

Through the fields

Review of operations
and sustainable development report
2009-2010



The Bonduelle logo features a stylized orange and yellow arc above the word "Bonduelle" in a green, serif font.



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58

million euros
in net income,
group share

104

million euros
in current operating
income

1,560

million euros
in revenue



The Bonduelle adventure

A family company founded in 1853, Bonduelle has for many years favored a “pure player” strategy based on three key objectives: longevity, independence and enabling employees to fulfill their potential. Today the group is the global leader of the processed vegetables market. It generates 65% of its revenue outside France (75% in the European area), and employs more than 8,200 staff (full-time equivalent). Bonduelle vegetables are grown on more than 100,000 hectares of land and distributed in 80 countries, always with respect for the natural environment. Pursuing a strategy of sustainable growth, the group sells vegetables all over the world, in all forms, under all types of brands, through all types of distribution channels and using all available technologies



Bonduelle is committed →
to improving agricultural
practices for the benefit of all,
by combining innovation
and sustainable development.



In Portugal, where I come from,
Bonduelle picks us with the greatest
care. We are then processed just
three kilometers away from
our field to keep in all our freshness.



Our group

“Making vegetables the future of food” is a priority for Bonduelle, which is highly committed to innovation, enabling it to offer healthier, affordable and easy-to-use products. The group benefits from unique expertise in all segments of the processed vegetable sector: it produces canned, frozen, fresh and prepared vegetables, and following the acquisition of France Champignon, pasteurized and dried mushrooms too. This acquisition has made mushrooms Bonduelle’s second-biggest crop after corn.



Message from the Executive Management

Christophe Bonduelle, Chairman and Chief Executive Officer, and Pierre Deloffre, Deputy Chief Executive Officer review the Bonduelle Group's operations in 2009-2010. Despite the economic crisis, the group surpassed the results of the previous year and is making significant investments in its future with the aim of securing sustainable growth.



Pierre Deloffre
Deputy Chief Executive Officer



Christophe Bonduelle
Chairman and Chief Executive Officer

How would you sum up financial year 2009-2010?

Christophe Bonduelle: The Bonduelle Group negotiated this second year of economic crisis very satisfactorily. We retained a genuine medium-term vision, by continuing our ambitious investment policy (more than 90 million euros in industrial investment). As part of this policy, we acquired France Champignon and Omstead Foods in Canada.

Pierre Deloffre: 2009-2010 was effectively a record year, with investment up 45% compared with previous years, focused on three projects: the construction of our plant in Cristalina, in Brazil, the reconstruction of our Italian plant, which was damaged by fire in 2008, and the building of a fully-automated storage room and dispatch area for frozen products in Estrées (France).

How has growth been achieved in your various businesses?

P.D.: Our revenue increased by 2.3% in 2009-2010. Growth is balanced between our different segments, with a clear pick-up in fresh food. It was mainly driven by our operations outside Europe (+5%, versus +1.5% in Europe). However, the effect of exchange rate movements should be taken into account.

C.B.: Our acquisitions have contributed 4 percentage points to growth, and show that our strategy is based on external as well as organic growth.



“ We have retained a genuine medium-term vision, by continuing our ambitious investment policy. ”

Christophe Bonduelle
Chairman and Chief Executive Officer

What about the canned vegetable market?

C.B.: Compared to the previous year, the canned vegetable market in Europe remained stable in volume terms, and grew slightly by value. The North American market is still growing strongly, although the delayed impact of the crisis has been very sharply felt in Russia and Ukraine.

P.D.: In this environment, our canned vegetable business grew by 2.9%. The group's brands did extremely well over the year, gaining market share, while our private labels business remained flat. In terms of innovation, we launched a second generation of steamed products in France, a range that will be rolled out internationally over the next financial year.

Your frozen business also held up well...

P.D.: In this segment, it is worth distinguishing between the retail channel and food service sector. In the two main regions for our retail business – France-Spain and United States-Canada – our brands met expectations. In the food service business, restaurant customer numbers as well as average customer spend fell both in Europe and North America. However, our dynamic sales policy boosted overall revenue in this business by 1.2%

The fresh food business is also growing. How do you explain the pick-up in activity?

C.B.: We expected fresh food markets to be strongly impacted by the crisis. This was in fact the case, and growth in these markets ground to a halt in 2008-2009. Since spring 2010, we have seen a return to growth in fresh-cut and prepared products, with an increase in our revenue of 2.4%.

P.D.: Our dynamic brand policy for these segments continues to bear fruit, with the launch of new varieties of fresh-cut products, and the roll-out of completely new ranges such as "Escale Gourmande".

What would you say about the improvement in operating income and financial income?

C.B.: Operating income is improving moderately (+2.5%), while the margin is flat. The measures we took to reduce general and administrative expenses and structural costs made a major contribution to this performance. Net income for the year rose considerably, thanks to an excellent result in terms of net financial income. The previous year was quite unusual in this area: we recorded unrealized exchange rate losses on the funding of our foreign subsidiaries, and to comply with the accounting rules under IFRS, we had to write down the value of

certain financial instruments. The combination of these two accounting factors, which did not have any impact on cash flow, produced a net financial income figure of -60 million euros, compared to -18 million euros in 2009-2010.

P.D.: This performance was mainly attributable to lower interest rates and exchange rate gains. The improvement in net financial income was also due to the efforts made in relation to our working capital requirements. Overall, with operating income up slightly, and an improvement in net financial income, we achieved net income of 58 million euros, versus 27 million euros the previous year. As regards our financial structure, our debt-to-equity ratio has improved significantly, and in August 2010 we carried out a USD 165 million private bond issue placed with US financial institutions, which is a testament to the confidence our creditors have in us.

What are the Bonduelle Group's growth prospects?

P.D.: The economic conditions have yet to improve. There is substantial pressure on prices, which is intensifying in certain segments. This situation, along with high stock levels in the industry, the growing impact of the US dollar on our North American business and severe weather conditions in Eastern Europe, suggests that the crisis will not be over before 2011-2012.

C.B.: Our competitive environment is effectively undergoing a reconfiguration. Our three major industrial initiatives – the Cristalina plant, the new Italian plant and the storage and dispatch facility in Estrées – will only boost performance in the medium term. Before that, we will look to the 2010-2011 financial year with confidence, pursuing our investment policy with the aim of delivering healthy growth from 2011-2012.

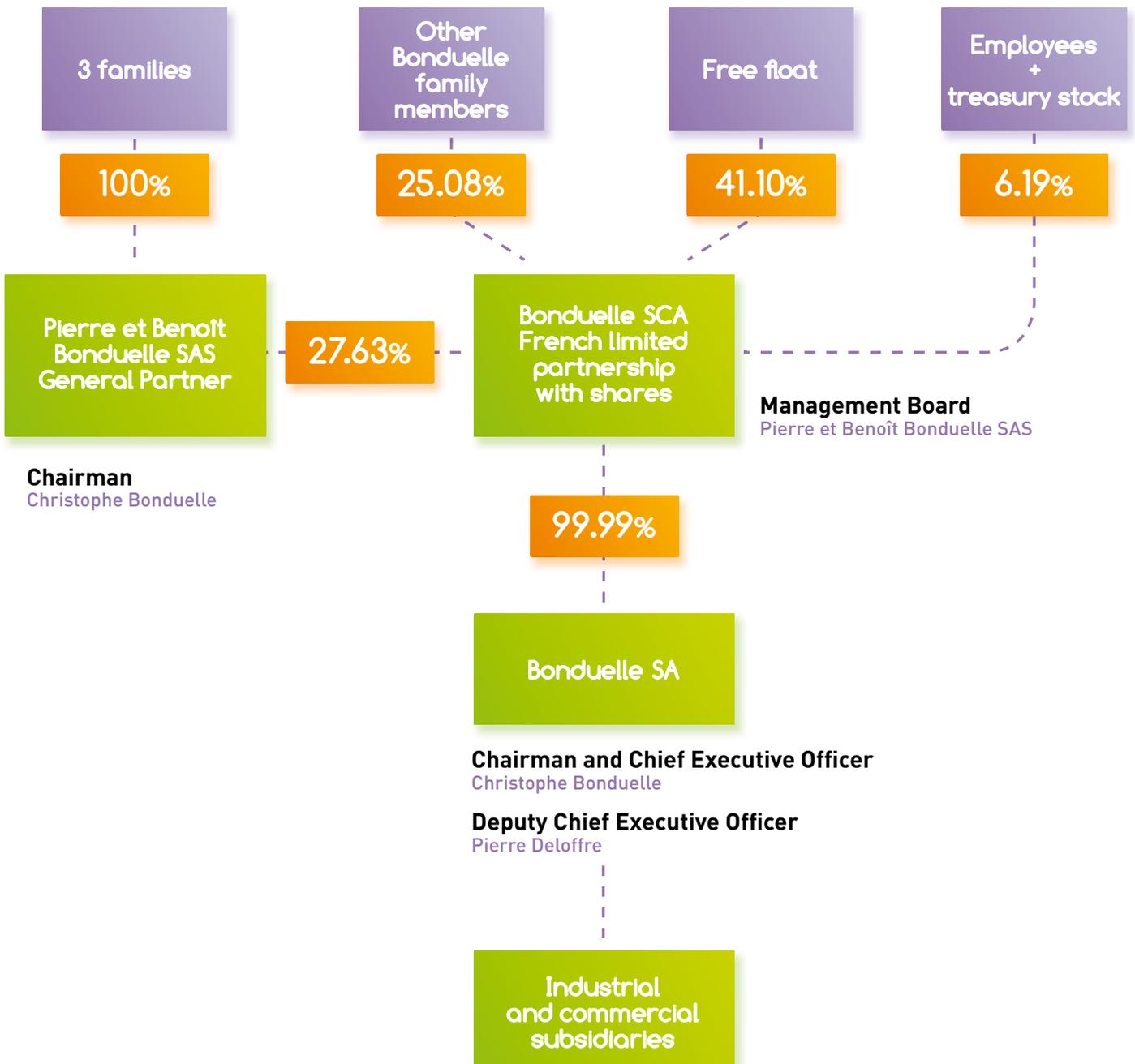
How is the Bonduelle Group approaching sustainable development issues?

C.B.: Through its history, culture and family shareholding structure, the Bonduelle Group has shown that sustainable development is in its genes. The crisis has not stopped us from investing for the future...our sustainable development strategy therefore finds its natural place in our growth plans.

P.D.: For us, sustainable development means formalizing the commitments and actions that we have always put in place. Our sustainability aims are demonstrated by the reduction in our consumption of energy and natural resources, and in the importance given to staff safety, career opportunities and training. We are also implementing integrated production programs using the best farming practices. There can be no doubt that sustainable development is written in the group's DNA.

Corporate Governance

Shareholder structure



Bonduelle SCA

The limited partnership with shares has two categories of partner

- The company Pierre et Benoît Bonduelle SAS, owned by three families, is the General Partner, and therefore has joint and several unlimited liability for the company's obligations. Elected from among the company's members, the Ownership Strategy Committee has eight members and is responsible for deciding on the ownership options of the family general partners; its members are also directors of Bonduelle SA.
- The liability of the shareholder partners (other family members, free float, employees + treasury stock) is the same as that of the shareholders of a limited company: it is limited to the amount that they put into the company.

Audit Committee

Set up by the Supervisory Board, this committee is responsible for reviewing the financial statements, evaluating internal controls and assessing the annual audit programs for the independent auditors.

Members

- **André Crespel**
- **Daniel Bracquart**
- **Yves Tack**
- **Jean Guéguen**



Members

- | | |
|--|----------------------------|
| 1 • André Crespel , <i>Chairman</i> | 5 • Stanislas Dalle |
| 2 • Daniel Bracquart , <i>Vice Chairman</i> | 6 • Isabelle Danjou |
| 3 • Louis Bonduelle | 7 • Jean Guéguen |
| 4 • Olivier Cavois | 8 • Yves Tack |

Supervisory Board

The Supervisory Board is responsible for monitoring the management of the company on an ongoing basis (reviewing the financial statements, assessing the conduct of company business) on behalf of the shareholder partners. The composition of the Supervisory Board (whose eight members are independent) ensures that it has the expertise, independence and availability to accomplish its duties and represent the interests of shareholders.

Corporate Governance

Bonduelle SA

Board of Directors

The Board of Directors mainly comprises members of the Bonduelle family. It is responsible for defining the company's strategy and investment policy. It also considers any external growth opportunities that may arise.



From left to right:

Jean-Bernard Bonduelle
Benoît Bonduelle

Gilles Lessard
Philippe Vasseur
Thomas Derville

Christophe Bonduelle, Chairman
Jérôme Bonduelle
Guillaume Debrosse

Hubert Mulliez
François Bonduelle
Marc Bonduelle

Executive Committee

The Executive Committee brings together the Managers of Bonduelle subsidiaries, the Executive Management, and the Directors of finance, human resources, and external relations and sustainable development.

This Committee establishes the group's policies.

*From left to right,
and top to bottom:*

Philippe Carreau
*Chief Executive Officer Bonduelle
Conserve International*

Jean-Bernard Bonduelle
*Director of External Relations
and Sustainable Development*

Pierre Deloffre
Deputy Chief Executive Officer



Pascal Bredeloux
Chief Executive Officer Bonduelle Food Service

Bruno Rauwel
Group Director of Human Resources

Christophe Bonduelle
Chairman and Chief Executive Officer

Patrick Néaume
*Chief Executive Officer Bonduelle Traiteur
and Bonduelle Frais International*

Daniel Vielfaure
*Chief Executive Officer
Bonduelle North America*

Benoît Bonduelle
*Chief Executive Officer
Bonduelle Development*

Grégory Sanson
Chief Financial Officer



Compensation Committee

The Compensation Committee, which is entirely independent, decides on the systems and levels of compensation of the executive managers of Bonduelle SA and employees who are members of the Bonduelle family. It also provides an opinion on compensation policy for certain other senior managers.

