

## PRESS RELEASE

DATE 7 March 2018

## Corbion full year 2017 results

Corbion reported net sales of € 891.7 million in 2017, a decrease of 2.2% compared to 2016. Organic net sales growth in Q4 was 0.4%. EBITDA excluding one-off items in 2017 decreased by 3.5% to € 164.1 million. The company proposes to distribute a regular dividend of € 0.56 per share.

"I am pleased to see the positive sales momentum continuing in Ingredient Solutions in the second half of 2017. Our performance in 2017 was satisfactory except for the volume developments in Bakery. Growth in Meat and Biochemicals was encouraging. We accelerated our efforts in Innovation Platforms with the establishment of the Total Corbion PLA joint venture, and the acquisition of an algae ingredients platform. In November we presented our 'Creating Sustainable Growth' strategy for the 2018-2021 period", comments Tjerk de Ruiter, CEO.

### Key financial highlights FY 2017\*:

- Net sales organic growth was -0.4%; volume growth was -1.9%
- EBITDA excluding one-off items was € 164.1 million (€ 167.0 million excluding € -2.9 million impact of the TerraVia acquisition in Q4)
- EBITDA margin before one-off items was 18.4% (2016: 18.7%)
- One-off items at EBITDA level of € 6.4 million
- Operating result was € 122.3 million, an organic decrease of 2.4%
- Free cash flow was € 24.2 million (2016: €72.1 million). The decline is mostly due to the newly founded Total Corbion PLA joint venture and the acquired TerraVia assets
- Net debt/EBITDA at year-end was 1.0x (year-end 2016: 0.6x)

€ million	FY 2017	FY 2016	Total growth	Organic growth
Net sales	891.7	911.3	-2.2%	-0.4%
EBITDA excluding one-off items	164.1	170.1	-3.5%	-2.3%
EBITDA margin excluding one-off items	18.4%	18.7%		
Operating result	122.3	126.9	-3.6%	-2.4%
ROCE	17.4%	20.6%		

\* For Non-GAAP definitions see page 21

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### Management review FY 2017

*The business unit Biobased Ingredients has been renamed Ingredient Solutions. The business unit Biobased Innovations has been renamed Innovation Platforms.*

#### **Net sales**

Net sales in 2017 decreased by 2.2% to € 891.7 million (2016: € 911.3 million) mostly due to a volume decrease (-1.9%), partly compensated by a positive price/mix effect (1.5%), and a negative currency impact (-1.3%). Furthermore, there was a small negative impact related to the divestment of the Breddo-Likwifier activities, effective as of 9 December 2016.

Organic sales growth of -0.2% in the Ingredient Solutions business unit was mostly driven by a weak volume performance in Bakery, which was partly offset by growth in Meat and Biochemicals. Organic sales growth for the Biochemicals business segment was 5.8%, due to organic growth in all markets except for Animal Health.

The increase in Innovation Platforms volumes mostly reflects higher lactic acid volumes sold to the Total Corbion PLA joint venture. The negative price/mix is largely the result of the inception of the Total Corbion PLA joint venture, effective 2 March 2017. From that date, lactic acid sales rather than lactide/PLA sales are reported under Innovation Platforms. The acquisition effect in Innovation Platforms is due to the acquisition of the TerraVia assets on 29 September 2017.

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### Growth rates FY and Q4 2017

	Total growth	Currency	Total growth at constant currency	Acquisitions/ (Divestments)	Organic	Price/Mix	Volume
<b>FY 2017 vs 2016</b>							
<b>Ingredient Solutions</b>	<b>-2.2%</b>	<b>-1.3%</b>	<b>-0.9%</b>	<b>-0.7%</b>	<b>-0.2%</b>	<b>1.7%</b>	<b>-1.9%</b>
- Food	-4.3%	-1.3%	-3.0%	-1.0%	-2.0%	1.7%	-3.7%
- Biochemicals	4.5%	-1.3%	5.8%	0.0%	5.8%	1.1%	4.7%
<b>Innovation Platforms</b>	<b>-0.9%</b>	<b>0.8%</b>	<b>-1.7%</b>	<b>8.8%</b>	<b>-10.5%</b>	<b>-4.2%</b>	<b>3.6%</b>
<b>Total</b>	<b>-2.2%</b>	<b>-1.3%</b>	<b>-0.9%</b>	<b>-0.5%</b>	<b>-0.4%</b>	<b>1.5%</b>	<b>-1.9%</b>
<b>Q4 2017 vs Q4 2016</b>							
<b>Ingredient Solutions</b>	<b>-6.6%</b>	<b>-7.1%</b>	<b>0.5%</b>	<b>-0.8%</b>	<b>1.3%</b>	<b>2.4%</b>	<b>-1.1%</b>
- Food	-10.3%	-7.5%	-2.8%	-1.1%	-1.7%	1.6%	-3.3%
- Biochemicals	5.3%	-5.8%	11.1%	0.0%	11.1%	4.2%	6.9%
<b>Innovation Platforms</b>	<b>-7.1%</b>	<b>-5.4%</b>	<b>-1.7%</b>	<b>45.2%</b>	<b>-46.9%</b>	<b>0.0%</b>	<b>-100.0%</b>
<b>Total</b>	<b>-6.6%</b>	<b>-7.0%</b>	<b>0.4%</b>	<b>0.0%</b>	<b>0.4%</b>	<b>4.4%</b>	<b>-4.0%</b>

### EBITDA

EBITDA FY 2017 excluding one-off items decreased by 3.5% to € 164.1 million, mostly due to negative volume growth and the acquisition of the TerraVia assets. Currencies positively impacted EBITDA by € 0.9 million. Ingredient Solutions EBITDA excluding one-off items decreased by 2.0% driven by lower volumes and higher raw material costs offset by positive price/mix effects. The EBITDA loss in Innovation Platforms increased to € -/-8.8 million (2016: € -/- 6.4 million). The € 2.4 million higher loss was mostly due to the acquisition of the TerraVia assets.

