BONDUELLE

A French SCA (Partnership Limited by Shares) with a capital of 56,000,000 Euros
Head Offices: La Woestyne 59173 Renescure, France
Business registration number: B 447 250 044 (Dunkerque Registrar of Businesses)

Turnover in HY1 of FY 2009-2010 up 3.5%

Finalisation of the agreement with BUTLER CAPITAL PARTNERS for the acquisition of FRANCE CHAMPIGNON

Turnover for the first half-year (July 1st - December 31st, 2009) stood at 760 million euros, up 3.5 % at constant foreign-exchange rates. Changes in scope of consolidation—through various acquisitions conducted in FY 2008-2009 (the canned-vegetables producer, La Corbeille; Family Tradition; Omstead Food), coupled with the deconsolidation of Gelagri's distributor-brand frozen-vegetables operations—impacted favourably on turnover, accounting for 3.4 % of the figure.

On a like-for-like basis, quarterly sales were up 0.4 % as opposed to a 0.1 % decline in Q1.

Breakdown of turnover by geographical zone

Consolidated turnover (in millions of euros)	HY1 2009-2010	Current exchange rates	Constant exchange rates	Q2 2009-2010	Current exchange rates	Constant exchange rates
Europe Zone	551.3	0.9 %	1.9 %	279.0	- 0.9 %	- 0.2%
Non-Europe Zone	208.7	1.5 %	7.8 %	118.3	- 3.1 %	6.6 %
Total	**760.0**	**1.0 %**	**3.5 %**	**397.3**	**- 1.5 %**	**1.7 %**

Breakdown of turnover by processing technology

Consolidated turnover (in millions of euros)	HY1 2009-2010	Current exchange rates	Constant exchange rates	Q2 2009-2010	Current exchange rates	Constant exchange rates
Canned	383.8	1.7 %	6.1 %	211.4	- 3.4 %	2.0 %
Frozen	212.7	0.0 %	0.9 %	109.1	0.5 %	1.7 %
Chilled	163.5	0.8 %	0.8 %	76.8	0.9 %	0.9 %
Total	**760.0**	**1.0 %**	**3.5 %**	**397.3**	**- 1.5 %**	**1.7 %**

Canned-vegetable sales

In HY1, canned-vegetable sales increased by 6.1 % at constant foreign exchange rates, but remained stable (+ 0.1 %) when restated to take account of scope-of-consolidation effects.

The quarter was marked by a lessening of the impact of changes in scope of consolidation (acquisition of La Corbeille on November 1st, 2008). Operations in Eastern Europe contributed negatively to the progression in turnover. This was mainly due to restrictions on customer credit implemented at the beginning of the financial year and carried over into the 2nd quarter.

Western Europe, with sales progressing 0.8 % at constant foreign-exchange rates and on a like-for-like basis, exhibited admirable resistance in a consumer climate which remained globally bleak.

Frozen-vegetable sales

Frozen-vegetable sales, up 0.9 % in the first half-year (at constant foreign-exchange rates), showed a marked recovery in Q2 (+1.7 % as opposed to + 0.1 % in Q1), reflecting dynamic organic growth (+ 2.3 %, at constant exchange rates, as opposed to – 2.9 % in Q1) both in Western Europe and in North America.

Chilled-vegetable sales

Half-year chilled-vegetable sales gained 0.8 %, confirming in Q2 (+ 0.9 %) the performance recorded in Q1 (+ 0.7 %).

Highlights of the quarter

The Bonduelle Group has now finalised the terms and conditions for the transfer of the France Champignon Group by BUTLER CAPITAL PARTNERS. The take-over and consolidation will become effective once the operation has been approved by the French and German Competition Authorities.

In December 2009, the Bonduelle Group announced plans to build a bagged-salad production facility in northern Italy, to replace the plant destroyed by fire in February 2008 and to support growth in this market in Italy.

The transfer of operations at the canned fruit and pickle production facility in Rijkevorsel (Belgium) to the Belgian company, Scana Noliko—announced in December 2009—was finalised on January 29th, 2010.

The Group continues to pursue its industrial-development projects in Ukraine and Brazil. Construction work on the latter project is now scheduled to begin in mid-2010.

Prospects

Despite a dismal consumer climate in Western Europe, and the slowdown in Eastern European sales in the first half-year, the Group is able to confirm its forecasted sales-growth and profitability objectives, particularly in light of (i) the external growth achieved in FY 2008-2009, the full impact of which will be realized in FY 2009-2010, (ii) the extremely satisfying harvesting campaigns in 2009, and (iii) the pursuance of the cost-cutting plan introduced in the previous financial year.