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Fromageries Bel

First-quarter financial information

Sales

Sales adversely impacted by unfavorable foreign exchange in Q1 2018.

Organic growth advances 4.8%

Amounts are expressed in millions of euros and rounded off to the nearest million. Ratios and variances are calculated based on underlying amounts, not rounded off amounts.

In the first quarter of 2018, the Bel Group generated consolidated sales of €813 million, down 1.1% on a published basis versus €822 million a year earlier. Excluding the negative 5.9% (€48 million) impact from foreign exchange fluctuations, consolidated sales grew 4.8% organically in Q1 2018.

The sales performance is presented by geographical region in the following table:

(in millions of euros)	First quarter		
	2018	2017	% change
Europe	446	440	1.3%
Middle East - Greater Africa	193	199	-3.1%
Americas, Asia-Pacific	174	183	-4.6%
TOTAL	813	822	-1.1%

In Europe, Q1 2018 volumes continued to grow in an increasingly competitive environment. The price increases negotiated for 2018 were not fully reflected in Europe's sales for the period.

Q1 2018 sales in the Middle East & Greater Africa were severely affected by unfavorable foreign exchange fluctuations in all the region's currencies. Volumes nevertheless grew during the period, fuelled by products better suited to the region's markets and more in step with the purchasing power of consumers.

Q1 2018 sales in the Americas, Asia-Pacific region were also strongly penalized by unfavorable foreign exchange variations in the U.S. dollar and Japanese yen. The Group, however, recorded strong volume growth in those markets, with positive organic sales growth confirming the trend initiated in 2017.

Outlook for 2018

As the year unfolds, operations management remains tricky in a persistently low-visibility environment, clouded by the restructuring of Europe's retail food sector, economic and geopolitical uncertainties, and extremely volatile foreign exchange rates. Raw material prices remained at historically high levels in the first quarter.

The Group is continuing its efforts to further enhance industrial productivity and to carefully manage its resources to ensure the financing of its growth and its transformation into a major player in the healthy snack sector. Bel remains confident about its growth prospects in all its territories, owing to its strengthened operating excellence, the favorable geographical spread of its activities, the relevance of its products in its various markets, and the power of its brands.

In addition, as part of its commitment to make the dairy industry more sustainable, the Group reiterates that the agreement it signed in France with the Bel West Producers Association (*Association des Producteurs de lait Bel Ouest - APBO*) set the average benchmark purchase price for milk at €350 per 1,000 liters of milk in 2018. Enhancing the product portfolio through innovation remains a priority to offer products that meet consumers' expectations.

Bel's financial performance indicators

The Group uses non-IFRS financial performance indicators internally and for its external communication. These non-IFRS indicators are defined below:

Organic growth corresponds to reported sales growth, excluding impacts from foreign exchange fluctuations and changes in the scope of consolidation, i.e. on a constant structure and exchange rate basis. The **organic growth rate** is calculated by applying the exchange rate for the prior year period to the current year period.

This press release may contain forward-looking statements. Such trend and/or target information should in no way be regarded as earnings forecast data or performance indicators of any kind. This information is by nature subject to risks and uncertainties that may be beyond the Company's control. A detailed description of these risks and uncertainties is provided in the Company's Registration Document, available at (www.groupe-bel.com). More comprehensive information about the Bel Group can be found in the "Regulatory Information" section of the www.groupe-bel.com website.

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Bel Group

The Bel Group is a world leader in branded cheese and a major player in the healthy snacks segment.

Its portfolio of differentiated and internationally recognized brands, including such products as The Laughing Cow®, Kiri®, Mini Babybel®, Leerdammer®, and Boursin®, as well as some 20 local brands, enabled the Group to generate sales of €3.3 billion in 2017. The acquisition of the MOM Group complements a portfolio of strong brands with the integration of the Pom'Potes and GoGo squeeZ brands.

12,700 employees in some 30 subsidiaries around the world contribute to the Group's success. Bel products are prepared at 32 production sites and distributed in over 130 countries.

www.groupe-bel.com