



## Sales and key developments in the first quarter of 2009

Paris/Rotterdam, 12 May 2009

### 1. Sales

Sales amounted to EUR 433.9 million in the first quarter of 2009, a decrease of 18.5 % compared to the same period in 2008. On a like-for-like basis<sup>1</sup> sales decreased 15.7 %. The sales decrease was mostly due to decreasing raw material prices and lower volumes. Exchange rate effects had a negative impact of 5.9% (EUR 32.0 million), mainly caused by the Polish zloty, the Russian rouble and the Brazilian real, and partially offset by the US dollar.

#### Operating segmentation\*

Revenues (in EUR million)	31/03/2009	31/03/2008	Change
<b>Pet food</b>	<b>55.5</b>	50.5	9.9%
<b>Animal Nutrition</b>			
<b>France /Switzerland</b>	<b>55.0</b>	57.6	-4.4%
<b>North West Europe<sup>2</sup></b>	<b>38.1</b>	45.9	-17.0%
<b>Poland/Ukraine</b>	<b>70.1</b>	119.7	-41.5%
<b>Other Central and Eastern Europe<sup>3</sup></b>	<b>56.4</b>	73.9	-23.7%
<b>North America</b>	<b>59.8</b>	59.1	1.1%
<b>Latin America<sup>4</sup></b>	<b>40.6</b>	37.2	9.0%
<b>Other<sup>5</sup></b>	<b>58.5</b>	88.6	-34.0%
<b>TOTAL</b>	<b>433.9</b>	532.6	<b>-18.5%</b>

\* As indicated in the 2008 Reference Document, page 46, Note 20.1.5 "Notes to the consolidated financial statements / general Information" Provimi is reporting on its operating segments under IFRS 8 as indicated in this table as from January 1, 2009. The 2008 figures are disclosed in accordance with this new segmentation.

'Pet food' sales have increased by almost 10% in comparison to the same period last year. Increased production capacity in Hungary and better utilisation of the Group's existing plants allowed the business to gain new customers and benefit from a growing demand for private label

<sup>1</sup> Constant scope, excluding acquisitions and divestments or discontinued activities

<sup>2</sup> **North West Europe:** The Netherlands, the UK, Ireland, Germany and Belgium.

<sup>3</sup> **Other Central and Eastern Europe:** Russia, Hungary, Romania, Bulgaria and Bosnia.

<sup>4</sup> **Latin America:** Latin American Nutrition Companies in Brazil, Argentina and Colombia.

<sup>5</sup> **Other:** Iberia (Spain and Portugal), Rest of the World (China, Vietnam, India, South Africa and Jordan), Aqua Feed, Citura, and Discontinued Operations.

products. Furthermore, geographic extension is yielding successful first results with additional growth in Germany and Romania.

In 'Animal nutrition', the sales decrease in 'North West Europe' was mainly caused by diminishing volumes in export markets, while turnover in 'Poland/Ukraine' was negatively impacted by a declining market, aggressive competition leading to an erosion of market share, and lower prices. The Group has put restructuring projects in place in Poland to improve its competitiveness. In 'Other Central and Eastern Europe', the sales decrease is due to the closure of the Group's complete feed activities in Hungary and in the Balkans. Turnover in the cluster 'Other' mainly shows the impact of discontinued operations.

## **2. Comments on the main developments in the first quarter of 2009**

'Pet food' margins were negatively impacted by a sharp increase in the cost of cans that the Group was not able to pass on to its customers. The 'Pet food' activity was further affected by the exchange rate of the Polish zloty and the start-up of the business in Russia.

In view of generally lower volumes in 'Animal Nutrition', the Group has engaged in a significant cost savings programme from which it expects to see results in the second half year. This programme aims at increasing the Group's competitiveness and improving its responsiveness to changing market conditions.

### **Dividend**

Subject to the adoption of the resolution regarding the profit allocation by the shareholders' meeting to be held on 28 May 2009, the Board of directors also decided today to schedule the payment of the remaining part of the proposed total dividend of EUR 0.89 per share, i.e. EUR 0.34 per share, on 29 September 2009 with 24 September 2009 as ex-dividend date.

The half-year results will be published on 27 August 2009 after market closing.

*The Provimi Group is active worldwide in all types of animal nutrition and is a leader in all markets where it is present. The Group is actively seeking acquisition opportunities to continue its growth in key markets including North America, Latin America, Eastern Europe and Asia. It employs about 8,000 people and has annual sales of EUR 2.2 billion. Provimi has 87 production centres in some 30 countries and exports to over 100 countries. Provimi manufactures products and supplies technical support for all species, including ruminants, poultry, swine and pets.*

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<http://www.provimi.com>