



First Half Year 2018-2019 Financial Results (July 1 – December 31, 2018)

Resilience of business activity and profitability in a difficult environment

- **Business activity remains satisfactory in Europe**
- **Business activity outside Europe impacted mainly by the downsizing of the fresh activities in North America**
- **2018 difficult harvests impacting profitability over the first half year**
- **Acquisition of the Lebanon frozen plant (USA)**
- **Annual profitability objectives confirmed at the low end of the initial target range**

The 2018-2019 half-year financial statements were reviewed by the General Partner, then by the Supervisory Board of February 28, 2019 and audited by the Statutory Auditors.

Significant Results

(in € millions)	1 st HY 2018-2019	1 st HY 2017-2018	Variation
Revenue	1,406.6	1,420.3	-1.-%
Current Operating Result	60.9	66.-	-7.7%
Current Operating Margin	4.3%	4.6%	- 30 bp
Consolidated Net Profit	34.8	37.7	-7.6%
Gearing⁽¹⁾	1.32	1.32	-

Revenue

The Bonduelle Group's revenue stands for the first half of financial year 2018-2019 at 1,406.6 million of euros, a decrease of -1.-% both on reported figures and a like-for-like basis⁽²⁾. The changes in the scope of consolidation resulting from the acquisition, early July 2018, of the Del Monte business activities, made a positive contribution of +1.2% to the variation of the revenue over the period and the negative impact of the exchange rates fluctuations, mainly the weakening of the Russian ruble and Canadian dollar, -1.1%.

To be the world reference in “well-living” through plant-based food
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A French SCA (Limited Partnership by Shares) with a capital of 56,942,095 Euros

Head Office: La Woestyne 59173 Renescure, France - Business registration number: B 447 250 044 (Dunkerque Registrar of Businesses) finance@bonduelle.com

Activity by Geographic Region

Total Consolidated Revenue (in € millions)	1 st HY 2018-2019	1 st HY 2017-2018	Variation Reported figures	Variation Like-for-like basis ⁽²⁾
Europe Zone	642.3	633.3	+1.4%	+1.6%
Non-Europe Zone	764.4	787.-	-2.9%	-3.1%
Total	1,406.6	1,420.3	-1.-%	-1.-%

Activity by Operating Segments

Total Consolidated Revenue (in € millions)	1 st HY 2018-2019	1 st HY 2017-2018	Variation Reported figures	Variation Like-for-like basis ⁽²⁾
Canned	533.3	522.4	+2.1%	+1.5%
Frozen	322.5	316.4	+1.9%	+3.6%
Fresh processed	550.8	581.5	-5.3%	-5.7%
Total	1,406.6	1,420.3	-1.-%	-1.-%

Europe Zone

The revenue growth for the Europe Zone, representing 45.7% of the business activity over the period, posted a global increase of +1.4% on reported figures and +1.6% on a like-for-like basis⁽²⁾ for the first half of the fiscal year, the three operating segments of the group having positively contributed to the evolution of this zone.

The second quarter demonstrated faster growth with a +2.2% percent improvement on reported figures and +2.4% on a like-for-like basis⁽²⁾.

Following a difficult start for this fiscal year, the canned and frozen operating segments recorded a solid growth over Q2. By contrast, following a first quarter boosted by favourable weather conditions, the fresh processed and fresh ready-to-eat operating segment recorded, over Q2, limited growth, that was partially impacted by the demonstrations that took place in France.

Non-Europe Zone

The revenue of the Non-Europe Zone, representing 54.3% of the revenue of the group, was down -2.9% on reported figures and -3.1% on a like-for-like basis⁽²⁾.

In North America, the temporary time lags in the completion of some sales contracts with canned and frozen food manufacturers observed in Q1, have, as expected, been postponed to Q2.

The discontinuation of non-profitable product ranges within Bonduelle Fresh Americas (fresh-cut fruit,...); a health warning regarding the consumption of salads in the US and Canada, without Bonduelle or its suppliers involvement but affecting the entire industry; and a sourcing diversification strategy of one of our customers in the US have all hindered the fresh activities in the zone. This is despite adding new customers and the launch of a Bonduelle-branded range of salad bowls in Canada at the end of the half-year.

During Q2, Russia confirmed strong sales momentum in canned and frozen for the Bonduelle brand observed during the first half of the year, buoyed notably by some innovations in corn, olives and mixed vegetables in jars, now produced in Russia.

Operating profitability

The current operating profitability of the Bonduelle Group for the first half year of FY 2018-2019 stands at 60.9 million of euros, a 7.7% decline in reported figures and 7.8% on a like-for-like basis⁽²⁾. Consequently, the current operating margin of 4.3% was down 30 bp when compared with the first half of last fiscal year, mainly reflecting the effects of the 2018 poor harvests, as announced last October.

The Europe zone, primarily affected by those poor harvests, posted a profitability of 22.9 million of euros on reported figures and recorded a current operating margin of 3.6% both in reported figures and constant exchange rates, a decline of 50 bp.

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In the non-Europe zone, the current operating profitability stands at 38.- million of euros, with a current operating margin of 5.-% on reported figures, a decline of 10 bp when compared with the first half of last fiscal year but unchanged at 5.1% at constant exchange rates.

This resilience in the operating margin amid similar harvest effects has been driven by the accretive integration of the Del Monte activities coupled with the strong performance recorded in Russia.