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€ million	FY 2017	FY 2016	Q4 2017	Q4 2016	Growth FY
<b>Net sales</b>					
<b>Ingredient Solutions</b>	<b>870.2</b>	<b>889.6</b>	<b>207.3</b>	<b>221.9</b>	<b>-2.2%</b>
- Food	647.7	676.6	152.1	169.5	-4.3%
- Biochemicals	222.5	213.0	55.2	52.4	4.5%
<b>Innovation Platforms</b>	<b>21.5</b>	<b>21.7</b>	<b>3.9</b>	<b>4.2</b>	<b>-0.9%</b>
<b>Total net sales</b>	<b>891.7</b>	<b>911.3</b>	<b>211.2</b>	<b>226.1</b>	<b>-2.2%</b>
<b>EBITDA excluding one-off items</b>					
<b>Ingredient Solutions</b>	<b>172.9</b>	<b>176.5</b>	<b>38.8</b>	<b>38.9</b>	<b>-2.0%</b>
- Food	121.3	127.8	26.0	28.3	-5.1%
- Biochemicals	51.6	48.7	12.8	10.6	6.0%
<b>Innovation Platforms</b>	<b>(8.8)</b>	<b>(6.4)</b>	<b>(4.6)</b>	<b>(3.6)</b>	<b>37.1%</b>
<b>Total EBITDA excluding one-off items</b>	<b>164.1</b>	<b>170.1</b>	<b>34.2</b>	<b>35.3</b>	<b>-3.5%</b>
One-off items	6.4	(3.2)	0.9	1.2	
<b>Total EBITDA</b>	<b>170.5</b>	<b>166.9</b>	<b>35.1</b>	<b>36.5</b>	<b>2.2%</b>
Depreciation/amortization/ (reversal of) impairment (in)tangibles	(48.2)	(40.0)	(15.3)	(2.7)	20.5%
<b>Total operating result</b>	<b>122.3</b>	<b>126.9</b>	<b>19.8</b>	<b>33.8</b>	<b>-3.6%</b>
<b>EBITDA margin excluding one-off items</b>					
<b>Ingredient Solutions</b>	<b>19.9%</b>	<b>19.8%</b>	<b>18.7%</b>	<b>17.5%</b>	
- Food	18.7%	18.9%	17.1%	16.7%	
- Biochemicals	23.2%	22.9%	23.2%	20.2%	
<b>Innovation Platforms</b>	<b>-40.9%</b>	<b>-29.5%</b>	<b>-118%</b>	<b>-85.7%</b>	
<b>Total EBITDA margin excluding one-off items</b>	<b>18.4%</b>	<b>18.7%</b>	<b>16.2%</b>	<b>15.6%</b>	
<b>Total EBITDA excluding one-off items and acquisitions, at constant currencies</b>	<b>166.1</b>	<b>170.1</b>	<b>39.5</b>	<b>35.3</b>	<b>-2.3%</b>

### Depreciation, amortization, and impairment

Depreciation, amortization, and impairment of fixed assets excluding one-off items amounted to € 45.2 million compared to € 49.8 million in 2016.

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### Operating result

Operating result decreased by 3.6% to € 122.3 million in 2017 (2016: € 126.9 million).

### One-off items

In 2017, a positive total of € 5.3 million in one-off items was recorded on result-after-tax level, consisting of the following components:

- One-off gain of € 4.7 million related to the sale of the subsidiary 'Total Corbion PLA (Thailand) Limited' to the joint venture Total Corbion PLA bv
- One-off gain of € 4.0 million related to the acquisition of TerraVia
- One-off loss of € 2.4 million related to our Succinic acid development
- One-off loss of € 2.0 million due to (restructuring) provisions made because of the strategy update
- One-off loss of € 0.9 million related to the closure of our former Kansas Avenue powder blending plant
- Positive tax effects on the above of € 1.9 million

### Financial income and charges

Net financial charges increased by € 5.8 million to € 13.2 million, mainly caused by increased loan levels, foreign exchange rate effects on long-term loans, and a one-off gain in H1 2016 related to a partial reversal of an impairment of a loan for beet growers following the divestment of CSM Sugar in 2007.

### Taxes

The tax charge on our operations in 2017 amounted to € 13.1 million compared to a charge of € 14.3 million in 2016. In 2017, the relatively low effective tax rate is mainly caused by the US Tax Reform; the net deferred tax liability position in the US decreased because of the reduction of the federal income tax rate from 35% to 21% as per 1 January 2018. Excluding one-off items and excluding the effect of the US Tax Reform the normalized effective tax rate would have been 23.1%. Going forward, a normalized effective tax rate of approximately 25% is expected.

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### Statement of financial position

Capital employed increased, compared to year-end 2016, by € 38.5 million to € 635.0 million. The movements were:

€ million	
Capital expenditure on (in)tangible fixed assets	49.4
Depreciation / amortization / impairment of (in)tangible fixed assets	-48.2
Change in operating working capital	12.3
Change in provisions, other working capital, and financial assets/ accruals	21.9
Movements related to joint ventures and acquisition of TerraVia assets	44.7
Taxes	7.6
Exchange rate differences	-47.8
Other	-1.4

Major capital expenditure projects in 2017 are investments in our US PGME emulsifiers plant, expansion of vinegar powder production, and investments in the PLA plant.

Operating working capital increased by € 12.0 million. This increase is the balance of an operational increase of € 12.3 million and currency effects of € -0.3 million.

Shareholders' equity decreased by € 9.2 million to € 489.3 million. The movements were:

- The positive result after taxes of € 84.6 million
- A decrease of € 60.5 million related to the dividend for financial year 2016
- A decrease of € 25.0 million related to the share buyback program
- Negative exchange rate differences of € 24.9 million due to the translation of equity denominated in currencies other than the euro
- Negative movement of € 2.3 million in the hedge reserve
- Positive movement of € 13.0 million due to re-measurement of defined benefit arrangements
- Net share-based remuneration costs of € 3.2 million charged to result
- Positive tax effects € 2.7 million

At the year-end 2017 the ratio between balance sheet total and equity was 1:0.6 (2016 year-end: 1:0.6).

