



# 2008 net income €14.7m

*Press Release February 25, 2009*

The Toupargel SA Board of Directors met on February 20, 2009 and approved the financial statements for 2008.

## **Key Figures (audited)**

### **Consolidated income statement**

(IFRS – in € mns)	<b>31/12/07 12 months</b>	<b>31/12/08 12 months</b>
Sales (1)	363.5	365.9
Gross margin	207.0	204.7
Operating income	28.5	24.1
<i>Operating margin</i>	7.8 %	6.6 %
Net financial cost	(1.4)	(1.5)
Net income (Group share)	17.7	14.7
<i>Net profit margin</i>	4.9 %	4.0 %
Net earnings per share (in €)	1.76	1.48
Cash flow from operations	28.9	27.9

(1) Toupargel Group has decided to apply in advance, from January 1<sup>st</sup>, 2008, interpretation IFRIC 13 concerning client loyalty programmes accounted for henceforth in terms of modifications to sales (previously as provisions). The impact on sales is not significant. Financial statements for previous periods have also been restated.

In 2008, sales amounted to €365.9 mn, up 0.7% compared to 2007. The gross margin declined by €2.3 mn. Operating income fell €4.4 mn: overall, operating expenses rose €2.1 mn, a result in particular of higher fuel costs (+ €0.7 mn), a new tax on fish products (€0.7 mn) and a tax provision (€1 mn) for a tax adjustment, contested, notified to the company at end 2008.

## **Earnings by business segment**

### **Frozen Foods business**

2008 sales at €347.2 mn were stable compared to 2007; the average shopping basket rose 0.4% to €47 exc. VAT while order numbers fell 0.2%. Gross margin fell €3.1 mn, a result of a decision not to pass on higher purchasing costs, poor summer weather conditions which negatively affected ice cream sales, a reduction in product packaging, and a sales loyalty programme that generated less margin than in 2007. As a result of the decline in gross margin, operating income fell from €27.6 mn to €24.5 mn. A dedicated call centre to facilitate monitoring of new clients was inaugurated at end 2008; the product range was enlarged with new terroir, halal and special dietary products. In addition, sales areas for delivery agencies were redefined to facilitate the organisation of delivery rounds based on a software application, with the aim of further improving client services and, over time, significantly cutting delivery costs.

## Fresh Foods and Groceries

Sales rose from 11.8% to €18.7 mn, buoyed by the increase in the average shopping basket. The operating result amounted to -€2.5 mn compared to -€3.0 mn as of December 31<sup>st</sup>, 2007, reflecting improved absorption of fixed costs. Place du Marché opened an e-business website at the end of the financial period.

(IFRS – in € mn)	Frozen Foods		Fresh Foods and Groceries		Holding Company	
	31/12/07 12 months	31/12/08 12 months	31/12/07 12 months	31/12/08 12 months	31/12/07 12 months	31/12/08 12 months
Sales	346.8	347.2	16.7	18.7	-	-
Gross margin	199.1	196.0	7.9	8.7	-	-
Operating income	27.6	24.5	(3.0)	(2.5)	3.9	2.1
Cash flow from operations	28.8	28.0	(2.4)	(1.9)	2.5	1.8

## Indebtedness

(IFRS – in € mn)	31/12/2007 (1)	31/12/2008 (1)
Shareholders equity	76.6	75.5
Gross indebtedness	34.8	25.0
Net indebtedness	29.0	24.4
Gearing	38%	32%
Capital expenditure	11.3	11.0

(1) After payment of dividends (2007 : €14.9 mn, 2006 : €15.2 mn)

Net debt amounted to €24.4 mn compared to €29 mn as of December 31, 2007. 54,000 Treasury shares were acquired in June 2008 for €1 mn, reducing equity capital and increasing debt by the same amount. Gearing amounted to 32% compared to 38% as of December 31, 2007. As of December 31<sup>st</sup> 2008, Group loan covenants were respected.

## Dividends 2008

The Board of Directors has decided to ask the General Meeting of April 28, 2009 to pay a dividend of €1.0 per share.

## Outlook

The group is aiming to increase sales 2% and operating income by around 10%.

## Upcoming events

- Publication of Q1 2009 sales and results on April 28, 2009 (after markets close)
- General Meeting of Shareholders in Lyon on April 28, 2009

**Toupargel, the specialist in home delivery of food products**  
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