



Letter to shareholders



Dear Shareholder,

The climate has been difficult in this first half-year period of 2003/2004 for three main reasons:

- The business context: consumer activity remains low-key and prioritises low prices (the inflationary effects of the

Galland law relating to brands in France and the development of Hard-Discount circuits throughout Europe),

- The agricultural processing climate: a manufacturing campaign marked by last summer's heat wave and lack of rain which, despite an excellent level of mobilisation, led to inflation in certain production costs,

- The financial situation: the Euro strengthened by 10% in 6 months, which penalises exportation in certain countries.

However the short-term nature of this context has not prevented us from implementing the mid-term actions we had planned:

- The closure of 2 factories and logistic re-conversion of a 3rd: these operations, which are always delicate, will be balanced by an excellent social result (less than 5% of the permanent staff concerned were still actively looking for employment at the end of December) and by a low level of media coverage,

- The satisfactory start-up of a new plant in Germany for the fourth range (salad in sachets),

- Construction of a plant in Russia within the planned budget and deadline (up and running by May 2004),

- Successful integration of a second plant in Hungary, which must now be brought into line with Group standards,

- Perfect integration of Caugant into the Traiteur division despite an unusual summer season given the weather conditions,

- The problem-free introduction of a new Information Technology system in Hungary in preparation of the new system planned for BPL in early 2004,

- Successful launch of 2 major innovations in the canned product range: Tetra Recart by BGP Italy and chilled sachets by BFS France,

- Negotiation of the buyout of VITA in Germany and preparation for its integration within Bonduelle Frais Products in January 2004,

- Celebration of the Group's one hundred and fiftieth anniversary with the Board of Directors visiting all the industrial and commercial sites to talk about the Group's history and Values, discuss results and explain the strategic choices made.

Even if this half-year has been marked by a stagnation of our internal growth in terms of sales and profitability, it is fair to say that we have been penalised by the negative conjectural elements and by the cost of implementing the

Turnover: + 7,1%

Operating result: 32,5 M€

Net Group share result: 15,4 M€

medium-term decisions taken previously. Both cases can be described as temporary and hopefully non-recurrent.

Thus as anticipated and announced, the profitability of the Group has remained the same this year. Given the investments made, however, it should experience a significant upturn in the coming years.

Christophe Bonduelle - Manager



Half-yearly results

(in million euros)	1 st half-year 2003/04	1 st half-year 2002/03
Turnover	674 ⁽¹⁾	629
Operating result	32,5	34,3
% of turnover	4,8 %	5,4 %
Financial result	(5,7)	(4,8)
Exceptional result	(0,5)	0,5
Taxes	8,9	9,8
Net Group share result	15,4	18,6
% of turnover	2,3 %	3 %
Equity capital	263	237
Net financial debt	243	224
Net debt/Equity capital ratio	0,92	0,95
ROCE ⁽²⁾	14,5	16,1

(1) I.e. +7.1% (+ 3.6 % according to constant exchange rate and scope).

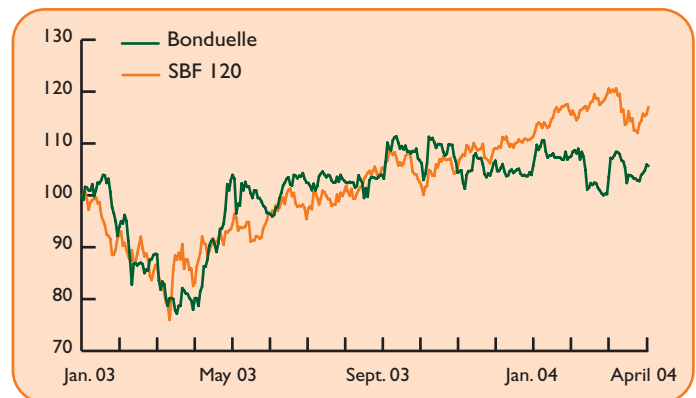
(2) Based on results for 2002 and 2003.

Bonduelle in the Stock Exchange

After having over performed since 2000 in terms of the principal indexes, the progress of Bonduelle securities, as well as in that which represents all the food values, has been less marked in recent months.