Members

- **Daniel Bracquart**,
former Chairman of the Executive Board of Bonduelle, Vice Chairman of the Supervisory Board of Bonduelle SCA, former Chairman of the Institut catholique des arts et métiers de Lille.
- **José-Maria Aulotte**,
Director of Human Resources of Arc.
- **Yves Delloye**,
Associate Director of Transearch.
- **Antoine Fiévet**,
Chairman of the Executive Board of Unibel
- **Thomas Derville**,
retired, former Chairman of Amora-Maille.



Highlights

New vegetable products



The new products launched this year offer consumers increasing practicality and flavor. They also have less impact on the environment and enable vegetables to become more easily integrated into the daily diet, providing, for example, complete meals that consist mainly of vegetables. In addition, the Escale Gourmande range provides a 280 gram balanced meal in a plastic tray.

Bonduelle is also participating in the growth of the market for organic products in Europe. Organic corn – already on sale in Germany, Sweden and the Netherlands – has now been launched in France.



In North America, the frozen rice and vegetable range brings together a nutritionally attractive recipe with an innovative microwave steam-cooking solution.



Lastly, the Italian Agita e Gusta range offers fresh salads in packaging that contains 40% less plastic.



Fund raising in the United States

In August 2010, the Bonduelle Group carried out a successful bond issue at attractive conditions in a USD 165 million private placement with US institutional investors. After previously implementing private placements in the United States in 2000 and 2004, the group again turned to this source of long-term financing. This bond issue enables the group to diversify its sources of funding between banks and institutional investors, and provides the financial flexibility necessary for taking advantage of any growth opportunities that may arise.

Successful acquisitions in Canada

The operations of Family Tradition and Omstead Foods have been successfully integrated into Bonduelle North America. Bonduelle North America's teams were highly effective in ensuring service and quality levels were maintained. The two acquisitions have boosted this subsidiary's revenue by almost 20%, for a very low level of additional fixed costs.

Record industrial investment of 90 million euros



Cristalina plant, Brazil.



Cold room at the Estrées-Mons plant, France.



In 2009-2010, the Bonduelle Group carried out ambitious industrial projects, notably the construction of the Cristalina plant in Brazil. The start-up of works on September 7, 2009 was attended by Christine Lagarde, France's Minister for the Economy, Industry and Employment. This canning plant was designed and built in accordance with strict environmental criteria, and began operating in September 2010. Thanks to its geographical location, production will be possible all year round, which will significantly improve investment ratios and reduce the funding requirements typically needed for this type of activity. The construction of a new plant at San Paolo d'Argon in Italy is also notable for its numerous innovations and size: it will be Europe's largest salad production facility. Production is scheduled to begin there in 2011, and will help meet the growing demand for fresh-cut products in Italy. The frozen food business has also acquired some innovative equipment, with the installation of a fully-automated cold storage room and high bay dispatch area at the Estrées-Mons plant. These facilities should start operating in 2011.

Mushrooms are now Bonduelle's second-biggest crop after corn



Growing house at La Tourte, France.

On February 3, 2010, Bonduelle confirmed the acquisition of France Champignon. The industrial know-how of the Bonduelle Group, the strength of its brands and its extensive international network should result in the generation of significant synergies. With six plants (five in France, one in Poland) and production volumes of 117,000 metric tons, France Champignon is Europe's leading mushroom producer. The company returned to profitability in 2007 (current operating income of 3.5% in 2008), after implementing a wide-ranging modernization program (60 million euros) focused on agricultural production.



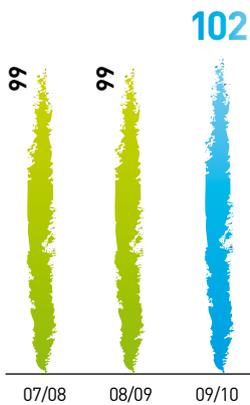
Demonstration of alternative mechanical weeding methods.

Sustainable open field cultivation of vegetables

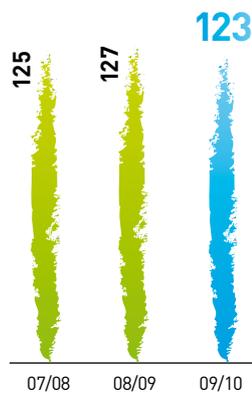
On July 5, 2010, the Bonduelle Group presented its program of integrated open field vegetable production, launched in 2009 in conjunction with the production organizations (OPLVert and Expandis) that supply the Estrées-Mons (Somme), Vaulx-Vraucourt (Pas-de-Calais) and Russy-Bémont (Oise) plants in France.

The project is led by the Chambers of Agriculture of Picardie, the Regional Council (AgroTransfert) and the National Institute of Agronomic Research. Developed over five years in eight pilot farms, the initiative is targeting a significant reduction in the use of agrochemicals to protect vegetables, particularly by employing innovative mechanical weeding techniques.

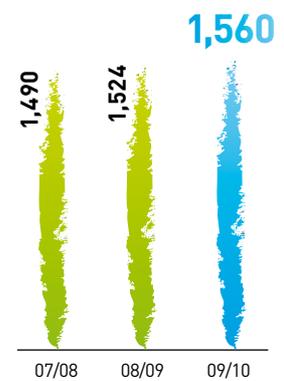
Key group figures



Operating income
in millions of euros



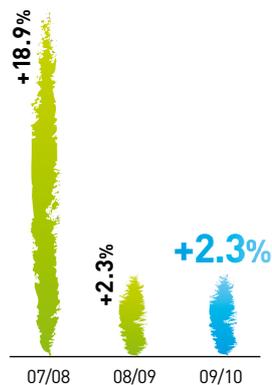
Cash flow*
in millions of euros



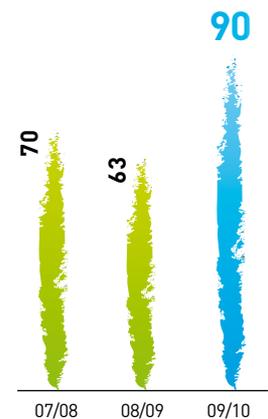
Revenue
in millions of euros



Net income
in millions of euros



Revenue growth
at current exchange rates



Capital expenditure
in millions of euros

*Cash flow is an indicator of a company's ability to generate sufficient cash from operations to fund its development.

1,560

million euros
in revenue:

25%

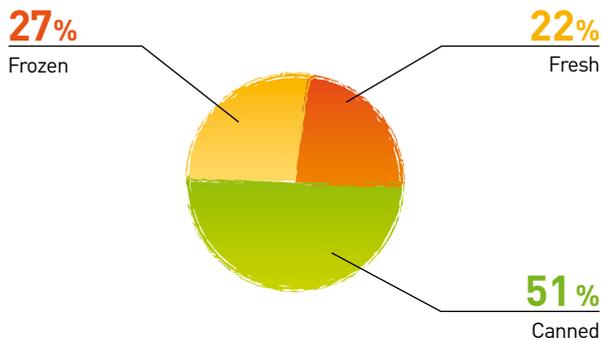
in European area

75%

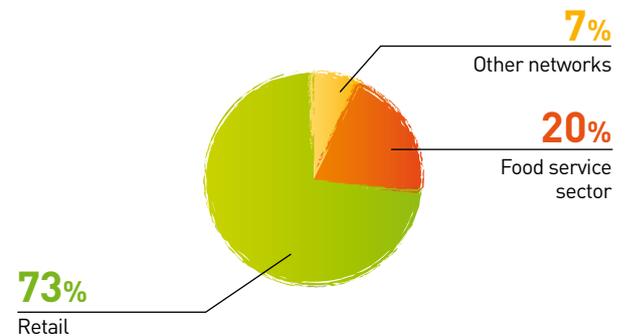
outside European
area

Breakdown of revenue 2009-2010

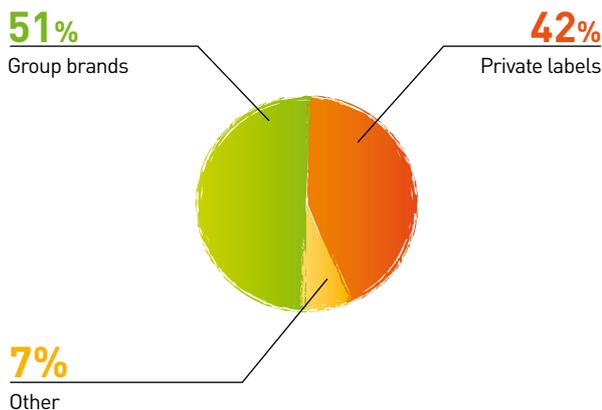
By segment



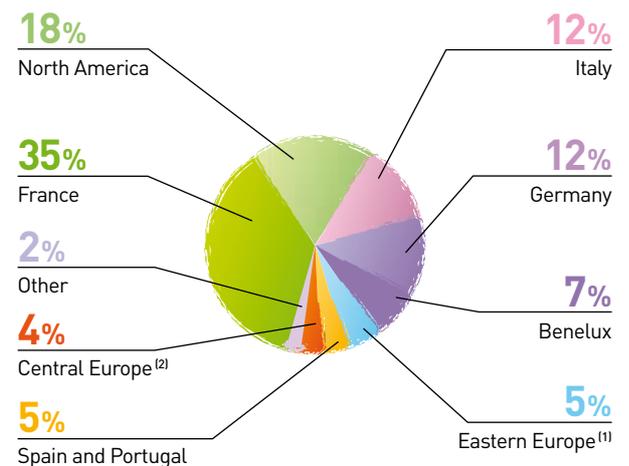
By distribution channel



By brand



By region



⁽¹⁾Russia + former CIS countries
⁽²⁾Eastern European countries
in the European Union

Additional information 
www.bonduelle.com

Key sustainable development data

Agricultural production

2008-2009

Supply charter

Signature rate: 82%

Agricultural services

208 employees

2009-2010

Supply charter

Signature rate: 91%

Agricultural services

213 employees

Quality and nutrition

2008-2009

Total quality control personnel

495 employees (full-time equivalent)

Certified factories

17 have been certified ISO 9001

20 have been certified BRC and/or IFS

8 produce certified organic vegetables

2009-2010*

Total quality control personnel

476 employees (full-time equivalent)

Certified factories

16 have been certified ISO 9001

19 have been certified BRC and/or IFS

5 produce certified organic vegetables

* Scope reduced between 2008-2009 and 2009-2010.

People

2008-2009

Total employees

6,183 permanent staff

Long-term + short-term: 8,421 (full-time equivalent)

Seniority: 0-3 years: 967
3-9 years: 1,679
>9 years: 3,436

New hires: Long-term: 276
(no. of contracts) Short-term: 507
Seasonal: 6,520

Turnover: Managers: 9.37%
Administrative employees
and technical supervisors: 6.78%
Workers: 7.34%

Training

1.43% of gross payroll

Safety conditions

Accident rate: 22.8

2009-2010*

Total employees

6,239 permanent staff

Long-term + short-term: 8,252 (full-time equivalent)

Average seniority: 14.05 years

New hires: Long-term: 308
(no. of contracts) Short-term: 974
Seasonal: 6,561

Turnover all employees: 12.61%
(including retirees)

Training

1.57% of gross payroll

Safety conditions

Accident rate: 22.16

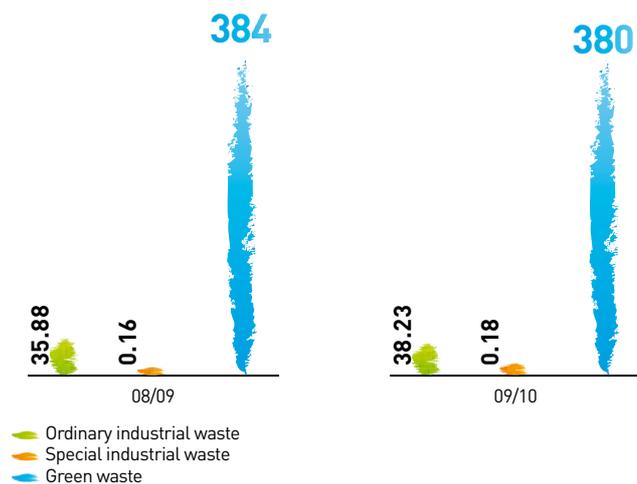
* Scope excludes France Champignon

Natural resources

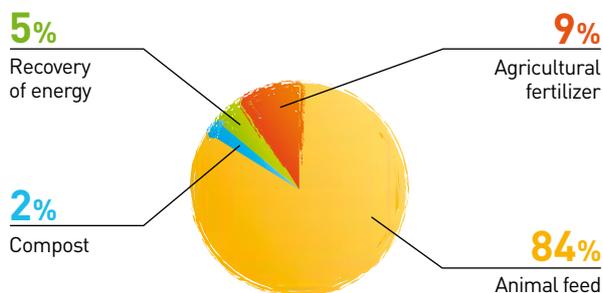
Bonduelle generates:

Waste and by-products

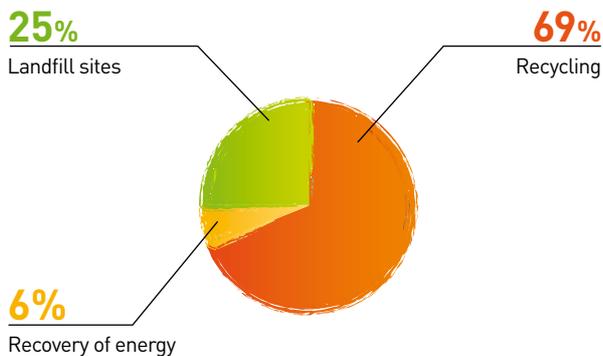
in Kg per metric ton of product produced



Recovery of green waste 2009-2010



Recovery of ordinary industrial waste 2009-2010



Bonduelle consumes:

Energy consumption in 2009-2010

- Electricity:** 317 GWh
- Natural gas:** 404 GWh (SCV)
- Fuel** (very low sulfur content): 2,612 metric tons
- Propane:** 739 metric tons
- Domestic fuel oil:** 631 metric tons

Water consumption

in m³ per metric ton of product produced



Energy consumption

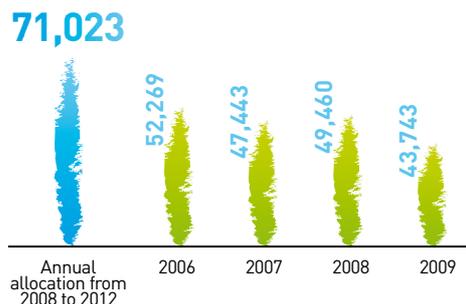
in kWh per metric ton of product produced



Greenhouse gas emission quotas

in TEQ CO₂/year

European regulation 2003 Applies to four Bonduelle Group plants.



