



## **Albalact shares are traded on the regulated market of the Bucharest Stock Exchange**

### **Albalact secures growth in the first quarter of 2015**

**Bucharest - 3 June 2015** The shares of Albalact are traded, as of 3 June, on the regulated market managed by the Bucharest Stock Exchange, further to the Board of Directors of BSE approving the listing of the company on the main market, and the transfer from the Rasdaq market.

The onset of Albalact on the regulated market was marked today by the official opening of the trading session attended by Albalact representatives - Raul Ciurtin, President; Stephane Batoux, General Manager, and Adrian Radovici, Finance Manager, representatives of the investment fund RC2 (which holds 25.44% of Albalact shares) – Cornelia Oancea and Ioan Florescu, representatives of BCR – Albalact’s broker, representatives of BSE – Lucian Anghel, Chairman of BSE’s BoD, Ludwik Sobolewski, General Director of BSE, and Mișu Negrițoiu – President of the Financial Supervisory Authority (FSA).

*“Albalact has been present on the capital market for some years now, and this was one of the key contributors to the company’s success; thus, the company was visible not only for consumers, but also for investors, and learned how to transparently communicate in the right direction. Today’s moment, when the company’s securities are traded on the main market of the Bucharest Stock Exchange, is a historical one for Albalact. We want to continue our development on the capital market, and for this we need new investments. Albalact has been constantly growing over the past ten years, and we are still enthusiastic and seek for new market opportunities. I believe Albalact will become an attractive issue for all kinds of investors. Meanwhile, I look in great confidence to the developments and prospects of the Bucharest Stock Exchange, and I believe both investors and the general population are eager to invest money in Romanian companies”,* says **Raul CIURTIN, Chairman of the Board of Directors of ALBALACT.**

Since February this year, Albalact has taken the necessary steps for the transfer from Rasdaq to the most important capital market, subsequent to Law 151/2014 clarifying the legal status of the shares traded on Rasdaq market being enacted.

Albalact brings to the BSE’s main market a turnover of RON 474,909,116 in May 2014, 12% more than in the previous year, and a 7% business growth objective in 2015, up to RON 508,559,792. The company budgeted an operating profit (EBIDTA) of RON 31 million for 2015, shows the individual financial report on 2014, approved in the General Meeting of Shareholders of April 2015.





For the first time, the company also produced the consolidated quarterly financial statements, drawn up in accordance with the Order of the Minister of Public Finance 3055/2009, but not audited. These financial statements cover the results of Albalact SA, as well as of other companies, that is Rarăul SA Câmpulung Moldovenesc, and Albalact Logistic SRL, which are held by Albalact SA. Albalact Group secures its growth in the first quarter of this year too. Albalact Group ended the first three months of 2015 with a turnover of RON 121,265,536, overtaking the consolidated turnover of the group in the same period of the previous year by 11.9%, show the consolidated financial statements, drawn up in accordance with the Order of the Minister of Public Finance. The net obtained by the group of Albalact companies in the first semester is RON 3,575,491, higher by 24% than the profit of the same period of the previous year, show the same consolidated financial statements compliant with OMPF 3055/2009, not audited.

*“We will continue with the same strategy for a healthy business growth, and the outlooks are good and give us the confidence that we will attain our objectives by the end of the year. As promised, we continue to develop portfolios and expand to categories we see having a future. We have already placed a new product on the market with the aim of developing Zuzu yogurts in the Active Health segment where most of the consumers concentrate. This is the range of Zuzu Bifidus yogurts with living active cultures which are beneficial for the health of the digestive system. We will come back this year with other innovations in terms of both products and packaging. The economic context of 2015 allows us to be optimistic. Reduction of the VAT rate for foodstuff down to 9% will enhance the purchasing power and we expect it to generate also a slight growth in consumption”,* says **Stephane BATOUX, General Manager of ALBALACT.**

This month, Albalact launched the new range of Zuzu Bifidus yogurts which includes eight varieties of yogurts with a mix of living lactic cultures (bifidobacterium and lactobacillus acidophilus), which helps protection and balance of the intestinal flora. The new Zuzu Bifidus range proposes a powder milk free recipe, with refreshing combinations of fruits, unique mixes in the cereal yogurt range, and a highly practical packaging for the drinking varieties.

Albalact is the largest Romanian processor of daily products. Year after year, Albalact has invested to develop its portfolio and innovate both its products and its packaging, pursuing a strategy that was realistically adapted to the market's needs and developments. The biggest recent innovation of the company is the plastic can with handle which was launched in 2014 under Zuzu brand, a first of its kind for Romania. The modern and highly practical packaging came also with new SKUs which have not been available before on the milk market - 1.8 liters for families and volume consumers, and 0.5 liters for impulse consumption. This project offered Albalact a 20% increase in the market share in milk category.

In 2014, Albalact completed its approx. EUR 8 million investments for modernization and expansion of the production capacity of Oiejdea factory, in county of Alba. The investments were designed to support the growth of the company in the years to come, and consolidate its position on several market segments.





Albalact has been leading the milk market with Zuzu brand (UHT milk and pasteurized milk) since 2008. Albalact is also leading the market also in the table butter segment and sour cream segment, with its namesake brand De Albalact. Expansion within the yogurt category with Zuzu portfolio brought the company in top three yogurt producer in Romania, and with Rarăul brand and its range of cottage cheese, the company climbed as high as the second place in this category.

Albalact has more than 150 products in its portfolio, sold under its five umbrella brands: Zuzu, Fulga, De Albalact, Rarăul, and Poiana Florilor. The company holds 99.01% of the shares of Rarăul company in Campulung Moldovenesc.

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**Albalact - Alba Iulia** is the largest company with majority domestic 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 Group, with more than 900 employees, has a majority Romanian shareholding, and is listed on the main market of the Bucharest Stock Exchange. Albalact holds 99.01% of the stock of Rarăul Campulung Moldovenesc, and 100% of the logistic company Albalact Logistic SRL. Albalact markets fresh pasteurized and UHT products under its brands **Fulga, Zuzu, Fruzu, Rarăul, De Albalact, and Poiana Florilor.**

