

2017: a structuring and satisfying year for Agrial, which proves the strength of its multi-specialist model and the purpose of its cooperative commitment



In a context of agricultural recovery, 2017 was a key year for Agrial since it is the first year deploying its "Horizon 2025" strategic plan. 2017 also demonstrated the vitality of the Group, with a sales turnover and an EBITDA that both increased by 6% in comparison to 2016. Based on these solid results and in accordance with its cooperative commitment, the Agrial's Board of Directors will propose a record level of returns to members during the General Assembly in May: more than 18 million euros, accounting for nearly 30% of the Group's net result.

A more favourable, yet mixed agricultural context

After a catastrophic year in 2016 for the whole farming sector, luckily the circumstances were better in 2017: the cereal collection was rather good in both quantity and quality and the price of milk finally rose after two years of crisis (+€40/1,000 L versus 2016). Even so, Agrial suffered a great deal in the potato and carrot markets, which had a significant impact on the Group's results. The situation concerning cider apple production is also difficult in France's cider market, which continues to decline.

Profitability enabling the continued development of the Group's 5 divisions.

Agrial continued with its development in 2017, increasing its sales turnover by 6.5% to reach 5.5 billion euros (5.2 billion euros in 2016). The Group's EBITDA also saw equivalent growth, going from 212 to 225 million euros between 2016 and 2017 (+6%), but with a very different breakdown between the divisions when compared with last year. The Fresh Vegetables & Fruit division in particular had a difficult year due to a degraded situation related to carrots and potatoes, while the Dairy division showed its first positive results since the merger with the Eurial cooperatives.

In a continuously volatile agriculture and agri-food context, this development once again showed the relevance of Agrial's multi-specialist model and its presence throughout the value chain, from producer to consumer. This vitality also made it possible to maintain a high level of investments in all the Group's divisions, up to 136 million euros in 2017 (excluding external growth).

Agrial continues to be one of the major French agriculture and agri-food cooperatives, showing once more a satisfactory margin of profit. And yet, with net results of 63 million euros, equalling 1.1% of the sales turnover, the Group must continue its efforts responsibly and modestly to meet continuously changing consumer needs and continue to ensure permanent, rewarding opportunities for its farmer-members.

A record level of returns for cooperative members

These solid results allow Agrial's Board of Directors to offer a record level of returns to the Cooperative's 13,000 farmer-members for 2017: more than 18 million euros (it was 13 million euros for 2016, 11 million in 2015), which must be voted on at the next General Assembly on May 25 in Caen, Normandy. These returns come in many forms:

- 1.3 million euros for interest on shares
- 4.3 million euros in returns for the whole Group's results, a new form of returns for members since the 2017 general assembly.
- 10.7 million euros in returns for the results of each division.
- 2 million euros in aid (excluding treasury aids), which concern in particular the aid given to the young members of the Cooperative (€1.4 million euros).

This 18 million euros accounts for nearly 30% of the Group's net results and illustrates the meaning of the key concept of created-value sharing, which is part of Agrial's DNA since its founding.

"Horizon 2025": a structured and structuring strategic plan

Through the growth, level of investments and amount of returns for its members, the year 2017 is representative of the vitality based on the "Horizon 2025" strategy and rooted in all of Agrial's divisions. After two intense years of work by elected representatives and employees, this strategy was presented at the May 2017 General Assembly and completed its first year of deployment.

Organised around 5 strategic areas, "Horizon 2025" is highly structuring for Agrial's development as a whole. In particular it has helped the Group reshape its organisation, which is now formed into 5 divisions as opposed to the 8 divisions before, including the upstream and downstream dimension of each one.

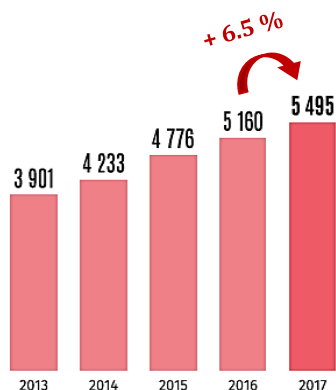
This strategic project represents the Group's overall vision in 2025, presenting clear choices for development, precise objectives and positions for the major challenges facing Agrial. It represents a roadmap that gives meaning to the Cooperative's different business units, guides its choices and responds to ever-increasing environmental, societal and economic challenges.

