Q3 2017 presentation

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Q3 2017: Strong competitive position and good momentum

- Revenue of €247 million
  - Q3 2016: 235m
- Order intake of €296 million
  - Q3 2016: 233m
- Order book €468 million
  - Q3 2016: 305m
- EBIT* €37.6 million or 15.2%
  - Q3 2016: 33.4m, 14.2%
- EPS 3.29 euro cents
  - Q3 2016: 2.42 euro cents

Revenue
€247
million

EBIT*
€37.6
million

Order Intake
€296
million

Order Book
€468
million

**Adjustments in Q3 2017 consist of €2.2 million amortization of acquisition-related intangible assets (PPA); €6.7 million in Q3 2016*

Business overview for the first nine months of 2017

POULTRY

Very strong first 9 months with robust order intake, strong volume and solid operational performance

Market conditions good and strong competitive position

Marel is reaping the benefits of a steady flow of innovative products

55% of revenue
18.7% EBIT margin

MEAT

Good first half of the year, Q3 however is affected by product mix and timing of deliveries of large orders

Focus going forward on increased standardization and modularization

Marel is strengthening its position in South America with the acquisition of Brazilian Sulmaq

32% of revenue
12.0% EBIT* margin

FISH

Marel Fish is on track and is delivering good order intake and improving margins in Q3

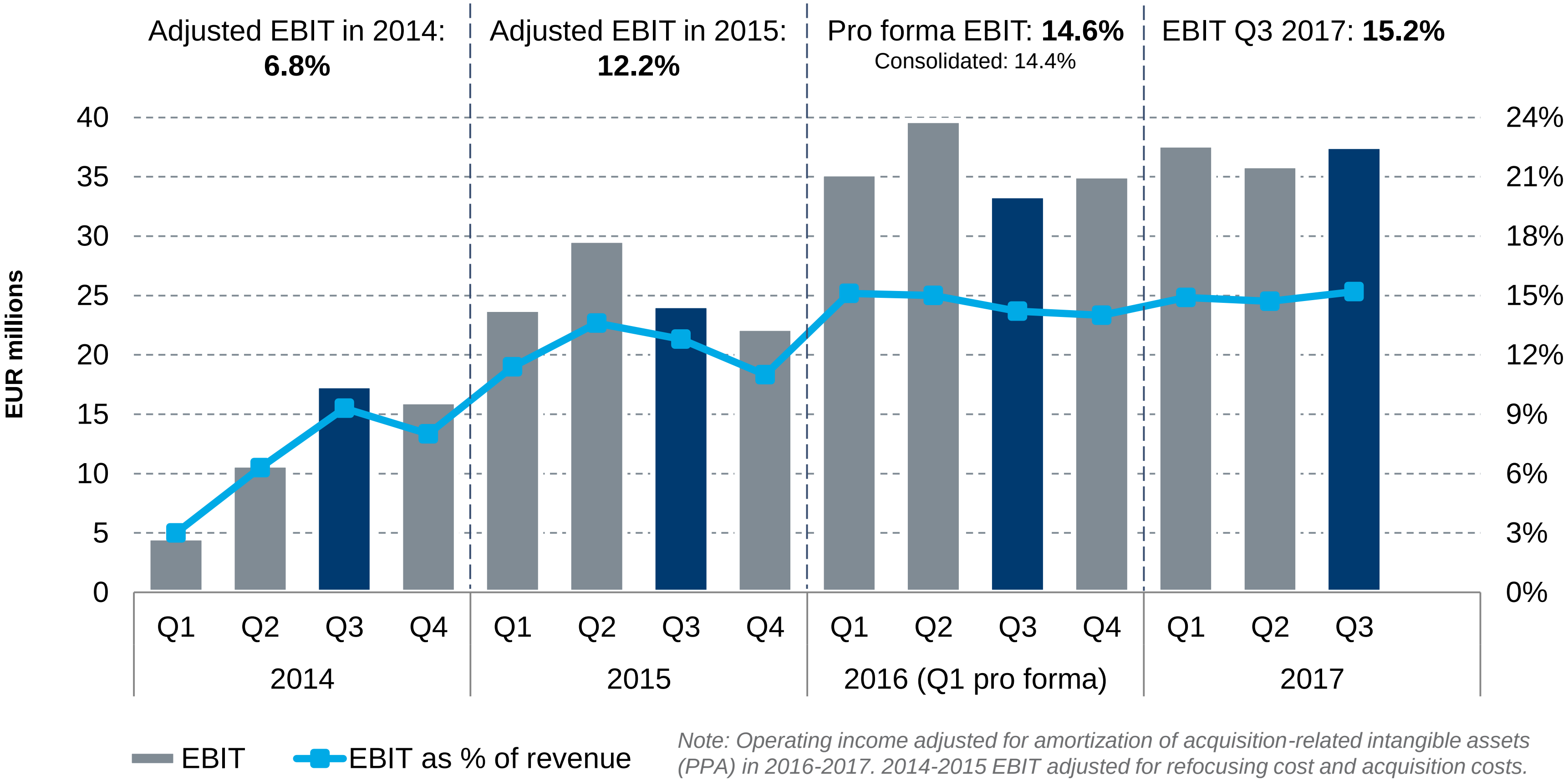
Operational performance below long term targets

