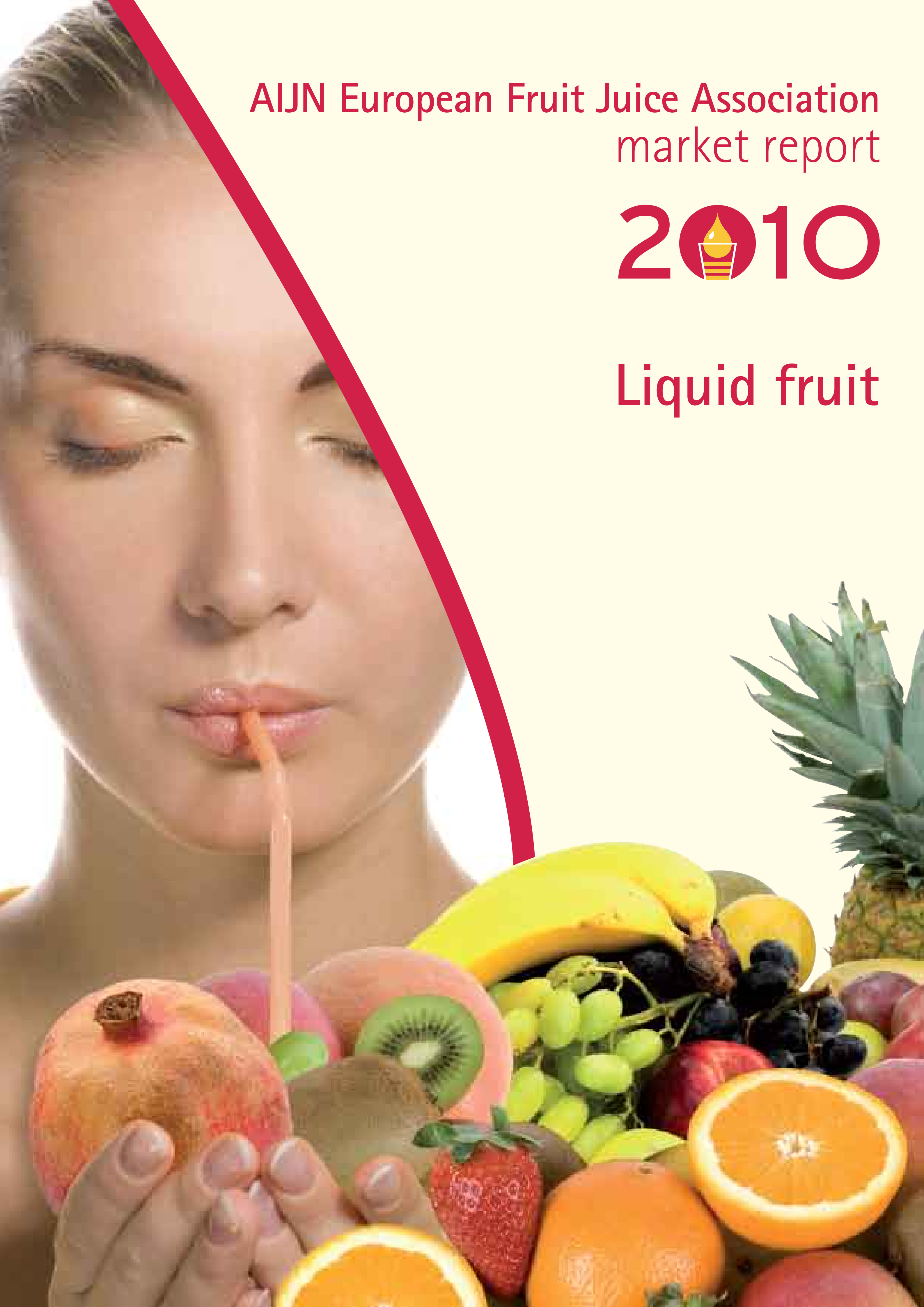
AIJN European Fruit Juice Association
market report
2010

Liquid fruit



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Contents

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Introduction from the President

On behalf of the European Fruit Juice Association (AIJN), I welcome you to our EU Fruit Juice and Nectars 2010 Market Report. Our aim is quite simple — to offer insight and an overview of our industry to European and National legislators, non-governmental associations and all fellow stake-holders in the food and drinks industry.

AIJN President Andrew Biles

The AIJN has been active for over 50 years in Brussels as the representative association of the EU fruit juice industry, defending and promoting the interests of both processors and packers of our products.

We are best known in DG AGRI and the Commission for our work on self-regulation. The AIJN Code of Practice is upheld as the reference standard for evaluation of authenticity and quality of fruit juices not only in the EU but internationally. It is pivotal in promoting fair competition and consistent quality standards. More information on the AIJN structure and workings can be found later in the report.

Opportunities and challenges abound in our fast moving world. Consumers need to make healthy choices. Fruit juice is well placed as a healthy beverage in the 5-a-Day recommendation. The AIJN vigorously promotes the fruit juice position in the nutrition and health debate.

> “Fruit juice is well placed as a healthy beverage in the 5-a-Day recommendation.”

> “The AIJN Code of Practice is the reference standard for evaluation of authenticity and quality of fruit juices not only in the EU but internationally.”

Consumers increasingly require that their food and drinks are produced in a sustainable and ethical way. Through its fellow associations and committees, AIJN is working on carbon and water footprints and the appropriate use of labour from the orchard or grove to the shelf.

We are active, enthusiastic and alert to the needs of the market we serve.

Juice is the base of many evolving consumer consumption trends to suit the lifestyles of both the young and the older be it at home or on the go. As a product of nature fruit juice will continue to play an increasingly important part in our daily lives.

Enjoy reading this report but, above all, enjoy your next glass of "liquid fruit".

Andrew Biles

The fruit juice industry:
overall fruit juice consumption


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The EU fruit juice and nectars market stood at a healthy 11.3 billion litres in 2009. Sales of 100% fruit juice accounted for two thirds of total consumption – a total of 7.5 billion litres. Nectars, containing 25-99% juice content, claimed the remaining 3.8 billion litres.

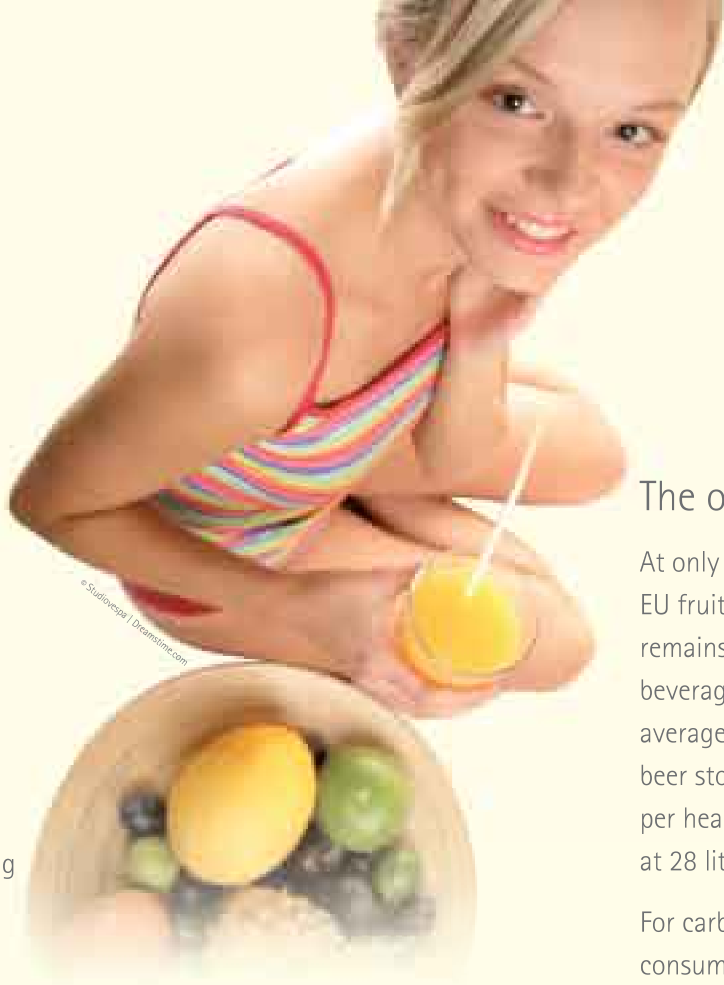
Health and wellbeing

The virtues of natural and healthy refreshment remain at the heart of the European juice industry. Across the 27 countries that comprise the European Union – a consumer desire for purity, great taste and refreshment make fruit juice and nectars must-have products for a range of occasions.

Whether it be in the shape of mainstream variants such as orange or apple, or an up-and-coming 'superfruit', consumers understand and connect with the healthy benefits of juice. Delivering natural functionality, with inherent vitamins and minerals, juice and nectars are consumed at the breakfast table, at lunch, after school, when dining out or when relaxing after a hard day's work.

Economic challenge

The EU industry is strengthened by the underlying healthy virtue of juice and how this resonates with the consumer. Yet, a number of challenges have been faced in recent years. The global economic recession has undoubtedly had an impact. Consumer spending has tightened and consumption has been held back. Raising finance for expansion into new products or new territories has been made more difficult. Meanwhile, fluctuating exchange rates, commodity prices and oil price volatility have in turn impacted operators' costs.



Regulation and self-regulation

Amidst these tough conditions, the industry must keep on top of an array of regulations – from those on nutrition and health claims, through to varying rules on product labelling. This makes the European industry a complex and ever changing marketplace in which to operate. As a model self-regulating industry and recognised as such by the European Commission, AIJN member companies are well placed to deliver the best-practice that regulators, and consumers, insist upon.

A sustainable future

Minimising impact on the environment presents a further challenge to all industries in all countries. A number of countries and juice industry operators have made significant progress here. Communicating these achievements to the consumer and ensuring a continued momentum remains a key goal for the industry.

> “Juice and nectars have the opportunity to deliver strong and resurgent growth in the years ahead.”

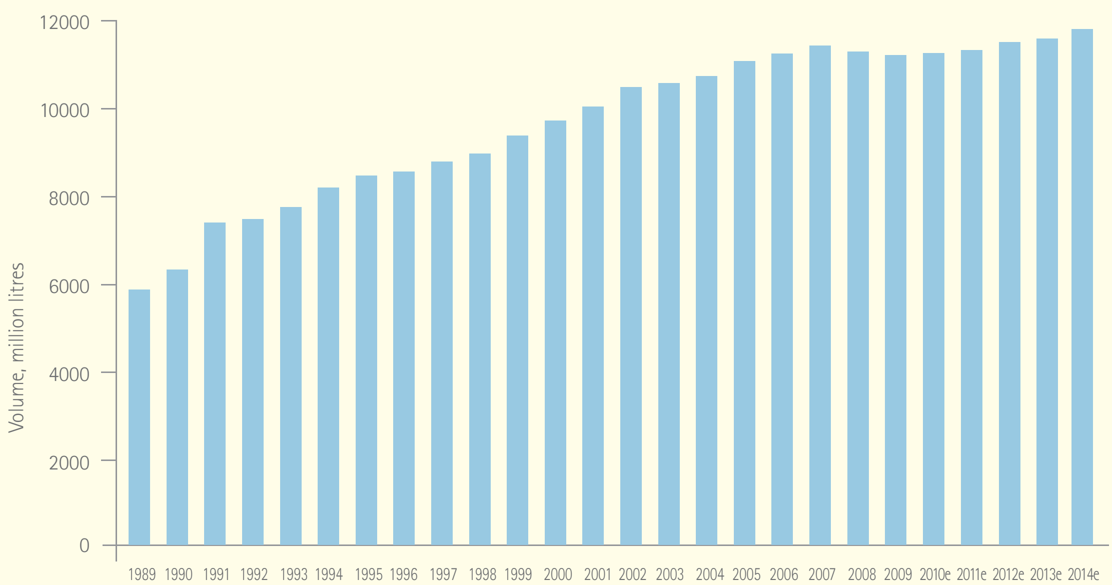
The only way is up

At only 23 litres per person, the EU fruit juice and nectars category remains well behind that of other beverage sectors. Across the EU, average per person consumption of beer stood at an estimated 76 litres per head. For wine, the figure stood at 28 litres per person.

For carbonated soft drinks, consumption stood at an estimated 78 litres per head in 2009, while bottled water had a high EU average of 110 litres per person.

The comparatively low volume per head against all these competing categories indicates that juice and nectars have the opportunity to deliver strong and resurgent growth in the years ahead.

Total EU fruit juice and nectar consumption 1989–2014e



European industry trends and segmentation

Widespread economic recession saw a 1.2% decline for total fruit juice and nectar consumption in 2009, with 11260 million litres consumed across all EU 27 countries. Despite the economic woes of 2008 and 2009 and the impact on consumption levels in both these years, the EU remains a diverse and robust marketplace.

Affordable consumption

Not surprisingly amidst financial hardship and lower levels of spending power, consumers have sought lower cost product offerings. The gap between brand and private label pricing has narrowed, as brands have supported volume sales with price promotions. Despite these efforts, private label has made overall gains – holding a 52% share of total volume across all EU markets in 2009.

For fruit juice specifically, lower cost ambient products have also fared better overall. Ambient volumes were static across the EU in 2009, compared to a 2% decline for chilled fruit juice.

Packaging, flavour and outlet choice

For fruit juice and nectars combined, carton dominates with 60% of total volume consumed. PET follows with around one quarter, with glass and other packaging formats making up the remainder. Carton's role is notable in the take home grocery sales channel. Comprised of large to small supermarkets, this area accounts for 70% of total market volume.

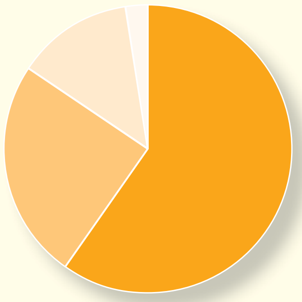
Again, combining fruit juice and nectars across all EU countries, it is clear that orange is the most popular flavour holding over one third of consumption. Apple is the next most favoured single flavour type, while a diverse number of blends have increased their influence.

Leading countries

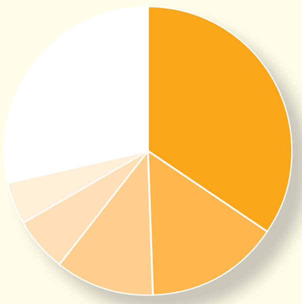
A select number of markets contribute the majority of demand within the EU. Taking pole place is Germany; a clear leader with 28% of total EU consumption. France, the UK, Spain and Poland complete the top five. In sixth place, Italy closely follows, ensuring that the EU's larger population countries are all represented at the juice consumption table.

Yet, for all countries in Europe, fruit juice and nectar consumption per person stands below 40 litres per head. In this age of health and wellbeing, the market is ripe for growth.

Fruit juice & nectars by packaging



Fruit juice & nectars by flavours



*Does not refer to juices with added vitamins but specific offering made from a particular blend of fruits

> "It is clear that orange is the most popular flavour holding one third of consumption."

Total fruit juice and nectars

Volume, million litres*		2005	2006	2007	2008	2009	% chg 08-09
Total		11161	11389	11487	11393	11260	-1.2
	Private Label	4940	5203	5409	5577	5800	+4.0
	Branded	6221	6186	6078	5816	5460	-6.1

Fruit juice (100% juice content)

Total Fruit Juice		7487	7605	7623	7528	7504	-0.3
	Private Label	3528	3719	3864	3964	4144	+4.5
	Branded	3960	3886	3759	3564	3360	-5.7
Chilled		1047	1223	1331	1377	1354	-1.7
Ambient		6440	6382	6292	6151	6150	...
FC		5977	5922	5838	5671	5609	-1.1
NFC		1510	1683	1784	1858	1899	+2.2

Nectars (25-99% juice content)

Total Nectars		3674	3784	3864	3865	3757	-2.8
	Private Label	1413	1484	1545	1613	1656	+2.7
	Branded	2261	2300	2319	2252	2100	-6.7

*Annual volume sold/consumed. Numbers may vary due to rounding.

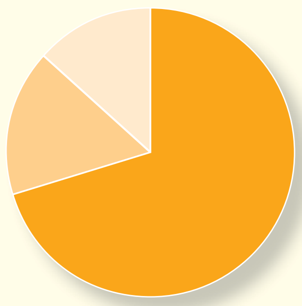
Largest EU FJN market by volume consumption, 2009

Country	Million litres
Germany	3,193
France	1,651
United Kingdom	1,435
Spain	1,078
Poland	749
Others	3,154
Total	11,275

Largest EU FJN market by per capita consumption, 2009

Country	Litres per person
Germany	38.9
Cyprus	36.6
Netherlands	29.1
Estonia	27.4
Finland	27.1

Fruit juice & nectars by channel



Global perspectives

The European fruit juice and nectars industry is obviously aware that it symbolises just a part of the global beverage industry. Nevertheless, the combined EU 27 countries in fact comprise a region that holds the largest consumption of fruit juice and nectars in the world.

Moreover, the EU presents the second highest intake per person globally. With such scale combined with long term growth opportunities, there is room for optimism.

EU a leading region

In terms of total consumption, the EU is followed closely by North America, which saw 9.5 billion litres of fruit juice and nectars consumed in 2009, and Asia Pacific on almost 8 billion litres. The latter is expected to grow significantly in the next few years as large Asian populations embrace juice based drinks and as income per head increases. A trend for shifting towards higher fruit content drinks continues, from juice drinks to nectars and from nectars to 100% juice.

As a unified barrier-free market with such considerable scale on the world juice stage, the EU is well placed to capitalise. Consistent annual demand across 27 countries sees the EU as a major import destination for the global flow of juice and concentrates. Growth in smaller, emerging EU markets would consolidate the EU's position as a key destination hub for fruit juice suppliers.

Juice and nectars per person

Regarding per person consumption, the EU is only surpassed by North America with the rest of the world's regions following far behind these two. The dominance of the EU is even clearer when it comes to per capita consumption, as five of the ten countries with the largest per head intake in the world are also from the EU.

