related IFA	(4,547)	-	(4,547)
EBIT	26,576	16,244	30,694

Purchase Price Allocation

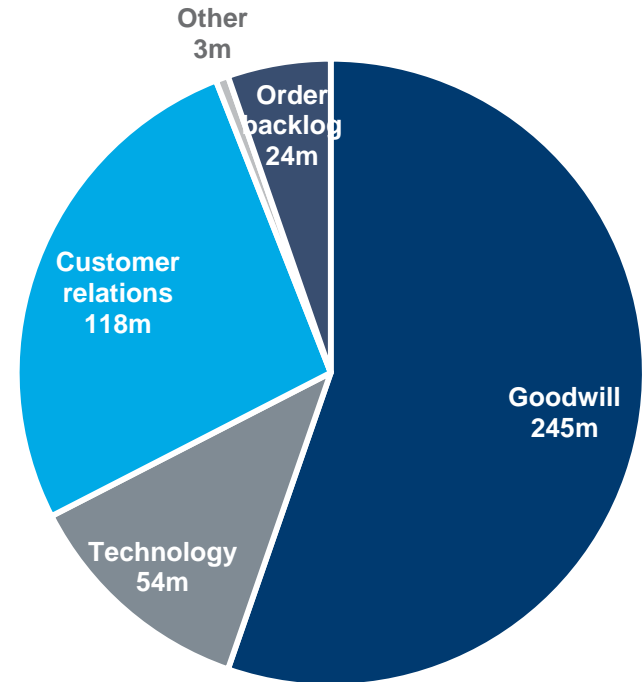
- Order backlog amortization of 2.9 million for February and March
- Amortization of other intangible assets 1.7 million for February and March

PPA: Allocation of intangible fixed assets



- In connection with the acquisition of MPS the purchase price has been allocated to various balance sheet items, including intangible assets
- Intangible fixed assets are treated as follows:
 - **Goodwill:** Impairment test only, no linear amortization
 - **Long-term intangibles:** Technology, IP and customer relations amortized over 20 years
 - **Short-term intangibles:** Order backlog amortized by mid-year 2017
- All figures are provisional and subject to potential adjustments in next quarters

Allocation of intangible fixed assets



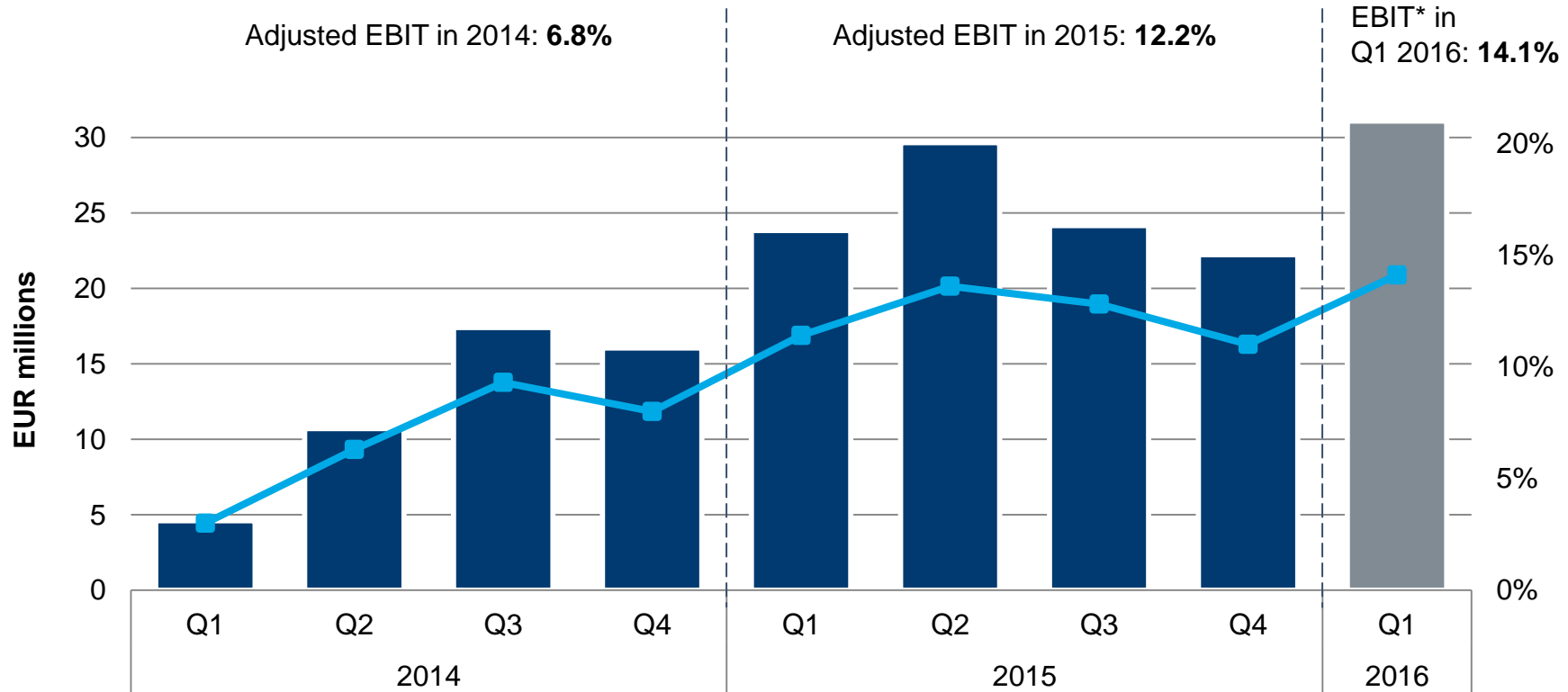
Consolidated: Includes MPS from January 29, 2016



