



FAGE INTERNATIONAL S.A.

PRESS RELEASE: AUGUST 12, 2019

FAGE ANNOUNCES UNAUDITED HALF-YEARLY RESULTS FOR THE SIX AND THREE MONTHS ENDED JUNE 30, 2019 IN REPORT TO SENIOR NOTE HOLDERS

FAGE International S.A. (the “Company” or “FAGE”) today announced its financial results prepared in accordance with International Financial Reporting Standards for the six and three months ended June 30, 2019 in a half-yearly report (the “Half-Yearly Report”) to the holders of its 5.625% Senior Notes due 2026 (the “Senior Notes”).

Our sales in value for the six months ended June 30, 2019 amounted to \$258.3 million, a decrease of \$36.6 million, or 12.4%, compared to sales in value of \$294.9 million for the six months ended June 30, 2018.

Gross profit for the six months ended June 30, 2019 was \$103.5 million, a decrease of \$31.4 million, or 23.3%, from \$134.9 million for the six months ended June 30, 2018. Gross profit as a percentage of sales for the six months ended June 30, 2019 was 40.1%, compared to 45.7% for the six months ended June 30, 2018. The main reason for this decrease was the increase in the prices of milk used in both the U.S. facility and the European facilities by 15.4% and 34.5%, respectively.

Operating profit for the six months ended June 30, 2019 was \$31.7 million, a decrease of \$16.0 million, or 33.5 %, as compared to operating profit of \$47.7 million for the six months ended June 30, 2018. As a percentage of sales, operating profit was 12.3% for the six months ended June 30, 2019 as compared to 16.1% for the six months ended June 30, 2018. This is mainly due to the decrease in gross profit, which was partially offset by the decrease in SG&A.

Profit before income taxes for the six months ended June 30, 2019 was \$17.6 million, as compared to \$34.3 million for the six months ended June 30, 2018.

Income tax expense for the six months ended June 30, 2019 was \$3.4 million, as compared to \$8.3 million for the six months ended June 30, 2018.

Net profit for the six months ended June 30, 2019 was \$14.2 million, as compared to net profit of \$26.0 million for the six months ended June 30, 2018.

On August 3, 2016, the Company and FAGE USA Dairy Industry, Inc. (“FAGE USA”) issued \$420,000,000 principal amount of their 5.625% Senior Notes due 2026 under an indenture dated as of August 3, 2016 (the “Indenture”) by and among the Company and FAGE USA, as issuers, FAGE Dairy Industry S.A., as guarantor, The Bank of New York Mellon, acting through its London Branch, as trustee, The Bank of New York Mellon, as U.S. paying and transfer agent, and The Bank of New York Mellon (Luxembourg) S.A., as registrar.

The Half-Yearly Report is being provided to Holders of the Senior Notes pursuant to Section 4.02 of the Indenture. The Half-Yearly Report is also available on FAGE’s website at home.fage.

FAGE is a leading international dairy company with a focus on yogurt. FAGE has significant sales in the U.S. yogurt market, growing international sales outside of the United States, and leading market positions in the Italian, U.K. and Greek yogurt markets. FAGE has grown from its origins in Greece in 1926 to become an international company with sales in approximately 44 countries in Europe, the Americas, Asia and Africa.

FAGE International S.A.

145, rue du Kiem, L-8030 Strassen, Grand Duchy of Luxembourg Tel: +352 2787 3333 Fax: +352 2866 9419
home.fage • e-mail: info.international@mail.fage



Inquiries regarding the Company's financial results should be directed to Christos Koloventzos, the Company's Chief Financial Officer, at +352 27873333 or Christos.Koloventzos@mail.fage.

The Senior Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws and, unless so registered, may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Senior Notes were offered and sold only to "Qualified Institutional Buyers" (as defined in Rule 144A under the Securities Act) and pursuant to offers and sales occurring outside of the United States within the meaning of Regulation S under the Securities Act.