12% of revenue
3.9% EBIT margin

Other segments account for 1% of revenue

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

Solid operational performance



Note: Operating income adjusted for amortization of acquisition-related intangible assets (PPA) in 2016-2017. 2014-2015 EBIT adjusted for refocusing cost and acquisition costs.

Consolidated accounts

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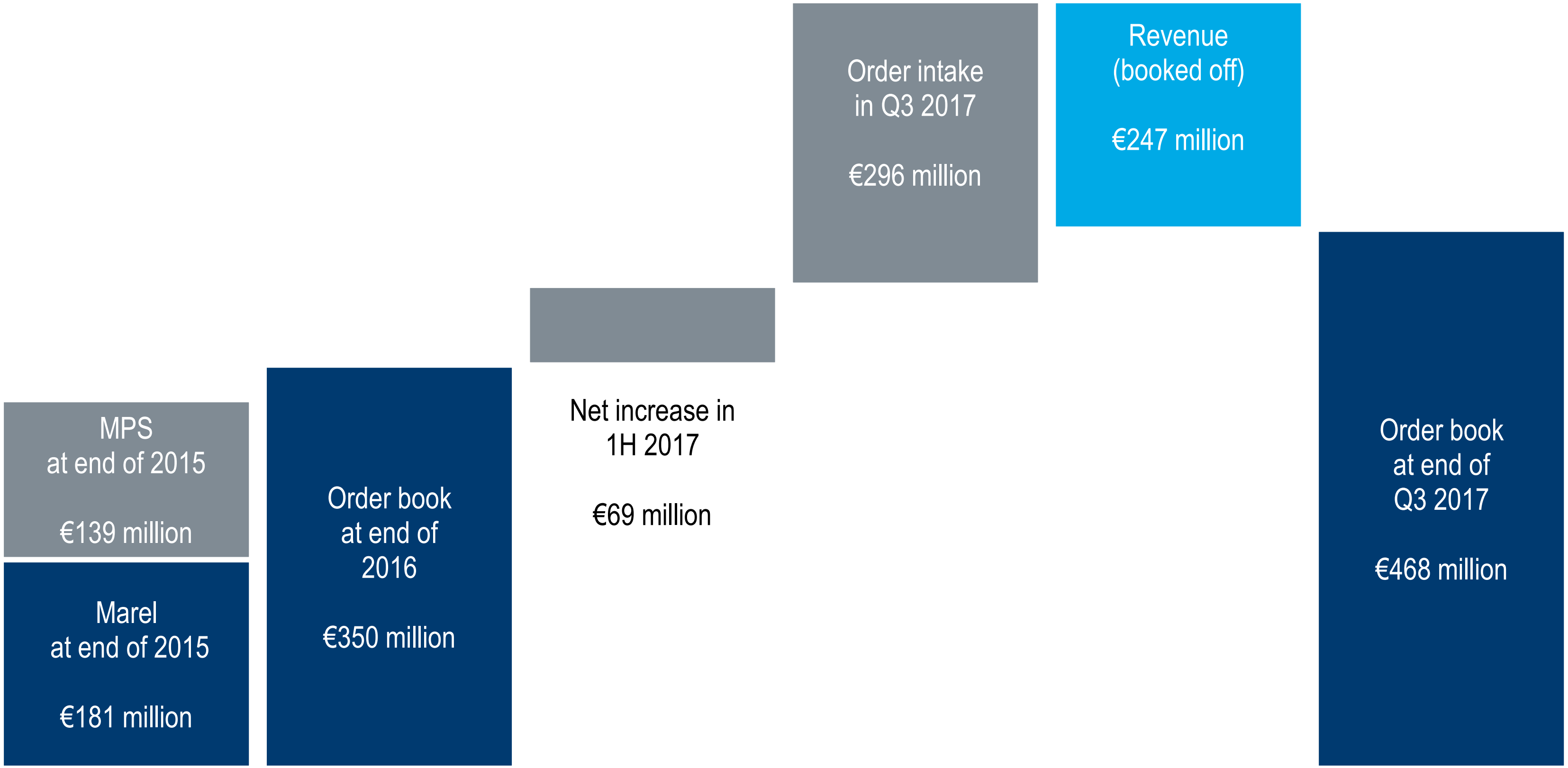
Third quarter financial results