4.5 million euros

spent on reducing the environmental impact of the group's operations (water, air and energy, industrial waste and green waste) in 2009-2010

Hello!
I was grown in Picardie in one of the eight pilot farms that are promoting alternative methods of mechanical weeding. I've just been picked, and I'm on my way to the processing site, which is next to the field.



The group uses 213 agronomy technicians and engineers to advise producers at all stages of the cultivation process.



Our ambitions

Sustainable development is written in the Bonduelle group's DNA. This is demonstrated by the group's three key objectives, as well as by the quality of its corporate governance. It is also the reason why AGEFI (France's business and financial information agency) awarded Bonduelle second prize for "Quality and transparency of information and communication" in 2010. The group is also an active partner in the agricultural sector, supporting a number of projects aimed at producing the best quality vegetables while respecting the natural environment. Bonduelle's commitment to the World Forum for a Responsible Economy and its participation in the UN Global Compact initiative are two further examples of the group's dedication to sustainability.



Corporate Strategy and policies

Innovating by offering better products, investing over the long term to foster sustainable growth, operating internationally, reducing the environmental impact of operations, supporting new farming practices... Through all these initiatives the Bonduelle Group is fulfilling its aim of "making vegetables the future of food".



Long-term priority

Bonduelle has always favored a long-term strategy in order to achieve growth. The pertinence of this vision, together with the diversification of its businesses, technologies and markets, has made the group resilient to changing macroeconomic conditions. Faithful to this ethos, and despite the recent crisis, Bonduelle allocated over 90 million euros to industrial investment in 2009-2010.



Growth

"Vegetables in all forms, sold under all types of brands, through all types of distribution channels and using all available technologies": the validity of this approach is confirmed each year, with the achievement of steady growth – 2.3% in 2009-2010. This sustainable progress is the result, among other factors, of proactive sales

and marketing and an astute acquisition policy, as illustrated by the takeover of France Champignon, the European leader in its market (revenue of close to 200 million euros).



Food safety

Bonduelle's priority is offering consumers healthy products and top quality vegetables. The Group is constantly improving its quality systems. In this context, in 2009-2010 it put in place a supply charter for external suppliers, and continued to invest in high technology equipment (optical sorters, laser detectors).



Respect for the environment

Thanks to the various technological innovations implemented in recent years, Bonduelle reduced its total energy consumption per metric ton of product produced by 27% between 2002-2003 and 2008-2009. These efforts continued in 2009-2010, with a 15% reduction in energy consumption and a fall in greenhouse gas emissions of 35,700 TEQ CO₂. This performance will be further improved when a biomass-fuelled steam generation plant comes on stream at the Estrées factory.

2.3%

growth in
2009-2010

-15%

in energy consumed
(Reduction in electricity and fossil energy
consumption between 2008-2009 and
2009-2010)

5

Profitability

Efficient management, innovation, improvements in productivity and dynamic sales and marketing practices all contribute, along with other factors, to group profitability: in 2009-2010, net income increased to 57.7 million euros, from 26.6 million euros the previous year. Moreover, in August 2010, 165 million US dollars in funding was obtained from US financial institutions, demonstrating their confidence in the Group and its track record of profitability.



6

Brand policy

The complementary nature of the group's brands (Bonduelle, Cassegrain, Frudesa, Salto, Arctic Gardens) contribute to its high profile. In tandem with the growth of its own brands, on which it has built its reputation, Bonduelle has also driven growth by supplying the private label sector, an important strategic direction in a period of economic crisis.

of initiatives, such as: a reduction in the application of agrochemicals, the use of pest detection devices, the development of biocontrol agents and the promotion of mechanical weeders as part of a pilot program of integrated open field vegetable production, which was covered in the press on July 5, 2010.

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Innovation

New recipes, new combinations, new packaging with a lower environmental impact, new farming practices... Bonduelle is creating innovation on all fronts. The work carried out by its research and development teams enables it to offer consumers safer and healthier products, and to differentiate itself from its competitors by launching completely new products, such as the range of steamed vegetables in cans which has proved a great success since going on sale in France in 2008-2009 and is set to be rolled out and expanded in other countries in Europe.

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International expansion

International expansion is a key element of the group's strategy, and provides new growth drivers, greater diversification of risks and the opportunity to select the most appropriate crops in terms of the eating habits in the regions in which operations are based. In this context, a key development in 2009-2010 was the construction of the plant in Cristalina, Brazil, from which consumers in this important emerging country, which remains unaffected by the crisis, can be supplied.

8

Agro-industrial involvement

The Bonduelle Group has unique know-how in the area of farming practices. Because of the importance it attaches to the quality of harvests, and therefore the satisfaction of consumers, the group, which has a long history of working alongside planters, is participating in a number

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Personal development

The group's employees are at the heart of its success. Ensuring the health and safety of employees, fostering their personal and career development, providing opportunities and promoting diversity is therefore a priority for Bonduelle. The conclusions of the workplace conditions survey carried out in 2008-2009 – in which 83% of employees said they were proud to work for the group – were analyzed in 2009-2010 and led to the implementation of action plans at each site. The results of these plans are to be measured each year in order to ensure that employees' expectations are fully met.

Nutrition: a strategic priority

Laurence Depezay,
Nutrition Manager

“Vegetables in all forms, sold under all types of brands, through all types of distribution channels and using all available technologies, anywhere in the world”: the clearly expressed strategy of the Bonduelle Group also promotes healthy eating, an essential component of sustainable development. In addition to the nutritional quality of the group’s products, the initiatives undertaken by the Louis Bonduelle Foundation also display this commitment.

Established in 2004, the Louis Bonduelle Foundation promotes long-term improvements in eating habits, thereby reinforcing government health recommendations. Its work was greatly extended in 2009-2010, thanks mainly to the projects undertaken with other interested parties, notably at European level, with various European Parliament committees. By taking part in several meetings organized by the European Union’s directorates general for research, health and consumers, and agriculture, Bonduelle, through the Foundation, was able to raise the profile of its longstanding commitment to encouraging healthier ways of eating.

New partnerships

These meetings have led to a number of projects: the Foundation is also a partner of AGE, a European network of organizations that aims to protect the rights of the over 50s, for which a paper on nutrition for older people will be presented to the Commission in November 2010. In addition, the Louis Bonduelle Foundation works with EFAD (European Federation of the Association of Dietitians) on producing communication tools specifically for the parents of young children.

A Foundation with an international outlook

In addition to meetings organized at European level, the policy of expanding the international activities of the Louis Bonduelle Foundation continued in April 2010 with a lunchtime discussion at the European Parliament in Brussels on a highly topical subject: providing consumers with information on product ingredients and the impact of this on eating habits. The Foundation will be at the European Parliament in Brussels again in November 2010, to receive the second prize awarded jointly to the Louis Bonduelle Foundation and ECOG (European Childhood Obesity Group) for a research or public health team working to combat child obesity. An example of the international activities of the Foundation is its launch in Canada, via a dedicated website that has been operational since March 2010.





A long-term view

The Foundation is extending the work carried out within the group to promote vegetables and their benefits, and serves as a bridge between the corporate world and consumers. In this area, Bonduelle is in partnership with the Paul Bocuse Institute, supporting research work into the vegetable eating behavior of children aged 8 to 11. This scientific study was supplemented in 2009 by a partnership with "HabEat", a European program coordinated by the Dijon branch of the French National Institute for Agronomic Research (INRA).

Visa Santé (health passport), an ambitious multidisciplinary program

Although the projects described above focus on children, other categories of consumer are also important for Bonduelle, as demonstrated by the Visa Santé program, which mainly aims to reduce the salt content of processed food and to remove ingredients such as palm oil.

Bonduelle participates in European "HabEat" project

The European "HabEat" project aims to gain a better understanding of the eating habits of children aged 0 to 5, by promoting vegetables as a basis for healthy eating. Over five years, the project brings together 11 scientific bodies in six European countries (Denmark, France, Greece, the Netherlands, Portugal and the UK) in a multidisciplinary approach: psychology, epidemiology, behavioral sciences and nutrition. The National Institute for Agronomic Research is coordinating the project, in which the French National Institute for Health and Medical Research (INSERM) will also participate. "HabEat" also includes around ten corporate partners, including Bonduelle, which will contribute its nutritional expertise to the project.

Additional 
information

www.bonduelle.com

www.fondation-louisbonduelle.org

Sustainable development

Jean-Bernard Bonduelle, Director of External Relations and Sustainable Development

“Making vegetables the future of food” has been a key element of the Bonduelle Group’s strategy for many years. This mission has three main aspects: offering healthy and affordable vegetables to as many people as possible, putting people at the heart of the business, and cultivating and processing vegetables while maintaining their nutritional value and limiting the impact on the land and natural resources.

Producing healthy vegetables and making them affordable to as many people as possible means ensuring the quality of harvests under the most competitive conditions and with respect for the environment. Bonduelle therefore supports socially responsible agriculture, enabling consumers to benefit all year round from flavoursome and nutritional vegetables, as part of a balanced diet.

Putting people at the heart of the business

Bonduelle, a family-run group established in 1853, attaches great importance to providing staff induction programs and training, safeguarding the health and safety of employees and fostering career development. The launch of several projects, following the analysis of the workplace conditions survey carried out in 2008, was one of the significant events of the past year. The initiatives undertaken on diversity issues also proved very positive, with several disabled people being hired at our sites. An example of this is a project in France with ESAT, which runs centers offering assistance and services to help disabled people into work: our integration system has been taken up at national level by ESAT centers as part of their policy of promoting the employability of people with disabilities.

Limiting our impact on the environment

Reductions in energy and water consumption, and in greenhouse gas emissions...the Bonduelle Group integrates these environmental challenges into its daily activities in every country in which it operates. This concern for the environment is illustrated by the pilot farm program set up in northern France to promote the use of farming practices with a lower environmental impact. Other examples of the group’s commitment to sustainable development include the construction of the plant in Cristalina, Brazil, and the plant in San Paolo in Italy.



Bonduelle is an active supporter of the World Forum for a Responsible Economy, a symposium lasting from 2007 to 2010 that seeks to encourage as much sharing of good practice as possible to promote sustainable development.

Since 2003, Bonduelle has also been a member of the UN Global Compact. This international initiative asks participants to apply ten basic principles in the areas of human rights, labor and environmental standards and the fight against corruption.



The many initiatives undertaken by the Bonduelle Group to promote sustainable development may be classified into five major areas of concern:

Area	Targets and results	Next steps
1 People	<p>Accident rate at work: Target: 20 Result: 22.16</p> <p>Annual review Target: 100% Result: 81.84%</p> <p>Follow-up of IFOP survey Target: all sites Result: under way / examples</p>	<ul style="list-style-type: none"> ● Cut the accident rate to below 20, with no sites → 30 ● Carry out 100% of annual reviews ● Distribute in-house magazine Bonduelle Actus at all sites twice a year ● Continue the diversity policy, focusing mainly on equality between men and women ● Implement a Code of Ethics
2 Agriculture	<p>Signing of the supply charter: Target: 100% Result: 91%</p> <p>Launch of pilot integrated farms to reduce inputs.</p>	<ul style="list-style-type: none"> ● Obtain 100% signature rate for the supply charter ● Optimize farming techniques and establish metrics ● Continue research into integrated agriculture
3 Natural resources	<p>Water m³/metric ton of product produced (TPP) Target: -3% Result: -5.4% at constant TPP</p> <p>Energy Kwh/TPP Target: -5% Result: -5.4% at constant TPP</p> <p>% Ordinary industrial waste sorted and recovered Target: 70% Result: 75%</p>	<ul style="list-style-type: none"> ● Reduce energy consumption by 5% (keeping production volumes constant) ● Reduce water consumption by 3% (keeping production volumes constant) ● Continue the "Frugal factory" project ● Draw up an eco-design charter
4 Quality and nutrition	<p>Certified factories: Target: 100% Result: 70% with Canada</p> <p>Nutrition audit: Target: 100% Result: 100%</p>	<ul style="list-style-type: none"> ● Extend the supply charter to 100% of suppliers ● Integrate the Visa Santé project from the product design phase ● Extend the Visa Santé project internationally
5 Transportation	<p>Put in place a metric to monitor greenhouse gas emissions for the canned product business (inter-site and customer distribution) CO₂ savings: Target: 1,000 metric tons Result: 2,100 metric tons</p>	<ul style="list-style-type: none"> ● Reduce CO₂ by 5% in the canned product business ● Extend the implementation of metrics to all product segments ● Step up the search for alternatives to road transportation ● Share transportation upstream and downstream

Promoting the Well-being of our employees

Bruno Rauwel, Group Director of Human Resources
Stéphane Fertikh, Human Resources Manager, France

Putting people at the heart of its business is a priority for Bonduelle, a family-run group established in 1853. Through its recruitment, induction and training policies, and the numerous career opportunities on offer, Bonduelle contributes to the well-being and development of all its employees.