2018 Perspectives, developing with ambition and humility

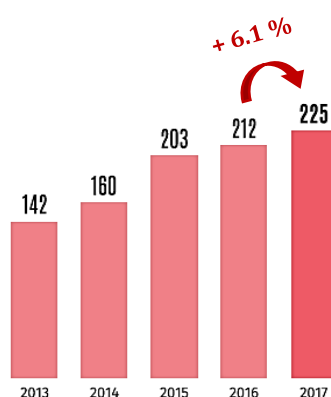
Agrial plans to continue with its development in 2018 in line with 2017 while hoping for a more forgiving situation in the carrot and potato markets and the continuing recovery of the dairy market. While the business of the agricultural division has had difficulty getting started due to the climate conditions in the first quarter, the development of the offers for improving the competitiveness of the members' farms remain a priority. The agri-food divisions continue to seek creating value by focusing on international markets, brands, operational excellence, quality and innovation. These different levers must continue to help Agrial develop and share the created value among all of the members of the Cooperative, with ambition and humility.

2017 SUMMARY OF AGRIAL

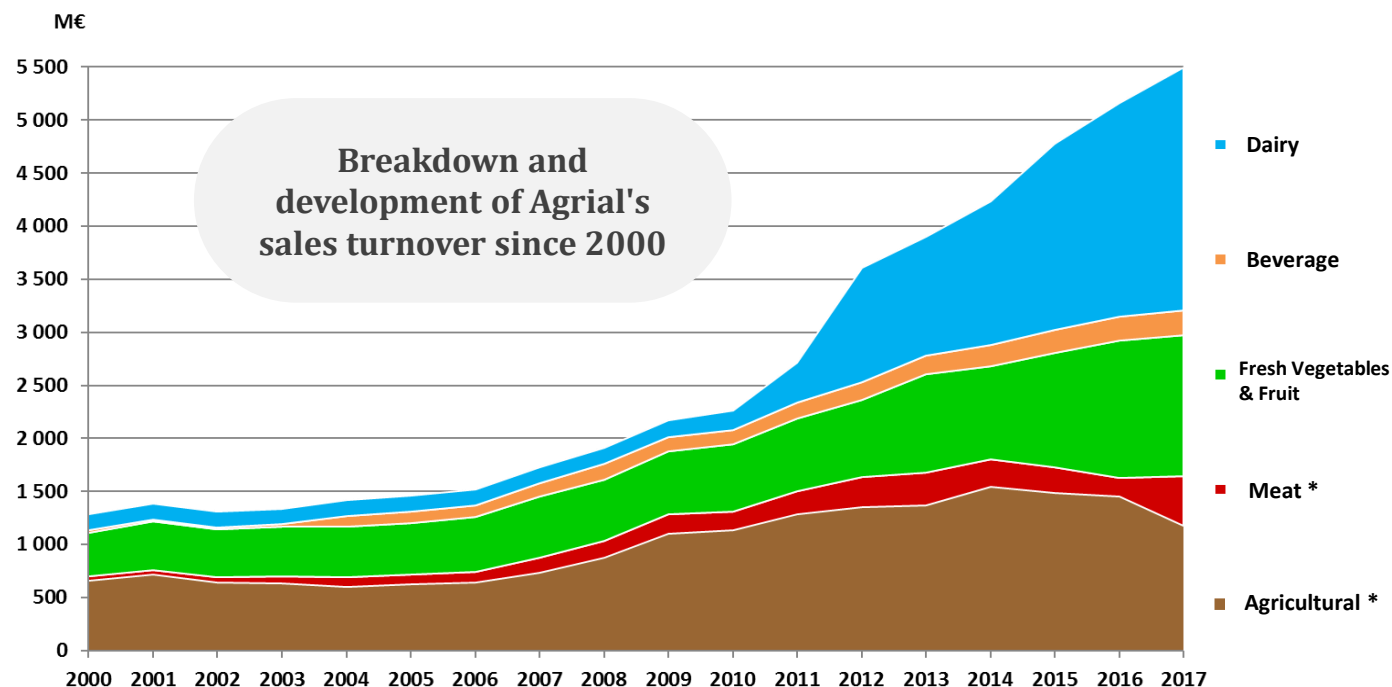
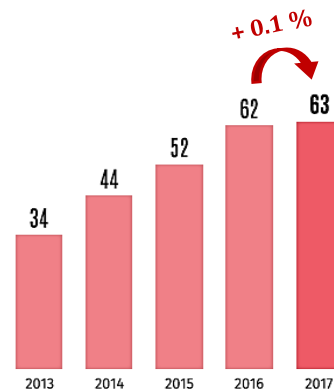
Sales turnover (€M)



EBITDA (€M)

