

Wednesday April 20, 2016

PRESS RELEASE

Activity for the 1st quarter of 2016

Consolidated data in millions of euro	Net sales		Change			
	03/31/16	03/31/15	Total	Structure	Forex	Growth
SAVENCIA Fromage & Dairy	1,030	1,093	-5.8%	0.0%	-3.2%	-2.7%
By business:						
- Cheese Products	614	631	-2.8%	0.0%	-2.2%	-0.6%
- Other Dairy Products	447	489	-8.5%	0.0%	-4.6%	-4.0%

The fall in world prices for industrial products and the devaluation of the South American currencies have adversely affected net sales for the 1st quarter, which fell by 5.8%.

Like-for-like for Group structure and foreign exchange rates, the fall in net sales was limited to 0.6% for Cheese Products reflecting the combined effects of:

- A deflationary pricing impact directly related to the evolution of the dairy economy, to difficult commercial negotiations in certain European markets and to a deteriorated economy as a whole particularly in Brazil;
- Positive volume development for our specialties.

Like-for-like for Group structure and foreign exchange rates, the fall in net sales amounted to 4% for Other Dairy Products, reflecting falling both in world prices and in sales volumes.

The 3.2% unfavorable foreign exchange impact was almost entirely attributable to the devaluation of the South American currencies, and in particular of the Argentine peso and the Brazilian real, against the euro.

The Group's performance in early 2016 has been in the continuity of that observed in 2015, with market shares for our major cheese product brands continuing to evolve positively. But the ongoing global dairy crisis has created a situation of uncertainty for 2016 as a whole. In this context Savencia Fromage & Dairy, confident in the quality of its teams and the force of its sound financial structure, will continue to develop its brands, its strategy of specialty products and its continuous efforts for improvement of competitiveness.

Governance

Following the Annual General Meeting which took place today, the Board of Directors has confirmed Mr. Alex Bongrain as Chairman and appointed Mr. Jean-Paul Torris as CEO and Mr. Robert Brzusczak as Deputy CEO.

(The next publication will be that of September 8, 2016 in respect of the half-yearly financial statements)

Additional information may be consulted on our website:
www.savencia-fromagedairy.com

SAVENCIA SA