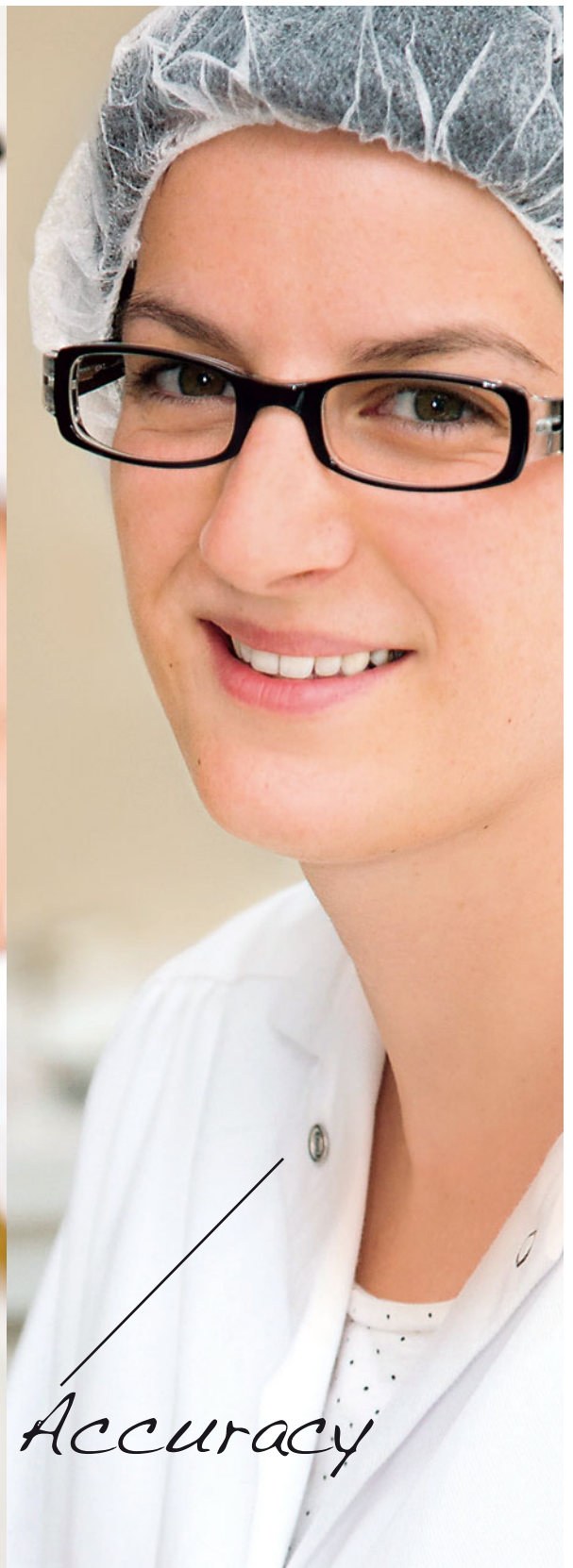




Transparency



Accuracy

Registration
document
2011-2012

The logo for Bonduelle, featuring a stylized orange and yellow arc above the word 'Bonduelle' in a green, serif font.

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Registration document

2011/2012

Including the annual financial report



This registration document was filed with the French Financial Markets Authority (*Autorité des marchés financiers*) on October 25, 2012, in accordance with Article 212-13 of the General Regulations of the French Financial Markets Authority.

It may be used in support of a financial transaction if it is supplemented by a prospectus approved by the French Financial Markets Authority (AMF).

This document has been prepared by the issuer and its signatories are responsible for its content.

1

The Bonduelle Group

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1.1 Key Bonduelle Group figures

1.1.1 Key figures 2011-2012

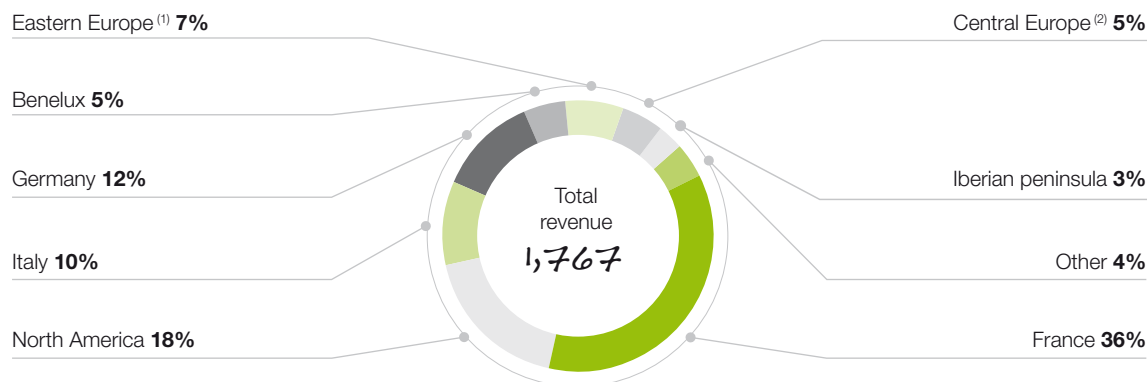
(in millions of euros)	06/30/2010	06/30/2011	06/30/2012
Current operating income	104	81	101
EBITDA *	167	139	170
Gearing (as a %)	116%	102%	121% **
Revenue	1,560	1,726	1,767
Net income	58	31	48
Revenue growth at current exchange rates	2.30%	10.70%	2.38%
Capital expenditure	90	81	77

* EBITDA (Earnings before interest, taxes, depreciation and amortization). This indicator represents the profit generated from operations, independent of financing conditions, tax constraints and the cost of replacing old equipment.

** 106%: adjusted for treasury shares.

1.1.2 Breakdown of revenue 2011-2012 (in millions of euros)

■ Revenue by region



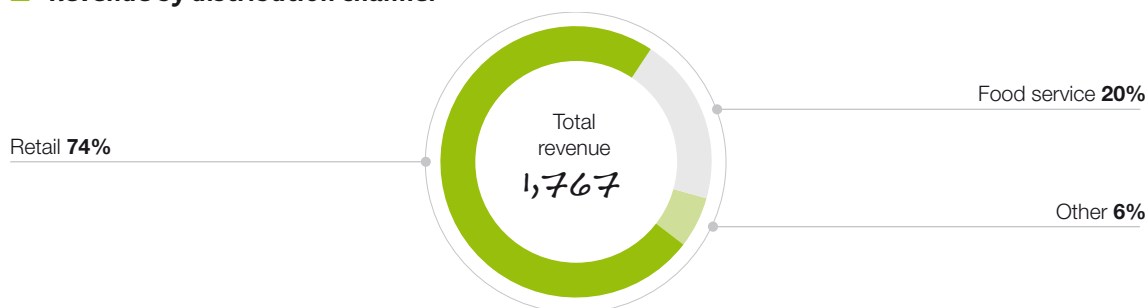
(1) Russia + other CIS countries.

(2) Former Eastern Bloc countries now in the European Union.

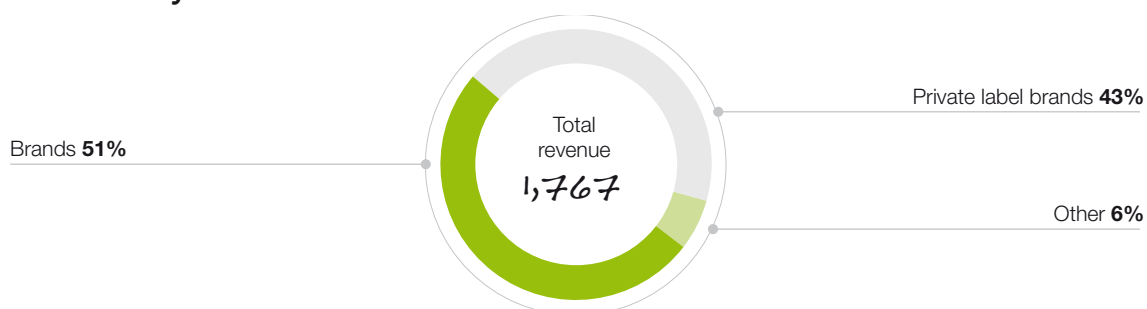
Revenue by European and Outside European Areas



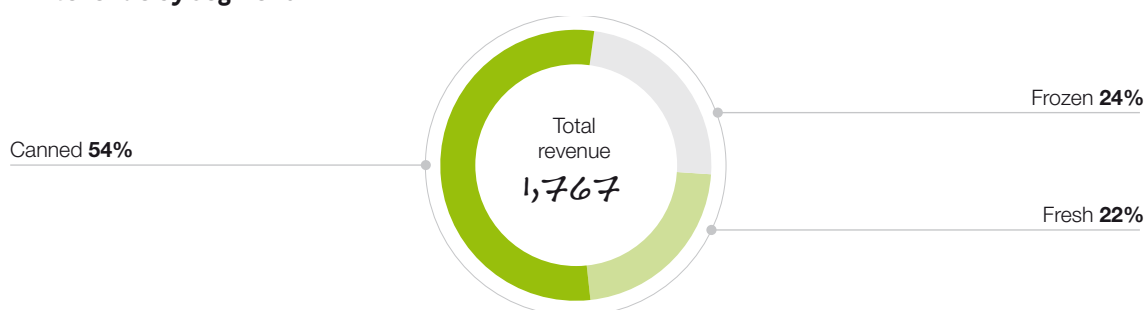
Revenue by distribution channel



Revenue by brand



Revenue by segment



1.2 Message from the Executive Management



Daniel Vielfaure
Chief Executive Officer

Christophe Bonduelle
Chairman

The 2011-2012 financial year saw an upturn in profitability (following the slump of 2010-2011), together with significant changes in the scope of consolidation that will prove decisive moving forward.

Sharp recovery in profitability

The Group's margins were knocked by a catastrophic double hit in 2010-2011: oversupply in the industry led to a drop in selling prices, which was then followed by a disastrous harvest!

Harvests improved in 2011 and excess inventory was cleared, allowing selling prices to pick up again, which in turn gave a significant boost to operating profitability (+42%).

This significant improvement was also driven by the bold restructuring measures taken during the previous year, which now ensure that all production facilities have optimized workload schedules and which were implemented in accordance with our values and our proactive sustainable development policy.

Increase in revenue

Revenue also improved, at same scope and excluding the impact of changes in exchange rates (+3.2% compared with +0.6% at June 30, 2011), across all of the Bonduelle Group's regions and segments.

Changes in scope

Following the successful integration of the mushroom business in 2010-2011, the 2011-2012 financial year saw a number of changes in the scope of consolidation:

U.C.R. (ULTRA CONGELADOS DE LA RIBERA)

The sale of the Frudesa brand and the creation of a production joint venture with Ardo, both in Spain, allowed us not only to eliminate a persistently loss-making business but also to make our sourcing process in Spain more competitive.

"This performance demonstrates not only the Group's resilience in a time of crisis, but its ability to make the most of the opportunities this creates."

RUSSIA AND HUNGARY

The acquisition of these agricultural, industrial and commercial assets (the Globus brand in Eastern Europe) will allow us to pursue our aggressive expansion in the canned vegetables segment in this region.

ALLENS FROZEN FOODS (US)

Finally, the opportunity arose for us to set up an industrial presence in the US by purchasing three frozen food processing plants and one packaging facility, which will allow us to relieve the pressure on our Canadian sites, hedge against exchange rate fluctuations and spread our sales more evenly between Canada and the US.

Outlook

Having refinanced these acquisitions on excellent terms, the Group heads into the 2012-2013 financial year in a promising position and with a new geographical breakdown of its activities (1/3 France 36% of revenue, 1/3 other EU 36% and 1/3 outside the EU 28%), reflecting its now-global scale.

1.3 Corporate strategy and policies

The Bonduelle Group's ten strategic focus areas, which are intrinsically linked, address fundamental objectives defined by the family shareholding group: sustainability, independence, and the individual development of its employees.

1.3.1 Long-term focus

Bonduelle, a family-run group established in 1853, is now the global market leader in ready-to-use vegetables. This success is down to the Group's constant focus on the long-term. Ever-attentive to worldwide economic, social and environmental changes, in 2011-2012 the Group sought to reassert its long-term commitment by launching the "Vision" project, which aims to define how the Bonduelle Group will develop between now and 2025. To this end, four working groups were formed: the first comprising the family shareholding group, the second the members of the Executive Committee, the third the management "Top 50" and the fourth a group of 150 Managers. The sharing of ideas through workshops and special seminars identified various areas for action, focusing in particular on increased investment in sustainable development.

1.3.2 Growth

Bonduelle builds its presence through both internal growth and a sound acquisition strategy that enables it to expand its geographical coverage, reduce exchange rate risks and ensure a more balanced distribution of climate-related risks. This policy also allows the Group to implement suitable agro-industrial synergies designed to ensure its growth; it was illustrated in 2011-2012 by acquisitions in Hungary, Russia and the United States. For the 2011-2012 financial year, the Bonduelle Group reported a total growth of 2.4%.

1.3.3 Food safety

Food safety is a key priority for Bonduelle and the Group has an undisputed worldwide reputation in this area. The "Quality" plans deployed at each of the Group's production sites, combined with a continuous monitoring process (46,500 analyses carried out on canned products and 17,500 on frozen foods in 2011-2012) and a refresh and upgrade policy for its optical sorters, guarantee that consumers receive the very finest vegetables. The Group has also established a product development charter in each of its subsidiaries (reviewed in 2011-2012) which exceeds regulatory requirements. Finally, a new project launched in 2011-2012 is aimed at restricting and reducing the additives used in the Group's recipes.

1.3.4 Respect for the environment

The actions undertaken by Bonduelle to limit its environmental impact form part of an ongoing improvement process. The production facility energy performance review (down 2.6% on a like-for-like basis in 2011-2012, compared with the previous year) demonstrates both the commitment of Bonduelle's management and operatives and the effectiveness of the best practice sharing system implemented within the Group. In 2011-2012, Bonduelle also set up a system of "energy" audits, conducted by an external service provider in order to allow the Group to benefit from a fresh viewpoint on the recorded performance levels, using a broader benchmark. The audit was carried out at eight pilot sites in 2011-2012 and will be held at two more units next year. Finally, the water demand reduction target was also achieved, with consumption down 9.3%.

1.3.5 Profitability

The 2011-2012 financial year saw a surge in operating profitability (+42%), demonstrating the Group's resilience in a time of crisis and the effectiveness of its long-term development strategy. This significant improvement was achieved by optimizing the workload schedules in each of the Group's production facilities and reducing inventories, which allowed selling prices to recover.

1.3.6 Brand strategy

Offering vegetables in all forms, under all brands, through all channels and across all segments is the stated ambition of the Bonduelle Group, which boasts a portfolio of internationally-renowned brands. In order to carry the Bonduelle, Cassegrain and Arctic Gardens brands to even greater heights, Bonduelle increased its marketing investments by 15% in 2011-2012, a year that saw the memorable return to French TV screens of Cassegrain's famous bunny rabbit mascot.

1.3.7 Innovation

In an environment of heightened competition, innovation is not just the key to differentiation – it is also a way of anticipating changes in consumption patterns. With the launch of pre-cooked steamed vegetables on the French frozen food market, the deployment of the steaming process in the global canned food segment, raw vegetables in the canned range in France, salads in oxo-biodegradable bags and new recipes for grated carrots flavored with coriander or whole-grain mustard on the prepared food segment, Bonduelle ramped up its innovations in 2011-2012. In addition to product innovations, Bonduelle also rolled out new services such as the Marelle tool (www.marelle-repasequilibres.com). The site, launched by the research and development division and Bonduelle Food Service in 2012, allows users to plan balanced meals in accordance with the regulations of the GEMRCN (*Groupe d'étude des marchés de restauration collective et de nutrition* - French Working Group on institutional food service contracts and nutrition) and to create school meal menus to match.

1.3.8 Agro-industrial commitment

Faithful to its commitment to sustainable agriculture, in 2009 the Group and its partners began investing in a pilot program for the integrated crop management of field-grown vegetables, deployed on eight farms. In July 2012, Bonduelle presented the first results of this program, which will be used to recommend new practices and improve industry practices by reducing certain plant-health treatments. Another example of our commitment is the Woestyne farm. Birthplace of the Bonduelle Group, it is still run by members of the family using innovative cultivation techniques such as no-till farming, direct seeding under plant cover, intermediate crops, limited use of pesticide products, etc. A real test center for ideas and best practices!

1.3.9 International expansion

The 2011-2012 financial year saw the Group strengthen its international presence by completing three major transactions, beginning with the acquisition of the agricultural, industrial and commercial assets of the French co-operative group Cecab in Russia and the Hungarian company Kelet-Food. These two purchases will fuel the strong growth of sales of canned goods in the region, whilst ensuring a more even distribution of agricultural risks. Moreover, the purchase of three processing plants and a packaging facility for frozen vegetables belonging to the American firm Allens will provide a major growth channel for Bonduelle's activities in the United States.

1.3.10 Personal development

Bonduelle places people at the heart of its corporate vision and aims to guarantee each of its employees the best possible working conditions with a view to fostering personal development. This policy was illustrated in 2011-2012 by the drafting of a ethics charter, the implementation of a Group-wide "Safety" network and the signing of a raft of agreements with social partners concerning, among other topics, GPEC (*Gestion Prévisionnelle des Emplois et Carrières*, a strategic workforce planning agreement), stress, working conditions, gender equality and the employment of older workers and people with disabilities.

1.4 The global vegetable market

Across the world, the vegetables market has seen the share of ready-to-use vegetables increase, matching changes in lifestyles. These products meet the needs of consumers seeking practical food products with optimum taste and nutritional qualities.

1.4.1 Trends

Ready-to-use vegetables are packed mere hours after harvesting, and only when they are ripe. Controlled production processes and the proximity of the harvest areas to the production facilities preserve all of the benefits * and organoleptic qualities of the vegetables. Their ease of use is another major argument with which to win over consumers. In the space of several decades, longer commuting

times, the changing role of women in the workplace, the increase in the amount of time devoted to recreational activities and new technologies designed to facilitate everyday life have had a profound impact on eating habits. Meal preparation times have shortened and new consumption patterns have emerged, such as eating on-the-go. Ready-to-use vegetables respond to these changes by offering solutions developed through an ongoing commitment to innovation.

■ Average yearly change in the consumption of vegetables *per capita*, in volume, on three segments between 2006 and 2011 **

Country	Fresh raw	Frozen	Fresh-cut
Canada	-1.2%	2.1%	-0.3%
France	-1.6%	0.7%	2.4%
Germany	-0.2%	2.6%	1.6%
Italy	-2.5%	3.8%	1.2%
Poland	-1.7%	0.8%	4.1%
Hungary	0.3%	3.3%	1.8%

■ Breakdown of global vegetable market by category value **

Fresh-cut vegetables	3%
Canned vegetables	10%
Frozen vegetables	10%
Raw vegetables	77%

* On consumers' plates, the nutritional qualities of fresh raw vegetables are the same as those of ready-to-use vegetables. Favell D.J. 1998. A comparison of the vitamin C content of fresh and frozen vegetables. *Food Chemistry*, 62 (1), 59-64.

** Source: *Food For Thought* 2012.

1.4.2 Structure

The vegetable market is broken down into four categories:

- fresh raw vegetables, sold directly with no preparation stage; and ready-to-use vegetables, which is itself comprised of:
- packaged vegetables (in cans, jars, etc.);
- frozen vegetables;
- and ready-to-use fresh vegetables, known as “fresh cut vegetables” (bagged salads) and fresh, ready-to-use vegetables (seasoned, prepared salads).

The raw vegetable category holds a majority share of the market worldwide, giving ready-to-use vegetables great potential for growth.

In addition to its segments, the vegetable market is structured around two distribution channels according to customer type: the consumer products market, which sells vegetables directly to consumers through retailers, and the food service market, which includes all commercial services in the catering segment and non-domestic food services. In this sector, where professionals expect products of consistent quality at competitive prices, the ready-to-use vegetables market generally overshadows the fresh, raw vegetables market.

■ Food service vegetable market by segment value in 2011 **

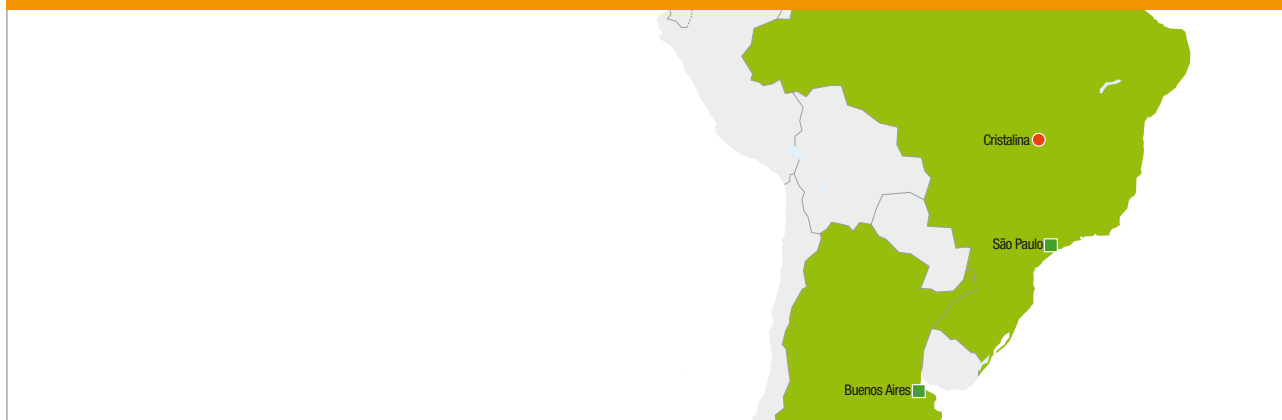
<i>(in millions of euros)</i>	Fresh raw	Ready-to-use
Canada	597	967.2
France	1,068	1,282.1
Germany	422	815.3
Italy	1,122	608.2
Poland	617	83.5
Hungary	68	12.7

** Source: Food For Thought 2012.

1.5 Bonduelle around the world



“ Bonduelle has a full range of products spanning both national brands and private label products, adapted to suit the specific requirements of each geographic region. With its unique agro-industrial expertise, it installs its production facilities as close as possible to its customers. Its product ranges offer some 500 varieties of vegetables, grown on nearly 100,000 hectares of land. ”





(1) In association with the France Champignon cooperative.

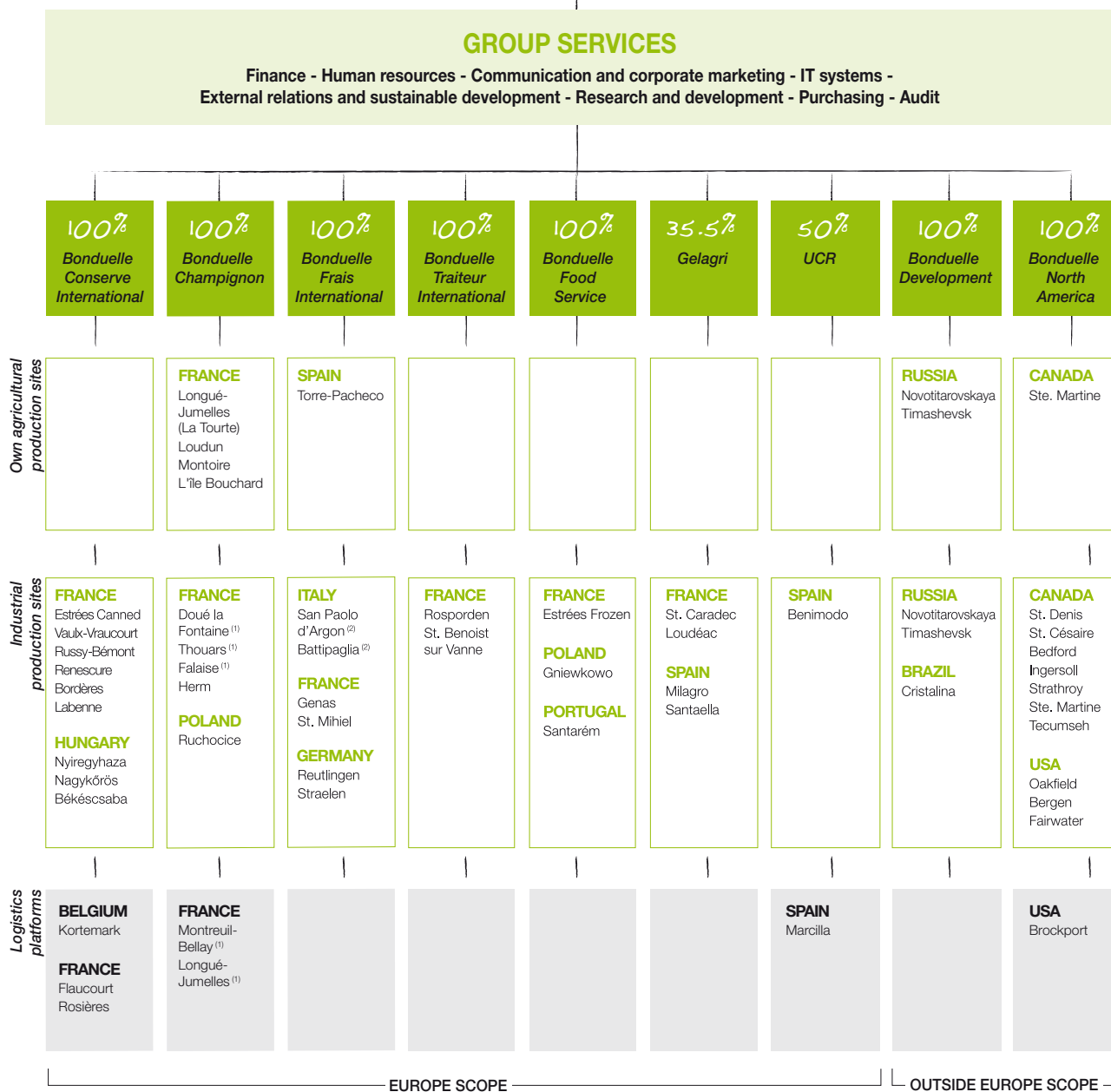
(2) In partnership with OP OASI.

The Bonduelle Group

Group organization structure

1.6 Group organization structure

Executive Management



(1) In association with the France Champignon cooperative.

(2) In partnership with OP OASI.

1.7 Our activities

1.7.1 Highlights

CREATION OF A PRODUCTION JOINT VENTURE IN SPAIN

In July 2011, the Bonduelle and Ardo Groups decided to set up a joint venture to supply vegetables to the Findus brand in Spain and Portugal, having signed an exclusive production agreement with Findus. In addition, Bonduelle sold its Frudesa and Salto brands to Findus. Through this partnership, and thanks to the synergies generated, Bonduelle and Ardo aim to create a competitive producer of frozen vegetables.

NEW ACQUISITIONS

In 2011-2012, the Bonduelle Group finalized the acquisition of assets from companies in Hungary, Russia and the United States.

In May 2012, the Group strengthened its agro-industrial presence in Central Europe with the purchase of a Hungarian cannery with a capacity of 25,000 to 30,000 metric tons.

On March 30, 2012, Bonduelle North America confirmed the acquisition of three processing plants and a packaging facility for frozen vegetables in the United States.

On the same day, the Bonduelle Group acquired the industrial and commercial assets of the co-operative group Cecab in Russia: the Timashevsk plant, located close to the Bonduelle plant in Novotitarovskaya, the operation of a 6,000-hectare *kolkhoze* (a former collective farm), which will be added to the 3,500-hectare farm already owned by Bonduelle, and the Globus brand in the former CIS countries.

POOR HARVESTS IN 2011 CAUSE A SHARP FALL IN PRODUCTION IN NORTH AMERICA

North America endured a particularly hot spring with high rainfall, leading to production shortfalls. Good harvests in 2012 rectified this situation.

THE LOUIS BONDUELLE FOUNDATION AT THE EUROPEAN PARLIAMENT

In November 2011, the Louis Bonduelle Foundation organized a conference at the European Parliament in Brussels, with the theme Eat Well to Live Well? The Impact of New Eating Habits and Lifestyles on People's Health. The conference followed a week-long exhibition entitled Healthy Eating for All.

BONDUELLE'S SUSTAINABLE AGRICULTURE POLICY

Innovative cultivation methods and techniques (sustainable agriculture) were show-cased at the Woestyne farm in Renescure on September 21, 2011. Environmentally-friendly cultivation techniques have been used at the farm for a number of years. These include a drastic change in tillage (no-till farming), direct sowing under plant cover with intermediate crops and the limited use of pesticides.

THE CASSEGRAIN RABBIT RETURNS TO FRENCH TV SCREENS

The famous mascot of the Cassegrain brand returned to the small screen in November 2011, starring in a new advertising campaign for ratatouille. The TV commercial shows the bunny rabbit singing love songs to its vegetables.

INNOVATIONS AT BONDUELLE CHAMPIGNON

A major program for the deployment of mechanical mushroom cutting systems was implemented across all of the Bonduelle Group's integrated growing centers. The mechanical cutting system will be extended to Bonduelle Champignon's co-operative partners.

The 2011-2012 financial year also saw the transfer of the Royal Champignon brand to the Bonduelle brand in France, along with the launch of new mushroom ranges in Spain, Portugal, the Czech Republic, Hungary, the Netherlands and Russia. In Poland, the changeover from the Abra brand to Bonduelle was completed successfully.

ADDING MORE AND MORE FLAVORS!

Buoyed by its success, the steaming process is continuing to spread throughout Europe, particularly in Portugal and Spain with a new range of steamed vegetables known as "Natur +".

The French frozen food market welcomed a new range of pre-cooked single-variety steamed vegetables, preserving a texture and flavor close to that of fresh vegetables.

With a fresh taste and crunchy texture, various varieties of canned raw vegetables are now available in France.

The "Légumes du soleil range was launched in the Benelux countries and Russia under the Bonduelle brand.

Two new canned vegetable medleys based on fresh peas (unique on the market) were launched in Brazil.

The Bonduelle Group

Our activities

In Canada, Food Service offers its customers “Minute” vegetables: pre-cooked by steaming, the vegetables preserve all of their flavor.

Bonduelle Traiteur International is revisiting grated carrot with its recipes using Sicilian lemon, coriander and whole-grain mustard.

In the frozen sector, Bonduelle Benelux is marketing innovative products such as “Bonduelle Kookhulp”, a range of washed and chopped ingredient vegetables.

PRIZES WON BY THE BONDUELLE GROUP

RETAIL PRODUCTS

In Poland, Bonduelle’s chopped spinach portions were awarded the “Golden Receipt” by Hurt & Detal magazine. Polish store owners assessed criteria including product sales, the quality of its promotional campaigns and its overall attractiveness.

Bonduelle’s “Broccoli Soup” and “corn and olives” mix were named “gems of the market” by the Polish magazine Wiadomości Handlowe.

The Company’s German chickpeas won the 2011 HIT award, rewarding the product’s excellent launch in the fruit & vegetables sector!

In France, the “Précuit Vapeur” steamed vegetables range was named best innovation of 2011 in the frozen consumer products category, by a jury made up of 53 members of the LSA’s editorial team.

In Poland, mushrooms in sweet dill vinegar took third place in the “Best Product of 2012” competition.

In the Benelux countries, the Provençal vegetables range was chosen as the best innovation of 2011 in the “vegetables” category and won the “Golden Archer” award. This prize is awarded by retailers and retail buyers looking for an innovative, high-quality product that won over consumers and was the fruit of successful cooperation between the producer and retailer.

The Association of Lithuanian Chambers of Commerce named two Bonduelle products – jars of peas and canned corn – as the most popular in the canned vegetables category in 2011.

FOOD SERVICE PRODUCTS

In France, Bonduelle Food Service’s (BFS) “Mille-feuille d’épinard”, a layered Napoleon pastry-style frozen spinach product, was named “Saveur de l’Année Restauration” (Food Service Taste of the Year) 2012. Selected and approved by a jury of chefs, the “Mille-feuille d’épinard” has proven its many qualities (unique preparation process, fast, high-quality turnaround, etc.).

In Brazil, Bonduelle was selected as the leading brand in the frozen vegetable category by “Cozinha Profissional”, a specialist food service magazine. The magazine surveyed both readers and professional chefs over a six-month period, asking them to vote for the leading brands in each product category.

WEB

The new Benelux website, launched in December 2011 and accessible at www.bonduelle.nl and www.bonduelle.be, won the “IMA Best in Class” award in the “consumer goods” category. Bonduelle was chosen as one of five winners from 105 entries! Awarded by the Interactive Media Council, this annual international prize assesses websites on design, content and ease of use.

OTHER AWARDS

Christophe Bonduelle, the Chairman, was awarded the 2011 Chaptal Prize in the Agriculture and Agri-food Industries category.

Conferred by the *Société d’Encouragement pour l’Industrie Nationale* (Society for the Encouragement of National Industry), this award honors industrialists who promote cutting-edge industry.

Working with his teams, Christophe Bonduelle has been able to meet the challenges of global competition, technological progress and the financial and economic crisis, pursuing a strategy based on innovation, external growth and international development in an environmental-friendly way and whilst meeting consumer expectations.

In Romania, the Bonduelle brand won the 2011-2012 “Superbrand” prize. For the second year running, the Group was recognized as the standard-bearer in the canned vegetables category. This award reflects the opinion of 1,500 Romanian consumers on the quality and reliability of various brands, along with what sets them apart on the market. The consumers assessed 1,260 brands from 40 different industrial sectors.

At Bonduelle North America, Ontario Food Service Sales director Steve Tultz won the Tim Hortons Excellence Award for ongoing improvement, in the food and drink category. Performance was assessed in the following areas:

- presentation of accounts;
- quality assurance;
- R&D;
- distribution;
- finance.

1.7.2 Bonduelle Conserve International

“The Bonduelle and Cassegrain brands have consolidated their market shares by launching new, high-value added products that set them apart.”

*Philippe Carreau, Chief Executive Officer,
Bonduelle Conserve International.*

Although volumes on the European canned vegetables market declined overall in 2011-2012, Bonduelle Conserve International (BCI) maintained its positions on both Group and private label brands and recorded an increase in frozen food sales.

Under intense pressure due to the economic environment, the European canned vegetables market – usually a “safe” product sector in times of crisis – stalled in 2011-2012, shrinking by around 1.5% by volume. Behind this decline, however, lay some contrasting fortunes: the Iberian countries (Spain and Portugal) were most severely affected (-5%), whilst Italy’s market stagnated to a lesser extent and the French market stabilized. BCI’s broad geographical positioning in Europe, covering most countries in the region, allowed the subsidiary to retain its market shares for its Group brands (Bonduelle, Cassegrain) as it benefited from thriving sales in the Czech Republic and Hungary in particular. In terms of private label brands, BCI managed to hold its positions and expand its corn business, against a backdrop of surging commodity costs.

THE YEAR OF THE MUSHROOM!

Bonduelle Conserve International also pursued and finalized its strategy transferring the Royal Champignon brand to the Bonduelle brand. This transition took place in France in stages and was completed successfully thanks to significant marketing investment (in a poster and TV commercial campaign). At the same time, the marketing of mushrooms – in cans or jars depending on the country and variety – began in Spain, Portugal, the Czech Republic, Hungary and the Netherlands and was strengthened in Germany. With sales growth of around 15% on a market that declined by 2.5% in Europe in 2011-2012, the mushroom range looks to have a very promising future, as does the international deployment of the steaming process on the vegetables market (especially in Portugal and Spain).

OPTIMIZED INDUSTRIAL MODEL

Moreover, the 2011-2012 financial year saw the closure of the Saint-Sever plant, whose production lines were transferred to other production facilities. BCI also purchased a Hungarian cannery with a capacity of 25,000 to 30,000 metric tons that produces canned sweet corn and peas, which it sells to private labels in Hungary and nearby markets. The plant went into receivership following the 2008 crisis, the poor harvests in 2010 and the rise in prices of agricultural commodities recorded in 2011.

THE SUCCESS THAT CAME IN FROM THE COLD!

In terms of Bonduelle-brand frozen products, BCI enjoyed a positive year with double-digit growth on a relatively flat market (2% average growth in Europe). France, the Netherlands and Italy were the main drivers of this performance, which was also boosted by the launch of new products such as “vapeur” pre-cooked steamed vegetables (green beans, broccoli, cauliflower), which consumers can finish cooking to suit their own personal tastes.

AN OPPORTUNITY IN CENTRAL EUROPE

The Bonduelle Group’s acquisition of the assets of the Hungarian company Kelet-Food in May 2012 has strengthened its agro-industrial presence in Central Europe. Operating in Hungary for more than 20 years, the Bonduelle Group has two industrial units located in the south of the country: Nagykőrös, acquired in 1992, and Békéscsaba, purchased in 2002. The Nyiregyhaza plant will allow the Bonduelle Group to strengthen its presence on rapidly-expanding markets. Moreover, as this acquisition is located in a different production region to the Group’s two other sites, it ensures that the agricultural risks are spread more evenly.

1.7.3 Bonduelle Frais International and Bonduelle Traiteur International

“The 2011-2012 financial year highlighted a change in the European fresh and prepared vegetables markets. A number of operators that previously specialized in one or other of these areas began developing product ranges built on combined expertise in the field of snacks.”

Patrick Néaume, Chief Executive Officer, Bonduelle Frais International and Bonduelle Traiteur International.

The economic recession adversely affected the activities of Bonduelle Traiteur International and Bonduelle Frais International, although both subsidiaries managed to strengthen their positions.

Sensitive to changes in the economic environment, the European prepared vegetables and fresh-cut salad markets stagnated in 2011-2012. However, a number of factors should be taken into account in relation to this sluggishness: Italian consumers, hit hard by the crisis and the subsequent drop in their buying power, began opting for cut-price products mainly from private label brands, or choosing branded products whilst avoiding those with high added value. These changes led to a slight decline in sales volumes, though Bonduelle maintained its market shares thanks to strong promotional campaigns.

INNOVATIONS AND PROMOTIONS

The German market, meanwhile, came back to life. After the health crisis in Spring 2011, when the E.coli bacteria was found in various vegetables, sales of fresh-cut salads fell by 25% in volume over the second half of the year. Since early 2012, however, activity has

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returned to a similar level to that seen before the E.coli episode, which was entirely unrelated to the products sold by Bonduelle.

In France, the market returned to growth after a slack period. The Bonduelle brand was the main driver behind this growth in both the fresh-cut and prepared segments, managing to increase its market shares significantly through the launch of new ventures – in terms of both packaging and products – and a highly active promotion policy.

The Group's innovation knows no borders and in Italy, the launch of salad-style meals inspired by a concept of enriched green salads developed in France was a success.

Bonduelle's new bagged salads, which are more environmentally-friendly (with oxo-biodegradable packaging and "green" inks), have been designed in line with Bonduelle's values: modernity, freshness and vitality!

Organic salads grown using organic farming methods, organically prepared by washing in clean water, organic packaging with an oxo-biodegradable bag: Bonduelle is setting itself apart by offering, in Italy and France, the first range of salad that is fully organic, from farm to fork.

Following its grated carrot seasoned with Sicilian lemon juice, Bonduelle has expanded its range to include carrots flavored with coriander or mustard seed. New twists on plain grated carrot!

MARKET CONVERGENCE

Although the phenomenon is not a new one, 2011-2012 nonetheless allowed the Group to gain a better handle on a notable change in the fresh vegetables market: long-established European companies specializing in fresh-cut products are increasingly widening their reach by including prepared products in their range.

120 METRIC TONS DONATED

For a number of years, Bonduelle Traiteur International has donated Bonduelle-brand products to food banks, the *Restos du Cœur* and *Secours populaire français* charities and CCAS (Community Centers for Social Action) in the Brittany and Champagne regions. The subsidiary gave away 120 metric tons of food during the 2011-2012 financial year.

1.7.4 Bonduelle Food Service

"In this time of recession, Bonduelle Food Service's goal is to offer its customers a cost-effective, innovative and durable product range by placing its development and advisory resources at their disposal."

*Pascal Bredeloux, Chief Executive Officer,
Bonduelle Food Service.*

In a sector that is particularly sensitive to changes in the economic environment, Bonduelle Food Service has maintained its market shares in Europe by focusing on supporting its customers to help them manage their costs more effectively.

Bonduelle Food Service addresses the needs of the catering sector (businesses, institutions, hospitals, schools, etc.) and the leisure requirements of individual customers (commercial foodservice operations) in equal measure. Both sectors are sensitive to the ups and downs of the crisis, although the latter was hit harder by the recession during the 2011-2012 financial year, with marked disparities noted from one country to another. In the Iberian region, the commercial foodservice operations sector has declined by 20% over the last three years, with foodservice establishment closures at close to 8% in 2011-2012! Northern Europe (Scandinavia, the Netherlands and Belgium) managed to withstand the "economic chill" more strongly, recording growth of 1%, whilst Poland and the Czech Republic – growth drivers during second half of 2011 – were gripped by the crisis and by an accompanying dramatic slowdown in consumption in the segment.

PROMOTING BALANCED EATING

With the development of more cost-effective product ranges, the promotion of single-variety vegetables and tailored packaging, in the last financial year Bonduelle Food Service launched a wide variety of initiatives aimed at supporting its customers in these difficult times. A special advisory program was also launched for professionals, with the assistance of culinary advisors to help restaurant owners reduce their expenditure, primarily through the use of "Minute" products, which are pre-cooked and thus synonymous with lower energy and labor costs. Another initiative in the field of training and advice is the Marelle tool (www.marelle-repasequibres.com), launched by the Group's research and development division and Bonduelle Food Service in May 2012. The site allows users to plan balanced meals in accordance with the regulations of the GEMRCN (*Groupe d'étude des marchés de restauration collective et de nutrition* – French Working Group on institutional food service contracts and nutrition) and to create school meal menus to match. This work has been recognized by the French Ministry for Agriculture, Agri-food and Forestry, which awarded Bonduelle the PNA (*Programme National pour l'Alimentation*, French National Program for Food) logo.

OPTIMIZING LOGISTICS FLOWS

Sustainable development is also at the heart of BFS' concerns. In 2011-2012, the subsidiary implemented a program to optimize its logistics flows along two main lines: ensuring the proximity and freshness of its products and achieving a substantial reduction in CO₂ emissions. This program is being implemented alongside the internal Guide to environmental responsibility initiative and the analysis carried out on each new BFS product.

SOMETHING TO SUIT EVERY TASTE

The long-standing partnership with the Paul Bocuse Institute Research Center and the work carried out by the researcher David Morizet (whose thesis, supported and financed by Bonduelle, examined the eating habits of children aged between 8 and 11) continued in 2011-2012. In January 2012, Bonduelle Food Service set up a new "Consumer Science" Department in cooperation with the Group's research and development division. Its objective: to meet the needs

of consumers more effectively with products that match their specific consumption habits, whilst at all times promoting balanced eating. BFS has also launched an initiative aimed at developing products whose taste, and the degree to which they are cooked, meet the needs of older people in various European countries.

100% "VEGETABLES"

A new project, launched Group-wide in 2011-2012, requires each subsidiary to exceed the European regulations in terms of the additives added to the products sold by the Group. BFS has thus produced a "100% vegetables" range with no preservatives or additives (broccoli purée, carrots, etc.), which went on sale in September 2011.

"HEALTHY SCHOOLS"

The partnership in school cafeterias in the Czech Republic and Slovakia, aimed at enhancing the quantity and quality of vegetables consumed, has been a real success, with 1,240 establishments already signed up.

1.7.5 UCR

Ultra Congelados de la Ribera, the production joint venture between Bonduelle and Ardo, operates in a Spanish market heavily impacted by the crisis.

In July 2011, Bonduelle teamed up with Ardo, Europe's leading producer of frozen vegetables. Their goal was to supply the Spanish market, and in particular the Findus brand, with an extensive range of products covering vegetables, meat and fish. The partnership has proved a success, since it has enabled a number of economic and logistical synergies to be harnessed from the first financial year, despite the market declining by more than 15%.

A SHARED PASSION FOR INNOVATION

The joint venture has also highlighted the two companies' shared passion for innovation and the launch of new products. The Benimodo site has begun production of a risotto sold in Spain and five other countries under the Bonduelle brand. This new item has been joined by some new Findus products.

TWO EXTRA SITES

The activities and locations of the two UCR sites – one in northern Spain near Pamplona, dedicated to packaging, logistics and storage, the other in the south near Valencia and specializing in production, packaging and storage – ensure good geographical coverage of the Spanish market whilst maintaining continuity with the agronomic basins in south-west France. The consolidation of sales of Findus-brand vegetables in Spain, together with the development of new

products meeting the needs of the joint venture partners, offer new growth prospects for Ultra Congelados de la Ribera.

UCR's two sites are situated in northern and southern Spain, providing two additional locations from which to serve the Spanish market.

1.7.6 Gelagri

For Gelagri, the joint venture between Bonduelle and Triskalia, the last financial year saw the development of synergies at all levels, including industrial, sourcing and supply chain.

Gelagri Iberica and Gelagri France, two entities created through Bonduelle's partnership with Triskalia, specialize in the production of frozen goods sold under private label brands. Their shared goal is to consolidate a leading position on the European markets.

PROMOTION OF PRODUCT RANGES

Given the economic difficulties during the period, Gelagri recorded a healthy level of activity in the 2011-2012 financial year, driven primarily by the promotion of its product ranges. The complementary business model provided by Ultra Congelados de la Ribera (UCR) on the Iberian and French markets underscores the Bonduelle Group's desire to turn a profit from its activities in the region by increasing its investments in the frozen segment.

EUROPEAN AMBITION

Gelagri's determination to expand its private label business and cut-price ranges in Europe in the retail and catering channels was realized with the achievement of significant market gains. Furthermore, over the past financial year, Gelagri strengthened its exports in other regions, bringing new growth perspectives to the joint venture.

1.7.7 Bonduelle Champignon

"The mushroom cultivation modernization plan, endorsed in June 2012 by the producers belonging to the France Champignon Agricultural Co-operative who supply Bonduelle, will provide the subsidiary with an opportunity to enhance its competitiveness in Europe."

*Jérôme Bonduelle, Chief Executive Officer,
Bonduelle Champignon.*

In a difficult market environment, Bonduelle Champignon has continued to integrate the assets acquired in 2010 whilst moving forward with its plan to modernize its agro-industrial equipment, innovating to support the growth of group-brand sales made by subsidiaries and revitalizing sales of fresh mushrooms.

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Down 2.5% on average in Europe, the canned mushroom market was hit by the crisis in 2011-2012. Against this background, the marketing strategies deployed for mushrooms by the Group's subsidiaries achieved encouraging growth of Group-brand sales, particularly in retail (see Bonduelle Conserve International, "the year of the mushroom"). In Food Service, the successful launch of frozen wild mushrooms, again under the Group's own brand, confirms the potential of these products, which have high culinary value and are sold to the catering market, in Bonduelle's vegetables range.

NEWS FROM THE FRESH SEGMENT

The relative difficulties suffered by the European processed mushroom market are being offset by buoyant sales of fresh mushrooms, a segment that has been growing continually for several years.

On this fresh vegetable market, the efforts undertaken by the France Champignon cooperative, one of Bonduelle's partners, have helped improve cultivation practices and thus create higher-quality products that keep better and provide the sector with an opportunity to gain market share, with volumes up 4% over the second half of the year. Moreover, the finalization of a fresh mushroom mechanical cutting process should soon allow France Champignon to take up an even more competitive position on this segment by focusing more specifically on an "entry-level" range of French origin.

INVESTING AND INNOVATING

The 2011-2012 financial year saw a number of investments aimed at modernizing Bonduelle Champignon's agro-industrial equipment, mainly in the Val de Loire region and Poland (white mushrooms) but also in south-western France (wild mushrooms). These included the refurbishment of the composting facility at La Tourte, the installation of optical sorters at Thouars, the start of construction of a warehouse at Doué-la-Fontaine, the automation and increase in the sterilization capacity of the Ruchocice plant (Poland), and new quick-freezing tunnels in Herm for wild mushrooms. Finally, the sustained research and development efforts in 2011-2012 should bring about the launch of a new range of cooked mushrooms on the "premium" segment, under the Cassegrain brand, in autumn 2012.

NATURAL VENTILATION

Bonduelle Champignon is supporting a brand-new initiative launched by a group of producers. The idea is to use the air circulating in abandoned caverns to regulate the temperature of new cultivation rooms, using ducts specially fitted between them. This natural process ensures better-quality mushrooms and energy savings of around 25%.

1.7.8 Bonduelle North America

"As well as driving our sales growth, the acquisition of four Allens sites allows us to protect ourselves more effectively against exchange rate and climate-related risks."

*Louis Frenette, Chief Executive Officer,
Bonduelle North America.*

The acquisition of four production facilities in the United States marks a key stage in the growth of Bonduelle North America.

The purchase of three processing plants and a packaging facility for frozen vegetables belonging to the American firm Allens will provide a major growth channel for Bonduelle's activities in North America. Bonduelle North America (BNA) is the leader on the canned and frozen vegetables segments in Canada, under both private labels and the Group's own brands (Bonduelle, Arctic Gardens, etc.), with more than 335,000 metric tons of vegetables grown in Quebec and Ontario. Before this acquisition, the subsidiary exported 30% of its production to the US, mainly as frozen produce via the Food Service networks. The three Allens frozen vegetable processing plants in Bergen and Oakfield (New York State) and Fairwater (Wisconsin), together with the frozen vegetable packaging facility in Brockport (New York State) will allow BNA to boost its sales growth by distributing its revenue evenly between Canada and the US.

The purchase of the four Allens sites saw 400 new permanent employees join the Bonduelle Group.

REVENUE ON THE RISE

Bonduelle North America increased its revenue in 2011-2012. The many adverse weather events (spring floods in Quebec, followed by a drought and Hurricane Irene) led to poor production levels, generating substantial additional costs for the subsidiary.

THE "MINUTE" ADVANTAGE

In retail, frozen vegetables were hit by competition from the fresh vegetables segment. Arctic Gardens, however, managed to outperform its category, thanks mainly to the brand's success in Hard Discount stores in Ontario and Quebec. In Food Service, the launch of "Minute" vegetables showed great promise, especially among targeted users who prefer to use food warming equipment. The quality and ease of use of this range make it a strong growth channel for Bonduelle North America.

A YEAR OF INVESTMENT

Alongside the acquisition of Allens, Bonduelle North America made a number of investments totaling 17 million Canadian dollars, with the goal of enhancing its competitiveness (with automatic cutting machines in the Tecumseh plant), improving the quality and safety

of its sites (through the Global Food Safety Initiative or GFSI label) and reducing its environmental footprint. Since December 2011, the Saint-Denis-sur-Richelieu plant has run on natural gas, allowing greenhouse gas emissions to be cut by more than 30% – eliminating some 4,500 tons of CO₂ every year. This project is in keeping with Bonduelle North America's desire to make sustainable development a priority, for example by re-using 95% of its plant by-products.

PROMOTING HEALTHIER LIFESTYLES!

In Canada, Arctic Gardens supports the 5/30 challenge (five portions of fruit and vegetables and 30 minutes of exercise a day) organized by the retailer Sobeys. The brand is also backing "The chef's suggestion", which seeks to help companies improve the eating habits of their employees by making suggestions for balanced lunch boxes. These initiatives are consistent with the work carried out by the Louis Bonduelle Foundation in Canada.

1.7.9 Bonduelle Development

"The strength of the brand, combined with heavy investment in sales and marketing, has enabled Bonduelle Development to outperform the markets in which it operates."

Benoit Bonduelle, Chief Executive Officer, Bonduelle Development.

With double-digit growth – in both volume and revenue – for Bonduelle Development, the 2011-2012 financial year lived up to its ambitions.

The industrial, marketing and sales momentum that picked up during the previous year was confirmed by the performance levels achieved by Bonduelle Development, from Eastern Europe to South America. In Russia, Bonduelle Development (BDV) consolidated its growth and turned its market shares to good account by profiting from the stable exchange rate against the ruble. The subsidiary achieved excellent results in Russia after modifying its supply structure, which is now a direct line that allows it to be more responsive and in tune with the requirements of its major food retailer customers. The launch of new products ("Fusion" premium range, Bonduelle-brand mushrooms, etc.), combined with heavy investment in marketing and sales teams, helped bring about this success, which was also recorded in Kazakhstan, Azerbaijan, Ukraine and the Balkans. Meanwhile, business stagnated in Belarus, Romania and Bulgaria, all of which were hit hard by the crisis.

NEW SYNERGIES IN RUSSIA

In addition to this performance, another notable development for BDV in Eastern Europe was the conclusion of negotiations concerning the acquisition of the agro-industrial and commercial assets (Globus brand) of the French co-operative group Cecab in Russia and in the countries of the Commonwealth of Independent States (CIS). This transaction, finalized in March 2012, will strengthen Bonduelle's presence in Central and Eastern Europe, where the Group has operated since the mid-1990s. The Timashevsk plant, 30 kilometers from Bonduelle's Krasnodar site, also offers a number of possibilities for agro-industrial synergies.

Six thousand hectares of land on Cecab's *kolkhoze* (former collective farm), in addition to the 3,500 already operated by the Group, will be cultivated by Bonduelle in accordance with the Group's agronomic methods.

TIMASHEVSK: NEWS FROM THE EAST!

The Bonduelle Group's acquisition in 2012 of the Timashevsk agro-industrial facility, with its 160 employees, in south-western Russia, is intended to increase sales of canned vegetables under the Bonduelle and Globus brands. The acquisition will be accompanied by investment aimed at optimizing the irrigation system and increasing the plant's production capacity to 50,000 metric tons a year.

DESTINATION BRAZIL

On the Mercosur, in Brazil, Bonduelle Development reaped the full benefits of its new Cristalina plant, which completed its first full year of operation in 2011-2012. Sales volumes were particularly satisfying in this country, where BDV is building its presence by innovating and differentiating its product range, launching fresh peas, vacuum-packed corn and two new medleys known as "Dueto" (corn and peas) and "Seleta" (peas, carrots and potatoes). These successes will require the subsidiary to expand its teams on the Cristalina site, which produces not only for Brazil but also for Argentina, where a range of peas and corn was launched this year.

NEW PRODUCTS

Eggplant, zucchini, ratatouille: the Premium "Légumes du soleil" range was launched in Russia under the Bonduelle brand, achieving promising sales!

The launch of mushrooms in Russia (marinated in jars, for example) demonstrates the Group's understanding of the tastes and expectations of consumers – with the Bonduelle quality guarantee as an added bonus.

2

Corporate social responsibility

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2.1 Introduction

“Bonduelle, a family-run group established in 1853, is the global market leader in prepared vegetables. The Company has built its success on two pillars of growth: respect for the natural environment, which is essential for a Group whose business is linked directly with the earth, and placing People at the heart of our long-term corporate plan.

As part of our commitment, we aim to offer the best that nature can provide, guided by ethical principles formulated over six generations of involvement in agricultural production. Bonduelle has been a pioneer in sustainable development, in line with the objectives defined by the Group’s shareholders: sustainability, independence and the development of employees.

We take our responsibilities to sustainable development very seriously and in 2002-2003 formed a dedicated Sustainable Development Steering Committee to formulate policy and further strengthen the Group’s actions in this area. This cross-disciplinary Committee meets once a month, bringing together representatives from across the Group, including agro-industrial, human resources, external communications and management control functions.

As a result of the actions undertaken, Bonduelle has cut its energy consumption in recent years (-2.6% on a like-for-like basis in 2011-2012, compared with the previous year) and reduced the water footprint of its sites by 9.3% year-on-year. At the same time, the Group has stepped up initiatives aimed at ensuring the safety of our employees. The past five years have seen a steady fall in the accident rate and the 2011-2012 action plan reduced this rate by 23%, providing concrete evidence of our commitment to the very best business practices.

These significant results also encourage the Group to embed the principles of citizenship even deeper in its corporate culture. Ten years after launching our sustainable development policy, Bonduelle gave new impetus to its environmental, social and societal commitment in 2011-2012, as part of our determination to pursue the policy of continuous improvement which has consistently underpinned our growth and strengthened our relationships with stakeholders.”

Jean-Bernard Bonduelle
Director of External Relations and Sustainable Development

2.2 Bonduelle's Commitments to Corporate Social Responsibility

2.2.1 History

Bonduelle's approach to sustainable development has moved forward over the years since our policy was formulated and launched:

2002-2003

- Definition of four focus areas: agricultural production, people, nutrition and quality, and natural resources
- Definition of the priorities for progress
- Improvement metrics
- Publication of initial results
- Awareness-building within the Company
- Membership of the Global Compact

2003-2004

- Unified indicators
- Development of self-assessment tools
- Implementation of action plans
- Continued internal deployment of action plans
- Response to the Carbon Disclosure Project (CDP)

2004-2007

- Sustainable development embedded in all subsidiaries' growth plans
- Internal mobilization
- Evaluation of the first phase

2007-2011

- Definition of a fifth focus: transport
- Launch of pilot farms focused on reducing the use of pesticides and integrated production and signature of the French Institute for sustainable agriculture charter
- Further actions to promote the inclusion of disabled workers and safety in the workplace
- Support for the launch of the World Responsible Economy Forum in Lille, France

2011-2012

- Increased involvement with stakeholders
- Preparation of an ethics charter, an environmental responsibility charter, and the fourth version of the sourcing charter for growers
- Adoption of the GRI guidelines and verification of CSR data

2.2.2 Governance

The Steering Committee collates and distributes information, proposes objectives and priorities and submits them to the Group's General Management. The Group focuses on five priority areas: people and safety, agriculture, natural resources, quality and nutrition, and transport. Environmental and social data are gathered at Group level and used as the basis for defining improvement actions, which are updated and added to annually and which enable Bonduelle to improve its efforts.

RESULTS FOR 2011-2012 AND OUTLOOK FOR 2012-2013

Priorities	Results for 2011-2012	Outlook for 2012-2013
People and safety	<ul style="list-style-type: none"> Frequency of work-related accidents: Target: reduce the rate by 15% for in FY 2011-2012 Result: 18.76, i.e. -23% Career development interview: Target: conduct 100% career development interviews Result: 82.02% of interviews conducted Gender equality Target: Launch a workplace program on gender equality Result: "Agreement to promote gender equality" drawn up with personnel representatives and signed in France on June 5, 2012 Continue the action plan supporting disabled people Result: 10.65% integration of people with a disability Complete and distribute the ethics charter Result: preparation of the ethics charter in June 2012 	<ul style="list-style-type: none"> Ensure safety at work, target zero work-related accidents Promote our employees' personal development and training, conduct career development interviews with all personnel Pursue initiatives aimed at ensuring equality, diversity and the inclusion of people with disabilities Continue actions promoting gender equality Finalize the ethics charter
Agronomy	<ul style="list-style-type: none"> Prepare the fourth agricultural sourcing charter in consultation with stakeholders Result: launch of a working group and preparation of the agricultural charter Reduce pesticide use by 20% over 3 years Result: actions under way aimed at controlling the use of pesticides Measure the environmental impact of agricultural practices, introduce metrics Result: training for farmers on techniques to optimize spraying Continue research into integrated production * Result: briefing with farmers in July 2012, "pilot farms" operation 	<ul style="list-style-type: none"> Finalize and share the fourth agricultural charter Reduce pesticide use by 20% in the period 2011-2015 Measure the environmental impact of agricultural practices, introduce metrics Continue research into integrated agricultural production
Natural resources	<ul style="list-style-type: none"> Conduct a fresh review of the Group's environmental impact Result: environmental impact from supply/production of commodities to delivery to the customer: 1,800,000 MTCO₂e +/- 600,000 over the year Reduce energy consumption in plants by 5% per year Result: -2.6% (on a like-for-like production basis in 2011-2012, excl. Italy) Reduce water consumption in plants by 3% per year Result: -9.3% (on a like-for-like production basis in 2011-2012, excl. Italy) Recover > 75% of ordinary industrial waste Result: 73% Develop alternative energy projects (biomass, biogas, etc.) Result: on-site biogas recovery at the Nagykőrös plant in Hungary in 2012 & finalization of the study on biogas recovery in St-Denis (Canada) Launch a Guide to Environmental Responsibility Result: the Guide to Environmental Responsibility project has been finalized and is being tested 	<ul style="list-style-type: none"> Reduce energy consumption by 5% per annum in the period 2011 to 2014 Reduce water consumption by 3% per annum in the period 2011 to 2014 Recover 80% of ordinary industrial waste in the period 2012 to 2015 Launch five alternative energy projects in five years Roll out the Guide to Environmental Responsibility and develop tools to measure environmental impact

Priorities	Results for 2011-2012	Outlook for 2012-2013
Quality and Nutrition	<ul style="list-style-type: none"> Extend the sourcing charter to all fruit and vegetable suppliers Result: 63% of suppliers representing 79% of incoming vegetables 93% of mushroom suppliers evaluated Formalize the Group's quality policy <ul style="list-style-type: none"> - Annual coordination and joint action plans meeting in January - Centralized purchasing with a shared quality policy Initiative launched to reduce additives 	<ul style="list-style-type: none"> Extend the sourcing charter to all fruit and vegetable suppliers Reduce the complaints rate Maintain certifications and recognition by external bodies
Transport	<ul style="list-style-type: none"> Reduce CO₂ by 3% per metric ton transported Result: > 3% for canned products logistics Extend the implementation of transport indicators to all subsidiaries and countries Result: all subsidiaries and countries taken into account, except Canada Increase use of mixed rail-road systems The process initiated three years ago is continuing Optimize upstream-downstream logistics Continued actions to optimize logistics Share downstream transportation with other industrial sites We are continuing to examine this possibility, but no conclusions were reached in 2011-2012 	<ul style="list-style-type: none"> Reduce CO₂ emissions by 3,000 metric tons Extend CO₂ emissions metrics to include all subsidiaries Identify and share pilot actions Optimize logistics and increase the use of alternatives to road transport

* Agricultural production techniques prioritizing agronomic practices (soil management, crop rotation, genetics, intermediate crops, etc.) with the aim of reducing the use of inputs and the impact of farming on the environment.