### Cash flow/Financing

Cash flow from operating activities decreased compared to year-end 2016 by € 4.9 million to € 117.7 million. This is the balance of the lower operational cash flow before movements in working capital of € 4.3 million, a negative impact of the movement in working capital and provisions of € 6.2 million, and lower taxes and interest paid of € 5.8 million.

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The cash flow required for investment activities increased by € 43.0 million to € 93.5 million compared to 2016. Main cash outflows are related to capital expenditures (€ 45.5 million), loans provided to our joint ventures (€ 38.2 million) and the acquisition of the TerraVia assets (€ 17.6 million).

The net debt position at year-end 2017 was € 162.2 million, an increase of € 64.2 million compared to year-end 2016, mainly due to dividend payment, the share buyback program, capital expenditures, loans/guarantees provided to our joint ventures, the acquisition of the TerraVia assets, and the increase in working capital compared to year-end 2016, partly compensated by the positive cash flow from operating activities before working capital and provisions.

At the year-end 2017, the ratio of net debt to EBITDA was 1.0x (year-end 2016: 0.6x). The interest cover for 2017 was 24.4x (2016: 23.0x). We continue to stay well within the limits of our financing covenants.

### Reservation and dividend policy

Corbion's reservation policy is aimed at creating and retaining sufficient financial capacity and flexibility to realize our strategic objectives while maintaining healthy balance sheet ratios. Corbion intends to add the profit (or charge the loss) to the company reserves after deduction of the proposed dividend on ordinary shares. Events potentially impacting our financing requirements such as acquisitions, divestments, reorganizations, or other strategic considerations can lead to adjustments in the reservation amount and the reservation policy. As regards Corbion's dividend policy, the amount and structure of dividend on ordinary shares that the company will pay to its shareholders depend on the financial results of the company, the market environment, the outlook, and other relevant factors. The current dividend policy is the ambition to pay out annually a stable to gradually increasing absolute dividend amount per share (progressive regular dividend policy). Periodically Corbion will review its net debt position in relation to the investment plans, and decide upon potential additional distributions.

### Dividend proposal

A proposal to distribute a regular dividend in cash of € 0.56 per ordinary share (2016: € 0.56) will be submitted for approval to the annual General Meeting of Shareholders, to be held on 25 May 2018. This represents 41% of our net profit excluding one-off items. The dividend will be charged to the Corbion reserves.

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### Financial guidance 2018-2021\*

- The strategy (Creating Sustainable Growth) aims to deliver organic sales growth of between 3 and 6 percent annually (including proportionately consolidated joint ventures in Innovation Platforms)
- **Ingredient Solutions:** Net sales growth of 2-4% annually (1-3% in Food, 3-10% in Biochemicals), while maintaining EBITDA margin >19% and ROCE > 20% annually throughout the period. Recurring capex is expected to be on average € 40 million annually
- **Innovation Platforms:** To better reflect the underlying performance, in addition to reporting IFRS figures, disclosure of proportionately consolidated joint venture figures will be provided for net sales and EBITDA. Net sales growth (including proportionately consolidated joint ventures) 10-30% annually. EBITDA (including proportionately consolidated joint ventures) approaching break-even in 2021, while the maximum loss is not expected to exceed € -35 million annually for the years 2018 and 2019. Recurring capex (including proportionate share in joint venture capex) of € 20-30 million annually
- **Debt:** Corbion targets a net debt/EBITDA ratio of 1.5x over the investment cycle

\* Capital Markets Day, November 2017

### Outlook 2018

*Does not incorporate impact potential acquisition remaining 49.9% in SB Oils JV*

**Ingredient Solutions:** For 2018 we confirm our Capital Markets Day guidance for Food and Biochemicals for both sales growth and margins. Food is expected to return to the guidance range as some of last year's Bakery customer losses should start to fade as the year progresses.

**Innovation Platforms:** The second half of 2018 should see the start-up of the Total Corbion PLA plant in Thailand. The Peoria pilot plant, part of the acquired TerraVia assets, has recently resumed operations, which will significantly raise the fixed cost level for Innovation Platforms. The EBITDA loss including proportionately consolidated joint ventures is not expected to exceed € -35 million in the year, but is subject to uncertainty regarding sales ramp-up.

**Input costs:** Last year's decrease in sugar prices should start to positively impact our results towards the latter part of the first half of 2018. However, prices of several auxiliary chemicals and vitamins have been on the rise, negating the sugar benefits.



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### Segment information

#### Ingredient Solutions

€ million	FY 2017	FY 2016		Q4 2017	Q4 2016
Net sales	870.2	889.6		207.3	221.9
Organic growth	-0.2%	-1.1%		1.3%	-1.8%
EBITDA	170.6	173.3		36.9	40.1
EBITDA excl. one-off items	172.9	176.5		38.8	38.9
EBITDA margin excl. one-off items	19.9%	19.8%		18.7%	17.5%
ROCE	26.0%	28.2%		23.0%	23.9%
Average capital employed	522.9	487.0		488.6	485.0

Net sales in Ingredient Solutions, which encompasses Food and Biochemicals, decreased organically by 0.2% in 2017, mostly driven by lower volumes in the Food business segment. This was below the guidance range. Organic net sales growth in Q4 was 1.3%. The EBITDA margin excluding one-off items in 2017 increased slightly from 19.8% to 19.9%. Even though both Food and Biochemicals saw margins negatively affected by higher input costs, this was more than offset through portfolio mix improvements in both segments.

#### Business segment Food

€ million	FY 2017	FY 2016		Q4 2017	Q4 2016
Net sales	647.7	676.6		152.1	169.5
Organic growth	-2.0%	-1.9%		-1.7%	-2.5%
EBITDA	119.5	125.1		24.7	29.8
EBITDA excl. one-off items	121.3	127.8		26.0	28.3
EBITDA margin excl. one-off items	18.7%	18.9%		17.1%	16.7%

Net sales in business segment Food decreased organically by 2.0% in 2017, which was below the guidance range. In 2017 we saw Bakery sales decline as we experienced challenges in executing our Bakery channel strategy, and losses in frozen dough. We accelerated the overhaul of the commercial organization in Bakery and we have taken measures to improve customer service levels. Consequently, volume losses in Bakery were less pronounced in H2 than in H1. Furthermore, several growth initiatives are gaining traction, such as PGME emulsifiers for the sweet goods market, and Ultra Fresh extended freshness solutions.

