



PRESS KIT

Even armed for the future

2017 progress indicators:

- a strong rise in turnover: **€2.2 billion** (up 4 % from 2016)
- a record level of tangible investments: **€90 million**
- a surge in the number of young farmers starting up: **30** across the cooperative.
- once again, strong job creation dynamics: **90** new net jobs created, bringing the total Even workforce to **over 6,100**.

In 2017, Even concentrated its efforts on consolidating its activities, from upstream to downstream, and on seeking new growth opportunities in an open-minded approach. The Group and its subsidiaries are reinforcing their economic, social and environmental performances to ensure that Western France remains a reference dairy region on the world scene.

CONTENTS

Press release	p.3
Focal points:	
① Boosting generational renewal	p.4
② Consolidating the four pillars of the strategic plan	p.6
③ Cooperating to boost value creation	p.10
What they say...	p.12
The year in pictures	p.13
Key figures	p.15

Even armed for the future

In 2017, Even concentrated its efforts on consolidating its activities, from upstream to downstream, and on seeking new growth opportunities in an open-minded approach. The Group and its subsidiaries are reinforcing their economic, social and environmental performances to ensure that Western France remains a reference dairy region on the world scene.

Replenishing the ranks

The future of the cooperative group Even is forged first and foremost with its member dairy farmers. Yet the average age of the current generation is on the rise and the ranks must be replenished. To attract new recruits into dairy production, Even implements a pro-active start-up policy. It has been generating interest with around 30 young farmers joining the Cooperative in 2017. This remarkable performance pushes the number of young members having started up in the past three years over the 80-mark.

Supporting members' income

Members received €325.43 per 1,000 litres in 2017, in addition to which they are set to be attributed an extra €10 per 1,000 litres in return on results, following the vote by the General Assembly in June 2018. This represents a total of over €4 million across the Cooperative.

Even thus continues to directly support its members' income in a mindset built on sharing, solidarity and equity. Thanks to the Cooperative's financial health, it is able to do so with an annual turnover up 4 %, despite an increasingly insecure context. Two contradictory and improbable factors triggered a shockwave across international dairy markets: the drop in the price of dairy proteins and the soaring prices of fat culminating in a butter shortage which, at its peak, struck panic among distributors and consumers.

Consolidating the business development plan and generating opportunities

To offset the effects of market volatility and to create value in its sectors of activity, Even is consolidating its business development plan: **innovate, invest, internationalise and be efficient**. The Group is also venturing into new growth opportunities through alliances, shareholdings and external growth.

In these strategic areas, 2017 and the first quarter of 2018 were eventful for the Group and its subsidiaries. As an illustration, a few achievements can be listed which bode well for the future:

- the refocusing and diversification of upstream activities in animal nutrition
- acquisition of a stake in Cocorette, one of France's top producers of organic and free-range eggs,
- commissioning of the new Laïta infant formula and premium milk powder unit in Créhen (Côtes-d'Armor),
- buyout of Gabopla, emergence of the alliance Atlanterra, segmentation and digitalisation of the offers in the distribution division,
- acquisition of a stake in the investment fund FrenchFood Capital,
- involvement in a collaborative platform promoting the emergence of agricultural and agri-food start-ups,
- organisation of the innovation competition Even'Up.

In 2017, €90 million was invested in tangible assets across the Group.

Creating wealth locally to internationally

In today's globalised, fast-paced world, Even is stepping up a gear, while keeping its sights firmly fixed on its strategy and its eyes peeled for development opportunities. The Group thus intends to confidently prepare the future of dairy farmers in North-West France. It creates wealth, firstly social wealth, across all the areas where its activities are based, both in France and abroad. 90 net jobs were created in 2017, bringing the total number of employees to 6,110. This makes Even the 9th largest employer in Brittany, all sectors combined, and the largest Breton cooperative group.

FOCAL POINT ①: BOOSTING GENERATIONAL RENEWAL

Key member statistics:

- **30** young farmers starting up in 2017, **81** since 2015 (a **15 %** rise for the past three-year period in comparison to previous years)
- **1,370** dairy farmer members within the Cooperative
- **€325.43 per 1,000 litres**: the average milk price paid to member farmers in 2017
- **€10 per 1,000 litres** in return on results paid out to farmers in July 2018 after approval by the General Assembly.