Ten years after the Bonduelle Group prepared and launched its Corporate Social Responsibility (CSR) policy, we felt it was time to provide new momentum to our approach. Our aim now, more than ever, is to securely embed sustainable development at the heart of our Company, galvanizing our efforts around projects such as the eco-design charter for products, and the development of our engagement with stakeholders. This new momentum is in line with our determination to pursue the Group's policy of continuous improvement, which has underpinned our steady economic growth and geographical expansion for the past ten years.

2.2.3 Dialog with stakeholders

The Bonduelle Group has long engaged in active dialog with its stakeholders, both internally (employees and social partners) and outside the Company (farmers, suppliers, national and local public bodies, etc.). Bonduelle employees participate in the work of trade organizations (see list in Section 2.2.7 Glossary, page 34) as committee members, directors or Chairperson, to ensure the Company's active and responsible engagement in the sector and to defend its interests through the communications of these joint trade groups and federations to government bodies in France and in Europe. Areas of work include protection of the environment and agricultural production. The Bonduelle Group makes no contributions to funding political parties, either in France or abroad.

The Company has a history of forging partnerships and initiating actions to share best practices, with an emphasis on pilot programs run in conjunction with public or private institutions and organizations. In his role as director of External Relations and Sustainable Development, Jean-Bernard Bonduelle is tasked with developing relations with a diverse range of stakeholders: trade federations, institutions, national, European and international regulatory bodies and agencies, NGOs, ratings agencies, local communities, the media, and teaching and research institutions. Moreover, the Louis

Bonduelle Foundation is particularly proactive in promoting lasting changes in eating habits against the backdrop of growing public health concerns related to poor diet, working in collaboration with its scientific and public partners and associations.

The Bonduelle Group also engages in dialog with its stakeholders. It expanded the scope of this dialog with the establishment of its CSR approach: extending dialog to new stakeholders (ratings agencies, research bodies, and solidarity associations, etc.), and incorporating new focus areas (to meet the demands of retail grocery markets, partnership on disability, and environmental projects such as the "frugal factory" project), which continue to enrich Bonduelle's corporate policy.

To strengthen this dialog and provide further momentum to its citizenship commitments, in December 2011, the Group invited a panel of stakeholders to exchange ideas with Bonduelle's CEO, Daniel Vielfaure, and other representatives from across the organization (human resources, agronomy, industry, sales, marketing and sustainable development). Stakeholders were selected with a view to forming a representative panel encompassing general CSR professionals, experts in Bonduelle's five priority areas and associations. Accordingly, a range of different readers of our annual reports were represented, in particular, by representatives of organizations with which the Group had not yet developed a formal dialog process. The aim of the initiative was to challenge our sustainable development approach and how we communicate information about it. Stakeholders submitted ideas for further consideration, asked questions about published information, and requested more educational materials aimed at consumers regarding the Group's sustainable development policy. This report takes into account considerations arising from these discussions.

As it seeks to better integrate environmental and social factors in the design of its products, the Group also consulted with supply-side stakeholders to further its project and to ensure inclusion of suppliers' needs.

Corporate social responsibility

Bonduelle's Commitments to Corporate Social Responsibility

2

The table below shows Bonduelle's stakeholders by type and outlines the methods used to provide them with information and engage in dialog with them:

Stakeholders	Information and Communication	Dialog consultation	Agreements - partnerships - collaboration
Employees/ Social partners	<ul style="list-style-type: none"> Web-based communication tools (Intranet, Internet) 	<ul style="list-style-type: none"> Dialog with employees, employee representatives and trade unions European Works Council – at least one meeting per year 	Three agreements (workplace stress, gender equality in the workplace, and 'Handipol') were signed in France in 2011-2012, together with five amendments to previous agreements (including on older workers and working conditions)
Customers		<ul style="list-style-type: none"> Response to questionnaires and CSR audit – annual 	
Citizens/Consumers	<ul style="list-style-type: none"> Country-specific websites CSR reports Awareness-building initiatives by the Louis Bonduelle Foundation 	<ul style="list-style-type: none"> Consultation with consumer panels – in-depth survey every three years Louis Bonduelle Foundation, whose three aims are: <ul style="list-style-type: none"> information and awareness building local activities support for research 	
Institutions/ national, European and international regulatory authorities and agencies	<ul style="list-style-type: none"> Conference and presentation to the European Parliament on nutrition with the Louis Bonduelle Foundation 	<ul style="list-style-type: none"> Information meeting at the European Parliament in Brussels on April 27, 2012 Participation of national and international institutions in the stakeholders' session in December 2011 – annual Participation in the Global Compact – annual 	
Farmers under contract with Bonduelle		<ul style="list-style-type: none"> Dialog and consultation – annual, and permanent contact during the harvest period 	<ul style="list-style-type: none"> Sourcing charter
Suppliers		<ul style="list-style-type: none"> Awareness campaigns focusing on human rights, working conditions and the environment – annual Evaluations 	<ul style="list-style-type: none"> Sustainable development clause included in purchasing contracts (reminder of the ten principles of the Global Compact)
NGOs	<ul style="list-style-type: none"> Brochures, reports, website 	<ul style="list-style-type: none"> Replies to queries Meeting with NGOs – annual Participation of environmental and labor associations in stakeholder sessions in December 2011 	
Ratings agencies	<ul style="list-style-type: none"> Brochures, reports, website 	<ul style="list-style-type: none"> Response to questionnaires/queries – annual 	

2

Stakeholders	Information and Communication	Dialog consultation	Agreements - partnerships - collaboration
Investors	<ul style="list-style-type: none">Quarterly financial informationAnnual and interim resultsAnnual and interim reportsGroup's CSR performance: management and sustainable development report, registration documentLetter to shareholders	<ul style="list-style-type: none">Financial calendar/analysts' meetings – at least twice per yearSpecific meetings (socially responsible investment funds) – once every two yearsResponse to questionnaires/queries – annual (for CDP) (e.g. the Carbon Disclosure Project (CDP) is an association which brings together more than 280 institutional investors. Each year the CDP sends a questionnaire to major global companies to request information on how they are dealing with climate change and greenhouse gas emissions. Bonduelle has provided this information since the initiative was first launched in 2003 (CDP1), and its responses are available on the CDP website (www.cdproject.net)).	
Local communities	<ul style="list-style-type: none">Brochures and reportsSpecific events	<ul style="list-style-type: none">Dialog with local communities – as required – e.g.: Rural retirement homes (MARPA): this most recent project undertaken by the Louis Bonduelle Foundation offers vegetable cooking workshops and “Art and Nature” workshops, in partnership with the National Federation of MARPAs, which represents 162 retirement homes in France.	
Media	<ul style="list-style-type: none">Press releases – at least once per yearWebsiteVisit to a pilot farm in July 2011		
Trade federations	One or more Bonduelle employees participates in the following trade organizations as a committee member, director or Chairperson, to ensure the Company's active and responsible engagement in the sector and to defend its interests: ADEPALE; FIAC; UNILET; ANIFELT; ANIA; UPPIA; CTCPA; PROFEL; ILEC; ECOPAR; SYNAFAP; SFPAP; AETMD; ANICC (for an explanation of these acronyms, please see Section 2.2.7. Glossary, page 34) – meetings at Board of Directors' and Shareholders' Meetings		
Education and research	<ul style="list-style-type: none">Initiatives in schools close to subsidiary headquarters and sites	<ul style="list-style-type: none">Trainee and apprenticeship programsPartnerships/studies, for example with UTC, UPJV Amiens, École des Mines de Paris, Université de Bretagne Occidentale, ISA, LASALLE Beauvais, Université de l'Artois, Institut National Polytechnique Grenoble, ESI Reims, ICAM (for an explanation of these acronyms, please see Section 2.2.7. Glossary, page 34)	<ul style="list-style-type: none">Partnerships with schools
CSR experts		<ul style="list-style-type: none">Response to questionnaires – annualParticipation in forums – annual (e.g.: “major partner” of the World Forum for a Responsible Economy in Lille,)Satisfaction surveys – annual	

In progress:

- Corporate Social Responsibility website to improve information to consumers about Bonduelle's sustainable development commitments;
- preparation of the fourth Bonduelle sourcing charter.

2.2.4 Ethics charter

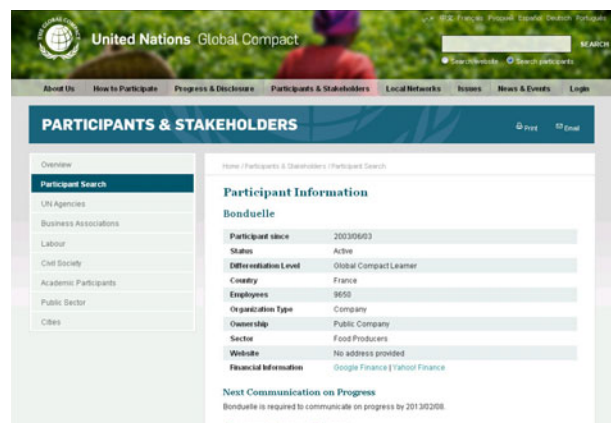
In 2012, the Bonduelle Group produced its ethics charter conveying the values it has long been committed to and worked to promote: placing people first, trust, openness, simplicity, integrity, equity and excellence. This charter demonstrates the Group's intention to pursue continuous improvement. It supplements the Company's existing rules and regulations for employees, while encouraging individual ethical behavior in accordance with Bonduelle's values. In the spirit of openness and trust synonymous with our Company, the Group encourages dialog and discussion on ethical issues.

At the end of the period informing people about the charter and before the end of FY 2012-2013, an Ethics Committee will be formed to play an advisory role and support the Group's efforts.

The ethics charter will reiterate the Group's commitment to social and environmental responsibility, particularly through its long-standing membership of the Global Compact (since 2003). This United Nations initiative requires signatories to apply ten basic principles in the areas of human rights, anti-corruption, labor standards and the environment. The Group's ethics charter defines the core principles

of Bonduelle's stance as a corporate citizen, responsible, equitable and integrated company.

GLOBAL COMPACT WEBSITE



TEXT OF THE BONDUELLE ETHICS CHARTER

ETHICS CHARTER

Ethics in action

Why have an ethics charter?

In 2012 Bonduelle decided to write a charter, drawing inspiration from our history, epitomizing our values and committing us to a process of continuous improvement.

We are fully aware that while ethics cannot be regarded as absolute, they must inspire each and every one of us as stakeholders, both inside and outside the Company.

Our Code of Ethics must lead us to do more in the Bonduelle spirit of corporate responsibility.

Bonduelle's spirit and values

In this ethics charter, Bonduelle sets out to expand on the core values it intends to defend and promote: placing people first, trust, openness, simplicity, integrity, equity and excellence.

Bonduelle is convinced that its success stems from its corporate culture and is intent on continuing to grow, underpinned by these values.

The Group is committed to living the "Bonduelle spirit" through ethical behavior that promotes sound practices. By acting with integrity, our Company engages with its stakeholders in a relationship built on trust. The challenge we face is to consolidate this connection, sharing and nurturing it in the long term.

Ethics, how does it work?

This ethics charter supplements our existing rules and regulations for all employees. It defines the framework for the Group's policies and helps to explain their rationale and intentions.

The ethics charter is a tool. It can be used to challenge existing practices and aid in decision-making. The charter is inclusive, promoting individual ethical behavior in line with our corporate values.

Ethical dilemmas can be complex and rarely have clear solutions. For this reason, and in the spirit of openness and trust synonymous with our Company, the Group encourages dialog and discussion on ethical issues.

Ethics Committee

An Ethics Committee will be formed and may be consulted on issues of general interest when no solution is proposed by general management, or the Group's experts in Human Resources, Health and Safety or Purchasing.

The role of the Committee will be to support the Company on ethical issues, and to issue opinions in an advisory capacity.

The Committee will have eight members, four appointed from within the Company and four external members, selected based on their experience, profiles and expertise. The Ethics Committee reserves the right to invite outside experts or submissions from employees on specific subjects.

A secretary will be appointed and the Committee will meet at least three times a year.

Responsible corporate citizenship

The Bonduelle Group has a strong history of corporate citizenship and our commitment to social and environmental responsibility is clearly shown by our membership of the Global Compact.

PEOPLE FIRST

Bonduelle complies with the regulations of a number of international organizations.

It also complies with the conventions of the International Labor Organization.

It is particularly stringent about ensuring respect for basic human rights in the workplace, namely freedom of association, the right to collective bargaining, the elimination of all forms of forced and compulsory labor, and the effective abolition of child labor.

It is committed to respecting the European charter of fundamental rights in the organization.

BUILDING THE COMMUNITY

Bonduelle's international reach means that it respects communities and seeks to add value and develop local areas wherever it operates. Reflecting this commitment, the Louis Bonduelle Foundation works with local authorities, developing communities and supporting local associations.

Bonduelle encourages its employees to play an active role in this type of project.

RESPECT FOR THE ENVIRONMENT

Bonduelle respects the environment and endeavors to reduce its carbon footprint, independent of its activities. It is a major and committed sustainable development player. It takes responsibility for the impact of its activities, products and services on the rural and urban environment, as well as their broader environmental impact.

We encourage all our employees to embody this commitment in their day-to-day lives.

Bonduelle references this environmental responsibility in its relations with agricultural producers and suppliers.

An equitable company

DIALOG IN THE COMPANY

Dialog and openness in internal company relations are important for Bonduelle.

The Group respects the right of its employees to form or join the representative organization of their choice, including trade unions and workers' organizations, and to be able to participate in collective bargaining negotiations.

Bonduelle respects the role and responsibilities of the social partners and is committed to negotiating issues of collective interest with them.

Bonduelle listens to its employees and engages an independent body to conduct international surveys to assess personnel satisfaction with working conditions.

HEALTH AND SAFETY

Each and every person working for or with Bonduelle has the right to a healthy and safe working environment, ensuring their physical, mental and social wellbeing. Bonduelle is committed to maintaining working conditions at the highest standards by developing policies to prevent negative impacts on health and working conditions.

All employees must comply with Bonduelle's rules on health, safety and security in the workplace.

WORK-LIFE BALANCE

Bonduelle strives to offer conditions that ensure a healthy work-life balance.

It promotes dialog between employees and management to optimize work organization in order to take individual obligations and requirements into account.

The Group aims to create a working environment where individual wellbeing is valued and nurtured.

DISCRIMINATION

The Bonduelle Group believes strongly in the importance of diversity in its employees.

We are committed to eliminating all forms of discrimination, either direct or indirect, in the workplace and in employee relations, including that based on age, color, civil status, disability, nationality, sexual orientation, ethnic or social origin, race, religion or gender.

This anti-discrimination policy applies to all stages of employment, from hiring through an entire career.

All employees are free to take part, in a personal capacity, in activities or organizations of a political or religious nature.

HARASSMENT

Placing people first is a key value for Bonduelle.

Its policies protect employees from all forms of harassment, intimidation or victimization, be it physical, psychological or sexual.

Any form of moral or sexual harassment is resolutely condemned.

All employees have the right to be respected, and to a positive, pleasant and professional working environment in which each person's ideas and contributions are valued. All employees must work to foster and respect this commitment by being open and clear in their relations with their fellow workers to maintain a culture of loyalty, trust and solidarity.

TRAINING

Excellence is the cornerstone of the Group's success and competitiveness.

Bonduelle aims to develop employees' skills at all stages of their career through a voluntary training and coaching policy.

The Institut Pierre et Benoît Bonduelle was created to deliver training to all Group personnel, validated by recognized professional qualifications.

SUPPLIERS AND SUBCONTRACTORS

Suppliers and subcontractors are key to ensuring the value of Bonduelle's products and play an important role in customer satisfaction.

They are required to adopt behavior in keeping with Bonduelle's values, especially when making purchasing decisions.

Bonduelle's suppliers and subcontractors must adhere strictly to all legislation regarding their activities and working environment. They must also commit to ethical conduct.

Purchasing decisions must be made based on all the values advocated by Bonduelle, and primarily, the values of equity, excellence and openness. Relations with suppliers must take place in a climate of mutual trust, placing people first and simplicity.

Purchasing decisions are based on an objective assessment of the reliability and integrity of the supplier or subcontractor, as well as the overall value of their offer relative to both short- and long-term considerations and objectives. Purchasers must also take into account their important role in the local ecosystem.

An integrated company

QUALITY PRODUCTS AND SERVICES

The high quality of the products and services offered to customers is essential for Bonduelle. Providing high-quality and efficient products and services bears testimony to our commitment to and respect for consumers. Bonduelle is meticulous in its attention to compliance with health regulations, quality control, food legislation and food packaging legislation.

The trust thus created is essential for the Company's reputation and long-term presence.

The highest levels of food safety are guaranteed through advanced technologies and constant adaptation to new regulatory requirements.

CONFIDENTIALITY

Respect for confidentiality is a measure of Bonduelle's integrity and safeguards the relations of trust built up with our partners. Therefore, it is vital that each employee pays the strictest attention to safeguarding the confidentiality of Bonduelle's information.

Information obtained by employees of the Bonduelle Group may not be used, either directly or indirectly, for the purposes of personal investment.

The confidentiality of all information relating to the activities of the Company or its partners must be guaranteed in all roles and areas in which employees work. In particular, the level of information available to different employees is restricted and data is secured.

SAFEGUARDING THE COMPANY'S ASSETS

The purpose of Bonduelle's funds or assets is to ensure the Group achieves its targeted results and safeguard its financial independence. Misuse or waste of these resources is potentially damaging; personnel must guard against any illicit use or use unrelated to the Group's business.

We each have a responsibility to safeguard Bonduelle's tangible and intangible resources, to protect against diversion of assets or their use other than for their original purpose by providing them to a third party. For example, information systems provided may not be used inappropriately. All Company assets remain the property of Bonduelle.

TRANSPARENCY

Honesty and fair dealing must at all times be exercised in relationships with customers, notably by providing accurate and transparent information on our products and services and by demonstrating openness on all related issues.

The transparency of information provided to our stakeholders and employees is an integral part of the relationship of trust that Bonduelle wishes to establish and maintain.

It is our responsibility to ensure that shareholders receive reliable, transparent, honest and timely information, with regard to the Stock Market Code of Conduct.

CONFLICTS OF INTEREST

We each have a responsibility to avoid situations where personal interests conflict or may conflict with those of Bonduelle or harm the Group.

Objectivity must be our guide in relations with the Group's partners. Relations with partners may not involve or be influenced by personal factors. It is up to each one of us to ensure such objectivity is maintained at all times and in all long-term relations.

All potential conflicts of interests must be disclosed so that the appropriate action can be taken to prevent or resolve the situation.

Moreover, Bonduelle does all in its power to prevent corruption, reflected in its responsibility policy, defined in accordance with the rule of law.

GIFTS AND INVITATIONS

Bonduelle's marketing activities do not exclude the possibility of exchanging gifts and invitations, provided that these do not result in a conflict between personal gain and professional obligations.

It is therefore our policy to ensure transparency when accepting gifts or invitations, which must not exceed a nominal or insignificant value. For example, such gifts may be accepted in line with the normal rules of courtesy or hospitality, but under no circumstances may they appear, be considered or interpreted to be complaisance or favoritism.

POLITICAL SPHERE

All employees are entitled to engage in political activities in a personal capacity, provided that they take place outside of working hours and do not involve any of Bonduelle's assets, and provided that it is clear that such activities are in no way representative of the Company.

Bonduelle and its employees comply with all applicable laws and regulations governing contributions to political parties, regardless of the location of the Company's activities.

REPRESENTING THE COMPANY

Each and every employee is an ambassador for Bonduelle.

It is therefore important to exercise good judgment in accordance with Bonduelle's values and interests and to ensure an explicit distinction between personal opinions and interests and those of the Company.

All of our conduct may have an impact on the Group's reputation and we must therefore ensure never to say or do anything that could damage Bonduelle's image.

2.2.5 Guide to environmental responsibility, incorporating environmental and social criteria throughout the product life cycle

A team with representatives from across the organization (R&D, marketing, purchasing, communications, etc.) was formed in 2012 to work on preparing a Guide to assist teams to include environmental and social criteria at all stages of a product's life cycle. Its purpose is to act as a guide for the teams responsible for design, production and marketing. It will set out the core objectives for all Bonduelle products sold throughout the world (Bonduelle, Cassegrain, Arctic Gardens) and provide guidelines for improving aspects such as pleasure, taste, accessibility and responsibility.

Hand-in-hand with this Guide, Bonduelle is developing a tool to help teams to plan improvement actions based on their objectives and the requirements of consumers in their markets. The inventory and test phase is currently under way, prior to publication of the Guide and roll-out of the tool to all teams.

2.2.6 Sourcing charter

Bonduelle's sourcing charter sets out the Group's requirements from our producer partners. Its main purpose is to limit agricultural production risks and to ensure the quality of vegetables.

We embarked on a renewal of our sourcing charter in FY 2011-2012. The first charter was launched in 1996, and the fourth edition, due for publication in 2013, will become the reference manual for all Bonduelle producer partners.

The latest version of the sourcing charter will reflect new environmental and social challenges for the sector (health and safety). It will support the Group in expanding its international reach by defining a single reference base, which may be supplemented by any subsidiary or country, to reflect our sustainable development policy.

2.2.7 Glossary

- **ADEPALE:** *Association Des Entreprises de Produits Alimentaires Élaborés* (Association of Food Processing Industries – France)
- **AETMD:** *Association Européenne des Transformateurs de Maïs Doux* (European Association of Sweet Corn Producers)

- **ANIA:** *Association Nationale des Industries Alimentaires* (National Food Industry Association – France)
- **ANICC:** *Association Nationale Interprofessionnelle du Champignon de Couche* (National Joint Trade Association of Cultivated Mushrooms Producers – France)
- **ANIFELT:** *Association Nationale Interprofessionnelle des Fruits et Légumes Transformés* (National Joint Trade Association of Fruit and Vegetable Processors – France)
- **CTCPA:** *Centre Technique Agro-alimentaire* (Agri-foods Technical Center – France)
- **ECOPAR:** *Compagnie Pour la Participation Éco-Emballages* (Eco-packaging Company – France)
- **ESI Reims:** *École Supérieure d'Ingénieur de Reims* (Reims Engineering School)
- **FIAC:** *Fédération Française des Industries d'Aliments Conservés* (French Preserved Food Industry Federation)
- **IAD:** *Institut de l'Agriculture Durable* (Institute for Sustainable Agriculture – France)
- **ICAM:** *Institut Catholique d'Arts et Métiers* (ICAM School of Engineering)
- **ILEC:** *Institut de Liaisons et d'Études des Industries de Consommation* (Institute for Consumption Industry Liaison and Research – France)
- **ISA:** *Institut d'enseignement Supérieur spécialisé dans l'Agriculture, l'agroalimentaire et l'environnement* (Higher Education Institute specializing in Agriculture, Agri-foods and the Environment – France)
- **ORSE:** *Observatoire de la Responsabilité Sociétale des Entreprises* (Corporate Social Responsibility Observatory – France)
- **PROFEL:** *Organisation européenne des industries transformatrices de fruits et légumes* (European Association of Fruit and Vegetable Processing Industries)
- **SFPPE:** *Syndicat des Fabricants de Fruits et Légumes Prêts à l'Emploi* (Union of Prepared Fruit and Vegetables Producers – France)
- **SYNAFAP:** *Syndicat des fabricants de produits traiteurs frais* (Union of Freshly Prepared Products Producers – France)
- **UNILET:** *Interprofession des légumes en conserve et surgelés* (Canned and Frozen Vegetables Joint Trade Association)
- **UPJV Amiens:** *Université de Picardie Jules Verne* (Picardy Jules Verne University)
- **UPPIA:** *Union Pour la Promotion des Industries Conserve Appertisé* (Union for the Promotion of Canned Foods – France)
- **UTC:** *Université de Technologie Compiègne* (Compiègne Technology University)

2.3 Environmental commitments

2.3.1 Supporting agriculture upstream

The environment is a core focus of the Bonduelle Group's sustainable development policy and concerns agricultural production, the preservation of natural resources and transport.

SUPPORTING AGRICULTURE UPSTREAM: A KEY PRIORITY FOR BONDUELLE

The aim of the Bonduelle Group is to produce healthy, high-quality vegetables which are accessible to the public and grown according to the values of respect for the land and the environment in general.

Bonduelle maintains close relations with its producer partners (3,500 grouped into producers' organizations) to guarantee the quality and yield required for its business and to encourage them to limit their impact on the environment.

Our partner producers supply 90% of the Group's vegetables. For other sources, the Group requires that its suppliers comply with all laws and regulations in force related to their activity and their professional environment (see page 51, Social Responsibility).

The rules and standards are set out in our sourcing charter, which all producer partners are required to sign. This charter is an exclusive contractual commitment covering the process from seed to harvest to ensure that Bonduelle's specifications are strictly adhered to, from selection of plots of land and seed selection to cultivation methods, etc.

87% of our producer partners have signed the sourcing charter, which was first launched in 1996. Revised in 2011-2012, the charter is testimony to Bonduelle's ongoing commitment to using environmentally-friendly farming techniques.

With its partners, Bonduelle has developed an organization which supports their work on a practical level.

To meet the needs and challenges of our countries and markets, the Group's agronomy organization is broken down by subsidiary, with each being responsible for their own agricultural policy. Their sales forecasts determine the activities of their agronomy departments for each business segment. The agronomy departments manage a range of issues, including: selection of the areas and amount of land to be sown, signature of contracts and relationships with Producers' Organizations, selection of varieties according to the sowing plan,

monitoring of crops and vegetable maturity, harvest date and choice of equipment to be used by specialist providers, and transport logistics to the plant. They are responsible for ensuring compliance with the specifications, before the vegetable preparation process. Our field supervisors are the link between Bonduelle and its producer partners and play a key role in ensuring application of Bonduelle's principles. Lastly, an international agronomy network, comprised of representatives from these departments, enables best agronomic practices to be shared across the Group.

PREVENTION AND SUPPORT

Monitoring crops and providing support for producers are key aspects of Bonduelle's agricultural policy, with prevention being viewed as key. By selecting the most suitable land for different vegetable varieties and regular crop rotation, we avoid exhausting the soil of nutrients, while promoting biodiversity and improving yields. The introduction in 2012 of geo-referencing of land is a major advantage, since it provides an "agronomy database" of cultivated areas (varieties, planting and harvesting dates, yield, qualitative analysis, etc.), aiding optimization of crops and soil from year to year. This initiative supplements the predictive testing method already in place to enable detection of diseases that could endanger seedlings, thereby reducing the risks of crop failure and waste of commodities (seeds, fertilizer and water etc.). According to the same principle of early detection, observation networks have been established to operate as early-warning systems if pests are detected. For example, in France, based on the information gathered, producer partners receive recommendations on the best techniques to use to control these risks. This initiative forms an integral part of the biological monitoring system established by the French Ministry of Agriculture, which has been run by industry professionals since 2010.

Controlling the use of plant-health products and reducing the treatment frequency index (TFI) also requires training in the application of pesticides, according to hygrometry, wind, pH and water hardness.

PROTECTING THE SOIL AND BIODIVERSITY

Soil protection and biodiversity are constant guiding principles of the Group's policies. For Bonduelle, the land is not merely a resource, but a habitat for living organisms which must be respected. We seek to optimize the protection of crops and aim to reduce pesticide use by 20% over three years.

SEED SELECTION

Optimum seed selection constitutes the genetic lever of Bonduelle's pesticide-reduction policy. The Group works with national and international seed producers to identify the varieties with the highest resistance to disease, water and climate stress using traditional cross-cultivation methods. Bonduelle also takes part in testing new varieties to measure their suitability and behavior in different geographies.

INNOVATION

New seeding techniques, alternative mechanical weeding methods, research on optimizing soil activity, testing the contribution of mushrooms or bacteria to stimulate plant root systems and protect against parasites, controlled irrigation through capacitive probes, etc. are just some of the many pilot projects run by Bonduelle to promote sustainable agriculture using natural techniques and control mechanisms that are as close as possible to those occurring naturally in nature. These projects are run in partnership with other institutions (see page 51 Social Responsibility)

INDICATORS

Biodiversity	Almost 500 vegetable varieties distributed in the Group's various ranges. 216 varietal collections enabled 818 plant varieties to be observed in 2011-2012
Agronomy personnel	283 employees
Sourcing charter	87% of farmers have signed
Farmer assessment	78% of farmers have been assessed
Soil analysis	89% of nitrogen fertilizers – calculated using the remainder method
Farming intensity	25.5 hectares of vegetables grown by each producer
Security network	131 trapping networks

2.3.2 Preservation of natural resources

The Rio conference in June 2012 stressed the need for a “green economy” to develop a sustainable world. Bonduelle's strategy for natural resources supports this vision. The Bonduelle Group's strategy aims to:

- ensure the broadest possible incorporation of environmental criteria in the processes involved in the design and production of our products and services;
- review consumption and production patterns and in particular, to withdraw from the use of fossil fuels in the coming decades;
- highlight renewable energies related to solar power;
- aim for high construction quality;
- recycle mineral and material commodities;
- return organic matter to the soil for agricultural land;
- test planning tools to incorporate collective targets, including reducing greenhouse gases and consumption of commodities.

MANAGEMENT OF NATURAL RESOURCES

In the area of natural resources, Bonduelle has long focused on networking and sharing information between its plants, subsidiaries and corporate functions to efficiently roll out its strategy, in line with the challenges facing our societies, and more specifically, with issues closely related to its activities, namely, increasingly scarce natural resources, rising prices, metrics to measure environmental impact, etc.

“Operating network” meetings are organized for this purpose on an annual basis. These intra-group meetings on energy and the environment provide the forum for sharing best practices and monitoring the roll-out of the Group's strategic priorities. The participants vary according to the topic being discussed, from equipment operators to subsidiary Technical directors.

Bonduelle's plant inspections take place according to a three-year cycle (18 sites were inspected in 2011-2012) and are carried out by the Group's experts. A shared benchmark is used to evaluate the performance of plant processes. These visits are also the opportunity to share best practices and to implement the Group's environment policy.

In addition, Bonduelle devised a two-year trial program of energy audits conducted by an external firm. This method is designed to provide an objective view of performance using a broader benchmarking system. It also allows new approaches to actions to be integrated, in line with local conditions, and aids decision-making

on research and/or future investments. This type of audit was carried out at eight pilot sites (in France, Germany and Italy) in 2011-2012. Two Hungarian plants will be audited during the next financial year. An internal audit report on this operation will be distributed to all companies in the Group.

Technical reference guides, dealing with cross-disciplinary technical problems and presenting the Group's recommended best practices (cooling water, lighting, heating, etc.), are also valuable assets in improving site performance. The process breaks down into four steps:

- creation of reference documents based on assessments at pilot sites;
- formulation of a self-assessment table to assist plants in targeting their efforts and measuring their performance relative to the ideal, with related training information;
- dissemination of information during network meetings and site visits and assistance with implementation at the production facilities;
- annual review at all sites.

This process was adopted in FY 2011-2012 to optimize management of cooling water and boilers at eight sites run by three of our subsidiaries. A collaborative IT platform will enable documents to be pooled.

Bonduelle also organizes technical training for its employees, similar to the thermal energy module which was first delivered on a pilot basis at the Renescure plant in France during 2011-2012.

- Thermal optimization of sterilization processes training: new module devised in 2011-2012 and tested during a pilot session with eight trainees. A schedule will be drawn up to deliver the module across the Group.
- Industrial cold optimization training – Frozen foods: module deployed since 2010: ten-person sessions

ENERGY EFFICIENCY: WATER AND ENERGY CONSUMPTION

2011 proved to be another difficult year in terms of agronomics, with an extremely early season in Europe and severe climate events in Canada. Globally, the Group's tonnage increased slightly (+3%) compared with the previous year. Site environmental performance was very positive in 2011-2012, rewarding the efforts made by our internal stakeholders (management, operatives, training, benchmarking and dialog) in the past eight years, even though our theoretical targets were not quite reached.

Bonduelle's performance and target reductions in energy consumption relative to metric ton produced for 2011-2012 are presented in the following table:

Change in electricity/heat/water consumption ratios, versus the previous year

Group	WATER m ³ per metric ton of manufactured product (TMP)	ENERGY		
		TOTAL Ratio kWh per TMP	ELECTRICITY kWh of electricity per TMP	HEAT kWh GCV of electricity per TMP
2011-2012 (excl. Italy)	12.3	901	343	558
2010-2011 (with Italy)	13.7	939	370	569
Change expressed adjusted for fluctuations in activity	-9.3%	-2.6%	-5.8%	-0.4%
Target	-3%	-5%	-5%	-5%

Taking historic consumption into account, we can quantify aggregate savings over six years (date of inclusion of Bonduelle North America in the Group's scope):

- 54,000 MWh of electricity saved over six years, equivalent to the annual consumption of some 6,900 French people (according to World Bank data on electricity consumption: 7.9 MWh per inhabitant per year);

- the equivalent of 132 GWhGCV of gas saved in six years, or 10,100 metric tons oil equivalent;
- 10,300,000 m³ of water saved in six years, equivalent to the annual consumption of almost 190,000 French people (French Sustainable Development General Commission 2011).

■ Focus on the performance of three production facilities over the five-year period from 2006-2007 to 2011-2012

Production facilities selected for their consistent tonnage over five years. Change expressed as an index

Segment	Fresh: Reutlingen, Germany		Canned: Nagykőrös, Hungary		Frozen: Ingersoll, Canada	
	2006-2007	2011-2012	2006-2007	2011-2012	2006-2007	2011-2012
TMP	1	1.17	1	0.98	1	1.14
m³ per TMP	1	0.53	1	0.6	1	1.18
kWh of electricity per TMP	1	0.63	1	0.63	1	0.96
kWh GCV per TMP	1	0.61	1	0.61	1	0.73

The Group set two energy-efficiency targets: to reduce energy consumption by 5% per year and its water consumption by 3% per year. One of the main methods of achieving its first objective is the extension of energy recovery from thermal processes to all facilities.

Since 2006-2007: investments totaling 1,940,000 euros in energy recovery equipment, i.e. 13% of the Bonduelle Group's total energy investment.

Replacement of tools and equipment with a view to low energy consumption is another vital part of the Group's environment policy, with a resulting improvement in the energy performance of cold rooms (negative temperatures).

Our total investment for the construction of the large-scale cold room (150,000 m³) in Estrées enabled us to meet the energy consumption target set for this leading-edge equipment. After one year of operation, the consumption ratio is more than 50% lower than the average for conventional cold rooms. Overall, the cumulative investment made under the plan for the monitoring of equipment and optimization of control of cold rooms introduced in 2006-2007, has enabled the Group to cut its ratio by 18% in 2010-2011.

Our drive for improved energy efficiency is also illustrated by the project undertaken in partnership with EDF Research & Development and the Center for Energy and Processes (CEP) of the *École des Mines de Paris* from 2009 to 2011. Supported by the French Environment and Energy Management Agency (ADEME), the 'frugal factory' initiative set out to analyze the Group's energy practices and procedures.

Based at three pilot sites representative of three technologies, the analysis identified proven technological solutions applicable to a specific operation and overall solutions that impact on a number of operations and are based on energy integration.

These findings were prioritized according to their technical and economic advantages, with benchmark action plans implemented in the pilot production facilities and subsequently rolled out in other Bonduelle facilities.

Specific developments are under way as a result of other, more complex, solutions to devise the operating rules and plan the investment budgets for their application. For example, to coincide with the installation of LED lighting to replace fluorescent strips, the Group conducted lighting audits analyzing the position of the fixtures relative to the ground to ensure compliance with lighting regulations.

Bonduelle's corporate functions (Purchasing/Energy) also inventoried supplier offers, and simultaneously analyzed a range of technology-performance-consumption-cost criteria. Based on their findings, they issued "the right light in the right place" recommendations for canned food stores, negative-temperature cold rooms and positive-temperature cold stores. The scope of the analysis was international (11 countries) and spanned seven global suppliers.

Lastly, a number of solutions identified represent technological breakthroughs based on new concepts, with three research programs initiated as a result for 2012-2013, known as "Frugal Factory – phase 2".

In addition to the actions undertaken in the context of the Frugal Factory initiative, Bonduelle also finalized another project to improve waste quality in 2011-2012. Two natural gas boilers (replacing fuel oil boilers) were installed at the Saint-Denis site in Canada, delivering 10% more energy efficiency, cleaner discharge into the environment, and a reduction in combustion emissions of 3,500 MTCO₂e (metric ton carbon dioxide equivalent) per year.

A pilot program to map water consumption is also under way at the Canadian Saint-Denis site to pave the way for further optimization and new recycling initiatives. This plan is part of a Quebec program run by the CTAC (Agri-food Processing and Consumer Product Council) to optimize the use of water in agri-food processes. Five industry partners have teamed up for the program, together with the

engineering and consultancy firm, Axor. The two-year program has a number of major challenges in its sights:

- identify water-treatment technologies to reduce consumption by 25%;
- draw up a program to test the best available technologies;
- analyze the regulatory changes required to adapt to the realities of both the industry and technology, in partnership with the Canadian Food Inspection Agency.

A similar internal program was launched in Santarém, Portugal, using mapping to identify and prioritize ways of reducing water consumption at source, examining process, washing and re-use.

The findings of these studies will be distributed within the Group and the methodology may be used on a voluntary basis by new sites.

REDUCE CONSUMPTION OF VIRGIN RESOURCES AND DEVELOP RENEWABLE ENERGIES

Excellent performance in 2011-2012:

- the Group's water consumption stands at 12, 215, 056 m³, i.e. a ratio of 12.3 m³/TMP, a reduction of 9.3% in one year (based on data adjusted for variations in activity). We have significantly outperformed our target reduction of 3% versus 2010-2011;
- compared with 2010-2011, the drive to cut consumption saved almost 2,000,000 m³ (the annual consumption of a town of 36,000 people);
- three-quarters of the water supplied to our plants is from private wells, with the remainder sourced from the urban drinking water system;
- over three years, we invested in excess of 1,000,000 euros to improve the Group's water supply in Hungary, Poland and Quebec.

Optimization of packaging and logistics is also under way, in the context of our networking initiatives. Actions undertaken in the frozen food segment yielded a net improvement in secondary packaging methods using specialized tools for more efficient fill. The process generated savings of 155 metric tons of cardboard in France and is being extended to other Group locations. We reduced the area of film per package by 11% by reducing the dimensions of some products packed in pouches.

The Group's efforts to reduce the environmental impact of canned food packaging has been extended to all packaging methods, especially batch wrapping and unitization, with potential savings of some 90 metric tons annually. Our program to reduce the thickness of metal cans in place for the past two years saved 500 tons of metal per year in Europe.

At the same time, the Group is in the process of integrating environmental criteria into its product design framework. Packaging represents a key priority in this regard. The Group has established metrics to monitor progress as part of this initiative. Our aim is to use the appropriate packaging and the right amount of material, while also guaranteeing and protecting the safety and quality of the product. Bonduelle constantly monitors packaging developments with a view to the use of bio-based substitutes in its packaging.

Recycling of **industrial waste** is another key priority, with a target recycling rate of 75%, to be achieved by selective sorting at source and a specific sourcing policy.

In 2011-2012, the Group produced 35,502 metric tons of ordinary industrial waste, equating to a ratio of waste generated per metric ton of manufactured product of 35.8 kg, a reduction of 6% compared with the previous year.

Energy or materials recovery accounted for 73% (76% in 2010-2011) of the tonnage produced, with the remaining 27% going to landfill.

The shortfall against target will be covered by energy recovery or reuse of 700 metric tons of ordinary industrial waste. Our production facilities worldwide must continue campaigns to raise employees' awareness and improve the efficiency of sorting at source, either internally or by subcontractors.

One of the key points is the recycling rate and the improvement in the rate of recycling for controlling overall plant operating costs.

The target for energy recovery from waste for FY 2012-2013 has been raised to 80% of the total ordinary industrial waste generated.

In 2011-2012, the Group generated 239 metric tons of special industrial waste (i.e. 0.24 kg/TMP), disposed of through a specialized waste management provider. The scheduling of disposal operations explains the annual variations in the ratio and tonnage produced (228 metric tons and 0.23 kg/TMP).

Bonduelle's activities generated 443,697 gross metric tons of organic by-products (vegetable or mushroom) in 2011-2012, equating to a ratio of 448 kg plant matter (PM) per TMP, remaining stable compared with the previous year (444 kg PM/TMP).

In 2011-2012, 95% of this tonnage was reused for animal feed, methanation or standardized composting products (NF 44-051) in 2011-2012. Other agricultural uses accounted for the remaining 5%.

Reducing energy consumption is a major focus of the Group's environment policy, but the development of **renewable energy sources** is another path leading to sustainable development. Accordingly, we are planning projects to reduce dependence on fossil fuels, such as co-generating and methanation, since Bonduelle has substantial organic matter at its disposal.

Bonduelle's sizable organic resources include good methanogenic power capacity and total solids of some 10%, which is suitable for combined methanation with agricultural by-products. Without investing directly, the Group supports the development of projects locally linked to the agricultural sector, supplying by-products on a long-term basis, especially to the sites at Tecumseh (Canada, active since 2011 in cooperation with SEACLIFF ENERGY) and Bordères (France, commissioning scheduled for 2015).

The Group is continuing its initiatives to produce and recover biogas from the treatment of its biodegradable effluent. The Nagykőrös plant in Hungary is the first to operate on-site energy recovery from biogas in 2012. Three other plants are expected to adopt the same process of consuming self-produced biogas by 2015.

The current volume of biogas produced in the digesters at biological treatment plants represents a potential 6,000 metric tons oil equivalent.

EFFLUENT TREATMENT AND LOCAL INTEGRATION

Investment to improve wastewater treatment facilities

Over six years, the Group has invested more than 19 million euros in equipment for the treatment of effluent from all its production facilities;

- 18 plants have their own independent treatment facilities – > four were built or refurbished over the past five years;
- ten production facilities use urban wastewater management infrastructures;
- five production facilities have an agricultural wastewater recycling system, after physical or biological treatment.

Almost 11.4 million m³ of water is discharged by Bonduelle. The Group's Environment Department rigorously control and monitor the quality of plant effluent:

- 89% of wastewater transits through urban wastewater plants or a Bonduelle treatment plant;
- 8% of effluent is treated using agronomic methods (fertigation, spreading);
- 3% of effluent is good quality and is returned directly to the natural environment.

In parallel, production facilities are engaged in developing green techniques to reduce the organic load (COD) in the effluent treated in the wastewater treatment plants. These solutions generally require technical adjustments if the upstream agricultural sector is compatible or if the collection of loaded flows is clearly limited:

In 2011-2012, effluent generated from industrial activities represented approximately 19,000 metric tons of biochemical oxygen demand (BOD). 99.6% of effluent is treated through operating processed controlled by Bonduelle.

Wastewater treatment generated almost 5,250 metric tons of biological sludge dry matter in 2011-2012. The sludge is used for controlled agricultural spreading, compost or methanation. In a drive to reduce the organic load of effluent at source and thereby reduce waste treatment downstream, production facilities are developing a range of actions.

Integration of facilities into the local environment is a keen concern for all our production facilities. Bonduelle deals with occasional olfactory nuisance on a case-by-case basis, and had developed a range of specific solutions, such as improved aeration of storage and treatment facilities and misting equipment for storage lagoons.

A new priority aimed at reducing chemical products used in water treatment and their discharge into the natural environment has emerged in line with European environmental protection and public health regulations. Accordingly, Bonduelle is improving the reliability of its technical wastewater treatment methods and is working on the reduction or replacement of chemical products at source.

MEASURE, KNOW, ACT, REDUCE

To ensure consumers receive reliable environmental information and to counter unfounded allegations, Bonduelle has actively participated in the projects initiated by the Ministry of the Environment since 2011 to measure environmental impacts. Hence, the Group measured the impact of a family-size can (850 ml) of extra-fine peas, in juice. The findings were: 94 g CO₂ equivalent of greenhouse gas emissions per 100 g net drained weight over the product's entire life cycle; water consumption is 0.9 liters per 100 g net drained weight. Water is calculated based on washing the vegetable and filling the can, in the absence of an established methodology and database.

Following this initial experiment, Bonduelle has embarked on measuring the environmental impacts of the Group as a whole.

The first stage in assessing the environmental impact of our activity (Bonduelle's greenhouse gas emissions and water consumption 2011-2012) was to map the initial data. Data collection is based on life cycle assessment, as described in ISO 14040.

60 employees were mobilized for this stage alone across all our departments and locations for a period of six months, working on:

- dividing stages of the life cycle into standardized sectors (activity or geographical);
- presenting the project to stakeholders;
- establishing data-collection records.

The data was processed taking the international nature of the business into account and based on a number of authoritative databases in France and internationally (ADEME in France and ECONIVENT). It is planned to present detailed results to stakeholders in 2012-2013. This voluntary Group process has provided us with a database and skills sets specific to the "vegetable processing business".

Performance:

Net greenhouse gas emissions for 2011-2012 are estimated in the range 1,800,000 MTCO₂ e, +/-600,000, equivalent to the annual emissions of about 200,000 Europeans (ADEME – 8.8 MTCO₂/Western European/year).

The stages in the life cycle analysis are as follows:

- cultivated and purchased food commodities: emissions for production, growing and supply to our production facilities: 45%;
- non-food commodities, such as packaging: emissions for production, supply, end-of-life and avoided through re-use: 36%;
- industrial processing: direct and indirect energy emissions relating to scope 1 and 2 GHG emissions, and emissions from the treatment of ordinary industrial waste: 10%;
- transport of intermediate and finished products: emissions generated by inter-site flows and customer deliveries to the distributor's warehouse: 8%;
- transport of employees and work-related travel: 1%.

Note that sorting of industrial waste represents almost 4% of total gross emissions.

Water consumption for 2011-2012 is estimated at 70,000,000 to 105,000,000 m³ per year.

The breakdown is as follows:

- agricultural production (for food crops): 62%;
- manufacture of non-food materials, such as packaging: 23%;
- industrial processing: 15%.

The impact mapping will be presented to all the Group's stakeholders to be used in a major awareness campaign and to form the basis of improvement plans.

Our action programs **anticipate emerging requirements** of societies worldwide, making use of simulation tools to analyze a range of tax, regulatory and marketing scenarios:

- calculating mass emissions independently of energy performance, in the context of the Grenelle environment law in France, which requires companies to provide a scope 3 GHG inventory for its activities by 2015;
- meeting the needs of the national initiative in France to inform consumers about the environmental impacts of consumer products through environmental labeling. Bonduelle is one of the volunteer companies in this pilot program as a member of ADEPALE;

- providing a working tool to classify products in terms of the environmental impact from GHG emissions and water consumption, to provide additional knowledge for design changes to minimize these impacts.

Through these actions, the Bonduelle Group has established contact with a range of external bodies providing benchmarks: regulatory authorities (ANIA, local and international trade federations), leading international environmental impact assessment companies, researchers and international specialists in assessment methods and customer requirements.

INDICATORS

The indicators below were prepared in accordance with our reporting framework, whose main components are summarized in the Methodology note on page 57 of this report

TMP (metric tons):	991,463 metric tons TMP
Water consumption:	12,215,056 m ³ ✓ consumed, i.e. 12.3 m ³ per metric ton of manufactured product
Water sourcing	9,259,339 m ³ of well water 2,903,957 m ³ of urban water 51,760 m ³ of suAFRce water
Energy consumption	3,095,342 gigajoules (GJ) overall consumption Electricity: 1,226,234 GJ ✓ Natural gas: 1,612,125 GJ ✓ Fuel (very low sulfur content): 168,475 GJ Propane: 36,091 GJ LPG: 4,603 GJ Domestic fuel oil: 29,778 GJ Biomass: 18,036 GJ Electricity consumption by country: 60% France 27% Canada 4% Portugal 4% Poland 2% Hungary 2% Germany 1% Russia 0.3% Brazil
Production of ordinary waste	35,502 metric tons ✓, or 35.8 kg per metric ton of products manufactured
	Treatment: Low-impact landfill site: 27% Energy recovery: 4% Recycling: 69%

✓ This indicator has been verified by the Deloitte company, see page 59 of the 2011-2012 registration document.

Production of special waste	239 metric tons ✓, or 0.24 kg per metric ton of products manufactured
Production of green waste	443,697 metric tons ✓, or 448 kg per metric ton of products manufactured
	Use:
	Agricultural spreading: 3%
	Animal feed: 76%
	Energy recovery: 1%
	Marketable product: 18%
	Other (compost): 2%
Pollution discharge	Breakdown of treatment in m³:
	89% m³ discharged to treatment plant
	7% m³ discharged for spreading after pretreatment
	1% m³ discharged directly for spreading on crops
	3% m³ discharged as clean effluent
	Discharge of pollutants and proportion treated:
	18,747 metric tons biochemical oxygen demand (BOD) produced at industrial sites (calculated based on estimates)
	95% of BOD treated at Bonduelle treatment facilities
	2% of BOD treated by the soil and plant cover (controlled agricultural spreading)
	2% of BOD treated at external treatment facilities
	0.4% discharged into the natural environment in compliance with regulations
Biosolids	Production of 5,244 metric tons of dry biological sludge
	Production of 1,543,320 Nm³ of biogas
Packaging	145,220 metric tons
	Breakdown by type of material:
	Glass jars: 9.6%
	Metal cans: 58.4%
	Plastic film: 8.6%
	Cardboard boxes: 17.4%
	Plastic trays: 1.7%
	Lids: 3.0%
	Labels and other: 1.4%
Expenditure for minimizing the impact of activities on the environment	Wastewater and sludge treatment: €2,077,414
	Industrial and green waste: €262,650
	Air and energy: €3,572,954
Greenhouse gas emissions	41,567 MTCO ₂ e from indirect emissions (purchase of electricity)
	153,149 MTCO ₂ e from direct emissions (purchase of fossil energy, biomass, refrigerant fluid leaks)
Emissions of ozone depleting gas	2,197 MTCO ₂ e for R22, R134A, R404A and R422A

✓ This indicator has been verified by the Deloitte company, see page 59 of the 2011-2012 registration document.

■ EU GREENHOUSE GAS EMISSION QUOTAS

Directive 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading within the European Community applies to the Bonduelle Group in respect of four sites: Estrées, Vault, Renescure and Russ.

The quota allocation for the 2008-2012 period is 355,115 MTCO₂ e.

Annual emissions in the period were:

2008 = 49,460 MTCO₂ e;

2009 = 43,473 MTCO₂ e;

2010 = 45,566 MTCO₂ e;

2011 = 47,045 MTCO₂ e;

2.3.3 Optimizing transport

Transporting vegetables to production facilities and finished products to distribution points is central to Bonduelle's business. The Group is implementing a wide range of projects to optimize flows and reduce the environmental impacts of transport and minimize greenhouse gas emissions.

Since transport is a particular focus for Bonduelle, it has formed a Transport and Sustainable Development Committee to monitor strategy in this area. The members of the Committee include international representatives from sales and marketing, production facilities' logistics, supply chain, and central Purchasing Departments, as well as sustainable development officers. The Committee is responsible for legislative intelligence in the sector, monitoring the progress of the French Environment Round Table (Grenelle de l'environnement), and researching long-term solutions to minimize the environmental impact of transport flows.

It has always been Bonduelle's policy to locate production facilities close to agricultural production areas with a view to optimizing product quality, allowing crops to ripen to maturity and reducing the time between harvest and processing. The selection criteria for crop-growing areas comprise soil and regional climate, but also proximity to markets. Careful location of production facilities not only minimizes the distance traveled by Bonduelle's products, but also promotes the development of local economies.

Bonduelle goes further and continually looks for new ways to optimize the transport of its products and supplies.

One possibility being examined is the creation of larger-scale storage infrastructures. Logistics sites are also organized by geographical area and are responsible for selecting carriers for distribution to customers according to the most appropriate transport options.

In 2008, the Group initiated a program of measuring CO₂ emissions at its Bonduelle Conserve International subsidiary (BCI) to identify opportunities for improvement and ways of minimizing our carbon footprint. This pioneering measurement program for the agri-food sector is based on the calculation method devised by the ADEME (French Environment and Energy Management Agency) and approved by an independent firm of experts, Bio Intelligence Service.

Initially launched for product flows between BCI's French production facilities and logistic centers, the emissions measurement program was subsequently extended to all countries in Europe to which finished products are delivered. Progress was achieved by using combined rail-road transport, especially between production facilities located in the South-West and North-Picardy areas of France. Combined rail-road transport is used for routes between North-Picardy and South-East France and Italy, as well as for flows from Hungary to Germany.

As part of its policy of continuous improvement, Bonduelle extended implementation of these metrics to its other specialist subsidiaries in 2011-2012 to cover all product segments (frozen, fresh and prepared foods), with the new collaborative e-space platform used to present results and initiatives and share best practices. The use of combined rail-road transport has been increased (for the Hungary-France and Hungary-Belgium routes, for example) to improve our environmental performance. In this way, the subsidiary Bonduelle Conserve International succeeded in saving 2,203 MTCO₂e in 2011-2012.

The Group has also arranged with its incumbent transport services providers for the deployment of 44-metric ton loads for all inter-site road flows in France, following official approval of the change in France in 2011, which is intended to substantially reduce the number of trucks on the road.

Other improvements were also initiated in 2011-2012: investments in new cold rooms (Estrées, Santarèm, Labenne, etc.) to increase storage volume and reduce traffic between supplier sites; roll-out of geo-referencing of land parcels to optimize organization of harvests and related transport modes, load-sharing with industrial partners, and optimization and reduction of packaging. Lastly, the Group is continuing to research alternatives to road, including for example sea transport to Spain from Northern France.

INDICATORS

CO ₂ emissions (metric tons)	Upstream agricultural transport, 11,920 metric tons CO ₂ equivalent (MTCO ₂ e)
	Distribution, 63,731 MTCO ₂ e
	Inter-site, 18,231 MTCO ₂ e
	i.e. 93,882 MTCO ₂ e (excl. Canada)
Ratio of kg of CO ₂ /metric ton	Upstream agriculture, 17 kg CO ₂ emitted/metric ton transported
	Distribution, 69 kg CO ₂ emitted/metric ton transported
	Inter-site, 21 kg CO ₂ emitted/metric ton transported

2.4 Commitments to social responsibility and civil society

2.4.1 Social responsibility

Social dialog, working conditions, training, diversity and health and safety are all central concerns of the Bonduelle Group's human resources policy, which places people at the heart of our corporate plan.

The Group's HR policy is built on our seven core values: placing people first, integrity, trust, excellence, equity, openness and simplicity. Human resources established six priorities for 2011-2012: safety at work was a primary focus with the establishment of a global safety network, but also training, equal opportunities, employment of older workers, career development and remuneration.

Bonduelle employs 8,971 people (full-time equivalent), 6,449 ✓ of which are permanent positions. 23% of our workforce is outside Europe, 20.6% in Europe (outside France) and 56.4% in France.

(See breakdown at the end of the Section.)

ORGANIZATION

Bonduelle's HR policy is led by our Group Human Resources director. A member of the Global Executive Committee, the director participates in and contributes to all the Group's strategic decisions. He is assisted by a team with four areas of responsibility:

- career development and coordination with the HR Departments of the European units (outside France);
- compensation and relations with the HR Departments of units located outside Europe (Bonduelle North America and Bonduelle Development);

- Group labor relations and human resources in France;
- worldwide human resources communications.

The Group's Human Resources Division team meets with all the HR teams from across the organization during an international seminar, organized at least twice a year. Bonduelle's global human resources strategy is presented and proposals for new actions from across all our locations are discussed and considered. Policy is then approved by the Global Executive Committee and applied in each country, where the HR team leads a team of dedicated human resources officers in each subsidiary.

HEALTH AND SAFETY

Each and every person working for or with Bonduelle has the right to a healthy and safe working environment, ensuring their physical, mental and social wellbeing. Bonduelle is committed to maintaining working conditions at the highest standards by developing policies to prevent negative impacts on health and working conditions.

In November 2011, the Group undertook a review of its safety organization to redefine responsibilities at all levels of the structure, and launched a large-scale awareness campaign on this vital issue at all its sites worldwide.

We have established a more robust reporting system with safety included as a mandatory point on the agenda for weekly production facility Management Committee meetings, for monthly meetings between the Industrial directors of each subsidiary and Production Facility directors, and for the quarterly meetings between subsidiaries' general management and country Managers.

✓ This indicator has been verified by the Deloitte company, see page 59 of the 2011-2012 registration document.

To intensify employees' commitment to safety, 10%-40% of the amount of variable compensation for operating personnel is now linked to their safety performance.

In addition, a safety network was created in May 2012 with site and subsidiary representatives. The network's purpose is to exchange best practices, set priorities for action programs and investments and prepare monthly reports.

As a result of this new approach, Bonduelle has already recorded significant progress since the accident frequency rate fell from 24.4 in 2010-2011 to 18.76 ✓ in 2011-2012.

SOCIAL DIALOG

In accordance with its ethics charter which is currently being rolled out across the Group, Bonduelle promotes openness and dialog in its internal relations. The Group respects the right of its employees to form or join the representative organization of their choice, including trade unions and workers' organizations, and to be able to participate in collective bargaining negotiations. Bonduelle respects the role and responsibilities of the social partners and is committed to negotiating issues of collective interest with them.

The European Works Council (EWC) meets at least once a year for a presentation on the Group's strategic guidelines and a report on the financial year just ended in Europe and other countries in which Bonduelle is present. The French Group Works Council is the representative body for Bonduelle's five product segments in France (canned, frozen and fresh products and prepared foods), and meets three times a year.

The Group Works Council provides French employee representative bodies (56.4% of the workforce) with additional information, above and beyond its legal obligations, on Bonduelle's activities in Europe and elsewhere.

The dynamic of social dialog in the Bonduelle Group was illustrated in 2011-2012 by the signature of a number of different agreements and amendments:

- amendment to the strategic workforce planning (GPEC) agreement;
- amendment to the agreement on older workers;
- amendment to the working conditions agreement;
- gender equality agreement;
- workplace stress agreement;
- "Handipol 3" (disability) agreement.

These agreements reflect the Group's HR policies. For example, Bonduelle increased the percentage of disabled employees from 7.76% in 2010-2011 to 10.65% in 2011-2012.

