



The market for fruit juices in Germany in the context of the whole beverage market -

Chances for black currant drinks and nectars

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Who will be the next world champion?

in soccer...???



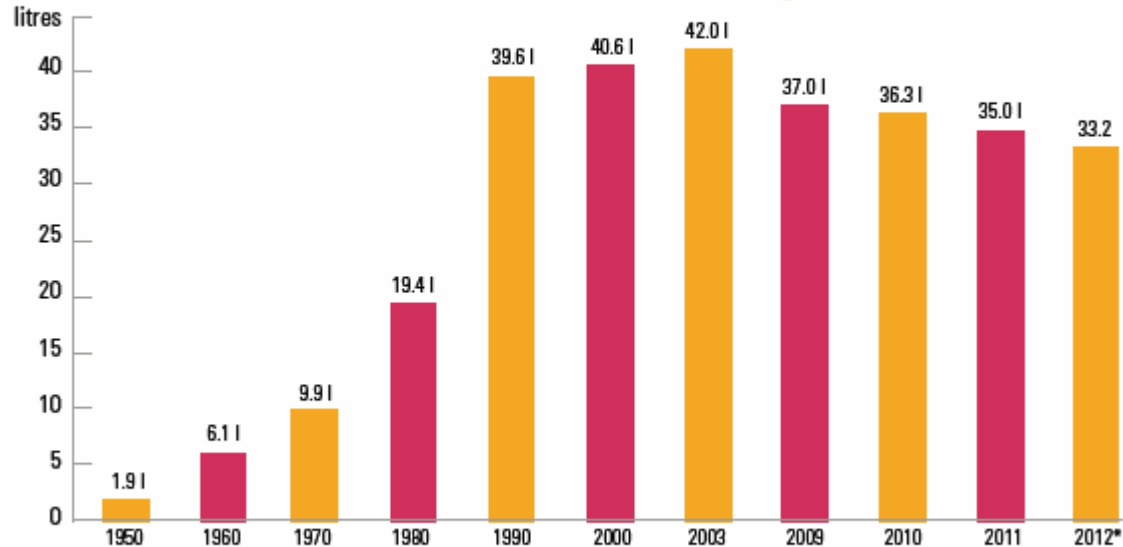
**We don't know yet,
but we know:**

Germany is already world champion in
fruit juice consumption



The German fruit juice industry in figures

Development of per-capita-consumption of fruit juices/fruit nectars in Germany



Until 1990 only Federal Republic of Germany, since 1991 total Germany

Source: Verband der deutschen Fruchtsaft-Industrie e. V. (VdF)

*provisional values

The German fruit juice industry in figures



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Verband der
deutschen
Fruchtsaft-Industrie e.V.

The German fruit juice industry in figures

fiscal year 2012*

Fruit juice producers	approx. 380
Employees	approx. 7,500
Turnover	3.9 billion €
Industrial production (fruit juices/fruit nectars/fruit juice drinks without CO ₂)	3.7 billion litres
Per-capita-consumption (fruit juice/fruit nectar/vegetable juice/ vegetable nectar)	33.2 litres
Per-capita-consumption Apple spritzer	9.2 litres
Fruit processing	approx. 900,000 tons
Imports	1.54 billion. €
Exports	1.13 billion. €

Source: Verband der deutschen Fruchtsaft-Industrie e. V. (VdF)

*provisional values

What do Germans drink in one year (2012) ?

➤ Drinks without alcohol	297 l
- Water (with minerals, carbonized)	142 l
- Carbonated soft drinks	122 l
- Fruit juices & nectars	33 l



➤ Alcoholic drinks	131 l
- Beer	106 l
- Wine	20 l
- Champagne	4 l
- Fruit wine	1 l



➤ House drinks	311 l
- Milk	84 l
- coffee	152 l
- Tea	75 l



Total: 739 Liters

0 % Sugar- 0 Vitamins



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Non-alcoholic wheat beer in competition with apple juice



Energy drinks as In-beverage young consumers



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Energy drinks – Now with fruit juice!



