



2016 Revenue Down 2.6% to €737.8 million

Revenue (in €m)	2015	2016	Change
First quarter	182.1	184.7	+1.4%
Second quarter	192.4	187.3	-2.7%
Third quarter	193.1	188.1	-2.6%
Fourth quarter	190.0	177.7	-6.5%
TOTAL 2016	757.6	737.8	-2.6%

Fleury Michon generated revenue of €737.8 million in 2016, down 2.6% compared with 2015, which was shaped by strong revenue growth of 7.1%.

Full-year 2016: Lower revenue from French Supermarkets, continued growth in International Operations and New Food Services

Revenue (in €m)	Fourth quarter			12 months		
	2015	2016	Change	2015	2016	Change
French Supermarkets	161.1	149.7	-7.1%	654.3	625.2	-4.4%
International	13.2	12.3	-6.8%	48.2	54.7	+13.5%
New Food Services	15.7	15.7	=	55.1	57.9	+5.1%
TOTAL	190.0	177.7	-6.5%	757.6	737.8	-2.6%

Revenue from **French Supermarkets** declined by 4.4% over the full year to €625.2 million. In the fourth quarter, revenue from the segment (84.7% of consolidated revenue) was down 7.1% from the year-earlier period.

The decline in revenue from French Supermarkets over the full year was primarily attributable to:

- Relatively flat demand for fast-moving consumer goods. According to Nielsen data at 25 December 2016, FMCG revenue rose 0.9% in 2016 versus 1.1% in 2015, while volume increased 0.1% versus 0.3% in 2015. This situation reflects a need for responsible consumption – "less but better" – illustrated, for example, by rising concern about food waste.
- The upward adjustment in prices at the beginning of the year in an environment shaped by sharply rising raw material costs and a price war among supermarkets and hypermarkets. This adjustment has required work to reposition the range and delayed the arrival of new product innovations, penalising revenue.
- The decision to conduct less costly promotional campaigns amid the ongoing promotional war in supermarkets and hypermarkets.

Revenue

€737.8m
Full-year 2016



More about our "Helping people eat better every day" project at:

<http://www.fleurymichon.fr/>

Fleury Michon

Founded in 1905, Fleury Michon is a people-sized, independent family-owned company with 3,900 employees who are fully committed to helping people eat better every day.

The Group has operations in France, Italy, Spain, Norway, Slovenia and Canada.

In French Supermarkets, Fleury Michon ranks first in self-service charcuterie, fresh prepared meals and surimi. It is also the market leader for delivered meals to corporate customers in the Paris area.



Revenue from Fleury Michon-brand products decreased by 3.4% over the full year.

- Self-Service Charcuterie (71.2% of the French Supermarkets segment), which comprises only Fleury Michon-brand products, recorded a 2.4% decrease in revenue.
- Prepared Meals (17.1% of the segment) was down by 7.2% due to delays launching new product innovations and the loss of a private-label contract. Revenue from Fleury Michon-brand products declined by 3.7%.
- Surimi (11.7% of the segment) saw revenue fall by 12.2%, and by 12.0% for Fleury Michon-brand products, after being hit by unfavourable weather in spring and early summer.

Fleury Michon is the leading French brand across all its business segments and continues to enjoy strong positions.

In the International segment, consolidated operations rose by 13.5% in 2016 (16.1% at constant exchange rates). This performance reflects good business levels in all the units and especially the ongoing development of operations in Canada. Over the full year, operations in Canada expanded by 15.2%, or 18.9% at constant exchange rates, thanks to positive trends in airline catering and Fleury Michon-brand products. The fourth quarter, however, was impacted by the loss of an airline catering contract in Canada, which led to a 12.6% decline in revenue for the quarter (17.1% at constant exchange rates). Overall, revenue from International operations decreased by 6.8%, or 10.2% at constant exchange rates, in the fourth quarter.

Revenue from operations in Italy and Spain (non-consolidated joint ventures) was up by 5.0% and 0.9%, respectively, over the full year, and by 6.1% and 5.6%, respectively, in the fourth quarter.

New Food Services (Eat-Out, Catering, Delivered Meals and other) achieved growth of 5.1% in 2016. Within the segment, revenue from the Group's delivered meals, receptions and buffets business rose by 6.3% over the full year, driven notably by the solid development of the buffet offering.

Conclusion

In 2017, Fleury Michon will pursue and intensify the deployment of its project to "Help people eat better every day", notably by focusing even more sharply on certified sourcing channels (J'aime, organic, Label Rouge, Bleu Blanc Coeur, etc.), product health benefits and additions to the vegetable protein range. These innovations will be supported with advertising to raise awareness among consumers and share the Company's commitments with them.

In addition, as part of this strategy, Fleury Michon is organising a major public event devoted to eating better in Chantonnay en Vendée, France on 10 and 11 March. Various players involved in the movement to produce better, process better, distribute better and consume better will be on hand to share their insights into how everyone can contribute to eating better and enjoy the benefits. More information on this public event will be posted on our website www.fleurymichon.fr/mm2017 on 6 February 2017.

Next Announcement:

2016 results and first-quarter 2017 revenue:

5 April 2017 after market close

Find out more about
Fleury Michon in



<http://www.fleurymichon.ca/en/>

Fleury Michon's
Delivered Meal, Buffet
and Reception offering is
available through



Fleury Michon
eligible for French
SME equity-based
saving accounts

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