

NOT FOR GENERAL DISTRIBUTION IN THE UNITED STATES

**FAGE INTERNATIONAL S.A.
FAGE USA DAIRY INDUSTRY, INC.**

PRESS RELEASE: December 3, 2012

**FAGE ANNOUNCES OFFERING OF U.S. DOLLAR BONDS AND COMMENCES
CONSENT SOLICITATION RELATING TO EXISTING SENIOR NOTES DUE 2020**

FAGE INTERNATIONAL S.A. ("FAGE International") and FAGE USA Dairy Industry, Inc. ("FAGE USA") today announced that they intend to commence an offering of up to US\$250,000,000 aggregate principal amount of their 9⁷/₈% Senior Notes due 2020 (the "Additional Senior Notes"). The Additional Senior Notes are expected to be issued jointly and severally by FAGE International and FAGE USA as issuers (together, the "Issuers").

The Additional Senior Notes are being offered as additional notes under an indenture dated January 29, 2010, as amended and supplemented, among, *inter alios*, the Issuers, FAGE Luxembourg S.à r.l., a wholly owned subsidiary of FAGE International, and FAGE Dairy Industry S.A., a wholly owned subsidiary of FAGE International, as guarantors, and The Bank of New York Mellon, London Branch, as Trustee.

The Issuers intend to use the net proceeds from the sale of the Additional Senior Notes: (a) to redeem all of their outstanding 7.5% Senior Notes due 2015; (b) to repay the FAGE Group's other indebtedness outstanding on the date of issuance; and (c) for capital expenditures and other general corporate purposes, including the expansion of the FAGE Group's U.S. manufacturing facility. To meet increasing U.S. demand, the FAGE Group is further expanding production capacity at its Johnstown, New York facility. Expansion is expected to begin early in 2013 and is expected to be completed by the end of the first quarter of 2014. Following this expansion, U.S. production capacity ultimately will reach a total of approximately 160,000 tons of yogurt annually. The estimated capital investment for the project will be approximately \$100 million and will be financed primarily with proceeds from the issuance of the Additional Senior Notes.

In connection with the offering, the Issuers also announced the solicitation of consents from holders of their existing \$150,000,000 9⁷/₈% Senior Notes due 2020 (the "Existing Notes") (144A ISIN: US303109AA06; CUSIP: 303109AA0; Reg S ISIN XS0483107701) to amend certain of the existing restrictive covenants and events of default and to add certain new restrictive covenants to the indenture pursuant to which the Existing Notes were issued in order to ensure that the Additional Senior Notes will comprise a single series with the Existing Notes. The terms and conditions of the solicitation are described in the Consent Solicitation Statement dated December 3, 2012. Capitalized terms used in this press release have the meanings ascribed to them in the Consent Solicitation Statement.

The consent solicitation will expire at 5:00 p.m. New York time on December 11, 2012 (the "Expiration Time") unless extended or earlier terminated. The consideration for each \$1,000 principal amount of Existing Notes for which a consent is received prior to the Expiration Time and not validly revoked is \$2.50 (the "Consent Payment"). The Consent Payment is subject to the satisfaction or waiver of certain conditions.

The proposed amendments include changes to the indenture to, among other things:

- restrict inter-company transactions involving FAGE's subsidiaries in Greece and exclude such subsidiaries from certain covenants and events of default;
- translate certain of the Euro amounts referred to in the indenture to reflect the change in the Issuers' reporting currency from Euros to U.S. dollars; and
- ensure that FAGE International maintains its center of main interest in its jurisdiction of incorporation.

If the required consents are not obtained from Existing Holders prior to the Expiration Time, the Issuers may, in their sole discretion, terminate the consent solicitation (without paying any consent fees) and commence a new solicitation of consents to the proposed amendments that will be open to all holders of Existing Notes and Additional Senior Notes as a single class without offering any consent fee.

FAGE is a leading international dairy company with a focus on yogurt and other branded dairy products. These products are produced and sold in the United States and Greece, and exported to 33 other markets globally, including the United Kingdom and Italy.

