



Press release

Suresnes — February 28, 2018 at 6:00 p.m.

Fromageries Bel Fourth-quarter 2017 financial information Sales

**Sales up 10.3% in Q4 and up 14.0% for the full year, with growth driven
mainly by Mont-Blanc Materne acquisition**

Amounts are expressed in millions of euros and rounded off to the nearest million. Ratios and variances are calculated based on underlying amounts, not rounded off amounts.

In the fourth quarter of 2017, the Bel Group generated consolidated sales of €833 million, up 10.3% on a published basis. Foreign exchange fluctuations had a negative 3.8% impact on sales during the quarter, while the consolidation of Mont-Blanc Materne (MOM) contributed a positive 12.5% to sales growth. Organically, sales grew 1.5% in Q4 2017.

For the full year, consolidated sales came to €3,346 million, up 14.0% versus €2,936 million in 2016.

Excluding the negative 2.1% impact from foreign exchange fluctuations and the 13.8% positive impact of entering MOM into the scope of consolidation, consolidated sales increased 2.3% organically for the full year in 2017.

The Q4 and 12-month sales performances for 2017 and 2016 are presented by geographical region in the following table.

| millions of euros | Q4 | | | 12 months | | | |
|---|------|------|----------|-----------|-------|----------|------------------|
| | 2017 | 2016 | % change | 2017 | 2016 | % change | % organic growth |
| Europe | 471 | 406 | +16.2% | 1,856 | 1,560 | +19.0% | +5.1% |
| Middle East & Greater Africa | 167 | 189 | -11.5% | 740 | 809 | -8.5% | -4.0% |
| Americas, Asia-Pacific | 195 | 161 | +20.9% | 750 | 567 | +32.4% | +3.5% |
| TOTAL | 833 | 756 | +10.3% | 3,346 | 2,936 | +14.0% | +2.3% |

In Europe, after slower growth in the first half, marked by heavy bargaining pressure from retailers that have led in some instances to the delisting of some of our products, growth was more buoyant in the second half of the year, particularly in Q4 2017. Cheese selling price increases were contained, despite higher dairy raw material prices.

The Group nevertheless reaffirmed its goal to make the dairy industry more sustainable and signed a major agreement in France with the Bel West Producers Association (*Association des Producteurs de lait Bel Ouest — APBO*) setting the average benchmark price for milk at €350 per 1,000 liters of milk in 2018. Further, Bel continued to promote its range of innovative and healthy products, in sync with consumer expectations.

In the Middle East and Greater Africa region sales contracted 4.0% on a constant structure and exchange rate basis in 2017. Consumer purchasing power eroded significantly during the year in this region, where the majority of dairy raw materials are imported. In this environment, selling prices could only be raised moderately to offset higher dairy raw material prices.

The Americas, Asia-Pacific region reported continued growth in Q4, which was very negatively impacted by foreign exchange rate fluctuations. Organically, sales in the region grew 3.5% over the full year.

At MOM, beefed-up advertising and promotional efforts in 2017, generated historical market share highs for the GoGo squeeZ brand in the Americas and the Pom'Potes brand in France. The launch of healthy dairy sack products complemented MOM's range of squeezable fruit pouches.

2017 earnings outlook

Higher dairy raw material prices that could not be passed on to selling prices adversely affected sales margin during the year. Further, operating margin was more unfavorably impacted by foreign exchange fluctuations in the second half than the first half of 2017. Overall, 2017 operating income is expected to decline markedly versus 2016.

Auditing work on the consolidated financial statements is under way, and the Board of Directors is scheduled to meet March 8, 2018. The 2017 financial results will be published March 9, following their approval by governing bodies of the Unibel holding company.

Bel's financial performance indicators

The Group uses non-IFRS financial performance indicators internally and for its external communication. These non-IFRS indicators are defined below:

Organic growth corresponds to reported sales growth, excluding impacts from foreign exchange fluctuations and changes in the scope of consolidation, i.e. on a constant structure and exchange rate basis. The **organic growth rate** is calculated by applying the exchange rate for the prior year period to the current year period.

Operating margin corresponds to operating income.

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). More comprehensive information about the Bel Group can be found in the "Regulatory Information" section of the www.groupe-bel.com website.

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Bel Group

The Bel Group is a world leader in branded cheese and a major player in the healthy snacks segment.

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 €3.3 billion in 2017. The acquisition of the MOM Group complements a portfolio of strong brands with the integration of the Pom'Potes and GoGo squeeZ brands.

12,700 employees in some 30 subsidiaries around the world contribute to the Group's success. Bel products are prepared at 32 production sites and distributed in over 130 countries.

www.groupe-bel.com