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The performance in Meat was strong. In the US, the portfolio mix shift towards natural preservation solutions continues to support top-line growth and margin improvements. Meat sales growth outside the US was mainly driven by Latin America.

In other markets (Beverages, Confectionery, Dairy), overall sales decreased slightly, mostly because of some losses in lower value added lactic acid contracts.

The EBITDA margin decreased slightly from 18.9% to 18.7% as a balance of mix improvements and higher input costs.

### Business segment Biochemicals

€ million	FY 2017	FY 2016		Q4 2017	Q4 2016
Net sales	222.5	213.0		55.2	52.4
Organic growth	5.8%	1.8%		11.1%	-0.4%
EBITDA	51.1	48.2		12.3	10.3
EBITDA excl. one-off items	51.6	48.7		12.8	10.6
EBITDA margin excl. one-off items	23.2%	22.9%		23.2%	20.2%

Net sales in the Biochemicals business segment increased organically by 5.8% in 2017, which was in the guidance range. Sales growth was seen in all markets during 2017, except for Animal Health. The strongest performing markets were Pharma/Medical, Electronics, and Agrochemicals.

The Biochemicals EBITDA margin for 2017 increased from 22.9% to 23.2%, mainly due to a higher-margin portfolio mix, more than compensating for higher input costs.

### Central costs

*Central costs have been redistributed between business segments Food and Biochemicals from Q4 2017 onwards, and will no longer be reported as a separate cost item. Historical data has been adjusted to reflect this change.*

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### Innovation Platforms

€ million	FY 2017	FY 2016		Q4 2017	Q4 2016
Net sales	21.5	21.7		3.9	4.2
Organic growth	-10.5%	-3.2%		-46.9%	-54.0%
EBITDA	(0.1)	(6.4)		(1.8)	(3.6)
EBITDA excl. one-off items	(8.8)	(6.4)		(4.6)	(3.6)
EBITDA margin excl. one-off items	-40.9%	-29.5%		-117.9%	-85.7%
Average capital employed	94.2	89.8		139.0	105.5

The slight decrease in Innovation Platforms sales mostly reflects higher volumes sold to the Total Corbion PLA joint venture and a negative price/mix, largely the result of the inception of the Total Corbion PLA joint venture, effective 2 March 2017. From that date, lactic acid sales rather than lactide/PLA sales are reported under Innovation Platforms. A one-off gain of € 4.7 million is related to the sale of the subsidiary Total Corbion PLA (Thailand) Limited to the joint venture Total Corbion PLA bv.

The TerraVia acquisition has been included from the start of Q4. The Q4 loss on EBITDA excluding one-off items was € 2.9 million (excluding SB Oils joint venture losses). The integration of the TerraVia assets and staff has been progressing very well. Going forward, the TerraVia brand name will be replaced by Corbion Algae Ingredients. The Peoria plant has been reopened in February 2018. This will allow us to scale up promising products such as Thrive® (high oleic cooking oil), and AlgaVia® protein and lipids, but will also significantly add to the fixed costs of Innovation Platforms. A one-off gain of € 4.0 million was related to the acquisition of the TerraVia assets.

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### Consolidated income statement

<i>Millions of euros</i>	<b>2017</b>	<b>2016</b>
<b>Net sales</b>	891.7	911.3
Costs of raw materials and consumables	-428.0	-446.4
Production costs	-139.4	-132.4
Warehousing and distribution costs	-48.9	-47.4
<b>Cost of sales</b>	<b>-616.3</b>	<b>-626.2</b>
<b>Gross profit</b>	<b>275.4</b>	<b>285.1</b>
Selling expenses	-60.7	-63.1
Research and development costs	-35.3	-34.3
General and administrative expenses	-67.7	-63.3
Other proceeds	10.6	2.5
<b>Operating result</b>	<b>122.3</b>	<b>126.9</b>
Financial income	4.6	1.1
Financial charges	-17.8	-8.5
Results from joint ventures and associates	-11.4	-1.6
<b>Result before taxes</b>	<b>97.7</b>	<b>117.9</b>
Income tax expense	-13.1	-14.3
<b>Result after taxes</b>	<b>84.6</b>	<b>103.6</b>
<b>Result attributable to non-controlling interests</b>		
<b>Result attributable to equity holders of Corbion nv</b>	<b>84.6</b>	<b>103.6</b>
<b>Per ordinary share in euros</b>		
Basic earnings	1.46	1.74
Diluted earnings	1.44	1.72

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### Consolidated statement of comprehensive income

<i>Millions of euros</i>	2017	2016
<b>Result after taxes</b>	<b>84.6</b>	<b>103.6</b>
<b>Other comprehensive results to be recycled to the income statement:</b>		
Foreign operations – foreign currency translation differences	-43.2	20.6
Net investment hedge – net movement	18.3	-5.0
Hedge reserve	-2.3	-2.4
Taxes relating to other comprehensive results to be recycled to the income statement	3.2	3.1
<b>Total other comprehensive results to be recycled to the income statement</b>	<b>-24.0</b>	<b>16.3</b>
<b>Other comprehensive results not to be recycled to the income statement</b>		
Remeasurement defined benefit arrangements	13.0	-9.8
Taxes relating to other comprehensive results not to be recycled to the income statement	-0.5	0.9
<b>Total other comprehensive results not to be recycled to the income statement</b>	<b>12.5</b>	<b>-8.9</b>
<b>Total comprehensive result after taxes</b>	<b>73.1</b>	<b>111.0</b>
Comprehensive result attributable to non-controlling interests		
<b>Comprehensive result attributable to equity holders of Corbion nv</b>	<b>73.1</b>	<b>111.0</b>

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### Consolidated statement of financial position