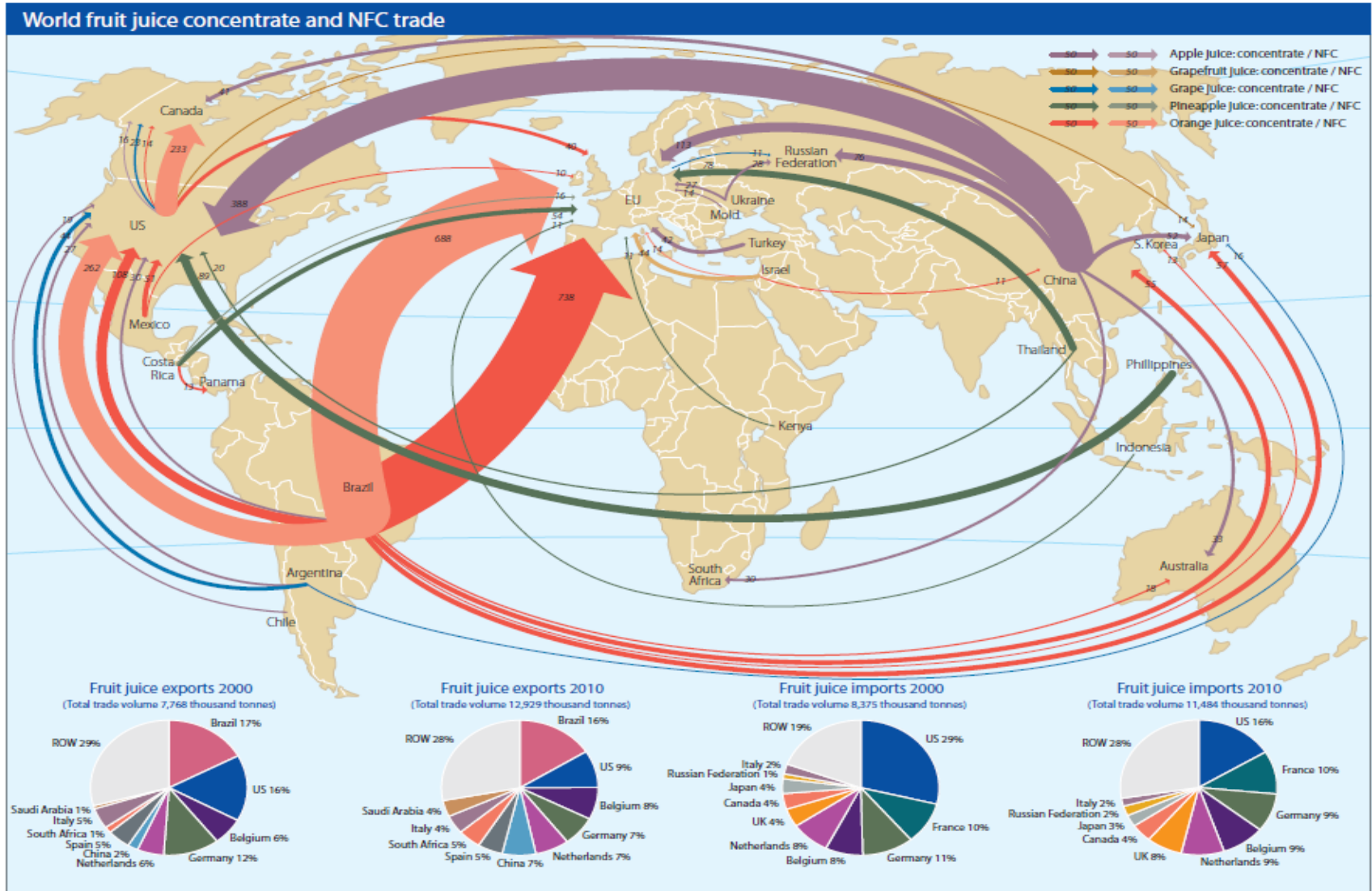
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World fruit juice concentrate streams (Source: Rabobank 2012)



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Example orange production in Brazil



Processing



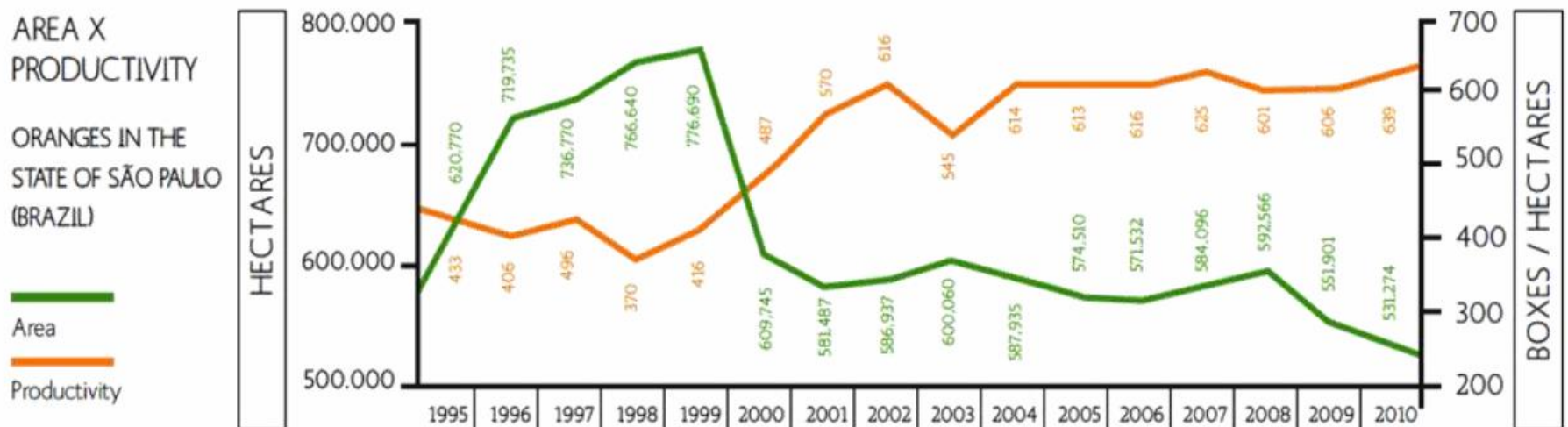
Orange juice fact sheet

- Origin of Orange from China
- Botanical name *citrus sinensis*
- Orange = Apple from China
- Orange juice is the most consumed fruit juice worldwide and represents 50% of the fruit juice consumption
- In Germany per year ca. 650 mio. Liter approx. 8 L pro Kopf