Nevertheless, the average consumption per head in the EU remains low. Only two countries, Germany and Cyprus, have consumption per person between 30 and 40 litres. Eleven countries range from 20 to 30 litres per person, while the remaining fourteen countries consume less than 20 litres per head.

Shout from the top

On a country level, the EU dominance is clear as four European countries are amongst the ten largest fruit juice and nectar markets in the world. Countries with larger populations and /or more established consumption patterns, such as China, the US, Russia or Japan make up the remainder of the top ten.

Further research extolling the benefits of fruit juice consumption, coupled with government support and juice companies maintaining high levels of innovation, all bode well for the future. This sees the global fruit juice industry in an excellent position to satisfy the ever more demanding tastes of the global consumer.

This healthy growth opportunity can be found at the heart of Europe. With so many EU countries building momentum from a relatively low base, there is good reason to believe in fruitful growth prospects on the horizon for EU juice and nectars.

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“The dominance of the EU is even clearer when it comes to per capita consumption.”

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Largest FJN markets by volume consumption by region, 2009

Region	Million litres
West Europe	10,270
East Europe	5,675
North America	9,545
Latin America	3,570
Asia Pacific	8,000
Africa & Middle East	3,520
Total	40,580
EU	11,275

Largest FJN markets by per capita consumption per region, 2009

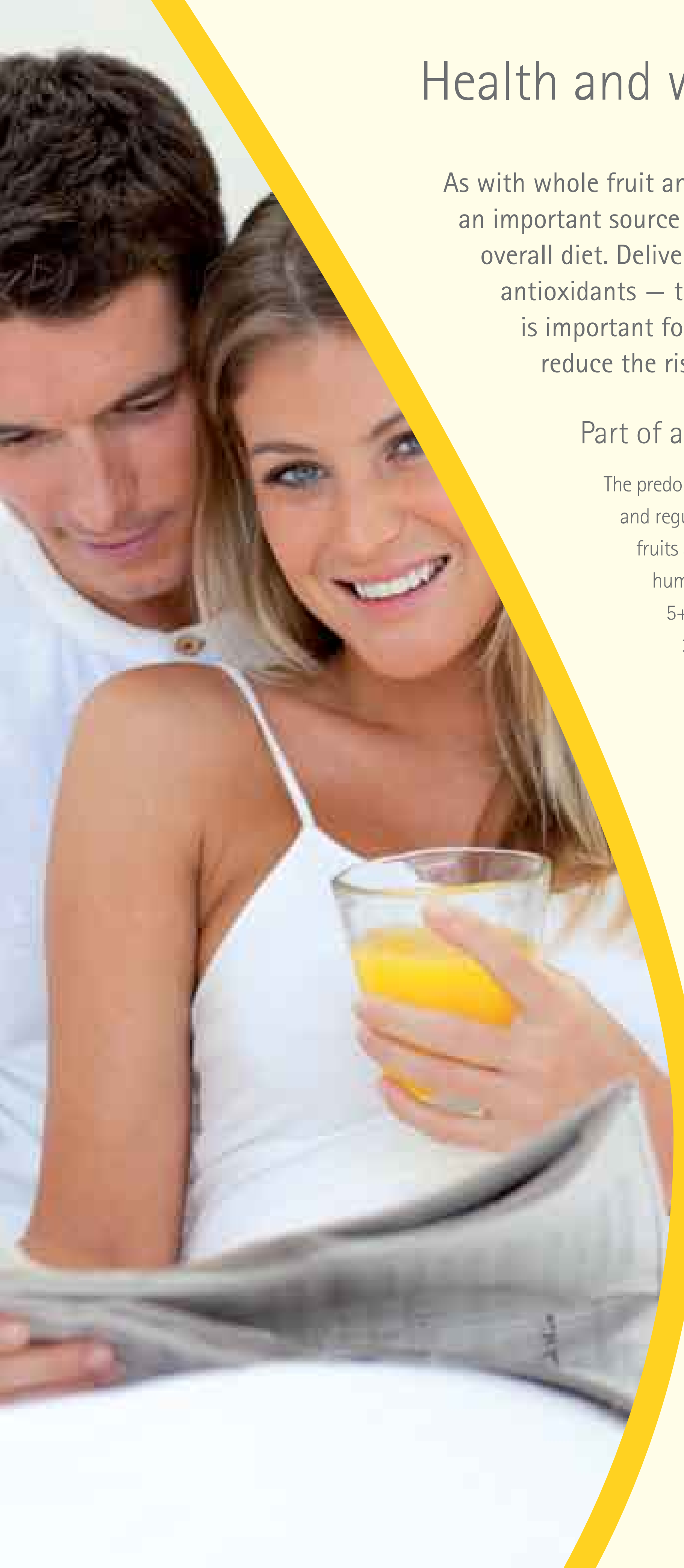
Region	Litres per person
West Europe	25.3
East Europe	15.8
North America	27.6
Latin America	6.1
Asia Pacific	2.1
Africa & Middle East	2.7
EU	22.7
Global average	5.9

Largest FJN markets by volume consumption by country, 2009

Country	Million litres
USA	8,470
Germany	3,193
China	3,140
Russia	2,500
France	1,636
Japan	1,605
United Kingdom	1,430
Spain	1,078
Canada	1,070
Mexico	1,015

Largest FJN markets by per capita consumption by country, 2009

Country	Litres per person
Germany	38.9
Norway	37.2
Cyprus	36.6
Canada	32.0
Australia	31.8
Netherlands	29.1
Estonia	27.4
USA	27.2
Finland	27.1
Kuwait	26.5



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Health and wellbeing

As with whole fruit and vegetables, packaged juice is an important source of vitamins and minerals for the overall diet. Delivering vitamin C, folate, potassium and antioxidants — the nutrient boost provided by fruit juice is important for good health and may well help to reduce the risk of several important diseases.

Part of a balanced diet

The predominant message from health professionals, governments and regulatory authorities is to increase the consumption of fruits and vegetables to at least 400g/day to improve a healthy human diet. This translates into the worldwide accepted 5+ a Day recommendation directed to consumers. A daily 200ml fruit juice serving has been recognised by most EU Member States as being equivalent to a portion of fruit — one of your 5-a-Day. In the UK, a fruit smoothie may count as two portions.

We have seen, in markets such as France and Poland (pictured below right), for example, that officially-backed information and promotion initiatives to increase fruit and vegetable intake including juice consumption supports the consumer's move towards healthier options.

Health contributor

Despite an overwhelming endorsement that fruit juice, directly derived from fruit, contributes to a healthy diet, some questions have been raised regarding juice acidity and sugar content. These are linked to dental health and the general concern over obesity that is a widespread problem in its own right.

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With a well balanced diet alongside good oral hygiene, younger consumers through to the elderly can enjoy juice without any undue risk to their dental health. Also, for most people fruit juice consumption contributes only to a very small extent to total energy intake. It is misleading to suggest that it plays a contributory role in obesity and diabetes.

Many public health campaigns, such as the World Cancer Research Fund's 5+ a Day programme, have cited the disease preventing properties of regular fruit and vegetable consumption.

Appropriate amounts of fruits and vegetables, including a daily portion of juice, are also recommended for weight management. According to Prof Dr Fred Brouns, Programme Leader 'Health Food Innovation Management' in the Faculty of Health, Medicine and Life Sciences at Maastricht University, fruit juice provides a wide range of nutrients that fit well in a diet. In fact, moderate doses of naturally occurring fruit sugars, such as fructose, found in juice have been shown to improve glycemic control – or the body's management of blood sugar levels.

> “Convenient, nutritious and enjoyable, with a loyal consumer base, fruit juices can provide vitamins and nutrients in a world that needs balanced nourishment.”

Polish 5-a-Day campaign

In the US a number of research studies have looked at a possible relationship between 100% juice consumption and its potential impact on body weight in children. These studies found no association between consumption of 100% juice and obesity.

Pure and nourishing

Worldwide, there is an increasing consumer interest in authenticity, naturalness and wellbeing. Some fruit juices, made from so-called 'superfruits', contain exceptional levels of nutrients and antioxidants. From açai, originating in Latin America, to blueberry from Europe and beyond, an array of fruits are resonating well with consumers. These could present the biggest opportunity, tapping into a consumer desire for health benefits.

Specifically within the EU, the intake of vitamins, minerals and nutrients is often deficient. We are simply not consuming sufficient amounts of fruit and vegetables. Convenient, nutritious and enjoyable, with a loyal consumer base, fruit juices can provide vitamins and nutrients in a world that needs balanced nourishment. This in itself will sustain a natural growth momentum in the market.

Environment and sustainability

Environmental sustainability concerns are rising on the public agenda, becoming ever more relevant to the consumer. Running a truly global business, the EU juice and nectars industry is aware of its important role and responsibility, and is engaging proactively.

Cutting out carbon

The reality is that all products have a carbon footprint. This can be lowered by initiatives such as reducing resource use, advancing efficiency of the production chain and using renewable energy sources.

In the case of juice and nectars there are considerable challenges as most European countries do not have sufficient domestic fruit production or no production at all for specific types of fruit, such as exotic/tropical fruits. In addition, fruits are inherently seasonal, creating the challenge of all-year-round supply.

Under the motto 'measuring is knowing', AIJN and its members are reviewing the complex, sustainable supply chain to lower ongoing costs, quantify current emissions and identify production phases for efficiency improvements. The final objective is to cut carbon emissions and ultimately minimise the overall environmental impact.

Reduce, reuse, recycle

This path to best practice involves a full life cycle analysis to reduce both the carbon and water footprint. From the grove to the shelf, a reduction in water use is paramount. The ongoing objective of many EU producers is to cut the amount of water used in production and apply systems for water re-use.

Juice and nectar producers have sought to provide the most environmentally friendly packaging available. Meanwhile, packaging innovation is getting ahead of developments in recycling. This stresses the need for co-ordinated efforts between packaging companies, recycling operators and governments to maximise the latest technology. This will deliver more environmentally efficient options, without compromising food safety and food quality.

Leading the way

Although there have been varying proposals for a standardised method of carbon footprint assessment, this has not materialised as yet. All players in the fruit juice and nectar industry would like to see a uniform assessment method across all 27 countries to assist with carbon footprint measurement. With a full life cycle analysis, the agreed methodology should support the industry's carbon reduction goals, without creating more legally binding and onerous labelling requirements.

This is why AIJN joined the European Food Sustainable Consumption and Production Round Table – a private-public initiative co-chaired by the European Commission and food supply chain partners. Its members are identifying scientifically reliable and uniform environmental assessment methodologies for food and drink products, as well as suitable communication tools to consumers and other stakeholders.

Sustainable agriculture and supply

As the global population increases, sustainable agriculture gains in importance. On the back of a population boom, demand for food is expected to double in the next 50 years. In line with this, usable arable land per head is inevitably shrinking. These figures prove the need for a more organised sustainable method of agriculture.

> "All players in the fruit juice and nectar industry would like to see a uniform assessment method across all 27 countries to assist with carbon footprint measurement."

Some major AIJN-member fruit juice companies are participating in the work of the Sustainable Agriculture Initiative (SAI) Platform. This platform supports agricultural practices and production systems that preserve the future availability of current resources and enhance their efficiency. The ultimate goal is the development of harmonized sustainable agricultural practices along the food chain.

Sustainable agriculture is about ecosystem conservation, fair treatment and good working conditions in tandem with effective crop and waste management. AIJN has endorsed the Code of Conduct for Raw Material Suppliers of SGF-IRMA (International Raw Materials Assurance), the control body set up by the juice industry to certify the fruit processors and suppliers of raw materials worldwide and to verify the authenticity of these raw materials. SGF-IRMA carries out plant inspections in nearly 60 countries worldwide and certifies over 400 suppliers thereby covering the bulk of the raw materials used by the EU fruit juice industry. By requesting that raw material suppliers observe best practice, including a minimum age for workers in factories and plantations, the European juice industry is responding to the ethical and sustainable concerns of consumers.

Raw materials

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Fruit juice, fruit juice concentrates, fruit purées and concentrated fruit purées as the basic raw materials for the fruit juice industry, are sourced in nearly 60 countries on 5 continents.

Global to local sourcing

For the main commodity, orange, Spain is an important supplier of not from concentrate juice for European juice bottlers. But the industry needs more than 1 million tonnes of concentrated orange juice annually. Europe's Mediterranean member states produce an annual equivalent of ca 80,000 tonnes of concentrated orange juice which is less than 10% of the raw material needed.

The bulk of concentrated orange juice is imported from Brazil, with annual volume of around 850,000 tonnes shipped into the EU each year. An additional 20,000 to 100,000 tonnes are imported from other orange producing countries such as Cuba, South Africa, Mexico and the US. For the second biggest commodity, apple, the juice industry alone needs annually well over 250.000 tonnes of concentrate of which in 2009 roughly 60% came from within the EU with Poland as the main supplier. For tropical fruits such as passionfruit, mango, guava and pineapple the European fruit juice industry needs to rely upon imports.

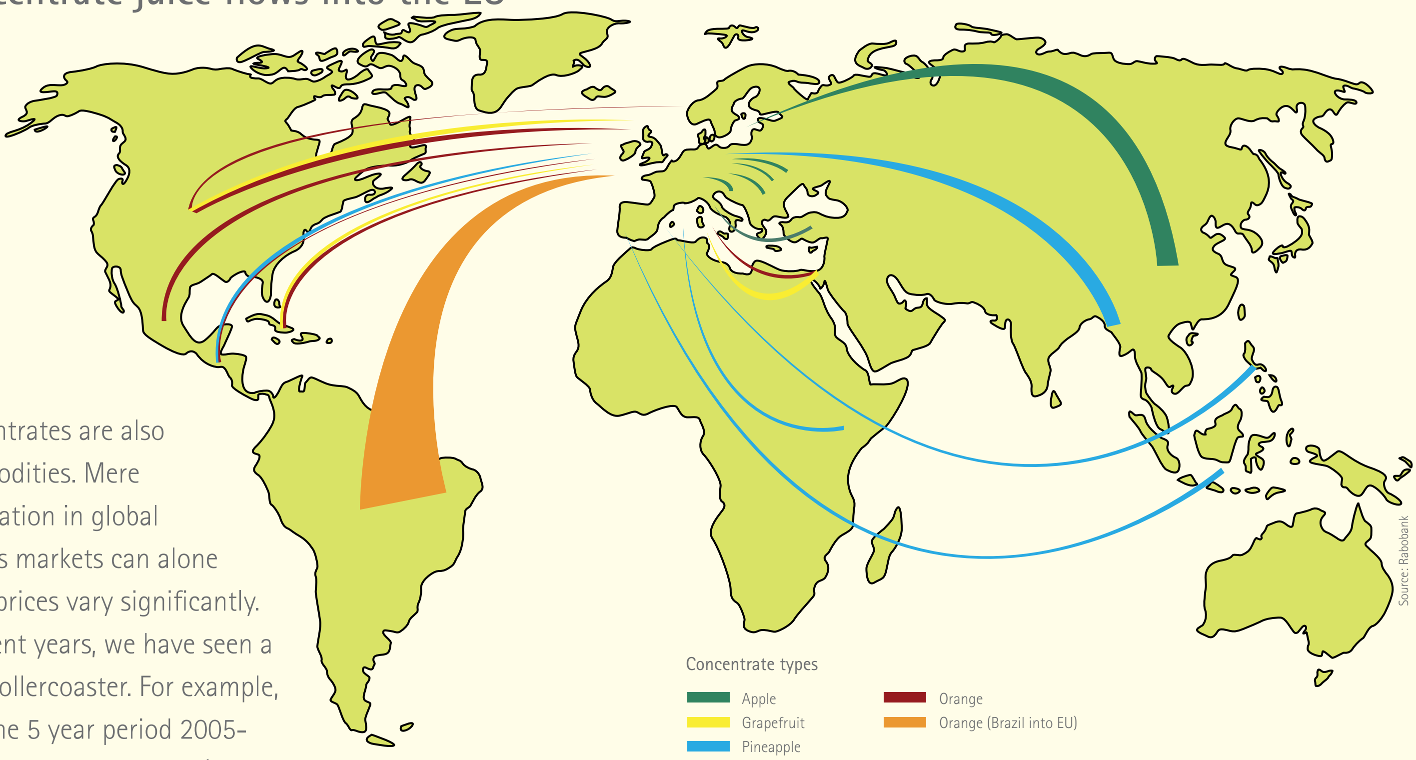
Challenging yields

Availability and supply of fruits, used for processing into juice, can depend on various factors. Climate and extreme weather changes affect crop levels. Also, diseases and phytosanitary problems, such as Greening (HLB) and Canker for citrus in Brazil and Florida, impact the total crop. The main issue with raw materials remains the unpredictability of crop yields and its direct impact on prices.

Buy and sell

Quality and quantity of crops determine the price of juices and concentrates. Nevertheless,

Concentrate juice flows into the EU



concentrates are also commodities. Mere speculation in global futures markets can alone make prices vary significantly. In recent years, we have seen a price rollercoaster. For example, over the 5 year period 2005-2009, the price for FCOJ (frozen concentrated orange juice) moved from US$900 per tonne, surging to US$2600, dropping to US$1100 and accelerating back to over US$2000 per tonne level.

It is expected that, for most fruits, future average raw material prices will range above the historical average. Yet, speculators may fuel the price boom further. In addition, sourcing from many different countries means trading in many different currencies. Exchange rate fluctuation plays a key role in the cost of production and raw material prices as well as costs of energy and freight.

Supply and demand

Generally, demand for fruit juices and nectars is more stable than the unpredictable levels of supply. However as the global population increases and economies develop, demand is expected to increase significantly in the medium to long term.

> “It is expected that, for most fruits, future average raw material prices will range above the historical average.”

