

# Shareholders' journal

N° 27 2018



**PLANT-BASED PROTEINS**  
Innovation  
in every aisle

P02



**ENVIRONMENTAL REPORTING AWARD**  
Bonduelle honored by the French  
Ministry of the Environment

P08



**THE BEST FOR THE WORLD**  
Bonduelle on the path to  
B Corp certification

P08

FROM READY PAC FOODS  
TO BONDUELLE FRESH AMERICAS

**The full-year consolidation  
of US company Ready  
Pac Foods boosted our  
2017-2018 revenue to 2,777  
million euros, up 21.4%  
(published data).**

P02

## New governance

To serve our ambition to be  
"the world reference in 'well-living'  
through plant-based food".

P05



DISCOVER OUR  
CORPORATE  
FILM LA NATURE,  
NOTRE FUTUR ON:  
YOUTUBE.COM/  
BONDUELLE

### EDITORIAL



**Christophe Bonduelle,**  
Bonduelle Group  
Chairman

#### Results and profitability

Our 2017-2018 revenue of 2,777 million euros, up 21.4% (published data), confirms our development strategy: external and internal growth, internationalization, and expansion of plant-based food in all distribution networks. Despite a flat consumption and unfavorable currency effects, our growth has been given a boost by the full-year consolidation of US company Ready Pac Foods. Our operating profitability (119 million euros) has improved considerably (+19%).

#### Outlook

Thus, as our VegeGo! transformation plan reaches its midway point, we are maintaining our 2025 targets: to achieve 3.5 billion euros in revenue and operating profitability of 7%. The acquisition of the Del Monte canned fruit and vegetable business in Canada marks our acceleration toward plant-based food. To accompany our growth, we are strengthening our governance.

Our new tagline, "La nature, notre futur", drives home our ambition: to be "the world reference in 'well-living' through plant-based food". We are also reaching for B Corp (Benefit Corporation) certification so that we are not just the best in the world but the best for the world!

### IN BRIEF



#### CSR integrated in investments

Environmental and societal impacts are now factored into investment decisions



**500+**

vegetable varieties are grown around the world for Bonduelle, on more than 128,000 hectares (excluding Bonduelle Fresh Americas)



**207**

projects have been supported by the Louis Bonduelle Foundation



July 1, 2018  
**Guillaume Debrosse**  
appointed Chief  
Executive Officer  
of Bonduelle



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AVAILABLE AT  
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EN/INVESTORS/  
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A year later

# From Ready Pac Foods to Bonduelle Fresh Americas

In 2017-2018, our revenue (2,777 million euros, up 21.4% in reported data) was partly driven by the full-year consolidation of US company Ready Pac Foods – now Bonduelle Fresh Americas (BFA). The new business unit's activity over twelve months, instead of three months in 2016-2017, amounted to a considerable additional scope (+24%) and revenue (+540 million euros).

The consolidation of Ready Pac Foods has fully confirmed our strategy of internationalization and diversification. North America (47% of the group's revenue) is now the group's number-one zone in terms of commercial activity, and the United States (37% of the group's revenue) is the top country. Fresh has become our leading

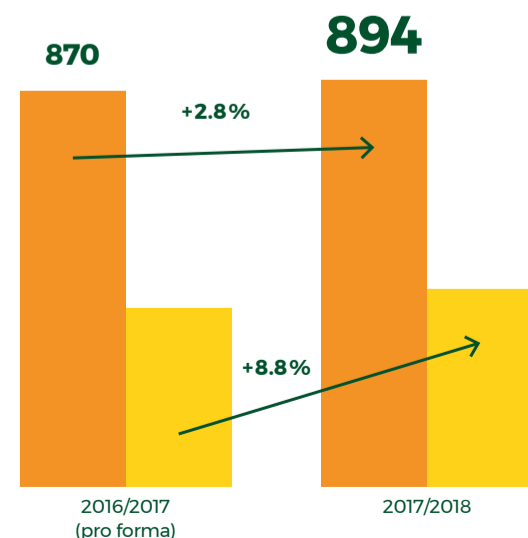
technology (42% of the group's revenue). Despite a later-than-expected start, the investment plan for BFA's competitiveness is virtually complete, with the result that the business unit's performance has grown in the second half. Industrial synergies with Europe and commercial synergies with Canada have been planned around bowl technology.

