

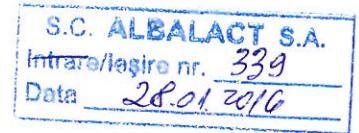


Sediu: Loc. Oiejdea, DN1, Km 392+600; Com. Galda de Jos, Jud. Alba, România;  
 Cod: 517293;  
 Reg. Com: J-01/70/1991;  
 Cap. social: 65.270.886,70 lei, Societate pe actiuni;  
 CIF: RO 1755369;



## AD HOC ANNOUNCEMENT IN ACCORDANCE WITH CNVM REGULATION 1/2006

Date of the announcement:	28 January 2016
Name of the issuer:	ALBALACT S.A.
Registered seat:	Oiejdea, DN 1, KM 392+600, Galda de Jos, Alba county
Telephone/fax number:	Tel./fax 0258/816738; 846980
Number and date of registration with the Trade Registry:	J 01/70/1991
Fiscal registration number:	RO 1755369
Subscribed and paid up share capital:	65,270,886.70 lei
Regulated market on which the securities are admitted to trading:	BVB, standard category
Market Symbol:	ALBZ



### Important events to report

On 27 January 2016, the management of Albalact S.A., joint stock company with registered seat in Romania, Oiejdea, Galda de Jos, DN 1 KM 392+600, postal code 517293, Alba county, registered with the Trade Registry under number J-01/70/1991, with sole registration code 1755369 ("**Albalact**") was informed by the following shareholders of Albalact: Raul Ciurtin, Lorena Beatrice Ciurtin, Crisware Holdings Limited, Croniar Holdings Limited and RC2 (Cyprus) Limited (the "**Selling Shareholders**") and by B.S.A. INTERNATIONAL, a subsidiary of Lactalis ("**Lactalis**") on the following:

Lactalis has reached an agreement with Raul and Lorena Ciurtin, Crisware Holdings Limited, Croniar Holdings Limited and RC2 (Cyprus) Limited ("**Selling Shareholders**") holding in aggregate 70.3% of the share capital of Albalact – a leading dairy player in Romania - with a view to acquire all the shares owned by the respective Selling Shareholders.

This agreement is subject to customary closing conditions, including but without being limited to the approval from Romanian Competition Council and the absence of a material adverse change as contractually agreed by the parties. Subject to these conditions precedent being satisfied, Lactalis intends to launch a voluntary public take-over bid targeting 100% of the shares owned by the shareholders of Albalact, having received firm commitments by the Selling Shareholders to contribute all of their shares to the public take-over.

The price per share will be determined by deducting from RON 407.3 million the contractually agreed adjusted net debt as of the last day of the month immediately preceding the month in which the conditions precedent have been fulfilled (adjusted net debt includes financial debt minus cash and cash equivalents, as well as provisions and other debt like elements and any damage suffered by Albalact outside the ordinary course of business, after normalisation of net working capital, as agreed between the Selling Shareholders and Lactalis), divided by 636,366,282 shares (being the total number of shares of 652,708,867 minus treasury shares not allocated to Employee Stock Option Plan currently due). The final price per share for the public take-over bid will only be computed once the conditions precedents are satisfied, shortly before the submission of the take-over bid filing. The launching of the take-over bid and the take-over

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bid price are further subject to obtaining all relevant approvals from the Romanian Financial Supervisory Authority.

For illustrative purpose only and based on an adjusted net debt amount of RON 118.2 million as of 30 September 2015, this would translate into a price per share of RON 0.4543. The illustrative price of RON 0.4543 per share represents a premium of approximately 37% over the closing stock price quoted on the Bucharest Stock Exchange on 27 January 2016. **This calculation is based on the historical financial data of Albalact and is not to be relied upon in any way for any calculation made for the purpose of taking an investment or any other decision in respect to Albalact shares.**

**Because of the conditions precedent of the agreement between Selling Shareholders and Lactalis and due to the requirement for the price to be set at a future date, there is no certainty that the agreement will be implemented at the price illustrated above or at all.**

Albalact - Alba Iulia is the largest company with majority domestic capital in the dairy industry. Established back in 1971, Albalact was converted into a joint-stock company in 1990, and later on privatized in 1999. Albalact 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 Raraul Campulung Moldovenesc and 100% of the logistic company Albalact Logistic SRL, employing more than 1,000 employees in the three entities. Albalact markets fresh pasteurized and UHT products under its brands Zuzu, Fulga, Rarăul, de Albalact, and Poiana Florilor.

Dairy manufacturing world-leader company Lactalis owns many successful international brands such as "President", "Parmalat", "Galbani". The Group now employs 75,000 people, and owns more than 200 plants, located in 43 countries around the world.

In 2015 the Lactalis Group made a turnover of € 17 billion.

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ADRIAN – SEBASTIAN RADOVICI

Chief Financial Officer of ALBALACT S.A.

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