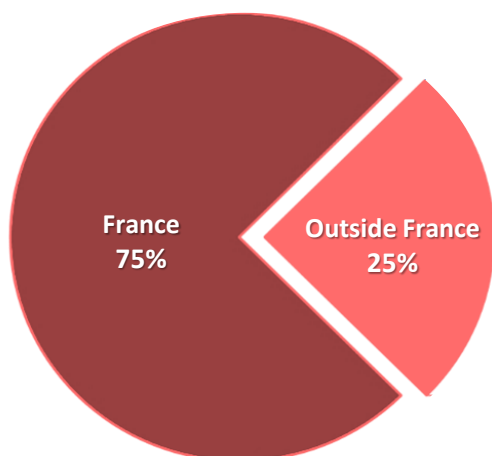


Net results (€M)



INTERNATIONAL

Breakdown of the sales turnover

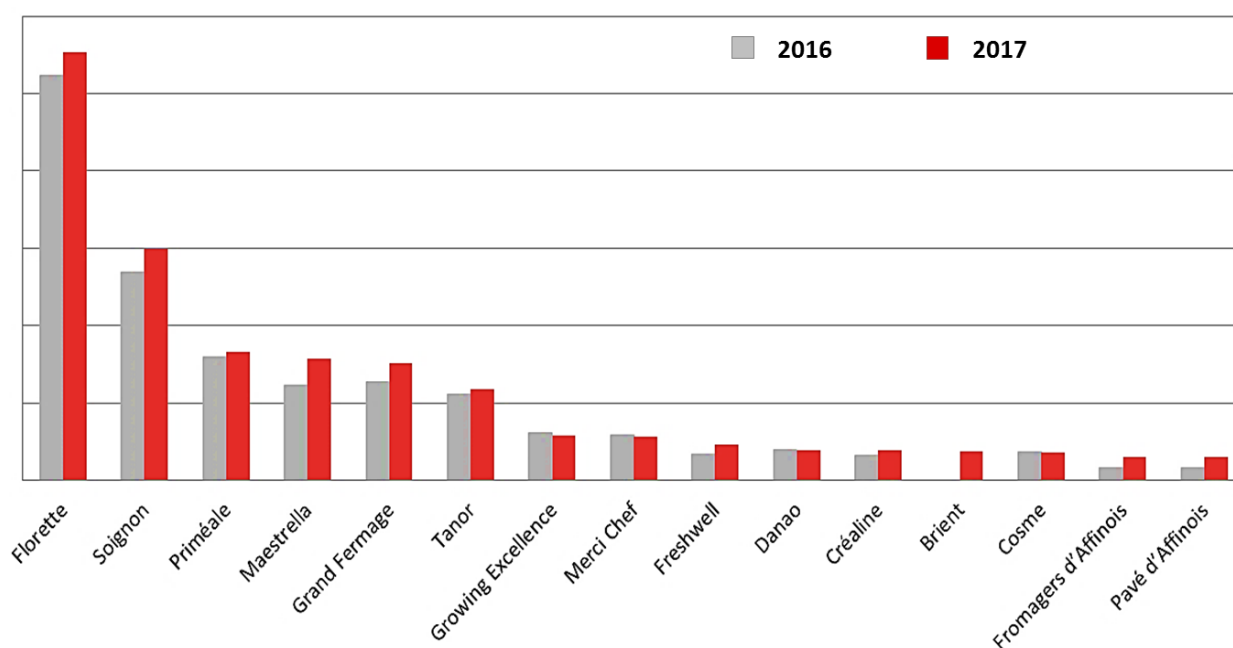


International development continues for Agrial: 1.35 billion euros in turnover outside France in 2017 (1.25 billion in 2016). It represents 1/3 of the Group's agri-food turnover in 2017.

Europe represents 82% of the international turnover (with, in sequence, Spain, the U.K. and the Netherlands) and North America amounts to 8%.