WORKING CONDITIONS

The objective of the workplace stress agreement negotiated with the social partners in June 2012 is to protect all employees from stress in their jobs (physical stress, aggressive environment, pace of work). It sets four guidelines: reducing exposure of employees to multiple risk factors, adapting and fitting workstations, improving overall working conditions and acting to reduce sources of stress, stress-prevention and training. This last priority is in turn broken down into four points: training to increase awareness of specific risks, inclusion of prevention modules in technical training, increasing awareness amongst supervisory personnel, and campaigns to raise the professional standards of employees working at stressful jobs.

Bonduelle intends to dedicate 10% of its training budget in France to safety – stress in order to reach these objectives. The three-year agreement provides for one or two annual monitoring meetings with a report on the outcomes of actions, as well as consultation on the basis of the report prepared by the Health, Safety and Working Conditions Committee at each site.

The amendment to the working conditions agreement reinforces awareness and understanding of workplace stress and psychosocial risks by the Company, employees and representatives, by anticipating risks that may arise in specific situations related to work organization (substantial changes to health and safety conditions, introduction of new technologies, etc.) and by providing employees with a framework to detect, prevent and deal with possible cases of workplace stress.

These agreements continue Bonduelle's long tradition of initiatives in this area, including specific actions aimed at seasonal workers. The very nature of its business and the rhythm dictated by the harvests mean that the Bonduelle Group employs a large number of seasonal workers. Seasonal employment accounts for close to 24% of all Bonduelle Group's contracts (full-time equivalent). We develop loyalty through a competitive remuneration policy and employment contracts by type of harvest, affording them work that is compatible with other seasonal employment. At some sites, Bonduelle works with employer groupings to pool skills, provide regular seasonal work and offer specific training, such as a fork-lift truck operator qualification. Another aspect of this policy, in the United States and Canada, is the provision of accommodation for personnel, making good quality accommodation available at no cost.

Depending on the employment areas in which its sites are located, Bonduelle focuses on local employment or opportunities for people from areas with few economic prospects.

✓ This indicator has been verified by the Deloitte company, see page 59 of the 2011-2012 registration document.

TRAINING

Employee training is very important for Bonduelle and central to its Human Resources policy. There were four priority areas in 2011-2012: supporting and improving safety across all its activities, capitalizing on skills, enhancing knowledge of and integration in the Group, and developing new talent. The training rate stands at 1.76% (training expenditure as a percentage of payroll) and the average training duration per person is 14.98 hours.

Launched in 2002, the Group's university, the Pierre et Benoît Bonduelle Training Institute (IPB), was set up to accelerate skills development and the Group's human dimension. It is intended to benefit all personnel.

The institute works to achieve three objectives:

- share the Company's values and culture, for example, by organizing "Know your company" seminars and language immersion programs to help new hires to integrate in the Group's culture;
- develop know-how and expertise specific to the Group's business segments, such as seaming techniques training modules for the Group's canned food facilities;
- develop relationship and managerial skills. The most recent program developed by the institute, the Bonduelle Executive Program, trains Managers to detect and develop new talent in the Company to prepare for the managerial organization of the future.

The amendment to the strategic workforce planning agreement (GPEC), signed in 2008 and extended at the end of 2011, provides for assessing foreseeable developments in jobs and the employment market in relation to the Company's needs, and to promote awareness of this agreement with the aim of informing employees and building accountability throughout the organization. It plays a role in guiding a number of training actions by identifying:

- the need for more personnel, anticipating requirements in terms of training, retraining, recruitment, etc.;
- declining workforce needs, in addition to natural attrition (jobs under threat), requiring advance reconversion and training actions, etc.;
- stable workforce needs, but with a substantial rate of natural attrition requiring corrective measures to guarantee availability of key resources and skills;
- significant changes to content that call for new skills and appropriate training policies.

The Group has set the following guidelines for its training policy for 2012-2013 to support its overall human resources strategy:

- corporate culture: develop management skills, implement and share values, integrate and support employee development;
- business expertise: capitalize on and develop core skills (agronomy, industry, quality, supply chain, etc.) and emerging skills (marketing, sales, product innovations, etc.);
- social responsibility: improve safety and security at work, improve employability.

DIVERSITY

Employee diversity is important for Bonduelle. It is committed to eliminating all forms of discrimination in the workplace and in employee relations, both direct and indirect. The Group was not convicted of any type of discrimination in 2011-2012. This anti-discrimination policy applies to all stages of employment, from hiring through an entire career. It is underpinned by programs to promote diversity. The Group signed a gender equality agreement in 2011-2012, concentrating on four main areas:

- recruitment;
- working conditions;
- actual remuneration;
- balance between work and family responsibilities.

Bonduelle launched an action plan along with this agreement to:

- forge partnerships with schools and/or approved training centers to encourage job applications;
- produce three guides and a film presenting careers in the Company;
- organize an open day at four industrial sites, targeting students;
- analyze job requirements with a view to adapting job frameworks and training;
- analyze training actions required before employees return to work after taking parental leave.

2011-2012 also saw a further increase in the number of women in management, notably the appointment of a female director to head up one of the Group's largest production sites at Renescure in Northern France, and female Chief Financial Officers in Poland and Spain. These three appointments illustrate the Group's willingness to further women's' careers and confirm its commitment to gender equality in the workplace.

Another highlight of the past year for the Group's promotion of diversity was the signature of the disability agreement, "Handipol 3", intended to embed existing programs in the Company and promote

new awareness actions and the involvement of all employees. The Group is committed to:

- increase the percentage of disabled workers to 6% or higher. In 2011-2012, the rate was 10.65%;
- provide each subsidiary with the appropriate objectives and resources in this area;
- adopt forward planning measures to deal with possible aptitude issues with a view to promoting long-term employment;
- take into account the consequences of an aging population at the Group's sites.

The Bonduelle Group has embarked on numerous initiatives to support its disability policy:

- creation of the Disability Mission in the HR Department in France, with a pilot unit in each facility and a Group-wide joint monitoring committee;
- creation of a "Handipol 3" coordinator;
- organization of information and awareness-building campaigns for employees with a disability rating of 10% or more;
- regular communication on actions through the Company newsletter and the Intranet;
- recruitment on permanent contracts of at least ten employees with a disability at the end of the agreement's term;
- opening up of all accessible positions to people with disabilities;
- possible tutoring with the agreement of the disabled employee;
- training and raising awareness amongst those directly involved in disability policy on the specific needs of employing people with disabilities;
- developing a program for trainees from the sheltered employment sector.

In addition, Bonduelle signed an amendment to the 2009 agreement with the social partners on the employment of older workers highlighting three key principles: forward career planning, development of skills and qualifications and access to training, dissemination of knowledge and skills and the development of

coaching. Under this agreement, the percentage of older workers over 55 employed by the Group is expected to exceed 11% by December 31, 2012.

HUMAN RIGHTS

Bonduelle complies with international labor laws. The Group lays particular emphasis on respecting and promoting the seven fundamental conventions of the International Labor Organization: the elimination of discrimination in respect of employment and occupation, freedom of association and the recognition of the right to collective bargaining, the effective abolition of child labor, and the elimination of forced or compulsory labor. It is also committed to respecting the European charter of Fundamental Rights in the organization.

In the framework of its ethics charter, published in 2012, Bonduelle requires all employees, suppliers and subcontractors to strictly adhere to all laws regulating their activities and working environment. We encourage our subcontractors and suppliers to commit to ethical conduct.

Bonduelle has been a member of the Global Compact since 2003. This United Nations initiative launched in 2000 encourages companies to adopt fundamental values according to ten universal principles derived from the Universal Declaration of Human Rights, the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on the Environment and Development, and the United Nations Convention Against Corruption.

INDICATORS

The indicators below were prepared in accordance with our reporting framework, whose main components are summarized in the Methodology note on page 57 of this report

TOTAL EMPLOYEES

- 6,449 permanent staff ✓
- 8,971 employees on long-term, short-term, and seasonal contracts (full-time equivalent)

Total employees by type of employment contract and geographical area (full-time equivalent)

	France	Europe excl. France	Outside Europe	Total
Permanent	3,879.69	1,231.35	1,251.52	6,362.57
Non-Permanent	296.11	118.85	46.93	461.89
Seasonal	829.64	496.54	766.46	2,092.64
Other	45.54	6.7	1.53	53.77

✓ This indicator has been verified by the Deloitte company, see page 59 of the 2011-2012 registration document.

■ Total employees by gender, status and geographical area (permanent staff)

	France	Europe excl. France	Outside Europe	Total
Women	1,662	527	472	2,661
Men	2,249	744	795	3,788
Executive	729	280	112	1,121
Non-Executive	3,182	991	1,155	5,328

Seniority (permanent staff):

- 0 to 3 years: 1,082;
- 3 to 9 years: 1,534;
- 9 years: 3,833.

Average seniority: 14.99.

New hires, in number of contracts:

- Long-term: 459 ✓;
- Short-term: 940 ✓;
- Seasonal: 6,316.

Proportion of disabled workers: 10.65%.

TURNOVER

Group turnover: 10.75%

■ Turnover by contract

		France	Europe (excl. France)	Outside Europe	Total
FTE employees	Permanent	3,879.69	1,231.35	1,251.52	6,362.57
	Non-permanent	296.11	118.82	46.96	461.89
	Seasonal	829.64	496.54	766.46	2,092.64
	Other	45.54	6.70	1.53	53.77
	Total	5,050.98	1,853.41	2,066.47	8,970.86
Executive	Due to layoff – Executive	8	12	6	26
	Due to a death, retirement, agreed departure, etc. – Executive	22	6	2	30
	Due to the employee (resignation, end of probationary period, etc.) – Executive	18	12	4	34
Non-executive	Due to layoff – Non-executive	92	83	55	230
	Due to a death, retirement, agreed departure, etc. – Non-executive	70	89	10	169
	Due to the employee (resignation, end of probationary period, etc.) – Non-executive	327	57	91	475
TURNOVER		10.63%	13.97%	8.13%	10.75%

✓ This indicator has been verified by the Deloitte company, see page 59 of the 2011-2012 registration document.

■ Turnover by gender

	France	Europe (excl. France)	Outside Europe	Total
Departures – Men	305	145	108	558
Departures – Women	232	114	60	406
Turnover – Men	6.04%	7.82%	5.23%	6.22%
Turnover – Women	4.59%	6.15%	2.90%	4.53%

■ Turnover by age

	France	Europe (excl. France)	Outside Europe	Total
Departures under 26	159	53	34	246
Departures 26-35	116	76	35	227
Departures 36-45	85	72	38	195
Departures 46-49	24	14	21	59
Departures over 50	153	44	40	237

TRAINING

- % of gross payroll 1.76%.
- Number of training hours: 144,639 ✓.
- Average training duration per individual: 14.98 hours.
- Breakdown of training by gender: 38.08% women and 61.92% men.

SAFETY CONDITIONS

- Work-related accident rate: 18.76.
- Work-related accident severity rate: 1.64.

■ Breakdown of work-related accidents

Geographical area	Gender	No. of accidents at work with stoppage	Frequency rate	No. days lost due to work-related accidents (WRA)	Severity rate (WRA)	No. days lost due to work-related illness (WRI)	Severity rate (WRI)	Hours worked	Ab-senteeism rate
Outside Europe	F	14	9.97	601	0.43	0	0.00	1,404,893	NA
	M	22	9.96	924	0.42	0	0.00	2,209,477	NA
Total outside Europe		36	9.96	1,525	0.42	0	0.00	3,614,370	NA
Europe	F	32	22.98	742	0.53	0	0.00	1,392,723	4.51%
	M	31	16.58	494	0.26	0	0.00	1,869,920	2.51%
Total Europe		63	19.31	1,236	0.38	0	0.00	3,262,643	3.36%
France	F	74	21.15	4,404	1.28	9,696	2.81	3,452,201	6.80%
	M	110	22.71	6,015	1.27	1,806	0.38	4,754,841	4.11%
Total France		184	22.42	10,419	1.27	11,502	1.40	8,207,042	5.28%
SUMMARY		283 ✓	18.76 ✓	13,180	0.87	11,502	0.76	15,084,055 ✓	4.42%

✓ This indicator has been verified by the Deloitte company, see page 59 of the 2011-2012 registration document.

DEPARTURES AND TRANSFERS

Departures: 964 ✓.

Resignations: 509 ✓.

Layoffs: 256 ✓.

Transfer to another Group company: 59 ✓.

INDUSTRIAL RESTRUCTURING

Staff affected by industrial restructuring plans who have received outplacement support: 19.

ORGANIZATION OF WORKING HOURS

Number of hours worked: 15,084,055 ✓.

Absenteeism rate: 4.42% (excl. Canada).

REMUNERATION AND DEVELOPMENT

Amount of remuneration paid (long-term, short-term and seasonal contracts): 234,819,248 euros.

Percentage of employees with whom performance evaluation and career development interviews were held: 82.02%.

Gender breakdown of the employees with whom performance evaluation and career development interviews were held: 86.29% of women and 79.81% of men.

2.4.2 Commitment to civil society

The Bonduelle Group's commitment to society is illustrated by its involvement in the value chain: sourcing policy, training and awareness-building incorporating environmental and social criteria.

PURCHASING POLICY

Bonduelle places strong emphasis on its founding values of equity, excellence and openness during its purchases of supplies (metal cans, cardboard boxes and packing wrap, vegetables and ingredients used in its recipes and not grown or produced by the Group, energy, animal products, advertising and communication, seeds, etc.) as well as for vegetables grown by our producer partners (3,500, grouped into producer organizations), who are signatories of a particularly rigorous sourcing charter.

Bonduelle's suppliers and subcontractors must adhere strictly to all legislation regulating their activities and working environment. Moreover, this purchasing policy is reflected in the inclusion of environmental and social criteria in purchasing contracts (either at Group level or locally), an analysis of the health risks of foodstuffs with a rating system and supplier mapping, and actions undertaken with can manufacturers to reduce the thickness of cans, etc.

Bonduelle encourages its suppliers and subcontractors to commit to environmentally-friendly processes. As part of the contractual relation, suppliers undertake to respect the principles of the Global Compact (Bonduelle has been a member since 2003). This approach is currently being extended across the Group. For example, in 2011-2012, 85% of contracts to purchase cans (by value) were in compliance with the principles of the Global Compact (cans account for 40% of purchases). Purchasing decisions are based on an objective assessment of the reliability and integrity of the supplier or subcontractor, as well as the overall value of their offer relative to both short- and long-term considerations and objectives. Buyers from the Group's Purchasing Center, with local contacts for some products, must also take the importance of their role in the local ecosystem into account. Considering the local impact is an inherent part of all Bonduelle's activities (see Section 2.3.3 Optimizing transport, page 44). Lastly, relations with suppliers must take place in a climate of mutual trust, placing people first and based on simplicity.

Bonduelle works with its partners to optimize product quality, while ensuring compliance with environmental and social criteria. Although the Group's policy is to source supplies close to centers of consumption, some types of product may have to be sourced from countries further afield, in particular, in Africa. In this event, the Group selects partners to work with small producers, providing them with an additional revenue stream to their food producing activity. Bonduelle's partners are quality-certified. They support their producers to manage and minimize the use of pesticides. This long-term partnership is one way for Bonduelle to make an effective contribution to the local economy. One of its partners, for example, offers its small producers micro-credit solutions to fund such requirements as rental and labor costs, as well as health care for the employees in its production facilities. To ensure compliance with the production criteria specified by Bonduelle and to support its partners as part of a continuous improvement process, our employees have a permanent presence in both structures.

SHARING EXPERIENCE AND BEST PRACTICES TO PROMOTE DEVELOPMENTS IN CULTIVATION METHODS

For Bonduelle, agriculture is a vital link in the prepared vegetables value chain. Based on its principles of support for sustainable agriculture, since 2009 the Group and its partners have invested in developing a pilot program for the integrated crop management of field-grown vegetables. The initiative is conducted in collaboration with producers' organizations in northern France that supply our facilities in Picardy, the Chambers of Agriculture in that region, AgroTransfert, the *Institut National de la Recherche Agronomique* (French National Institute for Agricultural Research – INRA), the *Union interprofessionnelle des légumes en conserves et surgelés* (UNILET), and the *Fédération Régionale contre les organismes nuisibles de l'agriculture* (French Regional Federation Against Harmful Organisms in Agriculture – FREDON) and is being run on eight farms.

✓ This indicator has been verified by the Deloitte company, see page 59 of the 2011-2012 registration document.

Bonduelle presented the initial findings of the program, primarily on weed control, at a pilot farm in July 2012. After three years' work on vegetables and biological pests (adventitious plants, diseases, pests, etc.), practical advances enable us to recommend new practices to the benefit of the industry and enabling us to produce higher quality and healthier vegetables for the consumer.

The mechanical tools tested have resulted in the optimization of machines and a reduction in certain pesticide treatments. As part of this program, AgroTransfert published a brochure (*Le désherbage mécanique des légumes en région Picardie* – Mechanical weed control of vegetables in the Picardy region) reporting on this new approach. It will be distributed to all producers in the region.

Another example of our commitment is the visit in September 2011 to the Woestyne farm, the birthplace of the Bonduelle Group and now operating independently. Woestyne is still operated by members of the Bonduelle family using innovative farming techniques (direct seeding under plant cover with intermediate crops, limited use of pesticide products, etc.) and constantly testing ideas and best practices to ensure, once again, that the healthiest vegetables are available to consumers.

Bonduelle promotes and develops farming innovations and shares the lessons learned to encourage the most environmentally-friendly practices in the field.

PROMOTING HEALTHY EATING HABITS LOCALLY AND INTERNATIONALLY

The Bonduelle Group's commitment to promoting better eating habits dates back to 2004.

The Company's Louis Bonduelle Foundation has launched an appeal for projects every six months since 2007, to support local initiatives to improve eating habits. These appeals are open worldwide and have already resulted in support for 100 projects, with 280,000 individual beneficiaries for a total budget in excess of 330,000 euros. Similarly, each year since 2005, the Foundation has awarded a 10,000 euro

research prize for a thesis on a subject related to nutrition, open to researchers around the world. The Louis Bonduelle Foundation has committed more than 1,150,000 euros to supporting research. The Foundation's website features theoretical and practical information on changing eating habits. The information is available in English, French, Italian and Dutch. 2012-2013 will see the addition of Portuguese and Spanish to the site.

Reflecting Bonduelle's ambition to fulfill its commitments to society in all countries in which it has a presence, the Foundation is expanding its international reach, which included Canada and several European countries in 2011-2012. It initiates actions on a national level in these countries, for example:

- in France, the foundation has teamed up with the charitable organization, Secours populaire français, to raise awareness amongst disadvantaged groups of healthy eating, in a campaign known as "Ronde des légumes" (Vegetable Round);
- in Italy, the foundation has turned its attention to children aged 6 to 14 to teach them about a balanced diet and where our food comes from. The "Orto in Condotta" campaign was run in partnership with Slow Food.

The Louis Bonduelle Foundation continues its work to create lasting changes in eating habits with a range of initiatives, including its most recent conference in June 2012 on "Nutrition and aging well". The satisfaction survey filled in by participants underlines the general interest in this type of initiative: 86% were satisfied, with 94% stating that they learned something new.

For more information, go to fondation-louisbonduelle.org or see the presentation of the Louis Bonduelle Foundation in Section 2.5.5, Promotion of better eating habits, on page 55.

FOOD DONATIONS

Bonduelle donated 2,144 metric tons of food in 2011-2012 in France, Italy, Poland and Hungary, including canned, frozen and prepared foods, and pre-washed salad.

2.5 Product responsibility

Quality is a key priority for the Bonduelle Group. Our quality policy is fundamental to ensuring consumer satisfaction and the sustainability of our business worldwide. This key commitment is reflected in the continuous improvement approach applied internally in the Company and with our suppliers. Bonduelle's quality policy is implemented together with the actions undertaken by the Group to ensure customer and consumer satisfaction, primarily by providing transparent product information and efforts to increase access to healthy vegetables. In addition to high food quality, pleasure, taste and social and environmental responsibility are fundamental principles for Bonduelle in producing its products.

2.5.1 Quality: a priority

The policy implemented by Bonduelle to ensure maximum product quality is based on a process and management system under the control of a Quality Manager in each subsidiary. Working in a network, these Quality Managers report to a general coordinator and meet once a year. Each subsidiary has a quality plan tailored to their specific technological needs (canned, frozen or fresh food), and the requirements – particularly regulatory – applicable to their locations.

Quality plans are implemented at all production sites, broken down into three main aspects: incoming quality control of vegetable commodities and all other supplies, production line quality control, and quality control of end products before dispatch. Bonduelle also operates a continuous monitoring system. In 2011-2012, 46,500 quality control tests were carried out on canned foods and 17,500 on frozen.

Moreover, the Group is continuing its annual policy of renewing and upgrading optical sorters to detect the presence of foreign bodies during the vegetable preparation process. Totalling approximately 500,000 euros annually, these investments are part of our program to reduce the use of pesticides and to promote greener farming methods, which necessarily entail sorting of vegetables on receipt.

The Bonduelle Group's site-certification audit process is particularly comprehensive. All production facilities must obtain at least one of the certificates mentioned below, delivered by an accredited body. 97% of Bonduelle's production facilities have at least one certification, i.e. 99% of the Group's tonnage (only Cristalina in Brazil, where operations started in 2011, is soon to embark on the certification process).

Of our quality-certified facilities, the majority are certified by several bodies:

- 15 have obtained ISO 9001 certification

(International quality management certification standard delivered by an accredited external body. It sets out the requirements for an effective quality management system ensuring that products comply with the requirements of customers and applicable regulations. The most recent version is ISO 9001 V 2008);

- 1 site is ISO 22000-certified

(This standard specifies the requirements for food safety management systems and aims to improve customer satisfaction by effectively controlling food safety hazards);

- 24 facilities are IFS-certified

(Private international food standard, owned by the French Food Retail and Wholesale Federation (FCD – Fédération des entreprises du commerce et de la distribution) and its German counterpart. The IFS evaluates food product suppliers focusing on product quality and safety. The current version is IFS V6);

- 16 are BRC-certified (British Retail Consortium)

(Private standard, owned by the British Retail Consortium, and very similar to the IFS. The current version is BRC V6);

- 4 are FSSC 22000-accredited

(Private Foundation for Food Safety Certification standard, based on ISO 22000 and PAS 220 for food producers.).

2011-2012 also saw the addition of BRC and IFS Food Defense certification addressing external risks to which the production sites may be exposed (malicious attacks, theft, intentional contamination, etc.) and which could give rise to product dangers. Bonduelle conducted a risk assessment in its European facilities concerned by the IFS and BCR standards.

Regular audits are carried out to keep certification up to date: every three years, and every year for IFS, BRC and FSSC. ISO certification also requires an annual audit.

The Company's quality designations also include other specific areas ("organic"), or client-specific requirements, which are also audited by the appropriate accredited external bodies.

Procurement of commodities is central to the Group's Quality policy. Our vegetable producer partners sign a specific charter with the Group guaranteeing compliance with the cultivation specifications for each vegetable species. The third version of this charter, first established in 1996, was published in 2007. As part of our policy of continuous improvement, Bonduelle drew up a dedicated sourcing charter for suppliers of food products used in the composition

of its recipes, but not grown directly or indirectly by the Group. In addition to signing this charter, the suppliers may be subject to an audit to check their performance and measure compliance with their commitments.

Concerning purchases of vegetables, ingredients and products, Bonduelle requests quality guarantees from its suppliers (see page 51). Hence, its suppliers in Africa each have quality certification.

2.5.2 Product composition and nutritional quality

Bonduelle constantly endeavors to incorporate sound nutritional principles and environmentally-friendly practices in its products.

In line with this priority and to supplement its quality policy, the Group introduced a product development charter in each of its subsidiaries, exceeding regulatory requirements. These charters were reviewed during FY 2011-2012.

They set out the list of ingredients and additives banned from the composition of our products. For example, Bonduelle products do not contain GMOs. The removal of palm oil from all items produced and marketed by Bonduelle is almost complete (with the exception of flavorings essential for certain recipes, which still contain palm oil).

Another project initiated during the past financial year is also aimed at reducing or limiting additives used in recipes. Based on the categories defined by the program, Bonduelle either bans certain additives or works to minimize others.

Nutritional quality is a key priority for the Group. 2008 saw the launch of Visa Santé, a continuous improvement initiative built around reviewing and optimizing our products.

Visa Santé is organized around four essential points:

- a nutritional audit of the Bonduelle product range: the Group's Nutrition Department has prepared a reference framework of nutritional values related to recommendations on the quantity and quality of salt, sugar and fat content in food. 1,158 products – from across the range – were analyzed by the Group's Nutrition Department to determine if they were in line with the recommended nutritional values;
- classification of products into three “nutrition” groups, according to their levels of certain nutrients:
 - “raw products, that have undergone minimum processing”,
 - “lightly cooked vegetables”,
 - “prepared and gourmet products”;
- reformulating recipes: the 200 recipes that did not meet the nutritional standards were reviewed by the development departments in the respective subsidiaries;
- all new vegetable products developed must meet a number of minimum criteria defined by Visa Santé.

The Visa Santé initiative ensures that Bonduelle offers products whose nutritional quality is carefully controlled, by reducing salt content across all product ranges, eliminating palm oil, reducing the fat content in salad dressings, etc. All Bonduelle brand products (in 2009) have been audited.

The program's objectives also include the development of well-thought out, simple, transparent and objective nutritional communication. The Group will therefore not put nutritional claims on the packaging of “prepared and gourmet” foods.

Visa Santé was launched by general management and, in addition to the Nutrition Department, now involves engineers in the Quality Department, R&D and subsidiary marketing departments. In all, more than 100 employees are involved in this mature, cross-disciplinary project, which constitutes one of the Group's ongoing, day-to-day commitments.

Guided by the same principles, in May 2012, the Group's R&D Department and Bonduelle Food Service launched MARELLE (www.marelle-repasequilibres.com) as a tool for planning balanced meals and menus in accordance with the recommendations of the GEMRCN (*Groupe d'étude des marchés de restauration collective et de nutrition* – French Working Group on institutional food service contracts and nutrition) for school catering. This work received the recognition of the French Ministry for Agriculture, Agri-foods and Forests, and the project was awarded the PNA (French National Program for Food) logo.

2.5.3 Consumer information and satisfaction

All Bonduelle products provide the consumer information required under European law. Bonduelle voluntarily embarked on group-2 nutritional labeling of its products in 2004 in the interests of transparency. In addition to the information on group-1 labels (calorific value, proteins, carbohydrates, and lipids), group-2 labels also include saturated fats, sugars, dietary fiber and sodium content.

All of this information is now mandatory under the European Food Information Regulation, No. 1169/2011, which became effective on December 13, 2011. The general provisions of the regulation will be applicable in 2014.

Since the Company has long-established labeling practices in place, more than 80% of its product packaging already provides the mandatory information under this new regulation. Bonduelle goes further and presents the RDA (Recommended Daily Allowance) of minerals and vitamins on the majority of its containers (size of container permitting) to encourage a varied diet and a healthy lifestyle.

In each country where it has a presence, Bonduelle's customer service departments focus on customer satisfaction, respond to complaints from consumers and pass information on to their quality Managers. Complaints may relate to the presence of a foreign body,

an imbalance in vegetable mixtures in the package, packaging anomalies, etc.

Bonduelle has an international complaints monitoring system to ensure that corrective measures are introduced as quickly as possible.

Where there is a risk to human health, Bonduelle activates its emergency procedure, the effectiveness of which was demonstrated early in 2011 during the scare caused by the presence of the E-coli bacteria in some vegetables.

As soon as the alarm was raised, Bonduelle mobilized its resources to ensure that its products posed no risk to health, mainly thanks to the full traceability of its supplies and deliveries.

This unprecedented situation, which did not concern any Group products, nonetheless illustrated its ability to manage a crisis in terms of both its investigation of the potential causes and communications with its customers and suppliers.

2.5.4 Indicators

Total quality control personnel	537 employees (full-time equivalent), of which: 8.8% work in the quality departments of subsidiaries and in the Purchasing Department 35.2% work in the quality departments at production facilities 37.3% work in quality control on production lines 18.6% work in quality control of incoming produce
Certified factories	15 are ISO 9001 certified 31 are BRC and/or IFS and/or FSSC 22000 certified 10 produce certified "organic" products
Customer services	1 Customer Services Department operates in each country
Labeling	78% of brand labeling provides information on nutrition
Fruit & vegetable purchasing	98 suppliers have signed the simplified charter (i.e. 46%) 253 phyto and TME analyses carried out, of which 100% were in compliance 42 suppliers have been audited (i.e. 20%) 132 suppliers have been assessed (i.e. 62%)

2.5.5 Promotion of better eating habits: Louis Bonduelle Foundation

Created in 2004, the Louis Bonduelle Foundation was born of the Group's desire to contribute to the debate on healthy eating and to demonstrate its commitment to nutrition. The aim of the Foundation is to contribute to long-term change in eating habits by focusing on vegetables and their benefits. It is administered by a Board of Directors with seven voluntary members: 3 independent members chosen for their expertise in the areas in which the foundation works (Béatrice de Reynal, Nutritionist, Marie-Laure Frelut, Pediatrician and member of the European Childhood Obesity Group, Jean-Charles Fruchart, Doctor of Human Biology and President, International Atherosclerosis Society), and four representatives of

the Bonduelle Group: Christophe Bonduelle, Chairman of the Louis Bonduelle Foundation and Chairman of the Bonduelle Group, Jean-Bernard Bonduelle, director of External Relations and Sustainable Development, Laurence Depezay, Nutrition Manager, and Christophe Château, director of Corporate Communications and Marketing.

The three pillars of the Foundation's work are:

- inform and raise awareness, providing practical tools and information on vegetables on its website, www.fondation-louisbonduelle.org for teachers, health professionals, journalists and the general public;
- support research, with a research prize awarded to support work on a thesis each year, as well as an annual grant to a childhood obesity research group. The Foundation is also the co-founder of the *Fondation Cœur et Artères* (Healthy Heart and Arteries Foundation), recognized for its work in the public interest.

- initiatives on the ground to improve eating habits, carefully targeted at groups most in need, such as children or disadvantaged groups, to make sure that vegetables form an important part of a healthy diet.

Some key examples of the Foundation's work include:

2004-2005

- Launch of the Foundation in France.
- Launch of Vegetable Day.
- Launch of the Louis Bonduelle Research Prize.
- Launch of the Foundation's website.
- Co-founding of the *Fondation Cœur et Artères* (Healthy Heart and Arteries Foundation), recognized for its work in the public interest.

2005-2006

- Launch of the Foundation in Italy.
- First initiatives to raise awareness of healthy eating amongst Bonduelle employees.
- Launch of "Les Robins du potager" ("Heads of the Vegetable Garden") for children (aged 9 to 11) in France.
- Launch of "Amici per la Tavola" for children (aged 6-12) in Italy.

2006-2007

- Launch of the Foundation in Belgium and the Netherlands.
- Launch of "Het Groente & Fruit Lab" in the Netherlands for children aged 4 to 12.
- Launch of "Légumes 2000" (Vegetables 2000) for young adults in France.

2007-2008

- First international calls for proposals.
- First Louis Bonduelle Foundation Conference organized in Paris.
- Launch in France of initiatives in partnership with the *Secours populaire français*, the *Ronde des légumes* (Vegetable Round) project.
- Launch of "5ive" for children (aged 6-12) in Italy.

2009-2010

- Launch of the European Childhood Obesity Group and the Louis Bonduelle Research Prize.
- Extension of the Louis Bonduelle Foundation in France for a period of 99 years.

- Lunch-discussion at the European Parliament in Brussels.
- Launch of actions in partnership with Age Platform Europe.
- Launch of "Orto in Condotta" for children (aged 6-14) in Italy.

2010-2011

- Launch of the Foundation in Canada.
- Launch of the partnership with Rural Retirement Homes (MARPA) for the Art and Nature project.
- Foundation recognized by health professionals ⁽¹⁾

Highlights of the 2011-2012 financial year included:

- an exhibition and conference at the European Parliament in Brussels in November 2011 to present the Foundation's aims and actions. The conference was sponsored by MEP Sophie Auconie on "Eat well to live well?" examining the impact of new eating habits and lifestyles on peoples' health;
- the Fifth Louis Bonduelle Foundation Conference was entitled "Food and Healthy Aging". The conference brought together leading experts, researchers and health professionals to debate eating habits amongst older people, according to such issues as social differences, changes in sensory perception, etc.;
- the Louis Bonduelle Research Prize was awarded to Eloïse Remy, at the *Centre des sciences du goût et de l'alimentation* (Center for Taste and Food Science) at the French National Institute for Agricultural Research (INRA) in Dijon, for the study entitled "Factors influencing children's eating behavior and food preferences", and to Nathalie MICHELS, Department of Public Health, University of Ghent in Belgium for the "Longitudinal Study to assess the influence of stress on eating habits and body composition in primary school children";
- the awarding of the ECOG (European Childhood Obesity Group) and Louis Bonduelle prizes to the team in the Nutrition Department at John Moores University in Liverpool, UK for its research into the eating habits of children in Liverpool;
- the collaboration with the French Ministry for Food and Agriculture as part of the French National Program for Food (PNA) to devise a training course for the creation of a mobile vegetable garden with children or adults;
- the success of the Foundation's website, with more than 35,000 visitors on average per month.

(1) (OpinionWay study conducted in France for the Louis Bonduelle Foundation in October 2009 and again in May 2011. Aided brand awareness up 16 points, to 49%. Favorable opinion up 19 points, to 100%.)

2.6 Reporting: Note on sustainable development reporting methodology

2.6.1 Reporting context and objectives

The analysis of Bonduelle's sustainable development performance is reported annually in this registration document, which supplements the Review of Operations and Sustainable Development report.

Bonduelle set out its commitment to progress in sustainable development in 2002-2003, using a traditional phase-based project management methodology:

- phase 1: set and validate objectives and communicate them throughout the organization;
- phase 2: implement progress plans to achieve these objectives;
- phase 3: measure and monitor the results: relevant Managers have drawn up lists of indicators for Bonduelle's sustainable development priority areas, in association with their exchange networks and approved by the operating departments. These indicators have been chosen on the basis of a combination of Bonduelle's sustainable development commitments and GRI version 3 guidelines, and have led to the development of Bonduelle's own reporting guidelines.

The Group has issued a Review of Operations and Sustainable Development Report since 2002-2003, based on the financial year, namely this year from July 1, 2011 to June 30, 2012 for this year. The indicators published in the Review of Operations and Sustainable Development Report cover two years (i.e. the current and previous years) and the indicators published in the registration document cover the year just ended.

The primary aim of comprehensive reporting is to enable the Group to enhance sustainability management. With this in mind, the findings are analyzed by the Sustainable Development Steering Committee and the Bonduelle Group Management Committee to determine the objectives for the following year.

The 2011-2012 registration document was prepared in accordance with GRI application level B+ guidelines and was verified by the GRI (version 3.1 of the GRI Food Sector Supplement, see certification on page 217, at the end of this registration document). To include external validation of reporting reliability, for this financial year the reporting process and 18 indicators were also checked by Deloitte, Joint Statutory Auditors (see assurance advice on page 59).

2.6.2 Reporting procedure

The Group's director of External Relations and Sustainable Development is responsible for oversight of reporting, aided by the

Managers of the five areas concerned (transport, quality-nutrition, agriculture, natural resources, People and safety). Together, they coordinate an international network drawing on a Group-wide, multi-lingual reference base (seven languages).

Indicators are selected according to the requirements of the Global Reporting Initiative (GRI), the specific challenges of the Bonduelle Group's activities and stakeholders' demands. Metrics are gathered every year by coordinators in each subsidiary and, since FY 2011-2012, are uploaded to the Group's "e-space" data-exchange Intranet platform. The data are then validated by the relevant Managers.

Data relating to natural resources are validated by plant directors and/or management controllers at each production site. The reporting procedure is as follows: the Natural Resources coordinator, in charge of the process, draws up a standard reporting format (using Excel) for all entities within the scope of consolidation, together with a user guide setting out the rules and associated definitions. These two items form part of the Group's multilingual reference materials and must comply with the Bonduelle Group's annual reporting management and distribution procedure. Reporting data are managed and consolidated in a database overseen by the Group Management Control Department. Consistency checks and data analysis are undertaken by the data coordinator and the Group Management Control Department. Reporting data for People and safety are provided by the human resources contacts at each site for consolidation and validation by the Managers of the three areas, France, Europe excluding France and Outside Europe. The data is then further consolidated by the People and safety Manager.

The in-house tools used for social reporting are:

- database tools: COGNOS;
- training management tool: FOEDERIS;
- pay inteAFRces: ARCOLE, HOROQUARTZ, CEGID, ADP GSI.

2.6.3 Reporting scope

Sustainable development reporting extends to all Bonduelle Group sites and subsidiaries (see list on page 14). The reporting scope is governed by the following rules:

- new sites and subsidiaries acquired during the financial year ended will be included within the scope for the following year;
- sites and subsidiaries either disposed of or no longer in operation during the year ended are excluded from the scope for the entire period, to enable comparability of results;

- equity-accounted companies (see Note 31 List of Group companies) – are excluded from the scope. Their activities are reported as external purchasing;
- logistic centers are also excluded from the reporting scope, with the exception of transport, and People and safety;
- similarly, the headquarters of fully-consolidated companies (see Note 31 List of Group companies) are excluded from the scope, with the exception of People and safety.

The following changes to the scope took place during the 2011-2012 year:

- in July 2011, the Bonduelle and Ardo groups decided to create a production joint venture in Spain. The Benimodo site was removed from the reporting scope;
- in March 2012, Bonduelle took effective control of three processing facilities and a frozen vegetables packaging facility in the United States. The Bergen, Oakfield, Brockport and Fairwater sites will be added to the reporting scope in 2012-2013;
- in March 2012, the Bonduelle Group took effective control of the industrial and commercial assets of the Cecab cooperative group and, in particular, the Russian plant at Timachevsk, which will be added to the reporting scope in 2012-2013;
- in May 2012, the Group strengthened its agro-industrial presence in Central Europe with the acquisition of a Hungarian cannery at Nyiregyhaza, which will be added to the reporting scope in 2012-2013.

There are no items specific to the quality-nutrition and agriculture scopes in FY 2011-2012.

Transport has been included in Bonduelle's sustainable development strategy since 2007-2008. Data will be added to Group-wide data on a gradual basis. Accordingly, the operational scope of reporting for transport in 2011/2102 is defined as:

- the transport activities of Bonduelle Conserve International, Bonduelle Frais International and Bonduelle Champignon, i.e. upstream agricultural activities, distribution and inter-site flows, are included in the scope;
- distribution and inter-site flow activities for Bonduelle Traiteur International and Bonduelle Surgelé International are included in the scope;
- distribution activities for Bonduelle Development are included in the scope;
- the activities of Bonduelle North America are not yet included in the transport scope.

The operational scope of natural resources reporting in 2011-2012 is defined as:

- five Bonduelle Champignon sites are excluded from the scope due to the recent integration of this activity in the Group, and the challenges it poses in terms of alignment of and familiarization with reporting procedures;
- the Group's logistic centers are also excluded from natural resources reporting, since they have minimal impact on this area.

2.6.4 Indicators

DESCRIPTION OF INDICATORS VERIFIED BY DELOITTE

HUMAN RESOURCES INDICATORS

The scope of social and safety indicators in terms of the Group's workforce is as follows:

- workforce on June 30: permanent;
- number of departures: permanent + non-permanent + seasonal + others (trainees);
 - of which, resignations: permanent + non-permanent + seasonal + others (trainees),
 - of which, dismissals: permanent + non-permanent + seasonal + others (trainees).

Ended fixed-term and seasonal contracts are not included in the "Number of departures".

Permanent employees due to leave the Company on June 30 are included in both workforce to date and departures (27 employees on fixed-term and permanent contracts).

- number of transfers: permanent + non-permanent + seasonal + others (trainees);
- number of hours worked: permanent + non-permanent + seasonal + others (trainees, external workers);
- accident frequency rate: permanent + non-permanent + seasonal + others (trainees, external workers);
- accident severity rate: permanent + non-permanent + seasonal + others (trainees, external workers). Work-related illnesses are taken into account in calculating the accident severity rate;
- number of work-related accidents: permanent + non-permanent + seasonal + others (trainees, external workers);
- number of days lost: permanent + non-permanent + seasonal + others (trainees, external workers);
- number of training hours: permanent + non-permanent + seasonal + others;

NATURAL RESOURCES INDICATORS

Indicators are the result of quantitative measurements (invoices, weight, meter readings, etc.). If no direct quantitative measure is available, data may be estimated according to calculation rules duly described and validated by the production facilities.

Subcontractors' energy consumption, such as the boiler operators, is included in the volume of gas consumed by the relevant production sites, and not in the volume of steam consumed by the plant.

Renewable energies (for example, the biogas produced on site or close by) and consumed by on-site boilers are included along with fossil fuels.

2.6.5 Reporting schedule

Date	Action	Department
March 2012	Update of reference frameworks, principally including the explanations concerning GRI indicators, to comply with GRI Guidelines 3.1	Area Managers to Group management control
April 2012	Translation of reference frameworks and data-collection tools, and update	Group management control
May 2012	Dissemination of data-collection tools	Group management control to subsidiaries
May 2012	Distribution of data-collection tools	Site/area subsidiary coordinator
July 2012	Gathering and escalation of information	Subsidiary sites/areas to the subsidiary coordinator
August 2012	Escalation of information	Subsidiary coordinator to Group management control
August 2012	Consolidation at Group level by area and validation of consolidation	Group management control to area Managers
September 2012	Validation of the registration document and detailed management charts	Area Managers to Group communications and Group management control

For all questions relating to the content of this report, please contact: developpement_durable@Bonduelle.com. The most recent published Development report is included in the Bonduelle Group's registration document, available on www.Bonduelle.com as of October 25, 2011.

2.6.6 Limited assurance report on certain social and environmental indicators published in the registration document for the year ended June 30, 2012

In our capacity as Independent Auditors, in addition to being Joint Statutory Auditors of your Company, and in response to your request, we performed a review aimed at enabling us to express limited assurance in respect of certain social ⁽¹⁾ and environmental ⁽²⁾ indicators ("the data") selected by the Group from the Bonduelle registration document for the year ended June 30, 2012 (Sections 2.3 and 2.4).

The data were prepared under the responsibility of the External Relations and Sustainable Development Department and the Human Resources Department, and in accordance with the internal protocol for measuring and reporting social data, available from the Group Human Resources Department, and the internal protocol for measuring and reporting environmental data, available from the External Relations and Sustainable Development Department (the "Standards"). A summary of these protocols appears on page 57 of the registration document and states the limits inherent to the measurement of certain indicators. These protocols can be obtained from Bonduelle on request. Our task, based on our work, was to express limited assurance with regard to the selected data, it being

understood that the conclusions set out below apply only to the data, and not to all of the social and environmental indicators published in the registration document.

NATURE AND SCOPE OF OUR WORK

We performed our work in accordance with the ISAE 3000 standard, as well as the applicable professional standards. Our work included, for the selected data, an evaluation of the standards used in terms of their relevance, completeness, reliability, neutrality and comprehensibility.

We carried out the review set out below, in order to express limited assurance that the data selected did not include any material misstatement. The higher "reasonable" level of assurance would have required more extensive work.

For the data selected, we:

- conducted interviews with the External Relations and Sustainable Development Department, the Human Resources Department, and a selection of sites ⁽³⁾ with the persons concerned by the application of the Standards;
- assessed, using surveys, at the nominated subsidiaries, the application of the Standards and the reliability of the data collected in relation to the relevant documentary evidence, and carried out consistency tests on the data consolidation. The subsidiaries nominated for review represent 24% of the Group's workforce, and between 18% and 69% of the environmental data.

(1) The audit covered the "total Group" figure for 2011-2012 for the following social indicators: number of permanent staff at June 30, number of new long-term contracts, number of new short-term contracts, number of employees who left during the year, number of employees dismissed, number of employees who resigned during the year, number of employee transfers, number of training hours, and the accident frequency and severity rate.

(2) The audit covered the "total Group" figure for 2011-2012 for the following environmental indicators: water consumption, electricity consumption, natural gas consumption, and production of waste (ordinary, hazardous, green).

(3) Subsidiaries: Renescure (France), Estrées BCI (France), Estrées BSI (France), Genas (France), Nagykőrös (Hungary).

To help us in this work, we consulted experts in social corporate responsibility at our firm.

CONCLUSION

We have a reservation to express with regard to the following data:

- the indicator “number of training hours” includes an element of significant uncertainty due to the heterogeneous nature of the information reported, related to the fact that this indicator is not defined in the reporting standards.

Based on our work, and subject to the reservation expressed above, we did not find anything that would suggest that the data selected were not prepared, in all significant aspects, in accordance with the above-mentioned Standards.

Notwithstanding the conclusion expressed above, we wish to draw your attention to the fact that the parameters of the social indicators for each contract type vary according to the indicator. The various parameters are described in the note on methodology.

Lille, October 9, 2012
Joint Statutory Auditors,
Deloitte & Associés
Jean-Yves MORISSET

3

Corporate governance



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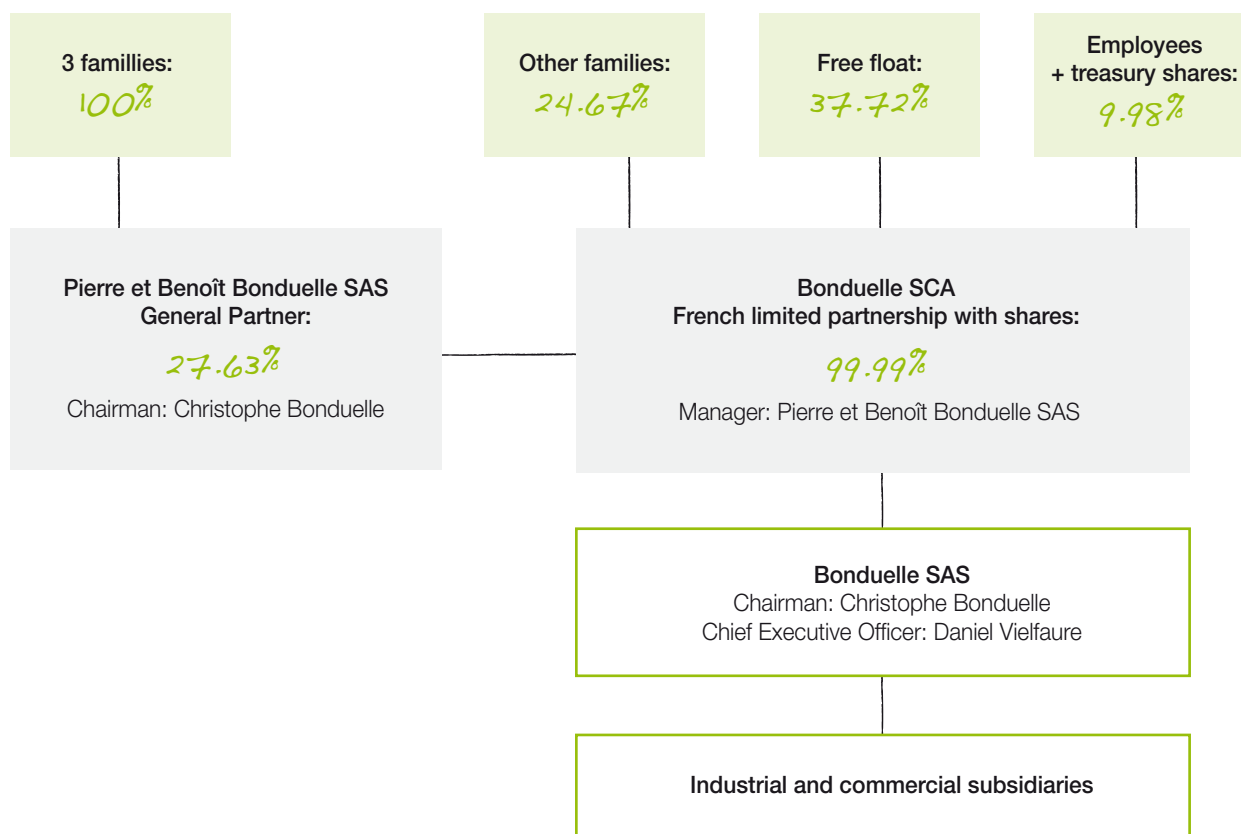
Items in the annual financial report are identified in the contents using the AFR symbol

3.1 Administrative and executive management and control bodies

LONG-TERM PRIORITY

Bonduelle's shareholding structure has a large family dimension that provides the Group with stability and continuity as it pursues its corporate mission: placing vegetables at the heart of our diets while fostering growth and sustainable development.

Shareholder structure



Bonduelle SCA

THE LIMITED PARTNERSHIP WITH SHARES HAS TWO CATEGORIES OF PARTNER:

- the company Pierre et Benoît Bonduelle SAS, owned by three families, is the General Partner, and therefore has joint and several unlimited liability for the Company's obligations. Elected from among the Company's members, the Ownership Strategy Committee has eight members and is responsible for deciding on the ownership options of the family General Partners; its members are also directors of Bonduelle SAS;
- the liability of the shareholder Partners (other family members, free float, employees + treasury shares) is the same as that of the shareholders of a limited company: it is limited to the amount that they put into the Company.

THE SUPERVISORY BOARD

It 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 shareholder partners.

The composition of the Supervisory Board (whose eight members are independent) ensures that it has the expertise, independence and availability to accomplish its duties and represent the interests of shareholders.

Members:

- André Crespel, *Chairman*
- Daniel Bracquart, *Vice Chairman*
- Louis Bonduelle
- Élisabeth Minard
- Isabelle Danjou
- Yves Tack
- Marie-France Tisseau
- Matthieu Duriez

AUDIT COMMITTEE

Set up by the Supervisory Board, this Committee is responsible for reviewing the financial statements, evaluating internal controls and assessing the annual audit programs for the Statutory Auditors.

Members:

- Yves Tack, *Chairman*
- André Crespel
- Daniel Bracquart
- Marie-France Tisseau

Bonduelle SAS

EXECUTIVE COMMITTEE

The Executive Committee brings together the directors of Bonduelle subsidiaries in Europe and outside Europe, the Executive Management, and the heads of finance, human resources, and external relations and sustainable development. For the implementation of policies relating to European subsidiaries, this Committee is supported by the European Operating Committee (EOC), which comprises the directors of this region's subsidiaries and the heads of the Central Services who are members of the Executive Committee.

Members:

- Christophe Bonduelle, *Chairman*
- Daniel Vielfaure, *Chief Executive Officer*
- Evert Jan Mink, *Agro-industrial director*

European subsidiaries

- Philippe Carreau, *Chief Executive Officer, Bonduelle Conserve International*
- Pascal Bredeloux, *Chief Executive Officer, Bonduelle Food Service*
- Jérôme Bonduelle, *Chief Executive Officer, Bonduelle Champignon*
- Patrick Néaume, *Chief Executive Officer, Bonduelle Traiteur International and Bonduelle Frais International*

Subsidiaries outside Europe

- Benoît Bonduelle, *Bonduelle Development*
- Louis Frenette, *Bonduelle North America*

Central Services

- Jean-Bernard Bonduelle, *director of External Relations and Sustainable Development*
- Bruno Rauwel, *director of Human Resources*
- Grégory Sanson, *Chief Financial Officer*

BOARD OF DIRECTORS

The Board of Directors mainly comprises members of the Bonduelle family. It is responsible for defining the Company's strategy and investment policy.

Members:

- Christophe Bonduelle, *Chairman*
- Jean-Bernard Bonduelle
- Benoît Bonduelle
- Philippe Vasseur
- Pierre Deloffre
- Thomas Derville
- Jérôme Bonduelle
- Guillaume Debrosse
- Hubert Mulliez
- François Bonduelle
- Marc Bonduelle

COMPENSATION COMMITTEE

The Compensation Committee, which is entirely independent, decides on the systems and levels of compensation of the directors and officers of Bonduelle SAS and employees who are members of the Bonduelle family. It also provides an opinion on compensation policy for certain other Senior Managers.

Members:

- Daniel Bracquart

Former Chairman of the Executive Board of Bonduelle,

Vice Chairman of the Supervisory Board of Bonduelle SCA;

- José-Maria Aulotte

Director of Human Resources of Arc International;

- Yves Delloye

Associate director of Transearch;

- Antoine Fiévet

Chairman of the Executive Board of Unibel;

- Thomas Derville

Former Chairman of Amora-Maille.

3.2 Information regarding Corporate Officers

Christophe BONDUELLE

**Legal representative of Pierre et Benoît Bonduelle SAS,
Manager of Bonduelle SCA**

First appointed: 06/17/1995

Open-ended appointment

Based in "La Woestyne", 59173 Renescure, France

9,762 shares held on own account ⁽¹⁾

Nationality: French

Chairman and Chief Executive Office of Pierre et Benoît Bonduelle SAS
Chairman of Bonduelle SAS
Chairman of Bonduelle Canada
Member of the Supervisory Board of Bonduelle Central Europe
Chairman of the Board of Directors of Bonduelle Iberica
Chairman of the Board of Directors of Bonduelle Italia
Chairman of Bonduelle Limited
Chief Executive Officer of Bonduelle Nederland BV
Director of Bonduelle Nordic
Director of Bonduelle Northern Europe
Chairman of Bonduelle Ontario
Chairman of the Supervisory Board of Bonduelle Polska
Director of Bonduelle Portugal
Chairman of Terricole
Director of Credit Du Nord bank
Manager of Chanvoleau SCI
Manager of l'Amirauté, a non-profit association
Chairman of Bonduelle US Holding
Chairman of Bukh Limited
Chairman of Bonduelle USA
Chairman of the Board of Directors of Bonduelle SA de CV
Manager of the Groupement Forestier de Bellebrune
Manager of Etienfort, a non-profit association
Manager of the Groupement Foncier Agricole des Calinques

Louis BONDUELLE

**Member of the Supervisory Board of Bonduelle SCA
Independent member**

First appointed: 12/04/2008

Term of office expires: Ordinary Shareholders' Meeting 2013

Based in "La Woestyne", 59173 Renescure, France

30,000 shares held on own account ⁽¹⁾

Nationality: French

Has performed a variety of roles in the supermarket retail and food service sectors.

Currently Central Purchasing director at a subsidiary of a distribution group.

Daniel BRACQUART

**Vice Chairman of the Supervisory Board of Bonduelle SCA
Member of the Audit Committee
Independent member**

First appointed: 12/10/2003

Term of office expires: Ordinary Shareholders' Meeting 2012

Based in "La Woestyne", 59173 Renescure, France

7,296 shares held on own account ⁽¹⁾

Nationality: French

Director of ID Group SA

Manager of Jutiver SCI

Performed the following successive roles between 1975 and late 2002: Engineer, Plant director, Industrial director, Chief Executive Officer and Chairman of the Executive Board of the Bonduelle Group. Retired in July 2004. Since then has worked as a company director and Vice Chairman of the Supervisory Board, Member of the Audit Committee and Chairman of the Remuneration Committee of the Bonduelle Group.

(1) Shares held by the named individual, excluding shares held via a company, in accordance with the provisions of the Afep-Medef Code.

André CRESPEL**Chairman of the Supervisory Board of Bonduelle SCA****Member of the Audit Committee****Independent member**

First appointed: 12/10/2003

Term of office expires: Ordinary Shareholders' Meeting 2012

Based in "La Woestyne", 59173 Renescure, France

9,691 shares held on own account ⁽¹⁾

Nationality: French

Spent two years at Crédit Lyonnais, followed by 36 years at the L'Oréal Group in the following roles:

- Purchasing Manager at Laboratoires Roja
- Purchasing and Product Development Manager, Garnier
- Manager of "Corporate" purchasing for the Group's "luxury" division

Isabelle DANJOU**Member of the Supervisory Board of Bonduelle SCA****Independent member**

First appointed: 12/07/2006

Term of office expires: Ordinary Shareholders' Meeting 2012

Based in "La Woestyne", 59173 Renescure, France

3,005 shares held on own account ⁽¹⁾

Nationality: French

Holds a doctorate in management science, was Research director at ESC Lille business school from 1998 to 2006 and had a book published by L'Harmattan entitled: "Entreprendre, la passion d'accomplir ensemble" ("Enterprising: the passion for achieving together") Since then, has worked as a consultant and trainer in human relations.

Élisabeth MINARD**Member of the Supervisory Board of Bonduelle SCA****Independent member**

First appointed: 12/02/2010

Term of office expires: Ordinary Shareholders' Meeting 2013

Based in "La Woestyne", 59173 Renescure, France

11,710 shares held on own account ⁽¹⁾

Nationality: French

Head of a textile company from 1975 to 2008. Has devoted herself to painting since 2008.

Member of the *Maison des Artistes* and exhibits her work in a number of galleries.

Yves TACK**Member of the Supervisory Board of Bonduelle SCA****Chairman of the Audit Committee****Independent member**

First appointed: 12/01/2004

Term of office expires: Ordinary Shareholders' Meeting 2013

Based in "La Woestyne", 59173 Renescure, France

1,000 shares held on own account ⁽¹⁾

Nationality: Belgian

Director of Sedev SA

Chairman of Massai SAS

Manager of Dumaco

Manager of Le Moulin Blanc SCI

Chairman of Verywear SA

Partner-Manager of Girls, a non-profit association

Partner-Manager of Team TT, a non-profit association

Manager of Totem SARL

Spent the first ten years of his career in the United States, working in financial analysis and portfolio management. Formed Dessauer & Tack Asset Management in Boston, before founding Global Equities in Paris and becoming Equity Department director at BNP Paribas Capital Markets in London. Returning to his native northern France, directed Participex, a listed expansion and buyout capital company, until it was sold to Crédit Agricole. Currently a consultant to various family-owned companies advising on their strategic direction, in terms of both operations and capital structure.

Also Chairman of the Business Angels club in the Nord-Pas-de-Calais region and Regional Representative of the French directors' Institute.

(1) Shares held by the named individual, excluding shares held via a company, in accordance with the provisions of the Afep-Medef Code.

Marie-France TISSEAU

Member of the Supervisory Board of Bonduelle SCA

Member of the Audit Committee

Independent member

First appointed: 12/08/2011

Term of office expires: Ordinary Shareholders' Meeting 2014

Based in "La Woestyne", 59173 Renescure, France

9,357 shares held on own account ⁽¹⁾

Nationality: French

A law graduate specializing in Business Law. From 1970 to 2008, worked in Paris as Legal Advisor, then Legal Counsel, specializing in Corporate Law and Tax Law for family-owned companies and French subsidiaries of foreign companies. Retired on April 1, 2008

Matthieu DURIEZ

Member of the Supervisory Board of Bonduelle SCA

Independent member

First appointed: 12/08/2011

Term of office expires: Ordinary Shareholders' Meeting 2014

Based in "La Woestyne", 59173 Renescure, France

5,265 shares held on own account ⁽¹⁾

Nationality: French

Manager of Duriez Amo SARL

Chairman of Duriez Invest SAS

Chairman of Amo Développement SAS

Trained as an architect and worked in this capacity for 15 years.

Property developer and project management assistant since 2002.

Formed Amo Développement in 2009.

(1) Shares held by the named individual, excluding shares held via a company, in accordance with the provisions of the Afep-Medef Code.

