

PRESS RELEASE

NUEVA PESCANOVA UNVEILS ITS STRATEGIC PLAN UP TO 2020 TARGETED TO INCREASE ITS SALES BY 50%, TO REACH 1.5 BILLION EUROS

- The Strategic Plan 2016-2020 stresses its commitment to innovation and ventures in new business lines, such as chilled products, which will also represents an opportunity to increase processing capacity of its factories. It also foresees a fourfold increase in EBITDA, growing from 35 million euros in 2015 to 139 million in 2020.
- The Nueva Pescanova Group plans to invest, over this period, 125 million euros, the most remarkable items being 42.5 million that will go to the renewal of its fishing fleet, 9 million to improve its IT systems and 4.5 million for a R&D&I Centre for Aquaculture, which will get started in 2017 in O Grove, and will position Galicia as a world leader in aquaculture research.

Vigo, October 3, 2016. - The CEO of the Nueva Pescanova Group, Ignacio González, has presented the Strategic Plan of the Company for the 2016-2020 period in an event that has taken place today in Baiona (Pontevedra); this event was attended by the top executives of the Group. The strategic lines to steer the Company focus on a commitment to the growth of the Company, based on four key pillars: commercial ambition; the ability to adapt processing and supplies; costs reduction; and the centralisation of the management, processes and organization of all subsidiaries under a single company.

The new model emphasizes on **innovation** and its commitment to **new business lines**, such as chilled seafood, which will also represent an opportunity to increase its factories processing capacity and make the most of its ability to adapt its industrial processes.

With regard to the commercialization of its products, the Group aims at selling under the Pescanova **brand**, a leader in its category, broadly recognized and with a high added value. Thus, its commercial efforts will be focussed on five strategic markets, which it has called the "BIG 5": Spain, Portugal, France, Italy and the US. Likewise, through its exports division, sales will be promoted in other European counties, as well as in Asian markets as a source for future growth.

Business outlook

As to **costs reduction**, considerable savings will be obtained via intragroup scale economies by concentrating purchases; improving organization and processes, taking advantage of vertical integration; standardizing IT systems; and maximizing the supply chain planning.

With the implementation of this plan, the **financial targets** of the multinational company are to four fold its operating result, **EBITDA**, from 35 million in 2015 to 139 million euros in 2020. On the other hand, it also forecasts a 50% increase in sales, from the present 1 billion euros to reach 1.5 billion in 2020. For doing so it is indispensable to bring down the Company's current debt level in order to, once again and in the short term, produce a positive bottom-line.

With regard to the foreseen **investments** in strategic assets, the Nueva Pescanova Group will invest a total of 125 million euros in the 2016-2020 period, thanks to a sound capital structure that will take shape in the following months. The most remarkable components being 42.5 million to renew its **fishing fleet**, 9 million for **IT systems** and 4.5 million that will be devoted to start up the "**Pescanova Bio-marine Center**", an R&D&I Center for Aquaculture that Nueva Pescanova will set up in 2017 at the facilities in O Grove and is expected to become an international benchmark in research for the rearing of new species.

As explained by Ignacio González, "the new idea behind the plan is that the Group has to build a true team culture, in which we all work together to achieve the same goals and as a single Company". On this same aspect he pointed out that "the Company will continue to be strongly committed to our partner communities" – as part of its Corporate Social Responsibility activities – "as well as firmly committed to the sustainability of marine natural resources and food security".

As regards to the **corporate restructure of the multinational company**, Nueva Pescanova has presented this morning the new organization chart for the Group, which will be headed by an Executive Committee of 11 members in the key divisions of the Company and the CEO; as well as a Management Committee consisting of 40 executives, including the members of the Executive Committee.

About the Nueva Pescanova Group

The Nueva Pescanova Group is a Galician multinational Company leader in the seafood sector; it is engaged in fishing, farming, processing and trade of seafood products. Founded in 1960, it employs more than 12,000 people and is present in 27 countries in 4 continents.