EUR thousands	Q3 2017	% of revenue	Q3 2016	% of revenue	Change in %
Revenue	246,987		234,806		*5.2*
Gross profit	94,010	38.1	94,019	40.0	*(0.0)*
Selling and marketing expenses	(28,182)	11.4	(28,138)	12.0	*0.2*
Research and development expenses	(12,956)	5.2	(16,358)	7.0	*(20.8)*
General and administrative expenses	(15,307)	6.2	(16,121)	6.9	*(5.0)*
Before PPA					
Result from operations (EBIT)	37,565	15.2	33,402	14.2	*12.5*
EBITDA	45,837	18.6	41,527	17.7	*10.4*
After PPA					
Result from operations (EBIT)	35,366	14.3	26,656	11.4	*32.7*
Net result	23,192	9.4	17,328	7.4	*33.8*
Orders received	295,631		233,354		*26.7*
Order book	467,551		305,055		*53.3*

Adjustments in Q3 2017 consist of €2.2 million amortization of acquisition-related intangible assets (PPA) compared to €6.7 million in Q3 2016.

Good order book at the end of Q3 2017



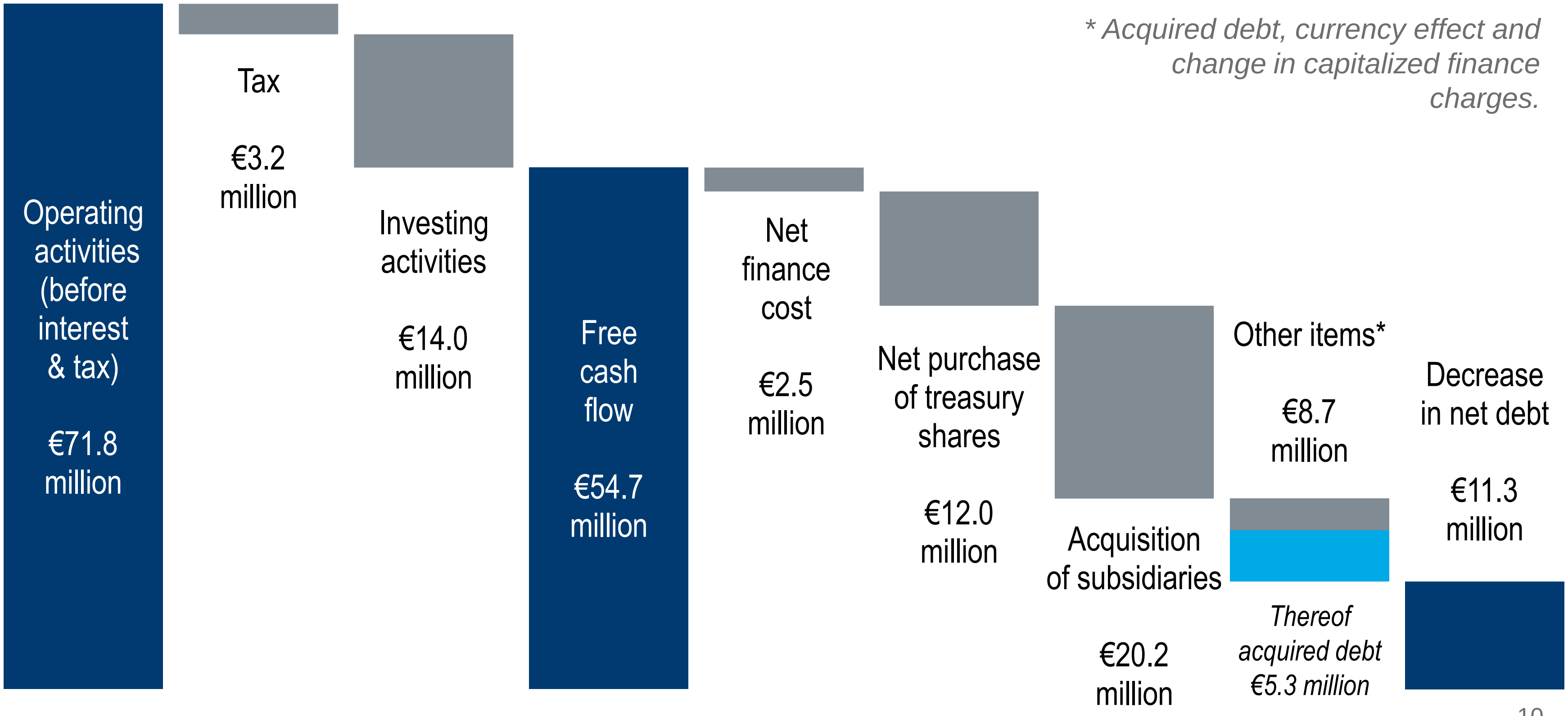
Consolidated: Balance sheet

ASSETS *(EUR thousands)*	**30/9 2017**	**31/12 2016**
Non-current assets		
Property, plant and equipment	138,246	118,991
Goodwill	647,956	635,180
Intangible assets (excluding goodwill)	260,712	277,458
Trade and other receivables	4,701	237