Efficiency increase by the use from arable land

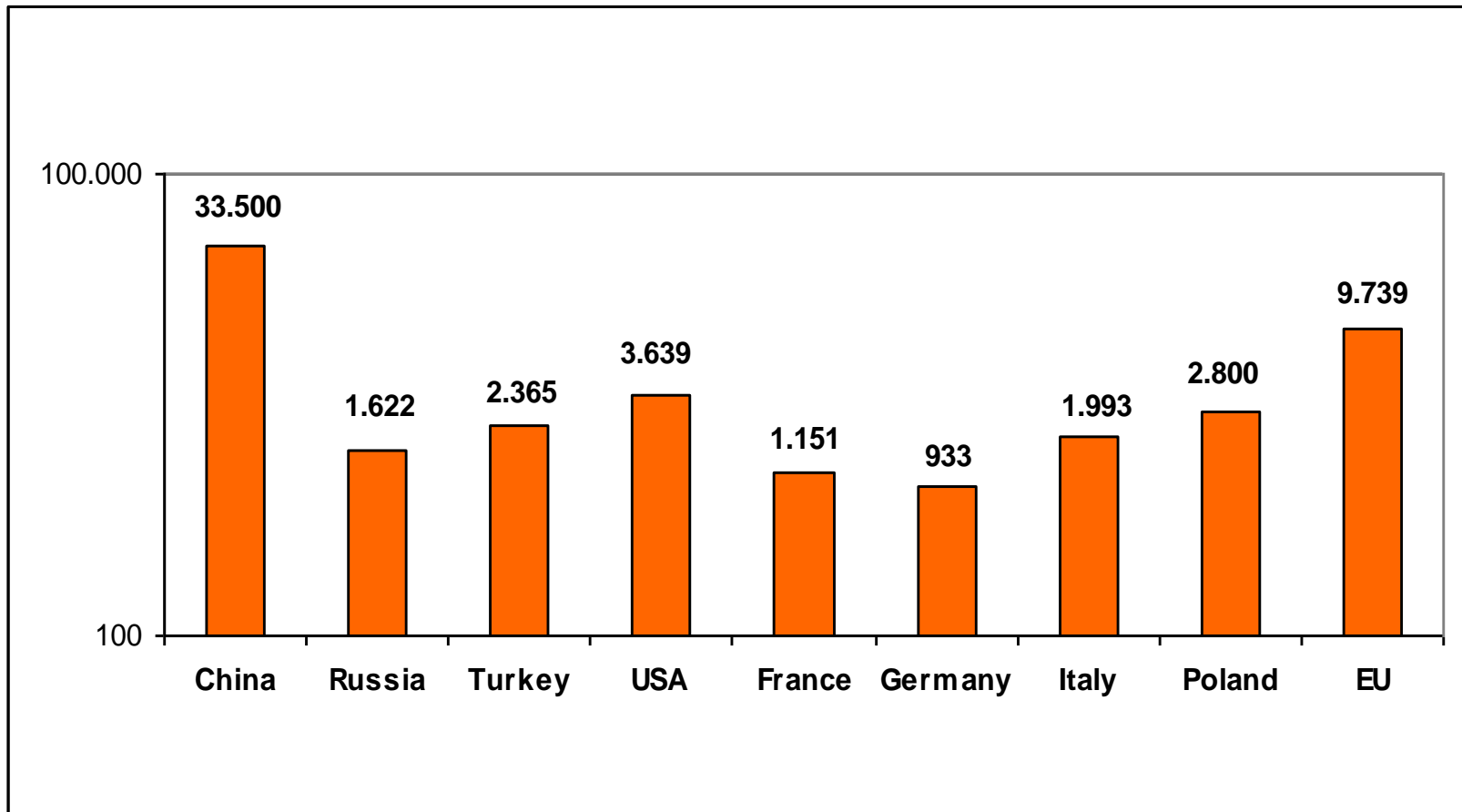
To produce 50% of the orange juice in the world, only 1.2% of total Brazilian planted land or 0.41% of Brazilian farming land are used.

The sector prioritizes the occupation of areas already degraded



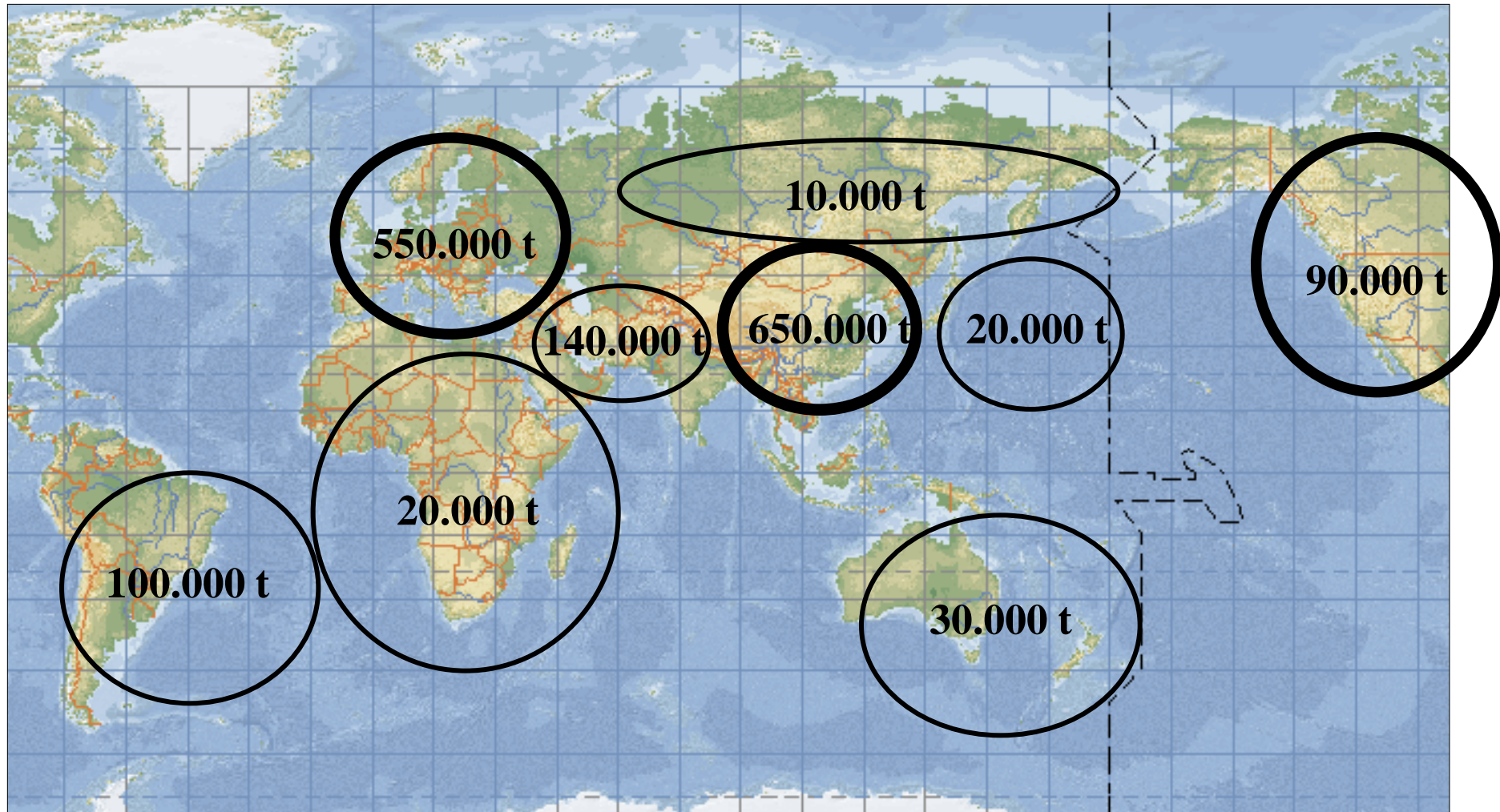
Source: Markestrat - University of São Paulo with data from IBGE (Brazilian Institute of Geography and Statistics). 2011 • Elaborated by CitrusBR