Wealth Tax

Bonduelle informs its shareholders that in the framework of the Dutreil law that was passed in 2003, Bonduelle SCA has made a commitment to block all the shares of its subsidiary Bonduelle SA for a period of 6 years. In conformity with the law, the shareholders of Bonduelle SCA may adhere to this agreement and benefit from its provisions. As soon as the decrees regarding its application, which will give more details about the modalities of this agreement, are released we will send an information newsletter to all registered named shareholders and the information will also be available on-line on our Internet site (www.bonduelle.com) for our bearer shareholders.



Evolution of Bonduelle securities in relation to the SBF 120 index (base 100; January 2003)

Number of shares: 8 million

Place of quotation: Euronext Paris

ISIN Code: FRO000063935

A new Europe, a new organisation

On the 1st of May 2004, the European Union will welcome 10 new members including 8 countries from Central Europe. This change, which will lay the foundations for a unified political and economic area for all 25 members, requires a strong degree of convergence in terms of Group activities in these Central European countries (Poland, Hungary, the Czech Republic, Slovakia, Slovenia and the Baltic Countries), not forgetting those in the Western European countries, both in the industrial and commercial context. A new organisational structure to bring Central and Western Europe closer together, both in business, industrial and administrative terms, will allow us to make the most of this unprecedented opportunity.

Therefore, on the business front, the subsidiary Bonduelle Grand Public, which ensures the presence of the various different Group brands in the general public market for canned and frozen foods throughout Western Europe, will take charge of these activities for the countries in Central Europe. The activities of Bonduelle Development in Europe will be extended to incorporate the Eastern European countries including Russia, the Ukraine and the Balkans.

In industrial terms, the Polish plant of Gniewkowo will be integrated into Bonduelle Grand Public while the subsidiary BPL légumes will pilot the closely linked activities of the Hungarian factories of Nagyörös and Békéscsaba. In Russia, Bonduelle Development will be in charge of the new plant at Krasnodar.

The history of the Bonduelle Group shows that its development is partly due to its decision to step up its strategy of construction all over Europe. This new Europe that is in the process of emerging opens up a whole new series of dimensions and prospects, notably with the increase of East-West flows but also West-East flows thanks to the disappearance of customs barriers. For this, the Group possesses the necessary agricultural processing assets and a unique commercial network that is perfectly adapted to this vast market.



■ New countries integrated by the subsidiary Bonduelle Grand Public.
■ Countries in the subsidiary Bonduelle Development.

Availability, Approachability and Readiness to Listen

For the period 2001-2005, the members of Bonduelle Group Management have set themselves the objective of ensuring that they are available and approachable for the employees so that they are better able to listen to their needs, take them into account and work more effectively as a team. In recent months this policy has been further strengthened by two examples of just such a spirit.



To celebrate the fact that it has been 150 years since the creation of the Group, a series of "Meetings with the Board of Directors" have taken place, during which the members of the

Board of Directors have visited all of the sites in the various different countries. The 44 "Meetings" were important moments that encouraged the exchange of ideas with more than 6000 employees on the subject of Group strategy and prospects as well as what it is that gives the Group its identity. A reminder of the common objectives is vital in order to better prepare for the future together.

In parallel, an operation has been led at Group level aiming to encourage value sharing between all of the 6000 employees.



7 official values have been identified: confidence, equity, integrity, simplicity, excellence, openness, and concern for



people. The idea is to give them their place in the Group by showing how they arise on a daily basis in the professional life of all Group employees. A seminar, designed by the Institut Pierre et

Benoît Bonduelle (IPB), has been proposed to all the departments, and a large part of this seminar is dedicated to tangible examples of such cases.

It is these values that have forged the Group's identity and ensured its development over the years. It is essential that these values be upheld from day to day and that they continue to be shared by all in order to ensure the durability of the Group.



Social and Environmental Responsibility

After dedicating the year 2002/03 to structuring Group policy in terms of its social and environmental responsibility by establishing and setting the major priorities, the process has moved into a second phase which aims to adapt to the employees in all the different subsidiaries and countries. The first step consists of coming up with internal communication actions that will involve everyone concerned.

It is also important to form a management system devoted to the process. At present, the objectives are in the process of being integrated into the subsidiaries' progress plans. Equally, a system of self-assessment for each site is being established, which will increase visibility of progress made and the areas that need work as well as intensifying the benchmarking policy throughout the Group.

News

Krasnodar ready for its first campaign

Construction work began in June 2003 and is now entering its final phase. All of the buildings (production lines, storage, administration) have been completed and most of the equipment has been installed. All that remains is the finishing touches, the wiring and the landscaping.

