



Albalact ends the first half of the year with growing business and profit

Bucharest, 9 August 2013 - Albalact ends the first half of 2013 with important increases in turnover and profit, show the company's balance-sheet.

Albalact reports a turnover of RON 204,551,228 for the first semester of this year, 23% more than the same period of 2012 (RON 165,897,770). The company had a profit of RON 4,438,585 in the end of the six months, going up by 24% as compared to the first half of 2012, when the profit was RON 3,577,735.

“The growing figures reported by Albalact in 2013 show that the projects the company have launched and supported over the past two years have started to pay off. As I have already said, the economy overall and the budgets of Romanians continue to suffer, and forecasts are neither quite optimistic, but the results of the company build on a well oriented strategy which has been constantly adapted to the financial and consumption conditions. The crisis did not hold us back, we continued to invest, and developed the segments which we identified good prospects for. And this helped us increase our sales in these categories, consolidate our overall position, and preserve the consumers’ trust in our brands and products. We will continue to carefully pursue the same strategy, in terms of both value and volume, considering, as before, the economic pressure factors and, in particular, the consumption trends. The stage remains the dynamic and ever growing market segments which we intend to expand in”, says Irina Măndoiu, Business Director with Albalact.

Albalact continued to invest in technology, distribution, and portfolio, and expanded its brands in categories with potential where it was or was not present before. A great challenge was the launch in 2012 of a new cottage cheese portfolio under Rarăul Brand, which required Albalact to double the production capacity of Rarăul factory in Campulung Moldovenesc. The range extension lifted Albalact, in only one year, to the second position of cottage cheese manufacturers with Rarăul brands, and secured it a 9% market value share (in February 2013)*.

Development of the yogurt portfolio propelled too Albalact to top 3 Romanian yogurt producers (according to the data provided by A.C. Nielsen, June 2013).*

Albalact also launched a new brand for a special product. Fruzu is the youngest brand of the company, and create a new category on the Romanian fruity yogurt market: yogurt with fruit topping in an one-of-the-kind packaging on the market.

Albalact is one of the three largest Romanian milk and dairy producers, and the largest company with majority Romanian capital in the industry. Albalact produces over 80 dairy varieties under the brand names **Fulga, Zuzu, Fruzu, De Albalact and Rarăul**.





Albalact holds also the control stock (99.01%) of **Rarăul Campulung Moldovenesc**, which is specialized in cheese production, under **Rarăul** namesake brand.

Currently, Zuzu is the leader in the pasteurized milk segment, with a market share of 23.1% in terms of value, and also the leader in the total milk segment (UHT milk and pasteurized milk), with a market value share of 16.8% in February 2013. Albalact is the market leader also in the table butter segment, with De Albalact namesake brand, with 23.5% market value share between December 2012-January 2013. In sour cream segment, Albalact remains the leader with De Albalact brand, with a 14.6% market value share, in February 2013. In cottage cheese category, Albalact climbed to the second position with Rarăul brand, with a 9% market value share in February 2013.*

Albalact - Alba Iulia is one of the three largest Romanian milk and dairy producers, and the largest company with majority Romanian capital in the industry. Established back in 1971, Albalact was converted into a joint-stock company in 1990, and later on privatized in 1999. Albalact has more than 800 employees and 5,000 stock holders, and is listed in the third category of the Bucharest Stock Exchange. Albalact holds 99.01% of the stock of Rarăul Campulung Moldovenesc. Albalact markets fresh pasteurized and UHT products under its brands **Fulga, Zuzu, Fruzu, De Albalact** and **Rarăul**.

** calculations based on AC Nielsen data from Retail Index Service, per Total Romania, discounters included. (Copyright © 2012, The Nielsen Company)*