Apple production selected countries 2012 in 1000 t

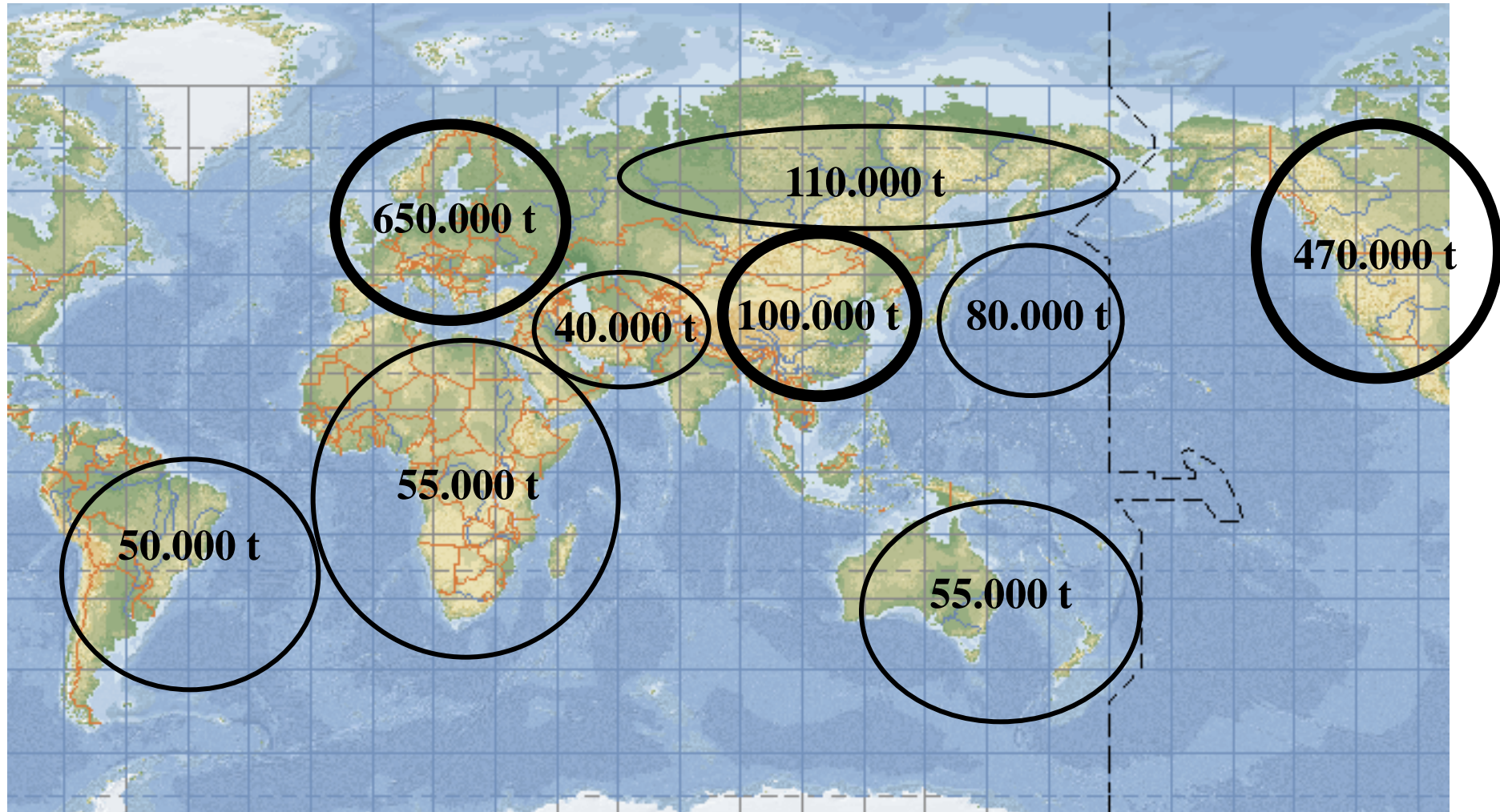


World Production AJC

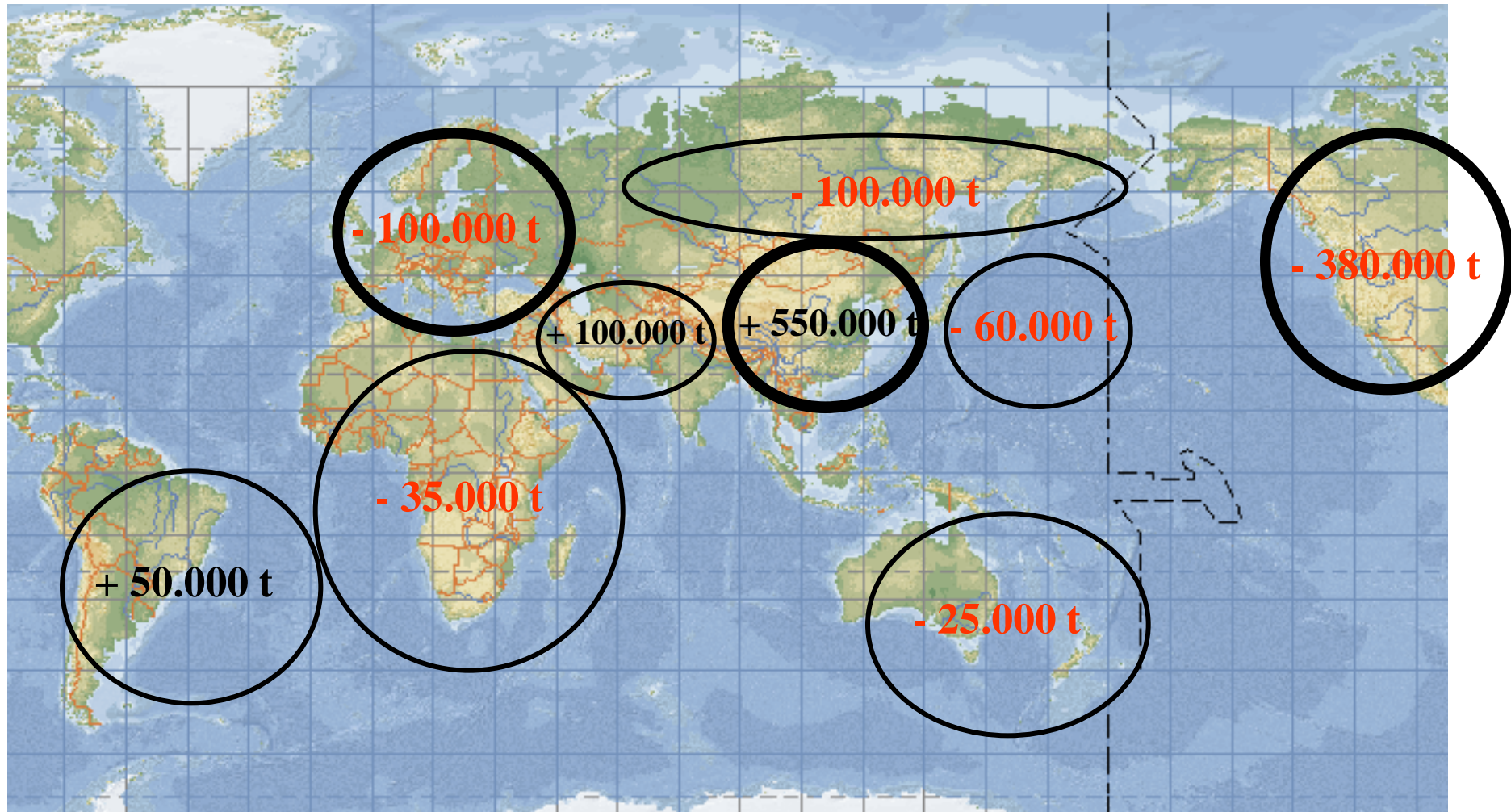
