

## Albalact turnover continues to follow a growing trend in the first half of this year

<u>Bucharest, 4 August 2011</u> – Business and market share of Albalact continues to grow, in the context of the company continuing to make important investments and launching new campaigns for two of its brands, in the first half of 2011.

For the first quarter of this year, Albalact reported a turnover of RON 165,869,656, 32.6% higher than the turnover registered during the same period of 2010 - RON125,070,971.

Company's total income, recorded in the first half of this year, are 46.4% higher than the total income reported during the same period of last year. Income went up from RON 131,960,540 in Quarter I 2010 to RON 193,196,980 in 2011. Company's profit experienced a slight decrease, by 6%, in the context of certain market efforts driven by the lower purchasing power of the consumer. Albalact reported a profit of RON 2,263,859 in the first half of 2011.

"We cannot say that the market saw a significant improvement in terms of consumption and purchasing power, the crisis is still here, but our company pursued its business growth plans. This year we will complete important investments in the factory of Oiejdea for expansion of the production capacity and we plan the same for Raraul factory in Campulung Moldovenesc. We are still working also on development of product portofolio. If the purchasing power continues to drop, we will consider adjusting the growth to preserve profit rate", declared Raul Ciurtin, Albalact CEO.

Albalact has just launched the new digital communication platform for Fulga, which marks one of the most important brand campaigns of the last years. The new platform brings Fulga closer to her children friends in the virtual space with the support of a new website and captivating online game - Fulga, the Spacial Adventure.

A collection of twelve insignia, each representing a character of the game, but also an unique code, bring children valuable points and allow them access to the higher levels of the game <a href="www.lumeafulga.ro">www.lumeafulga.ro</a>. Insignia is found in six types of special packages formed of two 250 ml Fulga flavored milk (chocomilk, honeymilk, vanillamilk, 1.5% fat skimmed milk, milk with orange juice and milk with raspberry and carrot juice).

Albalact launched this summer also a new national promotion with prizes, to support Zuzu brand - "ZUZU shoots the START for prizes SMART". It is the second largest national promotion since the relaunch of Zuzu brand with a new visual identity, which took place last fall. The campaign is implemented in the period 18 July - 11 September 2011 and offers consumers spectacular prizes, from smartphones to LED 3D TV sets and, the big prize - an intelligent Ford Focus car. At the same time with this





campaign, Albalact also launched a new website for Zuzu, designed according to a new interactive concept, a novelty for the Romanian online.

Albalact managed to climb up to being the third dairy producer in Romania, with 38 years of traditions on the Romanian dairy market. 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**.

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**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 500 employees and over 6000 stock holders and is listed in the second category of the Bucharest Stock Exchange. Albalact holds 96.46% of the stock of Raraul Campulung Moldovenesc. Presently Albalact markets fresh pasteurised and UHT products under its brands: **Fulga, Zuzu, De Albalact** and **Raraul**.