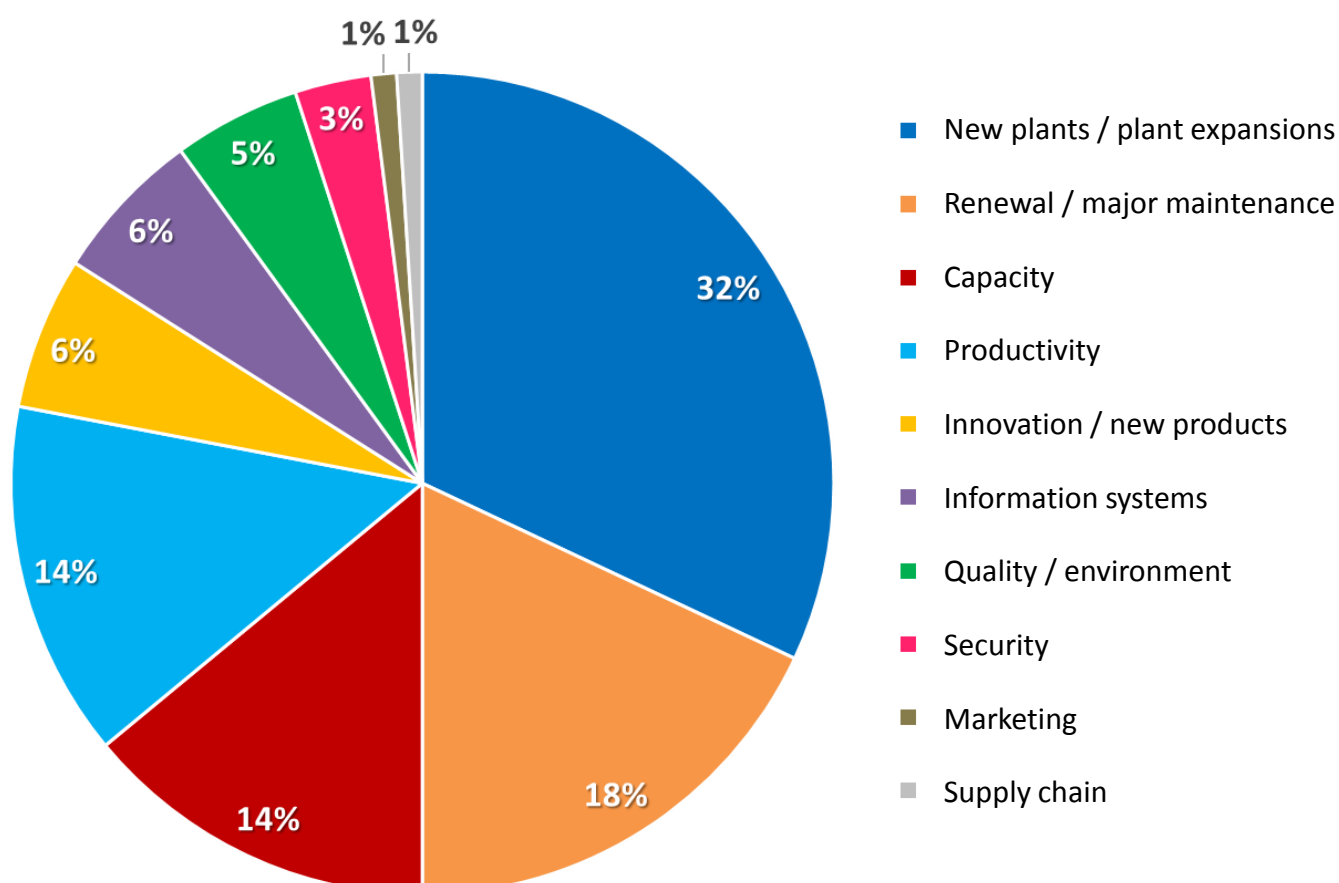
BRANDS

An improvement in all Agrial's main brands in 2017, key component in creating value as part of the "Horizon 2025" strategy.



INVESTMENTS

136 million euros in investments in 2017 (excluding external growth), which first concern renewal and modernisation of the Group's industrial plants as well as the development of production capacities.



AGRIAL'S 'HORIZON 2025' STRATEGY

After two years of intensive work by Agrial's elected representatives and employees, our 'Horizon 2025' strategic project was presented to the General Assembly in May 2017. As the keystone of Agrial's development, the aim of Horizon 2025 is to move us forward responsibly and with peace of mind, in a world of profound change.

5 STRATEGIC AREAS



Strengthening and modernising our cooperative project



Conquering markets that generate value



Cultivating Operational excellence



Being at the forefront of new models



Developing nourishing and sustainable agriculture

AN ESSENTIAL CHALLENGE



Developing talented people

A COMMITMENT



Acting collectively in favour of sustainable development

SOME EXAMPLES OF THE OBJECTIVES FOR HORIZON 2025

- ✓ 50% of the Group's agri-food sales turnover earned outside France
- ✓ 10% reduction in our water and energy consumption
- ✓ 10% of our productions done through organic farming
- ✓ 50% reduction in the use of crop protection products
- ✓ 0 pesticide residue in all our products

SOME EXAMPLES OF PROJECTS LAUNCHED IN 2017

- ❖ Sharing created value: creation of Group's returns at 2017 G.A. to increase returns to members
- ❖ Training of elected representatives: already 90 reps trained out of 450
- ❖ Reduction of final waste: 95% of waste from our sites in France recycled or reused in 2017
- ❖ Renewal of talent: 84 apprentices welcomed into the agricultural division in 2017
- ❖ "All innovative" initiative: 2,200 employees from the Dairy division participated in a "iDay" in 2017