



## 2012/2013 Financial Year Turnover

**Strong reported Turnover growth  
in line with the objectives: + 7.3%**

- Substantial annual turnover increase at € 1, 896.1 M
- Positive organic\* growth (+ 1.9%) in a difficult consumption environment
- Worsening of the consumption climate confirmed over Quarter 4
- Reinforcement of the Group international expansion outside Europe

The Group turnover reached, over 2012/2013 financial year (1<sup>st</sup> of July 2012 – 30<sup>th</sup> of June 2013), €1, 896.1 M against €1, 767.- M last financial year, a reported increase of + 7.3%.

The organic growth\* reached, over 2012/2013 financial year, + 1.9% against + 3.2% last financial year. The development, driven by the dynamism of the Non-Europe Zone, is proving to be satisfactory, despite the worsening of the consumption climate in Europe experienced in Q3 and confirmed in Q4 of this FY.

The changes in the scope of activities (mainly the acquisitions of the Cecab's canned activity in Russia and Allens' frozen activity in the USA) had a + 4.5% positive impact on the turnover, exchange rate changes increased growth by 0.9%.

Quarter 4 saw a + 3.3% increase on a like for like basis\* thanks to the strong growth experienced outside Europe (+ 11.-%) and a positive base effect in Europe (+ 0.3%).

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## Turnover

### Activity by Geographic Region

Consolidated Revenues (in € million)	FY 2012-2013	FY 2011-2012	Current Exchange rate	LFL basis	Q4 2012 - 2013	Q4 2011 - 2012	Current Exchange rate	LFL basis
Europe Zone	1,261.8	1,279.6	-1.4%	-0.8%	323.9	327.-	-1.-%	0.3%
Non-Europe Zone	634.3	487.4	30.1%	8.6%	141.3	130.3	8.5%	11.-%
<b>Total</b>	<b>1,896.1</b>	<b>1,767.-</b>	<b>7.3%</b>	<b>1.9%</b>	<b>465.2</b>	<b>457.3</b>	<b>1.7%</b>	<b>3.3%</b>

### Business Operating Segments

Consolidated Revenues (in € million)	FY 2012-2013	FY 2011-2012	Current Exchange rate	LFL basis	Q4 2012 - 2013	Q4 2011 - 2012	Current Exchange rate	LFL basis
Canned	993.3	953.9	4.1%	3.1%	242.-	234.1	3.4%	4.3%
Frozen	534.3	432.1	23.7%	2.1%	124.8	120.6	3.5%	5.3%
Chilled	368.5	381.-	-3.3%	-1.7%	98.4	102.6	-4.1%	-1.2%
<b>Total</b>	<b>1,896.1</b>	<b>1,767.-</b>	<b>7.3%</b>	<b>1.9%</b>	<b>465.2</b>	<b>457.3</b>	<b>1.7%</b>	<b>3.3%</b>

### Europe Zone

Turnover for the Europe Zone was down by – 0.8% on a like for like basis\* (- 1.4% based on reported figures) against + 1.3% last FY.

The return of a negative growth in the Europe Zone is explained by a worsening of the consumption climate that started at the beginning of 2013 and experienced by all countries and distribution networks (retail, catering and food service). Southern and Central Europe were particularly affected. Quarter 4 reported some stability on a like for like basis \* (+ 0.3%) thanks to a favourable base effect observed in all technologies, confirming the beginning of the year worsening situation reinforced by a climatology not favourable to summer products (canned corn, fresh-cut packaged salads and delicatessen prepared salads). In the markets suffering from negative volume growth, the continued marketing investment, the targeted promotional policy along with the good performance of the innovations (the "Vapeur" steamed canned and frozen vegetables, development of Cassegrain range) enabled to strengthen and develop the Group's market shares for the Bonduelle and Cassegrain brands.

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## Non-Europe Zone

The Non-Europe Zone provides further evidence of its dynamism with a + 8.6% growth on a like for like basis\*, compared to + 8.9% last FY.

The very strong growths recorded in Russia and the CIS, thanks to a renewed commercial and logistic approach coupled with the introduction of high added value innovations ("Fusion" category) and in Brazil, where production reached its full capacity in less than 3 years of local presence, came with market share gains. In Northern America, the historical perimeter (without the acquisition of Allens) saw, at the end of the year, a sales turnaround that permitted to achieve turnover stability for this FY.

Despite results slightly lower than the initial objectives set in terms of volume, the acquisitions done in 2012, 12 months over 2012-2013 and 3 months over 2011-2012, enabled the entire zone to reach a + 30.1% growth, underlining the size of the growth drivers. The Non-Europe Zone now represents 33.5% of the Group's turnover, with Canada and USA joining Germany as the Bonduelle Group's first selling countries outside France.

## O4 Highlights

### Weather incident in France

In April 2013, the Bonduelle Group faced a weather incident, following the heavy snow falls in the North of France over this period, affecting several production sites located in Nord Picardie.

Currently under estimation, the financial consequences of this loss are covered by the Group's insurance policy for property damage and operating losses, no serious financial impact is to be expected.

Despite happening at a time where harvests were starting, this event should not have any substantial effect on the production campaign of the affected sites.

### Kolkhoze Majak Actual Disposal

The Group confirms the sale, in FY 12/13, of the Kolkhoze, acquired in 2010, in Ukraine, to a French co-operative group, which is a partner of Bonduelle in the South-West.

Following the acquisition of Cecab's agro-industrial activities in Russia and Kelet in Hungary, the agro-industrial project has been postponed. The sale of the Kolkhoze aims at maximising the use of the Group's capital employed. The Group benefits from an industrial land buy option with a view to an eventual come back to this project at a later date. The sale will have so significant impact on the Group's results.

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## European Commission Investigation

Following the investigation, initiated in 2012, pursuant to Article 20-4 of the EC n° 1/2003 regarding the production and sale of canned mushrooms for the period 2006-2012 and described in the 2011/2012 reference document, the European Commission has opened an infringement procedure against the Group and other actors operating on this market, to pursue the examination of any possible anti-competitive practices.

Bonduelle is active in mushrooms sales and processing operations since the acquisition of the France Champignon activities from Butler Capital Partners in April 2010.

## Agricultural Campaigns

The beginning of the current crop season proved to be pretty difficult and chaotic, both in Europe and Canada because of heavy rains and temperatures well-below historical averages.

These weather conditions result in plants supply irregularity and lower than forecasted quantities of vegetables. These industrial “under-efficiency” factors, adding up to the raw material inflation, result in an increase of the product cost.

## Outlook

Despite a severe worsening of the climate consumption in Europe since the beginning of 2013, and the vicissitudes of the weather observed in this geographical area and Canada, affecting the consumption (fresh-cut packaged salads, prepared salads and corn), but also the seedlings and the beginnings of the agricultural crops, the Group should approach the bottom bracket for its 2012/2013 current operating result objectives (€ 106-108 M).

These particularly adverse factors, coupled with raw material inflations and the necessity to increase moderately tariffs to preserve commercial volumes, will have an impact on 2013/2014 profitability. The beginning of the FY at a commercial level and the evolution of the crops will enable to refine the FY objectives.

*\* at constant currency exchange rate and scope of consolidation basis*

### ***Next financial event:***

*- 2012/2013 FY Results : 3<sup>rd</sup> of October 2013 (prior to stock exchange trading session)*

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