~ 1.610 mio. tons



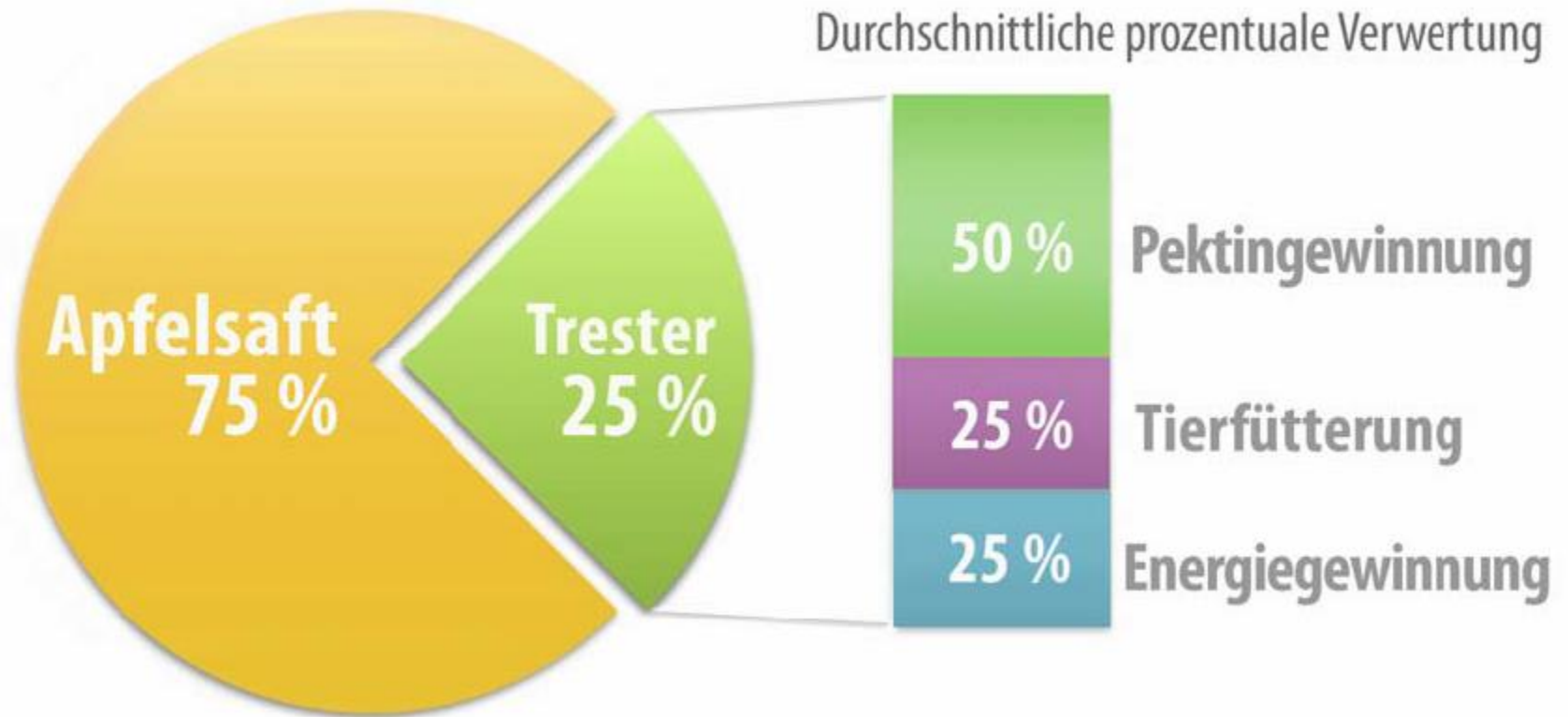
World Demand AJC ~ 1.610 mio. tons



Surplus and deficit regions



100 % Use of apple



