



FAGE INTERNATIONAL S.A.

PRESS RELEASE: MAY 14, 2019

FAGE ANNOUNCES UNAUDITED QUARTERLY RESULTS FOR THE THREE MONTHS ENDED MARCH 31, 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 three months ended March 31, 2019 in a quarterly report (the "Quarterly Report") to the holders of its 5.625% Senior Notes due 2026 (the "Senior Notes").

Our sales in value for the three months ended March 31, 2019 amounted to \$127.9 million, a decrease of \$19.2 million, or 13.1%, as compared to sales of \$147.1 million for the three months ended March 31, 2018.

Gross profit for the three months ended March 31, 2019 was \$51.1 million, a decrease of \$17.5 million, or 25.5%, from \$68.6 million for the three months ended March 31, 2018. Gross profit as a percentage of sales for the three months ended March 31, 2019 was 39.9%, as compared to 46.6% for the three months ended March 31, 2018. The main reason for this decrease was the increase in the prices of milk used in the U.S. facility and the Greek facilities by 17.9% and 33.7%, respectively. This was partially offset by the strengthening of the U.S. dollar against the Euro and the British Pound.

Operating profit for the three months ended March 31, 2019 was \$15.2 million, a decrease of \$9.5 million, or 38.4%, as compared to operating profit of \$24.7 million for the three months ended March 31, 2018. As a percentage of sales, operating profit was 11.9% for the three months ended March 31, 2019 as compared to 16.8% for the three months ended March 31, 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 three months ended March 31, 2019 was \$7.8 million compared to profit before income taxes of \$19.8 million for the three months ended March 31, 2018.

Income tax expense for the three months ended March 31, 2019 was \$2.7 million, as compared to \$4.6 million for the three months ended March 31, 2018.

Net profit for the three months ended March 31, 2019 was \$5.1 million, as compared to net profit of \$15.2 million for the three months ended March 31, 2018. This decrease is mainly due to the decrease in gross profit.

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 Quarterly Report is being provided to Holders of the Senior Notes pursuant to Section 4.02 of the Indenture. The Quarterly 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

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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.

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.