Even is working to promote generational renewal by deploying an attractive start-up policy. Some 30 young dairy farmers joined the Cooperative in 2017, increasing the number of members to a total of 1,370. The vitality of dairy production expressed by the rise in new young members of Even thus helps to ensure that Brittany will continue to rank among the world's major dairy areas in the future.

High retirement rate, too few candidates in the French sector

One in two farmers is set to retire within the next 10 years. The retiring baby boomers, born between the post-war years and the early 1960s, are no longer being, and will no longer be, replaced by the young generation. The renewal rate (number of young farmers starting up divided by the number of retirements) is as low as one third, even although there is no decrease in production. Hence, farms are being restructured and expanded. They face difficulties in recruiting skilled personnel, and are often forced to invest to automate the most arduous and labour-intensive tasks.

Even's successful pro-active start-up policy

Aware that generational renewal is a major challenge for the future of Brittany's dairy sector and hence for its activities, the Even group has reinforced its start-up incentive policy.

Allocation of additional volumes

All young farmers who become members of the Cooperative can benefit from a volume of milk (200,000 litres for 2017/2018) at price A and, on top of that, an additional volume of milk at price B. To be eligible, the farmer must meet the following criteria:

- be between 18 and 40 years old (an extra year is added for each child)
- have the necessary professional qualification to start up (level IV agricultural diploma or equivalent)
- have farming as their main activity
- have developed a viable plan.

Financial aid

A young farmer also receives a €7,500 fixed-amount grant, paid out over the five first years following start-up, subject to compliance with the Ecolait progress initiative, developed in partnership with BTPL (*Bureau Technique de Promotion Laitière*). The full cost of this technical and financial support is covered by the Cooperative for the first three years following start-up, and half the cost is covered during the fourth and fifth year. In total, the support provided costs the Cooperative €13,500 for each young farmer.

Technical and financial support

An expert engineer from BTPL assists member farmers in their strategic planning, reinforcing our upstream teams. They develop innovative methods to provide each farmer, in particular young farmers, with indicators to effectively manage their farm.

This includes:

- Ecolait, a technical and financial support service that is rare in dairy production. With Ecolait, farmers are able to see where they stand and compare themselves with other French and European dairy farms,

to gain an overview and to hold discussions in order to manage their production costs and boost their performance.

- Pistil, a personalised project support programme. By drawing up an assessment of the farm's advantages and limitations, farmers are able to analyse the solidity of their business project in order to fine-tune it.

Over 80 new young farmers since 2015, a clear rise in 2017

This start-up incentive policy is paying off. Since 2015, 81 young farmers have joined the Cooperative, including around 30 in 2017 alone. A 15% rise in farm start-ups was recorded at Even over the past 3 years. The average age at start-up is 31, with a majority of men and only 14% of women. All or nearly all opt to set up a partnership or company to share the work, risks, decisions and results. Sole ownership is falling and is only chosen by 1 in 10 young farmers. The average milk production of farms at which young Even members have started up since 2015 is 981,000 litres. The volume of milk calculated per person by the Cooperative is 234,000 litres of milk.

Technical input for economic gains

While it is essential to support farmers in their first years of activity, Even does not overlook the ongoing career of its members. Information meetings, training sessions and study trips are regularly organised. Different issues are addressed with support from experts. The topics of the coming months include: herd management and livestock farming, farm management and strategy, energy and the environment, and human resource management and personal development.

Over and above the new young farmers, around 40 farms have already adopted the progress initiative Ecolait. By sharing experiences on different issues (evolution of production systems, reduction in inputs, food cost control, etc.) and comparing results within the groups, farmers are able to adjust their practices in order to improve their working conditions and the profitability of their farm. New groups are currently being set up, with the target of reaching over 100 farms committed to Ecolait by the end of 2018.

A return on result of over €4 million put to the General Assembly

In addition to drawing upon technical aspects to ensure economic gains, the Cooperative directly promotes the profitability of its member farms by paying as fair a price as possible for milk with regard to the market: €325.43 per 1,000 litres paid in 2017. In addition, the return on result, which will be put forward for approval at the next General Assembly, represents €10 per 1,000 litres. This considerable extra payment represents a total of €4.1 million and brings the milk price for farmers up to an average of €335 per 1,000 litres.

