



For Immediate Release

## **Louis Dreyfus Company Reports Resilient 2019 Financial Results, Confirms Strategic Direction**

**Rotterdam, The Netherlands**, March 23, 2020 - Louis Dreyfus Company (LDC) has reported resilient consolidated financial results for the year ended December 31, 2019, despite significant global challenges including African swine fever, geopolitical instability, continued US-China trade tensions and general market oversupply. Net sales came in at US\$33.6 billion, with an increase in shipped volumes of 1.3%, but lower prices. EBITDA from continuing operations reached a solid US\$836 million, while net income Group Share came in at US\$230 million.

"2019 proved to be one of the most challenging years in recent times and witnessed some of the fundamental shifts taking place in the world and within our sector," commented Margarita Louis-Dreyfus, Chairperson of Louis Dreyfus Holding B.V. "Our new reality is one of higher global volatility, political unpredictability, changing consumer trends and a ticking clock on environmental issues on a planetary scale. LDC is embracing this new reality with a stronger and more urgent ambition than ever. It is within this context that LDC's transformative business strategy made strong progress in 2019 and the company posted resilient financial results. This is a very positive performance overall."

Segment Operating Results came in at \$956 million, compared to US\$1,314 million the previous year. In the Value Chain Segment, the Grains & Oilseeds Platform delivered a decent year despite African swine fever and trade tensions thanks to its global presence and product portfolio, while our Freight activities added significant value through effective logistics optimization. The Merchandizing Segment's performance was driven by the Cotton Platform, together with improved results in Coffee, and a resilient performance from Sugar and Rice in low price and volatility markets.

"While overall results were lower than in 2018, we put in a solid performance, confirming our strategic decisions, and took steps to adjust our cost base, without losing focus on our transformation plans and future growth trajectory," said Ian McIntosh, LDC's Chief Executive Officer. "We have the right strategy and it is on track, as we move to become more of the value chain, integrating transparency, sustainability and traceability at all stages of our activities."

LDC focused on implementing its transformative business strategy in 2019, with selective capital expenditure of US\$413 million for the year, up from US\$329 million in 2018. It invested in new partnerships with *Leong Hup International* in Malaysia and *Luckin Coffee* in China, laying the foundations for joint ventures to build a coffee roasting plant and establish a juice business with the latter. LDC also developed essential operating capacity along the value chain, including rail cars to facilitate grain exports in Ukraine, a warehousing joint venture for corn in China, expanded crushing plant storage and logistics in the US, and new eco-efficient vessels in its Juice and Freight businesses.

"Our strategic transformation is fundamental and remains our focus even in the most challenging of times," Ian McIntosh commented. "Looking forward, while the year started well, it is too early to say what impact the new coronavirus may have on our 2020 performance, but we are working hard with our employees, customers and suppliers to ensure their health and safety, and prevent further spread of the virus, even as we strive to fulfill our mission of providing essential products, like food and feed, to customers and consumers around the world - safely, responsibly and reliably."

## 2019 Highlights:

- Net sales of US\$33.6 billion (US\$36.0 billion in 2018)
- Segment operating results at US\$956 million (US\$1,314 million in 2018)
- EBITDA from continuing operations at US\$836 million (US\$1,064 million in 2018)
- Income before tax – continuing operations of US\$295 million (US\$402 million in 2018)
- Net income, Group Share of US\$230 million (US\$364 million in 2018)
- Volumes shipped up 1.3% year-on-year
- Working capital usage of US\$6.0 billion (US\$6.5 billion at 31 December, 2018)
- Capital expenditure of US\$413 million (US\$329 million in 2018)
- Return on equity, Group Share, of 4.2% (7.2% in 2018)
- Adjusted net debt to EBITDA at 3.1x (3.0x as at 31 December, 2018)

LDC's complete 2019 Annual Report and Audited Consolidated Financial Statements are available at [www ldc.com](http://www ldc.com).

###

## About Louis Dreyfus Company

*Louis Dreyfus Company is a leading merchant and processor of agricultural goods. We leverage our global reach and extensive asset network to serve our customers and consumers around the world, delivering the right products to the right location, at the right time – safely, responsibly and reliably. Our activities span the entire value chain from farm to fork, across a broad range of business lines (platforms). Since 1851 our portfolio has grown to include Grains & Oilseeds, Coffee, Cotton, Juice, Rice, Sugar, Freight and Global Markets. We help feed and clothe some 500 million people every year by originating, processing and transporting approximately 80 million tons of products. Structured as a matrix organization of six geographical regions and eight platforms, Louis Dreyfus Company is active in over 100 countries and employs approximately 18 000 people globally. For more information, visit [www ldc.com](http://www ldc.com) and follow us on [Twitter](#) and [LinkedIn](#).*

## Media Contacts

For further information, please contact [media@ldc.com](mailto:media@ldc.com).