

## PRESS RELEASE

### Half-year financial statements for 2015

Key figures (€m)	June 2015	% net sales	June 2014	% net sales	Changes (%)			
					Total	Structure	Forex	Growth
<b>Net sales</b>	<b>2,179</b>		<b>2,232</b>		-2.4%	-2.4%	2.8%	-2.7%
- of which: Cheese Products	1,256	57.6	1,301	58.3	-3.5%	-4.3%	1.8%	-1.0%
- of which: Other Dairy Products	983	45.1	984	44.1	-0.1%	0.0%	4.2%	-4.1%
Current operating profit	86	3.9	52	2.3				
Operating profit	65	3.0	52	2.3				
Net financial expense	-11		-19					
Taxes on income	-21		-16					
Group share of net income	35	1.6	18	0.8				
Net debt	419		599					

*The half-year financial statements have been subject to limited review  
by the company's statutory auditors whose report is in the process of emission.*

Net sales are down by 2.4%. The positive foreign exchange impact of 2.8% is mainly due to the weakening of the euro against the dollar and most other world currencies. The negative structural impact of 2.4% reflects the sale in December 2014 of Schratter in the USA. On a like-for-like basis, net sales fell by 2.7%.

Despite the development of our brands, net sales for Cheese Products experienced a 1% organic contraction reflecting an unfavorable price impact in most markets, in line with the fall in the world price for milk. Other Dairy Products sales experienced a 4.1% decrease, mainly as a result of falling world prices for industrial products and lower selling prices for dairy ingredients.

Current operating profit was positively impacted by currency and structural changes. Like-for-like, the profits growth of both European and International markets largely offsets the fall observed in France. Cheese Products in particular benefited from brand growth and efforts on competitiveness. Other Dairy Products were strongly penalized by the fall in world prices over 12 months, by -17 to -39% depending on the product, far more significant than the fall in the price of milk.

The improvement in income observed in the first half of 2015 versus 2014 resulted in a current operating margin rate just equivalent to the first half of 2013 (a comparison with the first half of 2014 is not significant).

Operating income takes into account a loss on the divestiture of a minority interest in Spain and an impairment loss recognized in South America.

The reduction in net financial expense reflects the positive impact, under IFRS, of the Group's interest rate and currency hedging policy as well as the reduction in net debt.

### Outlook for the second half of 2015

The global dairy economy will remain particularly difficult during the second half of 2015, impacted by the Russian embargo and by the weak level of Chinese imports, within a context of falling world prices for dairy ingredients. Moreover, world consumption will continue to be affected by the slowdown in economic activity in the emerging countries.

Within that difficult environment, Savencia Fromage & Dairy will continue to adapt and pursue its efforts both in competitiveness and in support of its major brands confident in its long-term strategy and in the work of its teams.

Additional information may be consulted on our website <http://www.bongrain.com>

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