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)

FY 2009-2010 annual results

Growth in turnover and profitability in FY 2009-2010

- **Growth in reported turnover (+2.3 %) and operational profitability (+2.8 %)**
- **Consolidation of the Group's financial structure: improvement of the gearing ratio and 165 million-dollar private bond issue**
- **Confirmation of synergies expected from France Champignon integration**
- **Promising start for Cristalina plant in Brazil**

At its meeting of 1st October 2010, the Supervisory board reviewed the duly audited financial statements and consolidated accounts for FY 2009-2010, as presented by the Executive Board.

Consolidated accounts in millions of euros	2008 - 2009	2009 - 2010	Variation
Turnover	1,523.9	1,559.6	+ 2.3 %
Operating profit on ordinary activities before taxes	101.7	104.5	+ 2.8 %
Operating profit	99.3	101.8	+ 2.5 %
Group net profits	26.6	58.3	+ 119.2 %

<u>Growth in reported turnover</u>

Turnover for FY 2009-2010 amounted to 1,559.6 million euros, up 2.3% on the previous year's figure.

Operations benefited from the net positive effect of variations in scope from the previous financial year (integration, on a full-year basis, of acquisitions: La Corbeille, Family Tradition, Omstead Food; deconsolidation of the distributor-brand frozen-vegetable operations arising from the joint venture between Gelagri and the Triskallia Group (formerly Coopagri)), and of the France Champignon acquisition on April 1st 2010.

Although marked by a lethargic consumer environment in Western Europe and North America, and an economic crisis whose effects are still being felt across Central and Eastern Europe, FY 2009-2010 provided yet another opportunity for the Bonduelle Group to report growth in turnover.

Through intensive promotional activity, and a number of successful product launches, the Bonduelle Group was able to gain branded market share in all major countries and sectors, and particularly in the chilled-vegetables sector.

<u>Improvement in operational profitability</u>

At 104.5 million euros, the operating margin was comparable to the FY 2008-2009 figure of 6.7% of turnover. When restated to take account of France Champignon operations, which had no impact on the year's result (acquisition on April 1st 2010), the operating margin stood at 6.9% of turnover, up 20 base points.

The effects of the "Sustained Competitiveness Plan"—in its 2nd year of implementation, coupled with the particularly favourable harvesting campaigns in the summer of 2009, also contributed to improving the operating margin, despite significant investment in promotional activities.

The figure also reflects the improvement in profitability in the chilled-vegetables sector in Europe, the positive impact of the Gelagri joint venture, and the satisfactory margins maintained in the various geographic zones.

After deduction of non-recurrent items (2.6 million euros), operating profit, crossing the symbolic threshold of 100 million euros, amounted to 101.8 million euros.

Sharp rise in net profit

The Group's share of net profit stood at 58.3 million euros, as opposed to the previous year's figure of 26.6 million euros. The financial result for FY 2008-2009 had been negatively impacted by the fair-value evaluation of financial instruments, a non-recurrent item.

At the General Meeting of Shareholders scheduled for 2 December 2010, the Executive Board will propose a dividend of 1.50 euros per share.

Consolidation of the Group's financial structure

The Group' gearing ratio was 116%, as opposed to 135 % in FY 2008-2009.

Due to diligent management of working-capital requirements (reducing stock levels and lead-time to market) and capital employed (sale of apple-transformation operations), a significant improvement in the ratio was achieved, despite a dynamic investment policy and the April 1 2010 acquisition of France Champignon.

On September 8, 2010, the Bonduelle Group announced a private bond issue in the amount of 165 million dollars--due for maturity in 12 years—to refinance the debt incurred to acquire France Champignon, and to provide the Group with the financial flexibility required to pursue its policy of targeted acquisitions.

Negotiated at attractive conditions from leading financial institutions, the issue allows the Group to extend the maturity of the debt, underscore its "Investment Grade" credit rating, and diversify its sources of financing

Promising start for the Cristalina plant

Production of canned peas at the Cristalina plant in Brazil started in September 2010.

The plant, catering to a large and growing canned-vegetables market, was designed for year-round operation in high-altitude, tropical conditions.

Synergies expected from the integration of France Champignon confirmed

The results of the first few months of France Champignon's operations within the Bonduelle Group confirm the acquisition's potential for synergies in costs and development in all areas, and its accretive effect as of 2010/2011. The process of transferring the ROYAL brand to the BONDUELLE brand is due to begin in autumn 2010.

Prospects

The absence of prospects of a sharp upturn in consumption in mature countries is further complicated by the uncertain economic climate in Central and Eastern Europe.

Moreover, due to historically high stock levels throughout the profession, in all geographic zones, selling prices, especially of distributor-brand products, are under severe pressure.

Difficult harvests, resulting in the under-utilisation of production resources and cost overruns will have a negative impact on margins, and could lead to shortages in certain product ranges in spring 2011.

Consequently, the Bonduelle expects to see only a limited increase in turnover, with the integration of France Champignon on a full-year basis, and a significant but non-recurrent decline in operational profitability in FY 2010-2011.

As the Group intends to pursue investment in growth and productivity (new chilled-vegetables plant in Italy; automated cold room in Picardie; setting up of operations in Ukraine), and to step up production programmes in 2011, it foresees a significant improvement in its results in FY 2011-2012.

<u>Upcoming publications</u>:

- FY 2010-2011 first-quarter turnover	4 November 2010
- FY 2010-2011 half-year turnover	3 February 2011
- FY 2010-2011 half-year results	24 February 2011