<i>EUR thousands</i>	Q1 2016	Q1 2015	Change in %
Revenue	220,631	209,311	5.4
Gross profit	92,607	81,464	13.7
<i>as a % of revenue</i>	42.0	38.9	
Before PPA			
Result from operations (EBIT)	31,123	23,837*	30.6
<i>as a % of revenue</i>	14.1	11.4	
EBITDA	38,185	36,871*	3.5
<i>as a % of revenue</i>	17.3	17.6	
After PPA			
Result from operations (EBIT)	26,576	16,244	63.6
<i>as a % of revenue</i>	12.0	7.8	
EBITDA	38,185	29,393	29.9
<i>as a % of revenue</i>	17.3	14.0	
Net result	13,752	12,620	9.0

* Results are adjusted for refocusing costs related to the refocusing program *Simpler, Smarter, Faster*.

On track towards best in class profitability



■ EBIT ■ EBIT as % of revenue

* Operating income adjusted for amortization of acquisition-related intangible assets (PPA). 12

Consolidated: Balance sheet



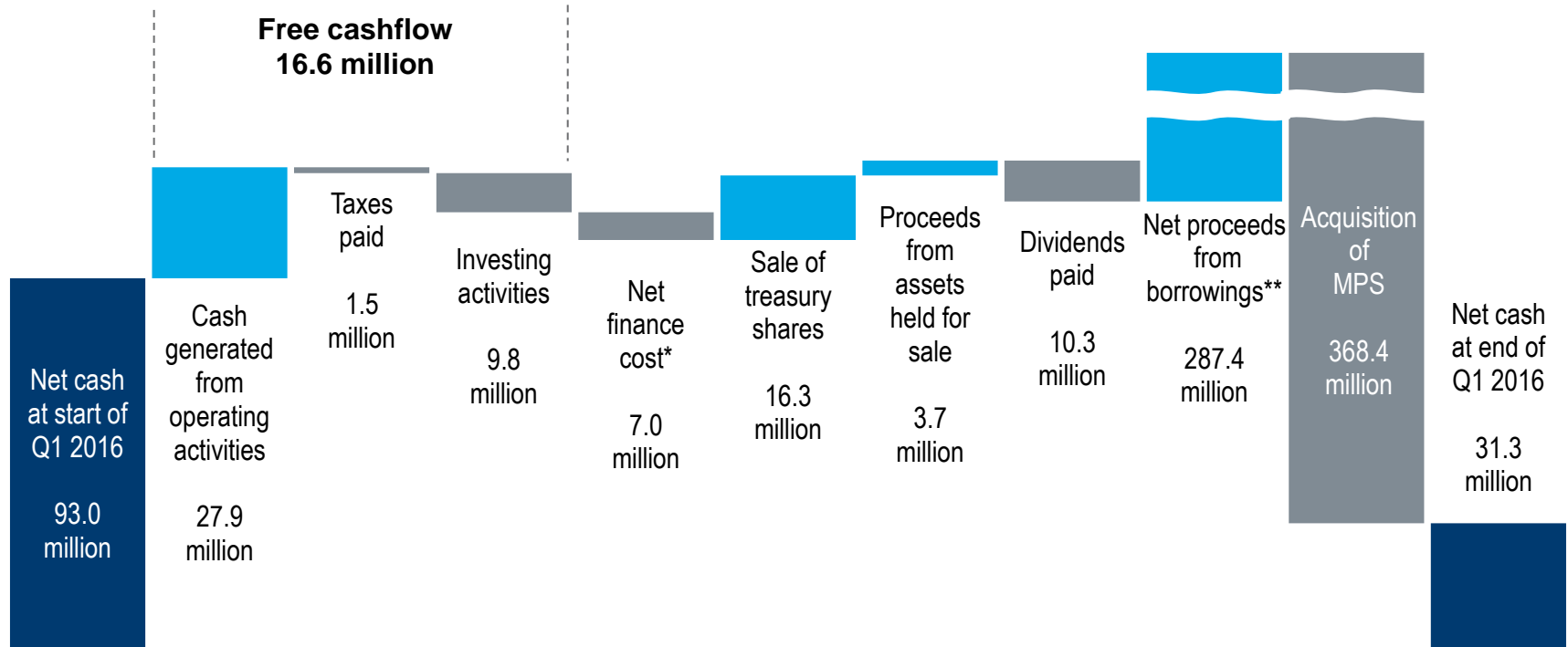
ASSETS <i>(EUR thousands)</i>	31/3 2016	31/12 2015
Non-current assets		
Property, plant and equipment	109,172	89,005
Goodwill	634,542	389,407
Other intangible assets	300,387	107,018
Receivables	337	443
Deferred income tax assets	9,539	10,029
	<hr/> 1,053,977	<hr/> 595,902
Current assets		
Inventories	118,813	99,382
Production contracts	40,559	17,261
Trade receivables	114,808	99,696
Assets held for sale	-	3,799
Other receivables and prepayments	39,914	29,139
Cash and cash equivalents	31,273	92,976
	<hr/> 345,367	<hr/> 342,253
Total assets	<hr/> 1,399,344	<hr/> 938,155