Competing forces

Fruit juice and concentrate processors are also affected by competition from the fresh fruit market. A further external complication is the demand for biofuels and animal protein. Here, fruit growers face the decision to adopt one of the so called 3Fs: food, feed or fuel. In some parts of the world, specific fruit crops are being replaced by more lucrative alternatives. This is the case with orange groves and sugarcane, or apple orchards and rapeseed. Going forwards, large single product commodity players are likely to diversify into other fruits and services in order to become less vulnerable to the winds of change.

Regulatory

The regulatory landscape across the EU is diverse and ever-changing. With AIJN's mission to work for the best possible political, regulatory and economic framework for juice and nectars, the industry is well placed to adapt to change and remains at the heart of developments in Europe.

The mission

AIJN essentially creates a bridge between the European juice and nectars industry and European regulators. It provides technical assistance in shaping the EU regulatory environment and interprets legislation for compliance in the market. AIJN follows and provides insight into various legislative dossiers: from the European Fruit Juice Directive, to provisions on food labeling, use of nutrition and health claims, use of food improvement agents, addition of nutrients, all the way to food safety, quality and trade requirements.

Informing the consumer correctly

In its 2007-2013 consumer policy strategy, the European Commission underlined that allowing consumers to make informed choices was essential for effective competition and consumer welfare. The European Commission foresees mandatory front of pack nutrition labelling schemes to illustrate recommended percentage intakes or guideline daily amounts (GDAs). In 2007 AIJN adopted a GDA Labelling Guideline, which is being applied to a growing number of juice and nectar brands in Europe.

Healthy profile claim

Europe's juice and nectar manufacturers may make substantiated claims about the inherent nutritious and health properties of their products. Products must of course deliver what they claim and, under EU regulations, all health claims must be scientifically approved. This ultimately helps to inform, educate and support consumers in their purchasing decisions.

A tax on healthy living

We do not consume enough fruit and vegetables. It is therefore illogical that VAT as high as 20% to 25% can be applied to packaged fruit juice. A VAT reduction on fruit juice would boost consumption and would benefit the health of all nations. Especially when other foods, which might be less nutritious, can remain tax free, it is in the interests of all governments to promote healthy lifestyles and healthy eating.

A fair playing field

Consumers will purchase healthier products if they are affordable. As a major importer of juice and juice concentrate, the European industry, and eventually the consumer, pays the price for any tariffs on goods imported into the EU. Going forwards in these uncertain economic and political times, it is hoped that juice supply can flow as freely as possible.

Self regulation and self control

AIJN aims at safe and authentic fruit juices and nectars, complying with all relevant EU legislation and consumer expectations. The legislation does not cover all aspects of juice processing and the bottling chain. Legal provisions sometimes leave room for different interpretations. To complement legislation and to offer guidance for its application, AIJN has developed guidelines and codes. These include the Code of Practice for evaluation of fruit and vegetable juices, traceability guidelines, a Hygiene Code, an Aroma Guideline and the Alicyclobacillus Best Practice Guideline.

Code of Practice

As a uniform basis for evaluation of the quality, identity and authenticity of juice the AIJN Code of Practice currently contains reference guidelines for 21 different fruit and vegetable juices. AIJN's Code of Practice is recognised by the European Commission as a model for any self-regulating industry and reference to the AIJN Code of Practice is made in the European Fruit Juice Directive. AIJN therefore provides the juice industry with an authoritatively recognised foundation for sound operating practices and ongoing compliance, complementing the EU's existing fruit and vegetable juice legislation.

To ensure compliance with legal and industry standards AIJN relies upon the European Quality Control System (EQCS) for fruit juices, nectars and high fruit juice containing beverages. Through its members, which are national or regional control organisations, the EQCS carries out market controls of consumer products in the EU.

Amidst difficult trading conditions, a collaborative approach based on rigorous self-regulatory quality standards, in combination with industrial self control, is the key to the sustainable supply of quality products.

> “Consumers will purchase healthier products if they are affordable.”

Conclusions and outlook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Economic uncertainty still lies at the heart of Europe. However, many EU countries are exiting recession. In these challenging times, the total EU market is forecast to remain static in 2010 with low single digit growth projected in the years to come. This should take the total market to 11.8 billion litres by 2014.

Adding value

Fruit juice and nectar pricing should be held back, as consumers retain value-driven behaviours picked up during the tough months of recession. While health concerns may have taken a back seat to worries about job security in recent months, this is not expected to be a lasting trend. The 5-a-Day health virtues of juice should shine through any lingering clouds of economic uncertainty.

At the heart of the EU, government support and manufacturer-led education should continue to spotlight the vitamins, minerals and nutrients found in juice and nectars. This 'healthy payload' underpins the future success of a category that still witnesses low levels of consumption per person.

Regime for change

Government backing to date on 5-a-Day and healthy eating campaigns has undoubtedly benefited juice consumption in a number of markets. A reduction on VAT for nutritional beverages would further support the path to growth. Increased juice consumption would of course bring about long term health benefits for all European nations. The reduction in long term health costs would offset any short term dent on government tax receipts.

Sustaining growth

From fair-trade giving a fair deal to local farmers at the point of supply to carbon footprint reduction up to the point of consumption, much can still be done. This idea of 'selling well and doing good' has repeatedly connected with consumers, who likewise want to do their bit for a planet with finite resources.

> “Increased juice consumption would of course bring about long term health benefits for all European nations.”

Country profile

Austria

An established market – total fruit juice and nectars consumption in Austria stood at 208 million litres, –1.5% in 2009, with per person consumption at around 25 litres per head.

Ambient, from concentrate, juices remain by far the most popular variety for the Austrian consumer. Although chilled, NFC juices and smoothies are niche products within the country, these segments are being driven by both the ongoing health and wellness trend, as well as an increasing demand for freshness.

In the past few years, new flavours to the Austrian market have included passionfruit and mango. Cartons continue to be the packaging format of choice for fruit juice and nectars, due to the perception that they offer the consumer value for money. Variety and innovation in packaging, including a growing interest in PET, alongside new flavour combinations, should help to ensure that the category is buoyant in future years.

Total fruit juice and nectars

Volume, million litres*		2005	2006	2007	2008	2009	% chg 08–09
Total		215	213	217	211	208	-1.5

Fruit juice (100% juice content)

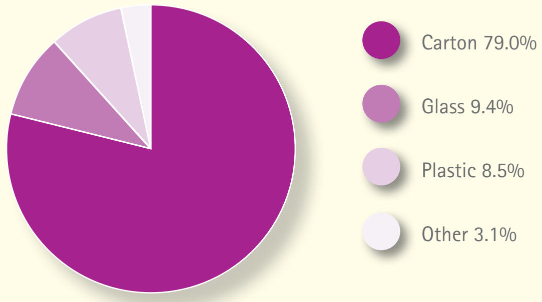
		2005	2006	2007	2008	2009	% chg 08–09
Total Fruit Juice		129	130	129	126	124	-1.4
	Private Label	24	27	27	28	28	na
	Branded	105	103	102	98	96	-1.8
Ambient		121	121	119	115	115	na
	Private Label	23	25	26	26	27	+0.9
	Branded	98	96	93	88	89	+0.2
FC		121	121	118	114	115	+0.4
	Private Label	23	25	26	26	27	+0.9
	Branded	98	95	92	88	88	na
NFC		...	...	...	...	...	na
	Private Label	...	...	...	...	...	na
	Branded	...	...	...	...	...	na
Smoothies		-	-	...	...	...	na
	Private Label	-	-	...	...	...	na
	Branded	-	-	...	...	...	na
Chilled		8	9	10	11	9	-19.8
	Private Label	1	1	1	2	1	-17.7
	Branded	7	8	9	9	8	-20.2
FC		2	2	2	2	2	na
	Private Label	1	1	1	1	1	na
	Branded	1	1	1	1	1	na
NFC		6	7	7	8	6	-27.5
	Private Label	...	...	...	...	...	na
	Branded	6	6	7	7	5	-27.1
Smoothies		...	...	1	1	2	+14.6
	Private Label	-	-	...	...	...	na
	Branded	...	...	1	1	1	na

Nectars (25–99% juice content)

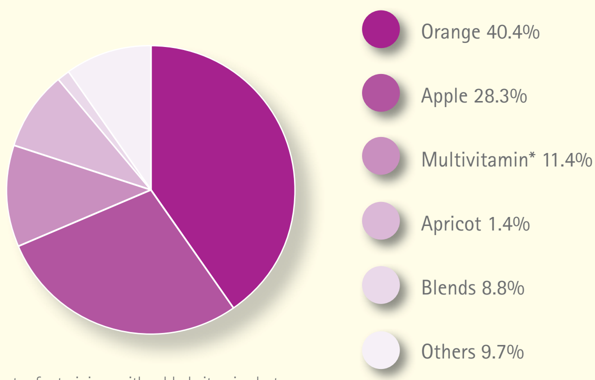
		2005	2006	2007	2008	2009	% chg 08–09
Total Nectars		86	83	88	85	84	-1.8
	Private Label	18	19	21	21	21	na
	Branded	68	64	67	64	62	-3.1
Ambient		83	80	85	82	80	-1.6
	Private Label	17	18	20	20	21	+2.3
	Branded	65	61	64	61	59	-2.9
Chilled		3	3	3	3	3	na
	Private Label	...	...	1	1	1	na
	Branded	3	3	3	3	3	na

*Annual volume sold/consumed. Numbers may vary due to rounding.

Fruit juice & nectars by packaging

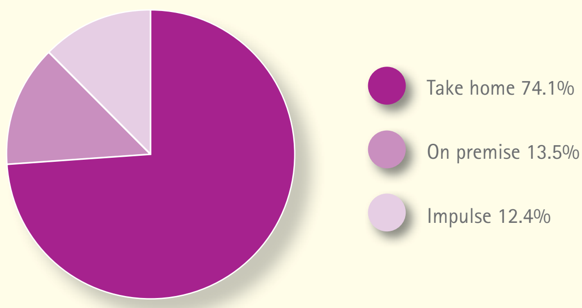


Fruit juice & nectars by flavours



*Does not refer to juices with added vitamins but specific offering made from a particular blend of fruits

Fruit juice & nectars by channel



“Ambient, from concentrate, juices remain by far the most popular variety.”

Country profile

Belgium

At 220 million litres of volume consumed in 2009, equating to 21 litres per person, the Belgian fruit juice and nectars market is characterised by its maturity and consolidation.

The market has proven to be quite price sensitive. Thus, the performance of segments such as chilled juices or smoothies, perceived to be premium by consumers, was affected by the difficult economic conditions in 2009.

Orange is by far the preferred flavour in Belgium as it is linked with breakfast – the main consumption occasion. Orange is expected to remain fairly stable, whereas the growth opportunity for apple and other emerging flavour variants seems more positive.

With regards to packaging, as producers invest in new technology, plastic is expected to continue to gain market share against carton and other pack formats.

Total fruit juice and nectars

Volume, million litres*	2005	2006	2007	2008	2009	% chg 08-09
Total	209	215	218	221	220	-0.2

Fruit juice (100% juice content)

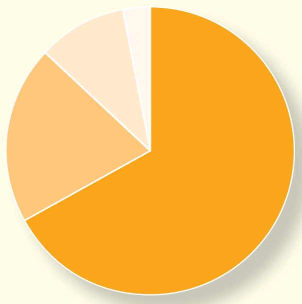
		2005	2006	2007	2008	2009	% chg 08-09
Total Fruit Juice		180	185	187	189	189	na
	Private Label	89	93	96	100	105	+5.9
	Branded	92	93	91	89	84	-6.5
Ambient		172	175	173	173	173	na
	Private Label	87	91	93	96	101	+5.2
	Branded	85	84	81	77	72	-6.8
FC		113	114	112	112	112	na
	Private Label	56	58	60	62	67	+7.6
	Branded	57	56	52	49	45	-7.9
NFC		58	61	61	62	61	-1.8
	Private Label	31	33	33	34	34	na
	Branded	27	28	28	28	27	-4.8
Smoothies		...	...	...	...	...	na
	Private Label	-	...	...	...	...	na
	Branded	...	...	...	...	...	na
Chilled		8	10	14	16	16	na
	Private Label	2	2	3	4	4	na
	Branded	7	8	11	12	12	na
FC		2	2	3	3	3	na
	Private Label	1	1	1	2	2	na
	Branded	1	1	1	1	1	na
NFC		6	7	10	12	12	na
	Private Label	1	1	1	2	2	na
	Branded	5	7	9	10	10	na
Smoothies		...	1	1	1	1	na
	Private Label	...	...	...	...	...	na
	Branded	...	1	1	1	1	na

Nectars (25-99% juice content)

		2005	2006	2007	2008	2009	% chg 08-09
Total Nectars		29	30	31	32	31	-1.9
	Private Label	15	16	17	19	19	na
	Branded	14	14	14	13	12	-8.4
Ambient		27	29	29	30	30	na
	Private Label	14	16	17	18	19	+2.8
	Branded	13	13	13	12	11	-9.4
Chilled		1	1	2	2	2	na
	Private Label	...	...	...	...	...	na
	Branded	1	1	1	1	1	na

*Annual volume sold/consumed. Numbers may vary due to rounding.

Fruit juice & nectars by packaging



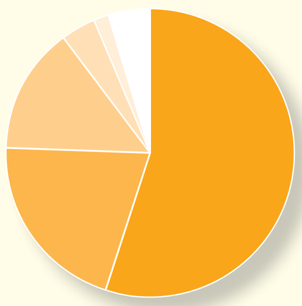
Carton 67.0%

Plastic 20.0%

Glass 10.2%

Other 2.8%

Fruit juice & nectars by flavours



Orange 55.3%

Blends 20.4%

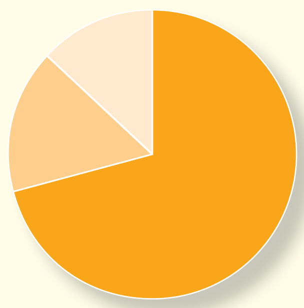
Apple 14.3%

Grapefruit 3.8%

Grape 1.8%

Others 4.4%

Fruit juice & nectars by channel



Take home 71.1%

On premise 16.0%

Impulse 12.9%

“A market characterised by its maturity and consolidation.”

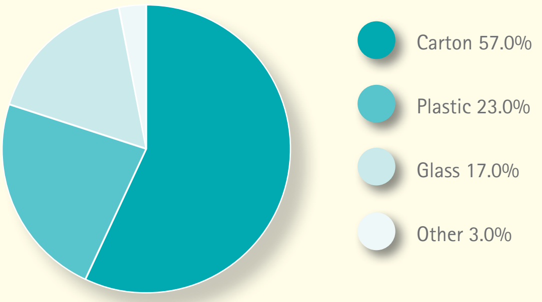
France

Despite being a relatively mature market, France has still witnessed good levels of growth. Total fruit juice and nectar consumption in France stood at 1651 million litres, +3.0%, with per person intake around 27 litres in 2009. Government support encouraging the consumption of fruit and vegetables has engaged with consumers. This has had a positive knock-on effect for both packaged juice and nectars.

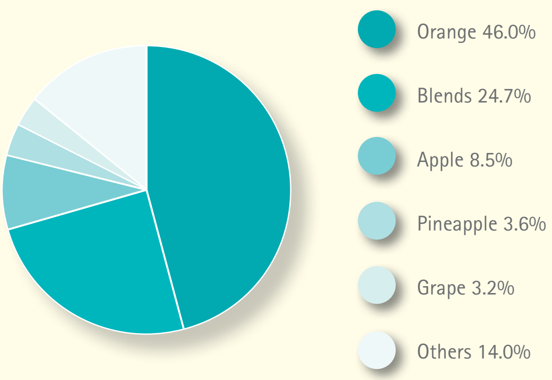
An interesting quirk in France is the notable share of Ambient NFC juice; as consumers favour the quality of NFC and the convenience of the ambient format. The breakfast occasion has ensured a strong role for orange. Although, both juice and nectar producers are striving to diversify and extend consumption beyond the breakfast table.

More exotic flavours are usually reserved for nectars and alternative occasions, such as on-the-go, where flavour experimentation is more common. Although still very niche, organic and ethical products have been gaining in popularity and can be now found amongst branded and private label offerings.

Fruit juice & nectars by packaging



Fruit juice & nectars by flavours



> “Government support encouraging the consumption of fruit and vegetables engaged with consumers.”

Total fruit juice and nectars

Volume, million litres*	2005	2006	2007	2008	2009	% chg 08-09
Total	1,443	1,482	1,541	1,585	1,636	+3.2

Fruit juice (100% juice content)

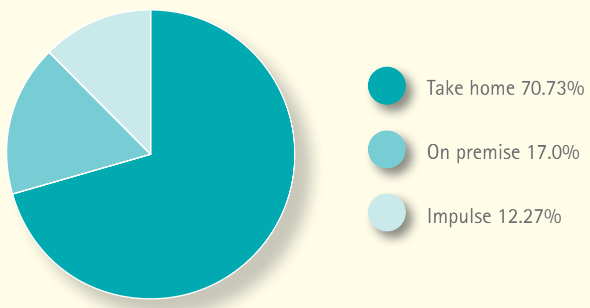
		2005	2006	2007	2008	2009	% chg 08-09
Total Fruit Juice		1,043	1,091	1,151	1,203	1,250	+3.9
	Private Label	619	655	698	740	783	+5.7
	Branded	425	436	453	463	467	+1.0
Ambient		944	983	1,035	1,083	1,129	+4.2
	Private Label	590	622	661	702	743	+5.9
	Branded	354	361	374	382	386	+1.2
FC		469	484	501	513	524	+2.0
	Private Label	291	304	321	333	347	+4.3
	Branded	178	180	180	181	177	-2.1
NFC		475	499	534	569	605	+6.2
	Private Label	299	318	341	369	396	+7.4
	Branded	176	181	193	200	209	+4.1
Smoothies		-	-	...	1	1	na
	Private Label	-	-	...	...	...	na
	Branded	-	-	...	...	1	na
Chilled		99	108	116	120	121	+0.9
	Private Label	29	33	37	39	40	+2.3
	Branded	71	75	79	81	81	na
FC		3	3	3	3	3	na
	Private Label	1	1	1	1	1	na
	Branded	2	2	2	2	2	na
NFC		97	102	107	108	110	+1.0
	Private Label	28	32	36	37	38	+2.2
	Branded	69	70	71	71	72	+0.5
Smoothies		-	3	6	9	9	na
	Private Label	-	-	...	1	1	na
	Branded	-	3	6	8	8	na

Nectars (25-99% juice content)

		2005	2006	2007	2008	2009	% chg 08-09
Total Nectars		399	391	390	382	386	+1.0
	Private Label	233	232	235	235	238	+1.3
	Branded	166	159	155	148	148	na
Ambient		387	380	379	372	375	+0.9
	Private Label	229	228	231	230	233	+1.2
	Branded	159	152	149	141	142	+0.3
Chilled		12	11	11	11	11	na
	Private Label	4	4	4	4	4	na
	Branded	8	7	7	7	7	na

*Annual volume sold/consumed. Numbers may vary due to rounding.