Following the workplace conditions survey of all employees conducted in 2008-2009 by IFOP, an independent French research organization, in the last financial year Bonduelle began to implement measures in response to the needs expressed. These measures were applied to all of the group's activities, in all countries in which it operates. There were two main aims: carrying out annual reviews with every group employee, and bringing down the accident rate to below 20. The first aim was almost achieved in full in 2009-2010, with over 80% of staff having an annual review to discuss their work and career path. Secondly, the efforts undertaken to reduce the accident rate¹ led to a reduction to 22.16, compared with 22.8 the previous year, while the severity rate remained very low.

Promoting risk prevention

The group's efforts in the area of preventing accidents continued in Europe with special training for managers and other employees, for example, through a program for reducing repetitive strain injuries in the freshly prepared food business, including the introduction of warm-up exercise sessions prior to each shift. This initiative also included ergonomic analysis of workstations, and the dissemination of the best practices observed within the group.

Health and safety a key priority

In Spain, to mark the 50th anniversary of the Frudesa brand, Bonduelle offered its employees a free, comprehensive health check with a specialized institution and the support of the occupational medicine team over there, followed up with an action plan to be implemented over the next year. Another example: the establishment by Bonduelle North America of a "safety at work" coordination committee in Quebec.



¹Number of workplace accidents resulting in the employee missing at least one full day's work divided by the number of hours worked x 1,000,000.



Creating an “incubator of talent”

Training is another strategic aspect of Bonduelle’s human resources policy, and a key factor in the group’s longevity. A specific investment was made over the last year in the employability of managers through the Bonduelle Executive Program, which is aimed at equipping the group’s managers with new skills to enable them to take on more important roles in the future, thereby providing the group with “an incubator of talent”. In addition, Bonduelle strengthened its training policy for new activities: employees wanting to enhance their knowledge are able to benefit from courses given by the Institut Pierre et Benoît Bonduelle.

Promoting diversity

Because diversity in recruitment is a rich resource for the group and a creator of the social values that Bonduelle has always held dear, in 2009-2010 the group participated in recruitment sessions with ESAT (assistance and service centers helping disabled people into work) specifically to promote the hiring of people with mental illnesses. Thanks to the combined efforts of the group and the ESAT centers involved, this initiative led to the hiring of three employees in 2009-2010. In total, 6.3% of the group’s employees in France have a disability. Lastly, nearly all of the union organizations have signed an agreement on the employability of the over 50s, who also benefit from training preparing them for retirement.



Opportunities for improvement

- Reinforce safety
- Improve health
- Promote diversity
- Develop skills and career opportunities

Additional 
information
www.bonduelle.com

Working for sustainable agricultural production

Géry Capelle, Agronomics Development
Manager BCI Nord-Picardie

The Bonduelle Group has a long history of supporting planters in the area of socially responsible agriculture, combining farming practices that respect the environment with high production quality in order to offer consumers healthier vegetables.

To ensure the best quality vegetables, while limiting the impact on the environment, Bonduelle has embarked on a number of projects aimed at improving farming processes. Since 1996, the group has had in place a supply charter defining its relationships with agricultural producers. This commitment to sustainable and environmentally-friendly farming practices has led, notably, to the implementation of predictive soil tests to detect any soil-borne diseases, thereby reducing the risk of crops failing. Initially applied to land used to grow petit pois, this method has been tested since 2009-2010 on land intended for the cultivation of green beans. Another initiative promoting integrated production: observation networks have been set up to detect the arrival of pests on crops. This program is accompanied by special training for the group's field supervisors and farmers, who also receive technical recommendation forms to be used in the event of an alert.

Optimizing farming practices

Along the same lines, from 2010 Bonduelle has been promoting, with the support of the Chambers of Agriculture, the development of training sessions on optimizing the spraying of agrochemicals. Again, the aim is to reduce the use of these substances by encouraging their application only when strictly necessary. Furthermore, Bonduelle has put in place a number of measures aimed at using biocontrol agents against elements harmful to the crop quality, for example, mushroom antagonists for soil diseases. Further upstream, the group is working closely with seed growers to develop more disease-resistant varieties using completely natural cross-breeding techniques.



Opportunities for improvement

- **Promote**
the new supply charter to increase agricultural players' sense of responsibility
- **Adapt**
farming methods to reduce inputs
- **Drive**
progress in agronomic research



Advances in farming practices

For Bonduelle, contributing to advances in farming practices by supporting agriculture means promoting the use of cover crops (oats, vetch, clover, etc.) between the different vegetable cultivation cycles to enrich the soil by natural means, thereby improving soil structure and biodiversity. Lastly, the group has launched an experimental integrated production program at eight pilot farms in France (four in the Somme, three in the Aisne region and one in the Oise department), promoting alternative methods of mechanical weeding.

Cover crops



Mechanical weeder

Eight pilot farms for the future

Faithful to its commitment to sustainable agriculture, in 2009 Bonduelle began investing in a pilot project involving open field integrated vegetable production. The project is taking place in the Picardie region of France, in conjunction with the producers that supply, among others, the Estrées plant, the biggest factory producing canned and frozen food in Europe, and is supported by the Chambers of Agriculture of Picardie, AgroTransfert and INRA, the French National Institute for Agronomic Research. It concerns eight pilot farms where mechanical weeding techniques are being employed in order to reduce the use of agrochemicals. These methods were presented on July 5, 2010 at one of the participating farms (in Esmerly-Hallon), notably in the presence of Jean-Marc Bournigal, Director General of Agriculture, Food and Land Policy at the Ministry of Food, Agriculture and Fishing, and Christophe Bonduelle, the group's Chairman and Chief Executive Officer.

Additional 
information
www.bonduelle.com

Preservation of Natural resources

Cécile Lovichi,
Environment Manager

Through reductions in energy and water consumption, recovery of energy and recycling of waste, Bonduelle has clearly demonstrated its commitment to preserving natural resources. Moreover, the two new plants, in Cristalina, Brazil, and San Paolo, in Italy, which were designed to meet sustainable development criteria, provide a distinct indication, among other projects, of the group's commitment in this area too.

Well aware of the environmental and economic challenges related to the preservation of natural resources, the Bonduelle Group began to reduce its own consumption from the 2002-2003 financial year. These efforts, achieved through technological innovation and awareness-raising campaigns in all group entities, have borne fruit: in six years, by the end of the 2008-2009 financial year, the group had reduced its total energy consumption per metric ton of product produced by 27% (-33% for gas, -15% for electricity). Over the same period, water consumption fell by 36% per metric ton of product produced. These improvements continued in 2009-2010, with a 15% drop in energy consumption, equivalent to 138 GWh (-43 GWh for electricity and -95 GWh for fossil energy), while water consumption fell by 2.3 million m³. Lastly, in 2009-2010 the group reduced its greenhouse gas emissions by 35,700 TEQ CO₂.

In the words of

PIERRE KERDONCUFF,
engineer at the Enterprise
and Ecotechnology department
of ADEME*

"As part of the Frugal Factory project, the Bonduelle Group is aiming to identify new ways of optimizing energy use in their vegetable processing plants. Bonduelle has adapted the results of a study co-financed by ADEME on energy integration for new processes. The goal is to work towards minimizing the energy consumption of new processes by making them as efficient as possible, and by maximizing the potential for energy recovery."

* French Environment and Energy Management Agency

-80,500

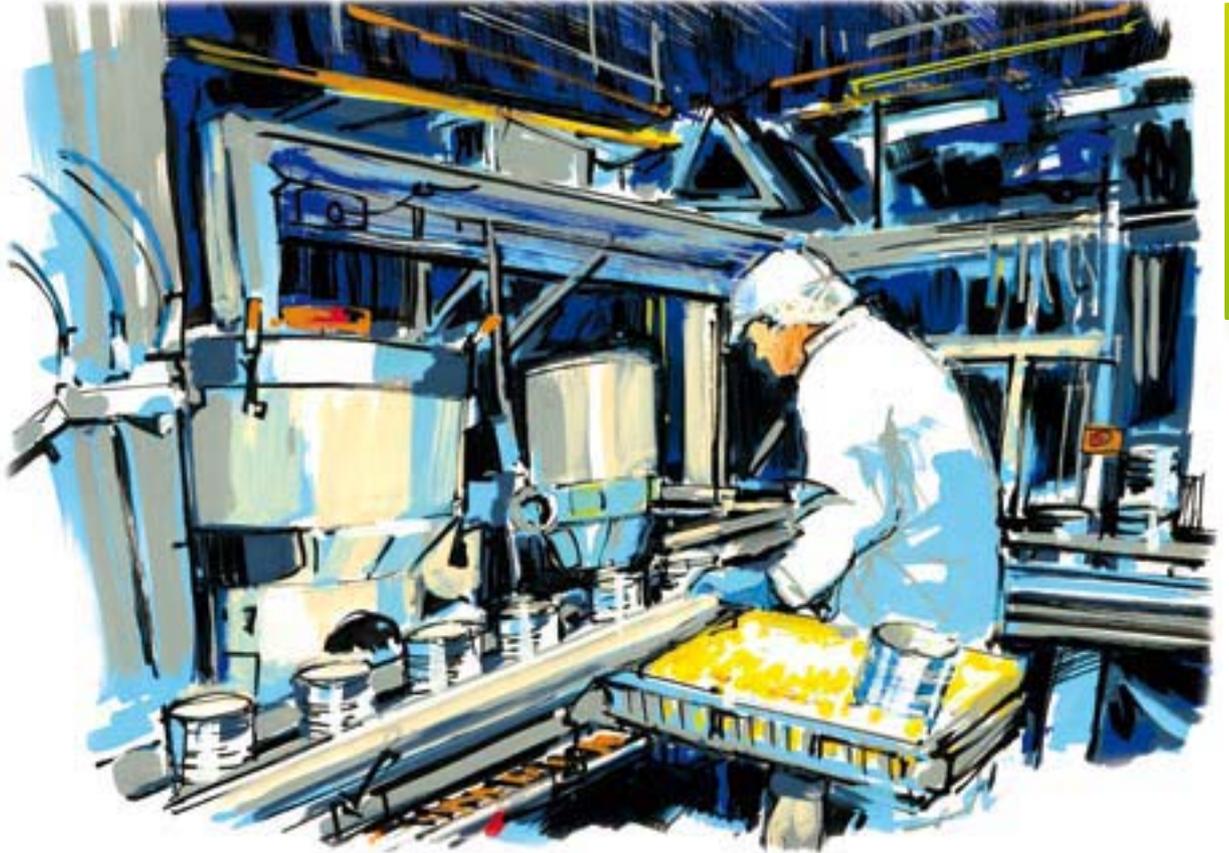
TEQ CO₂ in 3 years
(Reduction in total greenhouse gas emissions between 2006-2007 and 2009-2010, thanks to savings of electricity and fossil energy)

-2.3

million m³ of water
(Reduction in water consumption between 2008-2009 and 2009-2010)

75%

of ordinary waste
recovered or
recycled in 2009-2010



Saving and recovering

As a result of the selective separation of ordinary industrial waste, 75% was recycled or used in energy recovery in the past year, compared with 71% in 2008-2009. Recovery of green waste also took place, in various forms: agricultural fertilizer (9%), animal feed (84%), compost (2%) and energy recovery (5%). Bonduelle is supporting ambitious energy recovery projects such as that developed at Bordères, in south-west France, where feasibility studies are under way with a consortium and technical centre partners to build a methane plant fuelled by the by-products of sweetcorn cultivation. In addition, in Poland, Bonduelle supplies its plant by-products to a methanization centre, as does the Tecumseh plant in Canada. Lastly, following the entry into service of the anaerobic wastewater treatment facility at the Békéscsaba plant in Hungary, the recovery of biogas from this facility is currently under consideration.



Opportunities for improvement

- Reduce consumption of water and energy
- Increase recovery of industrial waste
- Measure performance of wastewater treatment facilities

Additional 
information
www.bonduelle.com

More frugal factories

The last financial year also saw the introduction of the Frugal Factory investigation, in partnership with EDF and the École des mines de Paris, with the support of ADEME (Environment and Energy Management Agency). The results are scheduled for the end of 2010. The analysis conducted in relation to three of the group's plants, covering fresh, canned and frozen food processes, should contribute to the discovery of new technologies and the roll out of innovative processes, with as little energy as possible being consumed. Meanwhile, September 2010 saw the entry into service of the new Bonduelle plant in Cristalina, Brazil, which is also representative of the group's commitment to sustainable development. This canning plant was designed and built via the synthesis of best local and group practices, including an installation that uses process effluent to water crops, which is compatible with the plant's wood-fuelled boiler system. Another major project developed by the group: the construction of a new production site in Italy, replacing the plant that was destroyed by fire in 2008. This investment of more than 20 million euros also integrates all the latest technologies that can ensure top quality products and respect for the environment.

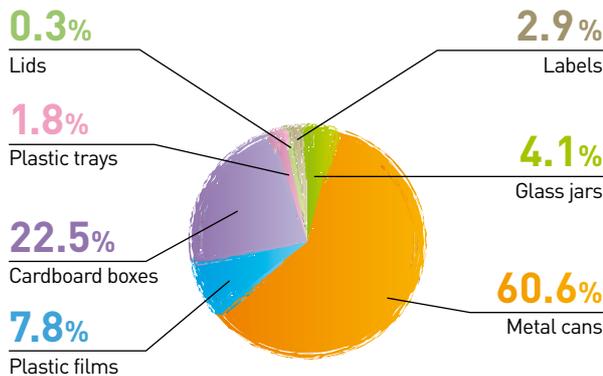
Wood-fuelled boiler system for the group's biggest plant



Pending the receipt of government approval (already applied for), the group's plant in Estrées-Mons (northern France) will be fuelled by steam from a wood-fuelled cogeneration boiler system from 2013. The application, initiated by NEREA, was made in response to a call for proposals launched by the Ministry of Ecology in relation to the development of renewable energy sources. This installation will reduce the site's greenhouse gas emissions by two-thirds, and contribute to securing the wood energy chain developed by local industry for the long term. This project represents another method of participating in sustainable development.

