FLEURY MICHON: FIRST-QUARTER 2018 REVENUE

- First-quarter 2018 revenue of €172.5m, down by 2.9%
- French Supermarkets revenue down by 1.3%

€172.5M
First-quarter 2018 consolidated revenue

2.9%
Decrease in first-quarter 2018 consolidated revenue

Pouzauges – 10 April 2018: Fleury Michon, the French leader in fresh Charcuterie, Prepared Meals and Surimi products, reported revenue of €172.5 million in the first quarter of 2018, down by 2.9% year-on-year.

REVENUE BY QUARTER AND BY BUSINESS SEGMENT

<table>
<thead>
<tr>
<th>REVENUE BY BUSINESS SEGMENT (IN €M)</th>
<th>FIRST QUARTER</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2017</td>
</tr>
<tr>
<td>French Supermarkets</td>
<td>149.8</td>
</tr>
<tr>
<td>International Operations*</td>
<td>12.5</td>
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<tr>
<td>Sales and Services</td>
<td>15.4</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>177.7</strong></td>
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* At current exchange rates.

FRENCH SUPERMARKETS

In the first three months of 2018, the French Supermarkets business segment (85.7% of consolidated revenue) generated revenue of €147.8 million, down by 1.3% year-on-year based on a comparable Group structure. The revenue contribution of Paso, which Fleury Michon announced it had acquired on 3 April 2018, will be included in the segment’s total revenue as of second-quarter 2018.

In the same period, revenue from sales of Fleury Michon-brand products came to €142.4 million, down by 1.3%.

This decline is in line with previous movements in revenue and does not include the impact of 2018 sales agreements with retailers. It takes into account a 3.4% decrease in volumes, as well as a favourable price effect of 2.2%, mainly attributable to:

- reduced promotional spending; and
- higher end positioning of our product offering to meet consumer expectations.

Despite this quarter’s results, revenue is expected to increase over the rest of the year, driven in particular by development agreements signed with our clients and the launch of new products that illustrate Fleury Michon’s goal of "Helping people eat better every day".
INTERNATIONAL OPERATIONS

The International Operations business segment (6.1% of consolidated revenue) generated revenue of €10.6 million in first-quarter 2018, down by 15.2%. This decrease is mainly due to lower revenue in Canada, with Delta DailyFood Canada (DDFC) reporting €7.00 million in revenue, a fall of 22.7% at current exchange rates and 15.2% at constant exchange rates. The decline is a result of the discontinuation of Fleury Michon-brand products by retailers (except Costco) and the loss of a catering client which has not yet been offset.

With regard to equity-accounted joint ventures (not fully consolidated within International Operations), Platos Tradicionales in Spain reported growth of 14.4% in the first quarter. In Italy, Piatti Freschi Italia’s revenue contracted by 4.3%, mainly reflecting the discontinuation of private label and lowest price ranges following a fire at a production site in 2017. Viva la Mamma-branded products made gains of more than 20% in the quarter.

SALES AND SERVICES

Revenue from the Sales and Services business segment (8.2% of consolidated revenue) came in at €14.1 million, down by 8.4% year-on-year. Room Saveurs reported revenue of €7.5 million, up 4.7%. However, the business segment’s growth was held back by lower airline catering revenue from French departures.