Since October 2018, BFA is led by Mary Lane Thompson, who has 25 years' experience at the helm of various business lines at Cargill, the world leader in the agri-food sector. Recently Chairwoman and Chief Executive Officer of Cargill Meats Europe, she steered the company's growth strategy, notably including modernizing the facilities.



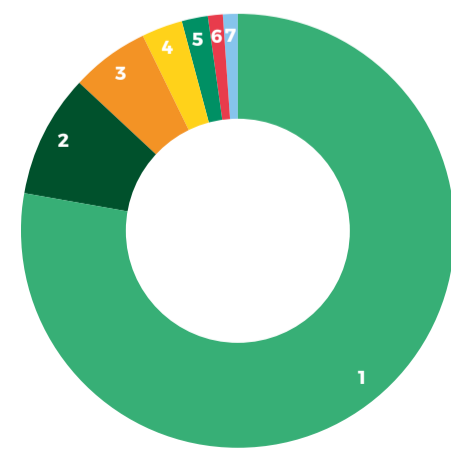
## Change in revenue

In millions of USD ● Share of which is salad bowls



## Salad Bowls market share

1 Bonduelle Fresh Americas	78 %
2 A/O Private Label	9 %
3 Taylor Farms	6 %
4 Simply Fresh	3 %
5 Eat Smart	2 %
6 Fresh Express	1 %
7 A/O Brand	1 %



Expansion of plant-based proteins  
**Bonduelle's plant-based proteins are now appearing in every aisle. On the canned vegetable shelf, the Légumiô line offers pasta made from 100% pulses and vegetables. In the frozen-foods aisle, VeggissiMmm! offers a 100% vegetarian alternative, and protein-enriched FortissiMmm! is made for consumers with special nutritional needs. Finally, in the ready-to-eat aisle, Les Idées Légumineuses is a line that pairs grains and pulses.**



## Maison de l'Innovation in Villeneuve d'Ascq



Two years after the Bonduelle Fresh Europe Innovation Center in Saint-Priest (France), the Maison de l'Innovation opened at Bonduelle's headquarters. Focusing exclusively on innovation, development, and research by Bonduelle Europe Long Life and the Bonduelle Group, this division emphasizes collaborative work, agility, and co-construction to enhance creativity and synergy.

Feb. 24 – March 4, 2018  
**International Agricultural Fair**

**101**



experts on site: 22 farmers, 36 agronomists, 15 industrialists, 16 marketing and 10 communication specialists, and 2 salespeople

**30,000**



visitors to the booth

**200**



farmer partners and their families at the booth



# Promoting and sharing our commitments

La nature, notre futur: Our new tagline embraces our French and family roots and reflects the sustainable vision of a company that is turned towards the future.

**The aim of this new message is to raise our profile, enhance our image, and unite all our stakeholders around our commitment: creating a better future together on a foundation of plant-based food.** It expresses our conviction: In the face of demographic and environmental challenges, we are convinced that plant-based food is the solution to more effectively and sustainably feeding both present and future generations. As the reference, we are showing the way. Finally, it reflects our commitments: promoting agro-ecology that

acts increasingly responsibly towards the planet and biodiversity, enabling the development of the women and men who work alongside us, innovating to make plant-based food accessible to the greatest number of people, and offering products that are increasingly healthy and flavorful.



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## FOCUS ON



**City and agriculture**  
For its eleventh conference, the Louis Bonduelle Foundation focused on agriculture and the city. The UNESCO headquarters in Paris was the venue for an analysis of food in the city, among many other topics.



