AGRANA

ADDING VALUE TO NATURE'S GIFTS.

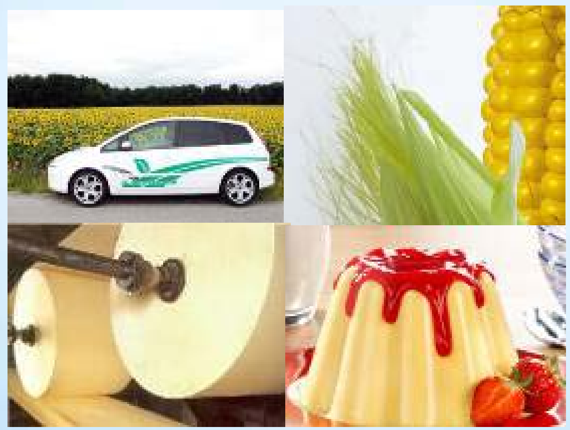
Blackcurrant Conference June 2009

Welcome to the conference from AGRANA Juice

AGRANA THE GROUP

AGRANA at a glance

AGRANA products you meet everyday



Sugar

- Sugar is sold
  - to consumers via the food trade (20%) and
  - to manufacturers: e.g. soft drinks industry, confectionery industry, fermentation industry, other food and beverage industries (80%).

Starch

- AGRANA produces starch and special starch products.
- Starch is a complex carbohydrate which is insoluble in water. Starch is used in food processing e.g. as thickener and for technical purposes e.g. in the paper manufacturing process.
- Bioethanol is part of our starch business.

Fruit

- Fruit juice concentrates customers are fruit juice and beverage bottlers and fillers (20%).
- Fruit preparations are special customized products (80%) for
  - the dairy industry,
  - the baked products industry,
  - the ice-cream industry.

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AGRANA - strategy

Growth in all segments

SUGAR

- Strengthening the group's leadership in Central Europe and focus on a strong market position in the Balkan countries
- Maintaining the position as an efficiency and technology leader in the Central European sugar industry

STARCH

- Increasing the output of highly refined speciality starch products
- Enlargement of corn starch capacities as well as isoglucose and bioethanol production
- Focus on the production of innovative customer-orientated products and starch based solutions for the customers
- Becoming main supplier in Austrian bioethanol-market; market-leader in bioethanol-segment in Hungary

FRUIT

- World’s leader in fruit preparations and Europe’s foremost manufacturer of fruit juice concentrates
- AGRANA is aiming to continue faster-than-market growth in fruit preparations and fruit juice concentrates
- Organic growth but also acquisitions under review

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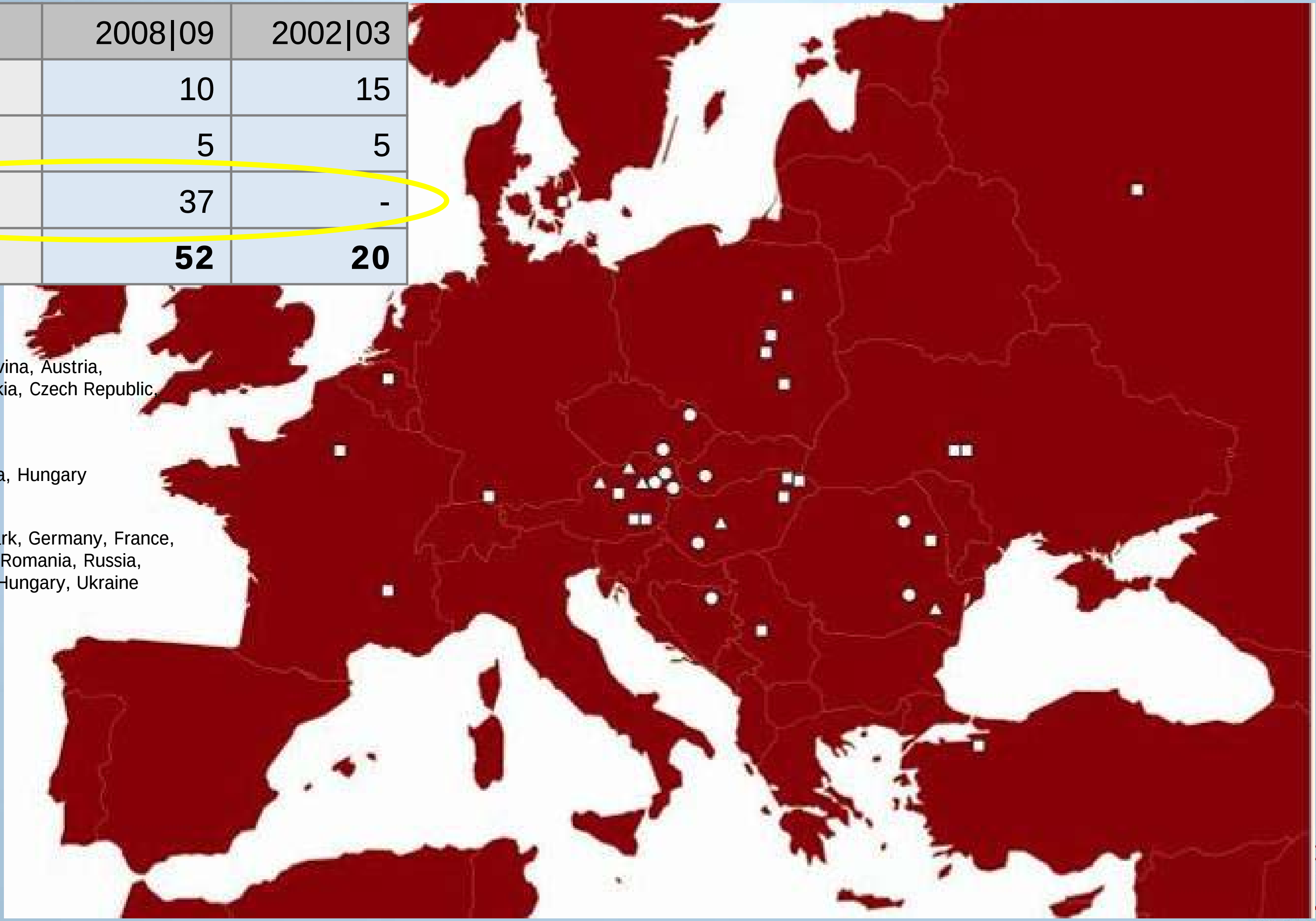
International Production Sites