3.3 Additional information regarding the management and supervisory bodies

Positions held by Corporate Officers of the Company in other companies over the last five years

GENERAL PARTNER: CHRISTOPHE BONDUELLE

Legal representative of Pierre et Benoît Bonduelle SAS,
Manager of Bonduelle SCA

2007-2008

Chairman of the Management Board of P & B Bonduelle SAS
Director of Baie d'Audierne SA (now La Plaine)
Chairman of the Board of Directors of Bonduelle SA and DG
Chairman of Aliments Carrière (now Bonduelle Canada)
Chairman of Aliments Carrière Ontario (now Bonduelle Ontario)
Manager of BFP GmbH
Chief Executive Officer of Bonduelle Belgium (now Bonduelle Northern Europe)
Manager of Bonduelle Deutschland
Chief Executive Officer of Bonduelle Food Service Italia
Director of Bonduelle Frais France
Chairman and Chief Executive Officer of Bonduelle Iberica
Chairman of Bonduelle Italia
Chief Executive Officer of Bonduelle Limited
Chief Executive Officer of Bonduelle Nederland BV
Chairman of Bonduelle Nordic
Chairman of the Supervisory Board of Bonduelle Polska
Director of Bonduelle Portugal
Advisor to Fresco Italia
Chairman of Terricole
Manager of Chanvoleau SCI
Manager of L'Amirauté, a non-profit association

2008-2009

Chairman of the Management Board of P & B Bonduelle SAS
Director of La Plaine

Chairman of the Board of Directors of Bonduelle SA and DG
Chairman of Bonduelle Canada
Manager of BFP GmbH
Manager of Bonduelle Deutschland
Chief Executive Officer of Bonduelle Food Service Italia
Director of Bonduelle Frais France
Chairman and Chief Executive Officer of Bonduelle Iberica
Chairman of Bonduelle Italia
Chief Executive Officer of Bonduelle Limited
Chief Executive Officer of Bonduelle Nederland BV
Director of Bonduelle Nordic
Chief Executive Officer of Bonduelle Northern Europe
Chairman of Bonduelle Ontario
Chairman of the Supervisory Board of Bonduelle Polska
Director of Bonduelle Portugal
Advisor to Fresco Italia
Director of Conserven Picolo
Director of La Corbeille Groep
Director of La Corbeille Industrie
Director of La Corbeille SA
Chairman of Terricole
Director of Lesaffre & Cie
Manager of Chanvoleau SCI
Manager of L'Amirauté, a non-profit association

2009-2010

Chairman of the Management Board of P & B Bonduelle SAS
Director of La Plaine
Chairman of the Board of Directors of Bonduelle SA and DG
Chairman of Bonduelle Canada
Member of the Supervisory Board of Bonduelle Central Europe
Chairman of the Board of Directors of Bonduelle Iberica
Chairman of Bonduelle Italia
Chief Executive Officer of Bonduelle Limited
Chief Executive Officer of Bonduelle Nederland BV

Director of Bonduelle Nordic
 Director of Bonduelle Northern Europe
 Chairman of Bonduelle Ontario
 Chairman of the Supervisory Board of Bonduelle Polska
 Director of Bonduelle Portugal
 Advisor to Fresco Italia
 Director of La Corbeille Groep
 Chairman of Terricole
 Member of the Supervisory Board of Champiloire
 Director of Lesaffre & Cie
 Manager of Chanvoleau SCI
 Manager of L'Amirauté, a non-profit association

2010-2011

Chairman of the Management Board of Pierre et Benoît Bonduelle SAS
 Director of La Plaine
 Chairman of the Board of Directors of Bonduelle SAS and DG
 Chairman of Bonduelle Canada
 Member of the Supervisory Board of Bonduelle Central Europe
 Chairman of the Board of Directors of Bonduelle Iberica
 Chairman of Bonduelle Italia
 Chief Executive Officer of Bonduelle Limited
 Chief Executive Officer of Bonduelle Nederland BV
 Director of Bonduelle Nordic
 Director of Bonduelle Northern Europe
 Chairman of Bonduelle Ontario
 Chairman of the Supervisory Board of Bonduelle Polska
 Director of Bonduelle Portugal
 Chairman of Terricole
 Chairman of the Supervisory Board of Champiloire SA
 Director of Lesaffre & Cie
 Director of Credit Du Nord bank
 Manager of Chanvoleau SCI
 Manager of L'Amirauté, a non-profit association

LOUIS BONDUELLE

2007 TO 2011

No positions held in other companies

DANIEL BRACQUART

2007

Director of Roquette Frères

Director of Bongrain SA
 Manager of Habedia SARL

2008 TO 2010

Director of Continentale Nutrition
 Manager of Jutiver SCI
 Manager of Habedia SARL

2010-2011

Manager of Habedia SARL
 Manager of Jutiver SCI

ANDRÉ CRESPEL

2007 TO 2011

No positions held in other companies

ISABELLE DANJOU

2007 TO 2011

No positions held in other companies

ÉLISABETH MINARD

2007 TO 2011

No positions held in other companies

YVES TACK

2007

Representative of Colam
 Co-Manager of Dumaco
 Manager of Le Moulin Blanc SCI
 Director of Heatwave Technology SA
 Director of Osyris SA
 Director of Financière Devianne SAS
 Director of Devianne SA
 Director of Disport SA
 Director of Mag Vet SA
 Director of Interhabillement SA
 Director of Mod'Est SA
 Director of Epivosges SA

2008

Representative of Colam
 Co-Manager of Dumaco
 Manager of Le Moulin Blanc SCI

Director of Heatwave Technology SA
 Director of Osyris SA
 Director of Devianne SA
 Director of Disport SA
 Director of Mag Vet SA
 Director of Carrare SA
 Manager of Girls, a non-profit association
 Co-Manager of Team TT, a non-profit association
 Manager of Totem SARL

2009

Representative of Colam
 Co-Manager of Dumaco
 Manager of Le Moulin Blanc SCI
 Director of Ekkyo SA
 Director of Osyris SA
 Director of Devianne SA
 Director of Disport SA
 Director of Mag Vet SA
 Director of Carrare SA
 Manager of Girls, a non-profit association
 Co-Manager of Team TT, a non-profit association
 Manager of Totem SARL

2010

Representative of Colam
 Co-Manager of Dumaco
 Manager of Le Moulin Blanc SCI
 Director of Ekkyo SA
 Member of the Oversight Committee of NFD SAS
 Director of Verywear SA
 Director of Disport SA
 Director of Mag Vet SA
 Director of Carrare SA
 Manager of Girls, a non-profit association
 Co-Manager of Team TT, a non-profit association
 Manager of Totem SARL

2011

Director of Sedev SA
 Chairman of Massai SAS
 Manager of Dumaco
 Manager of Le Moulin Blanc SCI

Director of Ekkyo SA
 Director of Verywear SA
 Partner-Manager of Girls, a non-profit association
 Partner-Manager of Team TT, a non-profit association
 Manager of Totem SARL

MARIE-FRANCE TISSEAU**2007 TO 2011**

No positions held in other companies

MATTHIEU DURIEZ**2007 TO 2011**

No positions held in other companies

Special information regarding the directors and officers of the Company

To the best of the Company's knowledge, and on the date this document was drawn up, during the past five years none of the directors or officers:

- has been convicted of fraud;
- has been involved in a bankruptcy, receivership or liquidation;
- has been subject to incrimination or to an official public sanction handed-down by a statutory or regulatory authority;
- has been prevented by a court from acting as a member of an administrative, management or supervisory body, or from being involved in the management or oversight of an issuer's business dealings.

Conflicts of interest involving the Management Board and the Supervisory Board

To the best of the Company's knowledge, and on the date this document was drawn up:

- no conflict of interest has been identified between the corporate duties of the members of the Management Board and the Supervisory Board as directors and officers of the Company and their private interests or other duties;
- no arrangements or agreements have been made with the principal shareholders, customers or suppliers that specify the appointment of any members of the Supervisory Board;
- the members of the Management Board and the Supervisory Board have not agreed to any restrictions regarding the sale of their holdings in the share capital of the Company.

Transactions with related parties

- compensation of the Corporate Officers. See Note 16 of the notes to the annual separate financial statements;
- compensation of the directors. See Note 29 of the notes to the annual consolidated financial statements.

Service agreements

To the best of the Company's knowledge, and on the date this document was drawn up, there are no significant service agreements linking the members of the Company's administrative, management or supervisory bodies to the issuer or any one of its subsidiaries and providing for the granting of benefits upon fulfillment of any such agreement.

3.4 Report of the Supervisory Board

We are pleased to report on the control tasks that you the shareholders asked us to perform.

We were regularly informed by the Management Board on the activities of the Bonduelle Group through our Board meetings.

The Management Board provided us with all the documents required to evaluate the performance of its obligations and to review the separate and consolidated financial statements. It also provided us with all information regarding the financial statements, financial commitments and risks associated with the Group's activities.

The report of the Management Board presents the Group's revenue and earnings for the 2011-2012 financial year. The consolidated financial statements show an increase in operating profit to 98.2 million euros, compared with 68.9 million euros the previous year, and net income attributable to owners of the Company of 46.7 million euros, compared with 30.4 million euros in 2010-2011.

The Board notes with satisfaction that, after a difficult 2010-2011 financial year, the Company substantially improved its profitability despite an adverse economic environment and pursued its international growth policy through three highly-promising acquisitions with attractive financial terms.

The Supervisory Board supports the Management Board's proposal to pay a dividend of 1.50 euros per share.

You are asked to renew the expiring authorizations granted to the Management Board by previous Shareholders' Meetings.

At its December 4, 2008 meeting, the Supervisory Board adopted the principles of the Afep-Medef corporate governance code. While the Rules of Procedure of the Supervisory Board do not put a limit on the renewal of terms of office, the Board intends to draw on the recommendations of the Afep-Medef code in this area.

You are therefore asked to re-appoint two members of the Supervisory Board, Ms. Isabelle Danjou and Mr. Daniel Bracquart, and to appoint Mr. Martin Ducroquet, replacing Mr. André Crespel as Chairman of the Supervisory Board.

The Board would like to thank Mr. Crespel for his tireless contribution to the work of the Board and his efforts in the role of Chairman.

Subject to the adoption of the resolutions proposed at the Shareholders' Meeting, the Board will comprise three women and five men, thereby complying in advance with the law of January 27, 2011 on the balanced representation of women and men on Boards of Directors and Supervisory Boards, and on equality at work, as well as with the provisions of the Afep-Medef code.

As was the case last year, a specific report by the Chairman of the Supervisory Board is attached to the report of the Management Board to the Shareholders on corporate governance principles, the preparation and organization of the work of the Supervisory Board and its committees during the financial year and on the internal control procedures implemented by the Company.

In conclusion, we recommend that you adopt the resolutions that have been submitted to you and have been approved by us.

3.5 Report of the Chairman of the Supervisory Board

On the corporate governance structure, the preparation and organization of the work of the Supervisory Board and on the internal control and risk management procedures implemented by the Company.

Dear shareholders,

Pursuant to the provisions of Article L. 621-18-3 of the French Monetary and Financial Code, as the Chairman of the Supervisory Board I am pleased to present to you, in this report, the corporate governance structure, the conditions under which the work of the Supervisory Board is prepared and organized and the internal control and risk management procedures implemented by the Company.

Bonduelle SCA is a limited partnership with shares (*société en commandite par actions*, or SCA). These companies have two types of shareholders, known as partners:

- the shareholder partners, who contribute equity and are liable for the Company's obligations only in an amount equal to their contributions and who are represented by a Supervisory Board;
- the General Partner shareholders, who are indefinitely and severally liable for the Company's obligations to third parties.

Limited partnerships with shares are managed by one or more General Partners, who are natural persons or legal entities selected from amongst the shareholder partners or independent third parties.

Corporate governance code

At its December 4, 2008 meeting, the Supervisory Board of the Bonduelle Group adopted the principles of the so-called "Afep-Medef" corporate governance code *.

It noted that certain provisions were not applicable in the case of a company structured as a limited partnership with shares and with a family-owned controlling shareholder, especially as it concerns the role of the Supervisory Board in the decision-making process and the role played by the Nomination and Compensation Committee of the General Partner, which in the case of Bonduelle SCA is a legal entity.

Moreover, the Supervisory Board includes eight members considered to be independent with regard to the criteria established by its Rules of Procedure, which do not provide any restrictions with regard to the renewal of members' terms.

The Board has specified that the Afep-Medef recommendations are, in their spirit, applied in the Bonduelle SAS operating company and its French subsidiaries.

Conditions for preparing and organizing the work of the Supervisory Board

COMPOSITION OF THE SUPERVISORY BOARD

In accordance with the law and the provisions of the By-laws, the Supervisory Board is composed of between three and eighteen members selected from among the shareholders who do not qualify as General Partners and are neither the legal representative of the General Partner nor the Manager of Pierre et Benoît Bonduelle SAS. Supervisory Board members are appointed by an Ordinary Shareholders' Meeting for a period of three years.

The Supervisory Board currently has eight members, including its Chairman, Mr. André CRESPEL, who has no other functions within the Group. The eight members of the Supervisory Board are considered to be independent with regard to the criteria established by its internal Rules of Procedure, which are based on the principle that members of the Supervisory Board are independent and have no relationships with the Company or its management that could comprise the exercise of their freedom of judgment. While the Rules of Procedure do not put a limit on the renewal of terms of office, the Board intends to draw on the recommendations of the Afep-Medef code when terms of office expire and are considered for renewal.

REPRESENTATION OF WOMEN AND MEN ON THE SUPERVISORY BOARD

The Supervisory Board currently comprises three women and five men. The Company has adopted in advance the recommendations of the Afep-Medef code and is seeking to comply with the provisions of the law of January 27, 2011 on the balanced representation of women and men on the Board of Directors and Supervisory Boards and equality at work, emphasizing the Company's commitment in this area.

* Available on the website www.medef.com under "publications/économie".

DUTIES OF THE SUPERVISORY BOARD

The Supervisory Board is responsible for the permanent control of the management of the Company. These duties cover the following areas:

- reviewing the annual and interim separate and consolidated financial statements prepared by the Management Board;
- assessing the conduct of Company business;
- assessing internal control and risk management procedures;
- assessing compliance with shareholder rights.

FUNCTIONING OF THE SUPERVISORY BOARD

To detail the conditions under which the Supervisory Board prepares and organizes its work, the Board has drafted Rules of Procedure that also describe the rights and obligations of its members.

The Board decided to create an Audit Committee, comprised of at least three Supervisory Board members, for which the minimum competence criteria as well as the criteria to determine the competent member(s) of said Committee are set out in the Rules of Procedure of the Supervisory Board.

This Committee is charged with preparing the meetings of the Supervisory Board, notably with respect to the following points:

- oversight of the preparation of financial disclosures;
- review of the annual and interim financial statements and monitoring of the legal control by the Statutory Auditors;
- review of the effectiveness of internal control and financial and operating risk management procedures, and the hedging of said risks;
- creation of review schedules of the Auditors and the internal audit service.

The Supervisory Board also has a Remuneration Committee made up of one Supervisory Board member, plus a majority of members from outside the Group. This Committee sets compensation levels for Bonduelle SAS' Executive Management and employees who are members of the Bonduelle family. It also offers an opinion on compensation policy for certain other Senior Managers.

The By-laws stipulate that the Supervisory Board shall meet as often as required in the interests of the Company, and the Rules of Procedure set the minimum number of meetings at four.

In order to be fully informed and exercise its duties, the Supervisory Board may, at its discretion, request the participation of the Manager, the Chief Executive Officers of the Group and its subsidiaries, the Statutory Auditors, the Chief Financial Officer of the Group and the Audit director to consolidate its reflections and ensure its mission.

It may also call upon outside experts or consultants of its choosing, with the related expense to be borne by the Company.

ACTIVITIES OF THE SUPERVISORY BOARD DURING THE YEAR

WORK OF THE SUPERVISORY BOARD

Four meetings, lasting an average of four hours, were held during the financial year, in addition to a visit to two canned vegetable production facilities in Russia in July, including the recently-purchased site in Timachevsk. The visits incorporated a detailed presentation of business activity in Russia and the Commonwealth of Independent States (CIS), provided a better understanding of the country's specific issues and constraints and allowed visitors to meet local teams.

At its September 30, 2011 and February 28, 2012 meetings, the Supervisory Board reviewed the annual and interim financial statements prepared by the Management Board, and was informed of financial reporting matters, on which it offered an opinion.

The Supervisory Board also benefited from the specific presentations made by the Management Board on the conduct of business, monitoring of Group activities and Group strategic orientations.

The characteristics of a number of innovative corporate financing tools and the Group's human resources management policy were described by the Group's Chief Financial Officer and director of Human Resources respectively.

The attendance rate at these meetings was 81.3%.

The Supervisory Board benefited from high-quality information and presentations. It appreciated the comprehensive nature of the information and reports presented to it, and the quality of its discussions with the Management Board.

The Supervisory Board reviewed its functioning and considers that it was able to exercise its control functions in a constructive manner.

WORK OF THE AUDIT COMMITTEE

For the 2011-2012 financial year the Audit Committee was composed of four members.

Mr. Yves TACK chaired the Committee, with the other members being Ms. Marie-France TISSEAU and Messrs. André CRESPEL and Daniel BRACQUART.

It met four times during the financial year. The attendance rate was 92.9%.

The Committee performed the following tasks:

- in-depth review of the interim and annual financial statements;
- review of the internal audit reports;
- monitoring of the "risk mapping" procedure and action plans undertaken concerning principal identified risks;
- review of the Group's transfer pricing policy;
- review of the Group's financial reporting policy;
- review of regulatory activity, AMF recommendations, and expected changes in IFRS;
- distribution of work within the team of Statutory Auditors, the nature of the tasks assigned to them and their independence,

together with the summary of their role in relation to the renewal submitted to the Shareholders' Meeting.

The Committee also defined, in liaison with the Group's Executive Management, the assignments and tasks of the Internal Audit Department.

At its meetings, the Audit Committee heard presentations from the Group's Chief Financial Officer, the heads of the Group's Financial and Internal Audit Departments and the Statutory Auditors.

The Audit Committee is pleased to note that, when providing their report, the Statutory Auditors once again praised the quality of the organization of the closing of the accounts, the information made available and the explanations provided by the local Finance Departments and the Bonduelle Group Finance Department.

The Chairman of the Committee presented a report on the Committee's work to the Supervisory Board at its meeting of December 8, 2011.

Internal control and risk management procedures

The Bonduelle Group has adopted the Reference Guidelines for internal controls published by the French Financial Markets Authority (AMF) in January 2007 and updated in July 2010.

Risk management and internal control procedures are established by the Company, which takes responsibility for their implementation, and consist of a body of resources, operating principles, procedures, and initiatives specially tailored to the specific characteristics of each Group company, which:

- enables directors and officers to maintain the risks at an acceptable level for the Company;
- contributes to the management of its activities, effectiveness of its operations and efficient utilization of its resources; and
- must enable it to take appropriate action with regard to all significant operating, financial or compliance-related risks.

The specific goal of the risk management plan is to:

- a) create and preserve the value, assets and reputation of the Company by identifying and analyzing the main potential threats to the Company;
- b) identify the main events and situations likely to affect in a significant way the Company's objectives;
- c) ensure actions concur with the Company's values;
- d) inform and mobilize the Company's employees around a common understanding of the main risks.

Internal control procedures are designed specifically to ensure:

- a) compliance with all laws and regulations in effect;

b) the application of all procedures and policies established by the Management Board;

c) the smooth operation of the Company's internal procedures, especially as regards the protection of its assets;

d) the reliability of financial information.

However, these risk management and internal control procedures cannot provide an absolute guarantee as to the achievement of the Company's objectives.

In fact, any internal control system is subject to inherent limits, such as uncertainties regarding external conditions, the use of good judgment and the cost/benefit analysis of implementing new controls, or dysfunctions that can occur due to technical faults, human or simple errors.

ORGANIZATIONAL STRUCTURE OF THE BONDUELLE GROUP

Bonduelle SCA is a holding company whose operating activities are carried out by its subsidiary Bonduelle SAS, which comprises the Group's seven business segments and two joint ventures.

Bonduelle SAS manages the following tasks:

- oversight of equity interests, mergers, acquisitions and asset sales;
- acquisitions;
- oversight of the Group's overall financial policy, including financing methods;
- tax policy and implementation;
- determination of compensation policies, oversight of management, and training and staff development;
- approval of new advertising campaigns prior to their release;
- corporate communications and investor, analyst and shareholder relations;
- pooling of resources, such as IT, purchasing, etc.;
- research and development programs.

The business segments are broken down by region or business activity. Each segment has its own financial resources, oversees its own product development and is responsible for most of its production and all of its marketing needs.

For each segment, the Group has defined its mission, organization, and contribution to essential decisions, performance measurement and exchanges with the other segments.

The Group's objectives are defined by the Management Board. They not only involve business performance, but also areas in which the Group is striving to achieve excellence, such as human resources management, quality, innovation, working conditions, and environmental protection.

The goals factor in past performance, in-depth analysis and ongoing changes in the business environment.

The risk analysis related to business activities is an integral part of the planning development process, which calls for identifying the key success factors and analyzing the main assumptions used to achieve these objectives.

PLAYERS IN THE RISK MANAGEMENT OF INTERNAL CONTROL

The main risk management and internal control bodies are as follows:

AT GROUP LEVEL

The Executive Management of Bonduelle SAS consists of two members (a Chairman and a Chief Executive Officer), whose authority is attributed by law and the Company's By-laws. It works collegially to ensure the Group's operational management.

The central administrative departments are responsible for applying decisions made by the Executive Management and must ensure that the information presented to the latter is accurate and relevant.

The Executive Committee comprises Bonduelle SAS' Executive Management, the Chief Executive Officers of the various business segments, and the Chief Financial Officer, Human Resources Manager and External Relations and Sustainable Development Manager of Bonduelle SAS. It reviews the Group's sales and financial performance and discusses all matters of interest to the Group and its subsidiaries. It met 12 times during the financial year.

The Group's Internal Audit Department is part of the Bonduelle SAS Finance Department and reports to the Company's Executive Management and the Audit Committee. The audit programs and tasks are approved by the Executive Management and the Audit Committee. A report on each audit is sent to the Executive Committee, the Audit Committee and the Operations Managers of the audited entities. Twelve audits were performed during the 2011-2012 financial year at the Group's various managerial units. Following each audit, an action plan is developed by the relevant operating units to correct deficiencies identified in the audit report, and the monitoring of these action plans is carried out by the Internal Audit Department and Operations Managers, then reviewed by the Group's Executive Management. With a view to ensuring the ongoing improvement of the internal control process, the Group has implemented reviews focusing on the entities acquired during the financial year. These reviews were carried out following the three acquisitions made in 2011-2012.

The Supervisory Board, acting on the proposal of the Audit Committee, is responsible for selecting the Statutory Auditors. The Group has chosen a team of Statutory Auditors that provides geographic and global coverage of the Group's risks.

AT BUSINESS SEGMENT LEVEL

The Management Committee is comprised of the Chief Executive Officer and Executive Officers of the main functions. The Chief Financial Officer is specifically charged with implementing internal control systems to prevent and manage risks arising from the segment's business activities as well as those caused by errors or fraud.

Once each quarter, Bonduelle SAS' Executive Management, Chief Financial Officer, Head of Human Resources and director of External Relations and Sustainable Development meet as an internal Board of Directors together with the Management Committee of each business segment to determine the segment's business objectives, review its performance and set policies at segment level. Specifically, the following topics are covered:

- in February: First-half results
- in June: Budget for the following year N+1
- in September: Annual results and investments for the following year N+1
- in November: Three-year plan

FOUNDATION OF INTERNAL CONTROL PROCEDURES

The general operating rules handbook defines the respective areas of responsibility and authority of the central departments and the business segments.

A formal procedure for delegating authority sets out the responsibilities of Executive Management, the management of the central departments and the Management Committees of the respective business segments.

Budgetary control is based on three principles:

- the budget is prepared on the basis of guidelines and directives established by the Executive Management;
- the monitoring of performance through monthly reporting or meetings of the internal Board of Directors;
- a three-year strategic plan established each year using the same procedures for implementation as for the budget.

Procedures and guidelines determine the responsibilities of each party and specify the operating methods and related controls.

The Financial Control units of Bonduelle SAS and the various business segments are responsible for budgetary control.

RISK MANAGEMENT PROCEDURES

As with any company, during the course of its business the Bonduelle Group is exposed to a number of risks. The main methods employed to manage and control these risks are described in Section 4.2 "Risk management".

In order to best identify these risks, the Group initiated in 2008 a general risk mapping project aimed at ranking the principal risks to which the Group may be exposed, in terms of severity, likelihood, frequency and degree of management control.

The results of this project were analyzed by the Group's Executive Committee to ensure that all major risks have been identified and assessed, and to develop appropriate action plans and preventive measures.

A report is made to the Supervisory Board of the roll-out of this procedure and action plans associated with the different identified risks.

INTERNAL CONTROL PROCEDURES APPLICABLE TO THE PREPARATION OF FINANCIAL AND ACCOUNTING INFORMATION

The Group prepares interim and annual consolidated financial statements. These processes are administered by the consolidation department, which forms part of the Group's Finance Department.

This information is prepared in accordance with an annual schedule provided to the subsidiaries, and the main steps are as follows:

- monthly reporting of activity;
- quarterly reporting package;
- closing of interim and annual financial statements.

The consolidated financial statements are prepared using information provided in the form of reporting packages extracted from the IT systems by each subsidiary and sent to the consolidation department using a special software application. All transactions are recorded in accordance with the rules established in the Group-wide consolidation procedure manual.

All documents exchanged as part of the consolidation process have been standardized for the entire group, and the related formats have been defined and disseminated to the entire group and reviewed by the Statutory Auditors.

During the closing of the financial statements, the Accounting Department audits the financial statements and works with the Financial Control Department to analyze and explain changes in results from one period to the next or variances with respect to the budget.

This system is complemented by the audit work of the Statutory Auditors for the interim and annual separate and consolidated financial statements.

OTHER INFORMATION

All items that may have an impact in the event of a public takeover offer are discussed in Sections 7.1 "Share capital" and 7.2.3 "Shareholders' agreements".

The rules governing shareholder participation in Shareholders' Meetings are set out in detail in Article 23 of the By-laws of Bonduelle SCA. Copies of these By-laws will be provided upon request by the corporate registered office in Villeneuve d'Ascq.

This report was presented to, discussed and approved by the Supervisory Board at its September 28, 2012 meeting.

3.6 Statutory Auditors' report drawn up pursuant to Article L. 226-10-1 of the French Commercial Code on the report of the Chairman of the Supervisory Board

Dear shareholders,

In our capacity as the Statutory Auditors of Bonduelle, and pursuant to the provisions of Article L. 226-10-1 of the French Commercial Code, we hereby present to you our report on the report drawn up by the Chairman of your Company under the provisions of this Article for the financial year ended June 30, 2012.

It is the duty of the Chairman to draw up and submit a report for the approval of the Supervisory Board on the Company's internal control and risk management procedures and to provide the other information required by Article L. 226-10-1 of the French Commercial Code, with regard notably to the Company's corporate governance system.

Our duty is to:

- report to you any observations that we may formulate based on the information contained in the Chairman's report regarding internal control and risk management procedures applicable to the preparation and processing of accounting and financial information; and to
- certify that the report includes all of the other disclosures required by Article L. 226-10-1 of the French Commercial Code, it being specified that it is not our duty to verify the accuracy of these other disclosures.

We performed our work in accordance with generally accepted French auditing practices.

Information regarding the internal control and risk management procedures applicable to the preparation and processing of accounting and financial information

Generally accepted French auditing practices require the use of due diligence to assess the accuracy of the information contained in the Chairman's report regarding the internal control and risk management procedures applicable to the preparation and processing of accounting and financial information.

This due diligence consists in particular of:

- examining the internal control and risk management procedures applicable to the preparation and processing of the accounting and financial data that forms the basis for the information presented in the Chairman's report, as well as all existing documentation;
- examining the work performed to prepare this information, as well as all existing documentation;
- determining whether any major shortcomings in the internal controls applicable to the preparation and processing of the financial and accounting information we may have observed during our audit have been adequately disclosed in the Chairman's report.

Based on our review, we have no observation to make on the information presented regarding the Company's internal control and risk management procedures applicable to the preparation and processing of accounting and financial information contained in the Chairman of the Supervisory Board's report, prepared in accordance with the provisions of Article L. 226-10-1 of the French Commercial Code.

Corporate governance

Statutory Auditors' report drawn up pursuant to Article L. 226-10-1 of the French Commercial Code on the report of the Chairman of the Supervisory Board

Other information

We also certify that the Chairman of the Supervisory Board's report contains all of the other disclosures required by Article L. 226-10-1 of the French Commercial Code.

Lille, October 17, 2012

The Statutory Auditors

Mazars
Cécile FONTAINE

Deloitte & Associés
Jean-Yves MORISSET

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Review of the financial year

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INTRODUCTION

The economic and financial crisis that began in 2008 again weighed on consumption levels in 2011-2012. However, the Bonduelle Group posted revenue growth and achieved a strong recovery in profitability, demonstrating the effectiveness of its multi-segment (canned, frozen, fresh), multi-brand (private label and Group brands – Bonduelle, Cassegrain, Arctic Gardens, Globus) and multi-network (retail grocery and food service sector) business diversification strategy. The Group also has a high level of geographical diversification, with a presence in more than 80 countries.

2011-2012 was a very busy year for the Bonduelle Group in terms of external growth and refinancing operations. It expanded its international sales and agro-industrial operations with three high-potential acquisitions: commercial and industrial assets from Cecab in Russia, and industrial assets from Allens, in the frozen food segment, in the United States and from Kelet-Food in Hungary. These transactions also underlined the Group's resilience and the validity of its business model in a competitive environment weakened by the economic conditions.

In addition, the debt refinancing conditions obtained in the two transactions carried out during the year – a revolving credit facility and a private bond placement for a combined total of 445 million euros – have secured the Group's funding.

The economic outlook for the next financial year is highly uncertain and likely to be unfavorable. Nonetheless, the synergies expected to be generated from the Group's recent external growth transactions, allied with the ongoing commitment of our sales, agro-industrial and administrative teams to enhancing our performance enable us to project revenue and profitability growth for the coming financial year, as well as the creation of long-term value.

4.1 Business and earnings

4.1.1 Revenue

Group revenue increased by 2.4% to 1,767 million euros in 2011-2012 (July 1, 2011-June 30, 2012), compared with 1,726 million euros for the previous year.

Changes in the scope of consolidation (the sale of the Frudesa and Salto frozen food brands in Spain, the acquisition of the Cecab canned vegetable business in Russia and the Allens frozen food business in the United States) and in exchange rates had a negative impact on revenue of 0.5% and 0.4% respectively. At same scope and constant exchange rates, the Group saw growth of 3.2%, compared with a rise of 0.6% at June 30, 2011, with all areas (Europe and outside Europe) and all product segments (canned, frozen, fresh) posting growth during the year – a particularly noteworthy performance given the depressed and volatile economic environment.

EUROPEAN AREA

Revenue in the European Area was down 1.4% in 2011-2012. Restated for changes in scope of consolidation (sale of frozen food brands in Spain) and in exchange rates, growth returned to positive territory in Europe, at 1.3%, compared with -0.1% the previous year.

The development of the steamed ranges of canned products in Europe and the excellent performances of the Bonduelle brand in retail and food service frozen ranges, bagged salads and prepared

salads in France, the biggest market in the European area, were especially notable, and contributed to offsetting the decreasing volumes recorded in some markets.

OUTSIDE EUROPEAN AREA

Outside European Area, which has historically shown more dynamic growth, sales again saw strong growth, at 13.9%. Restated for changes in scope of consolidation and exchange rates, growth was 8.9%. This area posted growth throughout the year, while the fourth quarter was especially strong, with sales up 29.3% at constant scope and exchange rates, despite shortages of peas in North America. This performance confirms the validity of the Bonduelle Group's strategy of geographical diversification and expansion outside European Area.

4.1.2 Operating profitability

Current operating income increased by 25% to 100.9 million euros, compared with 80.7 million euros in the previous financial year. This growth, which had been forecast and was in line with targets, stemmed from the combination of:

- satisfactory volume sales in Western and Eastern Europe, despite shortages of certain products;

- growth in sales by value, at constant scope and exchange rates, despite below-budget volumes in North America due to the poor harvests of summer 2011;
- an increase in selling prices aimed at offsetting the lower prices agreed in 2010-2011 and the rise in commodity prices during the 2011 harvest;
- the withdrawal from unprofitable activities (frozen food brands in Spain);
- an increase in marketing and communications expenditure.

By region, current operating income improved both in Europe (45.7 million euros, up from 30.9 million euros) and outside European Area (55.2 million euros, up from 49.8 million), underlining the positive performance of these two areas, as well as the difference in profitability (3.6% and 11.3% of revenue respectively) and the benefits of the Group's international expansion strategy.

The net figure for non-recurring items was negative, at 2.7 million euros (11.7 million euros the previous year), and mainly included the costs relating to the three external growth transactions announced previously and the removal of the Frudesa brand frozen food business in Spain from the scope of consolidation.

After taking these non-recurring items into account, operating profit increased by 42.5% to 98.2 million euros, compared with 68.9 million euros in the previous financial year. The impact of changes in scope of consolidation and exchange rates over the year was not significant. Operating profit thus came in within the range indicated by the Group in October 2011 of 95-100 million euros and increased in February 2012 to 98-100 million euros.

4.1.3 Net income

Net financial expense came to 30.5 million euros, compared with 23.7 million euros in the previous financial year. The increase in financial expense during the year chiefly related to exchange rate gains and the valuation of financial instruments recognized in 2010-2011 at fair value. The cost of net debt fell during the year, as the increase in debt relating to acquisitions was offset by the fall in interest rates.

The share of net income from associates, which mainly relates to the production joint venture Gelagri (France) – now profitable – and since this financial year, to the Ultra Congelados de la Ribera (UCR-Spain) joint venture co-owned with Europe's market leader in frozen vegetables Ardo, was -1.7 million euros, compared with +0.1 million euros the previous year. The synergies generated from the first year of operation of UCR, and the improvement in profitability at Gelagri, confirm the importance of the Group's partnership strategy in certain targeted business segments.

Income tax expense was 18.3 million euros, compared with 14.7 million euros in the previous financial year, equivalent to an effective tax rate of 27.1%.

Taking into account all of these items, net income attributable to owners of the Company increased by 53.5% to 46.7 million euros.

At the Shareholders' Meeting scheduled for December 6, 2012, the Management Board will propose a dividend of 1.50 euros per share, unchanged from the two previous years.

4.1.4 Capital expenditure and research and development

Research and development expenditure amounted to nearly 1% of total revenue, and continued to focus on new production processes, packaging and energy savings.

Total capital expenditure for the financial year amounted to 76.8 million euros, compared with 81 million euros in 2010-2011.

During the year, Bonduelle strengthened its logistics capabilities with the construction of frozen food storage centers in Portugal and Canada, as well as canning facilities in south-west France and Hungary, and made its first investments to improve the competitiveness of the US and Russian sites.

4.1.5 Change in capital employed and working capital requirement

Rigorous working capital management, especially as regards customer risk, was reflected in a contained increase of 53.8 million euros, principally due to changes in the scope of consolidation and an increase in the unit selling price of inventory related to the rise in commodity prices at the time of the 2011 harvest, with inventory volumes remaining lower than normal levels.

Taking into account this change in working capital requirement, as well as capital, administrative and marketing expenditure, changes in the scope of consolidation and the continuation of the share repurchase program, total capital employed (equity and debt) was 1,112.1 million euros, compared with 975.4 million euros in 2010-2011.

4.1.6 Borrowings and debt ratio

The Group's net debt, after the impact of the three acquisitions carried out during the year, totaled 608.4 million euros at June 30, 2012, while the debt ratio stood at 120.8%, compared with 101.6% the previous year. The average cost of debt improved to 3.39%, from 3.81% the previous year, a decrease of 42 basis points.

The Group holds 521,810 treasury shares with a value of 35 million euros, and this amount has therefore been deducted from equity, in accordance with IFRS. Restated for the acquisitions carried out at the end of the year, and the adjustment in relation to treasury shares, the Group's debt ratio stands at 88%.

On July 3, 2012, the Group signed a five-year, 300 million euros revolving credit facility with bullet repayment, with seven international

financial groups and on September 10, 2012, implemented a bond issue in the form of a 145 million euro private placement, with maturity of 6.5 years (March 2019) and paying a coupon of 3.83%, for the refinancing of its acquisitions and to anticipate the bonds part of the OBSAAR 2007 and 2009 repayments. The Group's financial structure, which is consistent with the characteristics of its business

(production governed by seasonal factors) and its business model (agro-industrial integration), was strengthened by the refinancing operations carried out, which extended the maturity of its debt (5.6 years *pro forma*) at particularly competitive conditions, placing the Group in a sound and secure financial position.

■ Net debt

(in millions of euros)	At June 30, 2010	At June 30, 2011	At June 30, 2012
Net debt	556.1	491.6	608.4
Equity	477.2	483.8	503.7
Net debt/equity	1.16	1.02	1.21

4.1.7 Highlights

■ SALE OF FROZEN FOOD BRANDS AND CREATION OF A PRODUCTION JOINT VENTURE IN SPAIN

In July 2011, the Bonduelle and Ardo groups decided to set up a joint venture to supply vegetables to the Findus brand in Spain and Portugal, having signed an exclusive production agreement with Findus. In addition, Bonduelle sold its Frudesa and Salto brands to Findus. Through this partnership, and thanks to the synergies generated, Bonduelle and Ardo aim to create a competitive producer of frozen vegetables.

■ ACQUISITION OF COUBANSKIE CONSERVI IN RUSSIA

On March 30, 2012, the Bonduelle Group acquired the agro-industrial and commercial assets of the French Cecab cooperative in Russia and Commonwealth of Independent States (CIS) countries.

With a commercial presence in Russia and Central and Eastern Europe since the mid-1990s, Bonduelle is the regional market leader in canned vegetables.

This acquisition will enable Bonduelle to:

- benefit from Cecab's commercial assets in Russia, i.e. the sale of canned vegetables to the d'Aucy and Globus brands;
- rapidly expand vegetable crops at the Cecab *kolkhoze* via an increase in the production capacity of the Timachevsk plant;
- generate substantial synergies through the geographical proximity of the two agro-industrial plants (logistics, etc.) located in the Krasnodar Krai region (Kuban province, south-west Russia).

■ ACQUISITION OF ALLENS FROZEN VEGETABLE PLANTS IN THE UNITED STATES

On March 30, 2012, the Bonduelle Group acquired, via its subsidiary Bonduelle North America, three frozen vegetable processing plants and one packaging facility from US firm Allens.

The acquisition, in the form of an asset purchase, involves the four Allens production facilities located in Bergen, Oakfield and Brockport (all New York State) and Fairwater (Wisconsin), and assures the employment of 400 permanent employees.

In 2011, Allens sold around 150,000 metric tons of frozen vegetables in the United States, with the retail channel accounting for 40%, the food service segment for 25% and sales to industry for 35%.

Prior to the acquisition, Bonduelle North America, which is headquartered in Montreal, was already the market leader in canned and frozen vegetables in Canada (under private label and Group brands including Bonduelle and Arctic Gardens...), exporting 30% of its production to the United States, consisting mainly of frozen products sold to food service distribution networks. The acquisition will enable Bonduelle North America to increase its sales, and will also be beneficial in terms of exchange rate risk (better balance of production and sales in US dollars) and spreading climate risks more effectively.

■ ACQUISITION OF ASSETS FROM KELET-FOOD IN HUNGARY

On May 31, 2012, the Bonduelle Group acquired certain assets from Kelet-Food, a Hungarian canning firm with a capacity of 25,000-30,000 metric tons.

Kelet-Food is located in Nyiregyhaza (north-east of Budapest), and produces canned sweet corn and peas, which it sells to private labels in Hungary and nearby markets.

The Bonduelle Group has had an industrial presence in Hungary for 20 years, and produces 130,000 metric tons of canned vegetables there, mainly sweet corn and peas, in two plants located in the south of the country: Nagykőrös, acquired in 1992, and Békéscsaba, acquired in 2002.

The Kelet-Food plant will enable Bonduelle to supply its markets in Central Europe, which are expanding rapidly. Moreover, the plant is located in a different production region from the Group's two other Hungarian production facilities, thereby providing a better spread of agricultural risks.

NEW 300 MILLION EURO REVOLVING CREDIT FACILITY

On July 3, 2012, the Bonduelle Group announced the signing of a 300 million euro revolving credit facility for five years, maturing in June 2017, with a bullet repayment.

This credit line was put in place with a pool of banks comprising seven international financial groups, and was considerably oversubscribed.

145 MILLION EURO BOND ISSUE

On September 10, 2012, the Bonduelle Group implemented a 145 million euro bond issue in the form of a private placement.

The transaction was subscribed by several European institutional investors (insurance companies and mutual insurers); it pays a coupon of 3.83% and has a maturity of 6.5 years (March 2019).

This transaction, in addition to the 300 million euro revolving credit facility, will enable the Bonduelle Group to provide long-term funding for the three acquisitions announced in the first half of 2012 and to refinance the maturities of the bond component of the 2007 and 2009 OBSAAR bonds early.

This private bond placement was the first carried out on the European market by a non-rated, medium-sized French company.

MARKETING

In 2011-2012, the Bonduelle Group stepped up its policy of investing in the marketing of its brands (Bonduelle, Cassegrain and Arctic Gardens) in all four product segments (canned, frozen, fresh, prepared), with an increase in marketing expenditure of nearly 15%.

This enabled the expansion of product marketing efforts, mainly through TV advertising in France, Poland, Russia, Germany, Czech Republic, Romania, Ukraine, Kazakhstan, Uzbekistan, Kosovo, Armenia and Azerbaijan.

2011-2012 also saw our first TV advertising campaign in Brazil, and the return of the Cassegrain rabbit to French television.

To complement our dedicated subsidiary and country websites, the Group continued to expand its presence on social networks such as Facebook, Twitter and YouTube. This new method of communication enables a different and complementary relationship with consumers to be developed, which is, notably, more interactive.

CORPORATE SOCIAL RESPONSIBILITY

Through its business, directly linked with the agriculture sector, through its products, a natural basis for nutrition, and through its ethics, built over generations on a foundation of essential values, the Bonduelle Group has always placed particular importance on what has come to be called sustainable development.

The Group has five key priorities on which it bases its objectives:

- agricultural production;
- employees;
- nutrition and quality;
- natural resources;
- transportation.

It has set ambitious objectives in relation to each priority. Achievement of objectives is assessed by the Group's Internal Audit Department.

In addition, the Bonduelle Group is the initiator or a participant in numerous initiatives aimed at raising collective awareness of these issues.

BONDUELLE ADOPTS GRI GUIDELINES AND COMMISSIONS CSR AUDITS

As part of our commitment to progress in terms of CORPORATE SOCIAL RESPONSIBILITY (CSR), and with the aim of meeting international standards, in 2012 the Group adopted the Global Reporting Initiative (GRI) guidelines, for which it obtained a B+ rating.

Ahead of the introduction of the Grenelle II regulations in France, which include the certification of CSR data, the Group submitted its data for audit by an independent third party (Deloitte).

A RESPONSIBLE APPROACH TO RESTRUCTURING, ACCORDING TO VIGEO

Adapting a company's structure and plant to the prevailing economic conditions is essential and may necessitate restructuring operations by the Company. The Bonduelle Group aims to anticipate changes in the economic environment and take a responsible approach to addressing the impact. In 2011, ratings firm Vigeo ranked Bonduelle 6th out of almost 600 European companies for responsible restructuring.

LOUIS BONDUELLE FOUNDATION ACHIEVES 100% APPROVAL RATING

The Louis Bonduelle Foundation, which is funded by the Bonduelle Group, aims to improve eating habits, especially in the most disadvantaged population groups. As part of this commitment, it funds a number of research prizes, and organizes an annual study day for health and nutrition professionals.

In 2011, market research firm OpinionWay conducted a survey of health professionals, which showed that 100% of respondents had a favorable opinion of the Foundation.

PARTNER OF THE LILLE WORLD FORUM

Since its inception, Bonduelle has been a partner of the Lille World Forum, an annual event established on the initiative of Philippe Vasseur. The aim of this event is to foster responsible economies by promoting the best practices of companies that perform their global activities responsibly. In 2012, the Forum's theme is "Responsible companies, profitable companies". Our Chairman, Christophe Bonduelle, is to speak at the event on the theme of responsible procurement.

GUIDE TO ENVIRONMENTAL RESPONSIBILITY FOR PRODUCTS

The Bonduelle Group has put in place a multi-disciplinary working group to draft a guide to environmental responsibility for its branded products. At each stage of the product life cycle, specialists have established criteria and tools to measure their environmental impact so that steps can be taken to minimize this. The guidelines are currently at the testing stage.

BONDUELLE TESTS ENVIRONMENTAL LABELING

One of the objectives of the French law *Grenelle de l'environnement* on environmental protection requires firms to provide objective and accurate information on their products and services.

Bonduelle is fully committed to this initiative and has been involved in the test phase for environmental labeling at national level since it began in July 2011.

BONDUELLE LISTED ON GAÏA AND EMPLOYEE SHARE OWNERSHIP INDICES

Bonduelle has been part of the Gaïa index since its inception. This index ranks medium-sized firms based on their sustainable development efforts. The rankings, released in 2011, highlight the progress achieved by the Group: it is ranked 16th out of 288 firms in all sectors, and is 8th on the list of industrial companies.

With more than 3% of its shares held by its employees, the Bonduelle Group is also listed on the employee share ownership index (Euronext FAS IAS) established by NYSE-Euronext.

EVENTS AFTER THE REPORTING DATE

Apart from the refinancing operations mentioned in the "Highlights" Section, no major event has taken place after the reporting date.

OUTLOOK

In an uncertain and volatile consumption environment, with consumers paying ever-closer attention to their purchasing power given the economic conditions and austerity measures introduced in a number of countries, the Bonduelle Group will draw on the resilience of its business model and should start to reap the benefits of synergies generated by its recent acquisitions from the next financial year. The Bonduelle Group is targeting overall growth, including the contribution of its acquisitions over the entire year, of around 8% for sales and 5-10% for operating profit, with the latter projected to rise to 105-110 million euros.

SEPARATE FINANCIAL STATEMENTS OF BONDUELLE SCA

INCOME STATEMENT

The Bonduelle SCA holding company reported net income of 57 million euros.

This includes primarily:

1. Net finance income of 5 million euros, and is based on:

• Income from interest on the OBSAAR	+4.2
• Recoveries of provisions and capitalized costs	None
• Interest and similar expenses	-0.2
• Expenses from interest on the OBSAAR	-4.2
• Dividends received from Bonduelle SAS	+5.2

2. Operating expenses of 1.4 million euros.

STATEMENT OF FINANCIAL POSITION

Analysis of the main statement of financial position headings:

1. mainly financial non-current assets total 608 million euros.
2. equity is 329 million euros.

DIVIDENDS

See paragraph 7.3.2 of chapter 7 "Information on the Company and the share capital".

OWNERSHIP STRUCTURE

At June 30, 2012, the Company's share capital comprised 8,000,000 shares with a par value of 7 euros per share, representing a total of 11,906,027 voting rights.

As far as the Company is aware, the following hold at least 5% of the share capital:

- La Plaine SAS with 22.36% of the share capital and 30.05% of the voting rights;
- Pierre et Benoît Bonduelle SAS with 5.27% of the share capital and 7.04% of the voting rights.

Group employees held 3.5% of the capital, primarily through mutual funds.

During the financial year, the Management Board, exercising the authorization issued by the Extraordinary Shareholders' Meeting of December 3, 2009, granted 51,700 stock options with an exercise price of 62.90 euros per share to 114 employees.

NON-CURRENT FINANCIAL ASSETS AND SECURITIES

See Note 3 and Note 5 of the notes to the separate financial statements.

ANALYSIS OF THE SHARE REPURCHASE PROGRAM – FINANCIAL YEAR 2011-2012

Under the terms of a share repurchase program, Bonduelle SCA made the following purchases and sales of treasury shares during the 2011-2012 financial year:

	Number	Average unit price	Valuation
Opening balance of treasury shares recorded for the 2011-2012 financial year	276,231	68.04	18,795,239
Treasury shares purchased during the 2011-2012 financial year	318,529	66.54	21,193,910
Treasury shares sold during the 2011-2012 financial year	(72,950)	67.31	(4,910,360)
Reclassification of the net carrying amount of treasury shares allocated to share programs			-
Valuation at end of financial year of shares held			(4,512)
NUMBER OF SHARES RECORDED AT END OF THE 2011-2012 FINANCIAL YEAR	521,810	67.22	35,074,277
Par value of treasury shares held			7

The cost of the market-making contract with ODDO was 29,900 euros including tax for the 2011-2012 financial year.

Reasons for acquisitions of treasury shares:	% of capital
Share price support (liquidity contract)	0.92%
Employee stock ownership program	0.46%
Securities giving rights to allocations of shares (stock options)	None
Acquisitions	2.59%
Cancellation	None

	Employee stock ownership	Coverage for securities	Acquisitions	Cancellation
Volume of shares used (in number of shares)	-	-	-	-

FIVE-YEAR FINANCIAL SUMMARY

See Section 6.6 of the separate financial statements.

4.2 Risk management

In line with the objectives defined by the Group's principal shareholder (including sustainability, independence and the individual development of our employees), Bonduelle takes a conservative and responsible approach to its risks.

The Company has reviewed the risks which could result in a significant negative effect on its business, financial position or results and considers that there are no other significant risks, apart from those described below.

It has also carried out a risk mapping project.

The risk mapping procedure consists of:

- identifying and analyzing risks;
- prioritizing risks;
- defining priorities aimed at minimizing risks through the implementation of action plans.

The action plans are reviewed and validated by the Executive Management and approved by the Supervisory Board.

4.2.1 Financial risks

The Bonduelle Group has established an organization that provides for centralized management of all of its liquidity, currency, interest rate and counterparty credit risks. The Finance Department has assigned the Group Finance and Treasury Department responsibility for risk management, and provided it with all of the expertise and tools needed to participate in the various financial markets as effectively and safely as possible. The organization and procedures utilized are regularly reviewed by the Internal Audit Department and the Statutory Auditors. At meetings held regularly with the Chief Financial Officer and the Manager of Finance and Treasury, the Group's Executive Management validates, on the basis of a report published monthly, the implementation of previously authorized management strategies.

In a rapidly changing global economic environment, characterized by market volatility and changes in financial techniques, the role of the Group Finance and Treasury Department is to:

- ensure optimum and sufficient funding to finance the development and growth of the Group's activities; and
- identify, evaluate and hedge all financial risks in close collaboration with the operations teams.

The objective is to minimize, at the lowest possible cost, the impact of financial market fluctuations on the Group's income statement, in order to reduce the capital allocation required to manage these financial risks.

The Group prohibits the taking of speculative positions.

A. LIQUIDITY RISK

The Group Finance Department is responsible for maintaining sufficient liquidity at all times. It accomplishes this by efficiently managing the Group's cash balances and ensuring that the maturity and legal conditions of the financing obtained are appropriate. In particular, it arranges confirmed lines of credit to maximize the flexibility of the Group's financing (see Note 21 of the notes to the consolidated financial statements at June 30, 2012).

The Company specifically reviewed its liquidity risk and considers that it is able to meet its future payments.

B. MARKET RISKS

1. CURRENCY RISK

Risks related to changes in foreign exchange rates

The Group publishes its consolidated financial statements in euros, and in 2011-2012 72% of revenue and 36% of operating profit were denominated in euros.

The share of assets, liabilities, sales and earnings denominated in other currencies – essentially the Polish zloty, Hungarian forint, Russian ruble and US and Canadian dollars – fluctuates continuously. This means that the Group is affected by fluctuations in the value of these currencies relative to the euro when they are translated into euros in the consolidated financial statements. For example, when the euro appreciates against these currencies it reduces the earnings contribution from those subsidiaries whose financial statements are denominated in these currencies.

All sales and expenses of Group subsidiaries are generally expressed in their local currency, with the exception of imports, exports and financial transactions covered by centralized and systematic foreign currency hedges, where the type of exposure means that it can be hedged: Bonduelle therefore believes that its local exposure to currency fluctuations, after hedging, must remain slight.

The Group's international growth strategy contributes to increasing the weight of non euro-denominated activities in revenue, operating profit and consolidated net income.

Hedging policies for currency risk

The Group seeks to hedge, on a budgeted annual basis, all risks relating to the activities of its subsidiaries denominated in a currency other than their functional currency and the risks relating to the net assets of some subsidiaries operating in countries whose functional currency is not the euro.

The Group uses over-the-counter financial instruments only to hedge the financial risks generated by its production and sales activities. All hedges entered into must comply with the objectives and procedures established by the Bonduelle Group's Executive Management. These

transactions are centralized within the Group's Finance and Treasury Department.

The Group's policy regarding fluctuations in foreign exchange rates consists of periodically calculating its net exposure to foreign currencies and using financial derivatives to reduce this risk.

The Group makes use above all of forward foreign exchange contracts, foreign currency swaps and options entered into with highly-rated bank counterparties. Details of the portfolio appear in Note 20 of the notes to the consolidated financial statements at June 30, 2012.

2. INTEREST RATE RISK

The interest rate management policy is coordinated, controlled and handled centrally, with the aim of protecting future cash flows and reducing the volatility of finance costs. The Group uses various instruments available on the market, especially interest rate options and swaps. Details of the portfolio appear in Note 20 of the notes to the consolidated financial statements at June 30, 2012.

3. CREDIT RISK

In light of the high credit quality of the Group's principal counterparties and the wide dispersion of its customers throughout the world, especially in the retail grocery sector, the Group considers that it does not have a significant exposure to credit risk and uses a credit-insurer to partially cover outstandings.

Given the high liquidity of the Group's trade and related receivables, the fair value of these assets is considered to be equal to their carrying amount.

4. COUNTERPARTY CREDIT RISK

In its dealings in financial assets in general and any cash balances, the Group works only with highly-rated bank counterparties. Any cash surpluses are generally managed in short-term interest-bearing deposits.

5. COMMODITY RISK

The Bonduelle Group has always favored the best agricultural lands and the geographical diversification of its sourcing regions when deciding where to locate its production facilities, in order to reduce the climate-related risks inherent to all farming activities.

There is, moreover, no organized market for the agricultural commodities purchased by the Bonduelle Group. Changes in the prices of agricultural commodities quoted on a market do, however, have a more or less significant impact on the Group's purchase prices, depending on the agricultural alternatives available to producers. In order to ensure long-term relationships with its vegetable suppliers, Bonduelle holds annual negotiations with producers' associations, well in advance of the harvest, that set the producer's net margin per hectare. Bonduelle is therefore obliged to adjust its selling prices to reflect the results of its vegetable purchasing negotiations, which vary between sourcing regions.

C. EQUITY MANAGEMENT

The Bonduelle Group always ensures that its financial structure remains optimal by respecting the equilibrium between its net debt and its equity, and by maintaining a consistent dividend policy. This is intended to keep the cost of capital to a minimum, to maximize share price and dividend growth for the shareholders and to maintain sufficient financial flexibility to take advantage of any opportunities that may arise.

At June 30, 2012, the Group had equity of 503.7 million euros, on the basis of which the Supervisory Board proposed a dividend of 1.50 euros per share.

4.2.2 Equity risk

Every year, the Company buys and sells its own shares, in accordance with the provisions of the information memorandum issued in connection with the share repurchase program as approved by the shareholders.

In descending order of priority, the objectives of this program are to:

- ensure secondary market-making and the liquidity of Bonduelle shares by an investment services provider;
- hold the shares acquired for subsequent use in exchange or as payment in connection with any potential acquisition;
- ensure that sufficient shares are available to cover needs generated by stock option plans and any other form of allocation of shares to employees and/or the Corporate Officers of the Group;
- provide coverage for securities giving rights to allocations of Company shares in accordance with applicable regulations;
- cancel any of the shares acquired.

Under this program, at June 30, 2012, the Company held 521,810 treasury shares, of which 81,746 were destined for stock options exercisable in part starting in 2012. Voting rights attached to these shares are suspended, and the shares are recorded as a reduction of shareholders' equity.

The Company is not, moreover, exposed to any equity risks insofar as it does not engage in any cash management transactions involving investments in equity funds or other financial instruments with an equity component.

4.2.3 Legal risks

A. LAWS AND REGULATIONS

Bonduelle complies with all applicable laws and regulations in its relationships with its partners. As a member of the food industry,

Bonduelle is subject to national and international regulations concerning food safety, quality control, food products and packaging.

There are legal risks associated with the manufacture and distribution of food products. Bonduelle considers that the measures it has set up are sufficient to meet regulatory requirements and prevent and manage these risks.

B. TRADEMARKS AND INTELLECTUAL PROPERTY

Rigorous measures are employed to protect Bonduelle trademarks. Internal legal teams assisted by intellectual property consultants monitor the Group's trademarks, especially the Bonduelle, Cassegrain, Globus and Arctic Gardens brands, register and renew trademarks and take action against third parties in the event of trademark infringements.

C. OTHER LEGAL RISKS

Bonduelle's sales and industrial activities are not significantly dependent upon other companies, customers or suppliers, and the Group has the assets it needs to for its activities.

To the best of the Company's knowledge, there are no other government, court or arbitration proceedings pending or threatened that might have, or that have had, over the past 12 months, a material effect on the financial position or profitability of the Company and/or the Group, apart from those mentioned in the notes to the consolidated financial statements.

4.2.4 Industrial and environmental risks

Bonduelle's activities are regulated by numerous provisions concerning water, air, soil and waste.

The Group's risk management policy seeks above all to:

- ensure the quality and safety of its food products by effectively managing the agricultural and industrial processes;
- reduce to the greatest extent possible the adverse consequences of its activities on the environment and on people.

A. AGRICULTURE

Agriculture provides the major share of commodities required to make the Group's products. To ensure the quality of its products and protect the environment, Bonduelle has adopted a sourcing charter that fixes criteria for selecting agricultural land and crop management, which farmers working with the Group must apply.

Summarizing the European standards and taking up the requirements of the principle of integrated agriculture in France in all of the other countries, this charter has been signed by 87% of farmers, outside Canada, and covers 90% of vegetable supplies, with the remaining 10% being covered by particular specifications.

B. PRODUCT QUALITY AND SAFETY

Food safety is a key priority of Bonduelle's quality policy. For this purpose, it has established Hazard Analysis and Critical Control Point procedures (HACCP*) to control identified risks at various stages of the preparation of its products. These procedures, which have been implemented throughout the Group, provide an audit trail of its products from the planting phase to our customers' initial points of delivery. Risk analysis procedures and controls at critical points have been set in place throughout the production process.

All the production sites have obtained certification except for the Cristalina plant in Brazil, which began operations in 2011 and will shortly start this process. A number of audits have been carried out at the sites by both internal and external Auditors on the basis of the various standards.

C. NATURAL RESOURCES

Continuous efforts are devoted to the optimization of natural resources and environmental protection, focusing on the following areas:

- reducing consumption of water and energy;
- improving wastewater treatment equipment and plants;
- continuing the industrial and green waste management policy.

The energy targets and policy for 2011-2012 have been extended to the new facilities at Cristalina (Brazil).

Bonduelle's industrial facilities ensure that water is returned in pristine condition to the natural environment:

- 18 bio-waste treatment plants;
- 5 agricultural fertilizer systems (after pre-treatment);
- 10 systems for pre-treatment before discharge into external systems;
- 1 biogas plant at Nagykőrös in Hungary.

To make its energy consumption even more efficient, Bonduelle has continued:

- the Frugal Factory project targeting the minimum amount of energy required for vegetable processing;

* Hazard analysis critical control point.

- research into the production and use of alternative energies such as biogas, either from the methanation of industrial effluent or from a methanation project including by-products of corn;
- its packaging-reduction projects.

4.2.5 Hedging of non-financial risks

Three strategic objectives have been set for the Company by the shareholder, the stability of which contributes to a long-term approach: sustainability, independence and the individual development of our employees.

The primary objective of the non-financial risk management policy is to protect the Group's strategic assets. The broad strategic guidelines governing capital expenditure on industrial assets, the development of our processes, and the recruitment and training of our workforce all take continuous account of this objective of safeguarding our industrial, financial and human resources.

The aim of this approach is to limit industrial or other risks such as those mentioned above to which the Group is naturally exposed.

The main programs are:

Risk	Deductible (in euros)	Insurer
Losses – Business interruption	€80,000 to €200,000 depending on the site	Allianz/RSA
Public liability	No deductible	Chartis
Contamination and brand image	€76,000	HDI
Credit risk	90% coverage	Atradius

The Group's insurance strategy is based on two main principles:

RISK ASSESSMENT

The Insurance unit of the Group Finance Department is responsible for identifying and assessing all risks, in close cooperation with the operating entities.