<i>Before profit appropriation, millions of euros</i>	<b>As at 31-12-2017</b>	<b>As at 31-12-2016</b>
<b>Assets</b>		
Property, plant, and equipment	280.0	297.2
Intangible fixed assets	130.3	138.2
Investments in joint ventures and associates	26.2	5.0
Long-term employee benefits	2.5	
Other non-current financial assets	36.4	0.8
Deferred tax assets	22.7	25.4
<b>Total non-current assets</b>	<b>498.1</b>	<b>466.6</b>
Inventories	128.3	137.7
Trade receivables	109.5	111.7
Other receivables	46.1	12.1
Income tax receivables	10.7	6.2
Cash and cash equivalents	38.1	60.8
Assets held for sale		47.9
<b>Total current assets</b>	<b>332.7</b>	<b>376.4</b>
<b>Total assets</b>	<b>830.8</b>	<b>843.0</b>
<b>Equity and liabilities</b>		
<b>Equity</b>	<b>489.3</b>	<b>498.5</b>
Long-term employee benefits	7.7	21.1
Deferred tax liabilities	12.1	13.7
Non-current liabilities	121.8	133.1
<b>Total non-current liabilities</b>	<b>141.6</b>	<b>167.9</b>
Interest-bearing current liabilities	66.8	25.7
Trade payables	76.6	76.2
Other non-interest-bearing current liabilities	49.5	62.1
Provisions	3.7	3.8
Income tax payables	3.3	7.1
Liabilities directly associated with assets held for sale		1.7
<b>Total current liabilities</b>	<b>199.9</b>	<b>176.6</b>
<b>Total equity and liabilities</b>	<b>830.8</b>	<b>843.0</b>

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### Consolidated statement of changes in equity

<i>Before profit appropriation, millions of euros</i>	Share capital	Share premium reserve	Other reserves	Retained earnings	Total
<b>As at 1 January 2016</b>	<b>15.6</b>	<b>58.7</b>	<b>68.0</b>	<b>345.5</b>	<b>487.8</b>
Result after taxes 2016				103.6	103.6
Other comprehensive result after taxes 2016			16.3	-8.9	7.4
<b>Total comprehensive result after taxes 2016</b>			<b>16.3</b>	<b>94.7</b>	<b>111.0</b>
Cash dividend				-52.5	-52.5
Acquired company shares				-50.0	-50.0
Share-based remuneration transfers			-1.4	1.4	
Share-based remuneration charged to result			2.2		2.2
Withdrawal shares	-0.6	-2.9		3.5	
Transfers to/from Other reserves			1.5	-1.5	
<b>Total transactions with shareholders</b>	<b>-0.6</b>	<b>-2.9</b>	<b>2.3</b>	<b>-99.1</b>	<b>-100.3</b>
<b>As at 31 December 2016</b>	<b>15.0</b>	<b>55.8</b>	<b>86.6</b>	<b>341.1</b>	<b>498.5</b>
Result after taxes 2017				84.6	84.6
Other comprehensive result after taxes 2017			-24.0	12.5	-11.5
<b>Total comprehensive result after taxes 2017</b>			<b>-24.0</b>	<b>97.1</b>	<b>73.1</b>
Cash dividend				-60.5	-60.5
Acquired company shares				-25.0	-25.0
Share-based remuneration transfers			-2.0	2.0	
Share-based remuneration charged to result			3.2		3.2
Withdrawal shares	-0.2	-0.6		0.8	
Transfers to/from Other reserves			0.5	-0.5	
<b>Total transactions with shareholders</b>	<b>-0.2</b>	<b>-0.6</b>	<b>1.7</b>	<b>-83.2</b>	<b>-82.3</b>
<b>As at 31 December 2017</b>	<b>14.8</b>	<b>55.2</b>	<b>64.3</b>	<b>355.0</b>	<b>489.3</b>

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### Consolidated statement of cash flows

<i>Millions of euros</i>	2017	2016
<b>Cash flow from operating activities</b>		
Result after taxes	84.6	103.6
Adjusted for:		
• Depreciation/amortization of fixed assets	45.2	49.5
• Reversal of impairment on property, plant and equipment		-13.4
• Impairment of fixed assets	3.0	3.9
• Result from divestments of fixed assets	0.7	1.6
• Result from purchase/sale of group companies and activities	-10.6	-2.5
• Share-based remuneration	3.2	2.2
• Interest income	-0.7	
• Interest expense	7.1	7.4
• Exchange rate differences	8.6	0.1
• Recycling of exchange rate differences from translation reserve	-1.2	
• Fluctuations in fair value of derivatives	-2.7	
• Interest (income) expense on defined benefit pension plans - net	1.4	0.3
• Reversal of impairment of financial asset		-1.1
• Other financial income and charges	0.7	0.7
• Results from joint ventures and associates	11.4	1.6
• Taxes	13.1	14.3
<b>Cash flow from operating activities before movements in working capital and provisions</b>	<b>163.8</b>	<b>168.2</b>
Movement in provisions	-1.6	-3.7
<i>Movements in operating working capital:</i>		
• Trade receivables	-8.3	-10.8
• Inventories	-8.1	-5.7
• Trade payables	4.1	5.7
Movements in other working capital	-7.8	-1.0
<b>Cash flow from business operations</b>	<b>142.1</b>	<b>152.7</b>
Interest received		
Interest paid	-7.2	-7.3
Tax paid on profit	-17.2	-22.8
<b>Cash flow from operating activities</b>	<b>117.7</b>	<b>122.6</b>
<b>Cash flow from investment activities</b>		
Acquisition of group companies	-17.6	
Sale of group companies	2.6	5.1
Investment joint ventures and associates	-5.2	-0.2
Dividends received from joint ventures and associates	0.7	
Investment other financial assets	-38.2	
Repayment other financial assets	9.7	
Capital expenditure on (in)tangible fixed assets	-45.5	-55.5
Divestment of (in)tangible fixed assets		0.1
<b>Cash flow from investment activities</b>	<b>-93.5</b>	<b>-50.5</b>
<b>Cash flow from financing activities</b>		
Proceeds from interest-bearing debts	67.0	
Repayment of interest-bearing debts	-23.6	-0.2
Acquisition of company shares	-25.0	-50.0
Paid-out dividend	-60.5	-52.5
<b>Cash flow from financing activities</b>	<b>-42.1</b>	<b>-102.7</b>
<b>Net cash flow</b>	<b>-17.9</b>	<b>-30.6</b>
Effects of exchange rate differences on cash and cash equivalents	-5.5	
<b>Decrease cash and cash equivalents</b>	<b>-23.4</b>	<b>-30.6</b>
Cash and cash equivalents at start of financial year	61.5	92.1
Cash and cash equivalents at close of financial year	38.1	61.5