Fruit juice & nectars by channel



Country profile

Germany

A leading producer and end-user of juice, with over 3 billion litres of fruit juice and nectars consumed, Germany remains Europe's largest consumer, and is within the top 3 markets worldwide. With such high levels of consumption, at 39 litres per head in 2009, Germany is mature with declining volumes in recent years. The market itself is comprised of both major producers and many small local and regional operators.

The German consumer favours predominantly ambient, from concentrate, juice. Chilled juices remain a niche area, yet are expected to gain share amidst promotional activity and consumer education. Unsurprisingly, in such a price sensitive market, the discounter channel remains of primary importance; a key factor in the role of private label offerings.

Apple, orange and multivitamin flavours take the lion's share of consumption. Recently, berry combinations have gained favour. Future packaging and flavour innovation will be key to maintain category momentum.

Total fruit juice and nectars

Volume, million litres*		2005	2006	2007	2008	2009	% chg 08-09
Total		3,410	3,360	3,307	3,265	3,193	-2.2

Fruit juice (100% juice content)

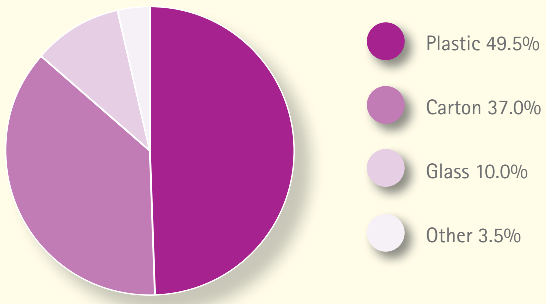
		2005	2006	2007	2008	2009	% chg 08-09
Total Fruit Juice		2,420	2,360	2,300	2,245	2,180	-2.9
	Private Label	1,182	1,262	1,304	1,353	1,412	+4.4
	Branded	1,238	1,098	996	892	768	-13.9
Ambient		2,321	2,252	2,170	2,099	2,040	-2.8
	Private Label	1,160	1,239	1,278	1,325	1,384	+4.5
	Branded	1,160	1,013	892	775	656	-15.3
FC		2,037	1,973	1,897	1,830	1,775	-3.0
	Private Label	1,033	1,108	1,141	1,185	1,244	+5.0
	Branded	1,005	865	756	645	531	-17.7
NFC		283	279	273	268	264	-1.4
	Private Label	127	131	137	139	140	+0.5
	Branded	156	148	137	128	124	-3.4
Smoothies		-	-	-	1	1	na
	Private Label	-	-	-	...	...	na
	Branded	-	-	-	1	1	na
Chilled		100	108	130	146	140	-4.1
	Private Label	22	23	26	28	28	na
	Branded	78	85	104	117	112	-4.7
FC		57	58	62	70	62	-12.1
	Private Label	21	21	22	21	18	-13.6
	Branded	36	37	40	49	44	-11.4
NFC		43	46	54	59	65	+9.7
	Private Label	1	1	2	3	5	+53.6
	Branded	42	44	52	56	60	+7.4
Smoothies		-	5	14	17	14	-18.8
	Private Label	-	...	2	5	6	+16.9
	Branded	-	4	12	12	8	-32.6

Nectars (25-99% juice content)

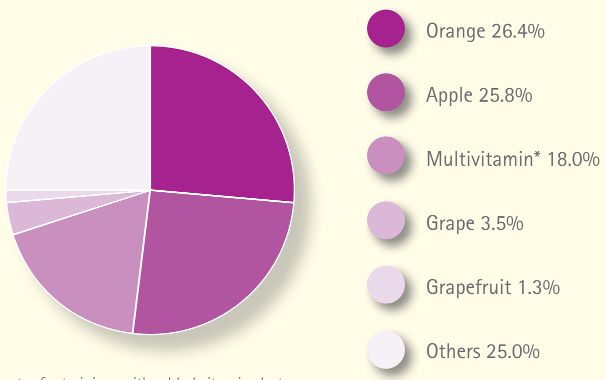
		2005	2006	2007	2008	2009	% chg 08-09
Total Nectars		990	1,000	1,007	1,020	1,013	-0.7
	Private Label	504	513	518	526	524	-0.5
	Branded	486	487	489	494	489	-0.9
Ambient		950	957	963	974	967	-0.7
	Private Label	494	502	507	515	513	-0.5
	Branded	456	455	455	459	454	-1.0
Chilled		40	43	44	46	46	na
	Private Label	10	11	11	11	11	na
	Branded	30	32	34	35	35	na

*Annual volume sold/consumed. Numbers may vary due to rounding.

Fruit juice & nectars by packaging

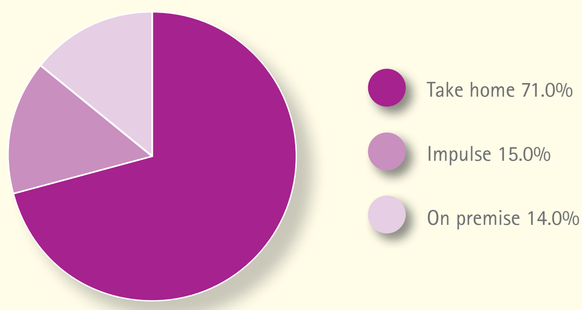


Fruit juice & nectars by flavours



*Does not refer to juices with added vitamins but specific offering made from a particular blend of fruits

Fruit juice & nectars by channel



"Germany remains Europe's largest consumer, and is within the top 3 markets worldwide."

Country profile

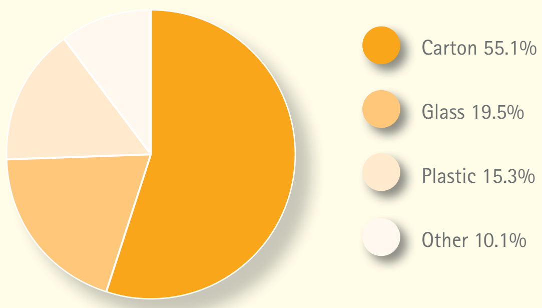
Italy

Challenging economic conditions in Italy dented consumer confidence in 2009. Total consumption of fruit juice and nectars fell just below 700 million litres. Yet, with low consumption per person, around 12 litres, compared with other EU countries, there is still room for growth. In a country that clearly favours nectars over juices, chilled NFC variants and smoothies also have a long way to go.

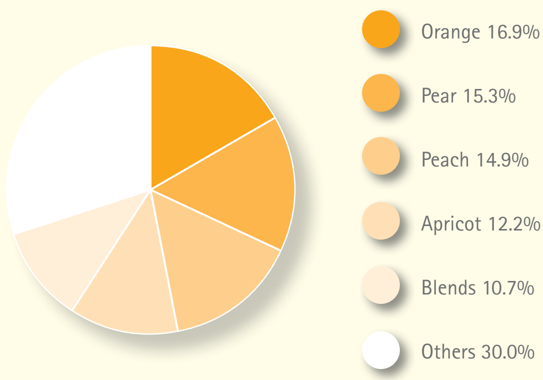
As in other markets, the economic downturn has hit the juice industry. This is adding further pressure towards industry consolidation.

Private label products have witnessed notable improvements in quality, and appear well placed to tap into consumer concerns on product pricing. Peach, apricot and pear remain key flavours and are appreciated by children and adults alike. Increasing awareness of health issues, coupled with a growing understanding about the health properties of juice – 'superfruits' and berries in particular – should support the category in the years ahead.

Fruit juice & nectars by packaging



Fruit juice & nectars by flavours



> In a country that favours nectars over juices, chilled NFC and smoothies have a long way to go.

Total fruit juice and nectars

Volume, million litres*	2005	2006	2007	2008	2009	% chg 08-09
Total	726	711	707	708	699	-1.3

Fruit juice (100% juice content)

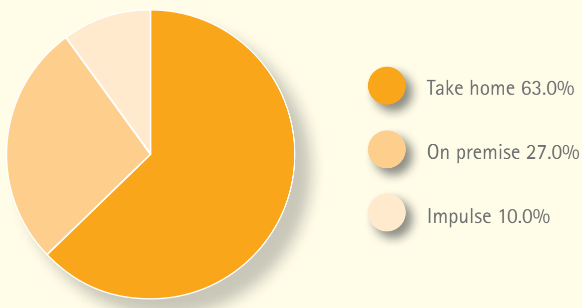
		2005	2006	2007	2008	2009	% chg 08-09
Total Fruit Juice		162	159	158	158	157	-0.6
	Private Label	53	55	57	60	64	+6.0
	Branded	110	104	101	98	93	-4.6
Ambient		148	144	142	141	139	-1.1
	Private Label	49	51	53	56	59	+6.1
	Branded	99	93	89	85	80	-5.9
FC		131	127	125	124	122	-1.7
	Private Label	44	46	47	49	52	+5.9
	Branded	87	81	78	75	70	-6.7
NFC		17	17	17	17	17	na
	Private Label	5	6	6	6	7	+8.1
	Branded	12	11	11	11	11	na
Smoothies		-	...	...	...	...	na
	Private Label	-	-	-	...	...	na
	Branded	-	...	...	...	...	na
Chilled		14	15	16	17	17	na
	Private Label	4	4	4	4	5	+4.5
	Branded	11	11	12	12	13	+4.0
FC		5	4	4	4	4	na
	Private Label	2	2	2	2	2	na
	Branded	2	2	2	2	2	na
NFC		9	10	11	11	12	+3.9
	Private Label	1	2	2	2	2	na
	Branded	8	9	9	9	9	na
Smoothies		...	...	1	1	2	+23.2
	Private Label	-	-	...	...	...	na
	Branded	...	...	1	1	2	+17.3

Nectars (25-99% juice content)

		2005	2006	2007	2008	2009	% chg 08-09
Total Nectars		564	552	549	550	542	-1.5
	Private Label	206	209	214	222	235	+6.0
	Branded	358	343	335	328	307	-6.6
Ambient		557	545	541	543	534	-1.5
	Private Label	206	209	214	222	235	+6.0
	Branded	351	336	328	321	299	-6.7
Chilled		7	7	7	8	8	na
	Private Label	...	...	...	...	...	na
	Branded	7	7	7	8	7	-3.6

*Annual volume sold/consumed. Numbers may vary due to rounding.

Fruit juice & nectars by channel



Country profile

The Netherlands

Total fruit juice and nectar consumption reached 483 million litres in 2009. At 29 litres per person, the Netherlands has one of the highest levels of per capita consumption across the EU.

The juice segment is dominated by juice from concentrate. Brands have leading positions, though private label is gaining share, finding favour with price conscious consumers. Dutch consumers see fresh juice as the most natural of all offerings. Retailers have embraced this fresh and natural phenomenon, further promoting the role for chilled NFC variants.

Juice and nectars have witnessed good levels of innovation in recent years. 'Built-in functionality' from new 'superfruit' offerings has been coupled with 'added functionality' in the shape of added fibre or calcium or light propositions, for example.

In the years ahead, NFC juices are expected to gain share. For all formats, packaging innovation, coupled with promotional support, shall be required to maintain the all important visibility in the on-shelf chiller.

Total fruit juice and nectars

Volume, million litres*	2005	2006	2007	2008	2009	% chg 08-09
Total	462	468	472	476	483	+1.5

Fruit juice (100% juice content)

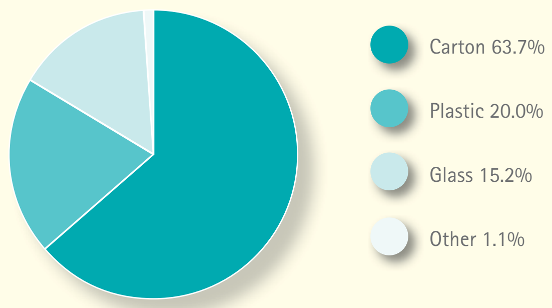
		2005	2006	2007	2008	2009	% chg 08-09
Total Fruit Juice		385	390	393	397	403	+1.5
	Private Label	129	134	138	145	157	+8.4
	Branded	256	256	255	252	246	-2.4
Ambient		330	332	333	335	338	+0.9
	Private Label	115	119	123	128	138	+7.8
	Branded	215	213	211	207	200	-3.4
FC		322	324	324	326	329	+0.9
	Private Label	112	116	120	125	135	+8.0
	Branded	209	207	205	201	194	-3.5
NFC		8	8	9	9	9	na
	Private Label	3	3	3	3	3	na
	Branded	6	6	6	6	6	na
Smoothies		-	...	...	...	...	na
	Private Label	-	-	...	...	...	na
	Branded	-	...	...	...	...	na
Chilled		55	58	60	62	66	+5.0
	Private Label	14	15	16	17	19	+12.9
	Branded	41	43	44	45	46	+2.0
FC		41	42	41	41	41	na
	Private Label	10	10	10	10	10	na
	Branded	32	32	31	31	31	na
NFC		13	16	17	20	23	+16.3
	Private Label	4	5	6	7	9	+27.7
	Branded	9	10	12	13	14	+10.2
Smoothies		...	1	1	2	2	na
	Private Label	-	-	...	...	...	na
	Branded	...	1	1	1	1	na

Nectars (25-99% juice content)

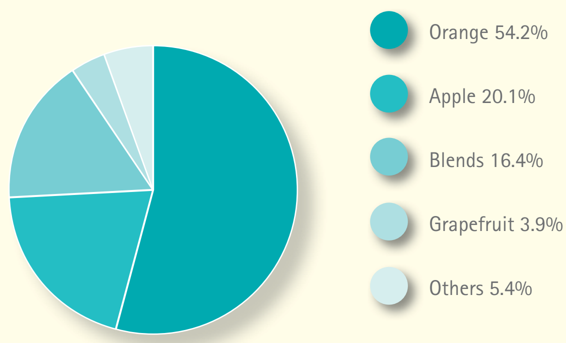
		2005	2006	2007	2008	2009	% chg 08-09
Total Nectars		77	78	79	79	80	+1.1
	Private Label	30	31	31	32	35	+7.0
	Branded	47	47	47	47	45	-2.9
Ambient		61	62	63	63	65	+1.8
	Private Label	27	28	28	29	32	+7.7
	Branded	34	35	34	34	33	-3.3
Chilled		16	16	16	16	16	na
	Private Label	3	3	3	3	3	na
	Branded	13	13	13	13	13	na

*Annual volume sold/consumed. Numbers may vary due to rounding.

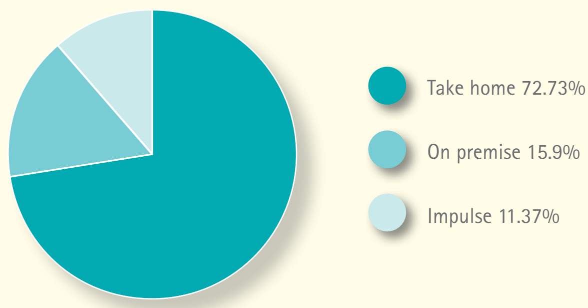
Fruit juice & nectars by packaging



Fruit juice & nectars by flavours



Fruit juice & nectars by channel



> "Juices and nectars have witnessed good levels of innovation in recent years."

Country profile

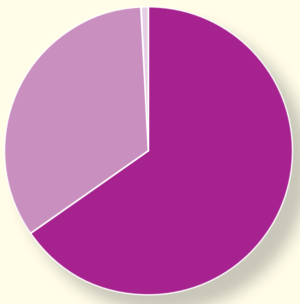
Poland

At 749 million litres – 20 litres per person, the highest in East Europe in 2009 – the Polish fruit juice and nectars market has witnessed a number of structural changes. In previous years, the market saw fruit juice decrease in favour of nectars and other competing fruit drinks. A premium price for juice was caused by higher raw material costs; and a lack of juice competitiveness was compounded by relatively low levels of product differentiation.

From 2008 into 2009, the Polish Association of Juice Producers (KUPS) led the '5-a-Day' campaign which is supported by the EU and Polish government. This led to a significant double digit rebound of juice consumption. Although this growth phenomenon is likely to level out in future.

Chilled NFC products are traditionally single serve, lightly pasteurised, often with carrot being a popular ingredient/flavour in Poland. They remain a more niche area of the market and their development has been held back by logistics and supply challenges. The smoothie segment is presently underdeveloped, mainly due to the popularity of carrot puree and carrot juice blends.

Fruit juice & nectars by packaging



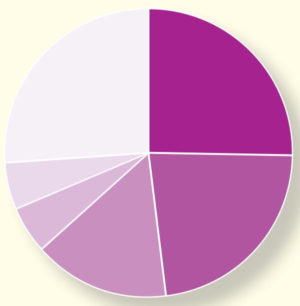
Carton 65.4%

Glass 34.0%

Plastic 0.6%

Other na

Fruit juice & nectars by flavours



Orange 25.4%

Carrot 22.7%

Apple 15.4%

Grapefruit 5.3%

Tomato 5.2%

Others 26.0%

> Industry campaigns saw consumer awareness shift towards natural and healthy offerings.