**The same fresh taste at home as in the field**  
To preserve the nutritional and taste qualities of vegetables, Bonduelle's manufacturing processes are natural: washing with water, mechanical or steam peeling, steam processing... and zero preservatives.



**Supporting the strategy**  
Under the encouraging gaze of three generations of the Bonduelle family, 1,300 managers from around the world celebrated the company's successes and together gave their support to the strategy driven by the new governance.

**10,957**  
permanent employees

**€2,777 M**  
in revenue

**+21.4%**  
increase in revenue (reported data)

**€124 M**  
in current operating profitability



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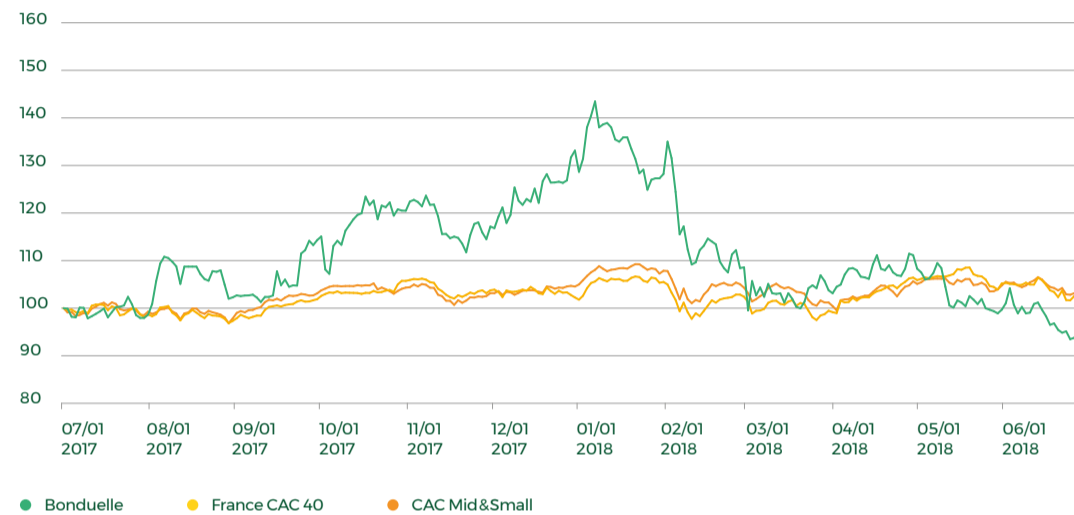
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# Our key indicators

## Change in the Bonduelle share price in relation to the CAC 40 and CAC Mid & Small indexes (base 100, July 2017)



**€0.50**  
net dividend  
per share for fiscal  
year 2017-2018

subject to approval by the Shareholders' Meeting of 6 December 2018

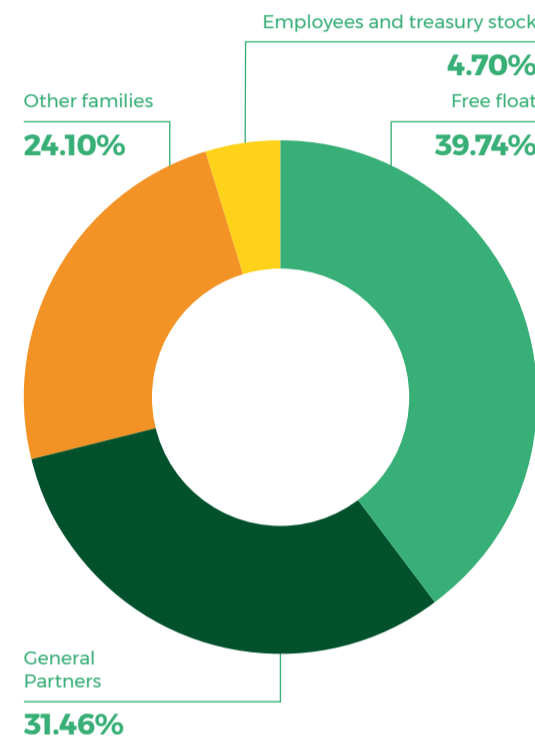
**Summary sheet**  
Stock Exchange Euronext Paris  
Market segment Euronext French stocks  
Type Compartment A  
ISIN code FR 0000063935  
Reuters code BOND.PA  
Bloomberg code BON FP  
Shares outstanding 32,281,118  
Main indexes CAC All Shares, CAC Mid&Small, CAC Food Producers  
Eligible for SRD

