



## Press release

Paris – August 26, 2010

### BEL GROUP First-Half 2010 Results

- **Strong results underpinned by growing business in the Americas and International regions**
- **Full-year operating income expected to increase despite anticipated strong impact of higher raw material prices in the second half of 2010**

#### Key figures

<i>In millions of euros (€m)</i>	<b>First-half 2010</b>	<b>First-half 2009</b>	<b>Growth in €m</b>
Sales	1,169	1,082	+ 87
Operating income	140	56	+ 84
Consolidated net profit - Group share	89	29	+ 60

Against the backdrop of a global economic recession, Bel significantly increased its sales outside Europe, particularly in the Americas, the Middle East and the rest of the world, growing its business and offsetting difficulties encountered notably in Eastern Europe.

In the first half of 2010, Bel's consolidated sales advanced 8.1% versus H1 2009. The sales breakdown by geographical region was as follows:

<i>(in million of euros)</i>	<b>Second quarter</b>			<b>First half</b>		
	<b>2010</b>	<b>2009</b>	<b>%</b>	<b>2010</b>	<b>2009</b>	<b>%</b>
	<b>3 months</b>	<b>3 months</b>	<b>change</b>	<b>6 months</b>	<b>6 months</b>	<b>change</b>
Western Europe	346	336	2,9 %	675	653	3,3 %
International	175	150	16,8 %	321	283	13,7 %
Americas	65	43	50,6 %	113	80	42,3 %
Eastern Europe	31	34	- 7,8 %	59	66	-10,6 %
<b>Total</b>	<b>618</b>	<b>563</b>	<b>9.7 %</b>	<b>1 169</b>	<b>1 082</b>	<b>8.1%</b>

Organic growth for the period came to 7.7%.

Foreign exchange fluctuations added 0.6% to overall sales growth, including a 2.2% increase in the second quarter alone.

The disposal of the Czech-based Jaromericka subsidiary's trading activity trimmed 0.3% from consolidated sales.

H1 2010 Group operating income totaled €140 million, up significantly over the year-ago period. The performance stemmed from higher volumes and lower cost prices, as well as a favorable comparison base with H1 2009, which was negatively impacted by some €25 million in non-recurring items.

Net financial debt amounted to €342.5 million, down €14 million from Dec. 31, 2009, and represented 35% of consolidated equity at June 30, 2010. The Group's balance sheet remained healthy.

## **Outlook**

The impact of higher milk prices in France and a sharp rise in key raw material prices in international markets will be fully felt during the second half of the year. Accordingly, Bel expects to see a steep decline in H2 2010 operating margin.

The Group will nevertheless continue to seek strong business growth in the second half, particularly in international markets, while maintaining its selective investment policy and tight control over working capital requirement to preserve Bel's sound financial health.

For the full year, the Group expects to see its operating income increase over 2009, barring deteriorating economic conditions.

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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 €2.2 billion in 2009. Nearly 11,500 employees in 30 subsidiaries around the world contribute to the Group's success. Its products are prepared at 27 production sites and distributed in over 120 countries.

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