Breakdown of packaging materials

(as % of total weight in 2009-2010)



-35,700

TEQ CO₂ generated this year
(Reduction in total greenhouse gas emissions between 2008-2009 and 2009-2010, thanks to savings of electricity and fossil energy)

-15%

energy consumed
(Reduction in consumption of electricity and fossil energy between 2008-2009 and 2009-2010)

-12%

electricity consumed by cold rooms
(Reduction in electricity consumption per metric ton of product between 2008-2009 and 2009-2010)

Transportation : taking on the environmental challenge

Hervé Chenault, Supply Chain Director,
Bonduelle Conserve International

Essential to the operations of the Bonduelle Group, transportation has a key part to play in terms of environmental concerns.



Opportunities for improvement

- Extend the use of metrics to all group segments (canned, frozen, fresh and prepared foods)
- Reduce CO₂ emissions



In pursuing the projects undertaken in previous years, Bonduelle has stepped up its efforts to find alternative solutions to road transportation. The use of mixed rail-road systems has increased for transportation between European sites, mainly with regard to traffic flows from plants in south-west France to Nord-Picardie, as well as for deliveries to Bonduelle customers from Nord-Picardie to south-east France and Italy, and from Hungary to Germany. In 2009-2010, these efforts reduced the emission of CO₂ by 2,100 metric tons, versus a target of 1,000 metric tons, while the reduction the previous year was 777 metric tons.

Measure and act

In addition to these initiatives, Bonduelle continued its program of measuring the CO₂ emissions generated by its subsidiary Bonduelle Conserve International in the transportation of products between plants and logistic centers, which came to 10,076 metric tons of CO₂ per year. Furthermore, in 2009-2010, the group decided to extend the program to all European countries to which customer deliveries are made, reaching an annual total of 31,414 metric tons of CO₂. This pioneering work in the agro-food sector has provided an accurate picture of the status quo, enabling future action to be planned.

In the words of

CHRISTOPHE GERBER,
Sales Director of LKW WALTER
Internationale Transportorganisation AG

“When the Bonduelle Group told us about its project for developing alternative transportation solutions in early 2008, we were able to contribute our 30 years of experience in intermodal transportation in Europe. Through our network of 3,000 intermodal trailers, we put in place a new link from Hungary to Duisberg in July 2008, enabling the Bonduelle Group to supply its German customers or sites by rail and road. The CO₂ reduction achieved was more than 700 metric tons per year.”

Sharing resources

The search for new, environmentally-friendly solutions also includes sharing freight resources with other industrial companies. Bonduelle is also in discussions with a number of partners to put in place this type of innovative system, similar to the initiative carried out by the Gelagri joint venture, which has enabled the group to optimize its logistics for deliveries in Europe.

Supplying healthy, Flawless products

Jérôme Lefebvre, Director of Quality
Laurence Depezay, Nutrition Manager

Known all over the world, the quality of Bonduelle's products is subject to rigorous controls. Monitoring of farming practices, the supply charter and regular audits all contribute to ensuring the satisfaction of customers who benefit from healthy products that meet their expectations.



After formalizing a supply charter in 1996, which defines its relationships with agricultural producers, with the aim of ensuring the best quality vegetables and highest standards of food safety, Bonduelle took the innovative step of extending this charter to all its suppliers. The latter measure was introduced in November 2009, and the charter is integrated into contract specifications and purchasing contracts. It enables the group to control the quality of its finished products, notably in the frozen food segment, where 10% of ingredients are supplied by third parties, and more generally, in the prepared food segment, in which there is mixing of ingredients produced by the group or other producers.

A new audit guide for suppliers

To ensure that the supply charter criteria are respected, Bonduelle has also put in place a new audit guide, which is more specific and focuses on food safety, security of supply and product quality. Each year, different suppliers are subject to this new audit. Furthermore, each time produce is received, the deliveries are systematically checked, both in terms of regulatory compliance and conformity with contract specifications. In the last stage of this process the suppliers are rated, so that the most compliant can be preferred.



Opportunities for improvement

- *Improve quality processes:*
 - expand use of sensorial analysis
 - manage customer complaints effectively
- *Preserve nutritional qualities of vegetables*

The importance of traceability

In addition to the quality of vegetable supply, the group is seeking to improve the management of all the ingredients included in its recipes. The database of "product sheets" was updated in January 2010, and contains records of more than 700 products from nearly 120 suppliers. The aim of this program is to be able to check all the product data and the labeling information required by law. Since zero risk does not exist, any responsible company that cares about its customers must be ready to act in the event of an alert.

The database provides full traceability of the group's products, should it need to act quickly on an alert.

Further improvements to nutritional quality

Alongside its quality improvement programs, Bonduelle, faithful to its aim of applying its expertise to providing health benefits, has a long-established policy of developing flavorsome products with a high nutritional content. For example, as part of the Visa Santé project, the group's research and development teams have worked on reducing the salt content of products by 5% to 25%.



Optical sorter

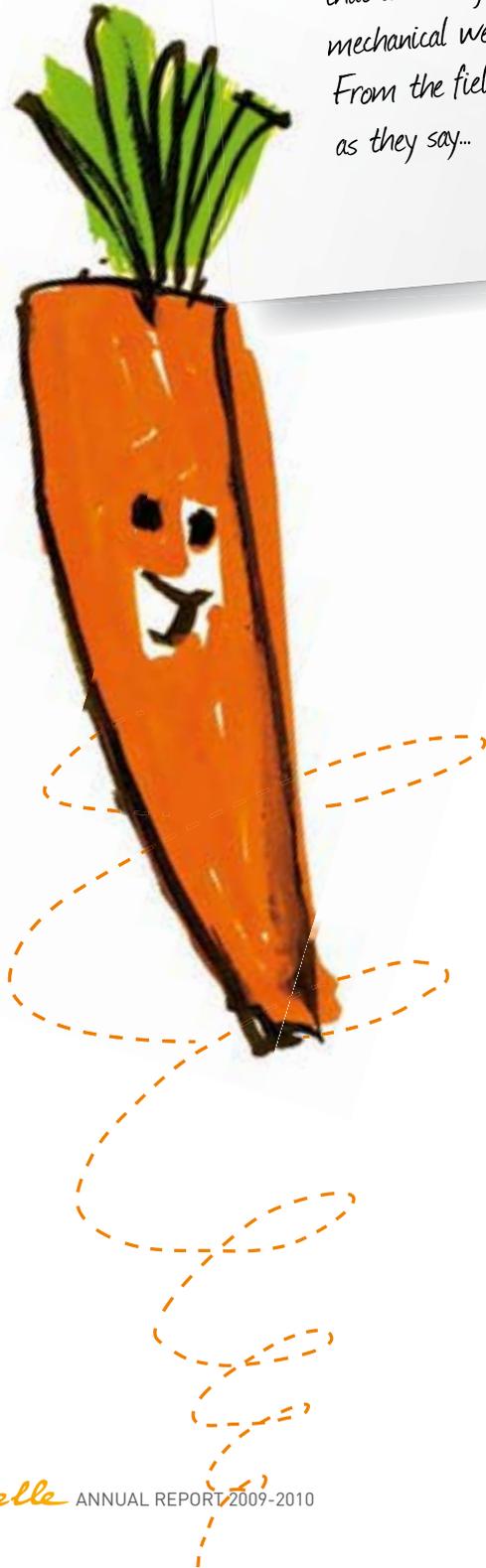
Technology benefiting the environment

With a strong commitment to integrated production, the producers that supply the Bonduelle Group aim to set an example in reducing their use of agrochemicals, as shown by the pilot farms project under way in northern France. In addition, to achieve their vision of sustainable development, they are making huge investments in electronic sorting equipment and laser detectors. All of which represents a further guarantee for product quality and safety...

Additional 
information
www.bonduelle.com



I'm part of an integrated open field vegetable-growing program that is aiming to promote mechanical weeding techniques. From the field to the plate as they say...



A partnership with agricultural machinery manufacturers provides better protection for soil capital.



Our activities

In order to meet customer requirements and changing market conditions, Bonduelle has organized its activities by segment, customer type and region into a number of different companies. The group's seven subsidiaries – Bonduelle Conserve International, Bonduelle Traiteur, Bonduelle Frais International, Bonduelle Food Service, Gelagri, Bonduelle North America and Bonduelle Development – were joined in 2010 by France Champignon. The acquisition of France Champignon has expanded the activities of the group, which now offers more than 500 varieties of vegetables via its product ranges.

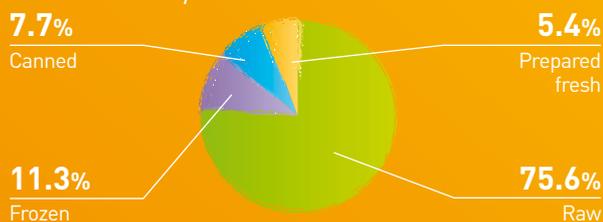


The global Vegetable market

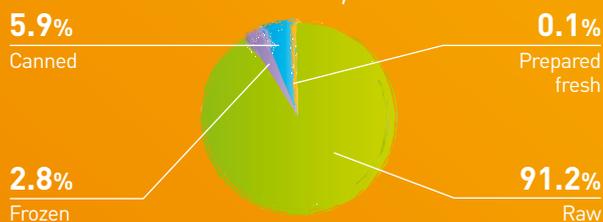
Research into the world's food markets reveals a dominant trend for healthy food that is easy to prepare. Processed vegetables meet these twin goals, and therefore represent a major source of growth potential on markets in which raw products have by far the biggest share. These vegetables can also make an important contribution as public health policies seek to improve people's eating habits.

Market share
by segment and region
in 2009 (in value terms)

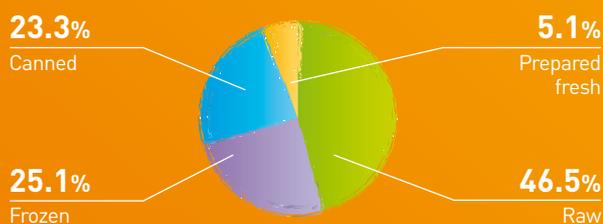
Western Europe



Central and Eastern Europe



North America



[Source: Food For Thought 2010]

Processed vegetables

Canned



Fresh-cut

Prepared



Frozen

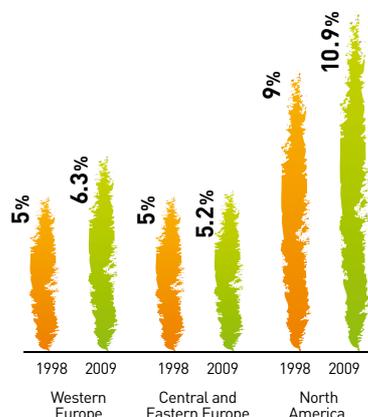


Raw vegetables



Vegetables as a proportion of the total food market, by region

Source: Food For Thought 2003 and 2010



Consumer categories and trends

Over the last few decades, the increased participation of women in the workforce, new technologies, longer commutes and reduced leisure time have profoundly changed consumer behavior. Meal preparation times have shortened and new consumption patterns have emerged, such as eating on the run. These trends have favored the emergence of processed food products because they are easy to consume both in and outside the home, but this has been to the detriment of healthy eating. The situation has therefore given rise to a dual requirement: to eat more healthily, as easily as possible. Processed vegetables are the perfect answer as they are quicker for consumers to prepare, and the short processing times and advanced production processes ensure nutritional quality is equivalent to that of raw vegetables¹. As the vegetable market is currently dominated by raw vegetables, this represents a major growth opportunity for processed vegetables, whose penetration generally increases with the maturity of the market. In 2009, processed vegetables accounted for 53% of the North American market (in value terms), versus only 8.8% in Central and Eastern Europe².

Processed vegetables and public health

Western governments are faced with an increase in obesity and related illnesses (heart attacks, diabetes, etc.), for which one of the risk factors is unhealthy eating habits, such as insufficient consumption of fruit and vegetables³. One of the most widespread prevention messages is to eat at least five portions of fruit and vegetables every day, irrespective of whether these are fresh, canned or frozen. Disadvantaged people⁴ have more difficulty than other

categories of the population in following these recommendations, and are the most seriously affected by diseases related to poor diet. Processed vegetables can help mitigate the social inequality of consumers, as prices have been falling⁵ over the last 40 years, and they are more commonly consumed⁶ by the least wealthy households than raw vegetables.

¹ Favell D.J., 1998. A comparison of the vitamin C content of fresh and frozen vegetables. *Food Chemistry*, 62 (1), 59-64

² Food For Thought 2010

³ The WHO estimates that 2.7 million lives could be saved worldwide if people ate sufficient quantities of fruit and vegetables.

⁴ French National Obesity Survey (Enquête Obépi) 2006: obesity affects almost one in five people in families with a monthly income of less than 900 euros, versus 5% for those who earn more than 5,301 euros per month.

⁵ INSEE National Accounting Association: the price of processed vegetables fell by 40% between 1960 and 2005, while the price of raw vegetables rose by more than 40% in the same period (at constant values).

⁶ TNS 2005: 25% of households with the lowest incomes eat as many raw as processed vegetables, while the 25% wealthiest households eat around three times more raw vegetables.

