



Suresnes — March 9, 2017 at 6:00 p.m.

## Fromageries Bel Annual Financial Information 2016 Results

- **Sales decline 1.0% organically**
- **Operating margin exceeds 10%**
- **Balance sheet is strong**

*Meeting March 8, 2017, the Board of Directors approved the consolidated financial statements for the year ended December 31, 2016. 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>(millions of euros)</i>	<b>2016</b>	<b>2015</b>	<b>% change</b>
Sales	2,936	2,949	- 0.4%
Operating income	298	272	+ 9.5%
Net financial result	2	(8)	- 129.4%
Income tax expense	(83)	(76)	+ 8.8%
Consolidated net profit - Group share	213	184	+ 15.6%

*(\*) Key figures exclude contribution from the MOM Group, acquired on December 15, 2016 and not consolidated in the 2016 income statement.*

In 2016, the Bel Group recorded a slight decrease in sales. The Americas, Asia-Pacific region continued to grow, reporting organic sales growth of 4.5%. A price war among food retailers in Europe and France in particular directly impacted producer sales, with Bel's sales in the region contracting 2.1% organically during the year. Lastly, volumes in the Middle East, Greater Africa were negatively affected by unrest in several markets in the region, where sales declined 2.3% organically in 2016.

The Group nevertheless confirmed its ability to support and develop its strong brands to grow market share and win new markets, while consolidating its operating margin. Helped by a generally favorable foreign exchange impact and bottom-of-the-cycle raw material prices throughout much of the year, operating income advanced 9.5% in 2016.

Net financial income came to €2 million, primarily reflecting the favorable foreign exchange impact, with the cost of net financial debt increasing from €11 million in 2015 to nearly €15 million in 2016, including financing for the acquisition of the MOM group.

In 2016, income tax expense amounted to €83 million, compared with €76 million in 2015.

In 2016, consolidated net profit, Group share, totaled €213 million, versus €184 million in 2015.

The Group's balance sheet remained robust. At December 31, 2016, total equity came to €1,667 million, compared with €1,502 million a year earlier. Net financial debt amounted to €688 million, following the acquisition of the MOM Group completed on December 15, 2016. At December 31, 2016, the Group had two untapped credit lines totaling €820 million.

### **Dividends**

On March 8, 2017, the Board of Directors voted to propose a dividend of €9.75 per share, with an ex-dividend date on May 17 and payable as of May 19, 2017. The dividend is subject to the approval of the Annual General Meeting scheduled for May 11, 2017.

### **Outlook for 2017**

In Europe, markets remain affected by fierce competition among food retailers that is unfavorable to rolling out campaign plans for the Group's brands. The uncertain geopolitical and economic environment in numerous world regions continues to cloud visibility. Further, the new hike in dairy raw material prices announced at the end of 2016 is expected to weigh on operating margin in 2017.

The Group will focus in particular on its future projects in the healthy snack market, following the consolidation of its latest acquisitions, Safilait and MOM. Bel will continue to follow its aggressive strategy to advance its positions around the world by building on the vitality of its brands and the talent of its teams.

*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 March 20, 2017. 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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