FOCAL POINT ②: CONSOLIDATING THE FOUR PILLARS OF THE STRATEGIC PLAN

Key Group statistics:

- **6,110** employees: **90** net jobs created in 2017
- **9th largest employer in Brittany**, all sectors combined, and the **largest Breton cooperative group**.
- **€2.2 billion** turnover, up **4%** from 2016

In the face of market volatility and changing consumption and distribution trends, Even is reinforcing the cornerstones of its strategy: innovating, investing, internationalising and being efficient are the key principles across all branches of activities and subsidiaries of the Group.

Standing up to market volatility

International markets are profusely paradoxical. 2017 is a prime example with, on the one hand, the value of dairy proteins free-falling and, on the other, the price of fats rocketing. These price scissors destabilised the major general dairy groups which collect and process milk in France, penalising their results. This was especially so given that the main French market, the supermarket sector, was slow to implement the world rise in butter prices. Furthermore, despite it being a buoyant market, the past year was not the cream of the crop for catering sectors, in which margins are tight.

Despite these disturbances due to the now structural volatility of raw material prices, the Even group ended the year on a respectable note with a turnover up 4%, coming in at €2.2 billion, compared to €2.1 billion the previous year.

This satisfactory result can be explained in particular by the constant efforts made within the Group and its subsidiaries to consolidate all the key elements of its business development plan.

Annual net job creation around the 100-mark for seven years

For the past seven years, Even has created around 100 net jobs in France on an annual basis. This social performance is noteworthy against the current economic backdrop in which many agri-food companies are struggling. This recruitment trend continued in 2017, with 90 new net jobs and over 480 employees recruited on fixed-term contracts on a constant scope basis.

In addition, two thirds of Even employees attended training in 2017, representing a total budget of almost €4 million for over 70,000 hours of training over the year. The launch of the new Laïta factory alone led to the creation of 80 new jobs. Laïta shortlisted applicants, in partnership with the French national job agency Pôle Emploi, based on a simulation recruitment method whereby their capabilities and motivation are assessed rather than their qualifications. The new recruits received a total of 17,500 hours of training, in particular focusing on hygiene and quality, with job-specific training programmes of up to 400 hours resulting in professional qualification certificates being awarded.

Innovating to expand further

Internally, the Even group does not see innovation as a revolution, but rather as continuous improvements in terms of organisation, processes, technology, marketing, sales and products.

Upstream, precision fertilisation and nutrition are gaining ground. In 2017, Even Agri doubled the area of cereal and rapeseed parcels controlled by drone, which shot up from 900 to 1,800 hectares. For the 2018 campaign, the target has been set at 2,500 hectares. Meanwhile, Even Nutrition Animale developed its range of feeds for ruminants, Sabrilactis. Formulated based on the profile of efficient amino acids, it enhances dairy cows' performance while reducing nitrogen and phosphorous emissions into the environment.

Downstream, the distribution division is adapting its offer to fit new consumption trends in terms of health, well-being, naturalness, the search for sense, practicality, etc. This effort is illustrated for instance by the Krill Network which, throughout its 10 years of its existence, has been offering a multitude of consumer experiences and stirring up emotions with its "Counter sales" catalogue.

Customer advisers have been trained to guide their clients through these changes: offer segmentation and digitalisation, product promotion and implementation, etc.

In the dairy sector, Laïta has initiated, following a qualitative study conducted among consumers, a collective effort in research and development, sourcing, purchasing, ingredients and packaging to launch 12 brand new project concepts in the soft cheese segment. These concepts are an answer to new consumption trends such as snacking, appetisers and cheese as a main course.

As another illustration, the subsidiary ECI has asserted itself as a cutting edge firm on the much sought-after colostrum market. In technological terms, the company has developed innovative processes to filter and dry colostrum. In terms of sales, this opens the doors to the animal feed, human food, pharmacy and cosmetics markets.

Externally, Even is expanding its research and development horizons through open innovation routes. In 2017, the Group contributed to the creation of the new investment fund FrenchFood Capital. It also supports the Village by CA Finistère, a start-up incubator based in Brest. In early 2018, it launched Even'Up, an innovation competition for entrepreneurial projects relating to agriculture and food (read on to Focal point 3 for more details).