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### Accounting information

#### General

Corbion is the global market leader in lactic acid and lactic acid derivatives, and a leading company in emulsifiers, functional enzyme blends, minerals, vitamins, and algae ingredients. The company delivers high-performance sustainable ingredient solutions made from renewable resources and applied in global markets such as food, home & personal care, animal nutrition, pharmaceuticals, medical devices, and bioplastics. Its products add differentiating functionality to a wide variety of consumer products worldwide.

Corbion is based in Amsterdam, the Netherlands and listed on Euronext Amsterdam.

The consolidated financial statements drawn up by the Board of Management have been approved by the Supervisory Board on 6 March 2018. They will be presented to the annual General Meeting of Shareholder for adoption on 25 May 2018. The Supervisory Board will give a preliminary recommendation regarding the consolidated financial statements to the annual General Meeting of Shareholders.

#### Reported amounts

Unless stated otherwise all amounts in the financial statements are reported in millions of euros.

#### Exchange rates of main currencies in euros

	Average exchange rate 2017	Average exchange rate 2016	Exchange rate 31-12-2017	Exchange rate 31-12-2016
US dollar	1.13	1.11	1.20	1.05
Japanese yen	126.72	120.18	135.01	123.40
Brazilian real	3.61	3.86	3.97	3.43
Thai baht	38.29	39.04	39.12	37.73

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### Consolidated income statement before one-off items

The consolidated income statement for financial years 2017 and 2016 before one-off items (non-IFRS financial measures) can be presented as follows.

	2017			2016		
	Before one-off items	One-off items	Total	Before one-off items	One-off items	Total
Net sales	891.7		891.7	911.3		911.3
Costs of raw materials and consumables	-428.0		-428.0	-444.1	-2.3	-446.4
Production costs	-138.5	-0.9	-139.4	-142.4	10.0	-132.4
Warehousing and distribution costs	-48.9		-48.9	-47.4		-47.4
<b>Gross profit</b>	<b>276.3</b>	<b>-0.9</b>	<b>275.4</b>	<b>277.4</b>	<b>7.7</b>	<b>285.1</b>
Selling expenses	-60.3	-0.4	-60.7	-63.1		-63.1
Research and development costs	-32.7	-2.6	-35.3	-31.3	-3.0	-34.3
General and administrative expenses	-64.4	-3.3	-67.7	-62.7	-0.6	-63.3
Other proceeds	10.6		10.6		2.5	2.5
<b>Operating result</b>	<b>118.9</b>	<b>3.4</b>	<b>122.3</b>	<b>120.3</b>	<b>6.6</b>	<b>126.9</b>
Less: depreciation/amortization/impairment (in) tangible fixed assets	45.2	3.0	48.2	49.8	-9.8	40.0
<b>EBITDA</b>	<b>164.1</b>	<b>6.4</b>	<b>170.5</b>	<b>170.1</b>	<b>-3.2</b>	<b>166.9</b>
Depreciation/amortization/impairment (in) tangible fixed assets	-45.2	-3.0	-48.2	-49.8	9.8	-40.0
<b>Operating result</b>	<b>118.9</b>	<b>3.4</b>	<b>122.3</b>	<b>120.3</b>	<b>6.6</b>	<b>126.9</b>
Financial income	4.6		4.6		1.1	1.1
Financial charges	-17.8		-17.8	-8.5		-8.5
Results from joint ventures and associates	-11.4		-11.4	-1.6		-1.6
<b>Result before taxes</b>	<b>94.3</b>	<b>3.4</b>	<b>97.7</b>	<b>110.2</b>	<b>7.7</b>	<b>117.9</b>
Taxes	-15.0	1.9	-13.1	-16.0	1.7	-14.3
<b>Result after taxes</b>	<b>79.3</b>	<b>5.3</b>	<b>84.6</b>	<b>94.2</b>	<b>9.4</b>	<b>103.6</b>

One-off items relate to material non-recurring items in the income statement that are exceptional by nature and are not related to the normal course of business. These exceptional items include amongst others write-down of inventories to net realizable value, reversals of write-downs, impairments, reversals of impairments, additions to and releases from provisions for restructuring and reorganization, results on assets sold, gains on the sale of subsidiaries, joint ventures and associates, and any other provision being formed or released. The company considers events exceptional (one-off) when the aggregate amount of the events per line item of the income statement exceeds a threshold of € 0.5 million. One-off items may occur up to and including result after taxes.

In 2016, a total of € 9.4 million in one-off items was recorded:

1. Reversal of a previously recorded impairment of € 13.4 million for the lactide plant in Thailand as a result of the intended sale to the joint venture Total Corbion PLA bv.
2. One-off costs of € 4.9 million incurred related to the closure of the Kansas Avenue powder blending plant.
3. An impairment of € 3.0 million related to our Succinic acid development as a result of an envisaged change in the production process.
4. One-off net gains of € 2.2 million related to the sale of our Breddo-Likwifier business.
5. One-off costs of € 0.6 million incurred related to a restructuring at our Spanish plant.
6. An impairment of € 0.6 million related to basic engineering for the lactide plant in Thailand.
7. Net one-off costs of € 0.4 million related to an increase of the excessive levy provision for a former board member.
8. One-off insurance gains of € 0.5 million related to the Grandview incident in March 2015.
9. A one-off gain of € 1.1 million related to a partial reversal of impairment of a loan for beet growers following the sale of CSM Sugar in 2007.
10. Positive tax effects on the above items of € 1.7 million.

