Fleury Michon

FIRST-HALF 2018 REVENUE

- Revenue down 0.4% overall in the first half of 2018, slipping 2.9% in the first quarter but rising 2.1% in the second quarter

€358.4M
First-half 2018 revenue

0.4%
Decrease in revenue

Pouzauges – 19 July 2018: "2018 will be the year Fleury Michon began its recovery. We rolled out our Renaissance Plan in 2017 and continued to implement it in 2018. Our new organisation is more responsive, more cost-effective and more agile. We are continuing to work on our range so that every Fleury Michon product has a positive impact on consumers' health. In addition, we have initiated a targeted acquisition programme.
In French Supermarkets, we began implementing our business plan in the second quarter and expect the segment to deliver a more robust performance in the second half.
At constant exchange rates, the International segment (including International Operations and joint ventures accounted for by the equity method based on Fleury Michon's interest) reported growth of 2.9% in the first half of the year, with a favourable trend emerging in the Group's joint ventures in Italy (6.2% growth, with second-quarter growth of 17.8%) and in Spain (14.0% growth, with second-quarter growth of 13.6%), and a return to growth for DDF Canada as of the second quarter.
In Sales and Services, business synergies from the Room Saveurs/Good Morning merger resulted in growth on the corporate delivered meals and buffets market in Paris.
Committed to our "Helping people eat better every day" project and encouraged by Nutri-Score's initial positive impacts on consumer choices, we plan to continue to roll out other "Eat Better" initiatives in order to meet the expectations of consumers and all industry stakeholders as regards sustainable food. This will drive profitable growth for Fleury Michon in the coming years."
Régis Lebrun, Chief Executive Officer of Fleury Michon

In first-half 2018, the Group reported consolidated revenue of €358.4 million, down 0.4% year-on-year, without taking into account the joint ventures in Italy and Spain.

The second quarter was marked by a return to growth, reflecting the gradual ramp-up of the business plans and the full consolidation of new entities Paso and Good Morning. Excluding new entities (Good Morning as from January and Paso as from April, representing a total of €7.1 million in revenue), first-half 2018 revenue amounted to €351.3 million, down 2.4%, with decreases of 3.3% in the first quarter and 1.5% in the second quarter.

Revenue by quarter (in €m)	First-half 2017	First-half 2018	Change
First quarter	177.7	172.5	-2.9%
Second quarter	182.1	185.9	+2.1%
Total first half	**359.8**	**358.4**	**-0.4%**

Revenue by business segment (in €m)	Second quarter			First half		
	2017	2018	Change	2017	2018	Change
French Supermarkets	153.1	157.8	+3.1%	302.9	305.6	+0.9%
International Operations[1]	14.3	13.5	-5.6%	26.8	24.1	-10.1%
Sales and Services	14.7	14.6	-0.7%	30.1	28.7	-4.7%
Total	182.1	185.9	+2.1%	359.8	358.4	-0.4%

(1) At current exchange rates.

FRENCH SUPERMARKETS

French Supermarkets revenue grew 0.9% in the first half of the year, with the Charcuterie and Prepared Meals categories reporting increases of 0.2% and 5.8%, respectively, while Prepared Seafood recorded a 1.6% decrease.

Additional revenue generated by Paso has been included in the consolidated total since the second quarter of 2018.

INTERNATIONAL OPERATIONS

Within International Operations, DDF Canada performed well in the second quarter, reporting a 2.7% rise in revenue at constant exchange rates.

SALES AND SERVICES

Additional revenue related to the acquisition of Good Morning, which was merged with Room Saveurs, has been included in the consolidated total since January. Both entities ended the first half with growth of 6.8%, demonstrating the effective synergies between the businesses.

OUTLOOK

The Group confirms the expected year-on-year improvement in revenue and operating profit in 2018.

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NEXT ANNOUNCEMENT

4 September 2018 after market close First-half 2018 results

www.fleurymichon.fr

Fleury Michon is an independent, medium-sized French family company with an international outlook. Founded in 1905, we are now one of France's leading food brands. We prepare fresh, ready-to-eat, everyday meals.

Our corporate project of "Helping people eat better every day" reflects our vision for the future. It's the vision of a brand and a Company that is open to the world and close to its customers, recognises the value of its people and encourages cooperation with its stakeholders. It's the vision of an innovative, responsible brand that wants to help people eat better in the future.

Fleury Michon shares (codes: ISIN FR 0000074759, Reuters FLMI PA, Bloomberg FLE FP) are listed on the Euronext Paris market, Eurolist B, and are eligible for French SME equity-based savings accounts.