Investing to boost growth

Distribution division: growth and alliance

Two key events stood out in 2017 for the distribution division. Pursuing the external growth seen in 2016, Even invested in services with the buyout of Gabopla. Based in the region of Nantes, this company is specialised in the distribution of products in the bakery, pastry and chocolate sectors. It joined ranks alongside Bondu (Finistère), Legeay (Charente) and Bertin (Loire-Atlantique) to add to the Boul'Pât activities in Western France.

The second landmark in 2017 was the establishment of the alliance Atlanterra, through the union of the companies under the umbrella "Professionnels du Surgelé": Bernat (Gironde), Boncogel'Adour (Pyrénées-Atlantiques), Gel Côte de Beauté (Charente-Maritime), Kenty (Côtes-d'Armor) and Charles Martin (Bouches-du-Rhône). These five companies, regional food distribution specialists for food service professionals, have a total of 290 employees. They have pooled their resources to better serve their 12,700 clients across the French Atlantic arc, Provence-Alpes-Côtes d'Azur and Languedoc. This "alliance with a strong local accent" is proud to offer greater expertise, flexibility and proximity than ever before.

Laïta diversifies its product mix

In the dairy branch, Laïta is keeping up a high pace of investment – on average €50 million a year since 2012 – to support the dynamics of dairy farmers in North West France and to better serve its clients in growth markets. Its investments in material, immaterial and human assets are intended to render the product mix more resilient to market volatility.

In 2017, Laïta:

- **developed cheeses for the supermarket sector and for industrial clients**, with new formats. Laïta decided to launch a €20 million investment plan at the Ploudaniel cheese factory (Finistère), which manufactures emmental, to set up a new grating, cutting and packaging unit.
- **enhanced the value of dairy protein**, by decreasing the share of undifferentiated skimmed milk powder and increasing that of infant formula, milk powders made to client specifications and yoghurt powders manufactured at the Ancenis site (Loire-Atlantique) and protein cracking at the Landerneau (Finistère) and Yffiniac (Côtes-d'Armor) sites. €10 million were invested at Ancenis in the construction of a new big bag filling facility for dry mix powders.
- **amplified the results of sectors less dependent on dairy markets** by implementing differentiating know-how: health nutrition with Even Santé Industrie, fresh cheeses, crêpes, animal nutrition with high added value (Celtlait feeds, promotion of colostrum), etc.
- **commissioned the new infant formula and premium powder facility in Créhen (Côtes-d'Armor)**, the flagship of its dairy ingredients activity.

Across the group, €90 million was invested in tangible assets in 2017.

Internationalising to spread the risk

Rising global demand for milk

Even's innovation and investment efforts are aimed at identifying the growth drivers it needs to expand. The decision to go international was based on a simple observation. The European playing field is

limited, especially bearing in mind that the dairy product supply exceeds demand, and milk production is constantly on the rise.

Export is a priority for Laïta's consumer goods both:

- in Europe, through its subsidiaries (Eurilait, Fromka, Laïta Italia, Laïta Iberia and Iber Conseil) and mainly private label brands.
- in overseas French territories or the rest of the world from Laïta's offices in Rungis and more recently from its local offices in New Caledonia and French Polynesia, China and even Vietnam. This has led to the adaptation and expansion of its ranges, and its ability to assure Laïta brands a prominent place in each country, illustrated for instance by the creation of a Paysan Breton profile on the Chinese social media platform WeChat in spring 2017.

The growth dynamics observed for consumer goods are also experienced for dairy ingredients and health nutrition. Against this backdrop, in December the Group inaugurated its new Laïta dairy factory in Créhen, the major share of an €80 million investment, in order to feed children across the world and to manufacture special powders in particular for chocolate manufacturers. Asia, with China at the forefront, drives global demand for infant formula. The quality of products manufactured in Europe, and in France in particular, is renowned and sought after. In October 2016, Even Santé Industrie obtained authorisation from the relevant Chinese authorities to produce liquid infant milk for China. It thus ranks among the first 10 companies in the world to enjoy this privilege.

A high-tech facility...

The commissioning of the Créhen unit is a key milestone in the international development of Even and Laïta. This high-tech facility is set to enhance the value of milk protein in a stable manner, making it less sensitive to fluctuations in the world market. This €80 million investment is a bold and emblematic step forward for the future of the Breton agri-food industry and north-west France's dairy farms.

