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FOR IMMEDIATE RELEASE

## **GROUPE LACTALIS ACQUIRES THE MCLELLAND GROUP**

**JANUARY 26, 2005 – New York, NY** - Groupe Lactalis announced today that it had acquired the McLelland Group, third largest cheese company in the United Kingdom.

Based in Glasgow, Scotland, McLelland produces 100 million lbs of cheddar annually under the brand "Seriously Strong". This is the second leading retail cheddar brand in the United Kingdom. The annual sales of Mc Lelland are 220 MM Euros. The company employs 430 associates.

Andy Smith, our current manager in the UK, will manage this company. The acquisition will definitely strengthen our position in the various markets in the United Kingdom.

With this acquisition, Lactalis continues its strategy of internationalization. In the past 6 months, six companies have been acquired in 8 different countries (Ukraine, Moldavia, Kazakhstan, Spain, Italy, United Kingdom, USA and Poland). It strengthens our leadership, as the leading cheese European producer, and our ambition to become the largest cheese company worldwide.

The worldwide sales of Groupe Lactalis have grown to \$8 billion and we now have 20,000 employees. We continue to consolidate our position as one of the top 10 cheese companies in the world. This latest news comes on the heels of the recently announced North American acquisition of rondelé.

This is our first acquisition in the United States in 5 years.

**About Lactalis.** Lactalis USA, Inc. is a subsidiary of Groupe Lactalis, which is the world's 8<sup>th</sup> largest dairy manufacturer and the largest cheese producer in Europe. Founded in France in 1933, Groupe Lactalis produces a complete variety of dairy products from nearly 100 factories worldwide, including four in the U.S., that are marketed in 130 countries. Along with its sister company Sorrento Lactalis, Inc., Lactalis USA forms the Lactalis American Group, one of the leading cheese manufacturers in the United States, serving the retail, foodservice, and food-processing industries across America.

As the retail specialty cheese division of Lactalis American Group, Lactalis USA markets a complete line of premium-quality cheeses through its Domestic and Import divisions. The Domestic division markets Président branded cheeses from its Belmont, WI, and Turlock, CA, plants. Distributed on a nationwide basis, Président enjoys a leadership position in soft-ripened cheeses. It is also the #2 brand of feta with the highest growth rate in the category. The Import division markets more than half of France's total cheese export to the United States, including Président Madrigal Baby Swiss, Emmental, butter, blue cheese, goat cheese, and the world-renowned Société Roquefort. The import line-up also includes: Valbreso 100% sheep's milk feta, sheep's milk specialties such as Istara and P'tit Basque, and most of France's famed PDO (Protected Denomination of Origin) cheeses.

[www.lactalis-usa.com](http://www.lactalis-usa.com)

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