Derivative financial instruments	483	447
Deferred income tax assets	5,703	7,343
	1,057,801	1,039,656
Current assets		
Inventories	123,130	122,250
Production contracts	49,414	36,962
Trade receivables	119,339	115,259
Other receivables and prepayments	39,100	32,723
Derivative financial instruments	-	55
Cash and cash equivalents	25,793	45,523
	356,776	352,772
Total assets	**1,414,577**	**1,392,428**

Consolidated: Balance sheet

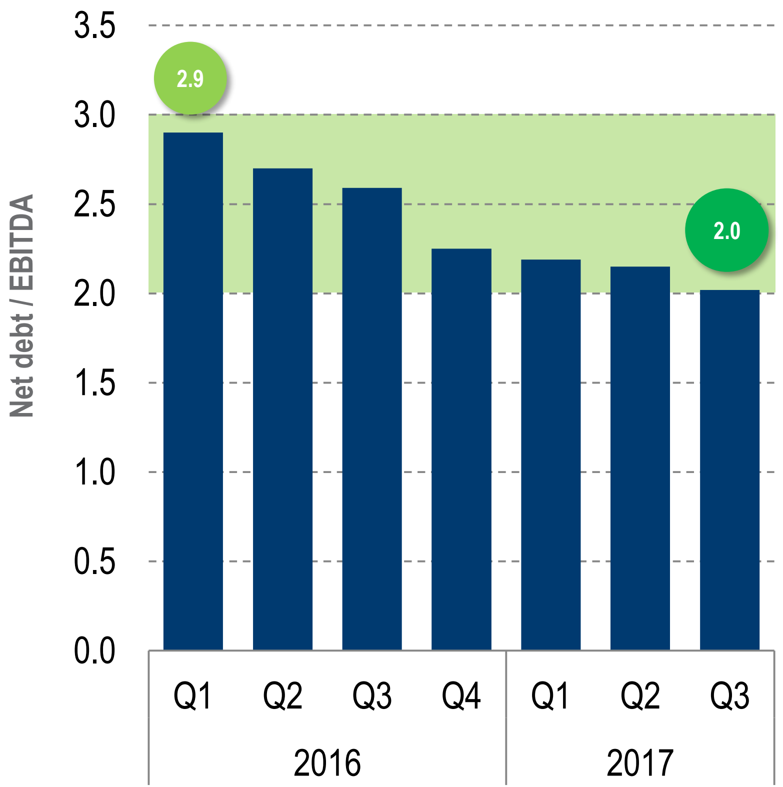
EQUITY AND LIABILITIES *(EUR thousands)*	**30/9 2017**	**31/12 2016**
Group equity	**536,873**	**525,573**
LIABILITIES		
Non-current liabilities		
Borrowings	372,088	425,014
Deferred income tax liabilities	61,317	63,458
Provisions	7,960	7,361
Trade and other payables	3,600	-
Derivative financial instruments	3,579	4,946
	448,544	500,779
Current liabilities		
Production contracts	214,884	150,769
Trade and other payables	164,503	168,980
Current income tax liabilities	11,879	9,081
Borrowings	28,231	24,117
Provisions	9,663	13,129
	429,160	366,076
Total liabilities	**877,704**	**866,855**
Total equity and liabilities	**1,414,577**	**1,392,428**