The Additional Senior Notes will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or any U.S. state securities laws. Accordingly, the Additional Senior Notes are being offered and sold in the United States only to qualified institutional buyers in accordance with Rule 144A under the Securities Act and outside the United States in accordance with Regulation S under the Securities Act.

The offering of Additional Senior Notes will be made pursuant to an exemption under the Prospectus Directive, as implemented in Member States of the European Economic Area, from the requirement to produce a prospectus for offers of securities. This announcement does not constitute an advertisement for the purposes of the Prospectus Directive.

This announcement does not constitute an offer to sell or the solicitation of an offer to buy any securities, nor will there be any sale of securities referred to in this announcement, in any jurisdiction, including the United States, in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This press release includes forward-looking statements. The following cautionary statements identify important factors that could cause our actual results to differ materially from those projected in the forward-looking statements made in the Consent Solicitation Statement. Any statements that are not statements of historical fact, including statements about our expectations, beliefs, plans, objectives, assumptions or future events or performance, are forward-looking in nature. These forward-looking statements include statements regarding: our financial position; our expectations concerning future operations, strategy, margins, profitability, liquidity and capital resources; other plans and objectives for future operations; and all other statements that are not historical facts. These statements are often, but not always, made through the use of words or phrases such as "will likely result," "are expected to," "will continue," "believe," "is anticipated," "estimated," "intends," "expects," "plans," "seek," "projection," "future," "objective," "probable," "target," "goal," "potential," "outlook" and similar expressions. These statements involve estimates, assumptions and uncertainties, which could cause actual results to differ materially from those expressed. We have based these forward-looking statements on our current expectations and projections about future events. Although we believe that these statements are based on reasonable assumptions, they are subject to numerous factors, risks and uncertainties that could cause actual outcomes and results to be materially different from those projected. It is also possible that any or all of the events described in forward-looking statements may not occur.

Any forward-looking statements are qualified in their entirety by reference to the factors discussed throughout the Consent Solicitation Statement.

DISCLAIMER

This press release is not a consent solicitation and must be read in conjunction with the Consent Solicitation Statement. This press release and the Consent Solicitation Statement contain important information which should be read carefully before any decision is made with respect to the proposed amendments. Those documents should be consulted for additional information regarding consent procedures and the conditions for the consent solicitation. To receive copies of the Consent Solicitation Statement or for questions relating to the consent solicitation please contact the Solicitation Agent or the Information and Tabulation Agent at the contact information below. If any holder is in any doubt as to the action it should take or is unsure of the impact of the implementation of the proposed amendments, it is recommended to seek its own financial and legal advice, including as to any tax consequences, immediately from its stockbroker, bank, manager, solicitor, accountant or other independent financial or legal adviser. Any individual or company whose Existing Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee or intermediary must contact such entity if it wishes to consent to the proposed amendments. None of the Issuers, any Guarantor, the Information and Tabulation Agent, the Solicitation Agent or the Trustee makes any recommendation whether holders of the Existing Notes should consent to the proposed amendments.

Any deadlines set by any intermediary or clearing system will be earlier than the deadlines specified in the Consent Solicitation Statement.

Requests for information in relation to the consent solicitation should be directed to:

Solicitation Agent:

Citigroup Global Markets Limited
Citigroup Centre
Canada Square, Canary Wharf
London E14 5LB

United Kingdom
Attention: Liability Management Group
London: +44 (0) 20 7986 8969
Toll Free: +1 (800) 558 3745
Collect: +1 (212) 723 6106
E-mail: liabilitymanagement.europe@citi.com

Information and Tabulation Agent:

Global Bondholder Services Corporation

65 Broadway – Suite 404

New York, New York 10006

U.S.A.

Banks and Brokers call: +1 (212) 430-3774

Toll-free: +1 (866) 387-1500

Facsimile Transmission Number: +1 (212) 430-3775/3779 (for eligible institutions only)

Confirmation: +1 (212) 430-3774

E-mail: info@gbsc-usa.com

Attention: Corporate Actions