The scope and amounts of insurance coverage are set at Group level, based on objectives defined by Bonduelle's Executive Management. The insurance programs are negotiated by the Group's Insurance Department and placed with top tier insurance companies.

TRANSFER OF RISK

Global comprehensive programs have been set in place to transfer major risks with potentially significant strategic and financial impacts to the insurance market:

- in light of the geographical dispersion and the size of our production facilities and deductible levels, all direct property damage risk has been transferred;
- for other risks, policies have been put in place to the extent permitted by the insurance and reinsurance markets.

Other insurance programs covering less significant risks have also been taken out.

5

Consolidated financial statements

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Items in the annual financial report are identified in the contents using the AFR symbol

5.1 Consolidated income statement

<i>(in thousands of euros)</i>	Notes	At 06/30/2011	At 06/30/2012
Revenue	5	1,725,998	1,766,951
Purchases and external charges	6	(1,232,881)	(1,274,203)
Employee benefits expense	7	(336,999)	(334,148)
Depreciation, amortization and impairment		(70,189)	(71,937)
Other operating income	8	41,657	60,457
Other operating expenses	8	(46,904)	(46,195)
Gain/loss on sale of consolidated equity investments		(1)	0
Current operating income		80,681	100,926
Non-recurring items	9	(11,737)	(2,749)
Operating profit		68,944	98,177
Net borrowing costs		(29,465)	(27,092)
Other finance income and costs		5,811	(3,383)
Net financial expense	10	(23,654)	(30,475)
Share of net income from associates		58	(1,655)
Profit before tax		45,348	66,047
Income tax	11	(14,685)	(18,325)
NET INCOME		30,663	47,722
• Attributable to owners of the Company		30,436	46,705
• Attributable to non-controlling interests		227	1,017
BASIC EARNINGS PER SHARE	12	3.94	6.25
DILUTED EARNINGS PER SHARE	12	3.94	6.25

■ Gains and losses recognized directly in equity

<i>(in thousands of euros)</i>	At 06/30/2011	At 06/30/2012
Net income for the period	30,663	47,722
Items that may be reclassified subsequently to P&L	(5,558)	1,348
Cash flow hedge	5,010	(3,209)
Translation adjustments	(8,843)	3,399
Tax effects	(1,725)	1,158
Items that may not be reclassified subsequently to P&L	564	(2,170)
Actuarial gains and losses on defined benefit plans	945	(3,259)
Tax effects	(381)	1,089
Income and expenses recognized directly in equity	(4,994)	(821)
TOTAL RECOGNIZED INCOME AND EXPENSES	25,669	46,901
Attributable to owners of the Company	25,568	46,007
Attributable to non-controlling interests	101	894

5.2 Consolidated statement of financial position

Assets

<i>(in thousands of euros)</i>	Notes	At 06/30/2011	At 06/30/2012
Non-current assets		730,049	810,910
Other intangible assets	13	33,603	34,731
Goodwill	14	189,425	211,005
Property, plant and equipment	15	469,273	511,275
Investments in associates		8,371	10,620
Other non-current financial assets	17	9,619	19,481
Deferred tax liabilities	11	12,368	14,704
Other non-current assets	16	7,390	9,094
Current assets		966,770	930,955
Inventories and work-in-progress	18	495,299	569,804
Trade and other receivables	19	329,126	322,339
Tax receivables		18,396	3,993
Other current assets	16	5,579	7,934
Other current financial assets	16	6,982	7,944
Cash and cash equivalents	21	111,389	18,941
TOTAL ASSETS		1,696,819	1,741,865

Liabilities

<i>(in thousands of euros)</i>	Notes	At 06/30/2011	At 06/30/2012
Equity attributable to owners of the Company		467,929	487,516
Share capital		56,000	56,000
Additional paid-in capital		22,545	22,545
Consolidated reserves		389,384	408,971
Non-controlling interests	1.B	15,845	16,229
Equity		483,774	503,745
Non-current liabilities		566,348	509,554
Financial liabilities	21	482,096	437,255
Employee benefit obligations	22	8,464	13,395
Other non-current provisions	24	38,005	25,102
Deferred tax liabilities	11	23,093	19,820
Other non-current liabilities	16	14,690	13,982
Current liabilities		646,697	728,566
Current financial liabilities	21	132,832	212,576
Current provisions	24	1,560	1,838
Trade and other payables	25	506,415	507,434
Tax payables		2,167	1,282
Other current liabilities	16	3,724	5,436
TOTAL LIABILITIES		1,696,819	1,741,865

5.3 Consolidated statement of cash flows

<i>(in thousands of euros)</i>	At 06/30/2011	At 06/30/2012
Net income	30,663	47,722
Share of net income from associates	(58)	1,655
Depreciation, amortization and impairment	70,808	55,739
Other non-cash sources (jobs)	6,622	8,943
Taxes paid	(20,200)	(21,133)
Income tax expense	14,685	18,325
Accrued interest	651	(1,194)
Cash flow	103,172	110,057
Change in working capital requirement	45,870	(12,149)
Net cash flows from operating activities	149,041	97,908
Acquisitions of consolidated companies, net of cash and cash equivalents	(2,904)	(72,652)
Disposals of consolidated companies, net of cash and cash equivalents disposed of	345	0
Impact of changes in method	(11)	(3)
Acquisitions of property, plant and equipment	(96,898)	(71,356)
Acquisitions of financial assets	(250)	(21)
Disposals of property, plant and equipment and financial assets	11,743	6,547
Net change in loans and other non-current financial assets	(316)	(121)
Net cash flows from (used in) investing activities	(88,291)	(137,605)
Capital increase	0	0
(Acquisition) disposal of treasury shares	(3,122)	(16,279)
Increase (Decrease) in non-current financial liabilities	126,417	195
Increase (Decrease) in current financial liabilities	(87,872)	(22,105)
Dividends paid to Group and minority shareholders	(11,915)	(11,653)
Net cash flows from (used in) financing activities	23,508	(49,842)
Impact of exchange rate changes	(571)	(2,908)
Change in cash and cash equivalents	83,687	(92,448)
Cash and cash equivalents – opening balance	27,702	111,389
Cash and cash equivalents – closing balance	111,389	18,941
CHANGE IN CASH AND CASH EQUIVALENTS	83,687	(92,448)

5.4 Consolidated statement of changes in equity

	In number of shares	Share capital	Premiums	Actuarial gains and losses	Treasury shares	Trans- lation reserves	Accu- mulated income	Equity attributable to owners of the Company	Non- control- ling inter- ests	Total equity
Equity at July 1, 2010	8,000,000	56,000	22,545	(2,103)	(9,697)	8,438	384,900	460,085	17,102	477,187
Income recognized directly through equity		0	0	608	0	(8,760)	3,285	(4,867)	(126)	(4,994)
Net income at 06/30/2011							30,436	30,436	227	30,663
Share purchase options							418	418	0	418
Puts on non-controlling interests							277	277	(294)	(17)
Changes in scope of consolidation							(2,568)	(2,568)	(771)	(3,339)
Treasury Shares					(3,007)		0	(3,007)	0	(3,007)
Other							(1,127)	(1,127)	(96)	(1,223)
Dividends paid	1.50						(11,717)	(11,717)	(198)	(11,915)
Equity at June 30, 2011	8,000,000	56,000	22,545	(1,495)	(12,704)	(322)	403,904	467,929	15,845	483,774
Equity at July 1, 2011	8,000,000	56,000	22,545	(1,495)	(12,704)	(322)	403,904	467,929	15,845	483,774
Income recognized directly through equity		0	0	(2,103)	0	3,455	(2,051)	(698)	(123)	(821)
Net income at 06/30/2012							46,705	46,705	1,017	47,722
Share purchase options							469	469	0	469
Puts on non-controlling interests							342	342	(582)	(240)
Changes in scope of consolidation							0	0	0	0
Treasury Shares					(16,282)		0	(16,282)	0	(16,282)
Other							656	656	73	729
Dividends paid	1.50						(11,605)	(11,605)	0	(11,605)
EQUITY AT JUNE 30, 2012	8,000,000	56,000	22,545	(3,598)	(28,985)	3,134	438,421	487,516	16,229	503,745

5.5 Notes to the annual consolidated financial statements

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NOTE 1

Preparation methods

The consolidated financial statements of the Bonduelle Group and its subsidiaries ("the Group") for the 2011-2012 financial year have been prepared in accordance with the "IFRS" (International Financial Reporting Standards) published by the IASB (International Accounting Standards Board), and whose adoption ruling has been published in the official journal of the European Union.

STANDARDS, UPDATES AND INTERPRETATIONS FIRST APPLICABLE TO THE 2011-2012 FINANCIAL YEAR:

- The amendment to IFRIC 14 relating to prepayments of a minimum funding requirement, applicable to accounting periods starting on or after January 1, 2011;
- The amendment to IAS 24 on related parties, applicable to accounting periods starting on or after January 1, 2011;

- The amendment to IFRS 7 on disclosures relating to transfers of financial assets, applicable to accounting periods starting on or after July 1, 2011;
- The amendment to IAS 1 on the presentation of other items of comprehensive income (OCI), applicable to accounting periods starting on or after July 1, 2012, adopted early;
- The annual improvements to IFRS, applicable to accounting periods starting on or after January 1, 2011:
 - IFRS 1 on changes in accounting methods during the year of first-time adoption, on revaluation as deemed cost and on use of deemed cost for regulated companies,
 - IFRS 7 on improving disclosures about financial instruments,
 - IAS 1 on the clarification of the statement of changes in equity,
 - IAS 34 on significant events and transactions.

STANDARDS, UPDATES AND INTERPRETATIONS NOT YET APPLICABLE AND THAT HAVE NOT BEEN APPLIED IN ADVANCE BY THE GROUP:

The respective impacts of these standards is currently undergoing appraisal.

- Amendment to IAS 19, "Employee benefits", on changes to the accounting treatment of past-service costs in the event of a plan amendment, applicable to accounting periods starting on or after January 1, 2013.

A. Information regarding the Group

Bonduelle SCA is a French limited partnership (*société en commandite par action*) that is listed in Compartment B of Euronext. Bonduelle is a market leader in processed vegetables both within and outside Europe. The Company operates in three business segments: canned, frozen and fresh vegetables (prepared and fresh-cut.)

The Management Board approved the consolidated financial statements in accordance with IFRS and authorized the publication of the approved financial statements closed on June 30, 2012, which will be submitted for approval at the Shareholders' Meeting on December 6, 2012.

HIGHLIGHTS OF THE YEAR

Disposal of the branded frozen food business and creation of a production joint venture in Spain

In July 2011, the Bonduelle and Ardo Groups decided to set up a joint venture to supply the Findus brand in Spain and Portugal, with which it had signed an exclusive production agreement. As part of this project, Bonduelle sold its Frudesa and Salto brands to Findus. Through this partnership, and thanks to the synergies generated, Bonduelle and Ardo aim to create a competitive producer of frozen vegetables.

Acquisition of Coubanskies Conservi in Russia

On March 30, 2012, the Bonduelle Group purchased the agro-industrial and commercial assets of the French co-operative group Cecab in Russia and in the countries of the Commonwealth of Independent States (CIS.)

Operating in Russia and Central and Eastern Europe since the mid-1990s, Bonduelle is the leader on the canned vegetables sector in this region.

This acquisition by Bonduelle aims to:

- take over the commercial assets of the Cecab group in Russia, namely sales of canned vegetables under the D'Aucy and Globus brands;

- rapidly bring the Cecab *kolkhoze* up to maximum vegetable-growing capacity by increasing the production capacity of the Timachevsk plant;
- engage clear synergies (logistics, etc.) resulting from the geographical proximity of the two agro-industrial plants, both of which are in Krasnodar Krai (province of Kuban in south-west Russia.)

Acquisition of Allens frozen vegetables sites in the United States

On March 30, 2012, the Bonduelle Group subsidiary, Bonduelle Group North America, purchased three processing plants and a packaging center for frozen vegetables belonging to the American firm Allens.

The transaction, which consists of the purchase of the Group's assets, concerns four of Allens' five frozen vegetable production facilities – Bergen, Oakfield, Brockport (New York State) and Fairwater (Wisconsin) – safeguarding the jobs of 400 permanent employees.

In 2011 the Allens Group's sales of frozen vegetables represented a volume of around 150,000 metric tons in the US, split 40% Consumer, 25% Food Service and 35% Industrial sales.

Prior to this, Bonduelle North America, whose head office is in Montreal and which is the leader in canned and frozen vegetables in Canada in both private labels and its own brands (Bonduelle, Arctic Gardens, etc.) exported 30% of its production to the United States, mainly as frozen produce via the Food Service distribution networks. This acquisition will not only allow it to support sales growth, but will also be advantageous in terms of exchange rate risks (better balance between production and US dollar sales) and the spreading of climate-related risks.

Acquisition of Kelet-Food assets in Hungary

On May 31, 2012, the Group acquired assets from Kelet-Food, a Hungarian canning factory with a capacity of 25,000 to 30,000 metric tons.

Kelet-Food, located in Nyiregyhaza, north-east of Budapest, produces canned sweet corn and peas, which it sells under private labels at national and local level.

Bonduelle Group has had production facilities in Hungary for 20 years, producing 130,000 metric tons of canned food in the country – mostly sweet corn and peas – at two production facilities, both located in the south of the country: Nagykőrös, acquired in 1992, and Békéscsaba, acquired in 2002.

The Kelet-Food plant will enable Bonduelle to supply its booming Central European markets. It is located in a different production area from the Group's other two Hungarian plants, which will improve the spread of agricultural risks.

Signing of a Revolving Credit Facility amounting to 300 million euros

On July 3, 2012, the Bonduelle Group announced the signing of a Revolving Credit Facility (RCF) for 300 million euros with a five-year term and bullet repayment, maturing in June 2017.

This line of credit, largely oversubscribed, is an agreement with an international banking pool comprising seven international financial groups.

Bond issue for 145 million euros

On September 10, 2012, the Bonduelle Group issued a bond for the amount of 145 million euros in the form of a private placement.

The operation was subscribed by a number of European institutional investors – insurance companies and mutual insurers – and offers a 6.5 year maturity (March 2019) and a 3.83% coupon.

This operation supplements the signing of the Revolving Credit Facility (RCF) for 300 million euros and provides the Bonduelle Group with the long-term resources to support the three acquisitions announced in the first half of 2012 and to anticipate the refinancing of the bond element of the 2007 and 2009 Redeemable Equity-Warrant Bonds (OBSAAR.)

The operation undertaken by the Bonduelle Group is the first private bond placement on the European market by a medium-sized, non-rated French company.

B. Consolidation methods

The consolidated financial statements fully consolidate the financial statements of all subsidiaries controlled either directly or indirectly by the Group. The Group considers that it has exclusive control of a company when it is in a position to influence the operational and financial policies of the Company, regardless of its percentage of ownership. Accordingly, certain companies are fully consolidated even though the Group holds a percentage of the share capital equal to or less than 50%. Full consolidation allows recognition of all assets, liabilities and income statement items of the companies concerned, after elimination of all intercompany transactions and earnings, with the portion of income and equity attributable to Group companies (“owners of the Company”) distinguished from the portion concerning the interests of other shareholders (“non-controlling interests.”) All companies over which Bonduelle does not exercise exclusive control yet still exerts notable influence or joint control are accounted for using the equity method.

Soleal is fully consolidated (37%) as the company is legally controlled by Bonduelle and, from a contractual and financial standpoint, Soleal’s sole intercompany customer is Bonduelle Conserve International (BCL.)

The France Champignon company, the share capital of which is made up of members’ shares, is fully consolidated (55.58%). The By-laws set out the rules applicable to the management of these members’ shares. Thus, these shares are subscribed for according to the activity level of the cooperative members under a ten-year commitment extended by tacit renewal for periods of five years.

This share capital is likely to vary according to an approval procedure submitted to the Board of Directors. It may not be reduced below a ceiling amount equal to three-quarters of the highest amount of capital noted at the Shareholders’ Meeting.

Given the specific nature of agricultural cooperatives, By-laws and the way in which the cooperative works, the Group considers that, for the classification of members’ shares, a number of criteria do not permit the application of IFRIC 2 on the reclassification of members’ shares as financial liabilities, in particular:

- capital-intensive activity requiring a significant commitment from members over the long-term;
- By-laws determining capital distribution via a procedure; and
- no significant capital distribution observed historically.

Consequently, non-controlling interests in the co-operative are recognized in equity under the category of non-controlling interests.

The three Gelagri companies are accounted for using the equity method. The percentage of control and ownership is equal to the holding of the preferred shares issued by the three companies.

All consolidated Group companies closed their annual financial statements on June 30, 2012, with the exception of the following companies: Bonduelle Kuban, Coubanskies Conservi, Bonduelle do Brasil, Majak Khudiaky Cherkassy Oblast, SCA des Hureaux, SCA Champignonnières de Dampierre, Ultra Congelados de la Ribera and the companies within the Gelagri Group, all of which were consolidated on the basis of their accounting data at June 30, 2012.

A company is included within the consolidation scope as of the date on which the Company first acquires control or notable influence, and is deconsolidated as of the date on which the Company first loses control or notable influence.

All income and expenses related to subsidiaries acquired or disposed of during the financial year are recognized in the consolidated income statement with effect from the acquisition date or until disposal.

All transactions between consolidated companies and intercompany income (including dividends) are eliminated.

C. Segment reporting

Segment data is reported on the basis of the operating segments used for internal reporting purposes. This is referred to as the “management approach.”

The two operating segments are the European Area and Outside European Area.

Bonduelle’s European Area segment is made up of its subsidiaries in France, Germany, Italy, the Iberian Peninsula, the Benelux countries and Central Europe.

Bonduelle’s Outside European Area segment is made up of its subsidiaries in Eastern Europe, the Mercosur, North America and its Export activities.

These segments are based on the Bonduelle Group’s managerial organization.

The primary indicators published are those used by the Executive Management. Revenue, amortization and impairment of non-current assets, current operating income and operating profit are presented by geographical region. Revenue is also presented by operating segment.

Statement of financial position information (non-current assets, current assets, non-current liabilities, current liabilities) is broken down by geographical region. Only goodwill and brands are broken down by both geographical region and by operating segment.

D. Translation of transactions denominated in foreign currencies and the financial statements of companies outside the euro zone

TRANSLATION OF TRANSACTIONS DENOMINATED IN FOREIGN CURRENCIES

Transactions denominated in foreign currencies are valued using the exchange rates applicable on the transaction dates. All receivables and liabilities denominated in foreign currencies recognized in the statement of financial position at the end of the period are valued at the closing rates. All foreign exchange gains and losses generated by the translation of transactions denominated in foreign currencies are included under the finance income and finance costs headings of the income statement, except for those on borrowings denominated in foreign currencies or other instruments used to hedge long-term equity investments in that same currency, which are included on the line “Accumulated translation adjustments” of consolidated equity.

TRANSLATION OF THE FINANCIAL STATEMENTS OF COMPANIES OUTSIDE THE EURO ZONE

The statement of financial positions of companies with a functional currency other than the euro are translated into euros at the official closing rate, and their income statements are translated into euros using the average exchange rate (excluding hyperinflation) for each currency during the period. The exchange differences resulting from the application of these various foreign exchange rates are included on the line “Accumulated translation adjustments” in consolidated equity until such time as the foreign holdings to which they pertain are sold or liquidated.

E. Business combinations

All business combinations have been recognized using the acquisition method since July 1, 2009 in accordance with standard IFRS 3 (revised) (Business Combinations), and according to IFRS 3 for acquisitions made before this date.

According to this method, the identifiable assets acquired and liabilities assumed are recognized at their fair value, notwithstanding the exceptions specified in IFRS 3R.

For all combinations formed after July 1, 2009, the extra costs associated with the acquisition are recognized in expenses.

Similarly, from July 1, 2009, any non-controlling interest in the acquiree (minority interest) can either be measured at the non-controlling interest’s proportionate share of the fair value of the acquiree’s identifiable assets acquired and liabilities assumed (IFRS 3 2004), or at its fair value (referred to as the “full goodwill” method.) This option is available on a transaction-by-transaction basis.

The difference between the cost of acquisition of the shares and the fair value of the acquired share of identifiable assets and liabilities on the acquisition date is recognized in goodwill.

If the cost of an acquisition is less than the fair value of the net assets of the acquiree, the negative goodwill is recognized directly in profit and loss.

The goodwill analysis is finalized during the assessment period, i.e. 12 months from the takeover date.

NOTE 2

Accounting principles

The consolidated financial statements at June 30, 2012 are presented in thousands of euros, and reflect the financial position of the Company and its subsidiaries (hereafter referred to as “the Group”).

They have been prepared on the basis of historical costs, with the exception of the assets and liabilities discussed below, which are recognized at fair value.

A. Intangible assets

GOODWILL

When shares are acquired in companies that are either fully consolidated or accounted for using the equity method, the cost of acquiring the shares is allocated to the assets, liabilities and contingent liabilities acquired measured at their fair value. Any difference between the acquisition cost and the Group’s share in the fair value of the assets, liabilities and contingent liabilities acquired represents goodwill. These differences are presented on the asset side of the consolidated statement of financial position under “Goodwill” for fully-consolidated companies and under “Investments in associates” for companies accounted for using the equity method.

Goodwill relating to non-French companies is recognized in the functional currency of the Company acquired.

Negative goodwill is recognized immediately in the income statement as a non-recurring item.

OTHER INTANGIBLE ASSETS

All separately identifiable brands acquired whose useful life is considered to be indefinite are recognized in the consolidated statement of financial position under the heading "Other intangible assets."

Licenses, patents and any other intangible assets acquired are recognized at their acquisition cost under "Other intangible assets" in the consolidated statement of financial position. They are amortized on a straight-line basis in accordance with their projected useful life.

DEVELOPMENT COSTS

All development costs must be capitalized as intangible assets when the Company can prove that they will generate future economic benefits and their costs can be identified.

Development costs for software used within the Group are carried as assets in the statement of financial position when it is probable that these expenses will generate future economic benefits. These costs are amortized on a straight-line basis over the expected useful life of the software, which may be between one and five years. All other software acquisition and development costs are immediately recognized as expenses.

MONITORING OF BRAND VALUES

The main factors used to assess the indefinite nature of the useful life of the brands were their market positioning in terms of sales volume, brand awareness, and their expected long-term profitability.

These values are not amortized but undergo an annual impairment test, in accordance with IAS 36, which includes the monitoring of the indicators cited above.

MONITORING OF GOODWILL VALUES

The carrying amount of goodwill is tested for impairment at least once a year; all other intangible assets are tested when other events and conditions suggest that they are likely to have experienced a loss of value. An impairment loss is recognized when the recoverable amount of the intangible assets becomes less than their net carrying amount.

Any impairment is allocated first to the goodwill allocated to the cash generating unit ("CGU"), and then as a reduction of the net carrying amount of each asset within the CGU.

The recoverable amount of intangible assets corresponds to the greater of the fair value less all related selling costs and their value in use. The value in use is calculated on the basis of the discounted projected cash flows of the cash generating unit ("CGU") to which the intangible assets tested belong.

Cash generating units are combinations of subsidiaries that belong to the same business segment and that generate cash flows that are clearly distinct from those generated by other CGUs. The cash flows used to calculate values in use are taken from the CGUs' five-year strategic plans.

A 1% growth rate is used to extrapolate the predicted cash flows beyond the five-year period included in the strategic plans.

These cash flows are discounted using a pre-tax rate, on the basis of a weighted average cost of capital (WACC = 6.53%) calculated using the market data available for Bonduelle and its business segments.

The WACC is calculated based on a target debt of 40% and a risk-free rate of 2.98% (10-year Bund).

The Group uses the following operating segments to monitor its CGUs for the two geographical operating segments: European Area and Outside European Area.

For the European Area

- canned and frozen vegetables;
- fresh vegetables.

For the Outside European Area

- canned and frozen vegetables in North America;
- canned and frozen vegetables in Eastern Europe.

The fair value less all related selling costs corresponds to the amount that could be obtained by selling the asset (or group of assets) under arm's length conditions, less all costs related directly to the disposal of the asset(s).

The carrying amount of the goodwill allocated to each operating segment is shown in Note 5.

B. Property, plant and equipment

Property, plant and equipment are recorded on the statement of financial position at their cost less accumulated depreciation and impairment. The gross value of property, plant and equipment corresponds to their purchase or production cost. It is never remeasured. Purchase or production costs include, where applicable, all costs related to the dismantling or refurbishing of production sites. Borrowing costs are not included in the costs of non-current assets.

Non-current assets held through finance leases are recognized as assets on the statement of financial position at the lower of the discounted value of the future minimum payments or the market value when the contract transfers to the Group, in substance, most of the risks related to the ownership of the asset. The level of risk transferred is assessed by analyzing the terms of the contract. The financial liability arising from the acquisition of the asset is recorded in the consolidated statement of financial position.

Depreciation is calculated on a straight-line basis based on purchase cost, less any residual value, from the date on which the asset is

ready to be placed in service. With the exception of certain special cases, residual values are zero.

Useful lives are reviewed periodically, particularly in the case of decisions to move production sites.

- Buildings: 10 to 40 years;
- Plant & equipment, office equipment: 5 to 15 years;
- Other intangible assets: 3 to 10 years.

Where circumstances or events indicate that the value of a fixed asset may have declined, the Group examines the recoverable amount of the asset (or group of assets to which it belongs.)

The recoverable amount is the higher of the asset's fair value less disposal costs and its value in use. Value in use is estimated by discounting the expected future cash flows of the asset (or group of assets to which it belongs) within the conditions of use planned by the Group. Impairment is recognized when the recoverable amount of a fixed asset falls below its net carrying amount.

C. Financial assets

IAS 39 requires financial assets to be classified in one of the following four categories:

- financial assets at fair value through profit or loss (including derivative assets);
- loans and receivables;
- held-to-maturity assets;
- available-for-sale assets.

These categories are used to determine the accounting treatment applied to these assets.

The classification is determined by the Group on the day the asset is initially recognized, on the basis of the Group's objective in acquiring the assets. All purchases and sales of financial assets are recorded on the transaction date, which is the date on which the Group commits to the purchase or sale of the asset.

1. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

These consist of financial assets held by the Group with a view to generating a short-term gain, or any financial assets voluntarily classified in this category. They are measured at their fair value, and all changes are recognized in the income statement. Classified under cash equivalents within the Group's current assets, these financial instruments include, where applicable, units or shares in money market funds and derivative assets.

2. LOANS AND RECEIVABLES

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market

and not designated as held for trading or available for sale. These assets are initially measured at fair value, and subsequently stated at their amortized cost using the effective interest rate method. The fair value of short term, non-interest-bearing receivables is equal to the value of the original invoice, unless the effective interest rate has a material impact.

These assets are tested for impairment if there is any evidence of a loss of value. Impairment is recognized if the carrying amount is greater than the estimated recoverable amount.

Loans to affiliates, other loans and receivables and trade receivables are included in this category, under financial assets and trade receivables.

As part of its financing strategy, the Group occasionally sells its trade receivables. These sales are carried out on non-recourse basis. All risks are transferred to the Company purchasing the receivable. Accordingly, the receivables sold are no longer recognized among balance sheet assets.

3. HELD-TO-MATURITY ASSETS

Held-to-maturity assets are financial assets, other than loans and receivables, with fixed maturities and fixed or determinable payments, which the Group intends and is able to hold to maturity. These assets are initially recognized at fair value, and subsequently stated at their amortized cost using the effective interest rate method. They are tested for impairment if there is any evidence of loss of value. Impairment is recognized if the carrying amount is greater than the estimated recoverable amount.

Held-to-maturity investments are recorded under financial assets. Bonduelle held no such assets at year-end.

4. AVAILABLE-FOR-SALE ASSETS

Available-for-sale assets are financial assets that cannot be classified in any of the aforementioned categories. They are measured at fair value. Any unrealized gains or losses are recognized through shareholders' equity until such time as they are sold. However, when there is objective evidence of the impairment of an available-for-sale asset, the accumulated loss is recognized through profit or loss.

Durable impairment recognized on the variable income securities cannot be reversed at a subsequent reporting date.

For listed securities, fair value corresponds to market price.

For unlisted securities, it is calculated by using recent transactions as benchmarks, or using a valuation technique based on reliable and observable market data. However, when it is not possible to provide a reasonable estimate of the fair value of a security, it is measured at its historical cost. These assets are subsequently tested for impairment to determine whether recovery is possible. This category includes primarily non-consolidated investments and securities that do not meet any of the other definitions of financial assets. They are recorded under financial assets.

D. Financial liabilities

Financial liabilities include:

- bonds;
- accrued interest not yet due;
- outstandings on finance leases;
- borrowings and bank lines;
- derivative liabilities.

Financial liabilities are measured and recognized at their amortized cost using the effective interest rate method. They are recognized at the settlement date.

In accordance with IAS 39 regarding accounting policies for fair value hedging, bonds, which were swapped at the time they were issued, were marked to market. Changes in the fair value of the debt and the associated derivatives are recognized through profit or loss for the period.

E. Derivative financial instruments

The Group uses over-the-counter derivatives to manage exposure to foreign exchange and interest rate risks. Group Policy precludes employees from engaging in speculative transactions on the financial markets.

In accordance with IAS 39, financial derivatives are recognized in the consolidated statement of financial position at fair value.

- If the derivative is designated as a fair value hedge for assets or liabilities recognized in the consolidated statement of financial position, changes in the fair value of both the derivative and the underlying hedged item are recognized through profit or loss for the same period.
- If the derivative is designated as a cash flow hedge, the change in the value of the effective portion of the derivative is recognized in equity. It is recognized through profit or loss when the hedged item is also recognized through profit or loss. A change in the value of the ineffective portion of the derivative is, however, recognized immediately through profit or loss.
- If the derivative is designated as a hedge of a net investment in foreign operations, the change in the fair value of the effective portion of the derivative is recognized directly through equity. Amounts recognized in this manner are taken to income only when the investment is sold. The ineffective portion is recognized immediately through profit or loss.
- Changes in the fair value of derivatives that do not qualify for the use of hedge accounting are recognized directly through profit or loss for the period. They are listed as "Hedges not eligible for IFRS hedge accounting."

Derivatives are recognized at the transaction date.

IFRS 7.27A distinguishes three levels of methods for determining fair value:

- Level 1: quoted prices on an active market for similar instruments with no adjustment;
- Level 2: fair value determined based on data observable either directly (such as a price) or indirectly (calculated based on another price), but other than a quoted price on an active market as stated under level 1;
- Level 3: fair value determined based on unobservable market data.

The method used by Bonduelle is level 2. Moreover, the market data used in the valuation models includes central bank fixings and data supplied by platforms such as Reuters.

F. Inventories

Materials inventories are measured at their weighted average unit cost. Finished goods inventories are measured at their production cost, which includes the cost of purchasing the materials used and all direct and indirect production costs (including fixed production costs.)

Borrowing costs are not included in the inventory cost. Impairment is deemed necessary in the following cases:

- for commodities when the current market price is lower than the inventory value;
- for finished goods and commodities sold as-is, each time the probable net realizable value is lower than the production or purchase cost.

The amount of impairment required to bring inventory to its net realizable value and all inventory losses are recognized as expenses for the period during which the impairment or loss occurred. The sum of any recoveries of inventory impairment resulting from an increase in the net realizable value is recognized as a reduction in the amount of inventories recognized in expenses in the period during which the recovery was made.

Intercompany margins are eliminated.

G. Treasury shares

Bonduelle's shares held by the Company are recognized as a reduction of consolidated equity, on the line "Treasury shares", for an amount corresponding to their cost. Any funds generated by the sale of treasury shares are applied directly as an increase of shareholders' equity, and therefore any gains or losses on disposal do not impact net income for the year.

H. Cash and cash equivalents

Cash assets consist of all investments with original maturities equal to or less than three months and that can be disposed of immediately. These investments are measured at their market value.

The elements that make up cash and cash equivalents are cash in bank current accounts and units or shares in short-term money market funds or redeemable medium-term notes, of which the risk of a change in value is deemed negligible.

I. Investment grants

Investment grants are included under “Other non-current liabilities” in the statement of financial position and “Other operating income” in the income statement. Recoveries are recognized using the same depreciation schedule as that of the non-current assets whose acquisition they financed.

J. Taxes

Income tax expense corresponds to the current tax payable by each consolidated tax entity, adjusted for deferred taxes.

In France, Bonduelle SCA is head of the tax consolidation group that includes Bonduelle SAS, Bonduelle Conserve International SAS, Bonduelle Surgelé International SAS, Bonduelle Development SAS, Champilore SAS, Bonduelle Frais Traiteur SAS, Bonduelle Frais France SA, SCI Revoisson and Bonduelle Traiteur International SAS, SAS Champignonnières des Roches, SA Champignonnières de la Vienne, SAS Champiland and SAS Euromycel.

All current taxes in respect of the period are classified in current liabilities insofar as they have not been settled. Any overpayments of income taxes are classified among balance sheet assets as current receivables.

Breakdown of the various plans:

	France	Germany	Italy	Netherlands
Type of plan	Termination benefits and long-service awards	Retirement plans	Termination plans	Pension funds
Discount rate	3.50%	3.50%	3.50%	3.50%
Return on plan assets	3.50%	N/A	N/A	3.50%
Future salary increase	2.50%	1.75%	N/A	2.50%
Retirement age	63 years	65 years	62 years	65 years

Deferred taxes are recognized on temporary differences between the carrying amounts of assets and liabilities and their value for tax purposes, with the exception of goodwill. Under the liability method, deferred taxes are calculated on the basis of the income tax rate expected for the financial year during which the asset will be realized or the liability settled, and are classified among non-current assets and liabilities. Impacts of changes in tax rates from one year to the next are recognized in the net income of the financial year during which the change is recognized. Deferred taxes pertaining to items recognized directly in shareholders’ equity are also recognized in shareholders’ equity.

Total deferred tax assets resulting from temporary differences and tax loss and credit carryforwards must not exceed the estimated value of the tax that may be recovered. The latter is assessed at the end of each financial year, based on earnings forecasts for the tax entities concerned. Deferred tax assets and liabilities are not discounted.

All deferred taxes are recognized through profit or loss on the income statement, except those generated by items that are allocated directly to equity. In this case, the deferred taxes are also allocated to equity. This is the case in particular for deferred taxes on brands, when the expected tax rate has just been modified.

K. Retirement, termination and providence commitments

The Group provides its employees with either defined contribution or defined benefit plans.

The Group’s main obligations under its defined benefit programs consist of termination benefits and long service awards in France, retirement plans in Germany, retirement benefits in Italy and a pension fund in the Netherlands.

The Group does not have any obligations for future medical benefits.

The same discount rate (3.50%) is used to calculate Bonduelle's obligations under the various plans. It was determined based on AA-rated bond yields of private issuers in the eurozone. The rate of salary inflation presented is an average rate, calculated specifically for each plan.

The expected rates of return on plan assets are based on historical performances, current and long-term projections and the profile of the assets in the investment fund.

In accordance with IAS 19, "Employee Benefits", the projected unit credit method is used to calculate pension and other post-retirement benefits under the defined benefit plans, using assumptions about salary inflation, employee turnover, retirement age and life expectancy.

The corresponding actuarial liabilities are recognized either as contributions paid to insurance companies or in the form of provisions.

The primary actuarial assumptions used to calculate these liabilities were:

- factors for employee turnover and life expectancy;
- retirement age: 62 in Italy, 65 in Germany and the Netherlands and 63 in France.

The Bonduelle Group decided to recognize all actuarial gains and losses in accordance with the option defined by IAS 19 from January 1, 2006: the so-called SORIE option (Statement of Recognized Income and Expense) consists of booking all actuarial gains and losses generated during the year directly to equity. Actuarial gains and losses are generated by inter-period changes in the actuarial assumptions used to calculate the value of the liabilities and the assets, and by differences between the market conditions actually observed and those originally assumed.

Similarly, the lines "Impact of discounting" and "Projected return on plan assets" are recognized through net financial expense.

Under the defined contribution plans, the Group's only obligation is to pay the required premium, which is recognized as a period expense.

L. Other non-current and current provisions

Provisions are established for clearly identifiable risks and expenses whose timing or amount is uncertain, when an obligation to a third party actually exists and it is certain or probable that this obligation will result in an outflow of resources without receiving at least equivalent consideration.

In the case of restructuring, an obligation is recognized once its implementation has begun or a detailed plan has been drawn up that has, to a sufficiently clear extent, created a well-founded expectation on the part of the persons in question that the Company will implement the restructuring.

M. Revenue

Revenue is recognized when the essential part of the risks and benefits associated with the ownership of the goods have been transferred to the buyer.

Revenue is recognized net of any discounts or rebates accorded to clients and any costs related to co-marketing or referencing agreements, or concerning occasional promotional campaigns invoiced by distributors.

N. Other current operating profit and expenses

This line includes other income and expense items not directly related to the Group's business.

O. Non-Recurring Items

Non-recurring items comprise significant items that cannot be considered as inherent to the Group's operational activity due to their nature and non-habitual character. They include mainly negative goodwill, impairment of intangible assets (including goodwill) from consolidated shareholdings, restructuring and reorganization costs, acquisition costs, and the impacts of changes in estimates.

P. Share-based payments

Share purchase options and free shares granted to employees are measured at their fair value on the allocation date. The fair value of the options is calculated using the Black & Scholes option pricing model, on the basis of assumptions determined by the Executive Management. This value is recognized in the income statement for the period during which employee's exercise rights become vested, with the offsetting entry consisting of an equivalent increase in shareholders' equity. All expenses recognized in relation to options that expire prior to becoming exercisable are reversed in the income statement for the period during which they expire.

Q. Basic earnings per share and diluted earnings per share

Basic earnings per share are calculated by dividing net income attributable to owners of the Company by the average number of shares in issue during the financial year.

To calculate diluted earnings per share, the weighted average number of shares is adjusted to reflect the impact of the conversion of any convertible instruments into common shares.

R. Assets and liabilities held for sale and operations discontinued, sold or in the process of being sold

Assets and liabilities held for sale, i.e. immediately available for disposal and whose disposal is highly probable, are presented on separate lines of the consolidated statement of financial position of the period during which the decision to sell was taken. The consolidated statements of financial positions of previous periods are not restated. Sale is said to be highly probable when a plan for the sale of the asset (or group of assets) held for sale has been drawn up by the Executive Management and an active search for an acquirer has been initiated.

Assets held for sale are measured at the lower of their carrying amount or fair value, less any selling costs, and are no longer depreciated.

Furthermore, net income and cash flow from discontinued operations or operations that have been sold or are in the process of being sold are presented respectively on a separate line of the income statement and the statement of cash flows, for all of the periods presented.

S. Use of estimates

As part of the normal preparation of the consolidated financial statements, the calculation of certain financial data requires the use of assumptions, estimates and assessments. This is especially true for the measurement of intangible assets, deferred taxes on tax loss carryforwards and the calculation of the amount of provisions for risks and charges or provisions for employee benefit and sales commitments. These assumptions, estimates and assessments are based on information and positions existing at the date on which the financial statements were prepared, which may prove, after the fact, to be different from the actual figures.

T. Reclassifications

The presentation of certain items in the financial statements pertaining to prior years may have been modified to make it compliant with the accounting principles adopted for the most recent period presented. No significant reclassifications were made during the financial year.

NOTE 3

Management of financial risks

The Group has established an organization that provides for centralized management of all of its liquidity, currency, interest rate and counterparty credit risks. The Finance Department has assigned the Group Finance and Treasury Department responsibility for risk management, and provided it with all of the expertise and tools needed to participate in the various financial markets as effectively and safely as possible. The organization and procedures utilized are

regularly reviewed by the Internal Audit Department and the Statutory Auditors. At meetings held regularly with the Chief Financial Officer and the Manager of Finance and Treasury, the Group's Executive Management validates, on the basis of a report published monthly, the implementation of previously authorized management strategies.

In a rapidly changing global economic environment, characterized by market volatility and changes in financial techniques, the role of the Group Finance and Treasury Department is to:

- ensure optimum and sufficient funding to finance the development and growth of the Group's activities; and
- identify, evaluate and hedge all financial risks in close collaboration with the operations teams.

The objective is to minimize, at the lowest possible cost, the impact of financial market fluctuations on the Group's income statement, in order to reduce the capital allocation required to manage these financial risks.

The Group prohibits the taking of speculative positions.

A. Liquidity risk

The Group Finance Department is responsible for maintaining sufficient liquidity at all times. It accomplishes this by efficiently managing the Group's cash balances and ensuring that the maturity and legal conditions of the financing obtained are appropriate. In particular, it arranges confirmed lines of credit to maximize the flexibility of the Group's financing (see Note 21 of the notes to the consolidated financial statements at June 30, 2012.)

The Company specifically reviewed its liquidity risk and considers that it is able to meet its future payments.

B. Market risks

1. CURRENCY RISK

Risks related to changes in foreign exchange rates

The Group publishes its consolidated financial statements in euros, and in 2011-2012 72% of revenue and 36% of operating profit were denominated in euros.

The share of assets, liabilities, sales and earnings denominated in other currencies – essentially the Polish zloty, Hungarian forint, Russian ruble and US and Canadian dollars – fluctuates continuously. This means that the Group is affected by fluctuations in the value of these currencies relative to the euro when they are translated into euros in the consolidated financial statements. For example, when the euro appreciates against these currencies it reduces the earnings contribution from those subsidiaries whose financial statements are denominated in these currencies.

All sales and expenses of Group subsidiaries are generally expressed in their local currency, with the exception of imports, exports and financial transactions covered by centralized and systematic foreign currency hedges, where the type of exposure means that it can

be hedged: Bonduelle therefore believes that its local exposure to currency fluctuations, after hedging, is limited.

The Group's international growth strategy contributes to increasing the weight of non euro-denominated activities in revenue, operating profit and consolidated net income.

Hedging policies for currency risk

The Group seeks to hedge, on a budgeted annual basis, all risks relating to the activities of its subsidiaries denominated in a currency other than their functional currency and the risks relating to the net assets of some subsidiaries operating in countries whose functional currency is not the euro.

The Group uses over-the-counter financial instruments only to hedge the financial risks generated by its production and sales activities. All hedges entered into must comply with the objectives and procedures established by the Bonduelle Group's Executive Management. These transactions are centralized within the Group Finance and Treasury Department.

The Group's policy regarding fluctuations in foreign exchange rates consists of periodically calculating its net exposure to foreign currencies and using financial derivatives to reduce this risk.

The Group makes use above all of forward foreign exchange contracts, foreign currency swaps and options entered into with highly-rated bank counterparties. Details of the portfolio appear in Note 20 of the notes to the consolidated financial statements at June 30, 2012.

2. INTEREST RATE RISK

The interest rate management policy is coordinated, controlled and handled centrally, with the aim of protecting future cash flows and reducing the volatility of finance costs. The Group uses various instruments available on the market, especially interest rate options and swaps. Details of the portfolio appear in Note 20 of the notes to the consolidated financial statements at June 30, 2012.

3. CREDIT RISK

In light of the high credit quality of the Group's principal counterparties and the wide dispersion of its customers throughout the world, especially in the retail grocery sector, the Group considers that it does not have a significant exposure to credit risk.

Given the high liquidity of the Group's trade and related receivables, the fair value of these assets is considered to be equal to their carrying amount.

4. COUNTERPARTY CREDIT RISK

In its dealings in financial assets in general and any cash balances, the Group works only with highly-rated bank counterparties. Any cash surpluses are generally managed in short-term interest-bearing deposits.

5. COMMODITY RISK

The Bonduelle Group has always favored the best agricultural lands and the geographical diversification of its sourcing regions when deciding where to locate its production facilities, in order to reduce the climate-related risks inherent to all farming activities.

There is, moreover, no organized market for the agricultural commodities purchased by the Bonduelle Group. Changes in the prices of agricultural commodities quoted on a market do, however, have a more or less significant impact on the Group's purchase prices, depending on the agricultural alternatives available to producers. In order to ensure long-term relationships with its vegetable suppliers, Bonduelle holds annual negotiations with producers' associations, well in advance of the harvest, that set the producer's net margin per hectare. Bonduelle is therefore obliged to adjust its selling prices to reflect the results of its vegetable purchasing negotiations, which vary between sourcing regions.

C. Equity management

The Bonduelle Group always ensures that its financial structure remains optimal by respecting the equilibrium between its net debt and its equity, and by maintaining a consistent dividend policy. This is intended to keep the cost of capital to a minimum, to maximize share price and dividend growth for the shareholders and to maintain sufficient financial flexibility to take advantage of any opportunities that may arise.

At June 30, 2012, the Group had equity of 503.7 million euros, on the basis of which the Supervisory Board proposed a dividend of 1.50 euros per share.

NOTE 4

Changes in the scope of consolidation

1. France

The following mergers took place on March 31, 2012 (applied retroactively to July 1, 2011):

- Bonduelle Sud Europe and Bonduelle Conserve International; and
- Bonduelle Conserve International and Champiloire SAS.

The new entity is renamed Bonduelle Conserve International.

These operations had no impact on the consolidated financial statements.

2. Entry into the consolidation scope

ACQUISITIONS IN RUSSIA

In Russia, the transaction finalized by the Bonduelle Group with the French co-operative group Cecab relates to the Timachevsk plant, located close to Bonduelle's plant in Novotitarovskaya (Krasnodar Krai, in south-west Russia.)

After receiving the approval of the Russian competition authorities (FAS), Bonduelle took full effective control of Coubanskie Conservi on 03/30/2012.

The price paid breaks down as follows:

Cash: 20,158 thousand euros.

The fair value and cash flows arising from the acquisition of Coubanskie Conservi are as follows:

<i>(in thousands of euros)</i>	Carrying amount before acquisition 04/01/2012	Fair value of net assets acquired 04/01/2012
Non-current assets	28,106	24,474
Current assets	13,104	12,332
Non-current liabilities	27,260	27,864
Current liabilities	465	566
Total net assets acquired (B)	13,486	8,375
Goodwill (A-B)		11,783
Purchase cost (A)		20,158
Cash and cash equivalents		2,118
Net cash used for the acquisition of Coubanskie Conservi		18,040

The goodwill calculation was provisional at 06/30/2012.

At 06/30/2012:

The revenue amount since the acquisition date included in the consolidated financial statement of comprehensive income was not significant, whilst the operating income was around zero.

Concurrently with this transaction, Bonduelle purchased the Globus brand from Cecab for a fair value of one million five hundred thousand euros.

ACQUISITIONS IN HUNGARY

After receiving the approval of the Hungarian competition authorities, the Bonduelle Group purchased the production assets of Kelet-Food and took effective control of Com Foods on May 31, 2012.

The price paid breaks down as follows:

Cash: 6,952 thousand euros.

The fair value and cash flows arising from the acquisition of the Kelet-Food assets and Com Food are as follows:

<i>(in thousands of euros)</i>	Carrying amount before acquisition 06/01/2012	Fair value of net assets acquired 06/01/2012
Non-current assets	4,057	3,791
Current assets	2,289	2,289
Non-current liabilities	113	5,270
Current liabilities	1,623	1,623
Total net assets acquired (B)	4,610	(811)
Goodwill (A-B)		7,763
Purchase cost (A)		6,952
Cash and cash equivalents		582
Net cash used for the acquisition of Kelet-Food		6,370

The goodwill calculation was provisional at 06/30/2012.

At 06/30/2012:

The revenue amount since the acquisition date included in the consolidated financial statement of comprehensive income was not significant, whilst the operating income was around zero.

ASSET PURCHASES IN THE US

The fair value of the frozen food assets (industrial facilities and inventories) purchased from Allens on March 30, 2012 totaled 49,815 thousand euros and corresponds to the price paid.

Of these assets, the cash acquired totaled 2,824 thousand euros. Consequently, the net cash used totaled 46,991 thousand euros.

NOTE 5

Segment reporting

<i>(in thousands of euros)</i>	European Area	Outside European Area	Eliminations	Total at 06/30/2011
Income Statement				
Revenue	1,302,795	428,011	(4,808)	1,725,998
Inter-segment sales	(4,808)	0	4,808	0
TOTAL	1,297,987	428,011	0	1,725,998
Depreciation, amortization and impairment	(54,532)	(15,656)		(70,189)
Current operating income	30,867	49,814		80,681
Operating profit	19,130	49,814		68,944
Statement of financial position				
Non-current assets	543,858	186,191		730,049
<i>o.w. Property, plant and equipment</i>	341,803	127,469		469,273
<i>o.w. Net investments in tangible and intangible assets</i>	78,655	18,242		96,898
<i>o.w. Goodwill</i>	142,624	46,802		189,425
<i>o.w. Brands</i>	20,215	2,304		22,519
Current assets	794,659	172,112		966,770
TOTAL CONSOLIDATED ASSETS	1,338,516	358,303		1,696,819
Equity				483,774
Non-current liabilities	437,521	128,827		566,348
<i>o.w. Financial liabilities</i>				482,096
Current liabilities	545,290	101,407		646,697
TOTAL CONSOLIDATED LIABILITIES	1,338,516	358,303		1,696,819

Consolidated financial statements

Notes to the annual consolidated financial statements

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<i>(in thousands of euros)</i>	European Area	Outside European Area	Eliminations	Total at 06/30/2012
Income Statement				
Revenue	1,286,301	487,375	(6,725)	1,766,951
Inter-segment sales	(6,725)		6,725	0
TOTAL	1,279,576	487,375	0	1,766,951
Depreciation, amortization and impairment	(54,097)	(17,839)		(71,937)
Current operating income	45,714	55,212		100,926
Operating profit	44,503	53,674		98,177
Statement of financial position				
Non-current assets	564,258	246,652		810,910
<i>o.w. Property, plant and equipment</i>	340,133	171,142		511,275
<i>o.w. Net investments in tangible and intangible assets</i>	53,564	17,792		71,356
<i>o.w. Goodwill</i>	149,802	61,203		211,005
<i>o.w. Brands</i>	20,215	4,069		24,284
Current assets	669,564	261,391		930,955
TOTAL CONSOLIDATED ASSETS	1,233,822	508,043		1,741,865
Equity				503,745
Non-current liabilities	382,106	127,448		509,554
<i>o.w. Financial liabilities</i>				437,255
Current liabilities	541,525	187,041		728,566
TOTAL CONSOLIDATED LIABILITIES	1,233,822	508,043		1,741,865

■ Information by segment

<i>(in thousands of euros)</i>	Canned/Frozen	Fresh	Other	Total at 06/30/2011
Income statement				
Revenue – excluding intercompany	1,347,912	378,086		1,725,998
TOTAL	1,347,912	378,086		1,725,998
Statement of financial position				
Goodwill	115,639	72,923	863	189,425
Brands	22,519			22,519

<i>(in thousands of euros)</i>	Canned/Frozen	Fresh	Other	Total at 06/30/2012
Income statement				
Revenue – excluding intercompany	1,385,927	381,024		1,766,951
TOTAL	1,385,927	381,024		1,766,951
Statement of financial position				
Goodwill	137,219	72,923	863	211,005
Brands	24,284			24,284

■ Information by geographical region

	At 06/30/2011		At 06/30/2012	
France	628,686	36%	642,944	36%
North America	284,633	16%	315,289	18%
Germany	213,150	12%	212,564	12%
Italy	185,898	11%	185,519	10%
Eastern Europe ⁽¹⁾	115,702	7%	130,343	7%
Benelux	80,624	5%	79,816	5%
Central Europe ⁽²⁾	73,265	5%	82,923	5%
Iberian peninsula	82,377	4%	45,130	3%
Other	61,664	4%	72,423	4%
TOTAL REVENUE	1,725,998	100%	1,766,951	100%

(1) Russia + CIS countries.

(2) Eastern Bloc countries now in the European Union.

NOTE 6

Purchases and external charges

<i>(in thousands of euros)</i>	At 06/30/2011	At 06/30/2012
Purchases of goods and other supplies	(816,047)	(893,183)
Production in inventory	(15,848)	8,394
Changes in inventories of goods and other supplies	(700)	20,053
Other external charges	(400,285)	(409,467)
TOTAL PURCHASES AND EXTERNAL CHARGES	(1,232,881)	(1,274,203)

NOTE 7

Remuneration and headcount

<i>(in thousands of euros and number of employees)</i>	At 06/30/2011	At 06/30/2012
Employee benefits expense for consolidated companies	(336,999)	(334,148)
Average annual workforce	9,650	8,973
Employees with long-term employment contracts *	7,248	6,449

* Does not include the workforce from acquisitions, which stood at 668 employees on long-term contracts at June 30, 2012.

NOTE 8

Other operating income and expenses

<i>(in thousands of euros)</i>	At 06/30/2011	At 06/30/2012
Operating services	3,796	6,266
Recoveries of provisions and impairment	17,002	24,555
Other operating income	20,859	29,635
TOTAL OTHER OPERATING INCOME	41,657	60,457

<i>(in thousands of euros)</i>	At 06/30/2011	At 06/30/2012
Taxes and duties	(20,319)	(22,490)
Provisions and impairment	(14,481)	(12,715)
Other operating expenses	(12,103)	(10,989)
TOTAL OTHER OPERATING EXPENSES	(46,904)	(46,195)

NOTE 9

Non-recurring items

<i>(in thousands of euros)</i>	At 06/30/2011	At 06/30/2012
Disposals of non-operational property assets	5,692	
Reorganization and restructuring costs	(17,428)	(1,456)
Acquisition costs		(1,293)
TOTAL NON-RECURRING ITEMS	(11,737)	(2,749)

NOTE 10

Net financial result

Bonduelle had -30.5 million euros in net finance costs during the year ended June 30, 2012, compared with -23.7 million euros the previous year.

(in thousands of euros)

		At 06/30/2011	At 06/30/2012
Cost of net debt	A	(29,465)	(27,092)
Cash and cash equivalents		687	666
Interest expense (at effective interest rate)		(29,250)	(27,644)
Gains and losses on liabilities covered by fair value hedges		24,025	(22,672)
Gains and losses on fair value hedging derivatives		(24,926)	22,558
Other finance income and costs	B	5,811	(3,383)
Foreign exchange gain (loss)		2,654	(1,142)
Ineffective portion of cash flow hedges		(76)	(312)
Net gain (loss) on derivatives ineligible for hedge accounting (foreign currency & interest rate risk)		3,881	(948)
Other finance costs		(648)	(981)
NET FINANCIAL RESULT	A+B	(23,654)	(30,475)

Cost of net debt, the main component of financial expense, fell from -29.5 million euros at June 30, 2011 to -27.1 million euros at June 30, 2012.

It was made up of both interest paid at the effective interest rate (-27.6 million euros), income from cash (+0.7 million euros) and the gains and losses on debt covered by fair value hedges (-22.7 million euros) being mostly offset by gains and losses on fair value hedging derivatives (+22.6 million euros).

The loss on fair value debt was mainly due to the rise in the dollar against the euro between last year and this, which had a negative impact on the carrying amount of the debt in US dollars (USPP). As this debt was fully hedged against exchange rate fluctuations, there was zero effect on the income statement and the remainder (-0.1 million euros) was related to the impact of interest rate fluctuations.

The fall in the cost of net debt was due mainly to a sharp drop in interest rates over the year, especially in the second half. In managing its exposure to interest rate risks, the Group kept part of its floating-rate debt (see Note 21), which allowed it to benefit greatly from this reduction.

Finally, the interest rate, calculated on the Group's average debt in all currencies and restated to account for IFRS effects, amounted to 3.39% compared to 3.81% the previous year, down 42 bps.

The Group's foreign exchange income, meanwhile, stands at -1.6 million euros, corresponding entirely to income from foreign currency hedges operated on flows related to commercial activities in foreign currencies (breaking down as follows: foreign exchange loss -1.1 million euros, ineffective portion of cash flow hedges -0.3 million euros and loss on derivatives ineligible for hedge accounting 0.2 million euros .)

As required by IFRS 7, the Group performed sensitivity analyses to measure its exposure to material changes in interest and foreign exchange rates.

The scope of the interest rate sensitivity analyses included all financial instruments, both debt and derivatives. The analyses were made assuming a uniform shift of +/-50 bp in all yield curve maturities at the reporting date. The market values of the instruments were obtained from the valuation platforms used by the Finance Department, and market data are populated using real-time information systems (Reuters, etc.)

■ Analysis of interest rate sensitivity

	Change in interest rates			
	+50 bps		-50 bps	
	Impact on Equity	Impact on Income	Impact on Equity	Impact on Income
<i>(in thousands of euros)</i>				
Interest on debt	0	(3,592)	0	3,592
Mark-to-market valuation of debt	0	5,182	0	(5,380)
Debt	0	1,591	0	(1,788)
Finance income from interest rate derivatives	0	1,058	0	(1,058)
Mark-to-market valuation of interest rate derivatives	2,027	(3,570)	(2,049)	3,670
Interest rate derivatives	2,027	(2,512)	(2,049)	2,612
TOTAL	2,027	(921)	(2,049)	824

The same valuation methods used to measure interest rate sensitivity (information systems and valuation platforms, etc.) are used to measure the Group's exposure to changes in the currencies it uses for business and financing purposes (USD, HUF, CAD, RUB, PLN, etc.). The scope includes all balance sheet liabilities and receivables, those portions of trade-related flows expected to be generated during the period hedged, and all derivative instruments used to hedge foreign currency exposures.

In accordance with IFRS 7 §23, it is specified that, since this consists primarily of hedges of trading flows denominated in foreign currencies, the flows hedged and the associated hedging instruments generally mature in less than one year. In the case of longer assets or

liabilities, hedges can extend beyond one year though they must not exceed the present limit of six years, with the exception of hedges on the USPP bond issued in 2010, for which the hedges run until the bond matures (2022). In this case, the flows (intermediate and final) of hedging instruments run concurrently to the flows of the underlying hedged instruments and their impacts are offset in the income statement every quarter or half-year period according to the defined flow exchange schedules.

For the methods used to prepare the currency fluctuation sensitivity calculations, a variation of +/-5% in the euro against the main currencies has been applied.

■ Analysis of sensitivity to changes in exchange rates (excluding subsidiaries' net equity)

	Change in exchange rates			
	+5% change in the euro against currency		-5% change in the euro against currency	
	Impact on Equity	Impact on Income	Impact on Equity	Impact on Income
<i>(in thousands of euros)</i>				
HUF/EUR	628	(725)	(608)	753
USD/EUR	0	190	0	(10)
PLN/EUR	35	(32)	(31)	35
RUB/EUR	0	(76)		84
USD/CAD	3	0	(3)	0
Other	(6)	(108)	6	122
TOTAL	659	(750)	(636)	983

NOTE 11

Income tax

1. Analysis of net income tax expense

Total income tax expenses are analyzed in the following manner:

	At 06/30/2011	At 06/30/2012
Average tax rate:	32.45%	27.07%

2. Reconciliation of income tax and profit before tax

<i>(in thousands of euros)</i>	At 06/30/2011	%	At 06/30/2012	%
Net income attributable to owners of the Company	30,436		46,705	
Non-controlling interests	227		1,017	
Share of net income from associates	58		(1,655)	
Income tax expense	14,685		18,325	
PROFIT BEFORE TAX	45,290		67,702	
Theoretical tax expense	15,593	34.4%	24,441	36.1%
Reconciliation:				
Permanent differences	(2,726)	-6.0%	(1,194)	-1.8%
Difference in tax rates (outside of France)	(4,452)	-9.8%	(9,775)	-14.4%
Impact of tax loss carryforwards and other	6,269	13.8%	4,853	7.2%
ACTUAL INCOME TAX EXPENSE	14,685	32.4%	18,325	27.1%

3. Deferred taxes

<i>(in thousands of euros)</i>	At 06/30/2011	At 06/30/2012
Provisions and non-current assets	8,724	4,351
Margin in inventory	1,285	677
Tax loss carryforwards *	7,148	10,803
Accelerated depreciation and regulated provisions	(27,991)	(25,154)
Other **	109	4,207
NET DEFERRED TAX ASSETS	(10,725)	(5,116)

* Due to income-generating prospect for the companies concerned.

** Variation in tax due to restatements of financial instruments.

The tax loss carryforwards for which no deferred tax asset has been recorded, amounted to 116.2 million euros at June 30, 2012, compared with 128.2 million euros at June 30, 2011.