The design of this industrial plant is inspired by pharmaceutical standards. It boasts a high level of quality assurance, a fundamental prerequisite for the manufacture of infant food.

The unit comprises:

- a drying tower with an annual production capacity of 30,000 tonnes of powder
- a packing workshop with an annual capacity of 15,000 tonnes (in 400 and 900 g cans)
- a next generation laboratory.

The concrete building, crowned with the drying tower which is almost 50 m high, has been designed to facilitate compliance with health and safety rules. The air is treated and adapted to suit the sensitivity of each production area.

The product-oriented process respects the integrity of the raw materials used: blends, dosage, heat treatment... It complies with the highest international food safety standards: hygienic design, cleanability, foreign body risk management, etc. The products manufactured are managed by a quality assurance system which complies with the most demanding international specifications. Strict zoning has been established according to the criticality of the products manufactured, with specific work clothing for each zone and appropriate changing rooms.

From raw materials to finished products, everything is traced and controlled, including packaging materials. Internal analysis is performed in a laboratory which is separate from the production workshops and equipped with state-of-the-art equipment. Infant milk production requires many advanced and accurate physical and microbiological tests to be conducted. 1,500 tests are performed at the Créhen laboratory each day.

Improved efficiency: the common denominator

Even innovates, invests, internationalises. To work well today and even better tomorrow, efficiency is called for, from farm to table, in all of the Group's branches of activity and subsidiaries. The aim: to optimise the company's resources to generate a collective result for members, clients and employees.

Upstream repositioning

Upstream, Even has set about repositioning its animal nutrition activities to make it more industrially and logistically competitive. The Group sold its factory in Hennebont (Morbihan) to Sanders (Avril group) and signed an agreement to outsource part of its food manufacturing. Through this industrial and logistic partnership, the Group is able to better serve the farmers of the Côtes-d'Armor area, while ensuring its Cobrena and Tecnor-Sofac factories in Finistère, in the heart of its homeland, are running at full capacity.

As a leader in Finistère in feeds for free-range pigs, Even, through its subsidiary Tecnor-Sofac, has entered into selling raw materials and mineral and vitamin supplements for the production of feeds on the farm.

Furthermore, to capture value in up-and-coming sectors, Even has taken a stake in the company Cocorette. This makes the Group the exclusive partner for Brittany of one of the French leaders in organic and free-range eggs.

Reducing farms' environmental footprint

All the Cooperative's member dairy farms completed their carbon footprint assessment (audits based on the standard AgriConfiance version NF V01-007 and version 1 of the quality and sustainable development charter Passion for Milk®). The conclusions show that Even farms feed on average 2,215 people a year. They maintain an average of 48 hectares of biodiversity equivalence units. They have an average net carbon footprint of 0.87 kg of CO₂ equivalent per litre of milk produced, a significantly lower score than the national average which is greater than 1.

A second cycle of audits began in July. It should lead to the implementation of an improvement plan for each member dairy farmer, in connection with version 2 of the Passion for Milk® charter and the partnership signed between Even and the Loire-Brittany Water Agency. For this new phase, particular attention is being paid to agronomic practices aimed at protecting water quality and preserving biodiversity.

Downstream safety and eco-efficiency

Downstream, Laïta has implemented a number of initiatives to improve efficiency with a fundamental prerequisite: safety. Behavioural safety visits, dubbed TOP (a French acronym for 'preventive observation by all'), have been introduced. To reduce accident rates, all employees are trained in an approach which aims at identifying safety gaps at workstations and generalising good practices. TOP visits are set to be deployed across all of Laïta's geographical areas. The aim: a two-fold reduction every two years in the accident frequency rate (number of accidents resulting in more than 1 day off work, occurring within a 12-month period).

Another powerful illustration in terms of efficiency is the design of the new premium milk powder unit in Créhen which combines technical and environmental performance by:

- seeking optimal energy efficiency in the choice of energy sources and equipment: implementation of mechanical vapour recompression (MVR), use of baghouses to reduce the discharge of particulate matter through the chimney, installation of meters on the main flow lines,
- saving water: installation of high-tech evaporators which recycle condensed vapours,
- sorting and reducing waste.

