



Press release

Paris - March 25, 2011

Fromageries Bel 2010 Annual Results

- Sales buoyed by robust vitality of core brands
- Remarkable operating income growth
- Debt is reduced significantly for the second year in a row

Meeting March 23, 2011, the Board of Directors approved the consolidated financial statements for the year ended December 31, 2010. The Board was informed that the statutory auditors had completed their audit of the consolidated financial statements and that the issuance of their report was forthcoming.

Key figures

<i>in millions of euros</i>	2010	2009	% change
Sales	2 418	2 221	8.9%
Operating income	195	149	30.7%
Consolidated net profit - group share	116	85	37.0%

In 2010, sales and marketing strategies, adapted to Bel's various markets, drove the Group's business volumes and sales higher. Organic sales, i.e., sales excluding foreign exchange fluctuations and changes in the scope of consolidation, grew 7.3%, fuelled by double-digit growth in markets outside Europe.

Operating income advanced significantly to €195 million, as a result of improved income from ordinary activities in markets outside Europe and lower non-recurring costs, which fell from €47 million in 2009 to €16 million in 2010.

<i>(in millions of euros)</i>	<i>At December 31, 2010</i>		<i>At December 31, 2009</i>		<i>% change</i>	
	Sales	Operating Income	Sales	Operating Income	Sales	Operating Income
Western Europe	1 400	133	1 337	134	4.7%	-0.4%
Eastern Europe	117	-27	135	-26	-13.4%	-5.4%
Americas	267	32	194	15	37.8%	120.6%
International	634	57	555	26	14.2%	114.5%
Total	2 418	195	2 221	149	8.9%	30.7%

As forecast in the 2010 half-year report, operating margin was down sharply in the second-half of the year, primarily as a result of a steep and sudden hike in raw material prices and the recognition of additional impairment losses on certain assets in Eastern Europe.

Net financing costs decreased 18% versus the previous year, mainly as a result of Group efforts to decrease debt, while income tax expense was up sharply to €57 million. After taking into account net financing costs and income tax expense for the year, consolidated net profit - Group share totaled €116 million, up from €85 million in 2009.

Bel's balance sheet was strengthened during the year. At December 31, 2010, the Group's total equity stood at €1,009 million, compared with €902 million a year earlier, while net financial debt came to €240 million, down €117 million versus the prior year. This strong performance was achieved thanks to tight management of working capital requirement and investment, despite a backdrop of rising raw material prices and higher income tax expense.

Dividend

On March 23, 2011, the Board of Directors voted to propose a dividend of €6.0 per share, payable as of May 18, 2011. The dividend is subject to the approval of the Annual General Meeting of Shareholders, scheduled for May 12, 2011.

Outlook for 2011

After a remarkable year of growth and profitability in 2010, the Group enters a period marked by severe turbulence in 2011.

The rise in raw material prices observed in H2 2010 continues apace, while political and social unrest has cropped up in a number of countries where the Group operates.

These market factors could weigh on the year's activity and profitability, despite operating measures already undertaken.

Bel, however, confirms its goals for 2011, with the company seeking to advance its positions in the branded cheese market and to attract new consumers in ever-greater numbers, by building on its strong financial position, the dedication of its employees, the value of its international brands, and its ambitious and imaginative policy of innovation.

Public relations

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Bel Group

The Bel Group is a world leader in branded cheeses. Its portfolio of differentiated and internationally recognized brands, including such products as The Laughing Cow, Kiri, Mini Babybel, Leerdammer, and Boursin, as well as some 20 local brands, enabled the Group to generate sales of €2.4 billion in 2010.

Nearly 11,300 employees in some 30 subsidiaries around the world contribute to the Group's success. Its products are prepared at 25 production sites and distributed in over 120 countries.

<http://www.bel-group.com>