■ Change in net deferred tax assets

<i>(in thousands of euros)</i>	At 06/30/2011	At 06/30/2012
OPENING	(14,725)	(10,725)
Translation adjustments	542	(1,093)
Acquisition and disposals of subsidiaries	143	2,345
Taxes recognized in the income statement	5,515	2,808
Taxes recognized directly through equity	(2,200)	1,549
CLOSING	(10,725)	(5,116)

NOTE 12

Earnings per share

A dividend of 1.50 euros per share will be proposed to the Shareholders' Meeting.

At 06/30/2012, the share capital of BSCA was comprised of 8 million shares with a par value of 7 euros per share.

<i>(in thousands of euros)</i>	At 06/30/2011	At 06/30/2012
Net income attributable to owners of the Company	30,436	46,705
Number of shares used to calculate:		
• Basic earnings per share	7,723,769	7,478,190
• Diluted earnings per share	7,723,769	7,478,190
Earnings per share (in euros)		
• Basic	3.94	6.25
• Diluted	3.94	6.25

NOTE 13

Other intangible assets

Analysis of changes in gross carrying amounts and impairment:

<i>(in thousands of euros)</i>	At 06/30/2010	Acquisitions or charges	Sale, disposal or recovery	Other ⁽¹⁾	At 06/30/2011
Gross carrying amount					
Trademarks, patents and licenses	33,681	5	(8,015)	(449)	25,222
Software	46,657	1,823	(1,546)	1,044	47,977
Other	4,183	3	(37)	(561)	3,588
Property, plant and equipment under construction	674	629	0	(689)	613
	85,195	2,460	(9,599)	(656)	77,400
Amortization and impairment					
Trademarks, patents and licenses	2,055	173	(15)	(46)	2,166
Software	37,986	4,169	(1,546)	(42)	40,568
Other	1,016	252	(37)	(167)	1,064
	41,057	4,595	(1,598)	(256)	43,798
Net carrying amount					
Trademarks, patents and licenses	31,626				23,055
Software	8,670				7,409
Other	3,168				2,524
Property, plant and equipment under construction	674				613
	44,138				33,603

<i>(in thousands of euros)</i>	At 06/30/2011	Acquisitions or charges	Sale, disposal or recovery	Other ⁽¹⁾	At 06/30/2012
Gross carrying amount					
Trademarks, patents and licenses ⁽²⁾	25,222	1,646	(30)	82	26,920
Software	47,977	1,675	(27)	47	49,672
Other	3,588	0	(0)	366	3,954
Property, plant and equipment under construction	613	1,317	0	(606)	1,324
	77,400	4,637	(57)	(111)	81,870
Amortization and impairment					
Trademarks, patents and licenses	2,166	77	(30)	(25)	2,187
Software	40,568	3,316	(25)	(244)	43,615
Other	1,064	219	0	54	1,337
	43,798	3,612	(55)	(216)	47,138
Net carrying amount					
Trademarks, patents and licenses	23,055				24,733
Software	7,409				6,057
Other	2,524				2,617
Property, plant and equipment under construction	613				1,324
	33,603				34,731

(1) Change in scope, translation adjustments and transfers between lines.

(2) Carrying amounts of trademarks are as follows (in millions of euros): Cassegrain (20,215), Arctic Gardens (2,569), Globus (1,500).

NOTE 14

Goodwill

Analysis of changes in goodwill:

<i>(in thousands of euros)</i>	At 06/30/2010	Acquisitions or charges	Sale, disposal or recovery	Other ⁽²⁾	At 06/30/2011
GROSS CARRYING AMOUNT	192,406	0	0	(2,981)	189,425
Impairment	0	0	0	0	0
NET CARRYING AMOUNT	192,406	0	0	(2,981)	189,425

<i>(in thousands of euros)</i>	At 06/30/2011	Acquisition or charge ⁽¹⁾	Sale, disposal or recovery	Other ⁽²⁾	At 06/30/2012
GROSS CARRYING AMOUNT	189,425	19,546	0	2,036	211,007
Impairment	0	0	0	0	0
NET CARRYING AMOUNT	189,425	19,546	0	2,034	211,005

(1) The increase corresponds to goodwill from acquisitions made during the year: Coubanskie Conservi (11,783), Corn Food (7,763).

(2) Translation adjustments.

NOTE 15

Property, plant and equipment

Analysis of changes in gross carrying amounts and impairment:

<i>(in thousands of euros)</i>	At 06/30/2010	Acquisitions or charges	Sale, disposal or recovery	Other ⁽¹⁾	At 06/30/2011
Gross carrying amount					
Land	52,974	413	(1,453)	276	52,209
Buildings	376,763	12,082	(6,976)	18,678	400,547
Industrial plant, tools and equipment	733,401	22,264	(22,559)	31,623	764,730
Other	56,382	3,720	(7,393)	1,098	53,806
Property, plant and equipment under construction	58,608	42,425	(206)	(67,956)	32,871
	1,278,127	80,904	(38,586)	(16,281)	1,304,164
Amortization					
Land	9,308	690	(180)	(30)	9,788
Buildings	228,984	15,425	(4,007)	(492)	239,909
Industrial plant, tools and equipment	505,271	48,671	(18,393)	(2,839)	532,710
Other	43,550	4,384	(5,576)	586	42,944
Property, plant and equipment under construction	0				0
	787,113	69,169	(28,156)	(2,776)	825,351
Impairment					
Land	460	116	0	0	576
Buildings	4,631	(1,758)	(39)	(1,081)	1,754
Industrial plant, tools and equipment	11,520	(5,075)	(1)	(132)	6,312
Other	191	(163)		0	28
Property, plant and equipment under construction	3,660	245	(40)	(2,994)	871
	20,462	(6,635)	(80)	(4,207)	9,540
Net carrying amount					
Land	43,205				41,846
Buildings	143,148				158,884
Industrial plant, tools and equipment	216,610				225,709
Other	12,641				10,834
Property, plant and equipment under construction	54,948				32,000
	470,552				469,273

(1) Including the disposal of Naturalmente for a gross carrying amount of -€1,617 thousand and +€408 thousand in depreciation.

The rest consists mainly of translation adjustments and transfers between lines.

The gross and net carrying amount of assets acquired or refinanced under finance leases totaled €60.1 and €11 million respectively at June 30, 2011, compared to €59.3 and €13.8 million respectively at June 30, 2010.

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<i>(in thousands of euros)</i>	At 06/30/2011	Acquisitions or charges	Sale, disposal or recovery	Other ⁽¹⁾	At 06/30/2012
Gross carrying amount					
Land	52,209	459	(827)	3,509	55,350
Buildings	400,547	11,459	(5,273)	37,063	443,795
Industrial plant, tools and equipment	764,730	22,603	(32,377)	34,822	789,779
Other	53,806	4,700	(4,792)	9,302	63,017
Property, plant and equipment under construction	32,871	37,622	(3,189)	(31,852)	35,451
	1,304,164	76,843	(46,459)	52,844	1,387,393
Amortization					
Land	9,788	585	(113)	32	10,293
Buildings	239,909	16,816	(3,126)	5,993	259,592
Industrial plant, tools and equipment	532,710	48,713	(26,961)	(3,228)	551,233
Other	42,944	3,797	(5,570)	5,776	46,946
Property, plant and equipment under construction	0	0	0	0	0
	825,351	69,911	(35,770)	8,572	868,064
Impairment					
Land	576	(51)	0	0	525
Buildings	1,754	(34)	0	0	1,720
Industrial plant, tools and equipment	6,312	(1,162)	0	(0)	5,149
Other	28	(1)	(28)	0	1
Property, plant and equipment under construction	871	(18)	(2,994)	2,800	659
	9,540	(1,264)	(3,022)	2,800	8,054
Net carrying amount					
Land	41,846				44,532
Buildings	158,884				182,483
Industrial plant, tools and equipment	225,709				233,397
Other	10,834				16,071
Property, plant and equipment under construction	32,000				34,792
	469,273				511,275

(1) i.e. a net carrying amount of €41.5 million due mainly to changes in scope.

Coubanskie Conservi (+€22.3 million), Allens (+€13.8 million), Corn Food (€+2.6 million), UCR (-€3.7 million).

The remainder consists mainly of translation adjustments and transfers between lines.

The gross and net carrying amount of assets acquired or refinanced under finance leases totaled €50.9 and €9.0 million respectively at June 30, 2012, compared with €60.1 and €11.0 million at June 30, 2011.

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NOTE 16

Presentation of financial assets and liabilities by category

■ At 06/30/2011

(in thousands of euros)	Value on statement of financial position	Fair value	Financial assets within the scope of application of IAS 39 on financial instruments			Assets excluded from the scope of application of IAS 39 on financial instruments
			Loans & receivables	Fair value through equity	Fair value through income	
Non-current assets						
Other non-current financial assets	9,620	9,620	4,696	314	4,610	
Participating interests	451	451	451			
Derivative financial instruments	4,924	4,924		314	4,610	
Other non-current financial assets	4,245	4,245	4,245			
Other non-current assets	7,390	7,390	7,390			0
Other non-current receivables	7,390	7,390	7,390			
Prepaid expenses	0	0				0
Current assets						
Trade & other receivables	329,126	329,126	329,126			
Other current assets	5,579	5,579	672			4,907
Non-consolidated loans and receivables	663	663	663			
Prepaid expenses	4,907	4,907				4,907
Other assets	9	9	9			
Derivative financial instruments	6,982	6,982		2,781	4,201	
Marketable securities and other investments	0					
Cash and cash equivalents	111,389	111,389	111,389			

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			Financial assets within the scope of application of IAS 39 on financial instruments			Liabilities excluded from the scope of application of IAS 39 on financial instruments
	Value on statement of financial position	Fair value	Amortized cost	Fair value through equity	Fair value through income	
<i>(in thousands of euros)</i>						
Non-current liabilities						
Financial liabilities	482,096	474,834	465,032	3,297	12,607	
Debt excluding derivatives	463,717	456,455	465,032		(1,314)	
Derivative financial instruments	18,379	18,379		3,297	15,082	
Other non-current liabilities	14,690	14,690	961			13,729
Investment grants	13,729	13,729				13,729
Miscellaneous debts	961	961	961			
Current liabilities						
Trade and other payables	506,415	506,415	506,415			
Current financial liabilities	132,832	133,275	121,784	3,184	7,864	
Debt excluding derivatives	117,095	117,538	121,784		(4,689)	
Current derivative financial instruments	15,737	15,737		3,184	12,553	
Other current liabilities	3,724	3,724				3,724
Prepaid income and other accrual accounts	3,724	3,724				3,724

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■ At 06/30/2012

			Financial assets within the scope of application of IAS 39 on financial instruments			Assets excluded from the scope of application of IAS 39 on financial instruments
	Value on statement of financial position	Fair value	Loans & receivables	Fair value through equity	Fair value through income	
(in thousands of euros)						
Non-current assets						
Other non-current financial assets	19,482	19,482	4,984	177	14,321	
Participating interests	408	408	408			
Derivative financial instruments	14,498	14,498		177	14,321	
Other non-current financial assets	4,576	4,576	4,576			
Other non-current assets	9,094	9,094	8,612			482
Other non-current receivables	8,612	8,612	8,612			
Prepaid expenses	482	482				482
Current assets						
Trade & other receivables	322,339	322,339	322,339			7,369
Other current assets	7,934	7,934	565			
Non-consolidated loans and receivables	556	556	556			
Prepaid expenses	7,369	7,369				
Other assets	9	9	9			
Derivative financial instruments	7,944	7,944		2,491	5,453	
Marketable securities and other investments	0					
Cash and cash equivalents	18,941	18,941	18,941			

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			Financial assets within the scope of application of IAS 39 on financial instruments			Liabilities excluded from the scope of application of IAS 39 on financial instruments
	Value on statement of financial position	Fair value	Amortized cost	Fair value through equity	Fair value through income	
<i>(in thousands of euros)</i>						
Non-current liabilities						
Financial liabilities	437,255	438,967	413,028	6,687	29,530	
Debt excluding derivatives	426,678	428,390	413,028		25,640	
Derivative financial instruments	10,577	10,577		6,687	3,890	
Other non-current liabilities	665	665	665			
Investment grants						
Miscellaneous debts	665	665	665			
Current liabilities						
Trade and other payables	507,434	507,434	507,434			
Current financial liabilities	212,576	213,326	204,409	835	7,332	
Debt excluding derivatives	205,085	205,835	204,409		676	
Current derivative financial instruments	7,491	7,491		835	6,656	
Other current liabilities	5,436	5,436				5,436
Prepaid income and other accrual accounts	5,436	5,436				5,436

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NOTE 17

Other non-current financial assets

Analysis of changes in gross carrying amounts and impairment:

<i>(in thousands of euros)</i>	At 06/30/2010	Acquisitions or charges	Disposals or recoveries	Other	At 06/30/2011
Gross carrying amount ⁽²⁾					
Participating interests ⁽¹⁾	1,596	3,136	(1)	(3,032)	1,699
Derivative financial instruments	9,601	0	(4,677)	0	4,924
Other non-current financial assets	4,238	890	(458)	(234)	4,436
	15,436	4,027	(5,136)	(3,266)	11,060
Impairment					
Participating interests ⁽¹⁾	1,225	23	0	0	1,248
Other non-current financial assets	192	0	0	0	192
	1,418	23	0	0	1,441
Net carrying amount					
Participating interests ⁽¹⁾	371	3,113	(1)	(3,032)	451
Derivative financial instruments	9,601	0	(4,677)	0	4,924
Other non-current financial assets	4,046	890	(458)	(234)	4,244
	14,018	4,004	(5,136)	(3,266)	9,619

<i>(in thousands of euros)</i>	At 06/30/2011	Acquisitions or charges	Disposals or recoveries	Other ⁽³⁾	At 06/30/2012
Gross carrying amount ⁽²⁾					
Participating interests ⁽¹⁾	1,698	20	0	(213)	1,505
Derivative financial instruments	4,924	0	0	9,574	14,498
Other non-current financial assets	4,436	949	(413)	(154)	4,818
	11,060	969	(413)	9,207	20,822
Impairment					
Participating interests ⁽¹⁾	1,248	0	(150)	0	1,098
Other non-current financial assets	192	0	0	50	243
	1,441	0	(150)	50	1,341
Net carrying amount					
Participating interests ⁽¹⁾	451	20	150	(213)	408
Derivative financial instruments	4,924	0	0	9,574	14,498
Other non-current financial assets	4,244	949	(413)	(205)	4,576
	9,619	969	(263)	9,157	19,482

(1) This heading represents the carrying amount of the main holdings of companies that are not consolidated by the Group.

(2) The valuation principles are set out in Note 2.

(3) Restatements and fair value of derivative financial instruments.

NOTE 18

Inventories and work-in-progress

<i>(in thousands of euros)</i>	Gross carrying amount	Provisions	Net carrying amount at 06/30/2011	Gross carrying amount	Provisions	Net carrying amount at 06/30/2012
Materials and packaging	142,718	(2,833)	139,886	157,114	(2,539)	154,575
Finished goods	370,713	(15,299)	355,414	431,280	(16,051)	415,229
	513,431	(18,131)	495,299	588,395	(18,590)	569,804

■ Analysis of provisions for impairment of inventories and work-in-progress

	At 06/30/2011	At 06/30/2012
Materials and packaging		
Opening balance	(3,595)	(2,833)
Additions	(249)	(500)
Recoveries	958	785
Translation adjustments and other	53	8
CLOSING BALANCE	(2,833)	(2,539)
Finished goods		
Opening balance	(17,269)	(15,299)
Additions	(1,174)	(8,843)
Recoveries	2,873	8,191
Translation adjustments and other	272	(101)
CLOSING BALANCE	(15,299)	(16,051)

NOTE 19

Trade and other receivables

Analysis of trade and other receivables:

<i>(in thousands of euros)</i>	Gross carrying amount	Provisions	Net carrying amount at 06/30/2011	Gross carrying amount	Provisions	Net carrying amount at 06/30/2012
Trade receivables	228,465	(8,410)	220,055	233,637	(6,705)	226,931
Tax and social security receivables	62,887	0	62,887	55,435	0	55,435
Other receivables	46,914	(731)	46,184	40,397	(424)	39,973
TOTAL TRADE AND OTHER RECEIVABLES	338,267	(9,141)	329,126	329,469	(7,130)	322,339

Change in impairment of trade and other receivables

<i>(in thousands of euros)</i>	At 06/30/2011	At 06/30/2012
Trade receivables		
Opening balance	(10,653)	(8,410)
Additions	(4,084)	(2,694)
Recoveries	6,182	4,852
Translation adjustments and other	145	(452)
CLOSING BALANCE	(8,410)	(6,705)
Other receivables:		
Opening balance	(574)	(731)
Additions	(313)	0
Recoveries	148	299
Translation adjustments and other	8	7
CLOSING BALANCE	(731)	(424)

Maturity analysis of trade and other receivables *(net carrying amounts)*

<i>(in thousands of euros)</i>	At 06/30/2011	At 06/30/2012
Not yet due	184,428	198,416
Past due		
• less than 30 days	32,347	22,555
• between 30 and 90 days	2,390	4,296
• more than 90 days	890	1,664
TOTAL TRADE AND OTHER RECEIVABLES	220,055	226,931

NOTE 20

Derivative financial instruments

The Group uses over-the-counter derivatives to manage exposure to foreign exchange and interest rate risks. Group Policy precludes employees from engaging in speculative transactions on the financial markets.

Interest rate derivatives

FAIR VALUE HEDGES

The Group issued three fixed-rate bonds, which were partly swapped to variable-rate at the time the bonds were issued. These swaps meet the criteria required for fair value hedge accounting under IAS 39. The underlying debt and swaps are recognized in the statement of financial position at their market value.

CASH FLOW HEDGES

In July 2007 and April 2009, the Group also issued two variable-rate bonds with redeemable share subscription and/or purchase warrants (OBSAAR), the first for €150 million and the second for €140 million. Bonduelle then hedged a portion of the debt using options and swap contracts. As the effectiveness of the hedging relationship has been validated using prospective tests, all changes in fair value of these instruments are booked directly to equity.

The same applies to the hedging instrument converting a USD fixed-rate into a euro fixed-rate on the USPP issue carried out in August 2010.

HEDGES INELIGIBLE FOR HEDGE ACCOUNTING UNDER IFRS

The Group's debt also includes bonds swapped into a variable interest rate. The Group is therefore exposed to increases in euro interest rates. To hedge this risk, the Group has set in place tunnel-type options, or caps, that protect it against any significant rise in the

interest rates. However, as this tunnel is used to hedge debt that was swapped from the outset, none of these derivatives qualify for hedge accounting of future cash flows within the meaning of IAS 39. They have accordingly been classified in held-for-trading instruments, and all changes in their fair value are taken into profit or loss for the period.

Foreign currency derivatives

FAIR VALUE HEDGES

In 2010, the Group issued a bond in USD. Therefore, the Group is exposed to changes in the value of this debt produced by changes in the EUR/USD exchange rate. Derivative instruments, forward currency contracts and cross currency swaps, qualifying for hedge accounting under IAS 39, have been introduced to hedge 100% of the residual par value of this risk.

CASH FLOW HEDGES

Nearly all of the Group's sales are in euros. However, in certain countries, the Group may issue invoices denominated in foreign currencies, mostly the US dollar, Canadian dollar, Hungarian forint, Russian ruble and Polish zloty. The Group publishes its financial statements in euros, and changes in the value of these currencies against the euro may impact consolidated net income. To limit the sensitivity of its earnings to changes in exchange rates, the Group introduces cash flow hedges using foreign currency forwards and options.

Furthermore, the cross currency swap introduced to hedge the 150 million USD bond in 2000 was entered into prior to the date on

which the debt was issued, and on the date of issue had a fair value of -4.4 million euros. As this is a hedge of future cash flows, this amount was initially recognized in shareholders' equity. It is gradually transferred to profit or loss on each repayment of the borrowing. Thus, as the financing matured during the year, the final amortization of 876 thousand euros was recognized in June.

As in previous years, the Group introduced foreign currency and interest rate hedges on intra-group financing covering the needs of some of its subsidiaries located outside of the euro zone (Canada, Russia, Brazil and Hungary.) This intra-group financing has been the subject of full and systematic hedging of the foreign exchange risk, so that changes in the underlying value (loan/intra-group borrowings in currencies) are fully offset by changes in inverse values of the hedging item. Typically, cross currency swaps or futures sales are used for this hedging.

Cross currency swaps also encompass an interest rate component in the hedging. When it involves hedging changes in the value of future cash flows by freezing them using a fixed rate, this hedging is eligible for cash flow hedge treatment; changes in value are then recorded in equity, then recycled in profit and loss as and when hedged flows occur.

HEDGES INELIGIBLE FOR HEDGE ACCOUNTING UNDER IFRS

Some of the derivatives introduced by the Group to hedge future cash flows do not qualify for hedge accounting under IAS 39. These consist mainly of out-of-the-money options.

■ Derivatives at 06/30/2011

		Market value		Carrying amount	
(in thousands of euros)	Notional	Assets	Liabilities	Assets	Liabilities
Interest rate derivatives (A)					
Cash flow hedges	411,362	314	5,548	314	5,548
Fair value hedges (swaps)	230,712	4,871	2,202	4,871	2,202
Hedges ineligible for hedge accounting under IFRS	123,610	1,415	2,205	1,415	2,205
including forward contracts: Basis swaps	75,000	1,415	657	1,415	657
including options: Caps	125,000	0	0	0	0
including options: Floors	(76,390)	0	1,548	0	1,548
Current portion				2,554	4,471
Non-current portion				4,045	5,484
Foreign currency derivatives (B)					
Cash flow hedges	103,438	2,781	932	2,781	932
including forward contracts	73,733	2,537	932	2,537	932
including options	29,706	244	0	244	0
Fair value hedges (forward contracts)	136,661	1,099	22,298	1,099	22,298
Hedges ineligible for hedge accounting under IFRS	48,842	1,427	931	1,427	931
including forward contracts	37,241	1,194	314	1,194	314
including options	11,601	233	617	233	617
Current portion				4,427	11,266
Non-current portion				879	12,895
TOTAL DERIVATIVES (A+B)					
Current portion				6,982	15,737
Non-current portion				4,924	18,379

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Derivatives at 06/30/2012

		Market value		Carrying amount	
(in thousands of euros)	Notional	Assets	Liabilities	Assets	Liabilities
Interest rate derivatives (A)					
Cash flow hedges	313,624	177	7,469	177	7,469
Fair value hedges (swaps)	244,782	13,468	30	13,468	30
Hedges ineligible for hedge accounting under IFRS	(9,890)	35	3,716	35	3,716
including forward contracts: Basis swaps	7,500	0	1,139	0	1,139
including options: Caps	25,000	35	0	35	0
including options: Floors	(42,390)	0	2,577	0	2,577
Current portion				1,537	4,506
Non-current portion				12,143	6,710
Foreign currency derivatives (B)					
Cash flow hedges	61,546	2,491	53	2,491	53
including forward contracts	47,723	1,660	53	1,660	53
including options	13,823	830	0	830	0
Fair value hedges (forward contracts)	246,651	4,837	5,698	4,837	5,419
Hedges ineligible for hedge accounting under IFRS	94,197	1,434	1,380	1,434	1,380
including forward contracts	88,042	1,434	1,078	1,434	1,078
including options	6,155	0	302	0	302
Current portion				6,406	2,985
Non-current portion				2,355	3,867
TOTAL DERIVATIVES (A+B)					
Current portion				7,944	7,491
Non-current portion				14,498	10,577

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Group's net currency position at less than one year * (excluding exposure on subsidiaries' net equity)

(in thousands of euros)	06/30/2011				
	USD/EUR	HUF/EUR	USD/CAD	RUB/EUR	OTHER
Net position before hedging	125,719	37,304	(10,724)	(14,718)	(3,098)
Net position after hedging	869	(552)	-	(120)	(134)

(in thousands of euros)	06/30/2012					
	USD/EUR	HUF/EUR	USD/CAD	RUB/EUR	PLN/EUR	OTHER
Net position before hedging	126,812	(42,953)	(15,886)	1,588	(1,667)	2,710
Net position after hedging	(2,675)	11,270	0	1,588	569	814

* Positions longer than one year are now fully hedged.

- = Company is exposed to a decrease in the value of the currency.

+ = Company is exposed to an increase in the value of the currency.

NOTE 21

Net debt

1. Analysis by type of debt

■ At 06/30/2011

<i>(in thousands of euros)</i>	Par value	< 6 months	< 1 year	1 to 5 years	> 5 years	Total
Bonds	259,453		26,084	77,747	132,229	236,060
OBSAAR (see 2.)	290,000		45,777	239,091		284,868
Finance leases	7,332	484	484	4,613	1,751	7,332
Other bank borrowings	31,253	25,840	752	4,661		31,253
Other borrowings and financial liabilities	3,744	59	59	3,626		3,744
Accrued interest	4,485	4,485				4,485
Current bank lines	13,070	13,070				13,070
Total gross debt before derivatives	609,336	43,938	73,156	329,738	133,980	580,812
Derivatives – Liabilities		2,524	13,213	3,599	14,779	34,116
<i>o.w. derivatives hedging a debt in a fair value hedge</i>			9,585		14,779	24,364
<i>o.w. other derivatives</i>		2,524	3,628	3,599	0	9,752
Total gross debt after fair value of derivatives		46,462	86,369	333,337	148,759	614,928
Derivatives – Assets		4,333	2,649	4,178	746	11,906
<i>o.w. derivatives hedging a debt in a fair value hedge</i>			264	2,985	746	3,995
<i>o.w. other derivatives</i>		4,333	2,385	1,193		7,911
Securities						
Cash	111,389	111,389				111,389
Total cash and cash equivalents	111,389	115,722	2,649	4,178	746	123,295
TOTAL NET DEBT		(69,260)	83,720	329,160	148,013	491,633
Total net debt before derivatives		(67,451)	73,156	329,738	133,980	469,423

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■ At 06/30/2012

(in thousands of euros)	Par value	< 6 months	< 1 year	1 to 5 years	> 5 years	Total
Bonds	228,235	4,736	15,764	84,293	135,890	240,683
OBSAAR (see 2.)	243,334		45,796	194,504		240,300
Finance leases	5,476	557	557	2,888	1,473	5,476
Other bank borrowings	81,839	78,269		3,570		81,839
Other borrowings and financial liabilities	4,137	39	39	4,059		4,137
Accrued interest	3,678	3,678				3,678
Current bank lines	55,650	55,650				55,650
Total gross debt before derivatives	622,348	142,929	62,156	289,315	137,363	631,763
Derivatives – Liabilities		1,141	6,350	10,576	0	18,067
<i>o.w. derivatives hedging a debt in a fair value hedge</i>						
<i>o.w. other derivatives</i>		1,141	6,350	10,576		18,067
Total gross debt after fair value of derivatives		144,070	68,506	299,890	137,363	649,830
Derivatives – Assets		2,801	5,143	5,432	9,066	22,442
<i>o.w. derivatives hedging a debt in a fair value hedge</i>		361	936	5,188	8,888	15,373
<i>o.w. other derivatives</i>		2,440	4,207	244	178	7,069
Securities						
Cash	18,941	18,941				18,941
Total cash and cash equivalents	18,941	21,742	5,143	5,432	9,066	41,383
TOTAL NET DEBT		122,328	63,364	294,458	128,297	608,447
Total net debt before derivatives		123,988	62,156	289,315	137,363	612,822

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2. Analysis of OBSAAR bonds by component

<i>(in thousands of euros)</i>	06/30/2011	06/30/2012
Option portion recognized in equity *	8,680	8,680
• including OBSAAR 2007	5,475	5,475
• including OBSAAR 2009	3,205	3,205
Borrowings and financial liabilities	284,868	240,300
• including OBSAAR 2007	147,538	148,709
• including OBSAAR 2009	137,330	91,592

* Analysis of impact of portion of OBSAAR recognized in equity:

	OBSAAR 2007	OBSAAR 2009
Gross – debt impact	5,475	3,205
Deferred tax liabilities	(1,976)	(1,157)
Share of issuing costs	(27)	(24)
Net – equity impact	3,563	2,077

Gross value includes:

- OBSAAR 2007: 750,000 BSAAR at 7.3 euros = 5,475 thousand euros;
- OBSAAR 2009: 699,999 BSAAR at 4.58 euros = 3,205 thousand euros.

3. Analysis of net debt by interest rate excluding derivatives

<i>(in thousands of euros)</i>	06/30/2011	06/30/2012
Net debt excluding derivatives	469,423	612,822
Before interest rate hedging		
Fixed rate	282,874	335,813
Floating rate	186,549	277,009
After interest rate hedging		
Fixed rate	341,987	397,643
Floating rate *	127,436	215,179
<i>Including capped floating rate</i>	<i>150,395</i>	<i>45,316</i>

* Net of cash.

4. Analysis of net debt by foreign currency excluding derivatives

<i>(-) = cash balance</i>	06/30/2011	06/30/2012
EUR *	293,517	425,498
USD	3,231	14,335
CAD	120,659	92,875
HUF	32,992	43,000
RUB	0	12,950
BRL	3,910	7,583
PLN	14,723	16,581
OTHER	392	
TOTAL	535,479	612,822

* Net of cash.

5. Gross debt *

<i>(in thousands of euros)</i>	06/30/2011	06/30/2012
Opening balance	601,014	614,928
Increase	128,378	82,258
Repayment, decreases	(88,708)	(104,972)
Changes in scope	0	25,364
Changes in fair value	(17,178)	25,066
Translation adjustments	(8,578)	7,187
CLOSING BALANCE	614,928	649,830

* Including derivatives instruments.

6. Market value of Financial Assets and Liabilities other than Derivatives

(in thousands of euros)	At 06/30/2011		
	Par value	Market value	Carrying amount
Liabilities			
Debt			
Bonds	259,453	256,013	236,060
OBSAAR	290,000	284,868	284,868
Bank borrowings	38,585	38,585	38,585
Other borrowings and financial liabilities	3,744	3,744	3,744
Accrued interest	4,485	4,485	4,485
Current bank lines	13,070	13,070	13,070
TOTAL	609,336	600,765	580,812
<i>Including debt covered by fair value hedges</i>		202,311	186,750
<i>Including debt covered by cash flow hedges</i>		306,923	306,923
Assets			
Securities			
Cash	111,389	111,389	111,389
TOTAL	111,389	111,389	111,389

For all other financial assets and liabilities other than derivatives, both the market value and the carrying amount are equal to the par value.

(in thousands of euros)	At 06/30/2012		
	Par value	Market value	Carrying amount
Liabilities			
Debt			
Bonds	228,235	256,207	240,683
OBSAAR	243,334	240,300	240,300
Bank borrowings	87,314	87,314	87,314
Other borrowings and financial liabilities	4,137	4,137	4,137
Accrued interest	3,678	3,678	3,678
Current bank lines	55,650	55,650	55,650
TOTAL	622,348	647,287	631,763
<i>Including debt covered by fair value hedges</i>		202,468	186,790
<i>Including debt covered by cash flow hedges</i>		307,047	307,774
Assets			
Cash	18,941	18,941	18,941
TOTAL	18,941	18,941	18,941

For all other financial assets and liabilities other than derivatives, both the market value and the carrying amount are equal to the par value.

7. Analysis of bond issues

■ At June 30, 2012

				< 1 year		1 to 5 years		> 5 years		Total	
				Par value	Interest *	Par value	Interest *	Par value	Interest *	Par value	Interest *
Maturity	Notional amount	Currency									
Public issues											
Public placements	2016	25,000	EUR	5,000	1,132	20,000	2,012	0	0	25,000	3,144
	2017	75,000	EUR	15,000	3,113	60,000	6,225	0	0	75,000	9,338
	2022	145,000	USD	0	7,308	0	29,232	145,000	25,562	145,000	62,102
	2022	15,175	EUR	0	723	0	2,894	15,175	2,535	15,175	6,153
OBSAAR 2007	2013	150,000	EUR	0	350	150,000	64	0	0	150,000	414
OBSAAR 2009	2014	140,000	EUR	46,667	1,243	46,667	584	0	0	93,333	1,827

* Amounts expressed before interest rate hedging; floating-rate interest is calculated with reference to the forward Euribor rate of June 30, 2012.

These issues are subject to financial covenants, including an early redemption clause in the event Bonduelle should default on any of its financial liabilities (cross default) and if the following ratios are not met:

- non-current debt must not exceed 60% of long-term capital;
- consolidated current assets must be at least equal to 1.1x consolidated current liabilities.

These covenants are calculated half yearly. At June 30, 2012, the Group complied with these covenants.

8. Liquidity

On June 26, 2012, the Group signed a new Revolving Credit Facility (RCF) for 300 million euros with a five-year term and bullet repayment.

This line of credit, put in place by an international pool of seven banks, allows the Group to address the bond component of the OBSAAR 2007 and 2009 repayments due in 2012 and 2013, whilst also enabling it to finance the acquisitions made in 2012 (Allens' frozen food plants in the US, canned vegetable plants of Globus in Russia and Kelet-Food in Hungary.)

At June 30, 2012, the Group had several confirmed bank credit lines with maturities of under two years and one RCF.

This new transaction brings the amount of confirmed bank lines to 541 million euros (236 million euros at June 30, 2011), of which 76 million euros had been drawn at June 30, 2012 (27 million euros at June 30, 2011.)

■ RCF

The Bonduelle Group issued a Revolving Credit Facility (RCF) in June 2012.

This bond has the following characteristics:

- Currency: Euro;
- Par value: 300,000,000;
- Date of issue: June 26, 2012;
- Maturity: June 26, 2017;
- Amortization: bullet;
- Seniority: *pari passu*;
- Covenants package:
 - Early redemption clause in the event Bonduelle should default on any of its financial liabilities (cross default),
 - Long-term debt/long-term equity ratio < 0.60,
 - Current assets/current liabilities ratio > 1.1.

■ USPP

In August 2010, the Bonduelle Group carried out a private bond issue in the United States (USPP).

This bond has the following characteristics:

First tranche:

- Currency: USD;
- Par value: USD 145,000,000;
- Date of issue: August 03, 2010;
- Maturity: August 03, 2022;
- Amortization: over the last five years in equal tranches of 29 million US dollars;

- Dollar coupon rate: 5.04% annually, half-yearly payments;
- Seniority: *pari passu*.

Second tranche:

- Currency: euro;
- Par value: 15,174,505 euros (Equal to USD 20,000,000);
- Date of issue: September 02, 2010;
- Maturity: September 02, 2022;
- Amortization: over the last five years in equal tranches of 3.04 million euros;
- Dollar coupon rate: 4.70% annually, half-yearly payments;
- Seniority: *pari passu*.

These issues are subject to financial covenants, including:

- non-current debt must not exceed 60% of long-term capital;

- consolidated current assets must be at least equal to 1.1x consolidated current liabilities.

And encompassing an early redemption clause in the event Bonduelle should default on any of its financial liabilities (cross default) and if the ratios are not met.

These covenants are calculated half yearly. At June 30, 2012, the Group complied with these covenants.

OBSAAR

In 2007 and in 2009, the Group issued bonds with redeemable share subscription and/or purchase warrants (OBSAAR.) The tables below present a summary comparison for the main terms and conditions of these operations.

■ Main terms and conditions of the OBSAAR bonds:

	OBSAAR 2007	OBSAAR 2009
Total issue	150,000,000 Euros	139,999,800 Euros
Maturity	7 years July 24, 2013	5 years, amortizing April 6, 2014
Coupon rate	3-month Euribor – 0.3350%	3-month Euribor + 0.686%
		Long-term debt/(Long-term equity) ≤ 60%
		Consolidated current assets/Consolidated current liabilities > = 1.1
Covenants	None	The bonds are traded on the Euronext Paris exchange. They are listed separately from the BSAAR warrants.
		ISIN CODE
Listing	FR0010490904	FR0010734483

■ Main terms and conditions of the BSAAR warrants

	BSAAR 2007	BSAAR 2009
Total issue originally	750,000	699,999
Exercise price	113.75 Euros	80 Euros
Term	8 years	7 years
Exercise period	From July 23, 2010 to July 24, 2015	From April 07, 2011 to April 08, 2016
	On Euronext ISIN code: FR 0010490912	On Euronext ISIN code: FR 0010734509
Listing		

As part of the simplified public exchange offer (OPES) carried out in 2009 at the same time as the issuing of an OBSAAR bond, the holders of BSAAR 2007 warrants added their warrants to the OPES, thus bringing the number of BSAAR 2007 warrants still in circulation to 18,018.

NOTE 22

Employee benefit obligations

1. Defined contribution plans

The Group creates retirement plans for its employees, in accordance with the laws and customs of the countries in which Group companies operate. The liabilities correspond to contributions due. The amount totaled 26,939 thousand euros at June 30, 2012, compared to 27,598 thousand euros at June 30, 2011.

The change in the financial position of the defined benefit plans is as follows:

<i>(in thousands of euros)</i>	2010/2011	2011/2012
Income Statement: Retirement expense		
Cost of services rendered during the year	1,091	1,202
Impact of discounting	998	1,205
Projected return on plan assets	(547)	(537)
Projected return on reimbursement rights	0	0
Amortization of the cost of past services	69	277
(Gains)/losses on plan reduction	(102)	0
(Gains)/losses on plan liquidation	0	0
RETIREMENT (INCOME) EXPENSE RECOGNIZED	1,509	2,148

<i>(in thousands of euros)</i>	2010/2011	2011/2012
Change in the present value of the obligation		
Present value of the defined benefit obligation at July 1	23,478	25,440
Cost of services rendered during the year	1,091	1,202
Impact of discounting	998	1,205
Employee contributions	46	80
Plan modification	3,995	
Plan reduction	(102)	
Plan liquidation	0	
Business combination	0	
Disposal of operations	(1,138)	
Benefits paid	(2,025)	(913)
Actuarial (gains)/losses related to experience differences	98	(119)
Actuarial (gains)/losses related to changes in assumptions	(1,001)	4,473
PRESENT VALUE OF THE DEFINED BENEFIT OBLIGATION AT JUNE 30	25,440	31,368

2. Defined benefit plans

The Group also has contractual obligations to pay termination and retirement benefits, which are estimated using the projected unit credit method.

The Bonduelle Group decided to recognize the actuarial gains/losses against equity using the SORIE (Statement of Recognized Income and Expense) option provided by IAS 19.

The plans are set out in Note 2.K.

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<i>(in thousands of euros)</i>	2010/2011	2011/2012
Change in fair value of plan assets		
Fair value of plan assets at July 1	13,066	13,083
Projected return on plan assets	547	537
Employer contributions	237	208
Employee contributions	46	80
Plan liquidation		
Business combination		
Disposal of operations		
Benefits paid	(833)	(677)
Actuarial (gains)/losses related to experience differences	20	1,095
FAIR VALUE OF PLAN ASSETS AT JUNE 30	13,083	14,327

<i>(in thousands of euros)</i>	2010/2011	2011/2012
Reconciliation with amount recognized in statement of financial position		
Net financial position: surplus/(deficit)	(12,357)	(17,042)
Unrecognized past service costs ⁽¹⁾	3,926	3,648
Impact of the limiting of surpluses (IAS 19 #58 asset ceiling)	(28)	(28)
(Provision) at June 30	(8,459)	(13,421)
NET ASSETS AT JUNE 30	0	0

<i>(in thousands of euros)</i>	2010/2011	2011/2012
Actuarial gains and losses		
Actuarial (gains)/losses generated at July 1	3,106	2,182
Actuarial (gains)/losses generated between July 1 and June 30	(923)	3,259

	2010/2011	2011/2012
Changes in carrying amounts recognized during the year		
Net opening (liability) asset	(10,439)	(8,459)
Retirement (expense) income	(1,509)	(2,148)
Benefits paid by the employer	1,192	236
Contributions paid by the employer	237	208
Combination/disposal of operations	1,138	0
Actuarial differences recognized in equity	923	(3,259)
NET CLOSING (LIABILITY) ASSET	(8,459)	(13,421)

For the actuarial assumptions at year end, refer to Note 2.K.

(1) Change in the scale used under the collective agreement in France. The impact (€3,648 thousand) is recycled in profit and loss over the residual life of the plan.

The assets managed by financial institutions to cover the Group's termination benefit obligations are matched to general assets.

NOTE 23

Share-based payments

The Bonduelle SCA Management Board is authorized to grant Bonduelle stock options and free shares to certain of the Group's directors and officers.

The allocation of free shares depends on the economic performance of the cash flow expressed as a percentage of consolidated Group revenue achieved in the second financial year ending after the allocation date.

Description of stock option plans

	Plan 12	Plan 13	Plan 14
Date of Shareholders' Meeting:	12/06/2007	12/06/2007	12/03/2009
Date of Management Board meeting	04/16/2008	05/25/2009	06/24/2010
Initial number of shares allocated	43,500	74,050	49,450
<ul style="list-style-type: none"> Including number of shares granted to Mr. Christophe Bonduelle, Chairman of Bonduelle SAS and legal representative of Pierre et Benoît Bonduelle SAS, General Partner of Bonduelle SCA 	4,600	9,400	8,500
<ul style="list-style-type: none"> Including number of shares granted to the Executive Committee 	16,700	34,500	20,750
Number of shares canceled ⁽¹⁾	(2,300)	(4,200)	(400)
Total number of shares that may be subscribed or purchased	41,200	69,850	49,050
Start of option exercise period	04/17/2012	05/26/2013	06/25/2014
Date of expiration	04/16/2013	05/25/2014	06/24/2016
Subscription price	72.00	57.08	76.44
Number of shares subscribed at June 30, 2012	0	0	0

	Plan 15	Plan 16
Date of Shareholders' Meeting:	12/03/2009	12/03/2009
Date of Management Board meeting	12/07/2010	12/15/2011
Initial number of shares allocated	47,200	51,900
<ul style="list-style-type: none"> Including number of shares granted to Mr. Christophe Bonduelle, Chairman of Bonduelle SAS and legal representative of Pierre et Benoît Bonduelle SAS, General Partner of Bonduelle SCA 	8,000	5,900
<ul style="list-style-type: none"> Including number of shares granted to the Executive Committee 	21,900	5,400
Number of shares canceled ⁽¹⁾	(200)	(200)
Total number of shares that may be subscribed or purchased	47,000	51,700
Start of option exercise period	12/08/2014	12/16/2015
Date of expiration	12/07/2016	12/15/2017
Subscription price	63.61	62.90
Number of shares subscribed at June 30, 2012	0	0

(1) Cancellations correspond to shares granted to employees who left the Group before the start of the exercise period.

■ Description of free share allocation plans

	Plan 1
Date of Shareholders' Meeting:	12/02/2010
Date of Management Board meeting	01/04/2012
Initial number of shares allocated	1,260
<ul style="list-style-type: none"> Including number of shares granted to Mr. Christophe Bonduelle, Chairman of Bonduelle SAS and legal representative of Pierre et Benoît Bonduelle SAS, General Partner of Bonduelle SCA 	660
<ul style="list-style-type: none"> Including number of shares granted to the Executive Committee 	600
Total number of free shares allocated	1,260
Effective allocation date ⁽²⁾	01/04/2014
Date of first possible transfer	01/04/2016
Number of shares subscribed at June 30, 2012	0

(2) The allocation of free shares depends on the economic performance of the cash flow expressed as a percentage of consolidated Group revenue achieved in the second financial year ending after the allocation date.

■ Valuation of stock option and free share allocation plans

As stated in Note 2.P, share purchase options and free shares granted to employees are recognized at their fair value on the grant date, based on assumptions made by the Executive Management. The options and free shares granted in 2011 and 2012 were valued on the basis of the following assumptions:

	At 06/30/2011	At 06/30/2012	
	Options	Options	Free shares
Risk-free interest rate	1.91%	1.94%	2.00%
Expected life	4 years	4 years	2 years
Expected volatility	22.03%	24.01%	
Illiquidity discount			3.58%
Expected dividend rate	2.02%	2.04%	2.04%

Expected volatility is estimated using the historical approach. This consists of calculating the standard deviation of the daily returns on the shares over the period preceding the date on which the stock options were granted and equal to the average life of the options, i.e. five years.

The after tax charge for the period in respect of IFRS 2 was 469 thousand euros.

NOTE 24

Other provisions

<i>(in thousands of euros)</i>	06/30/2011	Charges	Reversals used	Uses unused amounts	Other ⁽¹⁾	06/30/2012
Sales related risks	1,260	517	(5)	(309)	(8)	1,455
Tax-related risks ⁽²⁾	4,150	897	(30)	(218)	115	4,914
Employee-related risks	6,510	2,206	(1,843)	(3,081)	(12)	3,779
Restructuring and reorganization	17,302	10	(9,648)	(1,036)	0	6,628
Other risks ⁽³⁾	10,342	2,282	(5,774)	(2,039)	5,353	10,164
	39,565	5,913	(17,301)	(6,683)	5,447	26,940

<i>(in thousands of euros)</i>	Current	Non-current	06/30/2012
Sales related risks	0	1,455	1,455
Tax-related risks ⁽²⁾	688	4,226	4,914
Employee-related risks	1,080	2,699	3,779
Restructuring and reorganization	0	6,628	6,628
Other risks ⁽³⁾	70	10,094	10,164
	1,838	25,102	26,940

(1) Entry of Corn Food into the scope of consolidation (5,503 thousand euros), translation adjustments and transfers between lines.

(2) Provisions for tax-related risks relate to tax audits that are presently being conducted, which are provisioned in light of the Group's analysis of the cases.

(3) Provisions for other risks consist essentially of production-related risks and charges.

NOTE 25

Trade and other payables

<i>(in thousands of euros)</i>	At 06/30/2011	At 06/30/2012
Trade payables	364,897	351,912
Amounts payable for acquisition of assets	18,798	26,699
Tax and social security payables	97,489	99,944
Other payables	25,232	28,879
TOTAL TRADE AND OTHER PAYABLES	506,415	507,434

NOTE 26

Statutory Auditors' fees

The following table presents a detailed analysis of the total fees paid by the Group to its Statutory Auditors for the services rendered during financial years 2010-2011 and 2011-2012.

	Mazars				Deloitte & Associés				Total			
	2010/2011		2011/2012		2010/2011		2011/2012		2010/2011		2011/2012	
(in thousands of euros)	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Audit												
Statutory Auditors, certification, examination of the individual and consolidated financial statements												
• Issuer	165	18%	193	22%	131	16%	167	18%	296	17%	360	20%
• Fully consolidated subsidiaries	706	77%	622	70%	697	84%	776	82%	1,404	80%	1,398	76%
Other audit duties and services directly related to Independent Statutory Auditor mandate												
• Issuer												
• Fully consolidated subsidiaries			22	3%			2	0%	0	0%	24	1%
Sub-total	871	95%	837	95%	828	100%	945	100%	1,700	97%	1,782	98%
Other services provided by the audit networks to fully consolidated subsidiaries												
• Legal, tax, human resources	47	5%	46	5%	2	0%	0	0%	49	2.8%	46	2%
• Other												
Sub-total	47	5%	46	5%	2	0%	0	0%	49	2.8%	46	2%
TOTAL FEES	918	100%	883	100%	830	100%	945	100%	1,749	100%	1,828	100%

NOTE 27

Contingent liabilities

(in thousands of euros)	At 06/30/2011	At 06/30/2012
Commitments given		
Guarantees and security deposits given (net of uses)	23,770	20,896
Commitments received		
Guarantees and security deposits received (net of uses)	569	1,047

The change in our commitments corresponds to the hedge of our current activities.

Operating leases

(in thousands of euros)	06/30/2012	06/30/2013	06/30/2014	06/30/2015	06/30/2016	06/30/2017 and after
Commitments under operating leases	14,227	14,431	3,240	2,929	1,944	1,891

Environment

None of the Group's activities generates any major environmental liabilities.

The Group occasionally incurs refurbishing costs on closed production facilities.

Greenhouse gases: In the absence of a defined IFRS accounting policy, greenhouse gas quotas are not recognized in the consolidated financial statements. Bonduelle complies with the 355,115 TEQ CO₂ emissions quota assigned to it for 2008-2012. For 2011, the volume of emissions submitted to quotas totaled 47,045 TEQ CO₂, under European system accounting.

Individual training right (DIF)

The Group's French companies accrued a total of 406,249 training hours under the terms of the French individual training right (DIF) system and 403,615 training hours have not been used.

NOTE 28

Risks and disputes

Bonduelle is subject to various legal and arbitration proceedings and disputes in the normal course of its business. Bonduelle is also subject to certain claims and/or lawsuits which fall outside the scope of the ordinary course of its business, the most significant of which are summarized below.

The amount of provisions made is based on Bonduelle's assessment of the level of risk on a case-by-case basis, and depends on its assessment of the basis for the claims, the stage of the proceedings and/or disputes and the arguments in its defense and is subject to checks by the Statutory Auditors, it being specified that the occurrence of events during proceedings may lead to a reappraisal of the risk at any moment.

Competition

The European Commission launched an inquiry pursuant to Article 20-4 of Regulation 1/2003 EC, with the goal of identifying the existence of anti-competitive practices between companies growing and selling mushrooms.

The Bonduelle Group, via the wholly-owned company Champiloire SAS and its subsidiaries, has been processing and marketing mushrooms since acquiring France Champignon in April 2010.

In the first half of 2012, therefore, the Bonduelle Group and some of its competitors were subject to inspections and information requests by the European Commission.

The Bonduelle Group provided all elements at its disposal, bearing in mind that the period to which the inquiry related began in 2006 and thus for the most part pre-dated the Group's acquisition of France Champignon.

Consequently, the Bonduelle Group contacted the previous shareholder with regard to the inquiry and, as a precautionary measure, exercised the liability guarantee granted when the sale was made.

At this stage of the inquiry, the Bonduelle Group has not been notified of any complaints. No schedule can be determined with respect to the inquiry procedure. No provisions for any contingent liability were recognized during the year, in accordance with IFRS accounting principles.

NOTE 29

Transactions with related parties

Subsidiaries and associates

The list of the Group's subsidiaries and associates is provided in Note 31.

All transactions between the parent company and its subsidiaries and among the subsidiaries are eliminated on consolidation.

The Group's transactions with the associates (equity accounted companies) Huerta Gama and Bonduelle Espagnola were not material.

For the companies Gelagri, OP OASI and Ultra Congelados de la Ribera, recognized using the equity method, the main transactions carried out, as well as their receivables and debts are the following:

	At 06/30/2012		
	Gelagri	OP OASI	Ultra Congelados de la Ribera
<i>(in thousands of euros)</i>			
Statement of financial position			
Trade receivables	2,635	2,118	1,470
Suppliers	1,574	13,147	1,800
Income Statement			
Sales	15,849	7,304	3,004
Purchases	(9,148)	(76,737)	(6,167)

Transactions with other related parties were not material.

Executive Management and control bodies

They consist of the following organizations:

1. The Management Board, Pierre et Benoît Bonduelle SAS;
2. The Supervisory Board consists of 8 members;
3. The Executive Committee consists of 12 members.

The current account with Pierre et Benoît Bonduelle SAS has 2,040 thousand euros credit.

There are no other significant commitments to the latter.

Compensation of the directors and Corporate Officers

SHORT-TERM BENEFITS

- The compensation of the Management Board is determined according to Article 17 of the Company By-laws, in respect of which 570,000 euros were paid for the financial year 2011-2012;
- The members of the Supervisory Board have for their part received 30,000 euros in directors' fees for the 2011-2012 financial year. This compensation is fixed by the Shareholders' Meeting;
- Gross compensation paid to the Executive Committee

The compensation paid to directors is fixed by the Remuneration Committee.

The variable portion of compensation is based on the future performance of the Group and its subsidiaries, in particular, as measured by the increase in revenue, net income attributable to owners of the Company, and return on capital employed.

<i>(in euros)</i>	2010/2011	2011/2012
Gross compensation paid to the whole Executive Committee	4,006,635	4,009,449

POST-EMPLOYMENT BENEFITS

The Group has established a supplementary, defined contribution pension plan (Article 83-plan), which is paid for to a significant extent by the beneficiaries concerned, with the Group paying the remainder.

The Company contribution in respect of this plan in financial year 2011-2012 was not material.

OTHER LONG-TERM BENEFITS

None

EMPLOYMENT CONTRACT TERMINATION BENEFIT

These benefits comprise a termination benefit and long service awards available to all employees in respect of the collective agreements linked to their employment contracts. For the 2011-2012 financial year, they represent a total of 650,000 euros for the members of the Executive Committee.

PAYMENT IN SHARES

a) Stock option plans previously allocated.

The stock option plans allocated to members of the Executive Committee with respect to previous stock option plans are described in Note 23 of the notes to the consolidated financial statements.

b) Company stock option allocations for the financial year for all members of the Executive Committee are described in Note 23 of the notes to the consolidated financial statements.

c) Options exercised by all the members of the Executive Committee.

No stock options were exercised in the 2011-2012 financial year.

There were no acquisitions or disposals by the Company of its own shares with a view to a sale to its employees, other than the exercise of stock options.

The Bonduelle Group has adopted the principles of the Afep-Medef code regarding compensation.

NOTE 30

Events after the reporting date

Other than the refinancing transactions listed under Highlights of the year, there are no events after the reporting date to be noted.

NOTE 31**List of Group companies**

Analysis of Group companies by consolidation method:

	% voting rights 06/30/2011	% holding 06/30/2012	% voting rights 06/30/2012
1. FULL CONSOLIDATION			
France			
Bonduelle SAS	100%	100%	100%
Champiloire SAS	100%	100%	100%
Bonduelle Sud Europe SNC (Incorporated by SA Champiloire)	100%		
Sud Ouest Alliance – Soleal SAS ⁽¹⁾	36.95%	100%	36.95%
Bonduelle Frais Traiteur SAS	100%	100%	100%
Bonduelle Frais France SA	100%	100%	100%
Bonduelle Traiteur International SAS	100%	100%	100%
Revoisson SCI	100%	100%	100%
Bonduelle Surgelé International SAS	100%	100%	100%
Bonduelle Development SAS	100%	100%	100%
Bonduelle Conserve International SAS. (Incorporated by SA Champiloire)	100%		
Bonduelle Conserve International SAS (formerly SA Champiloire)	100%	100%	100%
SCA Champignonnières de Dampierre	64.92%	64.92%	64.92%
SCA Cultures France Champignon	100%	100%	100%
SAS Champignonnières des Roches	100%	100%	100%
SCA Champignonnières de l'Est	100%	100%	100%
SAS Champignonnières de la Vienne	100%	100%	100%
SCA Champignonnières de Rou Marson	100%	100%	100%
SCA des Champignonnières du Moulin	100%	100%	100%
SCA Culture de la Vienne	100%	100%	100%
SAS Champiland	100%	100%	100%
SAS Euromycel	100%	100%	100%
France Champignon	55.58%	55.58%	55.58%
GIE Champifor	89.57%	89.57%	89.57%
SCA des Hureaux	65%	65%	65%
Rest of the world			
Bonduelle Northern Europe, Belgium	100%	100%	100%
Bonduelle Nederland, Netherlands	100%	100%	100%
Bonduelle Deutschland GmbH, Germany	100%	100%	100%
B.F.P. GmbH, Germany	100%	100%	100%
Bonduelle Österreich, Austria	100%	100%	100%
Bonduelle Nordic, Denmark	100%	100%	100%

(1) See Note 1.

Consolidated financial statements

Notes to the annual consolidated financial statements

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	% voting rights 06/30/2011	% holding 06/30/2012	% voting rights 06/30/2012
Bonduelle Great Britain, UK	100%	100%	100%
BUKH Limited, UK		100%	100%
Bonduelle Italia, Italy	100%	100%	100%
Agricola Lombarda, Italy	100%	100%	100%
Bonduelle Iberica SAU, Spain	100%	100%	100%
BF Agrícola 4G, Spain	100%	100%	100%
Bonduelle Portugal, Portugal	100%	100%	100%
Bonduelle Polska, Poland	100%	100%	100%
Bonduelle Ceska Republika, Czech Republic	100%	100%	100%
Bonduelle Central Europe, Hungary	100%	100%	100%
BDV Hungary Trading, Hungary	100%	100%	100%
Corn Foods, Hungary		100%	100%
Bonduelle Kuban, Russia	95%	95%	95%
Coubanskies Conservi Russia, Russia		100%	100%
Maiak Khudiaky Cherkassy Oblast, Ukraine	100%	100%	100%
Bonduelle Incorporated, USA	100%	100%	100%
Bonduelle USA Inc., USA		100%	100%
Bonduelle US Holding, USA		100%	100%
Bonduelle Argentina, Argentina	100%	100%	100%
Primeurop Argentina, Argentina	100%	100%	100%
Bonduelle Do Brasil Produtos Alimenticios, Brazil	100%	100%	100%
Bonduelle Canada Inc, Canada	100%	100%	100%
Bonduelle Ontario Inc, Canada	100%	100%	100%
Terricole Inc, Canada	100%	100%	100%

2. EQUITY METHOD

France

Gelagri France ⁽¹⁾	35.50%	35.50%	35.50%
Gelagri Bretagne ⁽¹⁾	35.50%	35.50%	35.50%

Rest of the world

OP OASI, Italy	35.00%	35.00%	35.00%
Huerta Gama S.C. , Spain	20%	14.29%	14.29%
Gelagri Iberica, Spain ⁽¹⁾ (formerly Gelagri Industrial)	35.50%	35.50%	35.50%
Ultra Congelados de la Ribera	50%	50%	50%
Bonduelle Espagnola	50%	50%	50%

(1) See Note 1.

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5.6 Statutory Auditors' report on the consolidated financial statements

Dear shareholders,

In compliance with the assignment entrusted to us by your Shareholders' Meeting, we hereby report to you, for the year ended June 30, 2012 on:

- the audit of the consolidated financial statements of Bonduelle, as appended to this report;
- the justification of our assessments;
- the specific check stipulated by law.

These consolidated financial statements have been approved by the Management Board. Our responsibility is to express an opinion on these financial statements based on our audit.

I. Opinion on the consolidated financial statements

We conducted our audit in accordance with the professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves examining, using sample testing techniques or by means of other selection methods, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made, as well as evaluating the overall financial statements presentation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In our opinion the consolidated financial statements, with regard to International Financial Reporting Standards as adopted in the European Union, give a true and fair view of the net assets, financial situation and earnings of the Company and all entities included within the consolidation scope.

II. Justification of assessments

In accordance with the provisions of Article L. 823-9 of the French Commercial Code regarding the basis of our opinion, we bring to your attention the following points:

- Notes 2-A, 2-J, 11-3 and 14 of the Notes to the consolidated financial statements set out the method used by the Group to value goodwill, other intangible assets with an indefinite life and deferred tax assets, methods that involve estimations. We have notably verified the appropriateness of this method and have assessed the assumptions on which those estimates were based, reviewed the calculations made by the Group and examined the procedures used for the approval of these estimates by the Executive Management;
- Notes 2-L and 24 of the Notes to the consolidated financial statements set out the method used by the Group regarding the valuation of the current and non-current provisions, a method that involves estimations. Our work consisted of assessing the data and the assumptions on which those estimates were based, reviewing the calculations made by the Group, comparing the accounting estimates used in previous years with the corresponding actual charges to the provisions and examining the procedures used for the approval of these estimates by the Executive Management.

These assessments were performed as part of our audit approach for the consolidated financial statements taken as a whole and therefore contributed to the expression of our opinion expressed in the first part of this report.

III. Specific check

We also carried out, in accordance with generally accepted auditing practices in France, a specific check provided for by law on the information relating to the Group provided in the management report.

We have no matters to report on their fair presentation and conformity with the consolidated financial statements.

