



# Press release

Paris - March 22, 2013

## Fromageries BEL 2012 Annual Results

- **Continued sales growth fuelled by international markets**
- **Operating margin rebuilt**
- **Healthy balance sheet**

Meeting March 21, 2013, the Board of Directors approved the consolidated financial statements for the year ended December 31, 2012. The Board was informed that the statutory auditors had completed their audit of the consolidated financial statements and that their report was forthcoming.

### Key figures

<i>(in millions of euros)</i>	<b>2012</b>	<b>2011</b>	<b>% change</b>
Sales	2,649	2,527	4.8%
Operating income	211	170	24.0%
Consolidated net profit - Group share	128	96	33.6%

In 2012, the Group reported new growth in sales and volume, despite a slowing economy in Europe and unrest in some markets of the Near and Middle East region.

Changes in the scope of consolidation had no impact on the year. Excluding the impact of foreign exchange fluctuations, sales were up 3.4% organically, driven by momentum in international markets, particularly in the Greater Africa region. This steady growth reflects the relevance of the Group's sales and marketing strategy, the strength of its distribution network and the talent of its teams for improving the brand mix and offering innovative products around its iconic brands.

Operating income totaled €211 million, up 24% versus the previous year, with margin rebuilt. It included non-recurring expense of €26.6 million, vs. €14.3 million in 2011.

The results by geographical region are presented in the following table:

<i>(in millions of euros)</i>	<i>At December 31, 2012</i>		<i>At December 31, 2011</i>		<i>% change</i>	
	<b>Sales</b>	<b>Operating income</b>	<b>Sales</b>	<b>Operating income</b>	<b>Sales</b>	<b>Operating income</b>
Western Europe	1,500	136	1,494	121	0.4%	13.1%
Eastern Europe	112	0	103	(13)	8.4%	103.3%
Americas, Asia-Pacific	418	44	381	42	9.9%	3.5%
Near and Middle East	286	0	286	8	0.0%	-99.5%
Greater Africa	333	31	263	13	26.3%	137.6%
<b>Total</b>	<b>2,649</b>	<b>211</b>	<b>2,527</b>	<b>170</b>	<b>4.8%</b>	<b>24.0%</b>

The recovery in profitability stemmed notably from the robust sales growth achieved in Greater Africa and the first fruit borne by restructuring efforts in Eastern Europe. The steady margins in Western Europe and the

Americas, Asia-Pacific region were due to an improved product mix, tighter management of advertising and promotion expense and industrial productivity gains.

In the Near and Middle East, weak visibility in certain markets led to the recognition of some asset impairment in the region. As previously reported, the Group suspended its manufacturing activities in Syria in July 2012.

Net financing costs improved to €18 million, down from €26 million in 2011, as a result of reducing medium-term debt and, to a lesser degree, a smaller negative impact from foreign exchange fluctuations.

After income tax expense of €63 million, up from €47 million in 2011, consolidated net profit, Group share, for the 2012 financial year totaled €128 million, compared with €96 million in 2011.

Bel's balance sheet was once again strengthened during the year. At December 31, 2012, the Group's total equity stood at €1,150 million, compared with €1,044 million a year earlier, while net financial debt came to €64 million, down €130 million versus the prior year.

Backed by its strong balance sheet, the Group widened its funding sources in 2012 by issuing commercial paper and a Euronext-listed bond (AMF visa 12-613 of 18 December 2012).

### **Dividend**

On March 21, 2013, the Board of Directors voted to propose a dividend of €6.25 per share, payable as of May 22, 2013. The dividend is subject to the approval of the Annual General Meeting of Shareholders, scheduled for May 16, 2013.

### **Outlook for 2013**

Given the difficult economic environment in Europe, which does not bode well for consumer spending, and faced with uncertainties in some markets outside Europe, the Group enters the new year with little visibility for 2013.

However, backed by its very healthy balance sheet, the commitment of its employees, its innovation efforts, and the balanced geographical reach of its business, the Group remains confident in its ability to continue defending and sustainably grow its positions in the world cheese market.

*This press release may contain forward-looking statements. Such trend and/or target information should in no way be regarded as earnings forecast data or performance indicators of any kind. This information is by nature subject to risks and uncertainties that may be beyond the Company's control. A detailed description of these risks and uncertainties is provided in the Company's Registration Document, available at [www.groupe-bel.com](http://www.groupe-bel.com) as of April 4, 2013. More comprehensive information about the Bel Group can be found in the "Regulatory Information" section of the [www.groupe-bel.com](http://www.groupe-bel.com) website.*

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## Bel Group

The Bel Group is a world leader in branded cheese.

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 €2.6 billion in 2012.

Around 11 000 employees in some 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.

[www.bel-group.com](http://www.bel-group.com)