



Dan-Vigor welcomes The Business, growth and Export Committee.

March 6th. 2013.



BACKGROUND

Dan-Vigor is a 50/50% Joint Venture between Vigor and Arla Foods. It was founded in 1986.



The Joint venture:

50/50%.

The partners has each 2 members in the board.

Vigor –sales and distribution.

Arla – production and administration.



Miles Stones Arla Foods.

1970: MD

1999: MD/Klover

Arla Foods: founded in 2000.

10,4 bn. kg milk, 12.000 owners in DK,S,FIN,D,GB, B, LUX.

Milestones Vigor:

1986:

- Vigor is a private owned dairy company.
- Dan-Vigor is founded.

2009:

- Bertin group acquire 50% of Vigor.

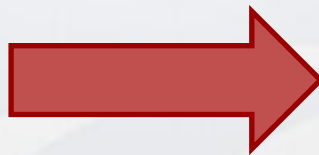
2010:

- Bertin group acquire 100% of Vigor.
- Bertin group merge with JBS.



Why do we have a dairy in Brazil?:

In the 80' Ultrafiltration technology was introduced to the dairy industry in Europe and UF- white cheese production began. (Feta cheese) Based on the same technology Vigor and Arla started a JV in Brazil. The target was to offer the consumers a different and healthy "Queijo Minas Frescal"



Product milestones:

1986

- Fresh cheese "Queijo Minas Frescal" (lately became "Queijo frescal Ultrafiltrado")



1995

- Spread cheese and cream cheese production.



2003

- Cream cheese desserts.



2013

- High premium lactose free Yoghurts.



Food service, sour cream and Fondue cheese.



INNOVATION and high premium:

- **Innovation has always been our priority: First dairy products with Ultra filtration at Brazilian market**
- **First with low fat products.**
- **First with nonfat products.**
- **Cream Cheese desserts.**
- **Functional Fresh Cheese.**
- **Variety of food service portfolio – products with same quality as retail**



Raw Material

Also on Milk intake we are innovative. We have elaborated a plan that secure and continuously improves raw milk quality i.e. we pay our milk by the quality we receive.

2012 figures:

28 Mio.kg from 42 farms.

3,84% fat.

3,29% protein.

400.0000 SCC.

30.0000 BCC.



PRODUCTION (2012)

7500 Tons.

2009 – 2012 +50%.

40 SKU.

The production is divided into 3 main production line.

- Fresh cheese 20%
- Spread cheese 40%
- Cream Cheese 40%

MARKET SHARE

- Fresh cheese (UF) 50%
- Spread cheese 3,5%.
- Cream Cheese 15%
- *Source: Nielsen*



STAFF:

135 employees.

Major challenges:

Culture.

Language.

Taxation

Labor legislation and union.



**Future expectation for the JV:
50% growth towards 2017.**

**Future for Arla Foods introduce a
range of product in the global brands:**

- Lurpak
- Castello
- Arla.

5000 ton by 2017.

