Stock code: 600299 Abbr.: Adisseo S/N: Temp2017-009

Bluestar Adisseo Company

Announcement of Main operating data for 2017 Q1

The Board of Directors, as well as all the directors hereby confirm that this announcement is true, accurate and complete, and no false statement, misleading statements or important omissions carried in this report, and that they shall take all responsibilities jointly and individually for such content.

In accordance with SSE industrial information disclosure guidance No. 18-Chemical Industry, the notice of Q1 report disclosure, here present the 2017 Q1 operating data:

1. Production volume, sales volume and earned income of the principal products

Operating revenue analysis by product

By product	Operating revenue	Increase/decrease in operating revenue on the same period of last year (%)
Performance products	1,942,273,589	-14%
Specialty products	409,301,240	25%
Other products	117,540,662	-23%
Total	**2,469,115,491**	**-10%**

Analysis of the factors impacting the income from sale of products

In comparison with 2016 Q1	Change in Volume	Change in sales price	Exchange rate impact
Performance products	285,538,209	(690,613,238)	81,068,989
Specialty products	68,412,784	(3,617,032)	16,317,414

Performance products
Operating revenue from Performance products decreased by 14% due to the impact of price decrease on the methionine market partially offset with the increase in more sales volume. After an exceptional 2016, Adisseo records lower margins on Vitamins, due to price decrease.

Specialty products
Operating revenue in Specialty products achieved significant growth, of which ruminant product Smartamine® grows more than 58%, compared with last quarter (2016 Q4). This demonstrates the improvement of the dairy market after a year of global crisis as well as Adisseo leading position and ability to capture the rebound.

Enzymes grew as expected, especially the new product Rovabio® Advance, which is progressing steadily, contributing to 40% of total Rovabio sales (vs 2016 Q4: 20%). Introduced in June 2016, Rovabio® Advance is the latest innovation from Adisseo's feed enzyme Rovabio® range. Rovabio® Advance is technically described by Adisseo as a Feedase. It is available in different forms, powder and granulated or liquid to fit various feed mill applications. The product has strongly impacted overall feed digestibility, with its efficient combination of enzymes that can improve the digestibility of all feed nutrients, which leads to a reduction of costs and a reduction of nutrient losses.

Other specialty products Selisseo® and Alterion® also recorded steady increase in sales volume.

2. Price variation of the principal products and raw materials

Pricing strategy and price variation of principal product

Our global pricing policy is implemented at three levels: global, regional and national. Our global pricing strategy is established by our global business directors. The responsibility of the regional business managers is to adapt this global pricing strategy according to the specific market and competitive environment of the countries under their responsibility.

Regular reviews facilitate Adisseo ability to secure contracts with key customers at the right price and to seize profit-maximizing opportunities. A substantial number of our contracts across all our business lines are concluded on a quarterly basis with fixed pricing for such period.

Global market demand for methionine remains strong, continuing to grow at a pace of around 5-6% per year. Margins remain under pressure, due to the short-term change in demand and supply dynamics. Adisseo foresees methionine market price to enter into a stabilization period in the course of 2017.

Basic information of principal raw material

Raw material	Purchasing pattern	Market value of raw material	Prices Fluctuation vs Q1 2016
Propylene 95%	Long-term contract	190,699,469	49%
Methanol	Long-term contract	45,486,096	39%
Sulphur	Long-term contract	33,421,430	-19%

3. Other events that have significant impact over the company's production and operation

None.

Hereby announced

Bluestar Adisseo Company
Board of directors
April 28th, 2017