After non recurrent items, the operating profitability stands at 58.1 million of euros against 64.9 over the same period last fiscal year.

Net result

The net financial result remains substantially unchanged at -13.4 million of euros despite the volatility of the ruble. Corporate income tax expense amounts to -9.8 million of euros, for an effective tax rate of 22%. The net result stands at 34.8 million of euros, representing 2.5% of revenue, down 7.6% compared to the same period last fiscal year.

Financial situation

The group's net financial debt stands on December 31, 2018 at 879.9 million of euros against 826.5 million of euros last fiscal year. The gearing ratio⁽¹⁾ is at 1.32, stable from one period to another and consistent with the seasonal nature of the group's activity. The evolution of the debt is linked to the acquisition of the Del Monte business activities that took place on July 1, 2018 and to the inventory procurement cost. Meanwhile the average cost of debt is down to 2.69% against 2.76% last fiscal year.

Highlights

Bonduelle continues its development in frozen food in the United States with the acquisition of the Lebanon plant

On February 12, 2019, the Bonduelle Group announced that it had reached a definitive agreement with the American company Seneca (NASDAQ: SENE, SENE) to acquire its plant in Lebanon (Pennsylvania, USA).

This plant, which is used for the packaging of frozen products, was built in 2008 and acquired by Seneca in 2010, has a capacity of 45,000 tons on seven packaging lines in perfect working order, with a large storage capacity, and has 140 permanent employees.

The Bonduelle Americas Long Life business unit (BALL), which until recently was limited in its development capacity, is thus completing its frozen industrial facility in North America, with 4 industrial facilities in the Eastern United States and 6 in Canada. In addition to the additional packaging capacity generating revenue, this acquisition will allow both industrial and logistical synergies with existing facilities and will offer enhanced quality of service for the benefit of BALL business unit customers.

This acquisition, including industrial assets, stocks of frozen products and the personnel of the Lebanon industrial site, effective February 11, 2019, will, given the seasonality of the activity, be accretive from the 2019-2020 financial year.

Co-optation of a member of the Supervisory Board

At the Supervisory Board meeting of February 28, 2019, Marie-France TISSEAU decided, for personal reasons, to resign as a member of the Board. During the same meeting, the Board appointed Jean-Michel THIERRY, Chartered Accountant and Statutory Auditor, as member of the Board and member of the Accounts and Audit Committee.

Approval of this co-optation will be submitted for ratification to the Annual General Meeting on December 5, 2019 at the latest.

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Outlooks

Given the activity change recorded in the first half of the year, the Bonduelle Group is anticipating limited growth in revenue at constant exchange rates for the full fiscal year 2018-2019, largely driven, in the absence of any expected internal growth, by the acquisitions of the Del Monte activities and to a lesser extent, of the frozen plant in Lebanon.

The harvest impact and the difficulties in negotiating with distributors in a context of inflation of the various cost components will limit the group's profitability objective at constant exchange rates at the announced lower range of the initial target of 128 to 133 million of euros.

⁽¹⁾ net financial debt / equity

⁽²⁾ at constant currency exchange rate and scope of consolidation basis. The revenues in foreign currency over the given period are translated into the rate of exchange for the comparable period. The impact of business acquisitions (or gain of control) and divestments is restated as follows

- For businesses acquired (or gain of control) during the current period, revenue generated since the acquisition date is excluded from the organic growth calculation;
- For businesses acquired (or gain of control) during the prior fiscal year, revenue generated during the current period up until the first anniversary date of the acquisition is excluded;
- For businesses divested (or loss of control) during the prior fiscal year, revenue generated in the comparative period of the prior fiscal year until the divestment date is excluded;
- For businesses divested (or loss of control) during the current fiscal year, revenue generated in the period commencing 12 months before the divestment date up to the end of the comparative period of the prior fiscal year is excluded.

Alternative performance indicators: the group presents in its financial notices performance indicators not defined by accounting standards. The main performance indicators are detailed in the financial reports available on www.bonduelle.com.

Next financial events:

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| - 2018-2019 3 rd Quarter FY Revenue: | May 2, 2019 (after stock exchange trading session) |
| - 2018-2019 Financial Year Revenue: | August 5, 2019 (after stock exchange trading session) |
| - 2018-2019 Annual Results: | September 30, 2019 (prior to stock exchange trading session) |

Find the complete Half Year results on www.bonduelle.com

About Bonduelle

Bonduelle, a family business, was established in 1853. Its mission is to be the world reference in "well-living" through plant-based food. Prioritizing innovation and long-term vision, the group is diversifying its operations and geographical presence. Its vegetables, grown over more than 130,000 hectares all over the world, are sold in 100 countries under various brand names and through various distribution channels and technologies. An expert in agro-industry with 55 industrial sites or owned agricultural production sites, Bonduelle produces quality products by selecting the best crop areas close to its customers.

Bonduelle is listed on Euronext compartment A

Euronext indices: CAC MID & SMALL - CAC FOOD PRODUCERS - CAC ALL SHARES

Bonduelle is part of the Gaïa non-financial performance index and employee shareholder index (I.A.S.)

Code ISIN : FR0000063935 - Code Reuters : BOND.PA - Code Bloomberg : BON FP



Find out about the group's current events and news on Twitter @Bonduelle_Group, and its financial news on @BonduelleCFO

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