Orchard meadows in good condition



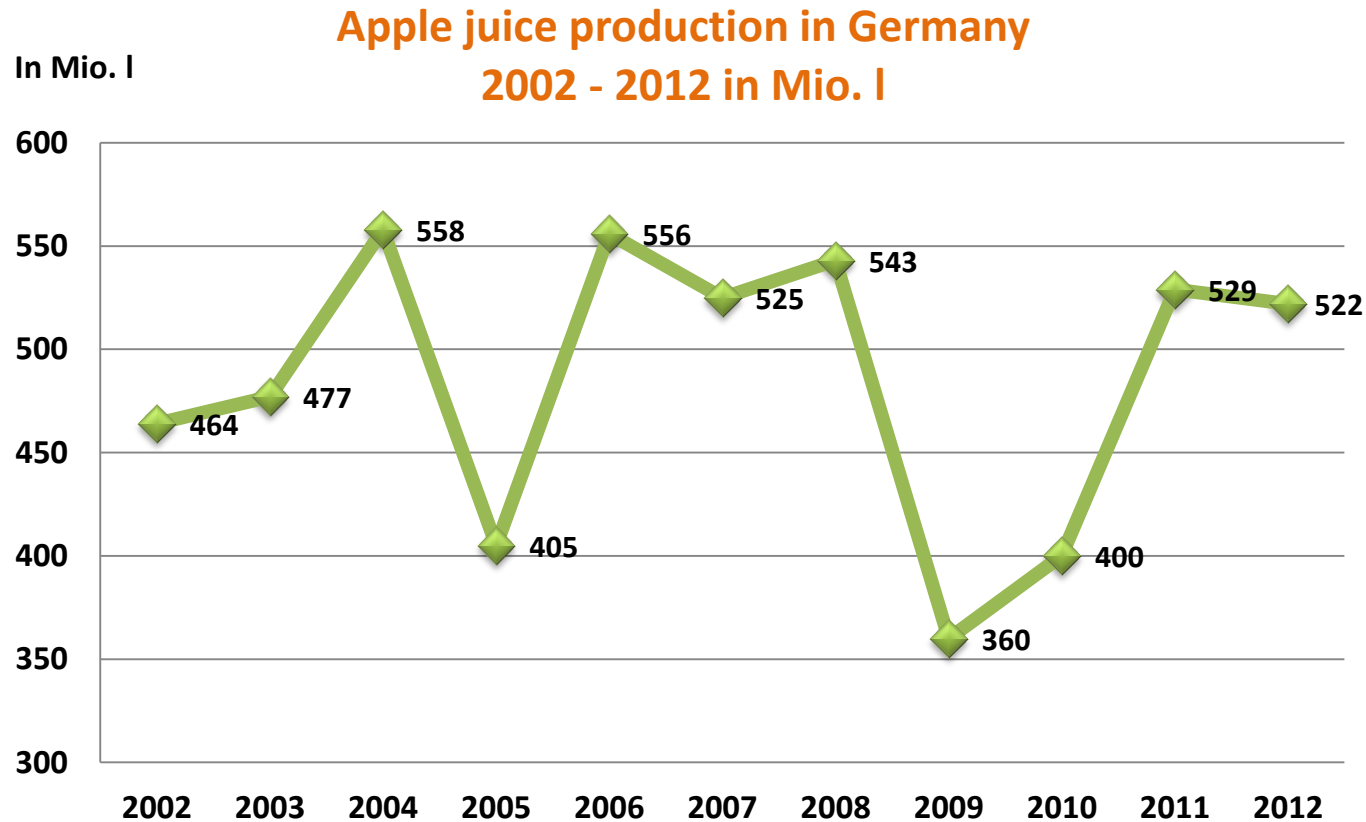
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Orchard meadows in bad condition