The global mushroom market

Global production of mushrooms totals 3 million metric tons per year. The vegetables are mainly grown in China (40%), Europe (35%) and the United States (13%). In Europe, five countries (Poland, the Netherlands, France, Spain and Italy) represent 73% of production, of which raw mushrooms account for 63%. The most commonly sold product in Europe is the white mushroom, with annual consumption per person much higher than in other regions (2.9 Kg in Germany versus 2.2 Kg in the United States). In Europe, the market for processed white mushrooms (canned and frozen) amounts to more than 400,000 metric tons. The biggest market is Germany (around 100,000 metric tons), followed by France (90,000 metric tons) and Spain (more than 20,000 metric tons).

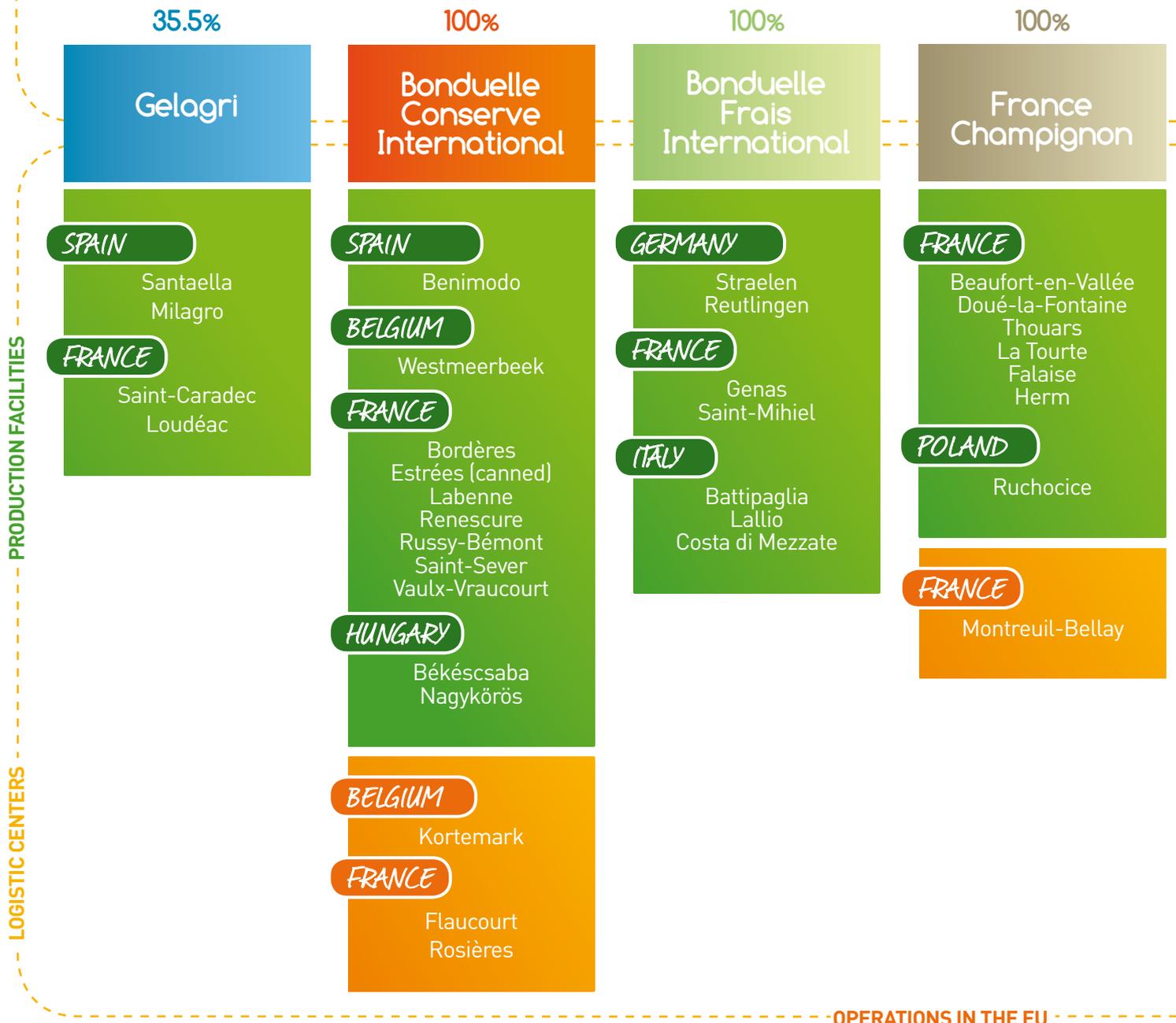
[Source: ANICC - 2009]

Structure of the

Executive Management

Group Services

Finance • Human Resources • Corporate Communications and Marketing • Information Systems
 • External Relations and Sustainable Development • Research and Development • Purchasing • Audit



Bonduelle Group

100%

Bonduelle
Traiteur

FRANCE

Rosporden
St-Benoist-sur-Vanne

100%

Bonduelle
Food Service

FRANCE

Estrées (frozen)

PORTUGAL

Santarém

POLAND

Gniewkowo

100%

Bonduelle
Development

RUSSIA

Krasnodar

BRAZIL

Cristalina

100%

Bonduelle
North America

CANADA

Saint-Denis
Saint-Cesaire
Sainte-Martine
Bedford
Strathroy
Ingersoll
Tecumseh

OPERATIONS OUTSIDE THE EU

Bonduelle in the European Area

Through its own brands and those of its distributor clients, Bonduelle is the European leader in fresh and canned vegetables. Bonduelle is also the second-largest producer of frozen vegetables.



75%
of total revenue

53%
of total current
operating income

Vegetables market* in

Central and Eastern Europe

7.4

billion euros

Western Europe

69.9

billion euros

58,100

hectares cultivated for Bonduelle

*Source: Food For Thought 2010



Activities

- Fresh-cut
- Frozen
- Canned
- Prepared
- France Champignon
- Sales and marketing departments
- Logistic centers

Additional 
 information
www.bonduelle.com

Bonduelle Conserve

International

Philippe Carreau, Chief Executive
Officer, Bonduelle Conserve International

Innovation, attractive promotional offers and more extensive marketing campaigns boosted Bonduelle Conserve International's business in 2009-2010. Although the market for canned goods declined in Europe during the period, the company increased the market share of its brands and consolidated its position in the private label sector.

Europe's canning market is mature, generally stable, and offers a range of highly affordable products, but nonetheless contracted at global level over the last year as a result of the economic crisis, with a fall of 1.5% in volumes sold, or around 50,000 metric tons – equivalent to the annual production of one plant. Germany was particularly affected (-4%), while sales were broadly flat in France and rose slightly in Poland. This was mainly because consumers preferred to use up their supplies of canned food before restocking due to the effects of the crisis. Against this backdrop, Bonduelle Conserve International was successful in maintaining its position thanks to its brands: Bonduelle and Cassegrain premium range products increased their market share during the period, particularly in France, Germany and Italy. This performance was the result of a strategy focused on three key areas; innovation, promotional activity and communication.



Bright prospects for mushroom sales

Innovation was the order of the day, with the launch in France of the second generation of steamed products ("Vapeur") providing more flavorsome, crunchier vegetables, thanks to a new and exclusive process. In Germany, Bonduelle Conserve International launched (via a subcontractor) a range of mushrooms to test its growth potential in a particularly attractive market. This new venture has begun well, and heralds excellent prospects for growth: with a presence in 26 European countries, Bonduelle Conserve International's sales and marketing departments can now offer a wide range of mushrooms under the Bonduelle brand, following the acquisition of France Champignon in April 2010. Again in Germany, Bonduelle Conserve International tested in 2009-2010 a selection of vegetable sandwich spreads – a very popular product in this country.



In addition, a range aimed at children was introduced in Poland, which has specially-designed "easy peel" packaging enabling even very young children to open the pack safely. Other significant events over the past year include the expansion of the "Mais Bio" (organic sweetcorn) range (already on sale in Germany, Sweden and the Netherlands), which represents a niche segment that has emerged in response to market demand, and the success of the sweet/savory range of Cassegrain products designed to accompany meat (prune and almond, apple and onion, chestnut and girolle mushroom).

Focus



A second generation of steamed products

After potatoes, petits pois and sliced carrots, Bonduelle Conserve International launched a second generation of steamed products in 2009: lentils, chick peas, zucchini and endives.

This innovation should boost sales, as new products (green beans and peas/carrots) are added to the range from the third quarter of 2010. The entire range will then be available in a four-serving format. Following the success of these products in France, they will be rolled out to Belgium, Italy, the Netherlands, Germany and Poland in 2010-2011.

Additional 
information
www.bonduelle.com



Focus



RETAIL FROZEN PRODUCTS: a year of relaunch

In France, the three strategic areas outlined above were vigorously pursued in the retail frozen product sector, with (among other initiatives) a major innovation program including frozen spinach in whole leaf form – a really superior product – as well as an overhaul of the stir-fry range, in which the recipes, weight and price positioning were reviewed. In the Netherlands, the Pure range, which was relaunched in early 2009, confirmed its growth potential. Lastly, in Central Europe, a new, more appetizing and modern design was adopted for all packaging. These various initiatives delivered year-on-year revenue growth of more than 20% in the second half of the year.

Increasingly affordable products

The second area of focus over the past year was promotional activity. Bonduelle Conserve International rolled out a large number of special offers to make its products even more affordable. Advertising was the third important area: taking advantage of lower advertising rates in Europe, Bonduelle Conserve International stepped up its marketing campaigns, mainly on TV, but also in printed media and on the internet. The private label sector did less well, as high stock levels contributed to market volatility, with the result that many companies changed suppliers following a call for tenders. Bonduelle Conserve International had a satisfactory year, however, and in particular, reaped the benefits of its acquisition, in 2008, of Belgian company La Corbeille, which helped in consolidating sales volumes and maintaining its leading position in Europe.

Additional 
information
www.bonduelle.com

Bonduelle Traiteur

Patrick Néaume,
Chief Executive Officer, Bonduelle Traiteur

The French market for prepared foods is back in the black after a difficult year in 2009, with the pace of growth picking up in spring 2010. Bonduelle Traiteur took advantage of this more favorable environment to pursue its differentiation efforts, launching a new concept and strengthening its position as market leader.

With volume sales up by 6.4% and value sales ahead by 4.5%, the prepared foods market saw a real recovery in the year just ended. This growth mainly benefited private labels. However, the Bonduelle brand improved its position in the dressed salads segment, thanks to enhanced distribution and more effective promotional activities.



Sales forecasts dependent on weather conditions

Dressed salads are made and dispatched as close to consumption as possible to ensure maximum freshness (products ordered on day A are delivered on day B). This makes it essential to forecast demand accurately, so production is set to a level that minimizes waste. The work carried out in conjunction with Climfact over the last four seasons to anticipate the effect of weather conditions on consumption has enabled Bonduelle Traiteur to reduce its wastage rate by between 0.3% and 0.5%, while achieving an order fulfillment rate of 99.5%.



Our activities

The Escale Gourmande range of complete meals

The innovation strategy adopted the previous year continued in 2009-2010, with the launch, in spring 2010, of its most notable development, the Escale Gourmande range, which is ideal for eating during work breaks. Each recipe is made up mostly of vegetables, with the addition of some protein and carbohydrates, and provides a filling meal, specially designed to be enjoyed cold. Bonduelle Traiteur has also continued to roll out its Snacking Salads range of individual portion prepared salads, which are designed to be eaten outside the home. Consumers appreciate the practicality of these tasty and balanced salads, which are ideal for snacking on-the-go.

Developing core market segments

Alongside the efforts made in new segments, additions were made to Bonduelle's product range in the core dressed salad market, with new recipes in the Salades à Domicile range of salads intended to be eaten in the home.

Additional information 
www.bonduelle.com

Bonduelle Frais International

Patrick Néaume, Chief Executive
Officer Bonduelle Frais International

The fresh-cut foods market is back on track in Bonduelle Frais International's three main markets: France-Benelux, Germany, and Italy. The company has energized its range of products on these markets by developing new segments and making the necessary investments, including renovating an Italian production site to make it Europe's largest salad processing plant.



After extreme exposure to the difficult economic environment in 2008-2009, the fresh-cut foods market has regained the energy of recent years. France and Benelux, Germany, and Italy have seen a return to growth, with 5-10% increases in volume depending on the geographic area. Compared with the previous financial year, this more favorable context boosted Bonduelle's sales by around 25% between January and August 2010 in France and drove market share up in Germany and Italy. This increase is all the more exciting given the fiercer competitive climate on all its markets, which helped boost private labels.

Italy is inventing new consumer styles

In 2009-2010, a new range of chilled salads was introduced on the Italian market. This range features two types of salads: raw, with a dressing, or ready-to-cook to accompany meat and fish or as a sauce for pasta or rice. The Condi o Cuoci (dress or cook) range features two combinations, one of which is corn, carrot, zucchini, spinach, endive and white cabbage recipe.



In Germany, the Unser Kleiner range meets the need for small packaging

This range of 80-gram sachets was specially developed with young women in mind, and the concept has received excellent scores in consumer tests. Bonduelle offers its most famous and best-loved combinations for snacks and side dishes.

In France, people are eating their vegetables thanks to salads

Another new product launched in 2009-2010 is the French Mélanges 5 Saveurs (mix of 5 flavors) range, whose innovative aspect is the combination of raw vegetables and salad greens, in five varieties. These completely new recipes get consumers to discover – or rediscover – raw vegetables, by adding, for example, grated broccoli stems, which taste a bit like asparagus, to sliced carrots and a selection of salad greens. The Croquant, Tendre et Gourmand combinations were developed with a top chef and represent a new segment in the fresh-cut salads range.