Total fruit juice and nectars

Volume, million litres*	2005	2006	2007	2008	2009	% chg 08-09
Total	713	783	754	723	749	+3.7

Fruit juice (100% juice content)

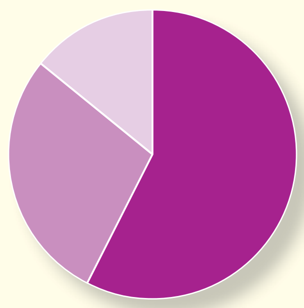
		2005	2006	2007	2008	2009	% chg 08-09
Total Fruit Juice		333	343	288	274	325	+18.8
	Private Label	41	50	55	59	72	+22.0
	Branded	292	293	233	215	253	+17.9
Ambient		332	341	285	270	320	+18.8
	Private Label	41	50	55	59	72	+22.0
	Branded	291	291	230	211	248	+17.9
FC		292	290	240	226	269	+18.9
	Private Label	37	45	49	51	61	+19.2
	Branded	255	246	192	175	208	+18.8
NFC		40	51	44	43	50	+18.2
	Private Label	4	6	7	8	11	+40.8
	Branded	36	45	38	35	40	+13.2
Smoothies		–	...	1	1	1	na
	Private Label	–	–	–	–	–	na
	Branded	–	...	1	1	1	na
Chilled		1	1	3	4	5	+20.0
	Private Label	–	–	–	–	–	na
	Branded	1	1	3	4	5	+20.0
FC		1	1	3	4	5	+20.5
	Private Label	–	–	–	–	–	na
	Branded	1	1	3	4	5	+20.5
NFC		...	...	...	...	...	na
	Private Label	–	–	–	–	–	na
	Branded	...	...	...	...	...	na
Smoothies		–	...	–	...	...	na
	Private Label	–	–	–	–	–	na
	Branded	–	...	–	...	...	na

Nectars (25-99% juice content)

		2005	2006	2007	2008	2009	% chg 08-09
Total Nectars		380	440	466	449	424	-5.5
	Private Label	79	109	136	159	155	-2.4
	Branded	301	331	331	290	269	-7.2
Ambient		376	435	463	445	420	-5.6
	Private Label	79	109	136	159	155	-2.4
	Branded	297	327	327	286	265	-7.4
Chilled		4	5	4	4	4	na
	Private Label	–	–	–	–	–	na
	Branded	4	5	4	4	4	na

*Annual volume sold/consumed. Numbers may vary due to rounding.

Fruit juice & nectars by channel



Take home 57.5%

Impulse 14.1%

On premise 28.4%

Country profile

Spain

Consumers have migrated from branded to private label products due to price and affordability. This move to lower cost offerings, exacerbated by the economic downturn, effectively supported the 24 litres per person, 1078 million litres, of fruit juice and nectars consumed in Spain in 2009.

In terms of flavours, a special characteristic of the Spanish market is the importance of so called duo-flavours such as peach & grape and the existence of nectars with no added sugar or sweeteners. A further development in the market has been the 'antiox' varieties containing 'superfruit' juices. Following consumer acceptance, these now have presence in both branded and private label producers' portfolios. Also common are products mixing juice and milk with added vitamins, with new varieties also blending juice with soy milk.

The horeca sales channel has suffered due to difficult economic conditions, as well as a slowdown in the number of tourists who in-turn have also had more restricted holiday spending budgets. The traditional format in this channel is single serve glass bottles.

Total fruit juice and nectars

Volume, million litres*	2005	2006	2007	2008	2009	% chg 08-09
Total	1,014	1,026	1,069	1,058	1,078	+1.9

Fruit juice (100% juice content)

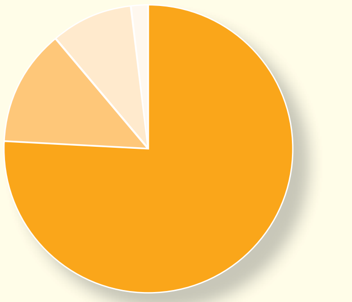
		2005	2006	2007	2008	2009	% chg 08-09
Total Fruit Juice		665	671	706	685	702	+2.4
	Private Label	311	317	344	357	388	+8.7
	Branded	354	354	362	329	314	-4.4
Ambient		634	631	658	637	655	+2.8
	Private Label	306	310	335	348	379	+8.9
	Branded	328	321	323	289	276	-4.5
FC		606	603	628	606	618	+1.9
	Private Label	302	305	330	342	371	+8.4
	Branded	305	298	298	264	247	-6.6
NFC		27	28	30	30	37	+22.5
	Private Label	4	5	5	6	8	+39.2
	Branded	23	23	25	24	29	+18.6
Smoothies		-	-	...	...	...	na
	Private Label	-	-	...	...	...	na
	Branded	-	-	...	...	...	na
Chilled		31	40	48	49	47	-3.1
	Private Label	5	7	9	9	9	na
	Branded	26	33	39	40	38	-4.0
FC		13	16	18	17	15	-11.3
	Private Label	4	5	6	6	5	-10.1
	Branded	10	11	12	11	10	-11.8
NFC		18	24	29	30	30	na
	Private Label	1	2	3	3	3	na
	Branded	17	22	26	27	26	-1.2
Smoothies		...	1	1	2	3	+10.9
	Private Label	-	...	...	1	1	na
	Branded	...	1	1	2	2	na

Nectars (25–99% juice content)

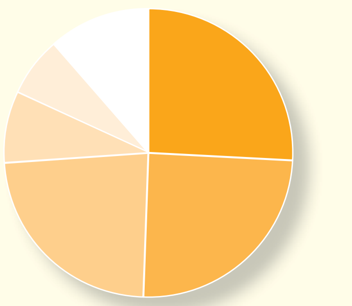
		2005	2006	2007	2008	2009	% chg 08-09
Total Nectars		349	355	363	373	376	+0.8
	Private Label	171	176	182	200	222	+10.9
	Branded	178	179	181	173	154	-10.9
Ambient		336	342	350	361	370	+2.6
	Private Label	171	176	182	200	222	+10.9
	Branded	165	166	168	161	148	-7.8
Chilled		13	13	13	12	6	-52.7
	Private Label	-	...	...	...	...	-21.2
	Branded	13	13	13	12	6	-52.9

*Annual volume sold/consumed. Numbers may vary due to rounding.

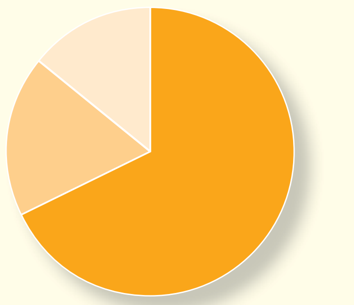
Fruit juice & nectars by packaging



Fruit juice & nectars by flavours



Fruit juice & nectars by channel



"Importance of so called duo-flavours such as peach & grape."

Country profile

Sweden

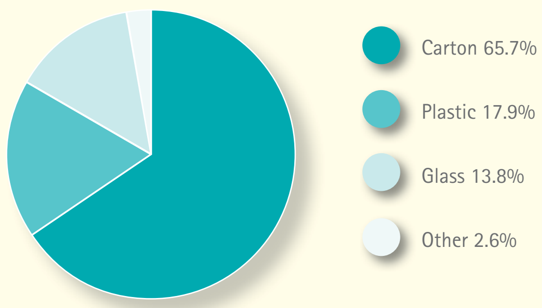
Swedish fruit juice and nectar consumption enjoyed healthy growth in 2009 to reach 202 million litres around 22 litres per head – driven by a strong performance for chilled juice.

Recognised as a pure and natural offering by consumers, juice is taking share from nectars. The juice proposition is also directed towards 'green' consumers. Today, more and more Swedes make associations between sustainability and wellbeing. Organic juice is therefore purchased because it is seen as a sustainable and physically healthier choice.

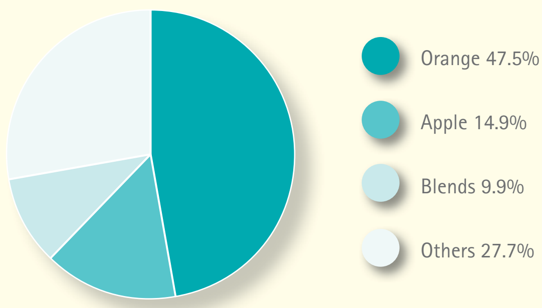
The smoothie segment is flourishing in Sweden. Both locally produced brands and imported variants have enjoyed popularity despite constituting high-end premium status within the wider fruit juice and nectars category. The segment promises growth opportunities thanks to its highly nutritious, refreshing and meal-replacement positioning.

Consumers look for more variety in regards to flavours. The undisputed leader, orange, is seeing a downward trend – with blends and apple benefiting most.

Fruit juice & nectars by packaging



Fruit juice & nectars by flavours



> "Recognised as a pure and natural offering by consumers, juice is taking share from nectars."

Total fruit juice and nectars

Volume, million litres*	2005	2006	2007	2008	2009	% chg 08-09
Total	206	203	203	198	202	+2.1

Fruit juice (100% juice content)

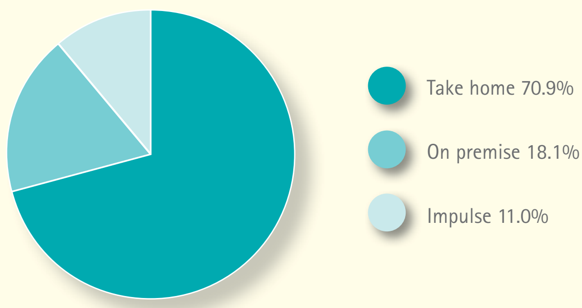
Category	Segment	2005	2006	2007	2008	2009	% chg 08-09
Total Fruit Juice		178	181	184	183	188	+3.0
	Private Label	47	46	45	45	47	+3.4
	Branded	131	135	139	137	141	+2.9
Ambient		89	76	68	62	59	-4.0
	Private Label	32	28	25	23	23	na
	Branded	58	49	43	38	36	-4.5
FC		87	74	66	60	57	-4.1
	Private Label	31	27	24	23	22	-3.3
	Branded	56	47	42	37	35	-4.5
NFC		2	2	2	2	2	na
	Private Label	1	1	1	1	1	na
	Branded	1	1	1	1	1	na
Smoothies		...	...	...	...	...	na
	Private Label	...	...	...	...	...	na
	Branded	...	...	...	...	...	na
Chilled		89	105	116	121	129	+6.6
	Private Label	15	18	21	22	24	+10.5
	Branded	74	86	96	99	105	+5.7
FC		37	43	48	48	51	+6.0
	Private Label	3	4	4	4	5	+14.8
	Branded	34	40	44	44	46	+5.1
NFC		52	61	68	72	77	+6.7
	Private Label	12	15	16	17	19	+8.9
	Branded	39	46	52	54	58	+6.0
Smoothies		...	...	1	1	1	na
	Private Label	...	...	...	...	...	na
	Branded	...	...	...	1	1	na

Nectars (25-99% juice content)

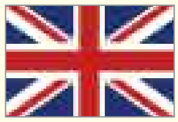
Category	Segment	2005	2006	2007	2008	2009	% chg 08-09
Total Nectars		28	22	19	16	14	-9.1
	Private Label	10	8	7	6	6	na
	Branded	18	14	12	10	9	-10.9
Ambient		18	15	12	10	9	-9.1
	Private Label	7	5	5	4	4	na
	Branded	11	9	8	6	5	-11.2
Chilled		10	8	6	6	5	-9.1
	Private Label	3	3	2	2	2	na
	Branded	6	5	4	4	3	-10.2

*Annual volume sold/consumed. Numbers may vary due to rounding.

Fruit juice & nectars by channel



Country profile



UK

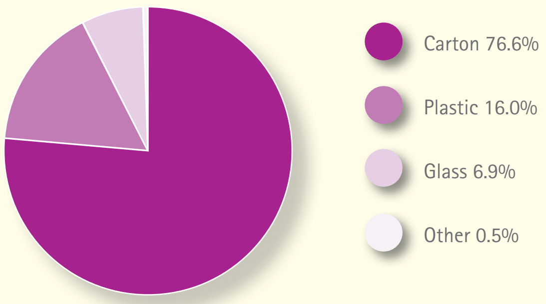
Juices and nectars were both affected by the economic downturn in the UK, falling to 23 litres per person in 2009, which equates to a total market of 1435 million litres. The worst hit were premium products, especially smoothies, registering double digit volume declines.

Coming from a very low base, the UK saw strong growth of NFC ambient juice, at the expense of chilled NFC offerings. In a similar vein, branded juices suffered more than private label. 2009 was a year of heavy promotions, as producers attempted to entice cash-strapped consumers to buy more.

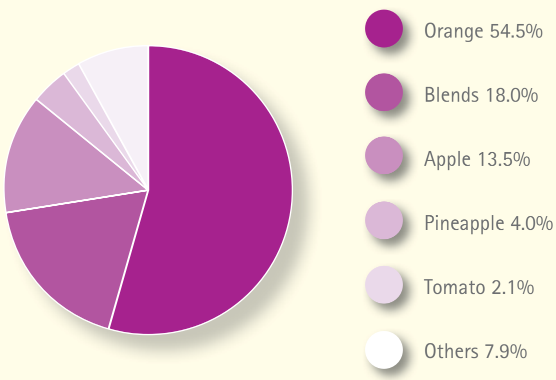
Orange and apple flavours have remained strong favourites for UK consumers, both as single flavour variants and as part of blended choices.

Health awareness and ongoing 5-a-Day messages should support pure juice, nectars and smoothies going forwards. As consumers feel more secure with the money in their pockets, a falling trend should be reversed in the years to come.

Fruit juice & nectars by packaging



Fruit juice & nectars by flavours



> “A year of heavy promotions, as producers attempted to entice cash-strapped consumers to buy more.”

Total fruit juice and nectars

Volume, million litres*	2005	2006	2007	2008	2009	% chg 08-09
Total	1,385	1,505	1,535	1,480	1,430	-3.4

Fruit juice (100% juice content)

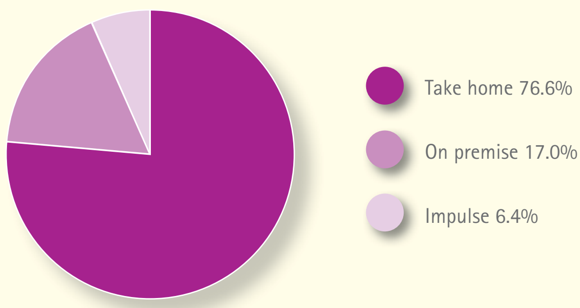
		2005	2006	2007	2008	2009	% chg 08-09
Total Fruit Juice		1,215	1,305	1,330	1,285	1,245	-3.1
	Private Label	833	870	880	848	855	+0.8
	Branded	382	435	450	437	390	-10.8
Ambient		670	643	630	575	558	-3.0
	Private Label	513	495	485	448	445	-0.7
	Branded	157	148	145	127	113	-11.2
FC		650	622	609	552	533	-3.5
	Private Label	502	483	473	435	430	-1.2
	Branded	148	139	135	117	103	-12.0
NFC		19	19	18	21	23	+13.4
	Private Label	11	12	11	13	15	+17.3
	Branded	8	8	7	8	8	na
Smoothies		1	2	3	2	2	na
	Private Label	...	...	...	...	...	na
	Branded	1	2	3	2	1	na
Chilled		545	662	700	710	687	-3.2
	Private Label	320	375	395	400	410	+2.5
	Branded	225	287	305	310	277	-10.6
FC		256	281	294	288	284	-1.3
	Private Label	220	245	261	260	253	-2.9
	Branded	36	37	33	27	31	+13.6
NFC		255	328	330	361	358	-0.7
	Private Label	94	121	122	130	150	+15.8
	Branded	161	206	208	231	208	-10.1
Smoothies		34	53	76	62	45	-26.6
	Private Label	6	9	12	10	7	-31.2
	Branded	28	44	64	52	38	-25.7

Nectars (25-99% juice content)

		2005	2006	2007	2008	2009	% chg 08-09
Total Nectars		170	200	205	195	185	-5.1
	Private Label	62	74	78	77	75	-2.3
	Branded	108	126	127	118	110	-7.0
Ambient		133	156	160	154	148	-3.9
	Private Label	48	58	60	61	60	-0.5
	Branded	84	98	100	93	88	-6.1
Chilled		37	44	45	41	37	-9.6
	Private Label	14	16	18	16	15	-8.7
	Branded	24	28	28	25	22	-10.2

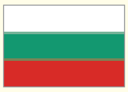
*Annual volume sold/consumed. Numbers may vary due to rounding.

Fruit juice & nectars by channel



Country profiles

Bulgaria



The Bulgarian fruit juice and nectars market is still relatively underdeveloped, with comparably low per capita consumption — 12 litres per person. 2009 saw tough economic conditions squeeze consumer spending.

Consumers are shifting away from low priced, low fruit content still drinks to healthier products. This presents an opportunity for juice and nectars; yet price is still a driving factor. At the high end of the market, fresh juice and NFC juice are very limited. At the lower priced end, private label is beginning to strike a chord with consumers, coinciding with the evolution of modern retail.

Total fruit juice and nectars

Volume, million litres*	2005	2006	2007	2008	2009	% chg 08–09
Total	68	74	85	98	89	-9.2

Fruit juice (100% juice content)

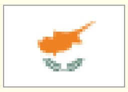
		2005	2006	2007	2008	2009	% chg 08–09
Total Fruit Juice		23	21	24	26	22	-14.0
	Private Label	...	...	...	...	...	na
	Branded	23	21	23	25	22	-14.1
Chilled		...	...	...	...	...	na
Ambient		23	21	23	25	22	-13.8
FC		23	21	23	25	21	-14.4
NFC		...	...	1	1	1	na

Nectars (25–99% juice content)

		2005	2006	2007	2008	2009	% chg 08–09
Total Nectars		45	53	62	73	67	-7.5
	Private Label	...	...	...	1	1	na
	Branded	45	53	61	72	66	-7.7

*Annual volume sold/consumed. Numbers may vary due to rounding.