Q3 2017: Exceptionally strong cash flow

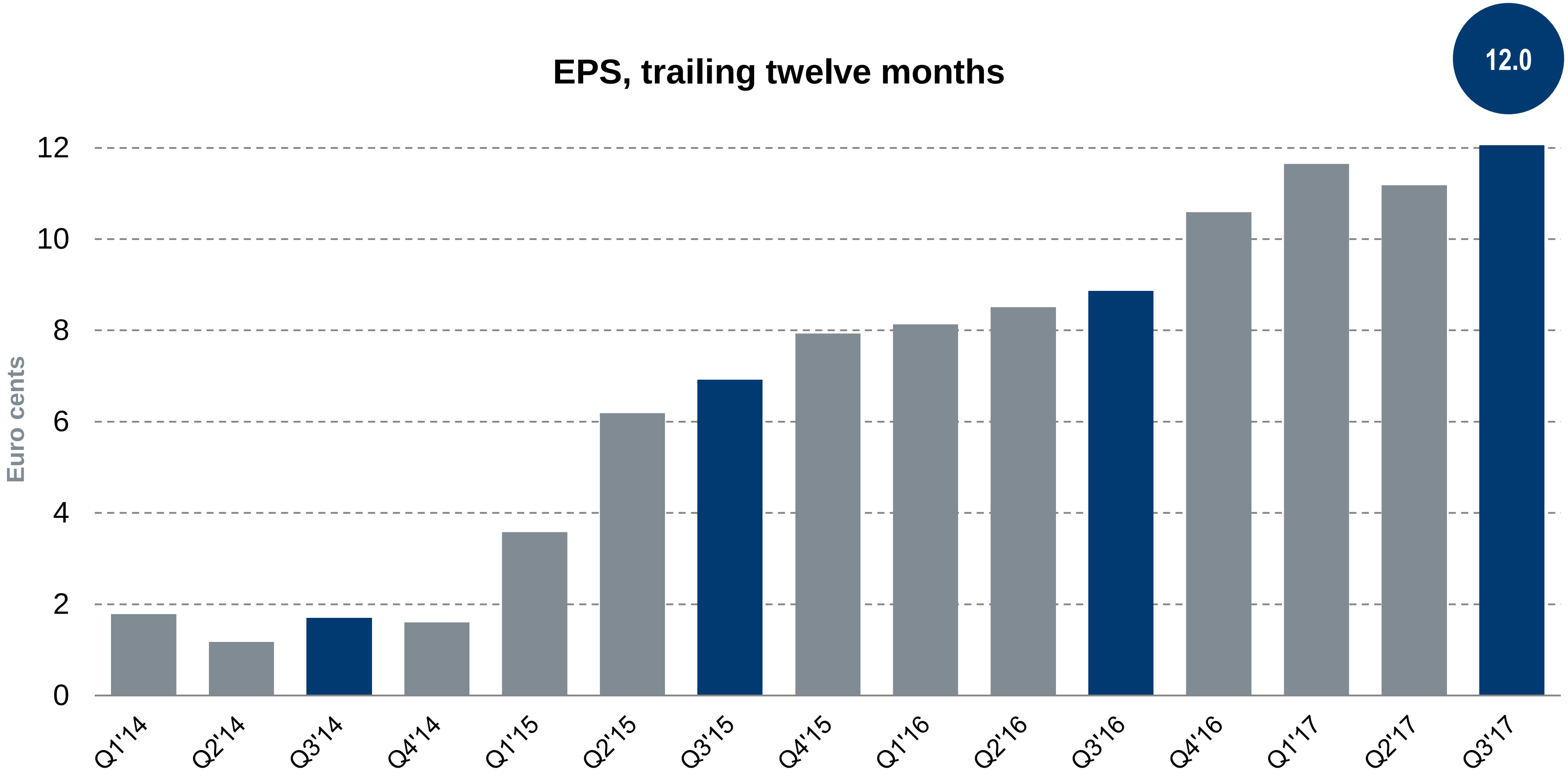


Marel continues to invest and deleverage

- Net debt / EBITDA leverage of x2.0 at end of the quarter
- Leverage decreased in the quarter despite
  - Acquisition of Sulmaq
  - Purchase of treasury shares
- Marel is stimulating further revenue and operational profit growth by:
  - Streamlining the business
  - Continuous innovation
  - Investing in the business



Favorable development in earnings per share