FOCAL POINT ③: COOPERATING TO BOOST VALUE CREATION

Key open innovation statistics:

To open up new innovation opportunities and boost value creation dynamics, Even has become:

- a shareholder in **FrenchFood Capital**,
- an ambassador of the **Village by CA Finistère**,
- a promoter of the competition **Even'Up**.

In an open world, Even approaches innovation with an open mindset. Partnerships, shareholdings and support for entrepreneurial projects demonstrate the Group's commitment to cooperation in order to boost the creation of wealth to benefit farmers, consumers and the region.

Collaborative innovation

Innovation is a major strategic priority in the Group's business development plan and takes on a new dimension at Even with several noteworthy initiatives. The Group is expanding its field of research and development through collaboration. It aims to get ahead of the game in four key fields to guarantee the continued viability of its activities:

- precision nutrition in relation to proteins in general and milk proteins in particular
- digital and new distribution methods
- new food uses
- economically and environmentally efficient upstream technologies.

A foot in the food-tech sector

In September 2017, Even became a founder of FrenchFood Capital. This new independent investment fund supports innovative projects by SMEs. Created by four associates who are experts in agri-food and entrepreneurial development, FrenchFood Capital has raised €100 million to support the growth of innovative food sector SMEs. Christian Couilleau, CEO of Even, is a member of the fund's strategy committee. The first investment went to "Thierry Marx - La Boulangerie".

Over and above its financial approach, this fund is also a conduit for solid operational know-how thanks to its founders' expertise and to the shareholder network's wide range of competencies. The Even group ranks among these shareholders in a bid to support innovate projects and consolidate its position in the dynamic food-tech sector. By 2022, this sector is predicted to generate over €250 billion in turnover on a global scale.

As a shareholder in FrenchFood Capital, the Even group is seeking joint investment opportunities with the fund. It is doing its utmost to satisfy consumers in search of healthier and different food choices by placing trust, health, the environment and ethics at the core of their food experience.

It takes a village

In May, Even became one of the first members and ambassadors of the Village by CA Finistère. Based in Brest, this hub, created by the bank Crédit Agricole du Finistère, promotes exchanges between local stakeholders and young talents. Each year the 20 or so start-ups in residence are selected from four developing fields: agriculture and agri-food, health and healthy ageing, the sea and cyber security.

A call for entrepreneurial projects

In addition to its stake in FrenchFood Capital, which supports the growth of mature innovative businesses, in February Even launched a call for entrepreneurial projects in the health and nutrition, distribution and new technologies sectors, with support from the competitiveness cluster Valorial and the Village by CA Finistère.

This innovation competition, dubbed Even'Up, aims to promote the emergence of agri-food start-ups. The winners will receive a €150,000 grant, expert support, market access, and, to top it all off, Valorial membership and a place at the Village by CA, both competition partners.

Even'Up is geared towards any individual hoping to develop innovative concepts, products and services in the agri-food sector: students, employees, entrepreneurs, retired people, French and international start-ups, Even group employees, and so on.

Candidates can apply for the incubator category (emerging projects) or accelerator category (project creation/development). Applications must be submitted by 4th May at the latest and the winners will be announced on 30th June.

The competition is divided into four challenges:

- Nutri'Up: the precision nutrition challenge

To nourish a healthy future, Even is keen to develop new technical nutritional solutions to ensure an appropriate daily food intake for each stage of life. The Group is also committed to promoting proteins (in particular milk proteins) and to diversifying its sources.

- Distri'Up: the challenge for new trading and consumer service methods. This challenge tackles new distribution methods (high-tech restaurants, value chain optimisation, disintermediation, etc.), food e-commerce, logistical optimisation solutions, client intelligence (smart data, IOT, computer learning).

- Techni'Up: the challenge for new technology in the agri-food industry. The goal is to recast tools by improving industrial engineering through technological solutions in the fields of robotics, packaging, traceability, quality...

- Country'Up: the agri-tech challenge to get the agricultural world connected. Even is looking to support new digital solutions targeted towards optimising agricultural production (performances, care for the environmental, animal welfare, etc.) as well as to encourage ecologically intensive agriculture, reduced medication in farming and the collaborative economy.