Cyprus



A small market by volume consumed, Cyprus remains one of the highest consuming markets in terms of consumption per person with around 37 litres per head. Consumption per capita is bolstered by in-bound tourism and thus sales to non-Cypriot consumers during the summer months in particular.

Juice in Cyprus is mainly imported, with brands taking the main role and private label remaining marginal. The majority of juice consumed is FC and ambient, with only a limited volume of NFC distributed throughout the country.

Total fruit juice and nectars

Volume, million litres*	2005	2006	2007	2008	2009	% chg 08–09
Total	29	31	32	33	32	-3.8

Fruit juice (100% juice content)

		2005	2006	2007	2008	2009	% chg 08–09
Total Fruit Juice		26	27	29	29	28	-3.8
	Private Label	...	...	...	...	...	na
	Branded	26	27	29	29	28	-3.8
Chilled		...	1	1	1	1	na
Ambient		25	27	28	28	27	-3.6
FC		26	27	28	29	28	na
NFC		...	...	...	...	...	na

Nectars (25–99% juice content)

		2005	2006	2007	2008	2009	% chg 08–09
Total Nectars		4	4	4	4	4	na
	Private Label	...	...	...	...	...	na
	Branded	3	4	4	4	4	na

*Annual volume sold/consumed. Numbers may vary due to rounding.

Czech Republic

The Czech Republic fruit juice and nectars market has faced economic challenges and competition from other beverage categories. Consumers have a relatively low awareness of the differentiation between juices and nectars. Price is the main criteria for purchase.

Private label offerings are now key in driving the market forwards. At the premium end of the market, there is some room for fresh juice and a number of fresh product innovations are coming from both local players and imports.

Total fruit juice and nectars

Volume, million litres*	2005	2006	2007	2008	2009	% chg 08–09
Total	123	123	124	119	116	-2.7

Fruit juice (100% juice content)

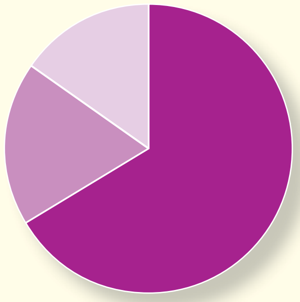
		2005	2006	2007	2008	2009	% chg 08–09
Total Fruit Juice		69	64	58	55	52	-4.6
	Private Label	23	24	24	23	23	na
	Branded	46	40	34	32	29	-9.6
Chilled		...	...	...	...	...	na
Ambient		69	64	58	54	52	-4.8
FC		63	57	50	46	44	-4.4
NFC		6	7	8	8	8	na

Nectars (25–99% juice content)

		2005	2006	2007	2008	2009	% chg 08–09
Total Nectars		54	59	66	64	64	na
	Private Label	14	18	22	22	23	+6.1
	Branded	40	41	44	43	41	-4.6

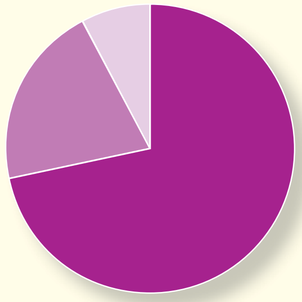
*Annual volume sold/consumed. Numbers may vary due to rounding.

Fruit juice & nectars
by channel



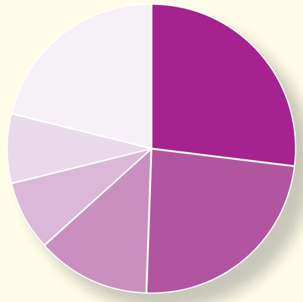
Take home 66.4%
Impulse 15.1%
On premise 18.5%

Fruit juice & nectars
by packaging



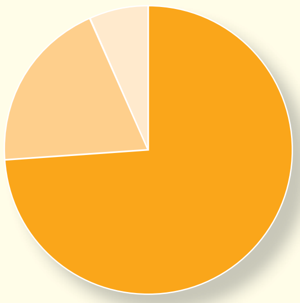
Carton 71.8%
Plastic 7.6%
Glass 20.6%
Other na

Fruit juice & nectars
by flavours



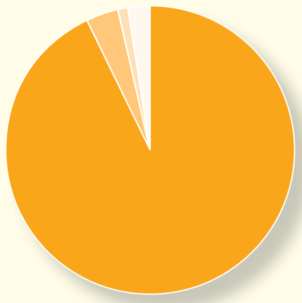
Orange 27.2%
Peach 23.6%
Blends 12.6%
Apricot 7.9%
Apple 7.6%
Others 21.1%

Fruit juice & nectars
by channel



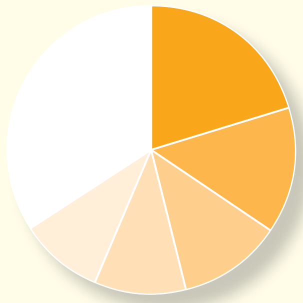
Take home 74.0%
Impulse 6.5%
On premise 19.5%

Fruit juice & nectars
by packaging



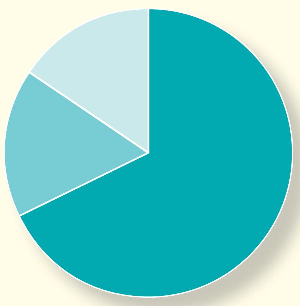
Carton 93.0%
Plastic 1.2%
Glass 3.5%
Other 2.3%

Fruit juice & nectars
by flavours



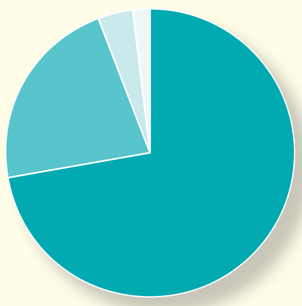
Orange 20.5%
Pineapple 14.2%
Apple 11.5%
Blends 10.3%
Peach 8.5%
Others 35.0%

Fruit juice & nectars
by channel



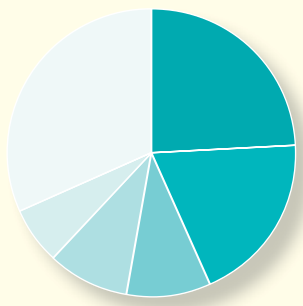
Take home 67.9%
On premise 15.5%
Impulse 16.6%

Fruit juice & nectars
by packaging



Carton 72.3%
Plastic 3.8%
Glass 22.1%
Other 1.8%

Fruit juice & nectars
by flavours



Orange 24.3%
Apple 19.2%
Multivitamin* 9.5%
Blends 9.0%
Tomato 6.5%
Others 31.5%

*Does not refer to juices with added vitamins but specific offering made from a particular blend of fruits

Country profiles

Denmark

Nectars are virtually non-existent in Denmark, partially due to the tax on soft drinks with added sugar. As a result, retail prices for nectars are higher than for juice. Private label juice gained share up to 2009 when it saw a slight decline from resurgent and aggressively priced brands. With a hoped for economic recovery and increased consumer purchasing power, a preference for branded products could prevail.

Blends have recorded positive growth year on year, stealing share from orange and apple as consumers are willing to experiment with more unusual flavour combinations.

Total fruit juice and nectars

Volume, million litres*	2005	2006	2007	2008	2009	% chg 08–09
Total	151	151	150	145	142	-2.0

Fruit juice (100% juice content)

		2005	2006	2007	2008	2009	% chg 08–09
Total Fruit Juice		141	141	140	137	134	-1.5
	Private Label	69	70	71	72	69	-3.6
	Branded	72	71	69	65	65	na
Chilled		16	16	17	17	16	-2.5
Ambient		125	124	123	120	118	-1.4
FC		133	132	132	129	127	-1.5
NFC		8	8	8	8	8	na

Nectars (25–99% juice content)

		2005	2006	2007	2008	2009	% chg 08–09
Total Nectars		10	10	10	8	7	-10.4
	Private Label	7	7	7	7	6	-11.5
	Branded	3	3	3	2	2	na

*Annual volume sold/consumed. Numbers may vary due to rounding.

Estonia

The main challenge for the Estonian juice and nectars industry is the economy. In spite of many promotions, consumers have remained cautious and the market has fallen back as a result. Typically, consumers have opted for private label, which has increased share since 2005.

In the current economic climate, price is the overriding factor. The majority of juice consumed is ambient, with chilled offerings generally seen as too expensive. Chilled NFC remains a negligible segment, due to costs associated with transport, retail shelf-space and the higher value per litre.

Total fruit juice and nectars

Volume, million litres*	2005	2006	2007	2008	2009	% chg 08–09
Total	29	35	41	41	37	-10.0

Fruit juice (100% juice content)

		2005	2006	2007	2008	2009	% chg 08–09
Total Fruit Juice		15	18	21	20	19	-7.0
	Private Label	2	2	3	3	3	na
	Branded	13	16	18	17	16	-10.2
Chilled		...	...	...	...	...	na
Ambient		14	18	21	20	19	-7.1
FC		14	18	21	20	19	-7.1
NFC		...	...	...	...	...	na

Nectars (25–99% juice content)

		2005	2006	2007	2008	2009	% chg 08–09
Total Nectars		14	17	19	21	18	-13.0
	Private Label	2	2	3	3	3	na
	Branded	12	14	17	17	15	-16.2

*Annual volume sold/consumed. Numbers may vary due to rounding.

Finland

The impact of recession and an increase in raw material prices has hindered demand. Coupled with this, the fruit juice and nectars market in Finland has declined as a result of less consumer appeal for ambient juice. Given the larger share for ambient formats, the positive progress for chilled juice has not been sufficient to generate a positive momentum for juice and nectars overall.

Price is a driving factor, alongside the macro trends of health, wellbeing and a consumer preference for naturalness. NFC juice is developing, albeit at a slow pace, mostly due to its higher price point.

Total fruit juice and nectars

Volume, million litres*	2005	2006	2007	2008	2009	% chg 08–09
Total	150	150	149	146	144	-1.3

Fruit juice (100% juice content)

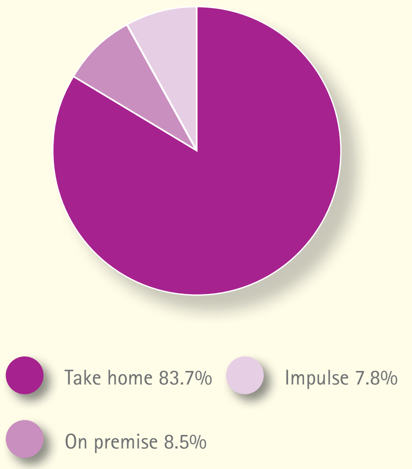
		2005	2006	2007	2008	2009	% chg 08–09
Total Fruit Juice		135	132	131	129	127	-1.3
	Private Label	43	43	46	49	51	+4.5
	Branded	92	89	85	80	77	-4.8
Chilled		32	34	36	37	39	+2.9
Ambient		103	98	95	92	89	-3.0
FC		123	118	116	114	112	-1.8
NFC		12	14	15	16	16	na

Nectars (25–99% juice content)

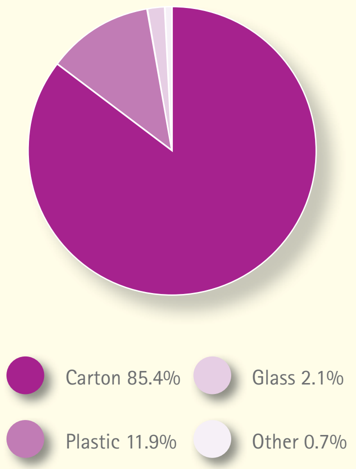
		2005	2006	2007	2008	2009	% chg 08–09
Total Nectars		15	18	18	17	17	na
	Private Label	6	8	8	8	9	+5.3
	Branded	9	10	10	9	8	-6.6

*Annual volume sold/consumed. Numbers may vary due to rounding.

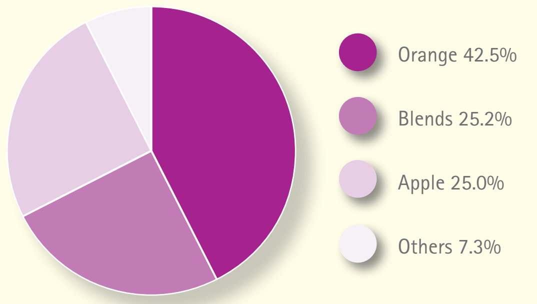
Fruit juice & nectars by channel



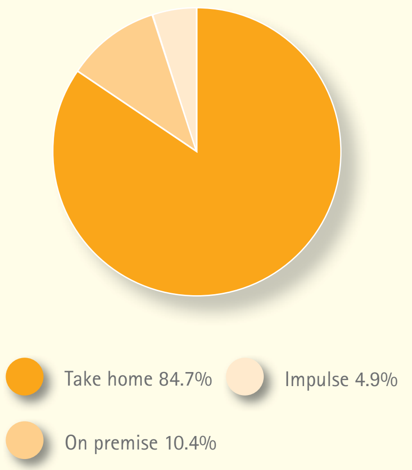
Fruit juice & nectars by packaging



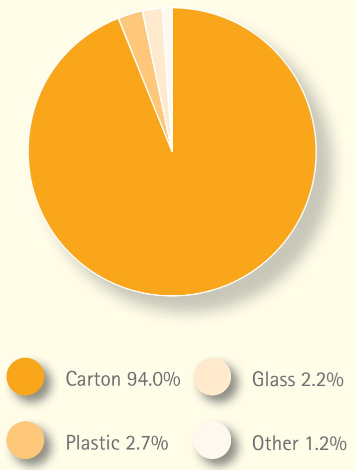
Fruit juice & nectars by flavours



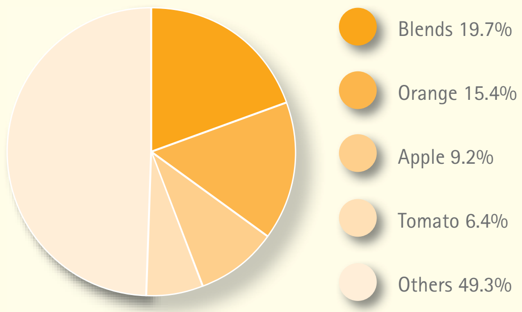
Fruit juice & nectars by channel



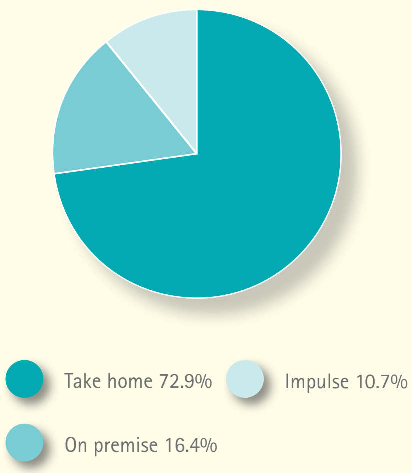
Fruit juice & nectars by packaging



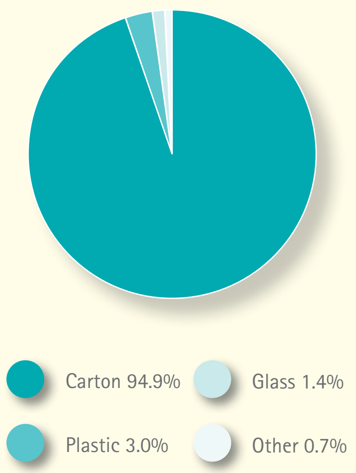
Fruit juice & nectars by flavours



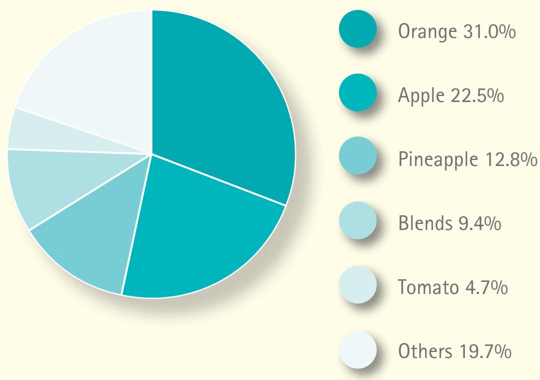
Fruit juice & nectars by channel



Fruit juice & nectars by packaging



Fruit juice & nectars by flavours



Country profiles

Greece

A highly consolidated market, Greece saw good levels of growth in the years to 2008. However, 2009 brought about severe local economic conditions as well as the challenges faced by lower rates of tourism.

Juices had been gaining share at the expense of nectars in recent years. Yet, this trend was halted in 2009, mainly due to the economic downturn and price-conscious consumers shifting towards lower cost nectar offerings. As in most markets across Europe, price shall be a defining factor in 2010 and beyond.

Total fruit juice and nectars

Volume, million litres*	2005	2006	2007	2008	2009	% chg 08–09
Total	179	186	192	196	194	-0.8

Fruit juice (100% juice content)

		2005	2006	2007	2008	2009	% chg 08–09
Total Fruit Juice		114	119	125	128	126	-1.4
	Private Label	21	22	24	25	25	na
	Branded	93	97	101	103	101	-1.9
Chilled		29	33	37	39	38	-3.1
Ambient		85	86	88	89	88	-0.7
FC		112	116	121	124	122	-1.3
NFC		2	3	3	4	4	na

Nectars (25–99% juice content)

		2005	2006	2007	2008	2009	% chg 08–09
Total Nectars		65	66	68	68	68	na
	Private Label	15	16	16	17	17	na
	Branded	50	51	51	51	51	na

*Annual volume sold/consumed. Numbers may vary due to rounding.