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Business & Outlook

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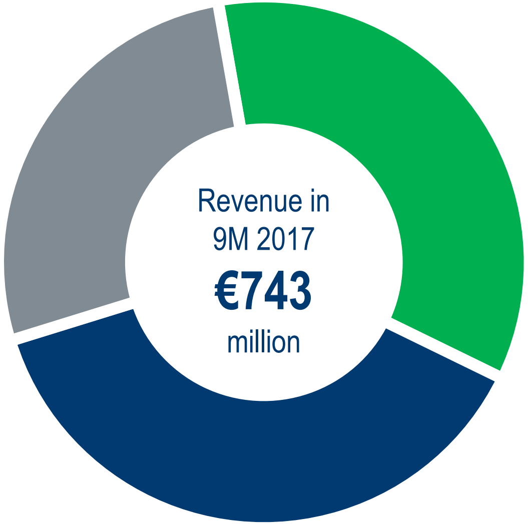
Strong business model supporting future growth

Modernization and standard equipment ▶

- Good volume in standard equipment



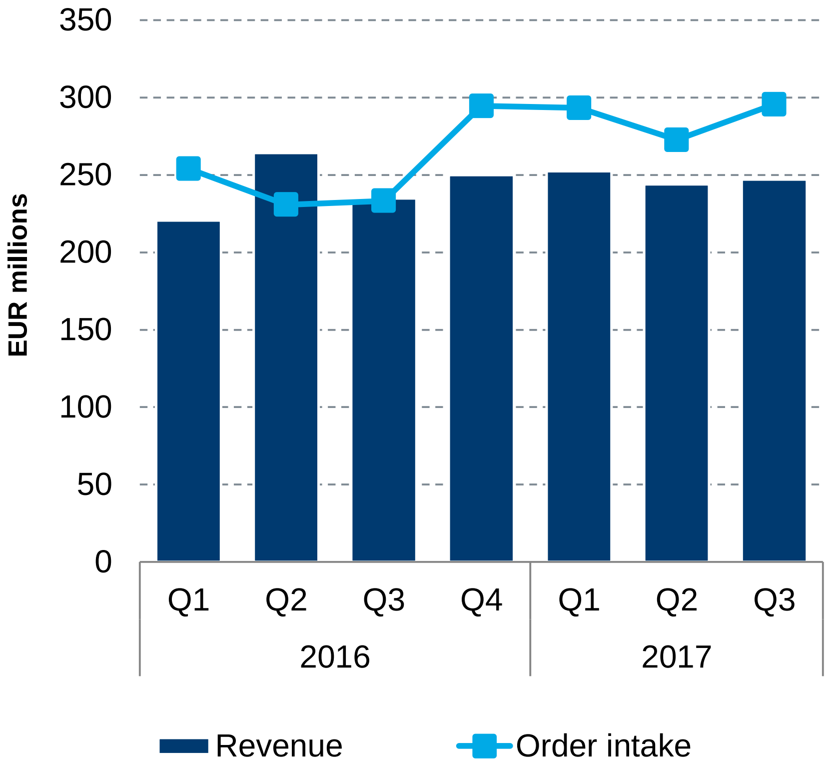
◀ Greenfields & large projects

- Demand for new innovative Greenfields is high across all geographies leading to higher proportion of large projects in the order book