Val Nantais, a winning partnership



Since the partnership between Bonduelle and the Val Nantais cooperative was formed in 2009, the first section of the 5000-metric ton capacity fresh-cut salad processing plant was opened in 2010 thanks to brisk development. This type of initiative has three main advantages in terms of sustainable development: reinforcing bonds with regional growers, limiting transport by working with growers near the plant, and ensuring ultra-fresh produce.

Additional 
information
www.bonduelle.com

Bonduelle Food Service

Pascal Bredeloux, Chief Executive
Officer, Bonduelle Food Service

The food service market, which is influenced by factors relating to convenience and leisure, declined at global level in both volume and value terms in 2009-2010. However, Bonduelle Food Service bucked the trend with a 2.5% increase in volume sales, by adapting its offering to the new macroeconomic conditions.

Over the last year, Bonduelle Food Service, Europe's leading producer of vegetables in all formats (canned, frozen, fresh, prepared – and now, thanks to the acquisition of France Champignon – pasteurized and dried), faced the consequences of the economic crisis. The commercial food service market in Europe contracted by 5% on average, although this varied significantly by country, with the sharpest falls recorded in the UK and Spain. The corporate food service sector fared better, thanks to long-term contracts (schools, hospitals, retirement homes, etc.), with strong growth recorded in France (+6.5%), Italy (+8%) and Spain (+10%). Overall, these volume performances were insufficient to offset the drop in value sales in the commercial food service sector. In this environment, Bonduelle Food Service achieved volume sales growth of 2.5% by adapting its offering, although value sales were flat.

Gelagri, an efficient joint venture

Bonduelle's partnership with Triskalia (formerly Coopagri Bretagne) led to the creation, in 2009, of the Gelagri joint venture. Gelagri has proved particularly effective at riding the ups and downs of the European market, thanks to the commercial synergies generated by the two parent companies, with Bonduelle leveraging its brand expertise, while Gelagri focuses on private labels. Gelagri's current aim is to establish itself as a leading player on the European market. In addition, the joint venture's synergies also have environmental





benefits, as transportation flows are optimized through the sharing of resources. Moreover, Bonduelle's links with Bel, Traiteur de Paris, as well as Elle&Vire, have also helped to combat the effects of the crisis, as the association with well-known brands reassures customers that they are buying good products.

A new marketing vision

In order to boost its growth, during the year Bonduelle Food Service implemented a marketing plan with six key strands: nutrition, through the Visa Santé (health passport) program; the over 50s, via product segmentation by country and age; children, with a view to providing the best possible service to schools and the commercial food service sector through the provision of vegetables; sustainable development, through raising the profile of the Bonduelle Group's commitments in this area; innovation, via three product ranges – Ready to(heat), "Minute" vegetables (pre-cooked according to consumer preferences in different countries) and raw vegetables – and lastly, advertising.

Sachet Fraîcheur (freshness bag) benefits the environment



The freshness bag has an important place in the range of new packaging formats developed by Bonduelle. It provides real environmental benefits – transporting freshness bags, which come on a roll, rather than empty steel (or aluminum) cans, generates 25% less CO₂. Another advantage is that a container that holds only 100 cans is able to accommodate 1000 freshness bags. Lastly, unlike cans, freshness bags do not contain any water.

Additional 
information

www.bonduelle.com

France Champignon

Alain Chamla,
Chairman of France Champignon

On March 31, 2010, France Champignon, European leader in its sector, became the eighth subsidiary of the Bonduelle Group. This major acquisition has enabled Bonduelle to enhance its product range and increase sales of a vegetable that ranks among the top three consumed in Europe.



Based in Saumur, France Champignon (revenue: close to 200 million euros) has developed expertise in two areas: white mushrooms and wild and exotic mushrooms, mainly sold under the Royal Champignon brand. France Champignon's business encompasses a number of activities*, including production of seeds, compost and cultures, and the processing of mushrooms using four technologies: canning (66% of total revenue), freezing (13%), pasteurization (6%) and drying (3%).



Fresh mushrooms are also sold, in both white and wild varieties (11% of total revenue), by France Champignon's subsidiary Champiland, which specializes in selling frozen or dried ceps, morels and girolle mushrooms to retailers or food service operators. Champiland also produces exotic mushrooms.

White mushrooms account for more than 90% of France Champignon's business.

Expertise across "all technologies and countries"



France Champignon produces 117,000 metric tons of mushrooms each year, half of which come from its own growing houses, all located in France, while the other 50% are provided by a network of suppliers. In addition to its plants in France, the Group has a subsidiary in Poland, Interchamp, which specializes in processing and selling mushrooms, as well as a sales subsidiary in Germany. It employs around 1,500 staff (full-time equivalent) and generates most of its revenues in France (65%) and Germany (15%), with the remaining 20% coming from Poland, Belgium, Italy and Scandinavia. In France,



its sales networks focus on retail (74%), predominantly selling canned mushrooms, which represent 81% of sales volumes, with the private label sector (46%) the main destination. It also produces frozen mushrooms, essentially for the private label sector – these account for 100% of sales to supermarkets and big-box stores and 80% of sales to food service operators.



Agriconfiance standards: a commitment to quality



France Champignon has been implementing a modernization program for its production facilities over a number of years, moving from growing mushrooms in caves to houses, with temperature, humidity and CO₂ levels perfectly controlled, while working conditions have also improved. Moreover, the company's white mushroom production meets the requirements of the standards adopted by Agriconfiance (the French association of agricultural cooperatives and companies), thanks to its commitment to responsible and sustainable growing practices, full traceability and respect for the environment.

* 1% of the business relates to the sale of mycelium

Reducing water consumption: an environmental priority

As part of the modernization program for its production facilities, France Champignon is developing, with the help of Bonduelle Group specialists, a process for automating the cutting of mushroom stems during harvesting. This innovation means that mushrooms arrive without grubby stems that need to be washed – an operation that accounts for 50% of the water used in production – and at the same time improves quality, as the vegetables can be canned within 24 hours instead of 48-72 hours using traditional processes.

Additional 
information
www.bonduelle.com

Bonduelle outside the European Area

The Bonduelle Group is market leader in canned and frozen vegetables in Canada, it is the biggest producer of canned vegetables in Russia, and has a presence in almost 60 countries outside the European Area.



North American vegetable market*

97

billion euros

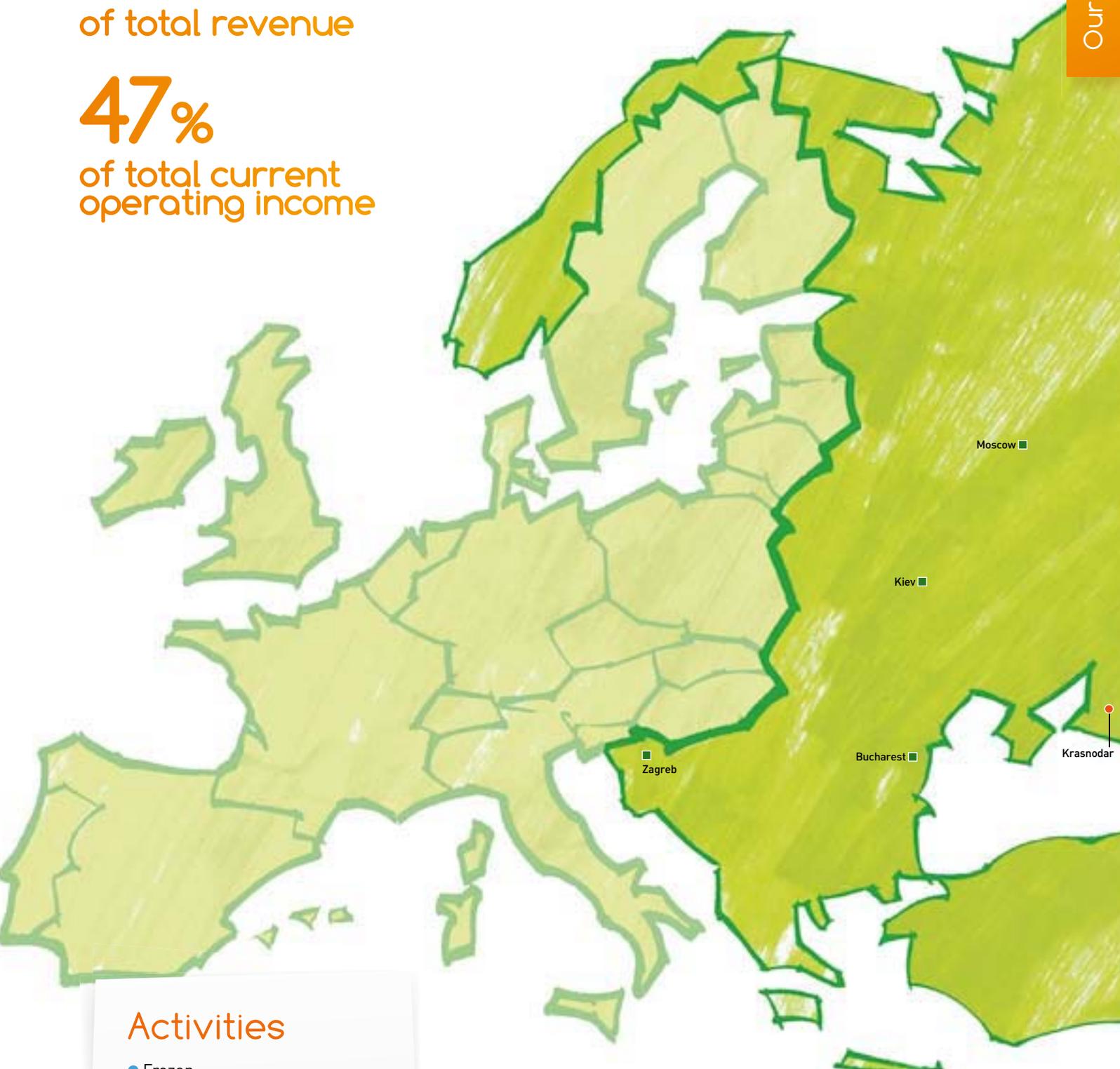
42,800

hectares cultivated for Bonduelle

*Source: Food For Thought 2010 / 1 euro = 1.3057 US dollars (exchange rate at September 18, 2010).

25%
of total revenue

47%
of total current
operating income



Activities

- Frozen
- Canned
- Prepared
- Sales and marketing departments

Additional 
information
www.bonduelle.com

Bonduelle North America

Daniel Vielfaure, Chief Executive Officer, Bonduelle North America
Jérôme Bonduelle, Deputy Chief Executive Officer, Bonduelle North America

Financial year 2009-2010 was a particularly positive one for Bonduelle North America. In its third year of operations in this market, the company saw its revenue rise by almost 13%, and at the same time posted a significant increase in net income. These performances have consolidated Bonduelle's leading position in this region.

The acquisition, on June 30, 2009, of Omstead Foods, a frozen vegetable producer mainly operating in the food service sector in Canada, has strengthened Bonduelle North America's position in this segment, as well as in retail sales, and extended its commercial presence into Western Canada and Ontario. During the past year, the efforts made, both on the industrial and marketing fronts, to rationalize the company's portfolio of core products – which are now mainly sold under the Arctic Gardens frozen food brand – have borne fruit and contributed to the excellent results of this subsidiary. The acquisition, again in 2009, of Family Tradition, a frozen food wholesaler, also had a positive impact on the business. These good performances were achieved despite the less favorable market conditions in the United States (where Bonduelle North America records 30% of its sales), since the Canadian dollar consistently rose in value during the year, almost reaching parity with the US dollar.

A dynamic marketing and innovation strategy

With the aim of consolidating its position in the region, Bonduelle North America also launched a new range of rice and vegetable products with an innovative microwave steam-cooking solution, which is currently available in four combinations. This new range was recognized with a nomination in Canada's Innovation Awards.



Announcement of the Créa award.



To support the launch of the rice and vegetable products, which are completely new to this market, and to boost sales of the Arctic Gardens brand in Ontario, Bonduelle North America launched a major marketing offensive (with a budget up 50% on the previous year) in the form of a TV advertising campaign, which won a bronze medal at the Canadian Marketing Awards, as well as a prize in the TV ad category of the country's Créa awards, for the best advertising of the year in Quebec. These initiatives enabled Bonduelle North America to further consolidate its presence in Canada, where it has a market share of more than 75% in vegetable processing and 15% in retail sales of frozen food, under the Arctic Gardens brand. Arctic Gardens is the undisputed market leader in Quebec, with almost 60% of the market. As regards canned vegetables, products sold to the food service sector in Canada are now distributed under the Bonduelle brand.

New growth prospects

Bonduelle North America's objective is now to extend its ranges to Canada and to pursue a highly proactive strategy in the private label sector and sales to industry, with the aim of offering new vegetable-related products in canned or frozen format. Lastly, in order to raise its profile, Bonduelle North America is preparing to launch the Louis Bonduelle Foundation in Canada and in Quebec,

and has already established a dedicated website. The Foundation will support research projects, promote vegetables and enter into partnerships like those formed with "Jeunes Pousses" (young shoots), an organization that helps schools in Quebec to grow their own vegetables.



Safety first!

Because the safety of staff is an essential element of sustainable development, Bonduelle North America is implementing an ambitious improvement project in its plants in Quebec. The program includes setting up a "safety at work" coordination committee, systematically identifying potential dangers present in the plant, carrying out research and analysis after any accidents and putting in place specific training plans for local managers and production facility workers.

Additional 
information

www.bonduelle.com

Bonduelle Development

Benoît Bonduelle, Chief Executive
Officer, Bonduelle Development

Faced with the constraints imposed by the sharp deterioration in the economic environment in Eastern Europe, as well as unfavorable currency fluctuations, Bonduelle Development's activities marked time in 2009-2010. However, the company succeeded in maintaining its market share and finalized two major investments for the future.