Hungary

The Hungarian juice and nectars market has faced considerable competition from alternative beverage categories, with consumption shifting towards products such as iced tea and bottled water. Albeit at a low base, the share of private label juice and nectars has been growing. This has been due to the high demand for lower cost products within volatile economical conditions.

NFC juice is currently a marginal category in Hungary, given the high cost of production and costs associated with a chilled supply chain. Nevertheless, key players have recognised an opportunity for NFC juices and smoothies in the coming years.

Total fruit juice and nectars

Volume, million litres*	2005	2006	2007	2008	2009	% chg 08–09
Total	161	157	153	144	129	-10.8

Fruit juice (100% juice content)

		2005	2006	2007	2008	2009	% chg 08–09
Total Fruit Juice		64	64	60	55	51	-6.3
	Private Label	3	3	3	3	4	+22.0
	Branded	61	61	57	51	47	-8.2
Chilled		...	...	1	1	1	na
Ambient		64	63	60	54	51	-6.2
FC		64	63	60	54	51	-6.2
NFC		...	...	...	...	...	na

Nectars (25–99% juice content)

		2005	2006	2007	2008	2009	% chg 08–09
Total Nectars		97	94	93	90	77	-13.6
	Private Label	5	6	7	7	7	na
	Branded	91	87	86	82	70	-15.2

*Annual volume sold/consumed. Numbers may vary due to rounding.

Ireland

Being an established but small market in terms of population, Ireland's fruit juice and nectars category has generally resonated well with consumers. Yet, despite government support in terms of raising health awareness, the severity of the recession fundamentally impacted consumption in 2009.

NFC chilled is the largest sub-segment. Across all fruit juice and the small representation of nectars, Irish consumers have remained consistently true to the three core flavours of orange, apple and pineapple. However berries, grapefruit and mango are increasing their presence as consumers also become open to more exotic flavours.

Total fruit juice and nectars

Volume, million litres*	2005	2006	2007	2008	2009	% chg 08–09
Total	77	79	81	78	66	-15.6

Fruit juice (100% juice content)

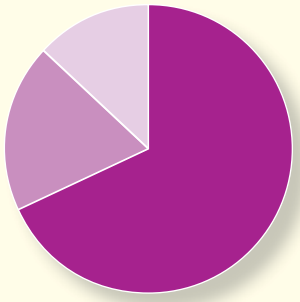
		2005	2006	2007	2008	2009	% chg 08–09
Total Fruit Juice		63	65	66	64	54	-16.0
	Private Label	17	19	20	21	20	-7.2
	Branded	46	46	46	42	34	-20.4
Chilled		15	18	23	22	18	-19.6
Ambient		48	47	43	42	36	-14.1
FC		45	46	46	44	38	-14.4
NFC		18	19	20	20	16	-19.5

Nectars (25–99% juice content)

		2005	2006	2007	2008	2009	% chg 08–09
Total Nectars		14	14	15	14	12	-14.0
	Private Label	4	4	4	5	4	-5.7
	Branded	10	10	10	10	8	-18.1

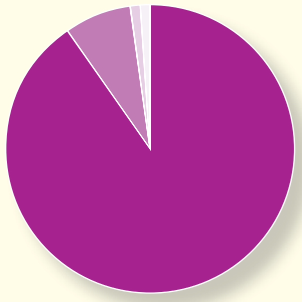
*Annual volume sold/consumed. Numbers may vary due to rounding.

Fruit juice & nectars by channel



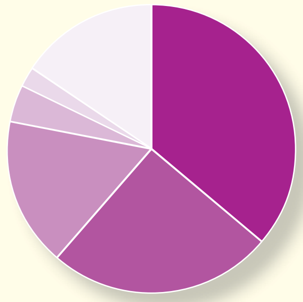
- Take home 68.2%
- Impulse 13.0%
- On premise 18.8%

Fruit juice & nectars by packaging



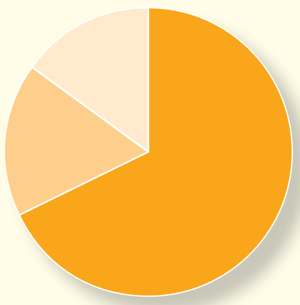
- Carton 90.4%
- Plastic 0.9%
- Glass 1.1%
- Other 7.6%

Fruit juice & nectars by flavours



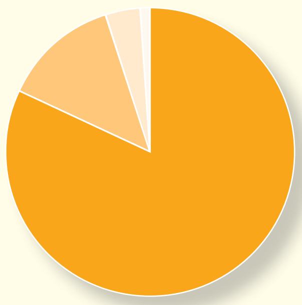
- Blends 36.3%
- Orange 25.1%
- Peach 16.7%
- Grapefruit 4.2%
- Pineapple 2.4%
- Others 15.4%

Fruit juice & nectars by channel



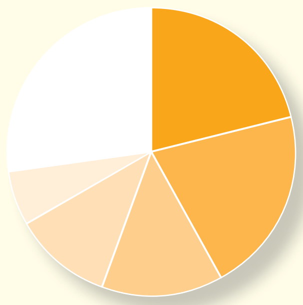
- Take home 68.0%
- Impulse 15.0%
- On premise 17.0%

Fruit juice & nectars by packaging



- Carton 82.0%
- Glass 4.0%
- Plastic 13.0%
- Other 1.0%

Fruit juice & nectars by flavours



- Peach 21.2%
- Orange 20.9%
- Blends 13.7%
- Multivitamin* 11.0%
- Pear 6.1%
- Others 27.1%

*Does not refer to juices with added vitamins but specific offering made from a particular blend of fruits

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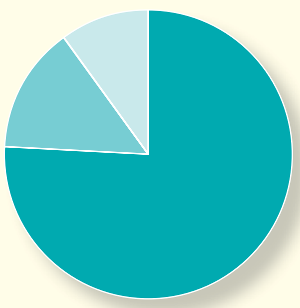
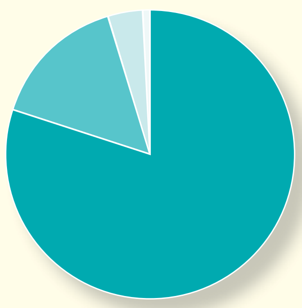
Fruit juice & nectars by channel



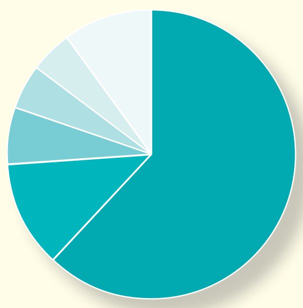
- Take home 76.0%
- On premise 10.0%
- Impulse 14.0%

Fruit juice & nectars by packaging



- Carton 80.1%
- Glass 3.9%
- Plastic 15.3%
- Other 0.8%

Fruit juice & nectars by flavours



- Orange 62.0%
- Apple 12.0%
- Berries 6.5%
- Pineapple 5.0%
- Grapefruit 4.7%
- Others 9.8%

Country profiles

Latvia

As elsewhere in the Baltic region and wider EU, the Latvian juice and nectars market has been extremely affected by the economic climate. Local consumers are ever more price sensitive and since consumer confidence decreased, the consumption of fruit juice and nectars consequentially fell back in 2009.

Private label has increased its share, mainly due to the price difference with branded products. Nevertheless, regular price promotions from the main branded players have held back any further loss of share.

Total fruit juice and nectars

Volume, million litres*	2005	2006	2007	2008	2009	% chg 08–09
Total	47	52	56	55	40	-28.1

Fruit juice (100% juice content)

		2005	2006	2007	2008	2009	% chg 08–09
Total Fruit Juice		17	19	20	18	13	-30.6
	Private Label	1	1	1	1	2	+12.8
	Branded	17	18	19	17	11	-34.3
Chilled		...	...	...	...	...	na
Ambient		17	19	20	18	12	-30.6
FC		17	18	19	17	12	-30.6
NFC		...	...	1	1	...	-28.1

Nectars (25–99% juice content)

		2005	2006	2007	2008	2009	% chg 08–09
Total Nectars		30	33	36	37	27	-26.9
	Private Label	1	2	2	3	4	+13.7
	Branded	29	31	34	34	23	-30.9

*Annual volume sold/consumed. Numbers may vary due to rounding.

Lithuania

In the light of increasing unemployment and declining household incomes, Lithuanian consumers have made cautious purchasing decisions with a focus on staple products. As a consequence, juice has been seen less in the everyday shopping basket.

In 2009, prices of branded juice declined so much that these were nearly at the same level as private label juice offerings. Whilst this helped branded products remain competitive in an aggressive pricing environment, this was at the cost of reduced margins. Chilled and NFC juice are virtually non-existent due to costs of transportation and chilled retail shelf space.

Total fruit juice and nectars

Volume, million litres*	2005	2006	2007	2008	2009	% chg 08–09
Total	53	59	65	61	46	-24.9

Fruit juice (100% juice content)

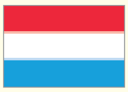
		2005	2006	2007	2008	2009	% chg 08–09
Total Fruit Juice		19	21	23	22	15	-29.7
	Private Label	2	3	3	3	2	-28.8
	Branded	16	18	20	19	13	-29.8
Chilled		...	...	...	...	...	na
Ambient		19	20	23	22	15	-29.7
FC		18	20	22	21	15	-30.0
NFC		1	1	1	1	1	na

Nectars (25–99% juice content)

		2005	2006	2007	2008	2009	% chg 08–09
Total Nectars		34	38	42	39	30	-22.2
	Private Label	4	5	5	5	4	-21.0
	Branded	30	33	37	34	26	-22.4

*Annual volume sold/consumed. Numbers may vary due to rounding.

Luxembourg



The Luxembourg fruit juice and nectars market has tended to mirror the trends witnessed in neighbouring Belgium. A degree of price sensitivity alongside competing product offerings, such as juice drinks, have held back innovation and the growth opportunity to some extent.

Orange is expected to remain a key mainstay in the market, with apple and flavour blends likely to build momentum. It is also hoped that juice and nectars can capitalise on the greatly improved consumer understanding of health and hydration issues that have so benefited bottled water over the years.

Total fruit juice and nectars

Volume, million litres*	2005	2006	2007	2008	2009	% chg 08–09
Total	9	10	10	10	10	na

Fruit juice (100% juice content)

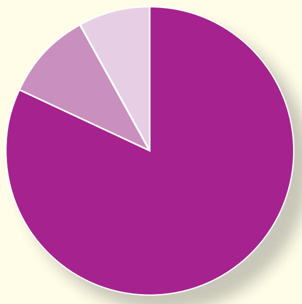
		2005	2006	2007	2008	2009	% chg 08–09
Total Fruit Juice		8	8	8	9	9	na
	Private Label	4	4	4	5	5	na
	Branded	4	4	4	4	4	na
Chilled		...	...	1	1	1	na
Ambient		8	8	8	8	8	na
FC		5	5	5	5	5	na
NFC		3	3	3	3	3	na

Nectars (25–99% juice content)

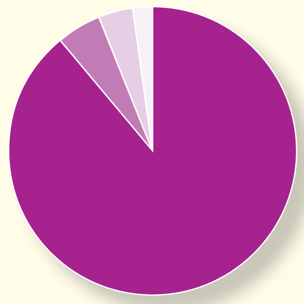
		2005	2006	2007	2008	2009	% chg 08–09
Total Nectars		1	1	1	1	1	na
	Private Label	1	1	1	1	1	na
	Branded	1	1	1	1	1	na

*Annual volume sold/consumed. Numbers may vary due to rounding.

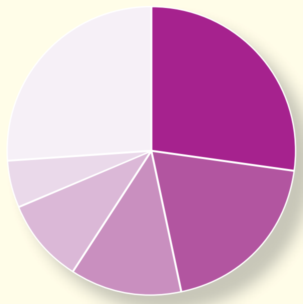
Fruit juice & nectars by channel



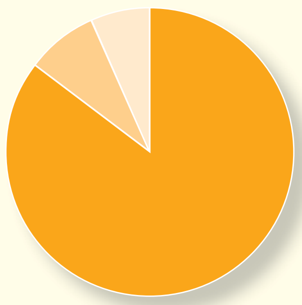
Fruit juice & nectars by packaging



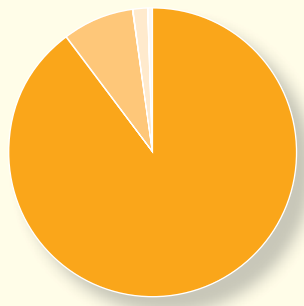
Fruit juice & nectars by flavours



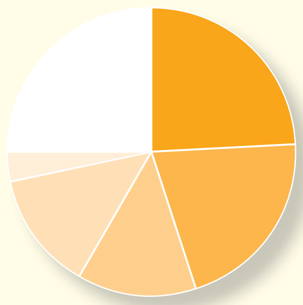
Fruit juice & nectars by channel



Fruit juice & nectars by packaging

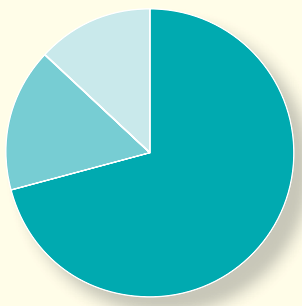


Fruit juice & nectars by flavours

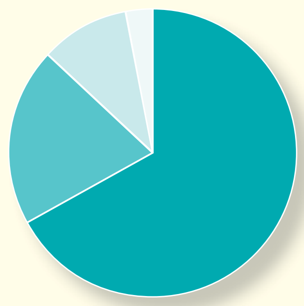


*Does not refer to juices with added vitamins but specific offering made from a particular blend of fruits

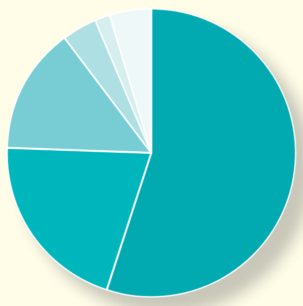
Fruit juice & nectars by channel



Fruit juice & nectars by packaging

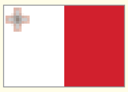


Fruit juice & nectars by flavours



Country profiles

Malta



A small, yet dynamic market, the international smoothie trend and its association with healthy living is reaching Malta. Smoothies are niche and represent a comparatively new drinks segment that is starting to become popular. Taste, and a clear understanding of health benefit, are the primary attractions for consumers.

Malta is mostly comprised of branded juice, with the majority share taken by FC juice formats. The performance for all segments strongly relies on tourism and thus the medium term economic outlook is pivotal, particularly for its impact on European summer travel plans.

Total fruit juice and nectars

Volume, million litres*		2005	2006	2007	2008	2009	% chg 08–09
Total		6	6	6	6	6	na

Fruit juice (100% juice content)

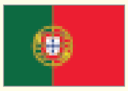
Total Fruit Juice		3	3	3	4	4	na
	Private Label	...	...	...	...	...	na
	Branded	3	3	3	3	3	na
Chilled		...	...	...	...	...	na
Ambient		3	3	3	3	3	na
FC		3	3	3	3	3	na
NFC		...	...	...	...	...	na

Nectars (25–99% juice content)

Total Nectars		2	2	2	3	3	na
	Private Label	...	...	...	...	...	na
	Branded	2	2	2	2	2	na

*Annual volume sold/consumed. Numbers may vary due to rounding.

Portugal



In early 2009, the two main juice and nectar players merged to create the largest operating company in the local market by far. This obviously impacted the industry and the competitive forces at play. Meanwhile, the economic downturn had an impact in the switch from branded to lower cost private label products.

The Portuguese market presents an apparent contradiction: it is traditional in terms of the type of juice consumed; and at the same time fairly innovative in terms of flavours. Thus, limited edition flavour offerings have become a habitual trend, engaging well with consumers over the years.

Total fruit juice and nectars

Volume, million litres*		2005	2006	2007	2008	2009	% chg 08–09
Total		120	111	105	109	115	+5.6

Fruit juice (100% juice content)

Total Fruit Juice		28	27	25	26	28	+6.0
	Private Label	10	10	10	12	16	+30.6
	Branded	19	17	15	14	11	-16.1
Chilled		3	3	3	3	3	na
Ambient		25	23	22	23	24	+6.9
FC		26	25	23	24	25	+6.4
NFC		2	2	2	2	2	+1.1

Nectars (25–99% juice content)

Total Nectars		92	84	80	83	88	+5.5
	Private Label	9	10	11	15	24	+60.9
	Branded	83	74	69	68	64	-6.7

*Annual volume sold/consumed. Numbers may vary due to rounding.

Romania

Following local investments, consumers have started to shift away from competing low end, low fruit content products, towards higher fruit content nectars and juice. Yet, economic difficulties in 2009 were very challenging for Romanian consumers and product spend was badly affected.

With the dynamic development of modern retail, drawing consumers' attention with price promotions and increasing product availability, a slight shift towards affordable private label offerings took place. Brands do dominate however. High-end NFC fresh juices are effectively non-existent; although there has been some new product development activity for ambient smoothies and enhanced, functional juices.

Total fruit juice and nectars

Volume, million litres*		2005	2006	2007	2008	2009	% chg 08–09
Total		83	99	112	120	99	-17.7

Fruit juice (100% juice content)

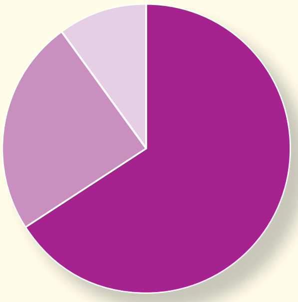
Total Fruit Juice		23	28	30	31	27	-11.0
	Private Label	...	...	1	1	1	na
	Branded	23	27	29	30	27	-11.2
Chilled		...	...	...	...	...	na
Ambient		23	28	30	31	27	-11.0
FC		23	28	30	31	27	-11.0
NFC		...	...	...	...	...	na

Nectars (25–99% juice content)

Total Nectars		60	72	82	89	71	-20.0
	Private Label	1	2	2	2	2	na
	Branded	59	70	80	87	69	-20.5

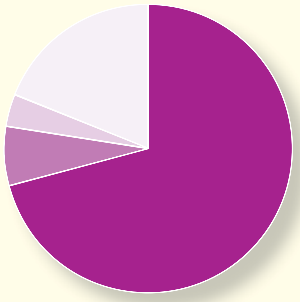
*Annual volume sold/consumed. Numbers may vary due to rounding.

