

Wednesday February 7, 2018

PRESS RELEASE: net sales for 2017

Growth fueled by the international markets and by pricing

Consolidated data (€m)	Dec. 2017	% net sales	Dec. 2016	% net sales	Changes in %			
					Total	Structure	Forex	Growth
NET SALES	4,853		4,418		9.8%	0.0%	-0.9%	10.8%
- of which: Cheese Products	2,761	56.9	2,612	59.1	5.7%	0.0%	-0.3%	6.0%
- of which: Other Dairy Products	2,233	46.0	1,942	43.9	15.0%	0.0%	-1.7%	17.0%

Savencia Fromage & Dairy's net sales for 2017 increased by 9.8% to €4,853 million, reflecting both organic growth of 10.8% and a negative foreign exchange impact of 0.9%. The organic growth resulted mainly from a price effect, deriving from the increases in world prices for dairy raw materials.

There was no change during the period in the Group's scope of consolidation since the takeover of the Russian company Belebey occurred only during the final part of December 2017.

The limited negative foreign exchange impact resulted mainly from the euro's revaluation against the Argentinian peso, the Chinese yuan, the US dollar and, to a lesser extent, the British pound and the Egyptian pound, partially offset by gains for the Brazilian real.

Net sales of Cheese Products increased organically by 6% as a result of both increased selling prices (themselves reflecting significant price increases for dairy raw materials) and a mix for the volumes sold, which are rising faster in South America and the Asia-Pacific region than in the European markets.

Like-for-like, net sales for Other Dairy Products rose by 17%, mainly due to the pricing consequences of the increases in world butter prices. The increase was particularly significant for the European markets, except for France, where it was not possible to pass on the increases in raw material prices.

Thanks to its teams' commitment, to the strength of its brands and to the quality of its products, Savencia Fromage & Dairy continues to develop and strengthen its operations despite the adverse context deriving from the dairy crisis, particularly in France.

The Group's next publication will take place on March 7, 2018.

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 A French joint stock company in the form of a *Société anonyme* with share capital of €14,032,930
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