Share price	2016-2017	2017-2018
High (in euros)	33.94	47.50
Low (in euros)	20.03	30.55
Last share price (in euros)	32.82	30.95
Market capitalization at 30 June (in millions of euros)	1,050.24	999.1
Average daily trading volume (in euros)	493,653	642,083

# Our organization

One of our very first acts was to set up three new executive management bodies. With this, we are maintaining our five independent business units while fostering synergies in the main geographical regions.

## Bonduelle's shareholder structure



## Financial releases schedule for fiscal year 2018-2019

2018/11/05	Q1 revenue 2018-2019 (after market)
2018/12/06	Annual Shareholders' Meeting
2019/02/04	H1 revenue 2018-2019 (after market)
2019/03/01	H1 results 2018-2019 (before market). The embargo* period will start on 2019/02/14
2019/05/02	Q3 revenue 2018-2019 (after market)
2019/08/05	2018-2019 annual revenue (after market)
2019/09/30	2018-2019 annual results (before market) – The embargo* period will start on 2019/09/15
2019/12/05	Annual Shareholders' Meeting

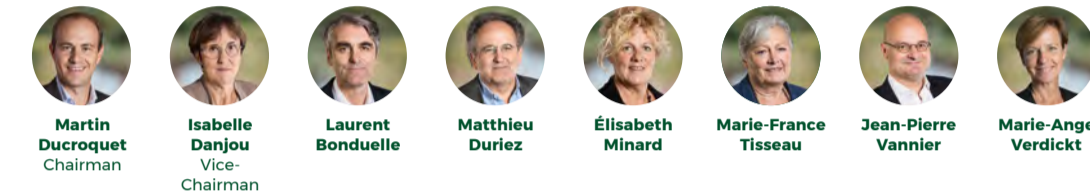
\*Embargo period a period of 15 calendar days preceding the annual and half-yearly results during which no new information on Bonduelle's business conduct and results will be disclosed to financial analysts and investors.

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Find out about the group's current events and news on [@Bonduelle\\_Group](https://www.facebook.com/Bonduelle_Group), and its financial news on [@BonduelleCFO](https://www.facebook.com/BonduelleCFO).