Consolidated: Balance sheet



LIABILITIES AND EQUITY <i>(EUR thousands)</i>	31/3 2016	31/12 2015
Equity	463,872	446,739
LIABILITIES		
Non-current liabilities		
Borrowings	493,157	217,287
Deferred income tax liabilities	67,064	15,943
Provisions	6,576	6,943
Derivative financial instruments	8,859	3,057
	575,656	243,230
Current liabilities		
Production contracts.....	142,124	78,330
Trade and other payables	170,594	139,227
Derivative financial instruments	100	-
Current income tax liabilities	5,532	3,221
Borrowings	24,140	18,449
Provisions	17,326	8,959
	359,816	248,186
Total liabilities	935,472	491,416
Total equity and liabilities	1,399,344	938,155

Change in net cash



* Including one-off cost related to repayment of junior facility 2.4 million.

** Net Proceeds from new 670 million facility net of capitalized fees, related to borrowings.

Long term financing closed in Q1 2016



- Parallel to the acquisition of MPS, Marel secured and closed long-term senior financing
 - Successful transaction was completed with oversubscription from a diverse group of international banks
- The approximately €670 million senior loan facilities have a maturity in November 2020
 - The financing is at favorable terms in line with Marel's financial strength and current market conditions
- Initial interest terms are EURIBOR/LIBOR + 275 bpoints
 - Which will vary in line with Marel's leverage ratio
 - 2.9x Net debt / Adj. EBITDA at end of Q1 2016

