

## PRESS RELEASE: financial statements for 2016

### International development and brand power

Key figures in €m	12/31/2016	% net sales	12/31/2015	% net sales
Net sales	4 418.4		4 441.8	
Current operating profit	187.1	4.2	151.9	3.4
Operating profit	180.9	4.1	118.6	2.7
Net financial expense	-28.1	0.6	-26.4	0.6
Taxes on income	-47.7	1.1	-39.2	0.9
Group share of net income	104.5	2.4	57.0	1.3
Net financial debt	340		388	

*The statutory audit procedures have been completed and the audit report is in the process of issuance.*

Net sales for 2016 of Groupe Savencia Fromage & Dairy, at €4,418 million, are down slightly by 0.5% over 2015, reflecting a negative foreign exchange impact of 2.7% and positive organic growth of 2.2% thanks in particular to international sales.

The consolidation of the Group's international positions and the development of its branded volumes generated the increase in current operating profit to €187.1 million or 4.2% of net sales. Current operating margin improved for both Cheese Products and Other Dairy Products. In France, it has remained significantly lower than in the other markets.

Operating profit amounted to €180.9 million, or 4.1% of net sales, after recognition of impairment losses linked to the very difficult economic situation in South America.

Despite falling interest rates, net financial expense increased by €1.7 million as a result of the devaluation against the euro of certain currencies.

Net income at €104.5 million represented 2.4% of net sales. The Group maintains a healthy financial structure with net financial debt/equity of 25%.

#### **Dividend**

The Board of Directors will propose, at the Annual General Meeting to be held on April 27, the distribution of a dividend of €1.60 per share.

#### **Outlook for 2017**

The volatility of the dairy economy in the main countries of production and uncertainty over the evolution of world currencies will continue to have strong impact in 2017. World consumption will also remain affected by the reduced level of economic activity in the emerging countries.

Within this context Savencia Fromage & Dairy, confident in its long-term strategy and in the commitment of its teams, will pursue its efforts of adaptation and competitiveness. The development of specialty products and the consolidation of the Group's positions in the international markets will remain its key growth factors.

Additional information may be consulted on our website:  
[savencia-fromagedairy.com](http://savencia-fromagedairy.com)

### **SAVENCIA SA**