With this innovation competition, Even is returning to its roots by building a bridge between the past and future. Born 90 years ago at the tip of Finistère, Brittany, the company started life as a small start-up and has grown big. Composed of a federation of SMEs, the Group has always placed people and projects at the crux of its cooperative dynamics.

WHAT THEY SAY

“In 2017, we showed a decent performance illustrated by a 4% rise in our turnover, allowing a nearly 15% increase in the milk price paid to our members together with the creation of nearly 100 net jobs for the 7th year running.

This strong resistance against an unsettled agri-food backdrop, and in particular a volatile dairy market, illustrates the Group's delicate balance between its mature activities and its growth areas, between its national expression and its international business, between its industry and its services, between the accepted complexity of audacious innovation and the simplicity sought for daily efficiency, between its Breton identity and its open mindset.

Thanks to the commitment of our teams together with the Group's strong results, Even is able to maintain its investment dynamics in an uncertain environment.”

Christian Couilleau, Chief Executive Officer of the Even group

“The world of raw material markets is set to be subject to intense volatility for the foreseeable future. The dairy market, with the inverse evolution of the value of fats and proteins, is no exception to the rule. In this context and in connection with our high standards, our Cooperative is determined to do its utmost to generate value on both the home and export markets.”

Guy Le Bars, President of the Boards of Governors of the Even group and of Laita



www.even.fr



Even, Breton cooperative agri-food group,

expresses **its vitality** and demonstrates **its stability** through **its strong footholds** as a **European dairy producer**, a **French specialised distributor**, and a **Breton upstream agricultural operator**.







- **6,110** employees
- **1,370** member farmers
- **€2.2 billion** turnover

THE YEAR IN PICTURES

At the Cooperative

	<p>Even's start-up incentive policy is paying off. Since 2015, 81 young farmers have joined the Cooperative, including around 30 in 2017 alone.</p>
	<p>Around 40 Even farms have already adopted the progress initiative Ecolait. New groups are currently being set up, with the target of reaching over 100 farms committed to Ecolait by the end of 2018.</p>



Upstream

	<p>In 2017, Even Agri doubled its surface area of cereal crops and rapeseed controlled by drone. This approach involves parcel overflights and mapping, followed by modulated spraying to optimise nitrogen inputs.</p>
	<p>Even Nutrition Animale developed its range of feeds for ruminants, Sabrilactis. Formulated based on the profile of efficient amino acids, it enhances dairy cows' performance while reducing nitrogen and phosphorous emissions into the environment.</p>
	<p>Even Nutrition Animale sold its factory in Hennebont to Sanders (Avril group) and signed an agreement to outsource part of its food manufacturing. Through this industrial and logistic partnership, the Group is able to better serve the farmers of the Côtes-d'Armor area, while ensuring its Cobrena and Tecnor-Sofac factories in Finistère, in the heart of its homeland, are running at full capacity.</p>
	<p>As a leader in Finistère in feeds for free-range pigs, Even, through its subsidiary Tecnor-Sofac, entered into selling raw materials and mineral and vitamin supplements for the production of feeds on the farm.</p>
	<p>Even took a stake in the company Cocorette. This made the Group the exclusive partner for Brittany of one of the French leaders in organic and free-range eggs.</p>
	<p>All the Cooperative's member dairy farms completed their carbon footprint assessment (audits based on the standard AgriConfiance version NF V01-007 and version 1 of the sustainable development charter Passion for Milk®).</p> <p>The average Even farm feeds 2,215 people a year, maintains 48 hectares of biodiversity equivalence units and has net carbon footprint of 0.87 kg of CO₂ equivalent per litre of milk produced, a significantly lower score than the national average which is greater than 1.</p>

At Laïta

	Laïta commissioned its new Laïta infant formula and premium milk powder unit in Créhen (Côtes-d'Armor), an industrial high-tech facility inspired by pharmaceutical standards. The unit is composed of a drying tower with an annual production capacity of 30,000 tonnes of powder, a packing workshop with an annual capacity of 15,000 tonnes and a next generation laboratory.
	Laïta launched a €20 million investment plan at the Ploudaniel cheese factory (Finistère), which manufactures emmental, to set up a new grating, cutting and packaging unit.
	€10 million was invested at Ancenis in the construction of a new big bag filling facility for dry mix powders to meet the requirements of Epi Ingredients' clients in terms of production control and hygiene.
	The butter factories in Landerneau and Ancenis were the focus of an ambitious €20 million plan to develop format differentiation and sensory qualities.
	Laïta products are distributed across over 110 countries. Laïta has seven industrial sites in France, eight subsidiaries across Europe and seven offices around the world. In spring 2017, Paysan Breton opened an account on the very popular Chinese social media platform WeChat.