Production Sites in Europe

Core market for sugar, starch and fruit

Segment	2008|09	2002|03
Sugar	10	15
Starch	5	5
Fruit	37	-
TOTAL	**52**	**20**



○ **Sugar**
Bosnia-Herzegovina, Austria, Romania, Slovakia, Czech Republic, Hungary

△ **Starch**
Austria, Romania, Hungary

□ **Fruit - Europe**
Belgium, Denmark, Germany, France, Austria, Poland, Romania, Russia, Serbia, Turkey, Hungary, Ukraine

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Agrana Juice 2003 to 2009

- **2003:** Agrana acquires Vallo Saft in Denmark and Poland.
- **2003/2005:** Agrana acquires Steirerobst in Austria, Ukraine, Romania, Poland, Hungary
- **2005:** Integration of the Wink group in Hungary, Poland, Romania and Germany
- **2006:** Joint Venture in China with North Andre
- **2008:** 2nd Joint Venture in China with Yongji Juice
- **2009:** ? ?

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AGRANA JUICE – Locations in Europe

- Apple Juice Concentrate
- Berry Juice Concentrate
- Puree/NFC
- Blending Station

1. Denmark = Koge
2. Poland = Gora Kalwaria
3. Poland = Bialobrzegi
4. Poland = Lipnik
5. Ukraine = Vinnitsa
6. Romania = Vaslui
7. Hungary = Hajdusamson
8. Hungary = Vasarosnameny
9. Hungary = Anarcs
10. Austria = Gleisdorf
11. Germany = Bingen: Blending Station

TOTAL: Berries = 2,000t per day
TOTAL: Apple = 12,000t per day

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AGRANA JUICE –
Yantai North Andre – Agrana Co-Operation

- Co-operation of 2 leading players in the AJC market
- 2 Joint Venture factories in China
- Xianyang (2006), Yongji (2008)
- Distribution Agreement
- Co-operation in the areas of
  - o production technology
  - o product development
  - o logistics
  - o marketing & sales

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AGRANA Juice - Portfolio

	CONCENTRATE	NATURAL FRUIT JUICE AROMA	PUREE	NFC JUICES
Apple	■	■	■	■
Aronia	■			
Black currant	■	■	■	■
Carrot	■		■	■
Cherry	■	■	■	■
Elderberry	■			
Raspberry	■	■	■	
Red currant	■	■	■	
Strawberry	■	■	■	
Pear	■			

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Blackcurrant:

THE KEY FACTS

Yield Data 2006 - 2008

Country	2006 Hectares ha	2006 yield tonnes	2007 Hectares ha	2007 yield tonnes	2007 Price EUR	2008 Hectares ha	2008 Yield
ESTONIA			300	500	0,70	300	600
POLAND	28000	130000	25.000	95.000	1,00	25.000	115.000
FRANCE	2060	11300	2.200	7.500	0,70	2.200	8.000
GERMANY	1400	7000	1.000	4.500	0,80	1.100	6.500
FINLAND	2000	1800	1.900	1.500	0.50-0.65	1.860	1.500
DENMARK	1700	9000	1.600	6.800	*0,94	1.600	7.500
NETHERLANDS	557	4400	500	2.200	0,84	450	2.700
HUNGARY				?	?	?	?
SWEDEN	350	1200	400	1.200	0,80	350	1.000
LITHUANIA			?	?	?	?	?
UNITED KINGDOM	2060	14050	2.300	13.200	0,75	2.300	14.000
EUROPE TOTAL		**189700**		**132.400**			**156.200**
U.S.A.			65	140			
NEW ZEALAND			1.500	9.940			
CHINA			?	?			
AUSTRALIA			110	340			
CANADA			125?	500			

Source: 14th European Blackcurrant Conference Brussels, 2008

* Ex farms

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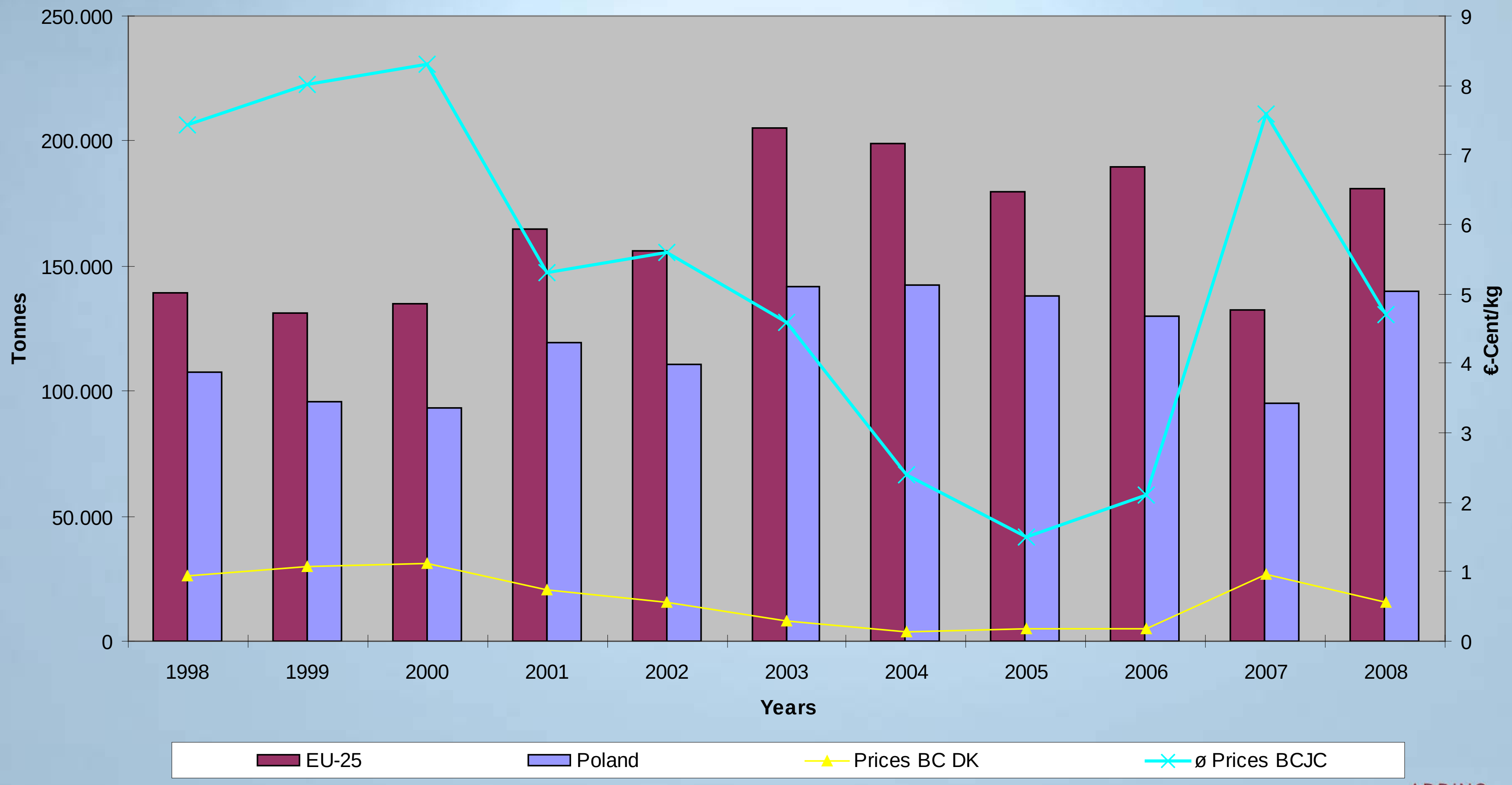
Production & Pricing Data



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Current Market Evolution

- Currently there is inventory stock form the last season

falling prices!