In the year just ended, three factors combined to make it difficult for Bonduelle Development – the subsidiary that manages the Group's international activities (i.e. outside the EU and North America) – to achieve growth. Currency fluctuations in Eastern Europe, especially Russia, Ukraine and Romania, had a significant impact on Bonduelle Development. At the same time, the effects of the economic crisis reduced consumption across the region, most notably in Russia, where demand for our product categories fell sharply. In addition, the greater

financial fragility of distributors prompted us to be more cautious with regard to customer receivables. The combination of these three factors led to a significant drop in revenue at Bonduelle Development, which nonetheless preserved its market share, despite the difficult economic environment.



Pick-up of activity in Latin America

Economic conditions proved to be more positive in Latin America. Bonduelle Development returned to growth in this region after seeing its sales decline in recent years due to the crisis and fluctuations in the real and peso. The company has expanded its business in both Brazil and Argentina, and profitability is improving. In Brazil, the new canning plant in Cristalina began operating in September 2010, and should enable the company to increase its market penetration quickly. This plant, which has a capacity of 50,000 metric tons, is unusual in that production takes place during all twelve months of the year.



In Bulgaria 15 permanent kiosks sell hot sweetcorn.



Progress on the Cherkasy project

Another major investment for Bonduelle Development: in spring 2010, it acquired a former collective farm (kolkhoz) stretching over 1500 hectares in Cherkasy, Ukraine, along with a 15-year farming lease. The company has applied for planning permission to build a canning plant with an annual capacity of 50,000 metric tons. Agronomic tests are currently under way in order to determine the best varieties of peas and sweetcorn to plant there. In terms of sustainable development, Bonduelle Development has begun to reduce its use of pesticides, in line with European policies.

Focus



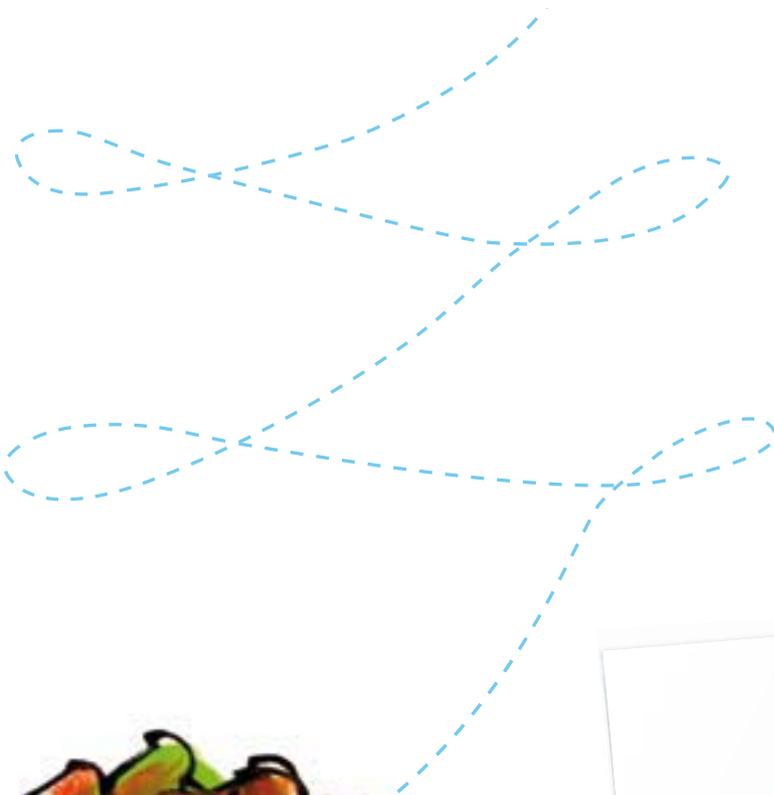
The wood-fueled boiler system at the Cristalina plant.

CRISTALINA, a model plant for sustainable development

The new canning plant in Cristalina, Brazil, which entered service in September 2010, was designed to meet sustainable development criteria. For example, the plant is equipped with a system for controlling water consumption that is similar to those installed in European factories. Furthermore, waste water from industrial processes is used to water the plantations of elephant grass (Capim) that will partly fuel the plant's boiler system. This system is mainly fuelled with eucalyptus wood to avoid consumption of fossil energy. Lastly, a large number of tests have been carried out in the area of farming practices, such as no-till farming, which prevents soil erosion.

Additional 
information

www.bonduelle.com



*Stability and innovation are key
to a strategy that is sure
to bear fruit, and not just 'cos'
I say so!*

André Crespel, Chairman of the Supervisory Board, on July 5, 2010, at a presentation on Bonduelle's commitment to sustainable agriculture.



Financial report

Since its flotation on the stock market, the Bonduelle Group's shareholders have implemented a strategy based on three objectives: the main priority is longevity and the pursuit of growth without taking excessive risks; second, independence, i.e. independence of ownership, so as to ensure the harmonious development of the group over the long term; and third, the personal and career development of employees, demonstrating the group's deep commitment to its most important resource, its people.



Shareholder information

Message from the Chairman of the Supervisory Board

During the 2009/2010 financial year, the Supervisory Board was given regular progress reports regarding the activities of the Bonduelle Group. The Management Board provided us with all the documents required to evaluate the performance of its obligations and to review the individual and consolidated financial statements. It also provided us with comprehensive information regarding the financial statements, financial commitments and risks associated with the group's activities. At the forthcoming Shareholders' Meeting on December 2, 2010, you will be asked to approve the renewal of the appointments of two members of the Supervisory Board, Louis Bonduelle and Yves Tack, and to approve the appointment of a new member, Elisabeth Minard. As was the case last year, a specific report by the Chairman of the Supervisory Board is attached to the report of the Management Board to the shareholders on corporate governance principles, the internal control procedures implemented by the group and the preparation and organization of the work of the Supervisory Board and its committees during the year.

André Crespel, *Chairman*

Net dividend per share in 2009-2010

€ 1.5

Additional 
information
www.bonduelle.com

Performance of Bonduelle shares relative to the cac 40 and sbf 120 indices (base 100 July 2009)



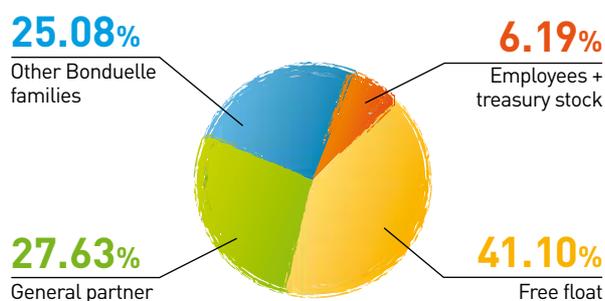
Bonduelle share information

Summary sheet

Market	Euronext Paris France
Market segment	Eurolist Compartiment B
ISIN code	FR 0000063935
Reuters code	BOND.PA
Bloomberg code	BON FP
Shares outstanding	8,000,000
Indices	MID 100 and Next 150
Eligible for	deferred settlement service (SRD)



Shareholder structure at June 30, 2010



Stock market data

SHARE PRICE (in euros)	2008-2009	2009-2010
High	72.44	88.88
Low	49.02	53.5
Closing	55.75	74.26
Market capitalization at June 30 (in millions of euros)	446	594
Average monthly trading volume	150,544	181,894

The Management Board will request that the Shareholders' Meeting of December 2, 2010 approves the payment of a net dividend of 1.50 euros per share. Bonduelle's shareholding structure includes a majority of family shareholders, providing the group with stability and the ability to pursue a long-term strategy. In addition, more than 2,500 Bonduelle employees hold Bonduelle shares through company savings plans.



Financial

releases scheduled for financial year 2010-2011

- 11/04/10 • First quarter revenue

- 02/03/11 • First half revenue

- 02/24/11 • First half results

- 05/05/11 • Third quarter revenue

- 08/04/11 • Annual revenue

- 10/04/11 • Annual results

- 12/08/11 • AGM

Investor relations

The Bonduelle Group provides its shareholders with several sources of information.

The annual report, published in French and English, presents all the annual financial statements, reviews the highlights of the year and sets out the group's strategy, as well as providing a detailed business review for each subsidiary. The Bonduelle Group also publishes specific information on corporate social and environmental responsibility.

All of these documents, in addition to the registration document (document de référence), may be viewed and downloaded in the "Finance" section of the group's website: www.bonduelle.com. The website also provides real-time share price information and access to Bonduelle news and recent developments.

Since 1998, a letter to shareholders has provided a summary of key financial information and recent events concerning the group and its subsidiaries, especially as regards the latest product launches. This newsletter is now sent to all shareholders (both bearer and registered) based on the most recent update of the shareholder register. It can also be viewed and downloaded in the "Finance" section of the website.

Meetings

The group's management meets with investors on a regular basis at news briefings and individual presentations. Many investors participated in meetings in financial year 2009-2010, both in France and other countries.

CONTACT

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 Fax: +33 (0)3 20 43 60 00
 Email: finance@bonduelle.com

Additional 
 information
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Consolidated balance sheet

Assets

(in thousands of euros)	30/06/2009	30/06/2010
NON-CURRENT ASSETS	571,759	745,192
Other intangible assets	42,241	44,138
Goodwill	115,395	192,406
Property, plant and equipment	378,571	470,552
Investments in associates	9,790	9,786
Other non-current financial assets	12,051	14,018
Deferred taxes	12,932	13,927
Other non-current assets	780	366
CURRENT ASSETS	914,785	903,905
Inventories and work-in-process	510,326	515,674
Trade and other accounts receivable	320,547	340,484
Tax receivables	10,264	6,594
Other current assets	5,627	5,842
Other current financial assets	5,344	7,609
Cash and cash equivalents	62,676	27,702
TOTAL ASSETS	1,486,543	1,649,098

Equity and liabilities

(in thousands of euros)	30/06/2009	30/06/2010
EQUITY,		
GROUP SHARE	367,870	460,085
Share capital	56,000	56,000
Additional paid-in capital	22,545	22,545
Consolidated reserves	289,325	381,540
MINORITY INTERESTS	11,773	17,102
TOTAL EQUITY	379,643	477,187
NON-CURRENT LIABILITIES	527,190	543,220
Financial liabilities	462,134	455,707
Employee benefits	5,534	10,439
Other non-current provisions	25,088	33,983
Deferred taxes	28,899	28,652
Other non-current liabilities	5,534	14,439
CURRENT LIABILITIES	579,710	628,690
Financial liabilities - current portion	127,387	145,307
Current provisions	2,492	1,957
Trade and other accounts payable	445,177	473,298
Tax payables	1,813	4,342
Other current liabilities	2,842	3,788
TOTAL EQUITY AND LIABILITIES	1,486,543	1,649,098

Consolidated income statement

(in thousands of euros)	30/06/2009	30/06/2010
REVENUE	1,523,949	1,559,589
Purchases and external charges	(1,039,997)	(1,089,274)
Personnel costs	(301,415)	(295,806)
Depreciation, amortization and impairment	(67,209)	(65,087)
Other operating income	45,594	44,922
Other operating charges	(59,175)	(49,231)
Loss on sale of consolidated equity investments	(17)	(656)
OPERATING INCOME FROM CONTINUING OPERATIONS	101,731	104,457
Non-recurring items	(2,438)	(2,626)
OPERATING INCOME	99,293	101,830
Net borrowing costs	(26,984)	(20,884)
Other financial income and expenses	(33,788)	3,045
NET FINANCIAL EXPENSES	(60,772)	(17,839)
Income from associates	(300)	(528)
INCOME BEFORE TAX	38,221	83,464
Income tax	(11,574)	(25,754)
NET INCOME	26,648	57,710
Group share	26,552	58,343
Minority interests	96	(633)
BASIC EARNINGS PER SHARE	3.49	7.51
FULLY-DILUTED EARNINGS PER SHARE	3.49	7.51

Consolidated cash flow statement

(in thousands of euros)	30/06/2009	30/06/2010
NET INCOME	26,648	57,710
Income from associates	300	528
Depreciation, amortization and impairment	77,747	58,199
Elimination of other non-cash sources	26,677	10,138
Taxes paid	(14,294)	(27,305)
Income tax expense	11,574	25,754
Accrued interest	(1,786)	(1,601)
CASH FLOW	126,866	123,422
Change in working capital	(64,172)	26,606
CASH FLOWS FROM OPERATING ACTIVITIES	62,694	150,028
Acquisitions of consolidated companies - net of cash and cash equivalents	(26,787)	(29,947)
Disposals of consolidated companies - net of cash and cash equivalents disposed of	112	9,295
Acquisitions of property, plant and equipment	(73,209)	(84,519)
Acquisitions of financial assets	(97)	(95)
Disposals of property, plant and equipment and financial assets	1,752	5,995
Net changes in loans and other non-current financial assets	(179)	505
CASH FLOWS USED IN INVESTING ACTIVITIES	(98,409)	(98,767)
Capital increase	0	(0)
Net acquisition of treasury stock	(2,266)	(341)
Net increase (decrease) in non-current financial liabilities	139,867	(53,053)
Net increase (decrease) in current financial liabilities	(118,516)	(25,387)
Dividends paid to group and minority shareholders	(12,221)	(11,493)
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	6,863	(90,274)
Impact of changes in exchange rates	(15)	4,039
CHANGE IN CASH AND CASH EQUIVALENTS	(28,866)	(34,974)
Cash and cash equivalents – opening balance	91,542	62,676
Cash and cash equivalents – closing balance	62,676	27,702
CHANGE IN CASH AND CASH EQUIVALENTS	(28,866)	(34,974)



CARL SPRIET
The illustrations in this document were drawn by Carl Spriet, a graduate of the École des Beaux-Arts de Lille (1979). Trained to sketch from life, his key aim is to create an ambience through the different scenes of everyday life, an inexhaustible source of inspiration.





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