In food distribution

	Even bought Gabopla, a company specialised in the distribution of products in the bakery, pastry and chocolate sectors based in the region of Nantes. Gapobla joined ranks alongside Bondu, Legeay and Bertin to add to Even's Boul'Pât activities in Western France.
	The alliance Atlanterra, created through the union of Bernat, Boncogel'Adour, Gel Côte de Beauté, Kenty and Charles Martin, five regional food distribution specialists for food service professionals, was created.

At Group level

	Even signed a partnership with the Loire-Brittany Water Agency, combining technical and environmental performance.
	Even is a founding member of FrenchFood Capital, a new independent investment fund that supports innovative projects by SMEs.
	In addition to its stake in FrenchFood Capital, in February 2018 Even launched Even'Up, a call for entrepreneurial projects in the health and nutrition, distribution and new technologies sectors, with support from the competitiveness cluster Valorial and the Village by CA Finistère.

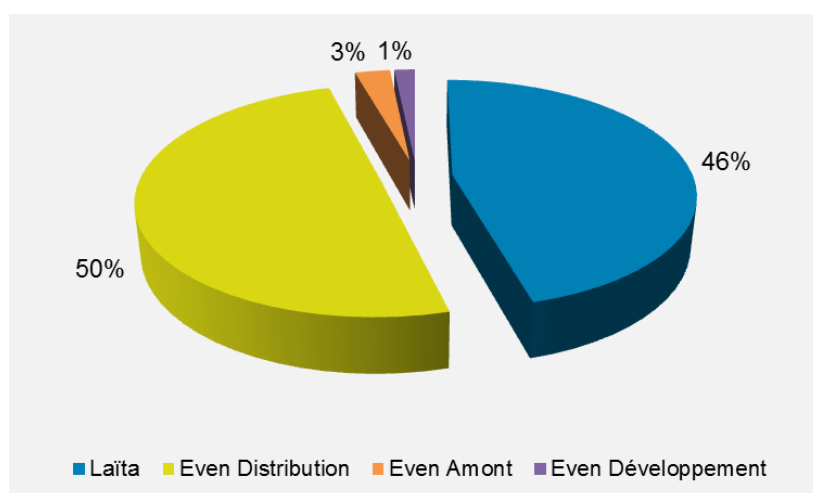
KEY FIGURES



Even consolidated key figures

<i>(in millions of euros)</i>	2017	2016	2015	2014	2013	2012
- Turnover	2,176	2,096	2,100	2,160	2,060	1,990
<i>Laïta</i>	58 %	58 %	61 %	60 %	58 %	58 %
<i>Even Distribution</i>	30 %	29 %	25 %	25 %	25 %	25 %
<i>Even Upstream</i>	11 %	12 %	13 %	14 %	16 %	16 %
<i>Even Development</i>	1 %	1 %	1 %	1 %	1 %	1 %
- Employees	6,110	6,020	5,640	5,360	5,320	5,240
<i>Laïta</i>	2,800	2,750	2,670	2,500	2,410	2,370
<i>Even Distribution</i>	3,040	2,980	2,680	2,570	2,530	2,480
<i>Even Upstream</i>	170	190	190	190	200	200
<i>Even Development</i>	100	100	100	100	180	190

Distribution of employees between activities



Key figures for Even Cooperative, the Group's parent company

<i>(in millions of euros)</i>	2017	2016	2015	2014	2013	2012
- Turnover	262.7	240.6	272.2	300.8	272.4	258.0
- Result	12.0	15.9	15.4	15.2	17.8	18.3
- Return on result	4.1	7.8	5.0	3.2	3.0	4.3
<i>which represents</i>	+ €10 / 1,000 L	+ €19 / 1,000 L	+ €12 / 1,000 L	+ €8.5 / 1,000 L	+ €8.5 / 1,000 L	+ €12 / 1,000 L
	<i>paid out in July 2018</i>					