- A production of more than 125 / 150.000t of blackcurrants leads to an oversupply in the market.
- Prices are moving from a price of 4,50€ approx in 2008 and could be at 4.00 €/kg in the 2009 season.
- Thus in re-cap a high crop forces lower prices
- What could be the effects of the economical crises on the consumption of blackcurrant ?

UK Market

- There are constant retail changes taking place in the UK market as consumers are looking for and being offered discount own label and brands and extensive price promotions to maintain their loyalty.

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UK Market

- The total UK soft drinks sales was worth £8.4bn in 2008 this being just 1% lower than the previous year.
- The UK like the rest of the world is in a recession and therefore consumers are having to change their buying patterns for example.

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UK Market

- Shoppers are using a variety of methods to reduce their overall grocery spend:

  - 46% are looking to buy more on promotion
  - 39% claim to be buying less indulgent products
  - 30% are buying more own label products

Source: Britvic

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UK Market

- UK retailers are going through a change ?

- Having to maintain their market share during difficult trading conditions
- Having to compete with the acceleration of the discounters
- Changing product offering [Introduction of both: Discount Own Label and Strategic Brands]
- Bigger and more impactful promotions [In 2008 61% of sales were accounted for as promotions]

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Top 10 UK Brands in Grocery

Grocery	Value Sales (£m)
1 Coca-Cola	557
2 Tropicana	212
3 Pepsi Cola	177
4 Robinsons Squash	161
5 Actimel Dairy Drinks	101
6 Innocent Smoothies	95
7 Lucozade Energy	91
8 Red Bull	60
9 Evian	59
10 Robinsons Fruit Shoot	59

Source: Nielsen Scantrack, MAT 27 Dec 2008

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Top 10 UK Brands on Impulse

Impulse	Value Sales (£m)
1 Coca-Cola	413
2 Lucozade Energy	138
3 Red Bull	119
4 Pepsi Cola	82
5 Lucozade Sport	71
6 Ribena Juice Drinks	55
7 Fanta	54
8 Irn Bru	49
9 Tropicana	48
10 Volvic	45

Source: Nielsen Scantrack, MAT 27 Dec

Top 10 UK Brands Performance yr on yr (value)

Value	millions	Share	Change
1 Cola	1294	21	4
2 Pure juice	1212	20	-1
3 Glucose/stimulant drinks	522	9	12
4 Juice drinks	480	8	-1
5 Squash	446	7	2
6 Fruit carbonates	432	7	-1
7 Plain water	417	7	-9
8 Dairy and dairy substitute	382	6	2
9 Smoothies	172	3	-20
10 Sports drinks	166	3	7
Total soft drinks	8,4	100	1

Source: Nielsen Scantrack, MAT 27 Dec

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Top 10 Brands Performance yr on yr (volume)

Volume	litres millions	% Share	% Change
1 Cola	1631	24	3
2 Pure juice	1146	17	-2
3 Plain water	978	14	-8
4 Squash	537	8	-3
5 Fruit carbonates	531	8	-6
6 Lemonade	481	7	-4
7 Juice drinks	372	5	1
8 Glucose/stimulant drinks	255	4	12
9 Non-fruit carbonates	224	3	-5
10 Water plus	212	3	-4
Total soft drinks	6877	100	-2

Source: Nielsen Scantrack, MAT 27 Dec

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Top Marketing Spend by Brand

	£ millions	% Change
1 Coca-Cola – Original Coke	15,59	66
2 Pepsi – Max	4,6	-24
3 Coca-Cola – Diet Coke	4,36	-40
4 Coca-Cola– Coca-Cola Zero	3,95	-46
5 Red Bull – Drink	3,75	-36
6 Lucozade – Energy Drink	3,5	-37
7 Oasis – Drink	2,67	18
8 Ocean Spray – Cranberry Juice	2,6	17
9 Ribena – Pure Juice Range	2,58	n/a
10 Robinsons – Fruit Shoot H20	2,26	119

Source: Nielsen Media Research

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Raising the Awareness of Blackcurrant

Research into NPD + New Health Benefits

Raising the Market Awareness = Advertising Activity

Raising the Consumer Awareness = Promotional Activity

These actions can support Blackcurrant becoming a **"Super – Fruit"**

The growth has to come from existing and new markets !

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Thank you for your attention and enjoy the conference !

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