



## Press release

Suresnes, February 28, 2017 – 18h00

### Fromageries Bel Fourth-quarter financial information Sales

**Americas, Asia-Pacific region continues to grow**

**European markets and Middle East, Greater Africa region show resilience  
in tough environments**

In the fourth quarter of 2016, the Fromageries Bel Group generated consolidated sales of €756 million, down 2.5% over the prior-year period. Foreign exchange fluctuations negatively impacted sales 1.8% in last quarter of 2016.

No sales from the MOM Group, whose acquisition was completed on December 15, 2016, were recognized in the 2016 consolidated financial statements. Further, because Moroccan-based Safilait was acquired September 1, 2015, there were no changes in the scope of consolidation in Q4 2016. Q4 2016 sales declined 0.8% organically.

For the full year, consolidated sales came to €2,936 million, versus €2,949 million in 2015.

Excluding the negative 1.4% impact from foreign exchange fluctuations and the 2.0% positive impact from changes in the scope of consolidation following the Safilait acquisition, consolidated sales decreased 1.0% organically for the full year in 2016.

The Q4 and 12-month 2016 sales performances are presented by geographical region in the following table.

<i>millions of euros</i>	Q4			12 months			
	2016	2015	% change	2016	2015	% change	% organic growth
<b>Europe</b>	406	417	-2.7%	1,560	1,613	-3.3%	-2.1%
<b>Middle East &amp; Greater Africa</b>	189	198	-4.7%	809	797	+1.5%	-2.3%
<b>Americas, Asia-Pacific</b>	161	153	+5.3%	567	539	+5.2%	+4.5%
<b>TOTAL</b>	756	768	-1.6%	2,936	2,949	-0.4%	-1.0%

In Europe, volumes remained steady in 2016, a satisfactory performance given the lackluster economic environment still prevailing in most of the region's markets. Sales were negatively affected by an unfavorable foreign exchange impact, against sterling in particular, and by a price war among European food retailers that directly impacted net sales prices.

In the Middle East & Greater Africa region, the Q4 sales performance was hamstrung by a severe, negative foreign exchange impact arising mainly from the depreciation of the Egyptian pound. Volumes in the region remained affected by unrest in Iraq, Libya, Syria, and Yemen. As a result, and excluding impacts from foreign exchange fluctuations and changes in the consolidation scope, sales fell 2.3% in the region over the full year.

The Americas, Asia-Pacific region continued its growth trajectory in Q4, and full-year sales advanced 4.5% organically over 2015.

### **2016 earnings outlook**

Raw material prices remained at very low levels during most of 2016. Despite a sharp reversal in that trend observed at the end of the year, signaling a much tougher 2017, full-year 2016 operating margin is expected to be in line with operating margin reported in the first half of the year.

The Bel Group and the MOM Group management team completed the acquisition of the MOM Group on December 15, 2016. Bel became MOM's majority shareholder, acquiring 65% of ordinary shares, with MOM's management team holding the remaining 35%. The transaction represented an €800-million investment for Bel. The Bel Group's financial position remains strong following the completion of the deal.

The Board of Directors is scheduled to meet March 8, 2017, and auditing work on the consolidated financial statements is under way. Fromageries Bel will report its 2016 annual results on March 9, 2016.

*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 €2.9 billion in 2016.

Nearly 12,000 employees in some 30 subsidiaries around the world contribute to the Group's success.

Bel products are prepared at 30 production sites and distributed in over 130 countries.

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