In 2017, a total of € 5.3 million in one-off items was recorded:

1. One-off gain of € 4.7 million related the sale of the subsidiary Total Corbion PLA (Thailand) Limited to the joint venture Total Corbion PLA bv.
2. One-off gain of € 4.0 million related to the TerraVia acquisition.
3. One-off loss of € 2.4 million related to a our Succinic acid development.
4. One-off loss of € 2.0 million due to (restructuring) provisions made because of the strategy update
5. One-off loss of € 0.9 million related to the closure of our former Kansas Avenue powder blending plant.
6. Positive tax effects on the above of € 1.9 million.

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### Segment information

For its strategic decision-making process Corbion distinguishes between Ingredient Solutions and Innovation Platforms. For IFRS segmentation purposes Ingredient Solutions has been segmented into two further businesses, Food and Biochemicals.

In the Food segment, we are a global food solutions supplier for leading food manufacturers.

We strive to be the leader in keeping food tasty, fresh and safe from date of production to day of consumption. With our proven food solutions we enable our customers to make conscious choices, we work side by side to empower them to grow and create affordable food (in the meat, beverage, bakery, confectionery, and dairy markets) that people love and can safely enjoy with their friends and family, just as we enjoy with ours.

In the Biochemicals segment, the inherent safety, sustainability and performance of our products is what sets us apart supported by our continuous drive to find better solutions and new opportunities for our customers. We lead the way in sustainable practices through the use of renewable feedstocks and our rich heritage in lactic acid. This forms the foundation for our biochemical applications in everything from (agro)chemicals, to resin adhesives, electronic components, pharmaceuticals, home care, personal care products, and animal health & nutrition. We are constantly exploring opportunities to bring the benefits of our products and solutions to our customers applications.

Our Innovation Platforms business unit creates new business platforms by applying disruptive technology that is built on decades of experience in fermentation and industrial scale manufacturing – to create real long-term value. Collaborating with like-minded partners allows our customers to make conscious choices, so they can create better, more sustainable products, based on renewable resources. Our 50/50 joint venture with Total for the production and marketing of poly lactic acid polymers (Total Corbion PLA) is functionally part of this business unit. Innovation Platforms also comprises our Algae Ingredients business (including the SB Oils joint venture) and the succinic acid joint venture with BASF (Succinity). Also included in this business unit are our longer-term development programs such as FDCA, a biobased building block with unique properties in (bio-) polymers that and as such a potential replacement for purified terephthalic acid (PTA), our gypsum-free lactic acid process, and use of alternative feedstocks (lignocellulosic biomass, agricultural residues, waste) to make lactic acid.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

#### Segment information by business area

	Food		Biochemicals		Ingredient Solutions		Innovation Platforms		Corbion total operations	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
<b>Income statement information</b>										
Net sales	647.7	676.6	222.5	213.0	870.2	889.6	21.5	21.7	891.7	911.3
Operating result	95.1	99.2	38.0	35.1	133.1	134.3	-10.8	-7.4	122.3	126.9
One-off items included in operating result	2.3	2.7	0.5	0.5	2.8	3.2	-6.2	-9.8	-3.4	-6.6
Operating result excluding one-off items	97.4	101.9	38.5	35.6	135.9	137.5	-17.0	-17.2	118.9	120.3
<b>Alternative non-IFRS performance measures</b>										
EBITDA excluding one-off items	121.3	127.8	51.6	48.7	172.9	176.5	-8.8	-6.4	164.1	170.1
One-off items included in EBITDA	-1.8	-2.7	-0.5	-0.5	-2.3	-3.2	8.7		6.4	-3.2
EBITDA	119.5	125.1	51.1	48.2	170.6	173.3	-0.1	-6.4	170.5	166.9
<b>Ratios alternative non-IFRS performance measures</b>										
EBITDA margin %	18.4	18.5	23.0	22.6	19.6	19.5	-0.5	-29.5	19.1	18.3
EBITDA margin % excluding one-off items	18.7	18.9	23.2	22.9	19.9	19.8	-40.9	-29.5	18.4	18.7

Corbion generates almost all of its revenues from the sale of goods.

#### Information on the use of alternative non-IFRS performance measures

In the above table and elsewhere in the financial statements a number of non-IFRS performance measures are presented. Management is of the opinion that these so-called alternative performance measures might be useful for the readers of these financial statements. Corbion management uses these performance measures to make financial, operational, and strategic decisions and evaluate performance of the segments. The alternative performance measures can be calculated as follows:

- EBITDA is the operating result before depreciation, amortization, and impairment of (in) tangible fixed assets.
- EBITDA margin is EBITDA divided by net sales x 100.

#### Segment information by geographical region

	Net sales		Non-current assets	
	2017	2016	2017	2016
The Netherlands	98.5	102.4	151.9	147.1
Rest of Europe	68.3	65.8	20.3	26.1
North America	551.7	576.4	185.8	197.9
Other countries	173.2	166.7	78.5	70.1
<b>Corbion total operations</b>	<b>891.7</b>	<b>911.3</b>	<b>436.5</b>	<b>441.2</b>

The above information is based on the geographical location of the assets. Non-current assets exclude those relating to financial instruments, deferred tax assets and post-employment benefit assets.

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### Financial instruments

#### Valuation of financial instruments

Corbion measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Fair value measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Fair value measurements based on inputs other than level 1 quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurements based on valuation techniques that include inputs for the asset or liability that are based on observable market data (unobservable inputs).

