



Albalact reports a turnover increase of 15% for 2010

Bucharest, April 27, 2010 - Albalact announces that it reached its budget goals for the year 2010 and reports growing business on a market still suffering from the economic crisis and the decrease of purchasing power.

The company's turnover increased by 15.6% in 2010 reaching RON 261,256,670 as compared to RON 225,975,200 in 2009, according to the financial statements approved today by the Extraordinary General Assembly of Shareholders.

Albalact's net income in 2010 increased by 14.9% in 2010, reaching RON 269,781,602 versus RON 234,709,089 in 2009. The company registered profit of RON 580,212 last year.

"The company strategy focused on business growth in 2010, under the given market circumstances, and our financial results show that we achieved the forecast growth. Albalact won market share in 2010 despite the decrease in purchasing power, increase of VAT and raw material prices, imposing a fairly high pressure on profitability. Like we said before, the company will continue with important investments where needed and launch new products, because it ensures its further development", explains **Raul Ciurtin, Chief Executive Officer of Albalact.**

Today the shareholders approved unanimously, without any votes against or abstentions, the sale of the old factory in Alba Iulia, owned by Albalact (land and buildings) at a minimum price of EUR 1,632,000 net of taxes.

The year 2010 was marked by two important moments for Albalact: the national launch of Raraul brand and Zuzu brand relaunch, which required important investments. The Raraul rebranding process started in 2009, when Albalact modernised the Raraul factory in Campulung Moldovenesc and started producing cheese under the same brand name Raraul. In 2010 Albalact decided to enter a new product segment with the Raraul brand - UHT milk and developed its cheese portfolio.

In the autumn of 2010, Albalact relaunched the brand Zuzu with a new visual identity, which makes the brand fresher, more colourful and creative. The feathers defining the Zuzu packaging were replaced by petals and leaves which underline more distinctly the natural origin and the freshness of the product. The company also extended Zuzu's brand portfolio with new products like fresh cooking or whipping cream and kefir. Other new products were recently launched in the Zuzu portfolio - natural and fruit yogurts in glasses.





With a tradition of over 38 years on the Romanian dairy market, **Albalact** is currently ranked among the top 4 dairy producers in Romania. Albalact gained its market leader fame on the dairy 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, Dec 2010), and Fulga ranks second on the UHT milk market, with a volume market share of 17% (MEMRB retail audit, Dec 2010). According to the same MEMRB study, Albalact also leads the market of table butter, with the same name Albalact brand. With the Albalact sour cream, the company ranks second in this segment. 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 2009, Albalact holds 96.46% of the stock of shares of Raraul in Campulung Moldovenesc. Presently Albalact markets fresh pasteurised and UHT products under its brands: **Fulga, Zuzu, De Albalact** and **Raraul**.

