



## **FAGE INTERNATIONAL S.A.**

**PRESS RELEASE: MARCH 28, 2014**

### **FAGE ANNOUNCES 2013 RESULTS 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 year ended December 31, 2013 in an annual report (the "Annual Report") to the holders of its 9 $\frac{7}{8}$ % Senior Notes due 2020 (the "Senior Notes").

Our sales in value for the year ended December 31, 2013 amounted to \$574.8 million, an increase of \$24.7 million, or 4.5%, compared to sales of \$550.1 million for the year ended December 31, 2012.

Gross profit for the year ended December 31, 2013 was \$217.9 million, as compared to gross profit of \$235.9 million for the year ended December 31, 2012. Gross profit as a percentage of sales for the year ended December 31, 2013 was 37.9%, compared to 42.9% for the year ended December 31, 2012.

Profit from operations for the year ended December 31, 2013 was \$32.8 million, as compared to profit from operations of \$64.6 million for the year ended December 31, 2012. This is mainly due to the decrease in gross profit. As a percentage of sales, profit from operations was 5.7% for the year ended December 31, 2013 as compared to 11.7% for the year ended December 31, 2012.

Income tax expense for the year ended December 31, 2013 was \$6.3 million. Income tax benefit for the year ended December 31, 2012 was \$68.6 million. This is mainly due to the recognition of a deferred tax asset of \$80.5 million during 2012.

Net loss for the year ended December 31, 2013 was \$15.6 million, as compared to net profit of \$100.9 million for 2012. The main reasons for this decrease in net profit were the decrease in gross profit, the increase in selling, general and administrative expenses and the increase in financial expenses.

On January 29, 2010, FAGE Dairy Industry S.A. and FAGE USA Dairy Industry, Inc. ("FAGE USA") issued \$150,000,000 principal amount of their 9 $\frac{7}{8}$ % Senior Notes due 2020 under an indenture (the "Indenture"), dated as of January 29, 2010, by and among FAGE Dairy Industry S.A. and FAGE USA, as issuers, The Bank of New York Mellon, acting through its London Branch, as trustee, The Bank of New York Mellon, as U.S. registrar and paying agent, and The Bank of New York Mellon (Luxembourg) S.A., as Luxembourg registrar.

On October 1, 2012, FAGE, the parent company of the Group, succeeded to the obligations of FAGE Dairy Industry S.A. as one of the primary obligors (together with FAGE USA) of the 9 $\frac{7}{8}$ % Senior Notes due 2020.

On December 17, 2012, FAGE and FAGE USA issued an additional \$250,000,000 principal amount of their 9 $\frac{7}{8}$ % Senior Notes due 2020 (the "Additional Senior Notes"). The Additional Senior Notes are issued jointly and severally by FAGE and FAGE USA as issuers (together, the "Issuers") under the Indenture, as amended and supplemented on December 17, 2012 (the "Amended and Restated Indenture"), among, *inter alios*, the Issuers, FAGE Luxembourg S.à r.l., a wholly owned subsidiary of FAGE, and FAGE Dairy Industry S.A., a wholly owned subsidiary of FAGE, as guarantors, and The Bank of New York Mellon, London Branch, as Trustee.

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**FAGE International S.A.**

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The Annual Report is being provided to Holders of the Senior Notes pursuant to Section 4.02 of the Amended and Restated Indenture. The Annual Report is also available on FAGE's website at [www.fage.eu](http://www.fage.eu).

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 38 other markets globally, including the United Kingdom and Italy.

Inquiries regarding the Company's financial results should be directed to Christos Koloventzos, the Company's Chief Financial Officer, at +352 2704 8873 or [Koloventzos.Christos@fage.eu](mailto:Koloventzos.Christos@fage.eu).

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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.