

PRESS RELEASE: net sales for 2019

International activities, drivers of a 2.8% organic growth

Consolidated data (€m)	Dec. 2019	% net sales	Dec. 2018	% net sales	Changes (%)			
					Total	Structure	Forex	Growth
NET SALES	5.007		4.863		3.0%	0.4%	-0.3%	2.8%
- Cheese Products	2.912	58.1	2.795	57.5	4.1%	0.4%	0.5%	3.2%
- Other Dairy Products	2.244	44.8	2.193	45.1	2.3%	0.3%	-1.4%	3.5%

The definitions and bases of calculation of aggregates such as changes in Group structure, foreign exchange or organic growth have not evolved in comparison with the previous year; they are defined in the Group's financial report.

Groupe Savencia Fromage & Dairy's net sales have reached €5.007 million for 2019, increasing by 3% over 2018 as a result of:

- An organic growth of 2.8%;
- A positive scope impact of 0.4% following the acquisition of Bake Plus and Rogue Creamery in 2018 and Fromageries Papillon in the second half of 2019; and finally
- A negative foreign exchange impact of 0.3% essentially reflecting the fall in value of the Argentinian peso linked to the locally prevailing hyperinflation, partially offset by the rise in value against the euro of multiple other currencies and more particularly, of the US dollar.

Like-for-like, Cheese Product net sales grew by 3.2%, benefiting, depending on the markets, from positive pricing reflecting increases in the price paid to milk producers, with positive volume trends for our major brands. Volumes in Europe suffered temporarily from partial de-listings from certain French retailers who refused to apply strictly France's EGalim law. Volumes continued to progress more rapidly internationally than in European markets.

Within a context of sustained demand, Other Dairy Products net sales rose by 3.5% mainly as a result of pricing impacts, due to the three following elements:

- Argentinian inflation;
- The 43% increase in the world price for milk powder; and
- An 18% decrease in the world price for butter which was particularly noticeable in the second half of the year.

Following the implementation of the new EGalim law in France, Savencia Fromage & Dairy is a major contributor to the value enhancement of France's dairy industry. The strength of its brands, and its teams' dedication, have led to a consolidation of its market positions both within and beyond Europe.

The Group's next press release is scheduled for March 5, 2020

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

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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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