



Campofrio Food Group records a net profit of €15.7 million with an increase in sales of 5.0% in 2012

- Higher sales and productivity improvements enabled CFG to record normalised EBITDA of €150.5 million
- The Group's "health", "heritage" and "snacking" platforms helped boosting sales, with combined growth of 29.5%
- The Group strengthened its cash position and reduced its net financial debt

Madrid, 28 February 2013. Sales by Campofrio Food Group (CFG) rose by 5.0% to €1,918 million in 2012 compared to the previous year, due to the organic growth of the group and the contribution from Fiorucci.

In 2012, the Group's focus on innovation was a catalyst for growth, highlighted by the performance of the "health", "heritage" and "snacking" segments. Combined growth of 29.5% in these areas boosted the company's sales and accounted for 11.0% of the total at the end of the year. The strength of Campofrio Food Group's brands and the strategy to reinforce their development in each market and sales channel allowed the company to outperform the downward trend in the market. Retail sales of CFG brands rose driven by the strong performance of *Aoste* in France (+10.1%) and Belgium (+5.1%), *Justin Bridou* in France (+6.7%), *Stegeman* in Holland (+5.0%) and *Campofrio* in Spain (+2.0%), among others.

Campofrio Food Group has demonstrated its capacity to improve its competitive position in an extremely difficult economic and market environment. The consolidation of its brands' leadership positions; the on-going adaptation to customers' needs; and the growing innovation in the product portfolio have all been achieved, while maintaining the investment in marketing in order to protect the key brands. In a year characterised by the sharp increase in the cost of raw materials, meat prices reached new record highs. This strong inflationary pressure was partially offset by productivity improvements resulting from centralising and streamlining the process of purchasing meat and other raw materials. The result was normalised EBITDA of €150.5 million and net profit of €15.7 million.

Campofrio Food Group continued to reinforce its solid financial position and its capacity to generate cash-flow throughout the year. In 2012 the Group generated a net operating cash flow of €116.5 million; it increased its cash position by €31.6 million to €169.9 million; and reduced its net financial debt by €37.1 million to €441.8 million, with a debt to EBITDA leverage ratio of 2.9 times.

Million €	2012	2011
Total net sales	1,918.3	1,827.2
Normalised EBITDA	150.5	169.4
Net profit	15.7	-54.2
Net financial debt	441.8	478.8

Robert A. Sharpe II, CEO of Campofrio Food Group, said, "The results for 2012 reflect the solid positioning of our brands and the Group's successful sales and innovation initiatives. In a difficult environment, Campofrio Food Group is strengthening its position across all of its markets where it operates. The Group's integration and transformation strategy is getting results and is enabling us to develop all of our brands and products in the countries where we already have a strong presence and to enter new markets. This integration is also allowing us to optimise the management of resources, to align our objectives and to establish best practices in every business unit. This has meant that we were able to meet the investment program targets for the year. CFG has strengthened its financial position and its cash flow generation, providing the means to continue developing the investment program to ensure sustainable growth and productivity in the coming years".