Lille, October 1, 2012
The Statutory Auditors

Deloitte & Associés
Jean-Yves MORISSET

MAZARS
Cécile FONTAINE

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Items in the annual financial report are identified in the contents using the AFR symbol

6.1 Income statement

<i>(in thousands of euros)</i>	06/30/2011 12 months	06/30/2012 12 months
Revenue excluding tax		
Recoveries of depreciation, amortization and provisions and capitalized costs	1,261	203
Other operating income	1	2
Operating income	1,263	204
Other purchases and external charges	2,018	1,192
Taxes and duties	2	23
Charge in provisions for risks and expenses	984	203
Other charges	24	30
Operating expenses	3,027	1,449
Operating results	(1,765)	(1,244)
Loss transferred		
Finance income from subsidiaries and affiliates	29,980	5,169
Income from other non-current securities and receivables		
Other interest and similar income	19	20
Income from interest on the OBSAAR	3,430	4,178
Recoveries of provisions and capitalized costs		
Net gain on disposals of securities		
Finance income	33,429	9,366
Charges to provisions on financial assets		120
Interest and similar expenses.	61	90
Expenses from interest on the OBSAAR	3,430	4,176
Finance costs	3,491	4,386
Net finance income	Note 9 29,938	4,980
Current income	28,173	3,736
On revenue transactions	169	31
On capital transactions	239	26
Recoveries of provisions and capitalized costs		18
Non-recurring income	Note 10 408	74
On revenue transactions	215	29
On capital transactions	64	30
Non-recurring charges to depreciation, amortization and provisions	55	67
Non-recurring expenses	Note 11 333	127
Non-recurring income	74	(53)
Income tax	Note 13 (3,732)	3,626
NET INCOME FOR THE PERIOD	31,979	57

6.2 Statement of financial position

Assets

		06/30/2011	06/30/2012		
		Net	Gross	Amortization & provisions	Net
<i>(in thousands of euros)</i>					
Property, plant and equipment	Note 2	18	28	10	17
Land		12	12		12
Buildings		6	16	10	6
Non-current financial assets	Note 3	638,869	607,928	101	607,827
Investments		333,762	333,762		333,762
Loans to subsidiaries and affiliates		291,067	243,846		243,846
Other non-current securities held		14,040	30,319	101	30,218
Loans					
Other non-current financial assets					
Non-current assets		638,887	607,955	111	607,844
Receivables		17,242	5,256		5,256
Trade and related receivables					
Other receivables	Note 4	17,242	5,256		5,256
Securities	Note 5	4,755	4,755	19	4,736
Cash			1		1
Prepaid expenses	Note 4	28	36		36
Current assets		22,025	10,047	19	10,028
TOTAL ASSETS		660,913	618,002	130	617,872

Liabilities

		06/30/2011 Before distribution	06/30/2012 Before distribution
<i>(in thousands of euros)</i>			
Equity	Note 6	340,108	328,560
Share capital		56,000	56,000
Additional paid-in capital		22,545	22,545
Reserves			
Revaluation surplus		947	947
Legal reserve		5,600	5,600
Regulated reserves			
Other reserves		50,353	50,353
Retained earnings		172,683	193,058
Net income for the period		31,979	57
Provisions for risks and expenses	Note 7	25,205	32,140
Debt		295,600	257,173
Convertible bonds	Note 8	290,000	243,334
Bank borrowings and other liabilities to banks	Note 8	1	1
Other borrowings and financial liabilities	Note 8	930	435
Trade and related payables	Note 8	164	170
Tax and social security payables	Note 8	291	3
Other payables	Note 8	4,215	13,231
TOTAL EQUITY AND LIABILITIES		660,913	617,872

6.3 Statement of cash flows

<i>(in thousands of euros)</i>	06/30/2011 12 months	06/30/2012 12 months
Operating activities		
Net income for the period	31,979	57
Depreciation and amortization		1
Allocations to/recoveries of provisions for risks and expenses	761	252
Allocations to provisions on non-current financial assets		120
Allocations to provisions for tax	5,383	6,682
Gross cash flows from operating activities	38,122	7,112
Gains on disposals of assets		
Cash flows from operating activities	38,122	7,112
Change in trade and other receivables	(16,103)	11,987
Change in provisions for risks and expense		
Change in trade and other payables	(7,774)	8,734
Change in accrued interest on borrowings	403	(495)
Change in working capital requirements	(23,473)	20,226
Net cash flows from (used in) operating activities	14,649	27,338
Investing activities		
Acquisitions of property, plant and equipment and intangible assets	(6)	
Acquisitions of non-current financial assets	(10,657)	(21,194)
Disposals of property, plant and equipment and intangible assets		
Disposals or repayments of non-current financial assets.	5,232	52,136
Net cash flows from (used in) investing activities	(5,431)	30,942
Financing activities		
Dividends	(11,733)	(11,613)
Dividends to be paid		
Capital increase		
New borrowings (including bank lines)		0
Repayments of borrowings		(46,666)
Net cash flows from (used in) financing activities	(11,733)	(58,279)
CHANGE IN CASH AND CASH EQUIVALENTS	(2,515)	1
Cash and cash equivalents – closing balance	4,755	4,756
Cash and cash equivalents – opening balance	7,270	4,755
CHANGE IN CASH AND CASH EQUIVALENTS	(2,515)	1

6.4 Notes to the annual separate financial statements

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NOTE 1

Activity of the Company

Bonduelle SCA is a financial holding company, whose corporate purpose is to:

- acquire and manage all types of securities, acquire equity or other interests in commercial, industrial, financial, investment and agricultural companies and operations;
- provide access to financial markets to raise the funds needed to develop the Group's activities.

Bonduelle SCA is the consolidating company of the Bonduelle Group.

Highlights

1. The Company received a dividend of 5,169,025 euros dated January 6, 2012 from its subsidiary Bonduelle SAS.
2. On April 10, 2012, Bonduelle SCA redeemed the first tranche of the 2009 OBSAAR for 46,666,200 euros.

Accounting policies and valuation methods

The statement of financial position and income statement are presented in accordance with the provisions of French law.

The general accounting conventions have been applied in accordance with the principle of prudence and the following underlying assumptions:

- going-concern assumption;
- consistency of accounting methods;
- matching principle;

and compliance with general rules governing the preparation and presentation of annual financial statements.

Most items in the statement of financial position are measured using the historical cost method.

The main rules and methods used were the following:

Change in methods

No notable change in methods was applied over the period.

Property, plant and equipment

Property, plant and equipment are recognized at acquisition or contribution costs.

Depreciation is calculated using the straight-line method; the normal useful life assumed for buildings is ten years.

Non-current financial assets

PARTICIPATING INTERESTS

Investments in subsidiaries and affiliates and other long-term investments are carried at cost.

A provision for impairment is recognized if the value in use is lower than the carrying amount. The value in use of such investments is determined on the basis of various items such as net assets, the existence of unrealized capital gains and earnings forecasts approved by the Executive Management.

TREASURY SHARES

French Accounting Regulations Commission (CRC) Standard 2008-15 of December 4, 2008 was applied. The standard concerns the accounting treatment for stock option and share subscription plans and the granting of free shares to employees.

Therefore, treasury shares acquired are now recorded on the basis of their intended use, either in non-current securities held or in securities.

Treasury shares held under liquidity contracts or for the purpose of use in acquisitions are classified under non-current financial assets.

Treasury shares allocated to the coverage of stock option plans are reclassified into securities at their net carrying amount on the date they are allocated by the Management Board.

TREASURY SHARES HELD UNDER THE TERMS OF A LIQUIDITY CONTRACT AND FOR USE IN MAKING ACQUISITIONS

Treasury shares held under the terms of a liquidity contract or for use in making acquisitions are recognized at purchase price.

At the close of the financial year, impairment is recognized if the average market share price for the previous month is lower than the average price paid to purchase the shares held as treasury shares as well as those allocated to stock option plans which are not expected to be exercised.

Receivables

Receivables are recognized at their face value. A provision is set aside, if needed, to cover any risk of default.

Provisions for risks and expenses

Provisions are assessed by the Executive Management to take account of the Company's actual obligations (legal or implied), in compliance with French accounting policies and notably the provisions of the French Accounting Regulations Committee's (CRC) Standard 2000-06 regarding liabilities. Any disputes are evaluated on the basis of the claims made by third parties, which are revised, if applicable, on the basis of the defensive actions taken by the Company.

Translation of foreign currency items

All receivables and liabilities denominated in foreign currencies are translated at the closing rate for the financial year. Any differences arising from changes in exchange rates are recognized in "translation adjustments" in the statement of financial position.

Securities

TREASURY SHARES ALLOCATED TO STOCK OPTION PLANS

Treasury shares are recorded:

- at purchase price, if acquired to be allocated directly to the cover of stock option plans;
- at net carrying amount on the date they are allocated by the Management Board to cover stock option plans, if these shares had been acquired previously or were taken from treasury shares recorded in non-current securities held.

The shares are allocated into separate sub-categories based on the likelihood of the stock options being exercised by beneficiaries, in light of the average market share price for the previous month.

Shares allocated to stock option plans that are likely to be exercised are the object of an expense accrued to liabilities if the exercise price is lower than the carrying amount. The probability of an option being exercised is evaluated on a plan-by-plan basis, in light of the conditions of each plan.

The total value of this future expense is spread evenly over the vesting period. The corresponding expense is recorded under net operating profit in the Section "charge in provisions for risks and expenses".

This provision is offset by the recognition of an accrued income in the same amount under the Group company accounts in respect of the workforce beneficiaries.

The costs incurred are invoiced according to the same rules. They are recorded under net operating profit in the Section "transfer of capitalized costs".

Treasury shares allocated to stock option plans that are unlikely to be exercised by employees are written down if, at the reporting date, the average market share price for the previous month is lower than the average price of all the treasury shares that are unlikely to be exercised and of all shares not initially allocated to the cover of a specific stock option plan.

All of these methods are compliant with the French General Chart of Accounts (PCG) 99-03 as modified by French Accounting Regulations Committee Standard 2008-15 of December 4, 2008.

OTHER SECURITIES

Securities are recognized at cost.

A provision for impairment is recognized if the value in use is lower than the carrying amount.

Bonds

1. In early July 2007, the Company issued a 150 million euro bond with redeemable share subscription and/or purchase warrants (OBSAAR), represented by 150,000 bonds with a par value of 1,000 euros. These bonds are listed on Euronext Paris. Each bond was accompanied by five detachable redeemable share subscription and/or purchase warrants (BSAAR), making a total of 750,000 BSAAR. Since March 27, 2009, the 2007 BSAAR have been listed on Euronext Paris.

Each BSAAR gives the holder the right to subscribe for or purchase one share of the Company, with immediate dividend rights, at a price of 113.75 euros. The BSAAR may be exercised any time between July 23, 2010 and July 24, 2014, inclusive. They will then expire *ipso jure*. The Company may, at its own initiative, provide either new or existing shares in exchange for these BSAAR.

In early April 2009, the Company launched a simplified public exchange offer to exchange one 2007 BSAAR for one 2009 BSAAR under the same terms and conditions as the 2009 BSAAR referenced below.

In a simplified public exchange offer, 731,967 of the 2007 BSAAR were exchanged for 2009 BSAAR.

During the 2011-2012 financial year, no 2007 BSAAR were exercised.

In all, 18,018 of the 2007 BSAAR remain outstanding.

If all 18,018 of the 2007 BSAAR still outstanding were to be exchanged via the subscription of new shares, a total of 18,018 Bonduelle shares with a par value of seven euros would be created, representing a total share capital increase of 126,126 euros, equivalent to 0.23% of the Company's current share capital.

2. In early April 2009, the Company issued a 140 million euros OBSAAR bond, represented by 233,333 bonds with a par value of 600 euros. These bonds are listed on Euronext Paris. Each bond was accompanied by three detachable redeemable share subscription and/or purchase warrants (BSAAR), making a total of 699,999 BSAAR.

Each 2009 BSAAR gives the holder the right to subscribe for or purchase one share of the Company, with immediate dividend rights, at a price of 80 euros.

The 2009 BSAAR may be exercised any time between April 7, 2011 and April 8, 2016, inclusive. They will then expire *ipso jure*. The Company may, at its own initiative, provide either new or existing shares in exchange for these BSAAR.

During the 2011-2012 financial year, 37 2009 BSAAR were exercised at a price of 80 euros. They were exchanged for 37 existing shares in the Company.

There are now a total of 1,431,879 of the 2009 BSAAR outstanding.

Since October 8, 2010, the 2009 BSAAR have been listed on Euronext Paris.

If all 1,431,879 of the 2009 BSAAR still outstanding were to be exchanged via the subscription of new shares, a total of 1,431,879 Bonduelle shares with a par value of seven euros would be created, representing a total share capital increase of 10,023,153 euros, equivalent to 17.90% of the Company's current share capital.

These two bonds were issued to cover the financing needs of the Bonduelle SAS subsidiary, which received the full proceeds of the issue. The resulting loan to the subsidiary is recorded in non-current financial assets.

Interest paid and accrued, totaling 4,176 thousand euros, is passed on to Bonduelle SAS.

NOTE 2

Property, plant and equipment

Analysis of changes in gross carrying amount and accumulated depreciation:

<i>(in thousands of euros)</i>	At 06/30/2011	Acquisitions or charges	Mergers and contributions	Disposals or recoveries	At 06/30/2012
Gross carrying amount					
Land	12				12
Buildings	15				15
	27				27
Amortization					
Land					
Buildings	9				9
	9				9
Net carrying amount					
Land	12				12
Buildings	6				6
	18				18

NOTE 3

Non-current financial assets

Analysis of changes in gross carrying amounts and provisions:

<i>(in thousands of euros)</i>	Gross carrying amount at 06/30/2011	Acquisitions	Disposals	Redemptions, reclassification and others	Gross carrying amount at 06/30/2012
Participating interests	333,762				333,762
Bonduelle SAS	333,762				333,762
Other non-current receivables	291,067		(60)	(47,161)	243,846
Loans to subsidiaries and affiliates					
Bonduelle SAS ⁽¹⁾	290,930			(47,161)	243,768
Other	138		(60)		78
Other non-current financial assets					
Loans					
Treasury shares held:					
• under a liquidity contract	151	4,967	(4,912)		206
• in relation to an acquisition	13,889	16,227	(3)		30,113
	638,870	21,194	(4,974)	(47,161)	607,928

(1) Bond issued 07/25/2007, transferred to Bonduelle SAS and with bullet redemption on 07/24/2013.

Bond issued 04/06/2009, transferred to Bonduelle SAS and redeemable in three equal installments on 04/06/2012, 04/06/2013 and 04/06/2014 (See Note 8).

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<i>(in thousands of euros)</i>	Gross carrying amount at 06/30/2012	Provisions at 06/30/2012	Charges	Recoveries	Net carrying amount at 06/30/2012
Participating interests	333,762				333,762
Other non-current receivables ⁽¹⁾	243,846				243,846
Other non-current financial assets					
Treasury shares held:					
• under a liquidity contract	206		1		205
• in relation to an acquisition	30,113		100		30,013
	60, 928		101		607,827
Value at year-end:					
Treasury shares					29,480

(1) Bond issued 07/25/2007, transferred to Bonduelle SAS and with bullet redemption on 07/24/2013.

Bond issued 04/06/2009, transferred to Bonduelle SAS and redeemable in three equal installments on 04/06/2012, 04/06/2013 and 04/06/2014. (See Note 8).

<i>(in number of shares)</i>	At 06/30/2011	Increase	Decrease	Reclassification	At 06/30/2012
Treasury shares held:					
• under a liquidity contract	2,175	73,838	72,913		3,100
• in relation to an acquisition	192,310	244,691	37		436,964
	194,485	318,529	72,950		440,064
Average price of transactions over the period		€66.54	€67.37		

NOTE 4

Status of receivables

<i>(in thousands of euros)</i>	Gross value	Up to one year	More than one year
Current assets			
Other client receivables			
<i>o.w. accrued income</i>			
Group and associates			
<i>o.w. accrued income</i>			
Government – taxes and duties	4,067	4,067	
Other – Receivables from suppliers	2	2	
Group and associates			
Other – Miscellaneous receivables ⁽¹⁾	1,186	1,186	
Other – Prepaid expenses	36	36	
	5,291	5,291	

(1) Stock options: billing of expenses related to exercise of options to Bonduelle Group companies (see Note 18).

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NOTE 5

Securities

<i>(in thousands of euros)</i>	At 06/30/2011	At 06/30/2012
Treasury shares held for stock options	4,755	4,755
Impairment of treasury shares held for stock options		(19)
	4,755	4,736
Value at year-end:		
Treasury shares held for stock options	5,617	5,476

<i>(in number of shares)</i>	At 06/30/2011	Increase	Decrease	Reclassification	At 06/30/2012
502.1: Treasury shares held for stock options to be granted to employees and allocated to specific plans					
502.2: Treasury shares held for stock options available to be allocated to employees	81,746				81,746
TOTAL NUMBER	81,746				81,746

<i>(in thousands of euros)</i>	At 06/30/2011	Increase	Decrease	Reclassification ⁽¹⁾	At 06/30/2012
502.1: Treasury shares held for stock options to be granted to employees and allocated to specific plans					
502.2: Treasury shares held for stock options available to be allocated to employees	4,755				4,755
TOTAL AMOUNT	4,755				4,755

(1) Treasury shares expected to be exercised are reclassified at the net carrying amount.
Any impairments applied are not restated in net income.

■ Impairment of treasury shares

<i>(in thousands of euros)</i>	At 06/30/2011	Increase	Decrease	Reclassification ⁽¹⁾	At 06/30/2012
502.1: Treasury shares held for stock options to be granted to employees and allocated to specific plans					
502.2: Treasury shares held for stock options available to be allocated to employees		19			19
TOTAL AMOUNT		19			19

(1) Treasury shares expected to be exercised are reclassified at the net carrying amount.
Any impairments applied are not restated in net income.

NOTE 6

Equity

<i>(in thousands of euros)</i>	At 06/30/2011	Allocation Net income 2010-2011	Change	At 06/30/2012
Share capital	56,000			56,000
Additional paid-in capital	22,545			22,545
Revaluation surplus	947			947
Legal reserve	5,600			5,600
Regulated reserves				
Other reserves	50,353			50,353
Retained earnings	172,683	20,374		193,058
Net income for the period				
06/30/2011	31,979	(31,979)		
06/30/2012			57	57
Dividends		11,605		
	340,108		57	328,560

Dividends of 320 thousand euros and 11,285 thousand euros were paid to the General Partner and the other shareholders, respectively.

Share capital

At 06/30/2012, the share capital was comprised of 8,000,000 shares with a par value of 7 euros per share:

- 3,572,163 common shares;
- 4,427,837 shares with double voting rights.

The 8,000,000 shares comprising the Company's share capital represent 11,906,027 voting rights.

NOTE 7

Provisions for risks and expenses

<i>(in thousands of euros)</i>	At 06/30/2011	Charges	Recoveries		At 06/30/2012
			Used	Unused	
Provisions for risk on treasury shares held for stock options	984	203			1,186
Provision for taxes – Tax consolidation ⁽¹⁾	23,699	8,383	1,966		30,116
Provision for taxes – Tax audit	523	782	468		837
	25,205	9,368	2,434		32,140

(1) The provision for taxes is related to the use of the tax loss carryforwards of the companies in the tax consolidation group.

NOTE 8

Debt

(in thousands of euros)	06/30/2011	06/30/2012		
		Gross value	Up to 1 year	> 1 year and < 5 years
Borrowings ⁽¹⁾	290,930	243,768	47,101	196,667
Bank lines	1	1	1	
Trade and related payables ⁽²⁾	164	170	170	
Tax and social security payables	291	3	3	
Other payables	4,215	13,231	13,231	
	295,600	257,173	60,506	196,667

(1) On 07/25/2007, BONDUELLE SCA issued a six-year 150 million euros adjustable rate OBSAAR bond loan, redeemable in one bullet repayment on 07/24/2013. On 04/06/2009, BONDUELLE SCA issued a five-year 140 million euros adjustable rate OBSAAR bond loan, redeemable in three equal installments on 04/06/2012, 04/06/2013 and 04/06/2014. These bonds were issued to cover the financing needs of the Bonduelle SAS subsidiary. The resulting loans to the subsidiary are recorded in non-current financial assets (see Note 3).

(2) Trade payables are payable in under 30 days.

NOTE 9

Net finance income

(in thousands of euros)	At 06/30/2011	At 06/30/2012
Finance income		
Finance income from subsidiaries and affiliates		
• Bonduelle SAS	29,980	5,169
• Income from loans		
	29,980	5,169
Income from other non-current securities and receivables		
Interest income on the OBSAAR ⁽¹⁾	3,430	4,178
Recoveries of provisions and capitalized costs ⁽²⁾		
Other interest and similar income	19	20
Net gain on disposals of securities		
	33,429	9,366
Finance costs		
Depreciation, amortization and provisions ⁽²⁾		120
Interest and similar expenses	61	90
Expenses from interest on the OBSAAR	3,430	4,176
	3,491	4,386
NET FINANCE INCOME	29,938	4,980

(1) Interest paid and accrued is passed on to Bonduelle SAS.

(2) Mainly provision for impairment of treasury shares.

NOTE 10

Non-recurring income

<i>(in thousands of euros)</i>	At 06/30/2011	At 06/30/2012
Non-recurring income on revenue transactions		
• Fines – Tax audit recoveries	169	31
Non-recurring income on capital transactions		
• Income from disposals of property, plant and equipment		
• Income from disposals of non-current financial assets (profit on treasury shares)	239	26
Recoveries of provisions for risks and expenses		18
TOTAL NON-RECURRING INCOME	408	74

NOTE 11

Non-recurring expenses

<i>(in thousands of euros)</i>	At 06/30/2011	At 06/30/2012
Non-recurring income on revenue transactions		
• Fines – Tax audit	215	29
Non-recurring income on capital transactions		
• Disposals of property, plant and equipment		
• Disposals of non-current financial assets (loss on treasury shares)	64	30
• Disposals of participating interests		
Provisions for risks and expenses		
• Provision for fines – tax audit	55	67
Non-recurring charges to depreciation, amortization and provisions		
Total non-recurring expenses	334	127
TOTAL NON-RECURRING INCOME (LOSS)	74	(53)

NOTE 12

Information regarding related parties and investments

Item	Amount concerning related parties	
	Related	With which the Company has a capital relationship
Investments:		
• gross carrying amount	333,762	
• net carrying amount	333,762	
Loans to subsidiaries and affiliates	243,768	
Other receivables	1,186	
Other payables	13,216	
Operating liabilities	2	
Finance income from subsidiaries and affiliates		
Finance income	9,366	
Finance costs	90	

NOTE 13

Tax breakdown

<i>(in thousands of euros)</i>	Current income	Non-recurring income	Total
Profit before tax	3,736	(53)	3,683
Theoretical income tax			
Tax credit			
Total theoretical income tax			
Impact of tax consolidation			3,056
Provision for taxes			(6,682)
Total income tax expense			(3,626)
NET INCOME AFTER TAXES			57

NOTE 14

Tax consolidation

Bonduelle SCA is the head of a tax consolidation group that includes:

Name	Address
Bonduelle SAS	La Woestyne – 59173 Renescure
Bonduelle Conserve International	La Woestyne – 59173 Renescure
Bonduelle Surgelé International	La Woestyne – 59173 Renescure
Bonduelle Development SAS	La Woestyne – 59173 Renescure
Bonduelle Frais Traiteur	La Woestyne – 59173 RENESCURE
Bonduelle Frais France	90, rue André Citroën – 69740 Genas
Bonduelle Traiteur International	67 route de Concarneau BP 27 – 29140 Rosporden
SAS Champiloire	Chantemerle – Bagneux – 49400 Saumur
Revoisson SCI	38 Rue de l'Avenir – 69740 Genas
Euromycel SAS	Chantemerle – Bagneux – 49400 Saumur
Champignonnières des Roches SAS	Chantemerle – Bagneux – 49400 Saumur
Champignonnières de la Vienne SAS	Chantemerle – Bagneux – 49400 Saumur
Champiland SAS	390 Rue Joseph Lacoste – 40990 Herm

Under the terms of the tax consolidation agreement, the following method is used to allocate income tax to each of the consolidated companies:

- each company pays Bonduelle SCA an amount equal to the tax they would have paid on their earnings and/or net long-term capital gains had they been taxed on a standalone basis, after deducting all tax credits to which the consolidated companies would have been entitled had they not been consolidated;
- on a standalone basis, Bonduelle SCA did not incur any income tax for the financial year ended 06/30/2012.

Furthermore, Bonduelle SCA has no tax loss carryforwards from previous financial years.

Taxable income of the consolidation group

The taxable income for the tax consolidation group as a whole amounts to -10,693,843 euros.

NOTE 15

Deferred taxes

	Amount	Income tax
Income tax due (33.33% statutory rate)		
Total additions		None
Prepaid tax on (33.33% statutory rate)		
Temporarily non-deductible expenses (to be deducted the following year)		
Temporarily non-deductible expenses (to be deducted in subsequent years)		
Total reductions		None
Tax loss carryforwards		
Net deferred taxes		
NET DEFERRED TAXES		NONE

NOTE 16

Directors' compensation

■ Table 1: Summary of the compensation and of the options and shares allocated to each director and Corporate Officer

(in euros)	FY 2010-2011	FY 2011-2012
Christophe Bonduelle *		
<i>Legal representative of Pierre et Benoît Bonduelle SAS, Manager of Bonduelle SCA</i>		
Compensation due for the financial year (details provided in table 2)	551,000	570,000
Valuation of options granted during the financial year (details provided in table 4)	93,280	64,546
Valuation of performance-related options granted during the financial year (details provided in table 6)	—	—
TOTAL	644,280	634,546

* Bonduelle SCA does not have any employees. The compensation is due under the terms of the corporate functions for Bonduelle SAS. No compensation is given in respect of the role of Legal Representative of Pierre et Benoît Bonduelle SAS, Manager of Bonduelle SCA.

■ **Table 2: Summary of compensation of each director and Corporate Officer of the issuer**

(in euros)	FY 2010-2011		FY 2011-2012	
	Amount due	Amount paid	Amount due	Amount paid
Christophe Bonduelle				
<i>Legal representative of Pierre et Benoît Bonduelle SAS, Manager of Bonduelle SCA</i>				
Fixed compensation:				
• under employment contract	0	0	0	0
• for corporate functions	546,198	546,198	565,859	565,859
Variable compensation ⁽¹⁾	197,000	97,000	Not calculated	Not applicable
Non-recurring compensation				
Directors' fees				
Benefits in kind: automobile	4,802	4,692	4,141	4,141
TOTAL	748,000	647,890	570,000	570,000

(1) The variable compensation components are determined by the Remuneration Committee subsequent to the publication of the present document and are based on the performance of revenue and profitability.

■ **Table 3: Directors' fees and other compensation received by directors and Corporate Officers**

Corporate Officers (in euros)	Amount paid during FY 2010-2011	Amount paid during FY 2011-2012
Élisabeth MINARD		
Directors' fees	200	1,900
Other compensation		
Louis BONDUELLE		
Directors' fees	1,300	1,600
Other compensation		
Daniel BRACQUART		
Directors' fees	5,700	6,600
Other compensation	4,000	4,000
Olivier CAVROIS		
Directors' fees	1,100	0
Other compensation		
André CRESPEL		
Directors' fees	5,700	6,600
Other compensation		
Stanislas DALLE		
Directors' fees	1,500	1,600
Other compensation		
Isabelle DANJOU		
Directors' fees	1,500	1,900
Other compensation		
Jean GUEGUEN		
Directors' fees	1,500	1,900
Other compensation		
Yves TACK		
Directors' fees	5,700	6,600
Other compensation		
Matthieu DURIEZ		
Directors' fees	0	300
Other compensation		
Marie-France TISSEAU		
Directors' fees	0	1,100
Other compensation		
Pierre et Benoît Bonduelle SAS		
Directors' fees		
Other compensation *	1,457,500	760,900
TOTAL	1,481,700	791,000

* The compensation of the Management Board is established by Article 17 of the Company's By-laws and comprises two components:

- an amount equal to 1.5% of the Group's share of the consolidated net income of the previous financial year;
- additional compensation equal to 1% of the Group's share of the consolidated net income of the previous financial year, when the latter exceeds 1.5% of total net consolidated revenue.

Compensation is to be paid in 12 equal monthly payments.

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■ **Table 4: Share subscription or purchase options granted during the financial year to each director and Corporate Officer by the issuer and any other Group company**

Name of director or Corporate Officer	No. and date of plan	Type of option (purchase or subscription)	Valuation of options according to the method used for the consolidated financial statements (in euros)	Number of options granted during the financial year	Exercise price (in euros)	Exercise period
Christophe Bonduelle	No. 16 Date: 12/15/2011	Purchase	64,546	5,900	62.90	12/2015 - 12/2017
TOTAL			64,546	5,900		

■ **Table 5: Share subscription or purchase options exercised during the financial year by each director and Corporate Officer**

Name of director or Corporate Officer	No. and date of plan	Number of options exercised during the financial year	Exercise price (in euros)
Christophe Bonduelle	No. 11 Date: 05/04/2007	0	83.30
Christophe Bonduelle	No. 12 Date: 04/16/2008	0	72.00
TOTAL		0	

A minimum of 10% of the shares resulting from the exercise of stock options must be retained.

■ **Table 6: Performance shares granted to each director and Corporate Officer during the financial year**

Performance shares granted by the Shareholders' Meeting during the financial year to each director and Corporate Officer by the issuer and any other Group company (nominative list)	No. and date of plan	Number of shares granted during the financial year	Valuation of the shares according to the method used for the consolidated financial statements (in euros)	Acquisition date	Availability date	Performance conditions
Christophe Bonduelle	No. 1 Date: 01/04/2012	660	7,079	01/04/2012	01/04/2016	(1)
TOTAL		660	7,079			

(1) The granting of free shares is dependent on the financial performance of cash flow expressed as a % of Group consolidated revenue in the second financial year following the allocation date.

■ **Table 7: Performance shares granted to each director or Corporate Officer that are now available**

Performance shares that are now available for each director or Corporate Officer	No. and date of plan	Number of shares that became available during the financial year	Acquisition conditions
TOTAL		NONE	

A minimum of 10% of any newly-available performance shares must be retained.

■ Table 8: Historical information regarding grants of share subscription or purchase options

Information regarding subscription or purchase options

Date of Shareholders' Meeting	Plans 12 to 16 and free share plan no. 1
Date of Board of Directors or Management Board meeting, as applicable	
Total number of shares that may be subscribed or purchased	
Number of shares that may be subscribed or purchased by:	
Director or Corporate Officer	
Christophe Bonduelle	
<i>Legal representative of Pierre et Benoît Bonduelle, Manager of Bonduelle SCA</i>	See Note 23 of the notes to the annual consolidated financial statements
Start of option exercise period	
Date of expiration	
Subscription or purchase price	
Exercise conditions (when the plan has several portions)	
Number of shares subscribed or purchased at June 30, 2012 (most recent date)	
Cumulative number of share subscription or purchase options cancelled or expired	
Number of share subscription or purchase options remaining at the close of the financial year	

■ Table 9: Ten largest employee share subscription or purchase options granted, other than to directors or Corporate Officers, and options exercised by them

	Total number of options allocated/shares subscribed or purchased
Options granted during the financial year by the issuer and by any company included in the scope of allocation of options, to the ten employees of the issuer and of any company included in that scope, who were granted the greatest number of options.	19,300
Options held on the issuer and the companies referred to above, exercised, during the financial year, by the ten employees of the issuer and of those companies who were granted the greatest number of options.	0

■ Table 10

	Employment contract ⁽¹⁾		Supplementary retirement plans ⁽²⁾		Indemnities or benefits due or likely to be due for termination of appointment or change in current function ⁽³⁾		Indemnities related to a non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Directors Corporate Officers								
Christophe Bonduelle								
<i>Legal representative of Pierre et Benoît Bonduelle SAS, Manager of Bonduelle SCA, Chairman of Bonduelle SAS</i>		X	X		X			X
Appointment starts ⁽⁴⁾								
Appointment ends ⁽⁴⁾								

(1) In compliance with Afep-Medef recommendations, Mr. Christophe Bonduelle's employment contract with Bonduelle SAS was suspended with effect from 12/31/2009.

(2) The Group has established a supplementary, defined contribution pension plan (Article 83-plan), which is paid for to a significant extent by the beneficiaries concerned, with the Group paying the remainder. The Group contribution in respect of this plan in financial year 2011-2012 was not material.

(3) Equal to two years' compensation, including compensation relating to the non-competition clause. Bonduelle SAS employees are granted termination benefits and long service awards. In the case of Mr. Christophe Bonduelle, these benefits amount to 301,531 euros.

(4) Open-ended appointment.

NOTE 17

Off-balance sheet commitments

	At 06/30/2012
	None

NOTE 18

Information regarding stock option and free share plans

A. Stock option plans

	Plan No. 11	Plan No. 12	Plan No. 13
Date of Shareholders' Meeting:	06/09/2005	12/06/2007	12/06/2007
Date of Management Board meeting	05/04/2007	04/16/2008	05/25/2009
Initial number of shares allocated	9,226	43,500	74,050
Including number of shares granted to Mr. Christophe Bonduelle, legal representative of Pierre et Benoît Bonduelle SAS, Manager of Bonduelle SCA		4,600	9,400
Number of shares cancelled ⁽¹⁾	(9,226)	(2,300)	(4,200)
Total number of shares that may be subscribed or purchased		41,200	69,850
Start of option exercise period	05/05/2011	04/17/2012	05/26/2013
Date of expiration	05/04/2012	04/16/2013	05/25/2014
Subscription price	83.30	72.00	57.08
Share price (basis for employer contribution to stock option plans)		16.57	11.75
NUMBER OF SHARES SUBSCRIBED AT 06/30/2012	0	0	0

	Plan No. 14	Plan No. 15	Plan No. 16
Date of Shareholders' Meeting:	12/03/2009	12/03/2009	12/03/2009
Date of Management Board meeting	06/24/2010	12/07/2010	12/15/2011
Initial number of shares allocated	49,450	47,200	51,900
Including number of shares granted to Mr. Christophe Bonduelle, legal representative of Pierre et Benoît Bonduelle SAS, Manager of Bonduelle SCA	8,500	8,000	5,900
Number of shares cancelled ⁽¹⁾	(400)	(200)	(200)
Total number of shares that may be subscribed or purchased	49,050	47,000	51,700
Start of option exercise period	06/25/2014	12/08/2014	12/16/2015
Date of expiration	06/24/2016	12/07/2016	12/15/2017
Subscription price	76.44	63.61	62.90
Share price (basis for employer contribution to stock option plans)	12.73	11.66	10.94
NUMBER OF SHARES SUBSCRIBED AT 06/30/2012	0	0	0

(1) Cancellations represent shares allocated to persons who have left the Group prior to the exercise period or that had not been subscribed to by the time the plan expired.

B. Free share plans

	Plan No. 1
Date of Shareholders' Meeting:	12/02/2010
Date of Management Board meeting	01/04/2012
Initial number of shares allocated	1,260
Including number of shares granted to Mr. Christophe Bonduelle, legal representative of Pierre et Benoît Bonduelle SAS, Manager of Bonduelle SCA	660
Including number of shares granted to the Executive Committee	600
Total number of free shares allocated	1,260
Date allocation effective ⁽²⁾	01/04/2012
Date from which shares can be sold	01/04/2016
Share price (basis for employer contribution to stock option plans)	42.90
Number of shares subscribed at 06/30/2012	0

(2) The granting of free shares is dependent on the financial performance of cash flow expressed as a % of consolidated revenue in the second financial year following the allocation date.

C. Other information on the stock option plans

A. EXPENSE RECOGNIZED DURING THE FINANCIAL YEAR AND FROM THE PREVIOUS FINANCIAL YEAR

The profit and loss made on stock options are recorded under net non-recurring income.

No options were exercised in 2011-2012.

Options exercised in respect of the previous financial year generated a profit of 191,000 euros.

B. CONTINGENT LIABILITIES

A provision for risks and expenses was recorded at the end of the financial year, on 06/30/2012, in the amount of 1,186,000 euros (plans 13, 15, 16) and free share allocations.

This provision is covered by an accrued income in the same amount recorded under miscellaneous receivables (see Notes 1 and 4).

This accrued income corresponds to the amount that will be passed onto the subsidiaries whose employees are beneficiaries of stock options from the options exercised under the plans concerned.

C. DETAILS OF ACCOUNT 502 – TREASURY SHARES

All relevant information is provided in Note 5.

6.5 Information regarding subsidiaries and affiliates

Companies	No. of shares held	Cur- rency	Share capital ⁽¹⁾	Equity other than share capital and net income for the period ⁽¹⁾	Share of capital held <i>(in %)</i>	Carrying amount of shares		Loans made by the com- pany	Gua- rantees given	Revenue excluding tax for the period	Net income for the most recent finan- cial year	Divi- dends received by the Company during the finan- cial year
						Gross	Net					
A. Holdings with a gross value higher than 1% of the parent's share capital												
1. Subsidiaries (>50% held)												
Bonduelle SAS	2,067,610	EURO	206,761	239,193	100	333,762	333,762				30,991	41,841
2. Stake held between 10% and 50%												
B. Holdings with a gross value under 1% of the parent's share capital												
1. French subsidiaries												
2. Non-French subsidiaries												
3. Participating interests in French companies												

(1) In the Company's local currency.

6.6 Five-year financial summary

<i>(in thousands of euros)</i>	06/30/2008	06/30/2009	06/30/2010	06/30/2011	06/30/2012
Financial position at year-end					
Share capital	56,000	56,000	56,000	56,000	56,000
Number of shares issued	8,000,000	8,000,000	8,000,000	8,000,000	8,000,000
Total income from operations					
Revenues of subsidiaries	82,316	10,000		29,980	5,169
Revenue excluding tax					
Income before tax, employee profit-sharing, depreciation, amortization and provisions	80,454	7,318	(178)	28,025	4,056
Income tax	(2,483)	(3,717)	(219)	(3,732)	3,626
Employee profit-sharing					
Income after tax, employee profit-sharing, depreciation, amortization and provision	81,833	6,521	4,585	31,979	57
Dividends paid	12,000	12,000	12,000	12,000	12,000
Income from operations per share <i>(in euros)</i>					
Income after tax, employee profit-sharing and depreciation, but before amortization and provisions	10.37	1.38	0.01	3.97	0.05
Income after tax, employee profit-sharing, depreciation amortization and provisions	10.23	0.82	0.57	4.00	0.01
Dividend paid per share	1.50	1.50	1.50	1.50	1.50 ⁽¹⁾

(1) Proposal submitted to the Shareholders' Meeting.

Allocation of net income

The Management Board asks the Shareholders' Meeting to allocate the 56,997.38 euros in net income for the period in the following manner:

• Net income for the year	56,997.38 euros
• Retained earnings	<u>193,057,728.07 euros</u>
• Distributable income	193,114,725.45 euros
• Allocation to the General Partner	569.97 euros
• Dividend to the shareholders	12,000,000.00 euros
• Retained earnings	181,114,155.48 euros

And to approve the payment of a dividend, in respect of financial year 2011-2012, of 1.50 euros per share; the entire amount thus distributed qualifies for the 40% tax credit referred to in Article 158-3-2 of the French General Tax Code.

The dividend will be paid on January 8, 2013.

6.7 Statutory Auditors' report on the annual financial statements

Dear shareholders,

In compliance with the assignment entrusted to us by your Shareholders' Meeting, we hereby report to you, for the year ended June 30, 2012 on:

- the audit of the accompanying annual financial statements of Bonduelle, as attached to this report;
- the justification of our assessments;
- the specific checks and information required by law.

These annual financial statements have been approved by the Management Board. Our responsibility is to express an opinion on these financial statements based on our audit.

1. Opinion on the annual financial statements

We conducted our audit in accordance with the professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the annual financial statements are free of material misstatement. An audit includes examining, using sample testing techniques or by means of other selection methods, evidence supporting the amounts and disclosures in the annual financial statements. An audit also includes assessing the accounting principles used and significant estimates made, as well as evaluating the overall financial statements presentation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

In our opinion, the annual financial statements give a true and fair view of the assets and liabilities and of the financial situation of the Company for the past year, and of the results of its operations for the year then ended, in accordance with the accounting rules and principles applicable in France.

2. Justification of assessments

In accordance with the provisions of Article L. 823-9 of the French Commercial Code regarding the basis of our opinion, we bring to your attention the following points:

Accounting estimates

- Note 1 of the Notes to the financial statements explains the method used by the Company to measure the value of non-current financial assets, a method based on estimates;

We have notably verified the appropriateness of this method and have, as needed, assessed the data and the assumptions on which those estimates were based, reviewed the calculations made by the Company and examined the procedures used for the approval of these estimates by the Company's Executive Management.

- Note 1 of the Notes to the financial statements also explains the method used by the Company to value its provisions for risks and expenses, a method based on estimates; Our work consisted of assessing the data and the assumptions on which those estimates were based, reviewing the calculations made by the Company, comparing the accounting estimates used in previous years with the corresponding actual charges to the provisions and examining the procedures used for the approval of these estimates by the Company's Executive Management.

These assessments were performed as part of our audit approach for the annual financial statements taken as a whole and therefore contributed to the expression of our opinion expressed in the first part of this report.

3. Specific checks and information

We also carried out, in accordance with generally accepted French auditing practices, a specific check provided for by law.

We have no observation to make on the fair presentation and the conformity with the annual financial statements of the information given in the Management Board's report and in the documents addressed to the shareholders with respect to the financial situation and the annual financial statements.

Regarding the information provided pursuant to the provisions of Article L. 225-102-1 of the French Commercial Code on the compensation and benefits paid to the Corporate Officers, we checked their conformity with the financial statements or with the data used to draw up these financial statements and, where applicable, with the information gathered by your Company from the companies controlling your Company or controlled by it. Based on our review, we certify the accuracy and fair presentation of this information.

In accordance with French law, we have ensured that the required information regarding the identity of holders of the Company's share capital has been properly disclosed in the Management Board's report.

Lille, October 17, 2012
The Statutory Auditors

Mazars
Cécile FONTAINE

Deloitte & Associés
Jean-Yves MORISSET

6.8 Special report of the Statutory Auditors on regulated agreements and commitments

Dear shareholders,

In our capacity as the Statutory Auditors of your Company, we hereby present to you our report on regulated agreements and commitments.

Our duty is to inform you, based on the information provided to us, of the terms and conditions of the agreements and commitments of which we were notified or which we may have discovered during our audit. It is not our role to determine whether they are beneficial or appropriate or to ascertain whether other regulated agreements and commitments exist. Pursuant to Article R. 226-2 of the French Commercial Code, it is your responsibility to assess the benefits arising from these regulated agreements and commitments with a view to approving them.

Moreover, it is our duty, where applicable, to inform you of the disclosures pursuant to Article R. 226-2 of the French Commercial Code relative to the implementation, during the year just ended, of the agreements and commitments already approved by the Shareholders' Meeting.

We performed our work in accordance with the professional standards of the French National Company of Statutory Auditors (CNCC). Those standards consisted of verifying that the information provided to us is consistent with the underlying documents from which it was extracted.

Agreements and commitments submitted for approval by the Shareholders' Meeting

We hereby inform you that we were not notified of any agreements or commitments authorized during the financial year to be submitted for approval by the Shareholders' Meeting pursuant to the provisions of Article L. 226-10 of the French Commercial Code.

Agreements and commitments already approved by the Shareholders' Meeting

Pursuant to Article R. 226-2 of the French Commercial Code, we were informed that the following agreements and commitments, already approved by the Shareholders' Meeting during previous financial years, were implemented during the financial year just ended.

BONDUELLE SCA'S GUARANTEE OF A BOND ISSUE BY BONDUELLE SAS

Companies involved: Bonduelle SAS, for which Bonduelle SCA directly or indirectly holds over 10% of the voting rights and Pierre & Benoît Bonduelle SAS, Manager of Bonduelle SCA and Chief Executive Officer of Bonduelle SAS.

Nature, object and terms: On August 3 and September 2, 2010, Bonduelle SAS issued a 12-year bond in the United States, by private placement, in two tranches, in the total amount of 165 million US dollars. Bonduelle SCA stood surety for this bond issue. This surety is non-interest bearing.

Lille, October 17, 2012
The Statutory Auditors

Deloitte & Associés
Jean-Yves MORISSET

Mazars
Cécile FONTAINE



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Items in the annual financial report are identified in the contents using the AFR symbol

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7.1 Information regarding the share capital

7.1.1 Historical information on the share capital

Year	Transaction	Par value	Additional paid-in capital	Successive amounts	Total no. of shares
At 01/01/1993				307,392,400	439,132
<i>(in francs)</i>					
1995	Repurchase of 68,068 shares	(47,467,600)	(95,295,200)	259,744,800	371,064
1997	Capitalization of reserves and increase in par value from FFR 700 to FFR 760	22,263,840		282,008,640	371,064
	Division of par value from FFR 760 to FFR 40			282,008,640	7,050,216
	Integration of Financière Bonduelle Dalle and issue of 146,325 new shares	5,853,000	6,303,103	287,861,640	7,196,541
	Contribution of Bonduelle SA shares by the Bonduelle Valeurs fund	10,372,880	14,938,800	298,234,520	7,455,863
	Contribution of Bonduelle SA shares by employees and others	7,142,720	10,675,640	305,647,240	7,641,181
1998	Issue of 358,819 shares	14,352,760	30,499,615	320,000,000	8,000,000
<i>(in euros)</i>					
2001	Capitalization of FFR 47,335,920 from additional paid-in capital into share capital, in line with the conversion to the euro			56,000,000	8,000,000
2005	Capital increase following the merger with Montecourt	2,068,948	17,269,806,14	58,068,948	8,295,564
2005	Cancellation of the Company's shares received under the terms of the merger with Montecourt	(2,068,948)	(17,269,806,14)	56,000,000	8,000,000

7.1.2 Amount of the share capital

The share capital is set at 56,000,000 euros.

It is divided into 8,000,000 common shares with a par value of 7 euros per share, all of the same category and fully paid up.

7.1.3 Powers and authorizations granted to the Management Board

AUTHORIZED AND UNISSUED CAPITAL

The Combined Ordinary and Extraordinary Shareholders' Meeting of December 2, 2010 granted the Management Board the following powers and authorizations:

DELEGATION OF AUTHORITY TO THE MANAGEMENT BOARD TO INCREASE THE SHARE CAPITAL BY THE CAPITALIZATION OF RESERVES, NET INCOME AND/OR ADDITIONAL PAID-IN CAPITAL

The Shareholders' Meeting, ruling under the conditions of quorum and majority required for Ordinary Shareholders' Meetings, after reviewing the report of the Management Board and in accordance with the provisions of Articles L. 225-129-2 and L. 225-130 of the French Commercial Code:

- 1) Authorizes the Management Board to increase the share capital of the Company, through one or more transactions, at such times and using the methods it so chooses, by capitalizing reserves, net income, additional paid-in capital or other amounts whose capitalization is authorized; or by issuing shares or granting free shares or increasing the par value of the existing common shares; or by a combination of these two method.

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2) Decides that if the Management Board uses this authorization, in accordance with the provisions of Article L. 225-130 of the French Commercial Code, to increase the share capital of the Company by granting free shares, rights to fractional shares cannot be traded nor transferred, and the corresponding shares shall be sold; any proceeds from such sales will be allocated to the holders of these rights within the period provided for by law.

3) Grants this authorization for twenty-six months as from the date of this Shareholders' Meeting.

4) Decides that the maximum aggregate par value of the new shares that may be issued under this authorization shall be 17,500,000 euros, excluding any additional shares that may be issued to safeguard the interests of holders of securities giving access to equity, as stipulated by law.

This ceiling is independent of all other ceilings provided for by the other resolutions submitted to this Shareholders' Meeting.

5) Grants full powers to the Management Board to implement this resolution and, generally, to perform all measures and necessary formalities to successfully conclude each capital increase, to formally acknowledge it and to amend the By-laws appropriately.

6) Duly notes that this authorization immediately cancels and replaces any previous authorizations with the same purpose.

DELEGATION OF AUTHORITY TO THE MANAGEMENT BOARD TO ISSUE COMMON SHARES AND/OR SECURITIES GIVING ACCESS TO EQUITY AND/OR GIVING RIGHTS TO ALLOCATIONS OF DEBT SECURITIES, WITH PREEMPTIVE SUBSCRIPTION RIGHTS MAINTAINED

The Shareholders' Meeting, after reviewing the report of the Management Board and the special report of the Statutory Auditors and in accordance with the provisions of the French Commercial Code and notably Article L. 225-129-2 thereof:

1. Authorizes the Management Board to issue, in one or more transactions, in amounts and at such times it chooses, in either euros, or in foreign currencies, or in any other unit composed of a basket of currencies:

- common shares,
- and/or securities giving present or future access, at any time or on a fixed date, to common shares of the Company whether by subscription, conversion, exchange, redemption, presentation of a warrant or any other means,
- and/or securities giving rights to allocations of debt securities.

In accordance with Article L. 228-93 of the French Commercial Code, the securities to be issued may confer rights to common shares of any company which directly or indirectly owns more than half of the Company's capital or in which the company directly or indirectly owns more than half of the capital;

2. Grants this authorization for twenty-six months as from the date of this Shareholders' Meeting.

3. Decides to set, as follows, the total aggregate amount of shares that may be issued under this authorization granted to the Management Board:

- the total aggregate par value of shares that may be issued by virtue of this authorization may not exceed 17,500,000 euros,
- the approved ceiling does not include the total par value of additional shares that may be issued, in compliance with the law, to safeguard the interests of holders of securities giving access to equity. It is independent of all other ceilings provided for by the other resolutions submitted to this Shareholders' Meeting.

4. If the Management Board decides to use this authorization in connection with the issues described in 1/, above:

a) decides that the issue or issues of common shares or securities giving access to equity shall be reserved in priority to shareholders who may subscribe for shares as of right;

b) decides that in the event that existing shareholders do not subscribe to a sufficient number of new shares as of right and, if appropriate, using their oversubscription right, to account for the entire issue referred to in a), the Management Board may have recourse to the following options:

- limit the amount of the issue to the amount of the subscriptions, provided that it reaches three-quarters of the issue decided upon,
- freely distribute all or part of the unsubscribed shares,
- offer to the public all or part of the unsubscribed shares.

5. Decides that the Management Board shall, within the limits defined above, be vested with all powers necessary to, notably, set the terms and conditions of the issue(s), record, where necessary, the resulting increase(s) in capital, amend the By-laws accordingly, charge on its own initiative the expenses of the capital increase(s) to the corresponding premiums and deduct from such premiums the amounts needed to increase the legal reserve to one tenth of the new amount of share capital after each increase, and in general undertake everything that is required in such matters;

6. Duly notes that this authorization cancels and replaces the previous authorization with the same purpose.

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DELEGATION OF AUTHORITY TO THE MANAGEMENT BOARD TO ISSUE COMMON SHARES AND/OR SECURITIES GIVING ACCESS TO EQUITY AND/OR GIVING RIGHTS TO ALLOCATIONS OF DEBT SECURITIES, WITH SUSPENSION OF PREEMPTIVE SUBSCRIPTION RIGHTS BY PUBLIC OFFERING

The Shareholders' Meeting, after reviewing the report of the Management Board and the special report of the Statutory Auditors and in accordance with the provisions of the French Commercial Code and notably Article L. 225-136 thereof:

1. Authorizes the Management Board to issue, in one or more transactions, for the amounts and at the times it so chooses, on the French market and/or on international financial markets, through an offer to the public, in euros, foreign currencies or units composed of a basket of currencies:
 - common shares,
 - and/or securities giving present or future access, at any time or on a fixed date, to common shares of the Company whether by subscription, conversion, exchange, redemption, presentation of a warrant or any other means,
 - and/or securities giving rights to allocations of debt securities.

These securities may be issued in payment for shares contributed to the Company in connection with public exchange offers for shares in accordance with the provisions of Article L. 225-148 of the French Commercial Code.

In accordance with Article L. 228-93 of the French Commercial Code, the securities to be issued may confer rights to common shares of any company which directly or indirectly owns more than half of the Company's capital or in which the Company directly or indirectly owns more than half of the capital;

2. Grants this authorization for twenty-six months as from the date of this Shareholders' Meeting.
3. The total aggregate par value of shares that may be issued by virtue of this authorization may not exceed 17,500,000 euros.

This amount shall be included in the ceiling imposed on capital increases established in the thirteenth resolution (*the following resolution*).

4. Decides to suspend the preemptive subscription rights of existing shareholders to the common shares and securities giving access to equity covered by this resolution, while granting the Management Board the authority to confer on shareholders preferential rights, as stipulated by law.
5. Decides that the amount reverting or that shall revert to the Company for each of the common shares issued by virtue of this authorization, after taking into account, in the case of the issue of straight stock warrants, the price of said warrants, will be at least equal to the minimum price stipulated by the applicable laws and regulations at the time the Management Board implements this authorization.

6. Decides that, in the event shares are issued in payment for shares contributed in connection with a public exchange offer, the Management Board shall, within the limits fixed in Article L. 225-148 of the French Commercial Code and within the limits established above, be vested with all powers necessary to determine the list of shares contributed within the framework of the exchange offer, set the conditions of the issue and the proportions in which shares shall be exchanged, as well as, when necessary, the amount of cash to be paid for the difference, and determine the terms and conditions of the issue.

7. Decides that in the event that existing shareholders do not subscribe to a sufficient number of common shares or securities giving access to equity to account for the entire issue, the Management Board may have recourse to the following options:

- limit the amount of the issue to the amount of the subscriptions, provided that it reaches three-quarters of the issue decided upon,
- freely distribute all or part of the unsubscribed shares.

8. Decides that the Management Board shall, within the limits defined above, be vested with all powers necessary to, notably, set the terms and conditions of the issue(s), record, where necessary, the resulting increase(s) in capital, amend the By-laws accordingly, charge on its own initiative the expenses of the capital increase(s) to the corresponding premiums and deduct from such premiums the amounts needed to increase the legal reserve to one tenth of the new amount of share capital after each increase, and in general undertake everything that is required in such matters;

9. Duly notes that this authorization cancels and replaces the previous authorization with the same purpose.

DELEGATION OF AUTHORITY TO THE MANAGEMENT BOARD TO ISSUE COMMON SHARES AND/OR SECURITIES GIVING ACCESS TO EQUITY AND/OR GIVING RIGHTS TO ALLOCATIONS OF DEBT SECURITIES, WITH SUSPENSION OF PREEMPTIVE SUBSCRIPTION RIGHTS BY PRIVATE PLACEMENT

The Shareholders' Meeting, after reviewing the report of the Management Board and the special report of the Statutory Auditors and in accordance with the provisions of the French Commercial Code and notably Article L. 225-136 thereof:

1. Authorizes the Management Board to issue, in one or more transactions, for the amounts and at the times it so chooses, on the French market and/or on international financial markets, through an offering of the type indicated in Item II of Article L. 411-2 of the French Monetary and Financial Code, in euros, foreign currencies or units composed of a basket of currencies:

- common shares,
- and/or securities giving present or future access, at any time or on a fixed date, to common shares of the Company whether by subscription, conversion, exchange, redemption, presentation of a warrant or any other means,
- and/or securities giving rights to allocations of debt securities.

In accordance with Article L. 228-93 of the French Commercial Code, the securities to be issued may confer rights to common

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shares of any company which directly or indirectly owns more than half of the Company's capital or in which the Company directly or indirectly owns more than half of the capital;

2. Grants this authorization for twenty-six months as from the date of this Shareholders' Meeting;

3. The aggregate par value of common shares that may be issued by virtue of this authorization may not exceed 17,500,000 euros, and will moreover be limited to 20% of share capital per year.

This amount shall be included in the ceiling imposed on capital increases established in the twelfth resolution (*the previous resolution*);

4. Decides to suspend the preemptive subscription rights of existing shareholders to the common shares and securities giving access to equity covered by this resolution.

5. Decides that the amount reverting or that shall revert to the Company for each of the common shares issued by virtue of this authorization, after taking into account, in the case of the issue of straight stock warrants, the price of said warrants, will be at least equal to the minimum price stipulated by the applicable laws and regulations at the time the Management Board implements this authorization.

6. Decides that the Management Board shall, within the limits defined above, be vested with all powers necessary to, notably, set the terms and conditions of the issue(s), record, where necessary, the resulting increase(s) in capital, amend the By-laws accordingly, charge on its own initiative the expenses of the capital increase(s) to the corresponding premiums and deduct from such premiums the amounts needed to increase the legal reserve to one tenth of the new amount of share capital after each increase, and in general undertake everything that is required in such matters.

7. Duly notes that this authorization cancels and replaces the previous authorization with the same purpose.

DETERMINATION OF THE METHODS USED TO SET THE SUBSCRIPTION PRICE IN THE EVENT OF A SUSPENSION OF PREEMPTIVE SUBSCRIPTION RIGHTS WITHIN THE CURRENT LIMIT OF 10% OF SHARE CAPITAL

The Shareholders' Meeting, after reviewing the report of the Management Board and the special report of the Statutory Auditors and in accordance with the provisions of Article L. 225-136-1, paragraph 2, of the French Commercial Code, authorizes the Management Board, which decides upon an issue of common shares or securities giving access to equity in application of the twelfth and thirteenth resolutions, to waive, within the limit of 10% of share capital per year, the price setting conditions stipulated by the aforementioned resolutions and to set the issue price of the capital shares available for issue according to the following methods:

The issue price of the capital shares available for immediate or deferred issue may not fall below either of the following, according to the choice of the Management Board:

- the average closing price of the Company share on the NYSE Euronext Paris market, observed over a maximum period of six (6) months preceding the issue;

- the weighted average price of the Company share on the NYSE Euronext Paris market, observed at the last three (3) trading days preceding the issue with a maximum discount of 15%.

AUTHORIZATION TO INCREASE THE AMOUNT OF AN ISSUE IF IT IS OVERSUBSCRIBED

For each issue decided upon in application of the eleventh, twelfth and thirteenth resolutions (*delegation of authority to increase the share capital with or without preemptive rights by public offering or private placement*), the number of securities to be issued may be increased under the conditions stipulated by Article L. 225-135-1 of the French Commercial Code and within the limit of the ceilings set by the Shareholders' Meeting, where the Management Board observes excess demand.

DELEGATION OF AUTHORITY TO THE MANAGEMENT BOARD TO INCREASE THE SHARE CAPITAL OF THE COMPANY BY ISSUING SHARES RESERVED FOR PARTICIPANTS IN A COMPANY SAVINGS PLAN, IN APPLICATION OF ARTICLE L. 3332-18 ET SEQ. OF THE FRENCH LABOR CODE

The Shareholders' Meeting, after reviewing the report of the Management Board and the special report of the Statutory Auditors, and in accordance with the provisions of Articles L. 225-129-6 and L. 225-138-1 of the French Commercial Code and L. 3332-18 *et seq.* of the French Labor Code:

1. Authorizes the Management Board, if it considers it appropriate, at its sole initiative, to increase the share capital in one or more transactions by issuing common shares for cash and, when applicable, through bonus issues of common shares or other securities conferring rights to the share capital reserved to employees (and Managers) of the Company (and of companies related to it, within the meaning of Article L. 225-180 of the French Commercial Code) participating in a PEE company savings plan.
2. Cancels in favor of these persons the preemptive right to subscribe for shares that may be issued by virtue of this authorization.
3. Grants this authorization for 26 months from the date of this Shareholders' Meeting.
4. Limits the aggregate amount of the capital increase(s) under this authorization to 3% of the share capital on the date the Management Board decides to proceed with such capital increase(s), this amount being independent of all other ceilings provided for under authorizations to increase the share capital of the Company.
5. Decides that the price of shares to be issued, by virtue of item 1/ of this authorization, may not be more than 20% (or 30% when the vesting period provided for by the plan in accordance with Articles L. 3332-25 and L. 3332-26 of the French Labor Code is greater than or equal to ten years) below the average opening price of the share on the 20 trading days preceding the decision of the Management Board concerning the capital increase and the corresponding issue, nor greater than this average.
6. Duly notes that this authorization cancels and replaces the previous authorization with the same purpose.

The Management Board may decide whether or not to implement this authorization, and to perform all measures and necessary formalities.

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The Combined Ordinary and Extraordinary Shareholders' Meeting of December 8, 2011 granted the Management Board the following authorization:

DELEGATION OF AUTHORITY TO BE GIVEN TO THE MANAGEMENT BOARD TO INCREASE THE SHARE CAPITAL WITHIN A LIMIT OF 10% FOR THE PURPOSE OF COMPENSATING IN-KIND CONTRIBUTIONS OF SHARES OR OTHER SECURITIES.

