



## Press release

Paris - July 30, 2015

### Fromageries Bel First-Half 2015 Results

- Organic sales growth of 2.1% driven exclusively by regions outside Europe
- Results return to 2013 levels thanks to international growth

#### Key figures

<i>(in millions of euros)</i>	First-half 2015	First-half 2014	First-half 2013
Sales	1,449	1,344	1,321
Operating income	141	82	134
Consolidated net profit - Group share	93	47	91

The Group's consolidated sales for the first half of 2015 totaled €1,449 million, up 7.9% on a published basis versus the prior-year period. The Group benefited from a positive 5.8% foreign exchange impact, with no changes in the scope of consolidation during the period. Organic sales growth came to 2.1% in the first six months of the year.

In the second quarter of 2015, sales trends remained similar overall to those observed in the first quarter of the year. In Q2, organic growth totaled 1.7%, after excluding a positive 6.5% foreign exchange impact. The Group continued to report strong volume momentum outside Europe.

Second quarter and first-half 2015 sales performances are presented by geographical region in the following table.

<i>(in millions of euros)</i>	Second quarter			First half			
	2015 3 months	2014 3 months	% change	2015 6 months	2014 6 months	% change	2013 6 months
Western Europe	276	288	-4.1%	543	549	-1.1%	514
North and East Europe	127	133	-4.9%	253	273	-7.4%	291
Americas, Asia-Pacific	130	89	46.7%	246	178	38.1%	197
Greater Africa	81	72	11.0%	161	144	11.5%	138
Near and Middle East	121	97	25.1%	246	199	23.8%	181
<b>Group Total</b>	<b>735</b>	<b>680</b>	<b>8.2%</b>	<b>1,449</b>	<b>1,344</b>	<b>7.9%</b>	<b>1,321</b>

The sales performance for the first six months of the year can be broken down as follows:

In Western Europe, against a still shaky economic backdrop, sales declined moderately. In a shrinking cheese market, the Group nevertheless strengthened its market share thanks to the power of its brands, which were backed by effective advertising and promotion campaigns.

Sales in North and East Europe were negatively impacted by unfavorable currency fluctuations, tough sales conditions in the region's markets and continued operating difficulties in Ukraine.

The Americas, Asia-Pacific region reported strong sales for the half-year period, coupled with a very favorable foreign exchange impact. The growth momentum of volumes sold in the Americas remained solid, particularly for Mini Babybel in the United States. The product's growth was supported by the ramping up of the new production plant in Brookings, South Dakota.

Greater Africa continued to expand during the period, with very robust sales growth reported in all of that region's markets.

In a still turbulent geopolitical context, the Near and Middle East reported strong sales growth at constant foreign exchange rates. The good performance stemmed from a further enriching of the product offering and the responsiveness of the region's organization.

Against a backdrop of more favorable foreign exchange fluctuations and eased raw material prices, the Group continued its efforts to improve its operating efficiency.

In this context, and thanks to the measures implemented, the Group recovered its profitability. First-half 2015 operating income advanced from the year-ago period to €141 million, with the improvement coming primarily from regions outside Western Europe. The Group's operating margin returned to a level close to that achieved in the first half of 2013.

After taking into account net financial result and income tax expense, consolidated net profit, Group share, totaled €93 million, up versus the €47 million reported in the year-ago period and the €91 million achieved at June 30, 2013.

The Group's balance sheet remained strong at June 30, 2015, with net financial debt amounting to €30 million and equity totaling €1,369 million.

## **Outlook for 2015**

In May, Bel announced that it had acquired a majority interest in Moroccan company, Safilait, a major player in Morocco's dairy market. Safilait is expected to be integrated into the Group's consolidated financial statements in the last four months of the year, after closing conditions have been met.

Market conditions remain challenging, with an uncertain economic environment, lackluster consumer spending in Europe, high foreign exchange volatility and increased geopolitical instability in some world regions.

Nevertheless, Group teams are fully prepared to continue their daily efforts to strengthen operating excellence. Bel remains confident about its growth prospects, thanks to the strength of its global brands, its ambitious innovation strategy and the favorable geographical spread of its activities.

*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)). 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 €2.8 billion in 2014.

Nearly 11,000 employees in some 30 subsidiaries around the world contribute to the Group's success.

Bel products are prepared at 28 production sites and distributed in nearly 130 countries.

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