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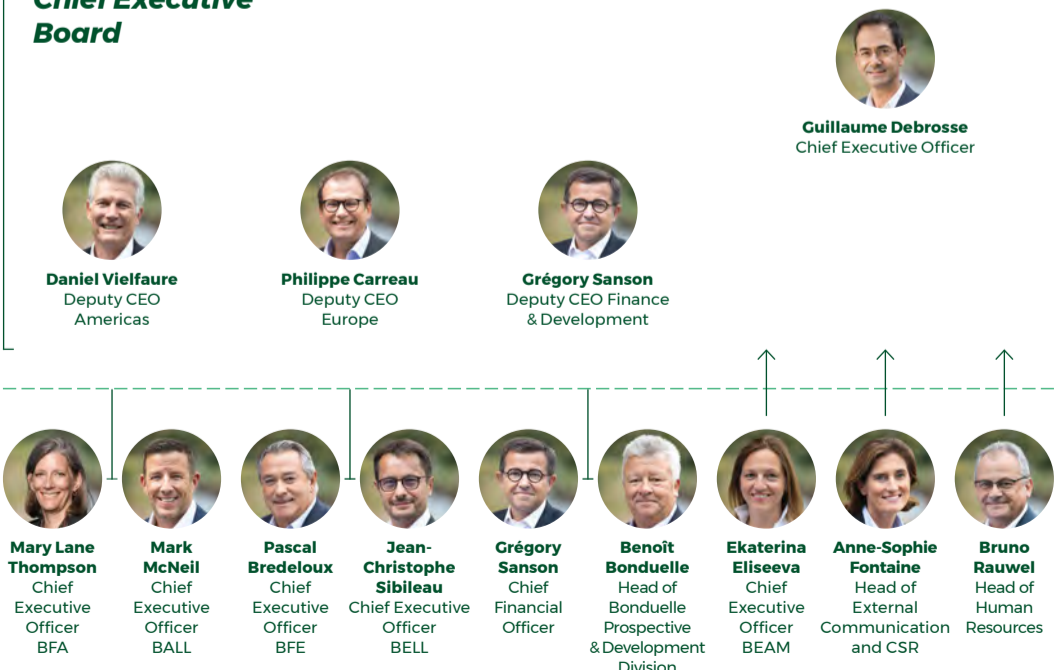
## The BSCA Supervisory Board



## The BSA Board of Directors



## Chief Executive Board



## New governance and organization to support our mission

To fulfill its ambition of being "the world reference in 'well-living' through plant-based food", the Bonduelle Group has introduced a new governance and organization structure. Since July 1, 2018, Christophe Bonduelle continues to serve as Chairman of the Board of Directors, while Guillaume Debrosse has been appointed group Chief Executive Officer. Three Deputy CEOs will report to him: Philippe Carreau, in charge of Europe including BELL and BFE, Daniel Vielfaure, in charge of the Americas including BFA and BALL, and Grégory Sanson, in charge of Group Finance & Development.

The BEAM business unit will continue to report directly to Guillaume Debrosse.

## The Supervisory Board

This board is responsible for monitoring the management of the company on an ongoing basis (reviewing the financial statements, assessing the conduct of company business) on behalf of the shareholders.

## The Board of Directors

The Board of Directors includes some Bonduelle family members and one member representing the employees.

## The Chief Executive Board

The Chief Executive Board (CEB) is responsible for implementing the strategy set out by the Board of Directors of Bonduelle SA.

## The Group Management Committee

The Group Management Committee (GMC) is responsible for cross-business units coordination within the group when implementing operational decisions adopted by the CEB. Its composition reflects the group's commitment to diversity in its governance bodies as well as its international dimension.

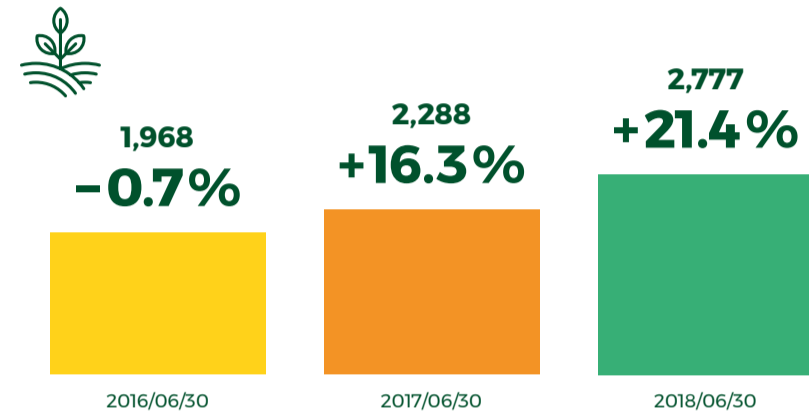
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# Historical performance

