



Press release

Paris - August 26, 2011

Fromageries Bel First-Half 2011 Results

- Continued sales growth momentum
- Operating income declines, impacted by sharp rise in raw material prices and international geopolitical environment

Key figures

<i>(In millions of Euros)</i>	First-half 2011	First-half 2010	% change
Sales	1,224	1,169	+ 4.7 %
Operating income	90	140	- 35.5 %
Consolidated net profit - Group share	54	89	- 39.9 %

Despite uncertain conditions arising from geopolitical unrest in Africa and the Middle East, the sales performance in the first half of the year reflected the strong momentum of the Group and its brands.

In the first half of 2011, Bel's consolidated sales advanced 4.7% versus H1 2010. A sales breakdown by geographical region is presented in the following table.

<i>(in millions of Euros)</i>	<i>Second quarter</i>			<i>First half</i>		
	2011 3 months	2010 3 months	% Change	2011 6 months	2010 6 months	% Change
Western Europe	374	346	8.0%	731	675	8.2%
Americas, Asia Pacific	90	85	5.9%	171	146	16.8%
Near and Middle East	75	92	-17.8%	146	165	-11.9%
Greater Africa	66	64	3.3%	128	123	4.1%
Eastern Europe	25	31	-19.1%	49	59	-17.0%
Total	630	618	2.0%	1,224	1,169	4.7%

The disposal of the Czech-based Jaromericka subsidiary's business activities in November 2010 trimmed 1.2% from consolidated sales. Excluding the impact of the disposal, the Eastern European region had positive sales growth despite the lackluster economic climate.

Organic growth for the first six months of the year came to 7.4%, with organic growth of 6.7% achieved in the second quarter. Foreign exchange fluctuations reduced overall sales growth by 1.5%, including a negative 3.6% impact in Q2.

The Group's good sales performance, however, was not enough to offset the impact of higher raw material prices. Accordingly, and despite measures undertaken throughout the period, operating income declined from the year-ago period to €90 million in H1 2011.

The increase in raw material prices also weighed on working capital requirement and led to net financial debt of €312 million at June 30, 2011, up from December 31, 2010. However, net financial debt represented 31% of consolidated equity at 30 June 2011, vs. 35% at 30 June 2010. The Group's balance sheet thus remains very healthy.

Outlook

The Group does not anticipate any improvement in market conditions in the second half of 2011, with raw material prices expected to remain high, economic and financial conditions likely to stay very turbulent and an unpredictable geopolitical situation.

Against this unfavorable backdrop, the Group will continue efforts to ensure volume growth, defend market share, further its policy of selective price increases, and strengthen plans to improve operating performance.

The Group does not expect to see a recovery in operating margin in H2 2011 and anticipates a decline for the full year versus 2010.

Public relations

Guillaume Jouët,
Head of Corporate Communications
gjouet@groupe-bel.com
Tel. +33 6 03 13 20 43

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 26 production sites and distributed in over 120 countries.

www.bel-group.com