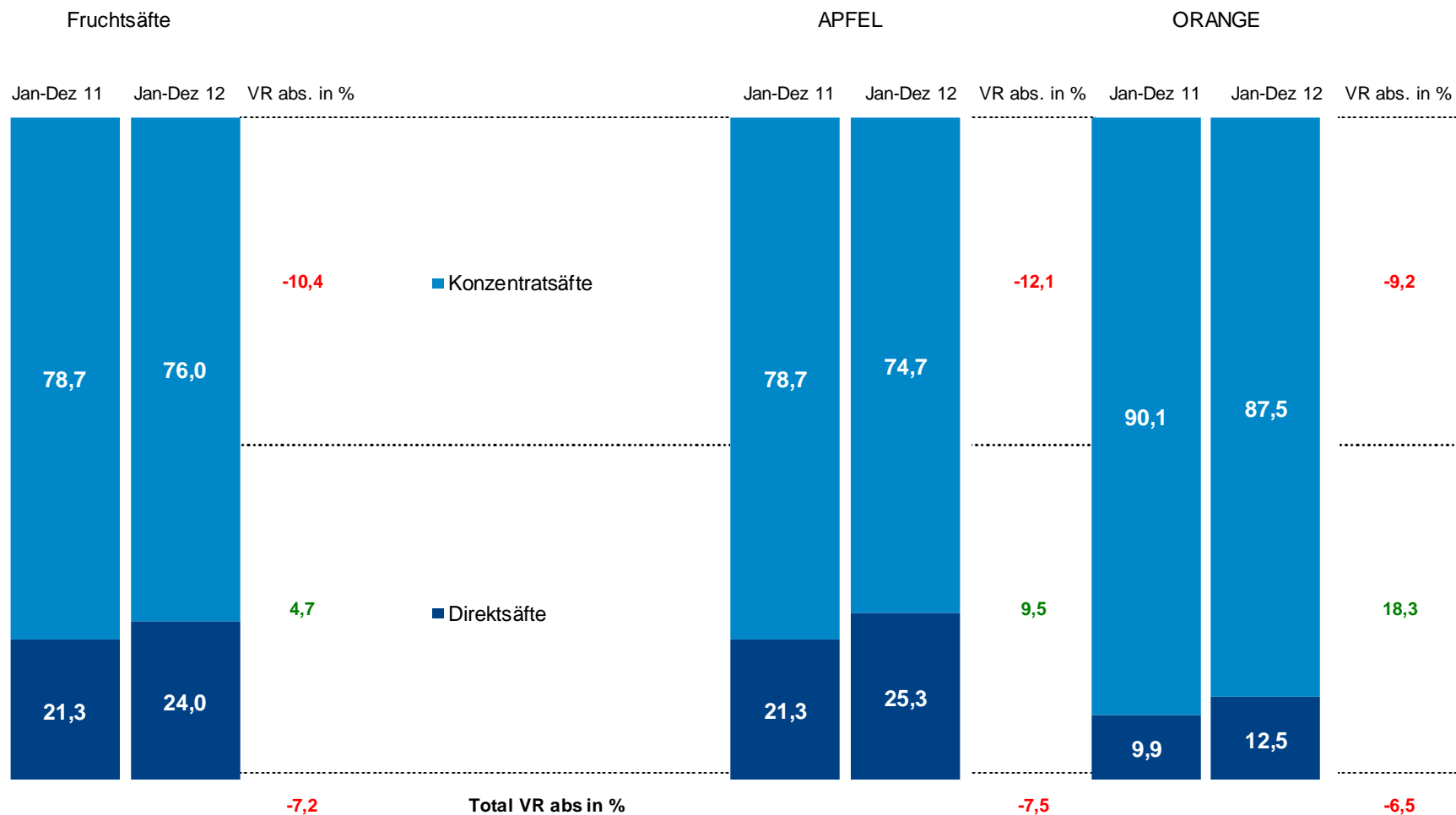
Apple juice production in Germany



Trends in the fruit juice market

- Lower fruit content
- Less litres
- Price aggressiveness
- Special variety juices, e. g. Elstar, Golden delicious
- Exotic juices and direct juices (not from concentrate) for higher value
- Refrigerated juices
- Regional juices e. g. Aronia, Quenches, Seabuckthorn