Eight strong banks support Marel operations



Rabobank





Outlook

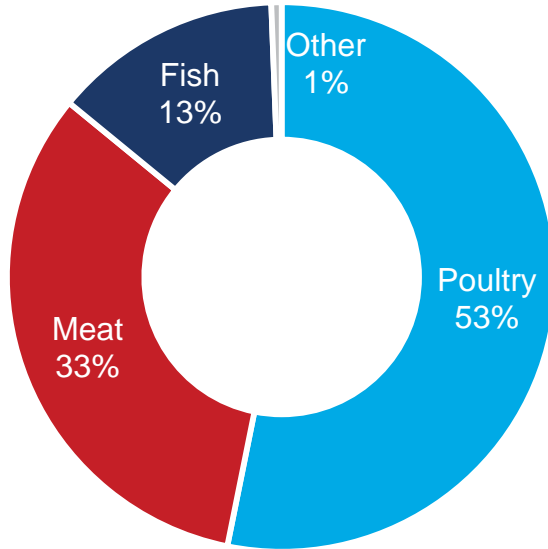
**ADVANCING
FOOD PROCESSING**



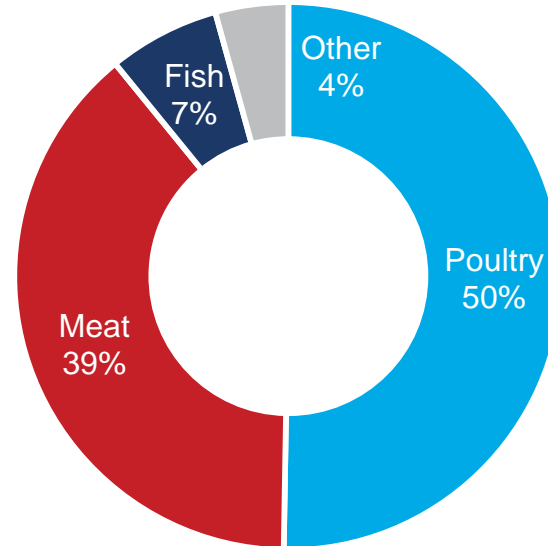
Pro forma: More balanced business



Revenue Q1 2016



EBIT* Q1 2016



* Operating income adjusted for amortization of acquisition-related intangible assets.

Integration of MPS going according to plan



- During Q1 the integration plan has been shaping up and initial plans are starting to roll out
- The focus in 2016 is on:
 - Capturing cross- and upselling opportunities by integrating the sales and service organizations and leverage on the complimentary geographic presence
 - Synchronizing financials by adapting MPS' accounts to IFRS and allocating the purchase price
 - Rationalizing procurement
- Second phase of the integration will focus on branding and corporate identity, synchronizing manufacturing and the IT landscape
 - The overall integration is expected to take around three years

Global sales and service network



- Marel sales/service office and agents
- ◆ MPS sales/service office

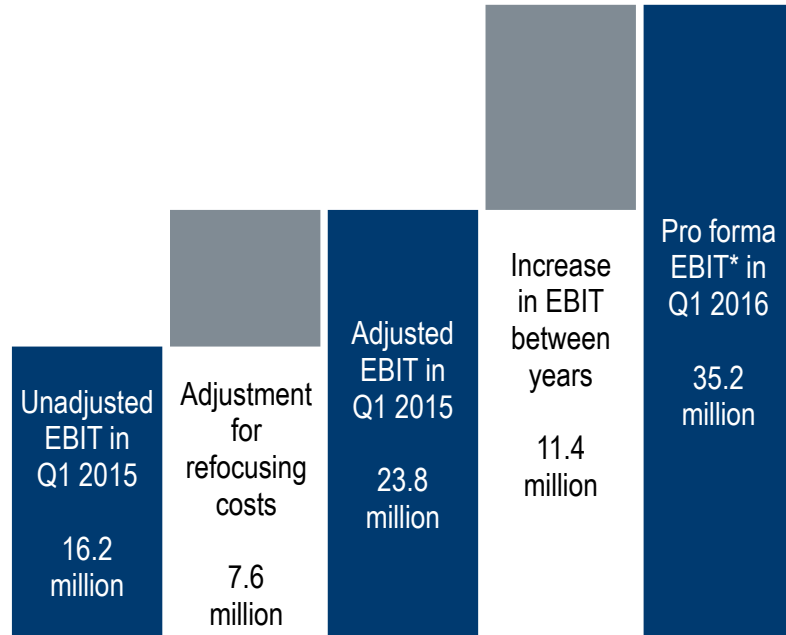
Strong manufacturing platform for full potential



Focus on value creation



Solid operating income improvement



- MPS acquisition completed without issuing new shares
- 2.9x Net debt / EBITDA at end of Q1 2016 in line with targeted capital structure
- Earnings per share of 1.93 euro cents compared to 1.73 euro cents in Q1 2015
 - EPS based on consolidated accounts with MPS operational results and finance cost only for 2 months
 - Non-recurring financial cost in relation to refinancing of 2.4 million in Q1 2016

* Operating income adjusted for amortization of acquisition-related intangible assets (PPA).

Pro forma FY2015

Revenue €977m
Adj. EBIT €133m
Order book €320m

Pro forma Q1 2016

Revenue €234m
EBIT* €35.2m
Order book €340m

Business Outlook 2016

Taking into account the order book and delivery time of projects to customers, increase is foreseen in revenue over the course of the year. Management reaffirms guidance of modest organic revenue growth and increase in EBIT* between years compared with last year pro forma result of 977 million revenues and adjusted EBIT of 133 million.

* Operating income adjusted for amortization of acquisition-related intangible assets (PPA).



Thank you

**ADVANCING
FOOD PROCESSING**