As planned, everything should be ready by the beginning of May and the first tests. The launch of the first Bonduelle peas and sweet corn campaign in Russia is planned for early June. This modern tool represents a synthesis of the Group's agricultural processing expertise and will provide a strategic supply source in terms of peas and sweet corn. It will allow the Group to supply the Russian, Ukrainian and Kazakh markets, while protecting itself against customs rights and the fluctuations in the exchange rate.



Launch of new website

The new version of the Group's Internet site is on-line (www.bonduelle.com). This site has a new, fresher and more youthful look and aims to be a more intuitive and complete information tool dedicated to the Group and its news. The different rubrics present the different professions and industrial processes, provides information concerning the Group's financial data (plus the possibility of downloading all the documents featured), current job vacancies, answers to any questions you may have about nutrition, and finally, thanks to a specially designed new zone, complete updates on Bonduelle's activities on the world's oceans.

This site also offers links to the different subsidiary sites. Enjoy!



Product News

Tetra Recart: first Italy, now Germany



After the successful launch in Italy at the beginning of 2003, which was reinforced by an advertising campaign during the winter of 2003/2004, it is Germany's turn to welcome this major innovation.

Tetra Recart packaging has many advantages. Apart from being more practical due to its minimum weight and qualities of being easy-to-open and to store, it permits a more gentle and uniform cooking process, which ensures even better tasting vegetables. This product represents a real benefit for the consumer for pulses and for more "cooked" vegetables. Consequently the German range will include these two types of product in order to better satisfy the consumer needs.

The objective is to complete the offer already proposed by Bonduelle in metal tins and in jars and to conquer new market segments: Haricot beans, Red kidney beans, Mix of corn and peas, Cooked beans, Beans in sauce, Vegetables in Chilli Sauce.



Endives in the 4th range in France

The 4th range offering extends to a new vegetable: the endive. The third bestselling vegetable in France, the endive has great potential that remains as yet untapped in terms of consumer expectations for a more delicate-tasting product that can be conserved for a long time. The two new products will serve to satisfy these expectations: cartons of tender shoots and full leaves in an opaque sachet. This launch is a clear example of the possibilities for development in the fresh food market both in terms of new vegetables and new presentation concepts. Commercial tests are currently underway to assess the possibilities for a possible enlargement of the Bonduelle offer in terms of the 1st range (fresh whole vegetables for storage at room temperature).



In France, the new Vegetable "Gallettes"



Our frozen vegetable 'gallettes' is to benefit from new recipes and packaging in France. Bonduelle is already a major brand in this market segment but this range of 4 light and tasty recipes will further strengthen its presence: Cauliflower, broccoli and carrots – Duo of courgettes and assorted vegetables – Leeks and carrots – Broccoli and yellow courgettes.



Frudesa launches the "Revoltillo" range



Spain will see the launch of an innovation in the frozen range of the Frudesa brand: the "Revoltillo" range. In keeping with Spanish culinary tradition, this range proposes combinations of vegetables to be cooked with a scrambled egg mixture. Following the launch the "Revoltillos" are currently starring in a dynamic and humorous advertisement on Spanish television.



Sailing News

Launch of Bonduelle II

Work has been advancing at a good speed and hull of Bonduelle II has been painted in the same creative spirit as that gracing the Bonduelle trimaran. Launched onto the water in Cherbourg on the 8th of April, its maiden voyage will take place in May before it begins the programme for 2004 : the "1000 milles de Calais" on the 8th/9th of May 2004 then "The Transat" race (e.g. Ostar) in May/June 2004, a qualifier for the "Vendée Globe", which starts out from Plymouth in England and finishes on the other side of the Atlantic in Boston, U.S.A. In July, Bonduelle II will be part of the festivities at Brest 2004 where a large crowd gather to admire the Tall Ships assembled. The major 'rendez-vous' of the season will begin on the 7th of November 2004 when the "Vendée Globe" will set sail from Sables d'Olonne; Bonduelle II and Jean le Cam will be there to attempt the famous Solo Nonstop Round The World Race.



Shareholder Agenda

- 6th of May 2004: Announcement of turnover for the 3rd quarter
- 4th of August 2004: Announcement of the turnover for the fiscal year
- 7th of October 2004: Results of the 2003/2004 fiscal year
- 1st of December 2004: Annual General Meeting for Shareholders