



Albalact shareholders approved the sale of Albalact's Vaidei farm in Hunedoara

Bucharest, February 23, 2011 - Albalact shareholders have approved today, in the Extraordinary General Assembly, the sale of the Vaidei farm in Romos, Hunedoara county, which the company owns, at a net price of EUR 4.7 million.

The buyer - a specialised company from the Netherlands - will continue investing in the development and expansion of the farm and the milk produced here will be exclusively delivered to Albalact.

The Vaidei farm, owned by Albalact for the past 5 years, ensures approximately 8% of the necessary milk which is processed by the company. In the course of time, Albalact made significant investments to expand and modernise the farm.

"We decided to sell the farm because these foreign investors interested in developing farms in Romania turned up and they are specialised in this field. Albalact will continue focusing on its essential activity - milk processing", explained **Raul Ciurtin, CEO of Albalact Alba Iulia.**

With a tradition of over 38 years on the Romanian dairy market, **Albalact** became a joint stock company in 1999, and in 2010 was ranked among the top 4 dairy producers in Romania. Albalact gained its market leader fame on the pasteurized and UHT milk market with its brands Zuzu and Fulga, observing European quality standards, a competitive price policy, modern packaging and innovation. Zuzu ranks first on the market in volumes of pasteurised milk with a share of 30% (MEMRB retail audit, 2010), and Fulga ranks second on the UHT milk market, with a volume market share of 17% (MEMRB retail audit, 2010). According to the same MEMRB study, Albalact also leads the market of table butter, with the same name De Albalact brand. With the Albalact sour cream, the company ranks second in this segment. In 2008, Albalact entered the cheese market by acquiring the majority stocks of the company **Raraul in Campulung Moldovenesc** - which specialises in cheese production under the same name brand. In 2010 the shares held by Albalact within Raraul share capital increased up to 96.46%.

Albalact currently produces over 60 dairy varieties under the brand names Fulga, Zuzu, De Albalact and Raraul.





Albalact - Alba Iulia is one of the top five milk and dairy producers in Romania. Established in the year 1971 and transformed into a joint stock company in 1990, Albalact was privatised in 1999. Albalact has over 700 employees and over 6000 stock holders and is listed in the second category of the Bucharest Stock Exchange. Since 2010 Albalact holds 96.46% of the share capital of Raraul in Campulung Moldovenesc. Presently Albalact markets fresh pasteurised and UHT products under its brands: **Fulga, Zuzu, De Albalact** and **Raraul**.

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