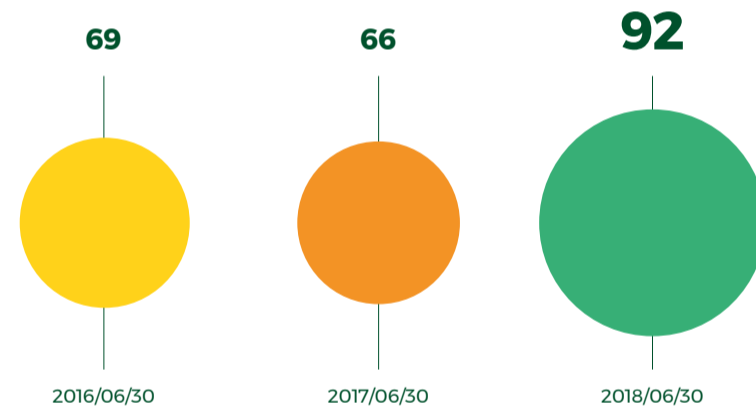
## Revenue

In millions of euros



## Acquisitions of tangible assets

In millions of euros



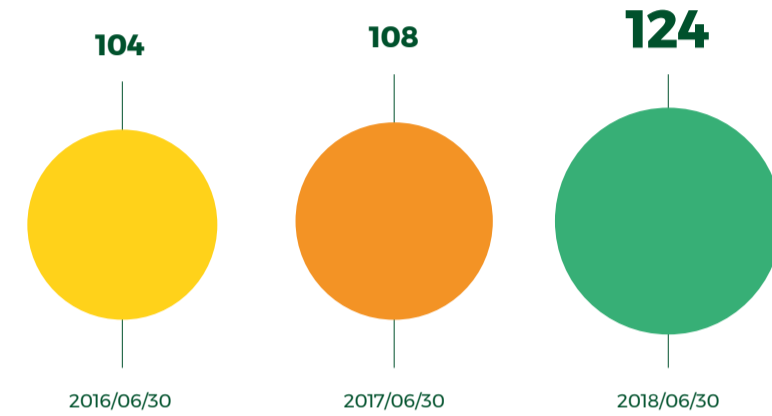
## Consolidated balance sheet

In thousands of euros

Assets	At 2017/06/30	At 2018/06/30
<b>Non-current assets</b>	<b>1,084,379</b>	<b>1,060,168</b>
Other intangible assets	42,886	44,394
Goodwill	470,434	461,800
Property, plant, and equipment	505,035	502,080
Investments in associates	324	326
Other non-current financial assets	40,985	34,765
Deferred taxes	18,613	12,858
Other non-current assets	6,103	3,966
<b>Current assets</b>	<b>970,608</b>	<b>966,941</b>
Inventories and work-in-progress	573,052	576,498
Trade and other receivables	360,978	340,669
Tax receivables	6,821	7,831
Other current assets	10,059	13,375
Other current financial assets	10,487	4,675
Cash and cash equivalents	9,212	23,893
<b>Total Assets</b>	<b>2,054,987</b>	<b>2,027,109</b>

