

## 2013 Annual results

### Q1 2014 Revenue

#### Activity: Good performance in a difficult climate

Annual revenue (€m)	2012	2013	Change
French supermarkets	594.8	605.0	+1.7%
International operations	47.8	44.0	-7.9%
Services and miscellaneous	48.3	48.9	+1.2%
<b>TOTAL</b>	<b>690.9</b>	<b>697.9</b>	<b>+1.0%</b>

In a particularly complicated economic climate, Fleury Michon managed to maintain annual revenue growth of 1% to €697.9m. Several factors impacted on the various business segments:

- **The French Supermarkets** segment <sup>(1)</sup> posted a 1.7% increase to €605m, of which 2.7% was attributable to the Fleury Michon brand.
  - o Charcuterie performed well, climbing 5.6% while the market edged up 2.2%;
  - o The Prepared meals segment was adversely affected by the 'horsegate' scandal in February, resulting in a 2.1% decline in sales, compared to the 4.3% fall suffered by the market;
  - o Surimi was penalised by inclement weather at the beginning of spring. Consequently, this segment dropped 9.9%, while the market slid 6.4%.
- **International operations** posted €44m in consolidated revenue, a drop of 7.9% (but down 3.8% at constant exchange rates), mainly attributable to the Canadian division. The two unconsolidated joint ventures performed well despite unfavourable national markets. Piatti Freschi Italia edged up 2.2% in Italy, while Platos Tradicionales rose 6.6% in Spain.
- And finally, the **Services segment** rose 1.2% to post €48.9m in revenue.

#### Profitability: Operating and net profits maintained

Elements of P&L Account (€m) IFRS	2012	2013
Revenue	690.9	697.9
Operating profit	37.0	32.2
<i>Operating margin</i>	5.3%	4.6%
Finance costs - net	-3.0	-1.3
Tax	-13.9	-12.9
Share of equity-accounted entities	-2.1	-1.8
Consolidated net profit	17.9	16.2
<i>Net margin</i>	2.6%	2.3%

## 2013

**€697.9m**  
in revenue

**€551.0m**  
generated by the  
Fleury Michon  
brand  
**An increase of  
2.7%**

**€32.2m**  
in operating profit

**€16.2m**  
in net profit

(1) Hypermarkets and supermarkets

Three major factors should be noted in the Group's financial profit for 2013:

- A tense competitive environment and the high price of raw materials;
- Greater investment in communications to boost the Fleury Michon brand;
- Launch of a new industrial site in Cambrai.

These key elements impacted on operating profit. Operating margin represented 4.6% of revenue and remains, nonetheless, at a satisfactory level given the economic climate. The same is true of the net margin, which thanks to improvements in finance costs and the performance of equity-accounted entities, stood at 2.3% of revenue, i.e., identical for both six-month periods and in line with forecasts published in the press release of 29<sup>th</sup> August 2013.

The contribution of equity-accounted companies rose by €0.3m, thanks to the Italian division's return to profitability. The Spanish segment's profitability remains positive. Overall, profit for these equity-accounted entities totalled –€1.8m.

### **Financial Structure: Continued improvement**

The Group's balance sheet at the end-FY2013 revealed €179.2m in equity compared with €167.5m for the previous year. Net financial debt also declined by €1.9m, with a gearing level at 50.7% against 55.41% as at 31<sup>st</sup> December 2012. Cash flow was €47.9m while free cash flow stood at €10.8m.

### **Proposed dividend**

The payment of a dividend of €1.2 per share for FY2013 will be put to the AGM of 28<sup>th</sup> May for approval.

### **Fleury Michon confirms its growth strategy**

The 'crisis' facing Western economies is really indicative of a major change in our society. Consumers want more control over their food. This presents a great opportunity for responsible brands. Fleury Michon has all the resources necessary to transform these challenges into opportunities. The Group will therefore continue to concentrate its efforts along four major strategies:

- Greater engagement and dialogue with consumers
- Continued investment in innovations
- Redoubled involvement in subsidiaries
- Continuation and promotion of Fleury Michon's social commitment

**Good margins maintained:**

**Operating 4.6%**

**Net 2.3%**

**Continued deleveraging**

**24th July**  
**Publication of H1 2014 revenue**

**Fleury Michon**  
**Eligible for SME investment vehicles**

### Q1 2014 revenue and annual objective

In Q1 2014, the Fleury Michon Group posted revenue of €167.9m, which represented a 3.7% decline in relation to Q1 2013.

Annual revenue (€m) IFRS	Q1 2013	Q1 2014	Change
French supermarkets	151.3	146.5	-3.2%
International operations	11.1	8.9	-19.8%
Services and miscellaneous	12.1	12.6	+4.1%
<b>TOTAL</b>	<b>174.5</b>	<b>168.0</b>	<b>-3.7%</b>

Despite this first quarter, Fleury Michon is confident about FY2014 and intends to reinforce its position both in France and abroad.

Against this background and given the elements presently known, the Group forecasts 4% growth in activity for 2014.

### Fleury Michon...

Founded in 1905, Fleury Michon still remains a medium-size, independent family-run company.

Its 3,730 employees renew their commitment to excellence every day. The company is present in France, Italy, Spain, Slovenia and Canada.

In France, it is the leader on the Supermarket, Self-service charcuterie, Fresh prepared meals and Surimi segments.

Fleury Michon is the leader on the Delivered Meal tray business provided to companies in the Paris region

### ... Promoting healthy eating every day

### Contacts

#### Investors, analysts, financial journalists

Jean-Louis ROY,  
Administration and Finance Director

#### Other journalists and media

Eric COLY, Head of Financial Information

☎ (33 2) 51 66 30 20

[infos.finances@fleurymichon.fr](mailto:infos.finances@fleurymichon.fr)

[www.fleurymichon.fr](http://www.fleurymichon.fr)

Eurolist B – CACSmall90  
ISIN FR 0000074759  
Reuters FLMI.PA  
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