Direct juice in the fruit juice market shares

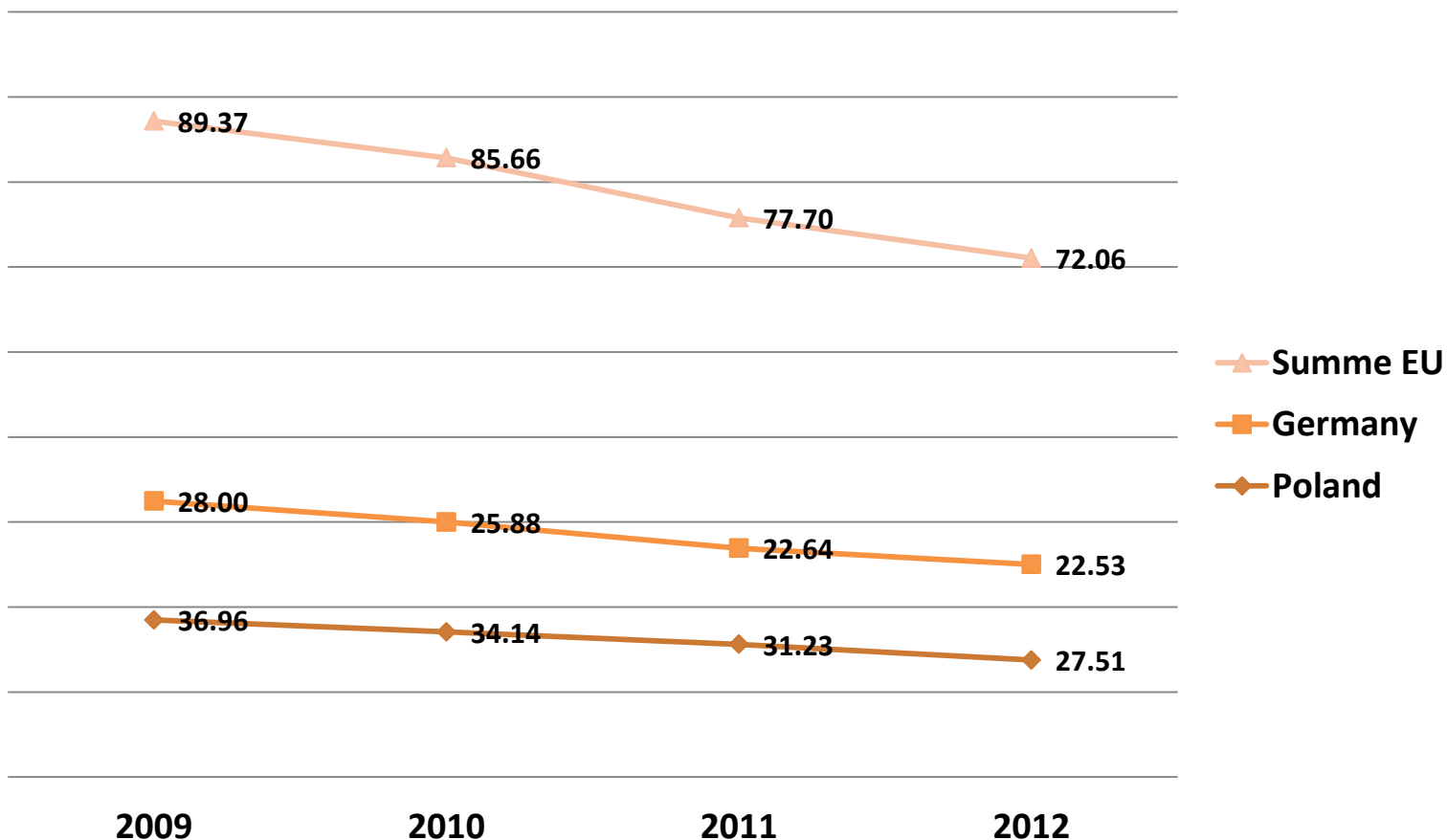


Direct juice apple with Quince refrigerated 0,75 l for € 1,19 (October 2012)



Black currant nectars in EU

Consumption cassis nectars in mio. l



25 % Fruit Content



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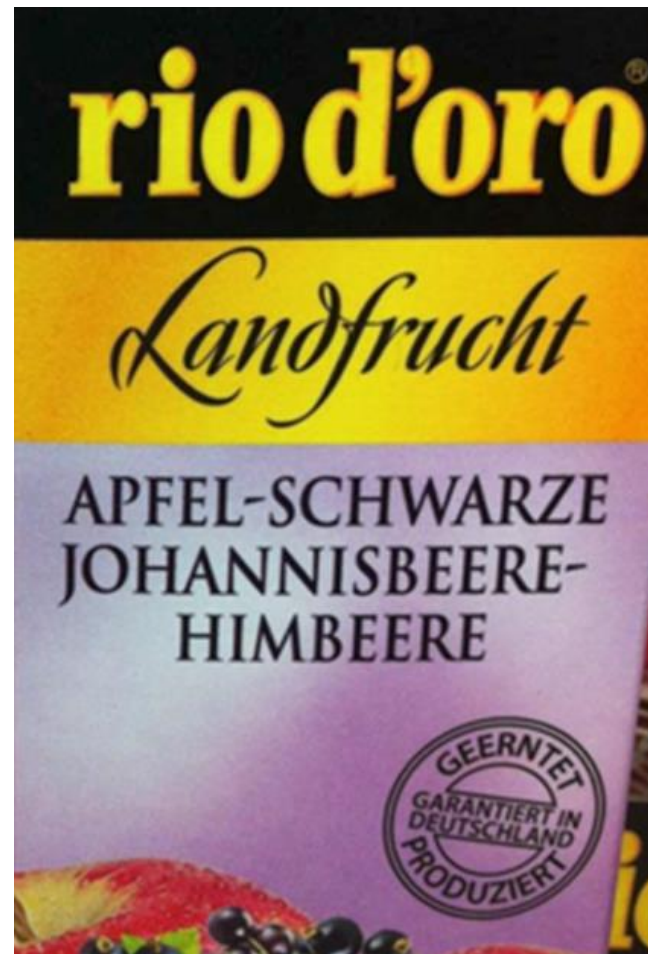
Fruchtgehalt
25 %

Fruits from Germany

1,09 €/l



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Consumer price Aldi (Discount)

June 2013 1,19 €/Liter



Price calculation for black currant

- 1 kg black currant equals 900 ml juice or approx. three to 3,5 liters black currant nectar with fruit content 25 – 30 %
- Price per kg black currant divided by approx. 3.5 equals raw material cost per Liter nectar
- E.g. 1 €/kg berries = 0,28 € per Liter raw material cost plus sugar
- Processing, Storage, Interest rates
- Packaging and Distribution
- Sales provision 25 to 40 %
- Value added tax approx. 20 %

Price calculation for 1 Liter black currant nectar 25% fruit

- Sales price 1,19 €
- 0,19 € VAT
- 0,30 € (or 30%) Supermarket
- 0,46 € Processing, transport, storage, filling, packaging, interest for $90 + 180 = 270$ days
- 0,04 € Sugar
- 0,20 € black currant raw material
- **Allows 0,72 € per kilo berries**
- Price range between 60 – 80 cts/kg is okay
- But not volatility between 0,30 € (2006) and 1,50 € (2011) and 0,50 € (2012)



➤ Thank you for your
attention!