



Press release

Suresnes – August 1st, 2016

Fromageries Bel First-Half 2016 Results

- Sales in Europe decline in the first half of the year
- Volume slows in territories weakened by geopolitical conflicts
- Operating income impacted by raw material prices

Key figures

<i>(in millions of euros)</i>	First-half 2016	First-half 2015	% change %
Sales	1,449	1,449	0.0 %
Operating income	166	141	17.8 %
Consolidated net profit - Group share	111	93	19.1 %

The Group's consolidated sales for the first half of 2016 totaled €1,449 million, down 1.5% organically versus the prior-year period. The scope of consolidation had a positive 3.0% impact on sales, while foreign exchange fluctuations had a negative 1.5% impact.

Sales in the second quarter were negatively impacted by foreign exchange fluctuations in all regions, slower volume momentum versus the first quarter and price decreases on all products, particularly in Europe.

Second quarter and first-half 2016 sales performances are presented by geographical region in the following table.

<i>(in millions of euros)</i>	Second quarter			First half		
	2016 3 months	2015 3 months	% change	2016 6 months	2015 6 months	% change
Europe	384	403	-4.8 %	764	796	-4.0 %
Middle East & Greater Africa	203	202	0.6 %	426	407	4.6 %
Americas, Asia-Pacific	131	130	0.4 %	259	246	5.3 %
Group Total	718	735	-2.4 %	1,449	1,449	0.0 %

In Europe, sales suffered from price declines that were more pronounced in the second quarter and a negative foreign exchange impact. Industrial product prices, which follow quoted raw material prices, remained at historically low levels. The Group's core brands continued to grow market share overall, particularly Mini Babybel.

Q2 sales in the Middle East & Greater Africa region were impacted by lower volumes in territories affected by strife, namely Iraq, Libya, Syria and Yemen. Conversely, volume growth momentum in the region's other markets was buoyant. Excluding changes in the scope of consolidation, sales in the first half of 2016 declined 2.5% versus the prior-year period.

The growth momentum of volumes sold in the Americas, Asia-Pacific region remained strong throughout the first half, thanks to a broader product offering and sustained promotional-offer initiatives.

In the first half of 2016, consolidated operating income is impacted by dairy raw material prices, which helped support volume growth in developing regions through targeted marketing expenditure.

After taking into account net financial result and income tax expense, consolidated net profit, Group share, totaled €111 million, up from €93 million at June 30, 2015.

The Group's balance sheet remained strong at June 30, 2016, with a net cash position of €19 million, close to the net cash position of €21 million reported at December 31, 2015.

Outlook for 2016

The Group is still facing a tough economic environment, particularly in Europe, and a very uncertain geopolitical context in markets in the Middle East & Greater Africa region.

Visibility of Group results outside the euro zone is clouded by the turmoil in global financial markets, which has sparked very high volatility in currency rates, as well as by the recovery in quoted prices for world raw materials. Nevertheless, building on its healthy financial position, Bel remains confident about its growth prospects, thanks to the strength of its global brands, its ambitious innovation strategy and the united efforts of its employees to enhance daily operating excellence.

To support its development in the healthy snacking segment, the Group announces the signature of a negotiation agreement with LBO France, including an exclusivity period, regarding the acquisition of a majority interest in MOM Group. MOM Group operates mainly in the manufacturing and sale of fruit pouches under the brands Pom'Potes, Materne, Mont Blanc and GoGosqueeZ. The acquisition would be financed from Bel's own financial resources and by issuing additional debt, without undermining Bel's financial health. After lifting of the suspensive conditions, the transaction is expected to be realized by the end of the year. This acquisition is subject to a separate press release.

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.

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 2015.

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.

www.groupe-bel.com