#### Breakdown valuation of financial instruments

31 December 2017	Level 1	Level 2	Level 3	Total
<b>Derivatives</b>				
• Foreign exchange contracts		3.2		3.2
• Commodity swaps/collars		-1.2		-1.2
<b>Total</b>		<b>2.0</b>		<b>2.0</b>

#### Breakdown fair values financial instruments

31 December 2017	Balance sheet value	Fair value
<b>Financial fixed assets</b>		
• Loans, receivables, and other	36.4	36.4
• Loans non-interest-bearing		
<b>Receivables</b>		
• Trade receivables	109.5	109.5
• Other receivables	36.8	36.8
• Prepayments and accrued income	6.1	6.1
<b>Cash</b>		
• Cash other	38.1	38.1
<b>Interest-bearing liabilities</b>		
• Private placement (net investment hedge)	-116.4	-116.5
• Owed to credit institutions	-66.7	-66.7
• Financial lease commitments	-0.3	-0.3
• Other debts	-0.4	-0.4
<b>Non-interest-bearing liabilities</b>		
• Trade payables	-76.6	-76.6
• Other payables	-54.3	-54.3
<b>Derivatives</b>		
• Foreign exchange contracts	3.2	3.2
• Commodity swaps/collars	-1.2	-1.2
<b>Total</b>	<b>-85.8</b>	<b>-85.9</b>

#### Fair values are determined as follows:

- The fair value of financial fixed assets does not significantly deviate from the book value.
- The fair value of receivables equals the book value because of their short-term character.
- Cash and cash equivalents are measured at nominal value which, given the short-term and risk-free character, corresponds to the fair value.
- Market quotations are used to determine the fair value of debt owed to private parties, credit institutions, and other debts. As there are no market quotations for most of the loans the fair value of short- and long-term loans is determined by discounting the future cash flows at the yield curve applicable as at 31 December.
- Given the short-term character, the fair value of non-interest-bearing liabilities equals the book value.
- Currency and interest derivatives are measured on the basis of the present value of future cash flows over the remaining term of the contracts, using the bank interest rate (such as Euribor) as at the reporting date for the remaining term of the contracts. The present value in foreign currencies is converted using the exchange rate applicable as at the reporting date.
- Commodity derivatives are measured on the basis of the present value of future cash flows, using market quotations or own variable market price estimations of the involved commodity as at the reporting date.

## PRESS RELEASE

### Key figures

Millions of euros	2017	2016
Net sales	891.7	911.3
Operating result	122.3	126.9
EBITDA excluding one-off items	164.1	170.1
Result after taxes	84.6	103.6
Earnings per share in euros <sup>1</sup>	1.46	1.74
Diluted earnings per share in euros <sup>1</sup>	1.44	1.72
<b>Key data per ordinary share</b>		
Number of issued ordinary shares	59,242,792	57,862,037
Number of ordinary shares with dividend rights	58,620,564	57,365,098
Weighted average number of outstanding ordinary shares	58,097,383	58,433,493
Price as at 31 December	27.00	25.43
Highest price in calendar year	29.39	25.65
Lowest price in calendar year	23.15	17.92
Market capitalization as at 31 December <sup>2</sup>	1,583	1,459
<b>Other key data</b>		
Cash flow from operating activities	117.7	122.6
Cash flow from operating activities per ordinary share, in euros <sup>1</sup>	2.03	2.06
Free cash flow <sup>3</sup>	24.2	72.1
Depreciation/amortization fixed assets	45.2	49.5
Capital expenditure on (in)tangible fixed assets	49.4	51.0
Number of issued financing preference shares		2,279,781
Equity per share in euros <sup>4</sup>	8.35	8.36
Regular dividend in euro per ordinary share (reporting year)	0.56	0.56
Additional dividend in euro per ordinary share (reporting year)		0.44
<b>Ratios</b>		
ROCE % <sup>5</sup>	17.4	20.6
EBITDA margin % <sup>6</sup>	18.4	18.7
Result after taxes/net sales %	9.5	11.4
Number of employees at closing date (FTE)	1,794	1,684
Net debt position/EBITDA <sup>7</sup>	1.0	0.6
Interest cover <sup>8</sup>	24.4	23.0
<b>Statement of financial position</b>		
Non-current assets	498.1	466.6
Current assets excluding cash and cash equivalents	294.6	315.6
Non-interest-bearing current liabilities	129.4	147.1
Net debt position <sup>9</sup>	162.2	98.0
Provisions	23.5	38.6
Equity	489.3	498.5
Capital employed <sup>10</sup>	635.0	596.5
Average capital employed <sup>10</sup>	617.1	576.8
Balance sheet total : equity	1:0.6	1:0.6
Net debt position : equity	1:3	1:5.1
Current assets : current liabilities	1:0.6	1:0.5

1 Per ordinary share in euros after deduction of dividend on financing preference shares.

2 Market capitalization is calculated as number of ordinary shares with dividend rights x share price at 31 December.

3 Free cash flow comprises cash flow from operating activities and cash flow from investment activities.

4 Equity per share is equity divided by the number of shares with dividend rights.

5 Return on capital employed (ROCE) is defined by Corbion as continued EBIT excluding one-off items, including results from joint ventures and associates, divided by the average capital employed x 100.

6 EBITDA margin % is EBITDA excluding one-off items divided by net sales x 100.

7 EBITDA is Earnings Before Interest, Taxes, Depreciation, Amortization and impairment of (in)tangible fixed assets, excluding one-off items, increased by cash dividend of joint ventures received and annualization effect of newly acquired subsidiaries.

8 Interest cover is EBITDA as defined in Note 7 divided by net interest income and charges.

9 Net debt position comprises interest-bearing debts less cash and cash equivalents, including third party guarantees which are required to be included under the debt covenants.

10 Capital employed and average capital employed are based on balance sheet book values.

## PRESS RELEASE

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*This press release contains inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation.*

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**Background information:**

Corbion is the global market leader in lactic acid, lactic acid derivatives, and a leading company in emulsifiers, functional enzyme blends, minerals, vitamins and algae ingredients. We develop sustainable ingredient solutions to improve the quality of life for people today and for future generations. For over 100 years, we have been uncompromising in our commitment to safety, quality, innovation and performance. Drawing on our deep application and product knowledge, we work side-by-side with customers to make our cutting edge technologies work for them. Our solutions help differentiate products in markets such as food, home & personal care, animal nutrition, pharmaceuticals, medical devices, and bioplastics. In 2017, Corbion generated annual sales of € 891.7 million and had a workforce of 1,794 FTE. Corbion is listed on Euronext Amsterdam. For more information: [www.corbion.com](http://www.corbion.com)