Fruit juice & nectars by channel



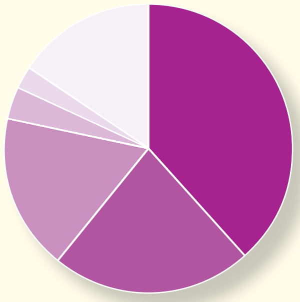
- Take home 66.0%
- Impulse 10.0%
- On premise 24.0%

Fruit juice & nectars by packaging



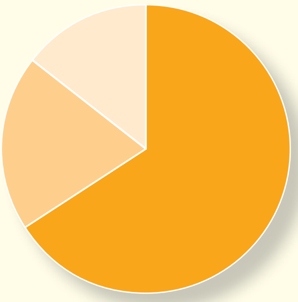
- Carton 85.0%
- Plastic 4.3%
- Glass 8.3%
- Other 2.4%

Fruit juice & nectars by flavours



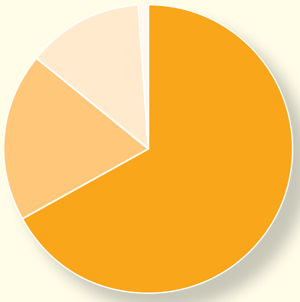
- Orange 38.5%
- Peach 22.5%
- Pineapple 17.5%
- Apple 3.5%
- Blends 2.6%
- Others 15.4%

Fruit juice & nectars by channel



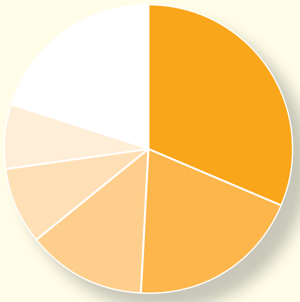
- Take home 66.0%
- Impulse 14.4%
- On premise 19.6%

Fruit juice & nectars by packaging



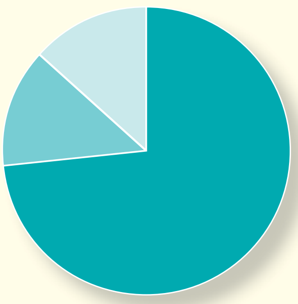
- Carton 66.6%
- Plastic 12.9%
- Glass 18.9%
- Other 1.6%

Fruit juice & nectars by flavours



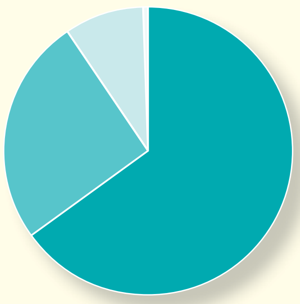
- Blends 31.4%
- Peach 19.5%
- Orange 13.3%
- Pear 8.8%
- Pineapple 7.2%
- Others 19.8%

Fruit juice & nectars by channel



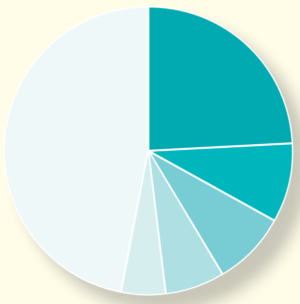
- Take home 73.5%
- Impulse 13.3%
- On premise 13.2%

Fruit juice & nectars by packaging



- Carton 65.0%
- Plastic 9.0%
- Glass 25.7%
- Other 0.3%

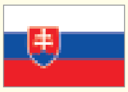
Fruit juice & nectars by flavours



- Orange 24.3%
- Peach 9.0%
- Blends 8.3%
- Pear 6.6%
- Apricot 5.0%
- Others 46.8%

Country profile

Slovakia



Due to cultural heritage, the Slovakian fruit juice and nectars market is similar to the Czech market in terms of consumption patterns. As in the Czech Republic, the Slovak market is equally price sensitive. Coupled with economic difficulties, the adoption of the Euro currency at the beginning of 2009 contributed to the structural challenges facing the local juice and nectars industry.

Slovakian consumers do not readily understand the difference between juices and nectars. Product choice is more influenced by flavour type than the amount of juice content. Given the consumer education required and its price differential, the NFC segment remains underdeveloped for now.

Total fruit juice and nectars

Volume, million litres*		2005	2006	2007	2008	2009	% chg 08–09
Total		51	59	62	64	59	-6.9

Fruit juice (100% juice content)

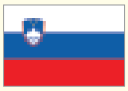
		2005	2006	2007	2008	2009	% chg 08–09
Total Fruit Juice		20	25	25	25	24	-7.1
	Private Label	7	9	9	10	10	na
	Branded	13	16	16	15	13	-14.7
Chilled		...	...	...	...	...	na
Ambient		20	24	25	25	23	-7.2
FC		19	24	24	24	23	-6.7
NFC		1	1	1	1	1	na

Nectars (25–99% juice content)

		2005	2006	2007	2008	2009	% chg 08–09
Total Nectars		31	35	38	38	36	-6.8
	Private Label	9	10	12	13	13	na
	Branded	22	24	25	25	22	-11.0

*Annual volume sold/consumed. Numbers may vary due to rounding.

Slovenia



As elsewhere, the fruit juice and nectars market in Slovenia was badly impacted by recession in 2009. With a smaller share of overall volume, fruit juice sales were less affected — in that those who could continue to afford juice generally retained their purchasing levels. Although, nectars, which are a staple choice for most households, lost share to lower juice content drinks.

Price pressures have become a prevailing theme and price per litre decreased across the board in 2009, due to challenging economic conditions. 2009 saw new discount brands enter the market, which took share from more established and expensive product offerings.

Total fruit juice and nectars

Volume, million litres*		2005	2006	2007	2008	2009	% chg 08–09
Total		43	43	42	43	39	-9.0

Fruit juice (100% juice content)

		2005	2006	2007	2008	2009	% chg 08–09
Total Fruit Juice		9	9	9	9	9	na
	Private Label	1	1	1	1	1	na
	Branded	9	9	9	9	8	-3.8
Chilled		...	...	...	...	...	na
Ambient		9	9	9	9	9	na
FC		9	9	9	9	9	na
NFC		...	...	...	...	...	na

Nectars (25–99% juice content)

		2005	2006	2007	2008	2009	% chg 08–09
Total Nectars		33	33	33	34	30	-10.4
	Private Label	6	6	7	7	7	na
	Branded	27	27	26	26	23	-12.7

*Annual volume sold/consumed. Numbers may vary due to rounding.

Definitions

Fruit juices and nectars

Fruit juice: 100% fruit content equivalent, sometimes referred to as pure juice or 100% juice. Chilled juice comprises four main types: smoothies (based predominately on whole crushed fruit, chilled and with a short shelf life); freshly squeezed juice (not pasteurised, chilled with a shelf life of a few days); not from concentrate juice (squeezed then pasteurised, chilled with a shelf life of a few weeks); other chilled from concentrate (from concentrate or part squeezed and part from concentrate). Ambient or long life juice is mainly from concentrate and heat treated; shelf life of up to 18 months.

Nectars: 25-99% fruit content

Smoothie: Predominantly whole crushed fruit (although not necessarily). They would typically be short shelf life and can be sold chilled or ambient – with the majority chilled. Only packaged smoothies, no volumes sold through smoothie bars are included.

Enhanced/enriched juices: (also nectars and fruit drinks) Typically, juices or nectars which are enriched with vitamins, minerals or other ingredients, such as fibre.

Not from concentrate (NFC): Juices that are directly pressed or squeezed and then pasteurised. They can be both chilled or ambient.

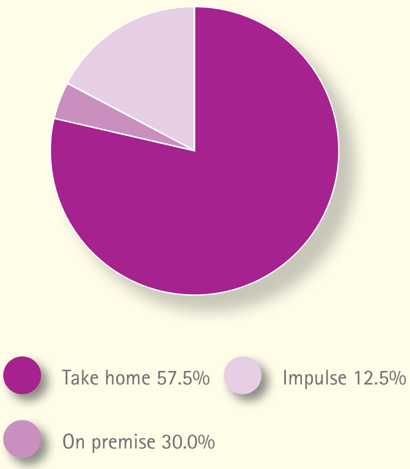
From concentrate (FC): Juice that has had water removed prior to transportation, with the product reconstituted to 100% juice from concentrate during the production process. Typically, FC juice is sold through ambient distribution, although chilled FC products are available.

Freshly squeezed: Freshly squeezed fruit, not pasteurised, chilled with a shelf life of a few days.

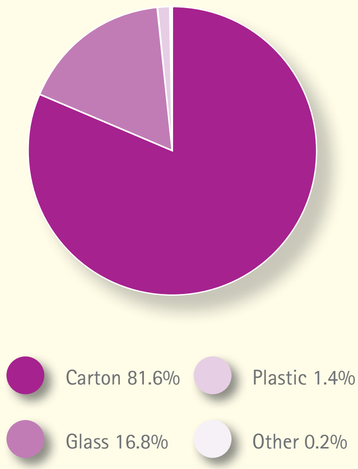
Chilled juice: Sold through a chilled supply chain, either due to product requirements or as a chosen positioning.

Ambient juice: Can be FC or NFC. Heat treated with shelf life of up to 18 months.

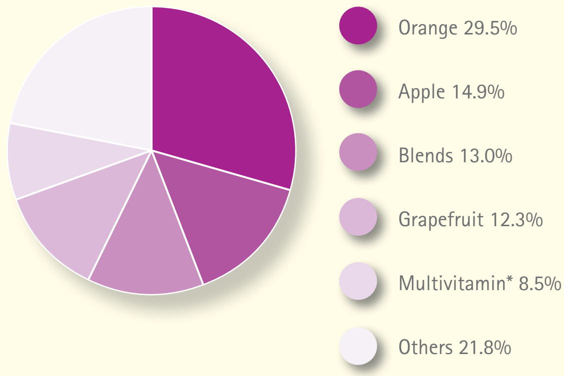
Fruit juice & nectars by channel



Fruit juice & nectars by packaging

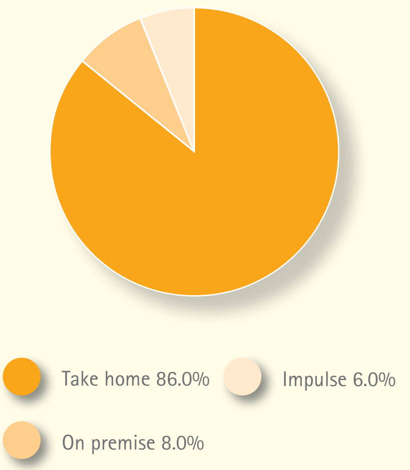


Fruit juice & nectars by flavours

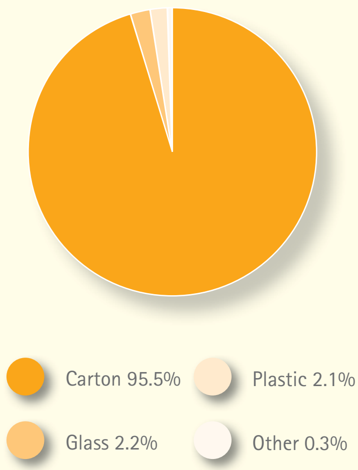


*Does not refer to juices with added vitamins but specific offering made from a particular blend of fruits

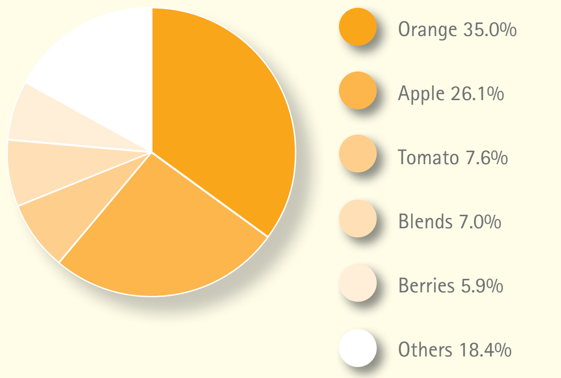
Fruit juice & nectars by channel



Fruit juice & nectars by packaging



Fruit juice & nectars by flavours



Multivitamin juice: Mainly popular in Germany, Austria and Hungary these use a range of various fruits, which combined are positioned as 'multi-vitamin'. The vitamins that come from the variety of mixed fruit content deliver a 'natural' multi-vitamin product. Multi-vitamin juice typically combines a blend of specific fruit juices. Thus, multi-vitamin is positioned as a 'flavour' in its own right. Alternative multi-vitamin products are those distinct juices with added vitamins; for example, added vitamins A,C and E. These products are typically positioned as 'enhanced/enriched' beverages rather than as a distinct flavour.

Other sectors & segments

Fruit drinks: Fruit-based still drinks with 5-24% fruit content.

Industry terms

Take home: retail/modern trade; organised retail. Examples include Carrefour, Tesco etc., and hard discount such as Aldi, Lidl, etc.
Impulse: non-organised retail and convenience outlets. Generally smaller stores, kiosks and traditional (independent) grocers.
On premise: includes horeca, pubs, clubs, cafés and other licensed/unlicensed outlets for food & drink consumption; sometimes referred to as foodservice.
Horeca: hotels, restaurants and catering outlets; again sometimes referred to as foodservice.

Off premise: excludes on premise outlets and covers retail/take home consumption and impulse/convenience outlets for consumption on the go.
FJN: fruit juice and nectars
Plastic: refers to PET (polyethylene terephthalate) and HDPE (high-density polyethylene) packaging.

... Negligible volume, generally less than 1 million litres
na Not applicable

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Report methodology

Specialist food and drink consultancy, Zenith International, has been commissioned to produce this 2010 AIJN European Fruit Juice market report. All data and insights contained in this report were produced using Zenith's internal market databases and primary research.

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In compiling its analysis, Zenith relies on the goodwill and cooperation of companies active in the marketplace. During Zenith's annual research into the EU fruit juice and nectars industry, all leading operators are regularly contacted. This includes larger branded operators, retailer own label specialists, contract packers and a significant number of smaller independent companies.

Based on individual producer volumes for the year – market, sector and segment totals are calculated from the 'bottom up'. At a sector and segment level, adjustments are then made for any double counting of contract and licensed bottling. Estimates for unauthorised imports sold through the 'grey market' are also included where applicable.

A complete picture of the EU market across all sales channels is produced, through Zenith's extensive study of the largest soft drinks companies, alongside small to medium sized operators. The market figures presented therefore encompass all aspects of the market including: take home modern retail, impulse/convenience and on premise/foodservice. All forecasts were collated by Zenith and were based on direct industry interviews and local market operators' projections. The EU forecasts are cautious against the current economic backdrop and represent Zenith's best view of the market outlook in these challenging times.

To this end, a considerable amount of time and effort has been spent contacting industry players and striving to analyse the complexities of the EU fruit juice and nectars arena. Zenith would like to express its sincere gratitude to the AIJN and the entire EU industry for its continued help and support during the research process.

About AIJN

AIJN is the representative association of the fruit juice industry in the E.U. It represents the industry from the fruit processors to the packers of the consumer products. AIJN's foundation goes back to 1958. The AIJN office is based in the heart of the European quarter in Brussels.

Aims and Objectives

The AIJN is to work for the best possible political, regulatory and economic framework at EU level in order to add value and promote the growth of the fruit juice industry.

Specifically the AIJN is to:

(1) Represent the interests and promote the image of the European Fruit Juice Industry in all its contacts with EU Officials, EU Institutions and other relevant organisations;

(2) Support and lobby European Union Institutions on all aspects of policy and legislation affecting the production, marketing, sales and trade in fruit juices and nectars in the EU;

(3) Promote and maintain fair competition and commercial viability of fruit juices and nectars in the EU;

(4) Provide, in collaboration with the European Quality Control System (EQCS), mechanisms and instruments securing safe and authentic goods in order to maintain and increase consumer confidence in the good and healthy image of fruit and vegetable juices and nectars;

(5) Inform and advise the Fruit Juice Industry on all aspects of European legislation likely to affect their businesses;

(6) To promote the preparation, acceptance and implementation of protocols designed to further advance the image of excellence of fruit juices and nectars in terms of health and nutrition, safety and quality;

> “The strict standards imposed across Europe deliver consumer confidence on quality.”

(7) Liaise with national, regional and worldwide interests representing the Fruit Juice Industry, including those in non-European countries, to foster and achieve overall AIJN objectives.

Membership

The Association has three kinds of members:

(1) Full Members are national fruit juice associations from EU Member States

(2) Associated Members are national associations which are representative for the fruit juice industry in countries which applied for EU membership

(3) Observers are:

- national associations representative for the fruit juice industry in European countries who are not eligible to become full or associated members;

- individual companies from non-EU countries who are suppliers of raw materials to the EU fruit and vegetable juices industry and/or to associations representing these suppliers;

- individual companies who are suppliers of packaging materials, equipment, ingredients or processing aids to the EU fruit and vegetable juices and nectars industry and/or associations who represent these companies;

- international associations active in the fruit and vegetable juices and nectars industry.

A complete list with the details of the current AIJN members and observer members can be found on www.aijn.org

President
Andrew Biles
Group Chief Executive
– Gerber EMIG Group Ltd

First Vice-President
Jörgen Dirksen
Managing Director
– Rynkeby Foods A/S

Second Vice-President
Angel Sanchez
Director General
– Conserve Italia

Secretary General
Jan Hermans

AIJN

Members of AIJN Executive Board
Vincent Prolongeau
Director General – PepsiCo France

Patrick Reekmans
Managing Director
– Friesland Campina Benelux

Bruno Van Gompel
Technical Director
– EU-Northwest Europe & Nordics
Coca-Cola Services sa

Thomas Mertens
Managing Director Supply Chain –
WeserGold Getränkeindustrie GmbH & Co.KG

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