The Shareholders' Meeting, after reviewing the reports of the Management Board and the Statutory Auditors and in accordance with Article L. 225-147 of the French Commercial Code:

1. Authorizes the Management Board, based on the report of the Statutory Auditors, to issue common shares or securities granting access to common shares for the purpose of compensating in-kind contributions granted to the Company and consisting of capital securities or securities granting access to the share capital where the provisions of Article L. 225-148 of the French Commercial Code do not apply.
2. Grants this authorization for twenty-six months as from the date of this Shareholders' Meeting.
3. Decides that the aggregate par value of common shares that may be issued by virtue of this authorization may not exceed 10% of the share capital on the date of this Shareholders' Meeting, this amount being independent of all other ceilings provided for under authorizations to increase the share capital of the Company.
4. Grants the Management Board all powers necessary to evaluate the contributions, to decide on the resulting capital increase, to record it, to charge, if applicable, the expenses arising from the capital increase to the corresponding premiums and deduct from such premiums the amounts necessary to increase the legal reserve to one tenth of the new amount of share capital after each increase, to make the related modification to the By-laws, and in general, to undertake everything that is required in such matters.
5. Duly notes that this authorization cancels and replaces the previous authorization with the same purpose.

STOCK SUBSCRIPTION AND/OR PURCHASE OPTIONS

The Combined Ordinary and Extraordinary Shareholders' Meeting of December 3, 2009 granted the Management Board the following authorization:

The Shareholders' Meeting, after reviewing the report of the Management Board and the special report of the Statutory Auditors:

- Authorizes the Management Board, pursuant to the provisions of Articles L. 225-177 to L. 225-185 of the French Commercial Code, to grant in one or more transactions, to the beneficiaries mentioned below, stock options granting entitlement to subscribe for new shares of the Company to be issued in a capital increase or to purchase existing shares of the Company arising from share repurchases carried out under the conditions provided for in law;
- Grants this authorization for 38 months from the date of this Shareholders' Meeting;
- Decides that the validity of the options cannot exceed seven years, from the date they are granted;
- Decides that the beneficiaries of these bonus allocations can only be:
 - employees, or certain employees, or certain categories of employees, of Bonduelle, and if applicable, companies or groups affiliated to it within the meaning of Article L. 225-180 of the French Commercial Code, or
 - Corporate Officers, within the meaning of Article L. 225-185 of the French Commercial Code;
- The total number of options that may be granted by the Management Board under this delegation of authority cannot give entitlement to subscribe for or purchase a number of shares exceeding 3% of the share capital existing on the day the first allocation of options is granted;
- Decides that the subscription and/or purchase price of shares by the beneficiaries will be set on the day that the options are granted by the Management Board, and cannot be lower than 95% of the average closing price of the share over the 20 trading days preceding the day the options are granted;
- Decides that no options can be granted:
 - on the six trading days preceding and following the date on which the consolidated financial statements are published,
 - in the period between the date on which the Company's corporate bodies become aware of information that, if made public, would have a material impact on the Company's share price, and the day following 10 trading days from when this information is published,
 - in the 20 trading days after the ex-dividend date or following a capital increase;
- Duly notes that this authorization includes, for the beneficiaries of the options, the express waiver by shareholders to their preemptive rights in relation to shares that will be issued as options are exercised;
- Delegates all necessary powers to the Management Board to set the conditions and procedures for granting and exercising options, and in particular, to:
 - set the conditions in which the options will be granted and approve the list or the categories of beneficiaries as described below; set, where necessary, the seniority conditions to be met by the beneficiaries; decide on the conditions under which the price and number of shares will have to be adjusted, notably with regard to the circumstances described in Articles R. 225-137 to R. 225-142 of the French Commercial Code,
 - set the period(s) in which the options can be exercised,
 - suspend, temporarily, the exercise of options during a maximum period of three months in the event of financial transactions involving the exercise of a right attached to the shares,
 - implement or organize all actions and formalities to formalize the capital increase(s) that may, where necessary, be carried out under the authorization included in this resolution; amend the By-laws accordingly; and generally undertake everything that is required,

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- at its sole discretion, and if deemed appropriate, charge the expenses arising from capital increases to the corresponding premiums and deduct from such premiums the amounts necessary to increase the legal reserve to one tenth of the new amount of share capital after each increase,
- duly notes that this authorization cancels and replaces the previous authorization with the same purpose granted by the Combined Ordinary and Extraordinary Shareholders' Meeting of December 6, 2007 in the tenth resolution submitted to the Extraordinary Shareholders' Meeting.

FREE SHARE GRANTS

The Combined Ordinary and Extraordinary Shareholders' Meeting of December 2, 2010 granted the Management Board the following authorization:

The Shareholders' Meeting, after reviewing the report of the Management Board and the special report of the Statutory Auditors, authorizes the Management Board to carry out, in one or more transactions and in compliance with Articles L. 225-197-1 and L. 225-197-2 of the French Commercial Code, bonus issues of existing common shares of the Company, or of shares to be issued, for the benefit of:

- members of the personnel of the Company or companies directly or indirectly affiliated to it within the meaning of Article L. 225-197-2 of the French Commercial Code;
- and/or Corporate Officers, within the meaning of Article L. 225-197-1 of the French Commercial Code.

The total number of free shares granted cannot exceed 3% of the share capital existing on the date of the first allocation decided by the Management Board.

The allocation of shares to beneficiaries shall become fully vested after a vesting period, the duration of which shall be set by the Management Board. It may not be less than two years and the beneficiaries must keep these shares for a period set by the Management Board. The duration of the period in which the shares are held cannot be less than two years, beginning on the date on which the granting of said shares is fully vested.

Nonetheless, the Shareholders' Meeting authorizes the Management Board, insofar as the vesting period for all or part of one or more allocations would be at least four years, to impose no holding period for the shares in question.

By exception, these grants shall be considered to be fully vested prior to the end of the vesting period in the event that the beneficiary falls under the classification of long-term disability within the second and third categories provided for in Article L. 341-4 of the French Social Security Code.

The Management Board is granted full powers to:

- set the conditions and, where necessary, the criteria for granting free shares;
- determine the identity of the beneficiaries and the number of shares allocated to each of them;

- determine the impact on the rights of beneficiaries of transactions affecting the share capital or that may affect the value of the shares granted and carried out during the acquisition and holding periods and, in consequence, modify or adjust, if necessary, the number of free shares issued to safeguard the rights of beneficiaries;
- where necessary:
 - determine the existence of sufficient reserves and, for each bonus issue, transfer to a special restricted reserve account the amounts necessary for the payment of the new shares to be granted,
 - decide, when appropriate, to increase the capital through the capitalization of reserves, additional paid-in capital or net income corresponding to the issue of free shares,
 - acquire the requisite number of shares under a share repurchase program to be allocated to the free shares,
 - undertake all useful measures to ensure that beneficiaries comply with the obligation to hold their shares,
 - and, generally, perform all acts required by this authorization under all existing laws and regulations.

This authorization constitutes the *ipso jure* waiver by existing shareholders of their preemptive rights to subscribe to any new shares issued by capitalization of reserves, additional paid-in capital and net income.

This authorization is granted for 38 months from the date of this Shareholders' Meeting. This authorization cancels and replaces the previous authorization with the same purpose.

CANCELLATION OF SHARES

The Combined Ordinary and Extraordinary Shareholders' Meeting of December 8, 2011 granted the Management Board the following authorization:

The Shareholders' Meeting, after reviewing the reports of the Management Board and the Statutory Auditors:

- 1) Authorizes the Management Board, at its sole initiative, to cancel, in one or more transactions, up to the limit of 10% of the share capital on the day the cancellation decision is made, less any shares cancelled in the previous 24 months, the shares that the Company holds or may hold following share repurchases carried out pursuant to Article L. 225-209 of the French Commercial Code, and to reduce the share capital by the corresponding amount, in accordance with the laws and regulations in force;
2. Grants this authorization for 24 months from the date of this Shareholders' Meeting, i.e. until December 7, 2013;
3. Authorizes the Management Board to take all the measures necessary to implement such share cancellations and corresponding capital reductions, to amend the By-laws accordingly and to carry out all the related formalities.

Information on the Company and the share capital

Information regarding the share capital

SHARE REPURCHASE PROGRAM

The Combined Ordinary and Extraordinary Shareholders' Meeting of December 8, 2011 granted the Management Board the following authorization:

The Shareholders' Meeting, after reviewing the report of the Management Board, authorizes the latter, for a period of 18 months, in accordance with Articles L. 225-209 *et seq.* of the French Commercial Code, to purchase, in one or more transactions and at such times as it chooses, shares in the Company within the limit of 10% of the shares comprising the share capital, where applicable adjusted to take account of any capital increases or reductions that may take place while the program is in effect.

This authorization cancels and replaces the authorization granted to the Management Board by the Combined Ordinary and Extraordinary Shareholders' Meeting of December 2, 2010 in its ninth resolution submitted to the Ordinary Shareholders' Meeting.

The share purchases may be made to:

- ensure secondary market trading or liquidity for Bonduelle shares through an investment service provider on the basis of a liquidity contract consistent with the Code of Ethics of the French Association of Financial Market Professionals (AMAFI), which is recognized by the French Financial Markets Authority (AMF);
- hold the repurchased shares for subsequent use in exchange or as payment for possible Company acquisitions; shares purchased for this purpose may not exceed 5% of the Company's share capital;
- provide coverage for stock option plans and other types of share allocations to employees and/or Corporate Officers of the Group in accordance with legally prescribed terms and methods,

in particular with respect to employee profit sharing through a company savings plan [PEE] or free share grants;

- provide coverage for securities giving rights to allocations of Company shares in accordance with applicable regulations;
- cancel any shares purchased, subject to the approval of the ninth resolution to be submitted to the Extraordinary Shareholders' Meeting.

These share purchases may be made using all available methods, including block purchases, and at such times as the Management Board chooses.

These transactions may notably be carried out during public offerings, in accordance with Article 232-15 of the General Regulations of the French Financial Markets Authority (AMF) if the offer is settled entirely in cash and if the repurchases are carried out in pursuit of the execution of the current program and if they are not likely to cause the offer to fail.

The Company reserves the right to use options or derivative instruments in accordance with all applicable regulations.

The maximum purchase price is set at 120 euros per share. In the event of a share capital transaction, in particular a stock split, reverse split or granting of free shares, the above-referenced amount shall be adjusted accordingly (multiplier equal to the ratio of the pre-transaction number of shares comprising the share capital and the number of post-transaction shares).

The maximum transaction amount is therefore set at 96,000,000 euros.

The Shareholders' Meeting gives the Management Board full powers to carry out such transactions, determine the terms and methods, enter into all agreements and carry out all necessary formalities.

DELEGATIONS/AUTHORIZATIONS GRANTED TO THE MANAGEMENT BOARD FOR CAPITAL INCREASES

Nature of the resolution	Date of GM	Authorization term granted to the Management Board	Date of expiration	Observation	Use during previous financial years	Use during the financial year
Delegation of authority to the Management Board to increase the share capital by the capitalization of reserves, net income and/or additional paid-in capital. Maximum of €17.5 million in par value, i.e. 2.5 million shares (i.e. 31.25% of the share capital).	12/02/2010 (10th resolution)	26 months	02/01/2013		-	-
Delegation of authority to the Management Board to issue common shares and/or securities giving access to equity and/or giving rights to allocations of debt securities, with preemptive subscription rights maintained. Maximum of €17.5 million in par value, i.e. 2.5 million shares (i.e. 31.25% of the share capital).	12/02/2010 (11th resolution)	26 months	02/01/2013		-	-

Information on the Company and the share capital

Information regarding the share capital

Nature of the resolution	Date of GM	Authorization term granted to the Management Board	Date of expiration	Observation	Use during previous financial years	Use during the financial year
Delegation of authority to the Management Board to issue common shares and/or securities giving access to equity and/or giving rights to allocations of debt securities, with suspension of preemptive subscription rights by public offering. Maximum of €17.5 million in par value, i.e. 2.5 million shares (i.e. 31.25% of the share capital). Common ceiling with delegation that follows.	12/02/2010 (12th resolution)	26 months	02/01/2013		-	-
Delegation of authority to the Management Board to issue common shares and/or securities giving access to equity and/or giving rights to allocations of debt securities, with suspension of preemptive subscription rights by private placement. Maximum of €17.5 million in par value, i.e. 2.5 million shares (i.e. 31.25% of the share capital). Maximum of 20% of the share capital per year. Common ceiling with delegation that precedes it.	12/02/2010 (13th resolution)	26 months	02/01/2013			-
Delegation of authority to the Management Board to increase the share capital by issuing common shares or securities granting access to the share capital within the limit of 10% of the share capital for the purpose of compensating in-kind contributions of shares or other securities.	12/08/2011 (10th resolution)	26 months	02/08/2014		-	
Delegation of authority to the Management Board to increase the share capital of the Company by issuing shares reserved for participants in a company savings plan, in application of Article L. 3332-18 of the French Labor Code. Maximum of 3% of the amount of the share capital.	12/02/2010 (16th resolution)	26 months	02/01/2013		-	-
Authorization granted to the Management Board for the purpose of allocating shares free of charge to employees and/or certain Corporate Officers. Maximum of 3% of the amount of the share capital.	12/02/2010 (17th resolution)	38 months	02/01/2014		0.00016 ⁽¹⁾	-
Authorization to the Management Board to grant options for the subscription and/or purchase of shares to employees and/or certain Corporate Officers. Maximum of 3% of the amount of the share capital.	12/03/2009 (14th resolution)	38 months	02/02/2013		0.0065 ⁽²⁾	-

(1) Corresponding to 1,260 free shares, i.e. 0.016% of the share capital.

(2) Corresponding to 51,900 share subscription options, i.e. 0.65% of the share capital.

Information on the Company and the share capital

Information regarding the share capital

7.1.4 Potential share capital

1. In early July 2007, the Company issued a 150 million euro bond with redeemable share subscription and/or purchase warrants (OBSAAR), represented by 150,000 bonds with a par value of 1,000 euros. These bonds are listed on Euronext Paris. Each bond was accompanied by five detachable redeemable share subscription and/or purchase warrants (BSAAR), making a total of 750,000 BSAAR. Since March 27, 2009, the BSAAR have been listed on Euronext Paris.

Each BSAAR gives the holder the right to subscribe for or purchase one share of the Company, with immediate dividend rights, at a price of 113.75 euros. The BSAAR may be exercised any time between July 23, 2010 and July 24, 2014, inclusive. They will then expire *ipso jure*. The Company may, at its own initiative, provide either new or existing shares in exchange for these BSAAR.

In early April 2009, the Company launched a simplified public exchange offer to exchange one 2007 BSAAR for one 2009 BSAAR under the same terms and conditions as the 2009 BSAAR referenced below.

In a simplified public exchange offer, 731,967 of the 2007 BSAAR were exchanged for 2009 BSAAR.

During the 2011-2012 financial year, no 2007 BSAAR were exercised.

In all, 18,018 of the 2007 BSAAR remain outstanding.

If all 18,018 of the 2007 BSAAR still outstanding were to be exchanged via the subscription of new shares, a total of 18,018

Bonduelle shares with a par value of seven euros would be created, representing a total share capital increase of 126,126 euros, equivalent to 0.23% of the Company's current share capital.

2. In early April 2009, the Company issued a 140 million euros OBSAAR bond, represented by 233,333 bonds with a par value of 600 euros. These bonds are listed on Euronext Paris. Each bond was accompanied by three detachable redeemable share subscription and/or purchase warrants (BSAAR), making a total of 699,999 BSAAR.

Each 2009 BSAAR gives the holder the right to subscribe for or purchase one share of the Company, with immediate dividend rights, at a price of 80 euros.

The 2009 BSAAR may be exercised any time between April 7, 2011 and April 8, 2016, inclusive. They will then expire *ipso jure*. The Company may, at its own initiative, provide either new or existing shares in exchange for these BSAAR.

During the 2011-2012 financial year, 37 2009 BSAAR were exercised at a price of 80 euros. 37 existing shares in the Company were used in the transaction.

There are now a total of 1,431,879 of the 2009 BSAAR outstanding.

Since October 8, 2010, the 2009 BSAAR have been listed on Euronext Paris.

If all of the 2009 BSAAR were to be exchanged via the subscription of new shares, a total of 1,431,879 Bonduelle shares with a par value of seven euros would be created, representing a total share capital increase of 10,023,153 euros, equivalent to 17.90% of the Company's current share capital.

■ Convertible instruments outstanding at the date of this registration document

Convertible instruments	Maximum no. of shares that may be issued	Maximum potential dilutive effect (as a % of the share capital)
18,018 2007 BSAAR	18,018	0.23%
1,431,879 2009 BSAAR	1,431,879	17.90%
TOTAL	1,449,897	18.12%

7.2 Shareholder structure

7.2.1 Analysis of share capital and voting rights

■ At June 30, 2010

2010	Number of shares	%	Voting rights	%
La Plaine ⁽¹⁾	1,788,976	22.36%	3,577,952	29.58%
Pierre et Benoît Bonduelle SAS	421,259	5.27%	744,727	6.16%
General Partner	2,210,235	27.63%	4,322,679	35.74%
Other Bonduelle family members	2,006,766	25.08%	3,950,113	32.66%
Employees	258,849	3.24%	476,493	3.94%
Treasury shares	236,079	2.95%	-	-
Free float	3,288,071	41.10%	3,346,927	27.67%
TOTAL	8,000,000	100.00%	12,096,212	100.00%

(1) La Plaine is 53.3% held by the General Partner, Pierre et Benoît Bonduelle SAS, and its sole purpose is to act as the holding company for the shares of Bonduelle SCA.

■ At June 30, 2011

2011	Number of shares	%	Voting rights	%
La Plaine ⁽¹⁾	1,788,976	22.36%	3,577,952	29.45%
Pierre et Benoît Bonduelle SAS	421,259	5.27%	829,858	6.83%
General Partner	2,210,235	27.63%	4,407,810	36.28%
Other Bonduelle family members	2,020,112	25.25%	3,958,621	32.58%
Employees	279,603	3.50%	510,475	4.20%
Treasury shares	276,231	3.45%	-	-
Free float	3,213,819	40.17%	3,213,819	26.94%
TOTAL	8,000,000	100.00%	12,147,402	100.00%

(1) La Plaine is 53.3% held by the General Partner, Pierre et Benoît Bonduelle SAS, and its sole purpose is to act as the holding company for the shares of Bonduelle SCA.

Information on the Company and the share capital

Shareholder structure

■ At June 30, 2012

2012	Number of shares	%	Voting rights	%
La Plaine ⁽¹⁾	1,788,976	22.36%	3,577,952	30.05%
Pierre et Benoît Bonduelle SAS	421,259	5.27%	837,858	7.04%
General Partner	2,210,235	27.63%	4,415,810	37.09%
Other Bonduelle family members	1,973,246	24.67%	3,866,877	32.48%
Employees	277,332	3.47%	521,274	4.38%
Treasury shares	521,810	6.52%	-	-
Free float	3,017,377	37.72%	3,102,066	26.05%
TOTAL	8,000,000	100.00%	11,906,027	100.00%

(1) La Plaine is 53.3% held by the General Partner, Pierre et Benoît Bonduelle SAS, and its sole purpose is to act as the holding company for the shares of Bonduelle SCA.

As far as the Company is aware, no other shareholder currently owns, directly or indirectly, solely or jointly, more than 5% of the share capital or voting rights.

No significant changes in the shareholder base took place between the end of the financial year and the date this document was established.

The Company is controlled as described above. Nevertheless, the Company believes there is no risk that control will be carried out in an improper manner.

7.2.2 Code of Ethics

In line with its values, the Bonduelle Group put in place governance rules many years ago, and in 2008 adopted the principles of the Afep-Medef corporate governance code. In this area, and in line with the recommendations of the AMF, in September 2011, the Group implemented a Code of Ethics aimed at preventing insider trading, which is available at www.bonduelle.com.

7.2.3 Shareholders' agreements

■ ESCROW AGREEMENT

Bonduelle is a French limited partnership with shares (*société en commandite par actions*, or SCA).

The General Partner is "Pierre et Benoît Bonduelle SAS", a French simplified joint stock company whose shares are held directly by three families.

The SAS, represented by its Chairman Christophe Bonduelle, is the Manager of Bonduelle SCA.

In accordance with Article 14.3 of the By-laws of Bonduelle SCA, at least 1,520,000 inchoate rights, or 760,000 Bonduelle shares (with beneficial ownership or bare ownership rights, or both), were deposited in escrow on behalf of Pierre et Benoît Bonduelle SAS. These escrowed shares represent 9.5% of the share capital.

■ AGREEMENTS BETWEEN SHAREHOLDERS

In addition to these escrow commitments, a first lock-up agreement was signed on May 26, 1998 by 101 family shareholders "with the purpose of creating a stable and long-lasting core shareholding". Under this agreement, the signatories undertook to hold a portion of their shares for ten years. This agreement expired on May 25, 2008.

A second agreement was entered into by 137 family shareholders with the purpose of stabilizing the volume of shares traded on the market, ensuring continuity in the Company's management and maintaining the undertaking to cooperate in a partnership and oversee its administration (*affectio societatis*) by the family shareholding group. This agreement was signed on March 27, 1998 for five years and has subsequently been renewed every year; each party to the agreement may withdraw from the agreement one year prior to each renewal date.

In its meeting of July 1, 1998, the French Financial Markets Council (CMF) considered that under the provisions of the agreement when considered together or separately, the signatories were acting in concert.

A third agreement, pursuing the same objectives as the March 27, 1998 agreement but with modifications made to certain provisions, was set in place in 2008 for an initial period of five years, renewable every year upon the expiration of that period. Each party may withdraw from the agreement one year prior to each renewal date. In the absence of any signatories to the third agreement or a renunciation of membership, the March 27, 1998 agreement remains in effect.

In light of these agreements, the joint action observed by the French Financial Markets Council accounted for 48.98% of the Company's share capital and 64% of the 11,906,027 voting rights.

■ DUTREIL AGREEMENT

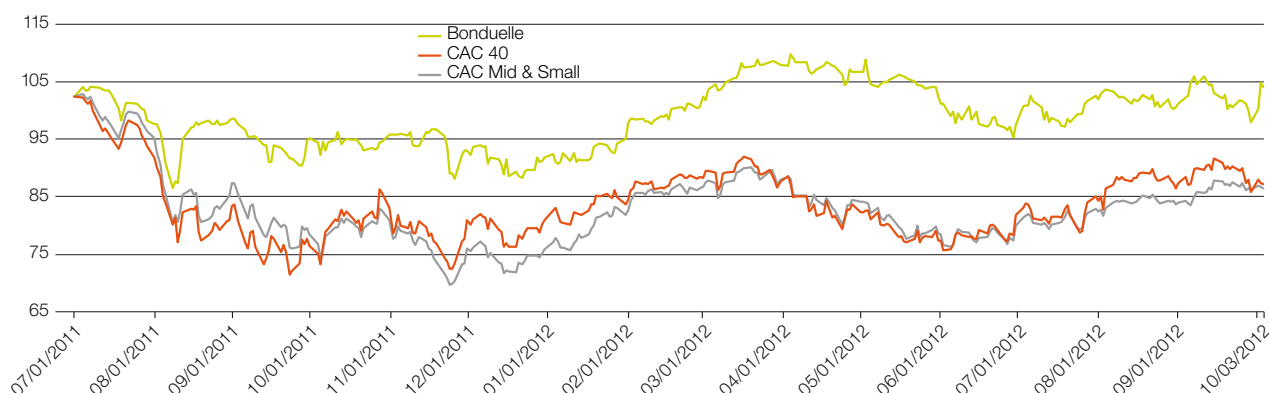
Bonduelle informs its shareholders that, pursuant to the adoption of the economic initiative law (known as the Dutreil Act) in 2003, Bonduelle SCA concluded a six-year lock-up agreement for all of its shareholdings in Bonduelle SAS. This agreement was renewed in December 2011. As provided for by law, Bonduelle SCA shareholders may adhere to this agreement and benefit from its provisions.

7.3 Bonduelle share and dividend information

7.3.1 Share price performance

■ Performance of Bonduelle shares relative to the CAC 40 and CAC Mid & Small indices

(base 100, July 2011)



■ Stock market data

	2008/2009	2009/2010	2010/2011	2011/2012
High (in euros)	72.44	88.88	74.27	74.86
Low (in euros)	49.02	53.5	58.43	58.83
Share price (in euros)	55.75	74.26	69.35	66.41
Market capitalization at June 30 (in millions of euros)	446	594	554.8	531.28
Average monthly trading volume	150,544	181,894	182,870	107,917

Summary sheet

Market: Euronext Paris
Market segment: Euronext French stocks
Type: Compartiment B
ISIN code: FR0000063935

Reuters code: BOND.PA
Bloomberg code: BON FP
Shares outstanding: 8,000,000
Indices: CAC Mid & Small
Eligible for: deferred settlement service (SRD)

7.3.2 Dividends

The following dividends were paid during the previous five financial years:

(in euros)	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011
Dividend per share (eligible for tax credit)	1.35	1.50	1.50	1.50	1.50
Total dividend paid (in thousands of euros)	10,800	12,000	12,000	12,000	12,000

The Company will pay out a limited proportion of its net income each year, so that it can finance its investments and external growth.

7.4 Description of the share repurchase program

In accordance with the provisions of Article 241-2 of the General Regulations of the French Financial Markets Authority (AMF) and Commission Regulation (EC) 2273/2003 of December 22, 2003, the purpose of this description is to describe the goals of and methods used to carry out the Company's program to repurchase its own stock. This program will be submitted for the authorization of the Shareholders' Meeting of December 6, 2012. The notice of the meeting is to be published in the BALO of October 31, 2012.

7.4.1 Analysis by intended use of treasury shares held at August 31, 2012:

Number of shares held directly or indirectly: 520,233 shares representing 6.50% of the share capital.

Number of shares held by intended use:

- ensure liquidity of Bonduelle shares under AMAFI-compliant liquidity contract: 1,523;
- acquisitions: 400,000;
- coverage for stock option plans and other types of share allocations to employees: 118,710;
- coverage of securities conferring rights to receive Company shares: 0;
- cancellation: 0.

7.4.2 New share repurchase program

- **Authorization of the program:** Shareholders' Meeting of December 6, 2012;
- **Securities involved:** common shares;
- **Maximum portion of share capital that may be repurchased:** 10% (or 800,000 shares at present) it being specified that this limit shall be evaluated on the repurchase date to reflect any capital increases or decreases during the term of the program. The number of shares taken into account for the calculation of this limit corresponds to the number of shares purchased, less the number of shares sold under the liquidity contract during the program;
- As the Company may not hold more than 10% of its own share capital, in light of the number of shares already held (520,233, or 6.50% of the share capital), the maximum number of shares that may be purchased shall not exceed 279,767 (i.e. 3.50% of the capital), subject to the sale or cancellation of some or all of the shares already held;

- **Maximum purchase price:** 120 euros;
- **Maximum value of the program:** 96,000,000 euros;
- **Methods used:** share purchases, disposals and transfers may be made using all available methods, in an established market or over the counter, including block sales and purchases, it being specified that the proposed resolution submitted to the vote of the shareholders does not restrict the portion of the program that may be carried out using block purchases.

These transactions may notably be carried out during public offerings, in accordance with Article 232-15 of the General Regulations of the French Financial Markets Authority (AMF) if the offer is settled entirely in cash and if the repurchases are carried out in pursuit of the execution of the current program and if they are not likely to cause the offer to fail.

- **Intended uses:**
 - ensure secondary market trading or liquidity for Bonduelle shares through an investment service provider on the basis of a liquidity contract consistent with the Code of Ethics of the French Association of Financial Market Professionals (AMAFI), which is recognized by the French Financial Markets Authority (AMF),
 - hold the repurchased shares for subsequent use in exchange or as payment for possible corporate acquisitions; shares purchased for this purpose may not exceed 5% of the Company's share capital,
 - provide coverage for stock option plans and other types of share allocations to employees and/or Corporate Officers of the Group in accordance with legally prescribed terms and methods, in particular with respect to employee profit sharing through a company savings plan [PEE] or free share grants,
 - provide coverage for securities giving rights to allocations of Company shares in accordance with applicable regulations,
 - cancel any shares purchased, in accordance with the approval granted by the ninth resolution of the Extraordinary Shareholders' Meeting of December 8, 2011;
- **Term of the program:** 18 months, from the December 6, 2012 Shareholders' Meeting, i.e. through to June 5, 2014.

This document is available on the Company's website www.bonduelle.com, and on request from SOCIÉTÉ GÉNÉRALE – Service aux émetteurs (Issuer Department) – BP 81236, 32 rue du Champ de Tir, 44312 Nantes Cedex 03 – France, which is responsible for providing custodial services for our Company.

It is also included in the registration document.

For further information:
Tel: +33 (0)3 20 43 60 60
finance@bonduelle.com

7.5 General information regarding the Company

Legal name

Bonduelle

Registered office

La Woestyne

59173 – Renescure

Tel: +33 (0)3 28 42 60 60

Administrative head office

Rue Nicolas Appert

BP 30173

59653 – Villeneuve-d'Ascq

Business structure

Bonduelle is a French limited partnership with shares (*société en commandite par actions*), governed by the French Commercial Code.

Date of incorporation and term

The Company was established on January 19, 1972 for a period of 99 years expiring on January 18, 2071, except in the event of early liquidation or extension.

Corporate registration number

The Company is registered in the DUNKERQUE Register of Trade and Companies (RCS) under number 447 250 044.

Its APE industry code is: 6420 Z

Financial year

From July 1 to June 30 each year.

Corporate purpose (Article 2 of the By-laws)

The purpose of the Company, in France and in all countries is:

- owning and managing securities and ownership rights issued by any French or foreign company;
- entering into any financial and industrial investments;
- managing companies; and
- more generally, entering into any transactions that may contribute to its development.

The Company may enter into any transaction compatible with, related to and/or contributing to the above purpose.

Corporate documents concerning the last three financial years

The By-laws, financial statements and reports, minutes of Shareholders' Meetings and other corporate documents are available at the Company's registered and administrative head offices.

Distribution of earnings (Article 25 of the By-laws)

The Shareholders' Meeting approves the accounts for the financial year just ended, and where applicable, the consolidated accounts, and notes whether there is any distributable income.

Within the limit of its distributable income, the Company pays the General Partner 1% of the net income of the year.

If income available for distribution for a period is not sufficient to pay all or part of the above percentage of earnings due to the General Partner, such amount will be carried forward and payable the following year or in future years until fully paid off.

Amounts payable to the General Partner will be paid at times and locations indicated by the Management Board within nine months following the close of the financial year.

After payment of amounts due to the General Partner, shareholders are entitled to the balance of income available for distribution. The appropriation of this income is decided by the Ordinary Shareholders' Meeting upon a motion by the General Partner.

Upon a motion by the Supervisory Board, the Shareholders' Meeting may grant shareholders the choice of receiving all or part of the

Information on the Company and the share capital

General information regarding the Company

dividends or interim dividends in cash or shares, as provided for under law.

Upon a motion by the Supervisory Board, the Shareholders' Meeting may elect to deduct amounts it deems appropriate from the balance of the earnings reverting to shareholders as retained earnings for shareholders or allocate such amounts to one or more non-interest-bearing extraordinary, general or special reserves, to which the General Partners, in this capacity, shall have no rights.

Upon a motion by the General Partner, such reserve or reserves may, by a decision of the Ordinary Shareholders' Meeting, be distributed to shareholders or allocated to fully or partially redeem the shares. Fully redeemed shares are replaced by dividend-bearing shares that confer the same rights as existing shares except the right to redemption of capital.

Such reserve or reserves may also be capitalized.

Dividends are payable at the times and in the places determined by the Management Board, within a maximum period of nine months from the end of the financial year, unless this period is extended by court order.

Shareholders' Meetings (Article 23 of the By-laws)

Shareholders' Meetings are called according to the legally prescribed conditions.

Shareholders' Meetings are to be held at the Company's registered office, or any other place mentioned in the notice convening the Shareholders' Meeting.

The right to participate in Shareholders' Meetings is subject to the shareholder or his designated intermediary being registered on the third business day preceding the Shareholders' Meeting at midnight, Paris time, either in the Company's shareholder register or in the bearer securities register maintained by the authorized intermediary.

Any persons invited by the Management Board or by the Chairman of the Supervisory Board are also allowed to attend Shareholders' Meetings.

The General Partner is represented by one of its legal representatives or by any person, who may or may not be a shareholder, mandated by one of the latter.

Shareholders who take part in meetings through videoconferencing or other telecommunications media enabling their identification and permitted under the conditions stipulated by applicable laws and regulations shall be considered to be present in the calculation of the quorum and majority, provided the Management Board elects to use such means of participation prior to sending the notice convening the Shareholders' Meeting.

Shareholders' Meetings are presided over by the Chairman of the Supervisory Board or, if the latter is not available, the Vice Chairman

of the Supervisory Board or, if the latter is not available, by the Management Board.

Ordinary and Extraordinary Shareholders' Meetings, ruling under the conditions prescribed by law, exercise their functions in accordance with the law.

Except for the appointment and dismissal of members of the Supervisory Board, the appointment and dismissal of Independent Auditors and the approval of regulated agreements, no decision of the Shareholders' Meetings will be valid unless it is approved in writing by the General Partner no later than the end of the Shareholders' Meeting that approved said decision.

The Company's Management Board has full powers to record such approval, and shall append the document manifesting such approval to the minutes of the Shareholders' Meeting in question.

Share ownership – Disclosure of holdings exceeding specific thresholds (Article 11 of the By-laws)

Any natural person or legal entity, acting alone or in concert, who acquires a number of shares or voting rights representing more than one of the thresholds established by law, must comply with the disclosure provisions provided for by that law within the allotted time period. This same disclosure is also required each time the ownership of share capital and/or voting rights falls below one of the statutory thresholds.

Moreover, any natural person or legal entity, acting alone or in concert, who acquires or ceases to hold, in any manner, a number of shares equal to 2% or 4% of the share capital or voting rights, is required to notify the Company, within 15 days after each of the aforementioned thresholds has been crossed, of its total holdings of shares and/or other securities giving access to the share capital, and all attached voting rights. For the purposes of applying this obligation under the By-laws, the shareholding thresholds are calculated under the same conditions as the statutory shareholding thresholds.

Failure to comply with this obligation under the By-laws will result in a loss of voting rights for those undisclosed shares exceeding the aforementioned thresholds in any Shareholders' Meeting held until two years have elapsed from the date on which the situation is rectified ⁽¹⁾.

For more information on share ownership: see table 1.1.9 "Analysis of share capital and voting rights".

Double voting rights (Article 12 of the By-laws)

Holders of fully paid-up shares registered in the name of the holder for more than three years shall be entitled to double voting rights. Double voting rights shall apply at all Ordinary and Extraordinary Shareholders' Meetings.

(1) A proposal will be made to the next Shareholders' Meeting, specifying that the removal of voting rights in the event of the failure to disclose holdings exceeding statutory thresholds shall not apply where there is a request, contained in the meeting minutes, by one or more shareholders holding at least 5% of the share capital.

Information on the Company and the share capital

General information regarding the Company

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The legal provisions concerning double voting rights are set out below:

- in the event of a capital increase by capitalization of reserves, net income or additional paid-in capital, double voting rights may be granted, on issue, to registered shares allocated free of charge to a shareholder holding existing shares which confer this right (Article L. 225-123 of the French Commercial Code);
- any share converted into a bearer share or whose ownership is transferred loses the double voting rights assigned in application of Article L. 225-123. However, the transfer of shares as a result of inheritance, liquidation of a community of assets between spouses or *inter vivos* gifts to a spouse or relative whose degree of relationship is sufficiently close, does not result in the loss of entitlement to the right acquired, provided that the qualification period mentioned in Article L. 225-123 is met. Unless otherwise stipulated in the Company's By-laws, the same shall apply to the assignment of double voting rights in the event of a transfer following a merger or split involving a company that holds shares in the Company;
- a merger or split of the Company shall have no effect on the double voting rights that may be exercised within the beneficiary company or companies, provided that this is established in the latter's By-laws (Article L. 225-124 of the French Commercial Code).

Separation of voting rights between the usufructuary and the bare owner (Article 12 of the By-laws)

The By-laws currently provide that, unless there is an agreement notified to the Company, where there is a separation of ownership rights, voting rights shall belong to the bare owner, except in the case of collective decisions relating to the appropriation of income, when voting rights shall belong to the usufructuary.

However, holders of shares where there is a separation of ownership rights may agree between themselves how to assign the voting rights for Shareholders' Meetings. In this event, they must make their agreement known to the Company by certified letter with return receipt sent to the registered office and addressed to the Management Board. The Company shall be required to respect this agreement for all collective decisions made after one month has elapsed following the initial presentation of the certified letter with return receipt, with the postmark being taken as proof of the date of initial presentation.

Notwithstanding the provisions set out above, the bare owner has the right to participate in all collective decisions of shareholders.

Identification of bearer shares (Article 9 of the By-laws)

The Company is authorized to take advantage of the provisions of Articles L. 228-2 and L. 228-3 of the French Commercial Code governing commercial ventures concerning the identification of holders of securities conferring present or future voting rights at Shareholders' Meetings.

Management Board (Article 15 of the By-laws)

The Company is managed and administrated by one or more Managers, who may be General Partners or not affiliated with the Company. If there is more than one Manager, all provisions of the present By-laws concerning the "Manager" shall be applicable to each of them, acting as a group or separately.

The Manager may be a natural person or a legal entity, including the General Partner itself.

Managers who are a natural person are appointed for a period of three years, expiring at the end of the annual Ordinary Shareholders' Meeting held to approve the financial statements for the second financial year following the one during which the Manager was appointed. Managers who are a legal entity are appointed for an indeterminate period.

During the term of the Company, the General Partner has sole authority to appoint the Manager(s).

The Manager's functions shall end subsequent to his/her/its death, permanent disability, interdiction, court-ordered reorganization or liquidation, dismissal or resignation, or on his/her 75th birthday.

The Company shall not be dissolved in the event that the functions of a Manager are terminated, regardless of the reason.

Any Manager wishing to resign must provide the General Partner and the Supervisory Board with at least six months' prior notice, by certified mail, unless the General Partner authorizes a shorter period after evaluating the reasoned opinion of the Supervisory Board.

The General Partner is responsible for ordering the dismissal of any Manager.

Powers of the Management Board (Article 16 of the By-laws)

RELATIONSHIPS WITH THIRD PARTIES

The Management Board has full powers to act in the Company's name under any circumstances. It exercises these powers within the limits of the Company's corporate purpose and any powers granted explicitly by law to the Supervisory Board and to the Shareholders' Meeting.

RELATIONSHIPS BETWEEN PARTNERS

Insofar as relationships between the Company's partners are concerned, the Management Board has full powers to take all managerial actions in the interest of the Company and in compliance with the powers granted by the present By-laws to the General Partner in the article entitled "RESPONSIBILITIES AND POWERS OF THE GENERAL PARTNER" and to the Supervisory Board in the article entitled "POWERS OF THE SUPERVISORY BOARD."

DELEGATION OF POWERS

The Management Board may grant, at its sole discretion, all delegations of powers that it deems necessary for the proper running of the Company and the Group.

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Information on the Company and the share capital

General information regarding the Company

With the approval of the General Partner, it may grant general limited or unlimited powers to one or more of the Company's Managers, who are then given the title of Chief Executive Officer.

Remuneration of the Management Board (Article 17 of the By-laws)

The annual gross compensation in accordance with these By-laws of the Management Board is made up of two components:

- an amount equal to 1.5% of the Group's share of the consolidated net income of the previous financial year;
- additional compensation equal to 1% of the Group's share of the consolidated net income of the previous financial year, when the latter exceeds 1.5% of total net consolidated revenue.

Compensation is to be paid in 12 equal monthly payments.

This compensation is split equally among the Managers, unless they have agreed otherwise.

If one or more Managers are legal entities, all compensation shall be split equally among this or these legal entity Managers, unless they have agreed otherwise.

Any additional compensation paid to the Management Board must be approved by the Ordinary Shareholders' Meeting, with the approval of the General Partner.

Supervisory Board (Article 18 of the By-laws)

The Company has a Supervisory Board comprising between 3 and 18 members selected from among the shareholders who do not qualify as General Partners, who are not the legal representative of the General Partner, nor the Manager of Pierre et Benoît Bonduelle SAS.

The members of the Supervisory Board may be natural persons or legal entities.

When they are appointed, legal entities must appoint a permanent representative, who is subject to the same conditions and obligations and has the same responsibilities as if he were a member of the Supervisory Board in his own right, notwithstanding the joint liability of the legal entity that he represents. This person is appointed permanent representative for as long as the term of appointment of the legal entity that he represents.

If the legal entity revokes the mandate of its representative, it must notify the Company of such revocation, immediately, by certified mail, as well as of the identity of its new permanent representative. The same shall apply in the event of the death, resignation or prolonged inability to serve of the permanent representative.

The members of the Supervisory Board are appointed and their mandates renewed by the Ordinary Shareholders' Meeting. The

General Partner may, at any time, propose the appointment of one or more new members of the Supervisory Board.

A third of the Supervisory Board members are re-appointed every three years at an annual Ordinary Shareholders' Meeting. Every appointment, whether it be in replacement of an existing member of the Supervisory Board or not, is valid through the next renewal of the Supervisory Board membership in question.

No one may be appointed member of the Supervisory Board if, having exceeded the age of 75, his or her appointment would increase to more than one-third the proportion of Supervisory Board members who have already exceeded this age.

The members of the Supervisory Board may be dismissed by decision of the Ordinary Shareholders' Meeting only at the joint suggestion for just cause of the General Partner and the Supervisory Board.

In the event that one or more members of the Supervisory Board should die or resign, the Supervisory Board may appoint a temporary replacement within three months from the date on which the vacancy is created.

Should no more than two members of the Supervisory Board remain active, the active member(s), or, if not, the Manager or the Independent Auditor(s), must immediately convene an Ordinary Shareholders' Meeting in order to fill the vacant memberships.

Deliberations of the Supervisory Board (Article 19 of the By-laws)

From among its members, the Supervisory Board appoints a Chairman, who must be a natural person, and a Vice Chairman.

It also appoints a Secretary, who is not required to be a member of the Supervisory Board.

In the absence of the Chairman, his functions are performed by the Vice Chairman.

The Supervisory Board is convened by either its Chairman or by the Management Board, as often as required in the interest of the Company and at least twice per year, in the registered office or any other place indicated in the meeting notice.

Meeting notices are distributed by all means serving as valid proof for commercial purposes, at least seven working days prior to the meeting. This time requirement may be reduced subject to the unanimous approval of the Chairman or the Vice Chairman of the Supervisory Board, the General Partner and the Manager.

Any member of the Supervisory Board may, by all means serving as valid proof for commercial purposes, give proxy to one of his colleagues to represent him at a meeting of the Supervisory Board. No member may hold more than one proxy during a single meeting. These provisions also apply to the permanent representative of a legal entity member of the Supervisory Board.

The Supervisory Board may only deliberate if at least half of its members are present or represented.

Information on the Company and the share capital

General information regarding the Company

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Decisions require a majority of the votes of the members present or represented. However, the Supervisory Board may approve or reject any new wording of certain clauses of the By-laws proposed by the General Partner only by a three-quarters majority of its members present or represented, in compliance with the stipulations of the article entitled "RESPONSIBILITIES AND POWERS OF THE GENERAL PARTNER".

The Rules of Procedure may establish that all members of the Supervisory Board that participate in the meeting by means of videoconferencing or telecommunications are considered present for the purposes of calculating the quorum and the majority, within the conditions established by all laws and regulations applicable to French corporations (*sociétés anonymes*).

The Manager must be invited to and may participate in the meetings of the Supervisory Board, although he may not cast a vote.

The deliberations of the Supervisory Board are recorded in minutes maintained in a special initialed register, and signed by the Chairman and the Secretary.

Powers of the Supervisory Board (Article 20 of the By-laws)

The Supervisory Board is responsible for the permanent control of the management of the Company. It is therefore vested with the same powers as the Independent Auditors, and is provided at the same time as the latter with the same documents. Also, the Management Board must provide the Supervisory Board, at least once per year, with a detailed review of the operations of the Company.

The Supervisory Board may make suggestions to the Management Board regarding all questions of general interest to the Bonduelle Group and regarding the allocation of income proposed to the Shareholders' Meeting.

The Supervisory Board approves or rejects any new wording of certain clauses of the By-laws proposed by the General Partner, in compliance with the stipulations of the article entitled "RESPONSIBILITIES AND POWERS OF THE GENERAL PARTNER".

Every year at the annual Ordinary Shareholders' Meeting, the Supervisory Board presents the shareholders with a report in which it signals any irregularities or inaccuracies observed in the financial statements for the year and comments on the management of the Company.

This report is placed, along with the statement of financial position and the inventory ⁽¹⁾, at the disposal of the shareholders, who may consult it at the Company's registered office once the Shareholders' Meeting has been convened.

The Supervisory Board may convene a Shareholders' Meeting as many times as it deems appropriate.

The functions of the Supervisory Board do not impinge in any way upon those of the Management Board, and do not engender any liability for any acts of management or their consequences.

Compensation of the Supervisory Board (Article 21 of the By-laws)

On the recommendation of the General Partner, the Supervisory Board may be allocated annual compensation in respect of directors' fees, the amount of which is determined by the Ordinary Shareholders' Meeting and remains unaltered until such time as the Shareholders' Meeting shall decide otherwise.

The Supervisory Board divides these directors' fees among its members in the proportions that it deems appropriate.

Changes to shareholder rights

The rights of shareholders may be modified under the conditions provided for in the applicable regulations.

Group timeline and history

1853-1926

ORIGINS: BIRTH OF A LEGEND

Bonduelle was founded by two men, Louis Bonduelle-Dalle (1802-1880) and Louis Lesaffre-Roussel (1802-1869), both of whom came from farming families in the North of France.

In 1853, the two men decided to build a grain and juniper distillery in Marquette-lez-Lille.

In 1862, they bought a farm in Renescure which they converted into a grain alcohol distillery.

1926-1946

CANNING BUSINESS TAKES OFF

In 1926, they installed their first pea sheller and autoclaves in the family farm at Woestyne.

Bonduelle started canning 20 hectares of peas, corresponding to annual production of approximately 120 metric tons.

In 1936, they expanded the farm to 230 hectares, and the canning plant also grew considerably.

1947-1962

FROM COTTAGE INDUSTRY TO THRIVING INDUSTRY: A BRAND ATTENTIVE TO CONSUMER NEEDS

Business recovered quickly after the war. It broke away from the sales network of La Rochefortaise, which had been marketing its products until then, and launched its own brand.

In 1957, Bonduelle decided to can a mixture of peas and carrots. This was a first for the canning industry, and established the Company's commercial success.

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(1) A proposal will be made to the next Shareholders' Meeting to delete the reference to the inventory, as it is no longer necessary to make this available to shareholders following the simplification of the law of May 17, 2011.

Information on the Company and the share capital

General information regarding the Company

1963-1974

SHARP EXPANSION

In 1968, the Company applied a new technology to create frozen vegetables, which would become a great success.

In the late 1960s and early 1970s, several European subsidiaries are created: in Germany (1969), Italy (1972) and the United Kingdom (1973). Subsidiaries in other countries soon followed.

By 1973, more than half of Bonduelle's revenues were generated outside France.

1975-1984

PERIOD OF EXPANSION: BEYOND PICARDY

Bonduelle embarked on a business development drive that took it to the south west of France, the Oise department north of Paris and then Belgium.

This geographical expansion led the Company to invest in two new sectors: corn and mushrooms.

In 1980, Bonduelle acquired Marie-Thumas, the largest vegetable canning company in Belgium and a leading brand in this market for 100 years.

In 1983, Bonduelle optimized its production capacity, with 350,000 metric tons of canned foods and 9,000 metric tons of frozen foods, truly confirming its position as the leading European company in the processed vegetable sector.

1985-1993

CONQUERING EUROPE

Creation of subsidiaries in Spain (1986) and Portugal (1988).

At the end of 1989, Bonduelle acquired Cassegrain.

The Group started expanding into Eastern Europe, marketing its products in the former East Germany, the Czech Republic and, beginning in 1992, Poland.

In 1986, the Renescure and Bordères plants obtained ISO 9002 certification, followed soon after by the Group's other production sites.

1994-1999

GROWTH

In 1995, the Bonduelle brand adopted a new visual identity that was a symbol of renewal: a shining sun and a band of greenery that conjured up nature, pleasure, and well-being.

Bonduelle opened a sales subsidiary in Brazil in 1994, followed by one in Argentina in 1996.

Bonduelle extended its expertise to include a new technology: prepared fresh vegetables. It acquired a majority stake in Salade Minute.

In 1998, the Bonduelle brand expanded into the fresh foods market in France and signed a partnership agreement with Cielo e Campo,

Italy's number two in the fresh-cut range. In June 1999, Bonduelle's fresh-cut vegetables appeared on Italian supermarket shelves.

In the spring of 1998, the Group was listed on the Second Marché of the Paris Stock Exchange.

In November 1999, Bonduelle took part in the vegetable canning industry consolidation in France by acquiring the assets of Avril/Cirio France (French distributor brands).

To raise its profile, Bonduelle decided to sponsor the construction of a multi-hull yacht in October 1999 and chose skipper Jean Le Cam from Brittany to compete in sailing races. The values in this sport are a perfect fit for Bonduelle: naturalness, well-being, technology and vitality.

2000 TO THE PRESENT

A NEW ERA BEGINS

2000

- Organization of the Group into a federation of five subsidiaries;
- Takeover of Cielo e Campo (fresh foods, Italy), already a partner since 1998;
- Creation of Bonduelle Frische (fresh foods, Germany).

2001

- Acquisition of Frudesa and its frozen foods plant in Benimodo (Spain);
- Merger of Cielo e Campo/Ortobell (Italian fresh foods market leader), which contributed its two plants in San Paolo d'Argon (Bergamo), and Battipaglia (Salerno), which was under construction.

2003

- Acquisition of Vita, the market leader in fresh-cut vegetables in Germany and its plants at Reutlingen and Wanzleben;
- 150th anniversary;
- Acquisition of the Békéscsaba plant in Hungary;
- Acquisition of Michel Caugant – Creation of a sixth subsidiary;
- Sports sponsorship: launch of the program to build a single-hull boat to compete in the Vendée Globe Challenge in 2004.

2004

- Krasnodar plant opens in Russia.

2005-2006

Bonduelle Surgelé International (BSI), the Bonduelle Group subsidiary specialized in frozen vegetables in Europe, acquired Unilever's frozen food business (excluding ice cream) in Spain.

2006-2007

CONQUERING NORTH AMERICA

In June 2006, the Bonduelle Group acquired a minority shareholding in Aliments Carrière. Aliments Carrière is the leading producer of canned and frozen vegetables in Canada, with a market share of more than 70%.

Information on the Company and the share capital

General information regarding the Company

Aliments Carrière, a privately held company, had 985 employees. Its registered office is located in Saint Denis de Richelieu, in Quebec. It operates seven vegetable processing facilities, including four in Quebec and three in Ontario.

Its sales for the financial year ended April 30, 2006 amounted to nearly 300 million Canadian dollars (210 million euros), of which 40% from canned goods (Canada) and 60% from frozen goods (Canada; USA).

Most (60%) of the company's revenues are generated through sales to retail grocery customers.

In July 2006, taking advantage of the strength of the euro, Bonduelle increased its minority interest in Aliments Carrière to 23%.

2007-2008

On July 12, 2007, the Bonduelle Group acquired those interests it did not already own in the Canadian canned and frozen vegetable leader, providing Bonduelle with a long-term North American presence.

2008-2009

On September 15, 2008, the Bonduelle Group entered into an alliance with Gelagri, a subsidiary of the Coopagri Bretagne cooperative, to pool the two groups' industrial and sales activities in the private label frozen sector in Europe.

Bonduelle holds a 35.5% stake in the new entity, which became effective on April 1, 2009.

In November 2008, Bonduelle acquired La Corbeille, a Belgian producer and distributor of canned vegetables that focuses on the private label sector in Northern Europe.

2009-2010

BONDUELLE, EUROPEAN LEADER IN PROCESSED MUSHROOMS

Acquisition of France Champignon

During the year, the Group acquired the France Champignon group.

This Group is Europe's leading producer of processed mushrooms (revenue of around 200 million euros).

France Champignon produces and sells mushrooms in all formats (canned, fresh, pasteurized and dried) and of all kinds (white mushrooms and wild mushrooms) in Europe.

This acquisition will generate a number of commercial, industrial and administrative synergies with the Bonduelle Group. The Bonduelle Group's track record in rapidly integrating its acquisitions and the lower capital requirements of this business will very quickly boost Group profitability and its return on capital employed.

2010-2011

OPERATIONS IN BRAZIL, FROZEN FOOD PARTNERSHIP

Industrial operations and commercial development in Brazil

The Group has had a presence in Brazil since the mid-1990s, in both canned and frozen vegetables, mainly through the use of imported products, and enjoys good market shares and strong recognition.

The industrial operations in Brazil, which began in September 2010, include the construction of a canning plant (primarily for peas and corn) in the Brasilia region. This region enjoys clement weather conditions that greatly extend the annual growing period, thereby reducing capital requirements (production facilities and inventory carrying costs).

Intended during an initial phase to supply the very large local market at competitive prices, this project has a target of capturing 10% of the market within three to five years, and will also enable the Group to supply other South American markets.

Marketing of local products commenced in November 2010, with production having begun in September 2010.

Bonduelle and Ardo create a production joint venture in Spain

On April 6, 2011, the Bonduelle Group announced the creation of a production joint venture (50:50) in Spain, with leading European frozen vegetable player Ardo. The Group made a joint announcement with Ardo regarding the sale of the Frudesa and Salto brands in Spain to Lion Capital, owner of the Findus brand (excluding Italy).

The two transactions were completed on July 1, 2011, and were aimed at fostering consolidation in the frozen food market. Bonduelle launched this consolidation strategy in 2009 with the creation of a first joint venture with the Triskalia Cooperative group in Gelagri, and this second operation will improve the competitiveness of the Benimodo plant, which was added to this joint venture.

2011-2012

THREE ACQUISITIONS THAT WILL ENHANCE THE GROUP'S INTERNATIONAL SCOPE

In the second half of 2011-2012, the Group announced three acquisitions, in Hungary, Russia and the United States.

In Hungary and Russia, the acquisitions of production assets from Kelet-Food and the commercial and agro-industrial assets of Cecab will secure the supply of high-growth markets in Central and Eastern Europe, by strengthening the Group's commercial presence in these regions.

In the United States, the acquisition of the Allens frozen business will enable the subsidiary Bonduelle North America to expand its presence in the country, and to become a key player in the frozen food sector in North America.

8

Additional information

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Items in the annual financial report are identified in the contents using the **AFR** symbol

8.1 Person responsible for the registration document and the annual financial report

Person responsible for information

The Manager: The Company “Pierre et Benoît Bonduelle SAS,” whose registered office is at “La Woestyne” in the town of Renescure (59173), represented by its Chairman Mr. Christophe Bonduelle.

Declaration of the person responsible

I hereby declare that, after taking every reasonable measure to this end, the information contained in this registration document is, to the best of my knowledge, accurate and does not include any omissions that would change its meaning.

I hereby declare that, to the best of my knowledge, the financial statements have been prepared in compliance with all applicable accounting standards and provide a true and fair view of the assets, financial position and earnings of the Company and all entities included within its scope of consolidation, and that the information contained in the management report, the various Sections of which are set out in the cross-reference table on pages 206 to 208, presents a true and fair view of trends in the revenues, earnings and financial position of the Company and all companies included within its scope of consolidation, as well as a description of the primary risks and uncertainties to which they are exposed.

The historical financial information presented in this document has been the object of a Statutory Auditors’ report, found on page 148.

In accordance with Article 28 of European (EC) Regulation 809/2004, the following items are included by reference in this registration document:

- the report of the accounting firms Mazars and Deloitte & Associés on the consolidated financial statements for the financial year ended June 30, 2011 and the corresponding historical data found in the financial report included in registration document no. D. 11-0953, which was filed with the French Financial Markets Authority (AMF) on October 25, 2011;
- the report of the accounting firms Mazars and Deloitte & Associés on the consolidated financial statements for the financial year ended June 30, 2010, containing one observation, and the corresponding historical data found in the financial report included in registration document no. D. 10-0805, which was filed with the French Financial Markets Authority (AMF) on October 27, 2010.

The Statutory Auditors have provided me with a letter of completion of work in which they indicate that they have audited the information relating to the financial position and the financial statements presented in this document, as well as to the document as a whole.

October 25, 2012

The Manager

Pierre et Benoît Bonduelle SAS

Represented by its Chairman, Mr. Christophe Bonduelle

8.2 Statutory Auditors

French law requires a permanent legal control by two independent Statutory Auditors. The main objective of this audit is to check that the financial statements are consistent, accurate and present a fair view.

The Statutory Auditors are appointed by the Ordinary Shareholders' Meeting for a renewable period of six financial years.

Bonduelle SCA's Statutory Auditors are:

Mazars

Represented by Cécile Fontaine, 61 rue Henri Regnault –
92400 Courbevoie

Substitute: Denis Grison, 61 rue Henri Regnault –
92400 Courbevoie

Deloitte & Associés

Represented by Jean-Yves Morisset, 67 rue de Luxembourg –
59777 Euralille

Substitute: BEAS, 7/9 Villa Houssay – 92200 Neuilly-Sur-Seine

The two Auditors are legally and financially independent from each other.

They were appointed by the Combined Ordinary and Extraordinary Shareholders' Meeting of December 7, 2006, and their terms will run through the Shareholders' Meeting held to approve the financial statements for the financial year ending June 30, 2012.

8.3 Documents available to shareholders and the general public

The Bonduelle Group provides its shareholders and the general public with several sources of information. The review of operations and sustainable development report, published in French and English, reviews the highlights of the year and sets out the Group's strategy, as well as providing a detailed business review for each subsidiary. It also provides information on the activities carried out in relation to corporate social and environmental responsibility. These reports, and the registration document, which sets out all of the annual financial statements, can be viewed and downloaded from the "Finance" Section on www.bonduelle.com. This website also provides real-time share price information and access to all data pertaining to the Group's current situation.

Since 1998, an annual letter to shareholders has provided a summary of key financial information and recent events concerning the Group and its subsidiaries, especially as regards the latest product launches. This newsletter is now sent to all shareholders (both bearer and registered) based on the most recent update of the shareholder register. It can be downloaded in French or English from the "Finance" Section of the Bonduelle website.

The Group's management also meets with investors at news briefings and individual presentations, both in France and elsewhere. The schedule of meetings is available on the website www.bonduelle.com (<http://www.bonduelle.com/fr/finance/espace-actionnaire/roadshows.html>).

Financial releases schedule

- for financial year 2011-2012

12/06/2012	Annual Shareholders' Meeting
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- for financial year 2012/2013

11/06/2012	First quarter revenue
02/05/2013	First half revenue
02/28/2013	First half results
05/02/2013	Third quarter revenue
08/06/2013	Net revenue for the year
10/03/2013	Annual results
12/05/2013	Annual Shareholders' Meeting

Contact

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Reference texts		Comments on the financial year	Page no.	Chapter no.
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Table of compliance of the Corporate Social Responsibility Report with Global Reporting Initiative requirements

● : full indicator

► : partial indicator

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Certificate confirming the achievement of B+ level



Statement GRI Application Level Check

GRI hereby states that **BONDUELLE** has presented its report “Registration Document” (2012) to GRI’s Report Services which have concluded that the report fulfills the requirement of Application Level B+.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines.

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 19 October 2012

Nelmara Arbex
Deputy Chief Executive
Global Reporting Initiative



The “+” has been added to this Application Level because BONDUELLE has submitted (part of) this report for external assurance. GRI accepts the reporter’s own criteria for choosing the relevant assurance provider.

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