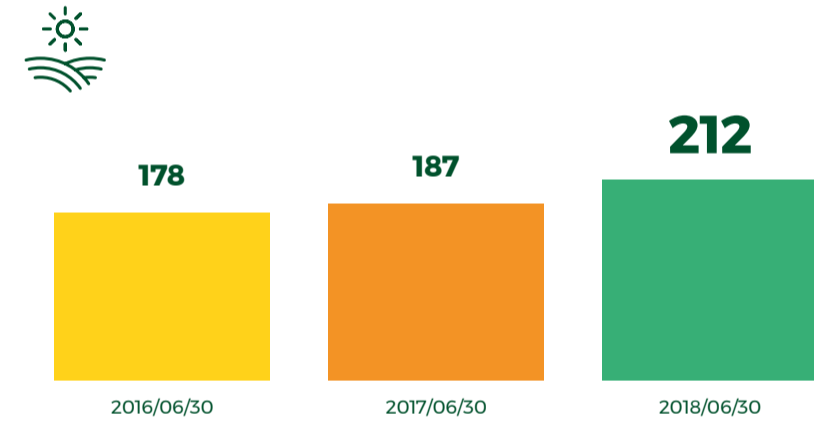
## Current operating income

In millions of euros



## REBITDA<sup>(1)</sup>

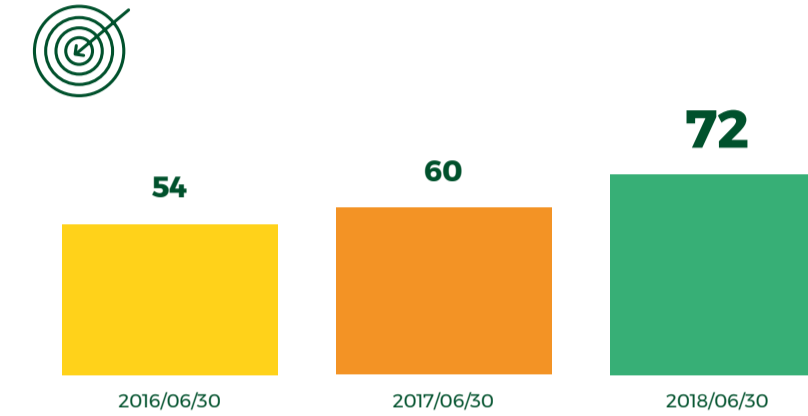
In millions of euros



(1) REBITDA (Recurring earnings before interest, taxes, depreciation, and amortization). This indicator represents the recurring profitability from operations, independent of financing conditions, taxes, and amortization of equipment.

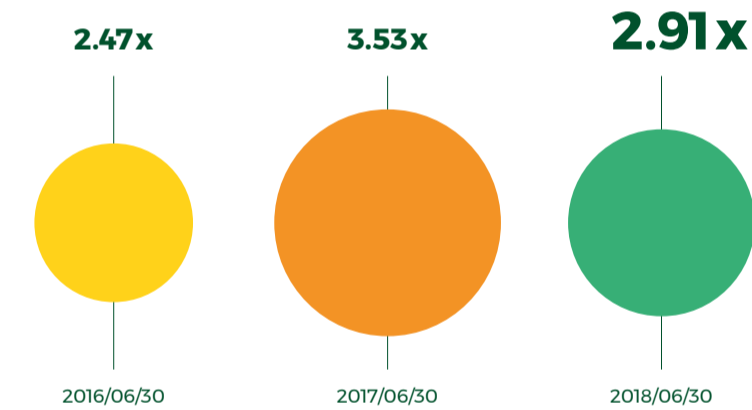
## Net income

In millions of euros



## Leverage ratio<sup>(2)</sup>

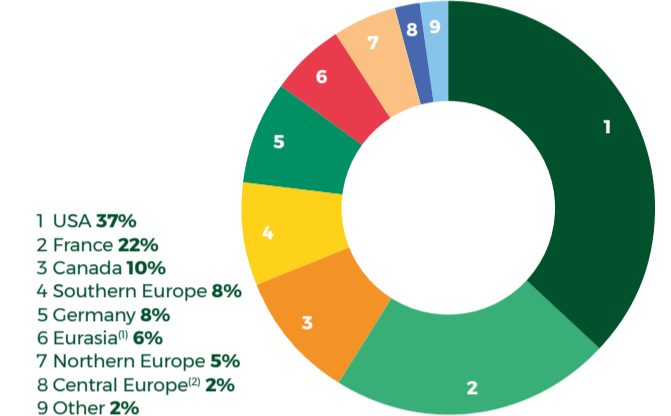
In years



(2) The leverage ratio corresponds to the ratio of net debt to REBITDA. It is an expression of the number of years that the company would need to pay back its debt based on its REBITDA.

