



## **Albalact reports growing turnover in 2011, and pipelines changes to its product portfolio**

**Bucharest, 27 April 2012** – Albalact attained its 2011 budgeted business objectives and reported an increasing turnover on a difficult market which was strongly hit by reduced consumption and purchasing power, as shown in the financial results as approved by the General Meeting of the Shareholders.

Company's turnover went up by 29% to RON 338,250,651 in 2011, from RON 261,256,670 in 2010. Company's total revenues in the previous year are too 31% higher than the total revenues reported in 2010. Albalact revenues increased to RON 353,123,118 in 2011 from RON 269,277,696 in 2010. The net profit driven by Albalact last year amounted to RON 5,767,484.

In the first quarter of this year, company's turnover went up by 1% vs. the same period of the previous year, to RON 86,360,827 from RON 85,255,051, which was the figure reported in 2011. Similarly, the net profit of the first quarter of this year went up by a shy 1% (RON 2,719,331) as compared to the first quarter of 2011 (RON 2,674,475).

*"We believe we have managed to go smoothly through a very difficult year, and match the budgeted growths, despite the still difficult economic conditions, with no improvement seen in consumption. We continued to invest resources in the launch of new products and modernization of our production lines, and also employed tremendous efforts also in rendering costs for efficient across all sectors to secure profitability.*

*2012 neither shows better prospects, as forecasts points to consumption and purchasing power being hit even harder. For this year, we are budgeting a slight turnover and profit increase by up to 10%, and prepare several changes to the product portfolio",* says **Raul Ciurtin, President and General Manager** of Albalact.

In 2011, Albalact added the range of cupped natural and fruity yogurts to Zuzu brand's portfolio. For Fulga brand, the company launched, last year too, the new digital communication platform, which marked one of the most important campaigns of this brand over the past years. A second large national prize-based promotion was also implemented by Albalact in 2011 to support Zuzu brand. The end of the year saw the company concluding its investment in Raraul factory for development of the cheese portfolio and approaching new categories.





## ALBALACT

This year, Albalact pipelines the launch of its new cottage cheese range under Raraul brand. The company is soon to introduced to the dairy product market diversified varieties of natural and healthy cottage cheese, fit for all the meals in day - breakfast, snack, dinner and desert. With the new cottage cheese range, Albalact thus continues to expand its portfolio of Raraul cheeses, a brand whose national launch occurred in 2010.

Albalact is currently one of the largest dairy producers in Romania, being traditionally present on the Romanian market for 38 years. Albalact has come into the market focus with its Zuzu and Fulga brands, compliance with product quality standards, competitive pricing, modern packaging, and innovation.

Currently, Zuzu leads in the pasteurized milk segment, with a market value share of 27.76% (according to the market data supplied by AC Nielsen, January 2012)\*, as well as the total milk market (UHT and pasteurized milk), with a market value share of 18.51% (according to the AC Nielsen data, January 2012)\*.

Albalact is the market leader also in the table butter segment, with De Albalact (Eng. "By Albalact") namesake brand, enjoying a 27.63% market value share (according to the AC Nielsen data, December 2011-January 2012)\*. Albalact sour cream ranks second in the relevant segment. Albalact currently produces over 80 dairy varieties under the brand names **Fulga, Zuzu, De Albalact and Raraul**.

\*\*\*

**Albalact - Alba Iulia** is one of the three largest Romanian milk and dairy producers. Established back in 1971, Albalact was converted into a joint-stock company in 1990, and later on privatized in 1999. Albalact has more than 600 employees and 6,000 stock holders, and is listed in the second category of the Bucharest Stock Exchange. Since 2009, Albalact has been holding 96.46% of the stock of Raraul Campulung Moldovenesc. Presently, Albalact markets fresh pasteurized and UHT products under its brands **Fulga, Zuzu, De Albalact and Raraul**.

*\* calculations based on AC Nielsen data from Retail Index Service for the audit period December 2011 - January 2012, per Total Romania, discounters included. (Copyright © 2012, The Nielsen Company)*



ALBALACT