



For Immediate Release

## **Louis Dreyfus Company B.V. Reports Solid 2020 Half-Year Consolidated Financial Results**

**Rotterdam, The Netherlands**, September 28, 2020 - Louis Dreyfus Company B.V. (LDC) announced today its consolidated financial results for the six-month period ended June 30, 2020. The Group reported a strong first half performance, enduring global challenges and navigating market uncertainty, while ensuring essential food and feed supply chain continuity during the ongoing Covid-19 pandemic.

The Group delivered EBITDA of US\$634 million in the first half of the year, up 49.9% compared to the same period in 2019, despite the adverse impact of the change in fair value of *Luckin Coffee* shares. Income before tax from continuing operations share grew 260% year-on-year, settling at US\$306 million for the semester. Net sales decreased to US\$16.3 billion, as both prices and volumes shipped fell year-on-year. Segment Operating Results increased by 61.4% to US\$799 million, as LDC captured profitable origination and sales margins in most business lines. The Group also maintained its prudent risk management approach and secured a solid balance sheet through a large cash position, while ensuring access to liquidity with available committed bank lines.

“In the first half of 2020, LDC achieved strong results while continuing to deliver essential products and ingredients to customers and consumers around the world, in the context of operational challenges posed by Covid-19 and despite continued trade tensions,” said Ian McIntosh, LDC’s Chief Executive Officer. “Our diversified portfolio, global geographic footprint and risk management expertise remained crucial to our performance and agility in this environment.”

Both of LDC’s business segments contributed to the Group’s improved operational performance in a complex market and operating environment. In the Value Chain Segment, where operating results more than doubled year-on-year, the Grains & Oilseeds Platform captured profitable commercial opportunities, while Freight and Global Markets anticipated and adjusted to evolving market trends, offsetting challenges faced by Juice as a result of global lockdowns. The Merchandizing Segment saw an improved performance across the board, as Coffee leveraged its global footprint to address shifting coffee consumption patterns, Sugar increased sales and capitalized on favorable market conditions, Rice secured profitable flows and Cotton maintained a resilient performance despite decreased demand.

“The results reported today put LDC in a strong position from which to advance its ambitious growth plans,” said Michael Gelchie, LDC’s Deputy Chief Executive Officer. “We pursued our transformative strategy in the first half of the year, through continued investments to strengthen our core trading activities, to advance the use of new technologies for greater efficiency and traceability in the industry, and to accelerate innovation toward a sustainable future of food.”

In addition to continued deployment of capital expenditure for asset maintenance, the Group invested in aquatic feed research with *Temasek Life Sciences Laboratory* and *Barramundi Asia*, and in the creation of *Covantis S.A.*, a technology company co-founded with industry peers to digitize agri-commodities trade. The Group also launched ‘LDC Innovations’, its venture capital program to invest in early-stage companies with the potential to transform the food and agricultural industries.

“As the world copes with, and adjusts to, restrictions and uncertainty resulting from the advent of Covid-19, our key role in providing sustenance for a growing population has proved all the more important,” said Ian McIntosh. “We have risen to the challenge of ensuring continued food security while protecting people’s health and safety as a priority, thanks to the commitment of LDC teams around the world, to whom I am extremely grateful. I am confident that their expertise and dedication will see LDC continue to thrive, adapt to short- and long-term challenges and fulfill its essential mission, as it transforms for the future.”

### **Highlights for the six-month period ended June 30, 2020:**

- Net Sales of US\$16.3 billion, versus US\$17.5 billion for the first half of 2019
- Segment Operating Results at US\$799 million, versus US\$495 million at June 30, 2019
- EBITDA from continuing operations of US\$634 million, versus US\$423 million at end June 2019
- Income Before Tax - Continuing Operations of US\$306 million, versus US\$85 million a year earlier
- Net Income, Group Share at US\$126 million, versus US\$71 million for the first half of 2019
- Working Capital Usage of US\$5.6 billion, versus US\$6.0 billion at December 31, 2019
- Net debt at US\$6.7 billion, versus US\$6.9 billion as of December 31, 2019
- Adjusted leverage ratio at 2.8x, versus 3.1x at December 31, 2019

LDC’s complete 2020 Interim Report is available at [www ldc com](http://www ldc com).

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### **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](#).*

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