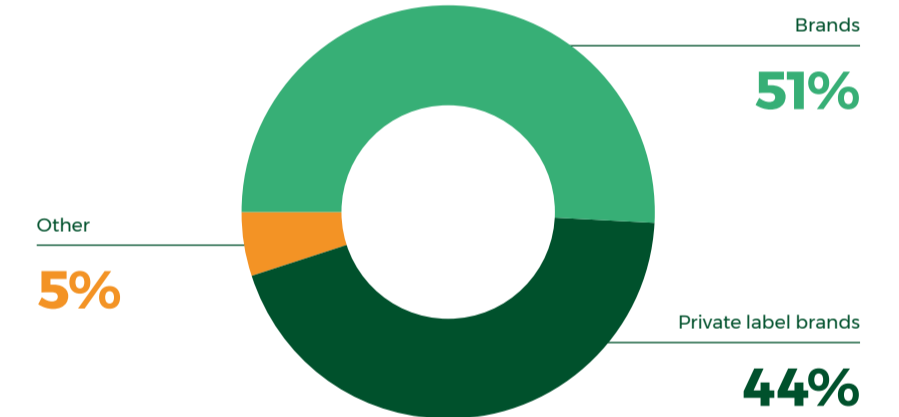
## Breakdown revenue

By region



(1) Russia and other Commonwealth of Independent States (CIS) countries.  
(2) Eastern European countries that have joined the European Union.

By brand



## Consolidated income statement

In thousands of euros

	At 2017/06/30	At 2018/06/30
<b>Revenue</b>	<b>2,288,124</b>	<b>2,776,641</b>
Purchases and external charges	(1,662,385)	(2,024,536)
Employee benefits expenses	(426,732)	(547,632)
Depreciation, amortization, and impairment	(78,911)	(88,514)
Other operating income	27,258	38,613
Other operating expenses	(39,060)	(30,952)
Gain/loss on sale of consolidated equity investments	0	0
<b>Current operating profit</b>	<b>108,295</b>	<b>123,620</b>
Non-recurring items	(8,114)	(4,595)
<b>Operating profit</b>	<b>100,181</b>	<b>119,025</b>
Cost of net debt	(19,121)	(22,675)
Other financial income and expenses	918	(2,631)
<b>Financial result</b>	<b>(18,203)</b>	<b>(25,306)</b>
Share of net income from associates	138	9
<b>Profit before tax</b>	<b>82,116</b>	<b>93,727</b>
Income tax	(22,308)	(21,399)
<b>Net Income</b>	<b>59,808</b>	<b>72,328</b>
· Attributable to owners of the Company	59,868	72,435
· Attributable to non-controlling interests	(60)	(107)
<b>Basic earnings per share</b>	<b>1.90</b>	<b>2.27</b>
<b>Diluted earnings per share</b>	<b>1.88</b>	<b>2.26</b>



# Bonduelle social commitments



## CSR integrated in investments

Bonduelle has defined an investment process based on so-called “CSR” criteria, i.e. the future environmental and societal impact of the project. The contribution to the low-carbon transition or to job creation, for instance, is now factored in. Certain projects also enjoy an extended return on investment or include a forecast of the long-term costs of natural resources and energy.



## Continuing CSR assessment of suppliers

Following an initial assessment campaign last year involving its largest suppliers (by volume purchased), Bonduelle launched a second assessment campaign covering the highest risk suppliers in terms of social and environmental issues. Bonduelle has drawn up a risk map and has now applied it to all BELL, BFE, and BEAM business units' suppliers.



Environmental reporting award, December 2017

Bonduelle received an award for its environmental reporting from the French Ministry of the Environment and the French Agency for the Environment and Energy (ADEME). This award honours the environmental commitment of Bonduelle and the success of its reporting, which has been an effective tool for the continual improvement of its agro-industrial activity since 2003.



## The quest for B Corp certification

Bonduelle is committed to joining the pioneering B Corp-certified companies who, as announced by the certification's slogan, seek to be the best, not “in the world”, but “for the world”. This project is fully in line with the group's ambition to be “the world reference in ‘well living’ through plant-based food”.



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