Maintenance ▲

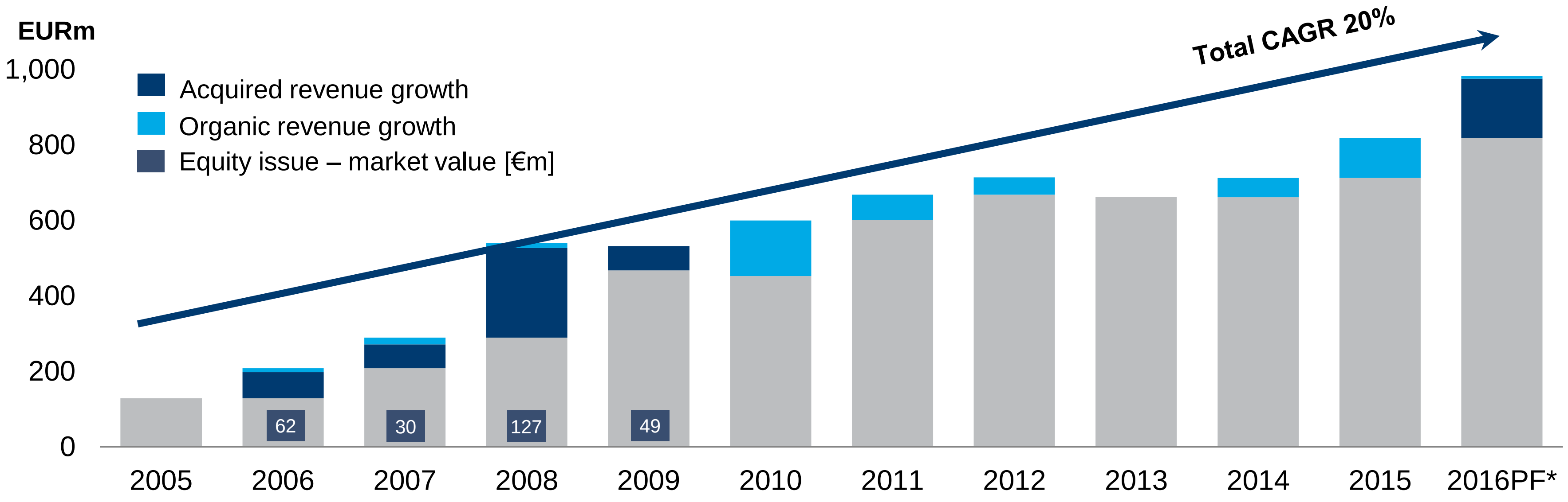
- Marel has the largest installed base in its industry
- Recurring service and spare parts revenues have increased steadily and were 38% of total revenues in the first nine months of 2017

Order book at good level



- Order book at good level totalling €468 million
- Order book close to x0.5 of trailing twelve months revenue
- Greenfields and larger projects with long lead times constitute the vast majority of the order book
  - Standard equipment and spare parts run with shorter cycles than larger projects

Compounded annual revenue growth of over 20%



- Total revenue grew from €129 million in 2005 to €983 million in 2016*
  - Average annual organic growth 6%
  - Average annual acquisition growth 14%
- Good support from shareholders
  - Equity issued totaled 268 million in the period 2006-2009 to finance acquisitions of Scanvaegt and Stork Food Systems
  - MPS acquisition financed with solid operational performance and strong cash flow

** Marel pro forma revenue for 2016*

Advancing food processing

MAREL CAPITAL MARKETS DAY

November 2, 2017

9M 2016	9M 2017	Ambitious growth plan
Pro forma revenue €733m Pro forma EBIT* €108m Order book €305m	Revenue €743m EBIT* €111m Order book €468m	

Ambitious growth plan

Marel expects market conditions to remain good in the poultry and fish industries, while a softer outlook is expected short term for the meat industry. Long term outlook is good for all industries. Strong position of the order book indicates that revenue will be higher in coming quarters.

Marel is targeting 12% average annual revenue growth in the next 10 years.

Marel's management expects 4-6% average annual market growth in the long term. Marel aims to grow organically faster than the market, driven by innovation and market penetration.

Maintaining solid operational performance and strong cash flow supports average 5-7% revenue growth by acquisition.

Marel's management expects EPS to grow faster than revenue.

Growth will not be linear but based on opportunities and economic fluctuations. Operational results may vary from quarter to quarter due to general economic developments, fluctuations in orders received and timing of deliveries of larger systems.

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

Thank you

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