Intesco Research Group

JUICES AND NECTARS. RUSSIAN MARKET OF JUICES AND NECTARS - FORECAST FOR 2013 - 2016

MOSCOW 2013

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Subject of research:

MARKET OF FRUIT AND VEGETABLE JUCES AND NECTARS

Goal of research:

EVALUATION OF MARKET CONDITIONS AND FORECAST OF ITS DEVELOPMENT FOR 2013-2016

Regions of research:

RUSSIA AND REGIONS OF RF

Basic units of research:

WORLD MARKET OF JUICES AND NECTARS

ANALYSIS OF RETAIL SALES OF SOFT DRINKS

ANALYSIS OF WHOLESALES OF SOFT DRINKS

VOLUME OF RUSSIAN MARKET OF JUICES AND NECTARS

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FORECAST FOR DEVELOPMENT OF THE MAKET OF JUICES AND NECTARS FOR 2013 – 2016

The largest Russian enterprises profiled:

“WIMM-BILL-DANN”, OJSC

“NIDAN-GROSS”, LLC

“LEBEDYANSKIY”, OJSC

“SADY PRIDONIA”, OJSC

“PROGRESS”, OJSC

The largest enterprises are presented by production volume, financial activity, sheet balances, profit and loss statements, cash-flow statements, subsidiaries and other information.

Information sources used:

Federal State Statistics Service

Ministry of Economic Development of RF

Federal Custom Service

Federal Tax Service

Evaluation of Experts of the Branch

Retail sales statements

Data of the main players of the branch

Printed and electronic publications of the branch

The research contains 139 Schedules, 117 Diagrams, 159 Tables, 1 Scheme

EXTRACTS FROM THE RESEARCH

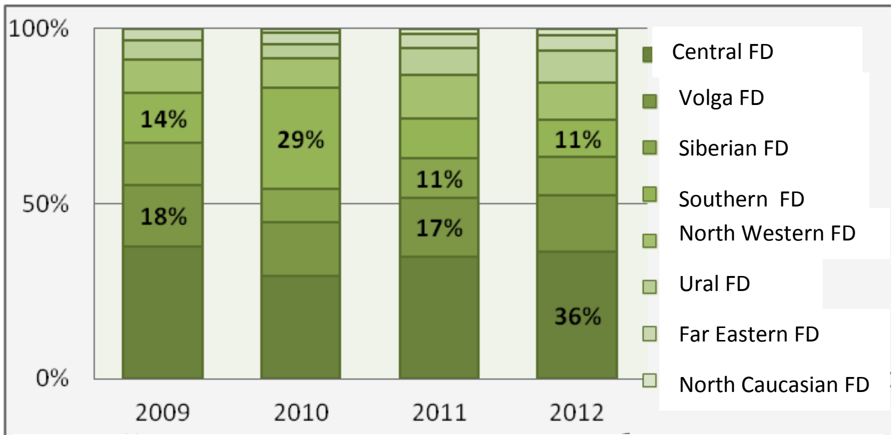
CHAPTER 6

ANALYSIS OF RETAIL SALES OF SOFT DRINKS

In 2012 retail sales of soft drinks reached ***,1 bln. rubles. This is by 1*,5% more than in the previous year, when sales of products just slightly exceeded the rates of 2010.

In its turn, the post-crisis 2010 was marked by high increase rate by *5,5%. Sales growth was provided by both growing prices for beverages and increase of volumes of products selling. During the crisis prices for juice concentrates grew significantly, while cost for juices and nectars grew due to rising of costs for raw materials.

According to the results of 2012, share of Central FD in 2012 was equal to 36% of the gross proceeds from retail sales of soft drinks. Volga region provided 16% of retail. Shares of North-Western, Southern and Siberian districts amounted to 11% each.



Change of structure of retail sales of soft drinks by federal districts of RF in cost terms in 2009 – 2012, %

In 2009 – 2012 structure of retail sales of soft drinks was changing: in 2010 share of Central FD reduced appreciably (by ** p.p.), at that share of Southern FD was equal to share of CFD and amounted to **%. At the same time in 2009 share of Southern FD (together with North-Caucasian) was equal to 1*%.

Shares of other districts in 2010 reduced by 1-3 p.p. in 2011 retail sales in Southern FD decreased; its share reduced by ***.

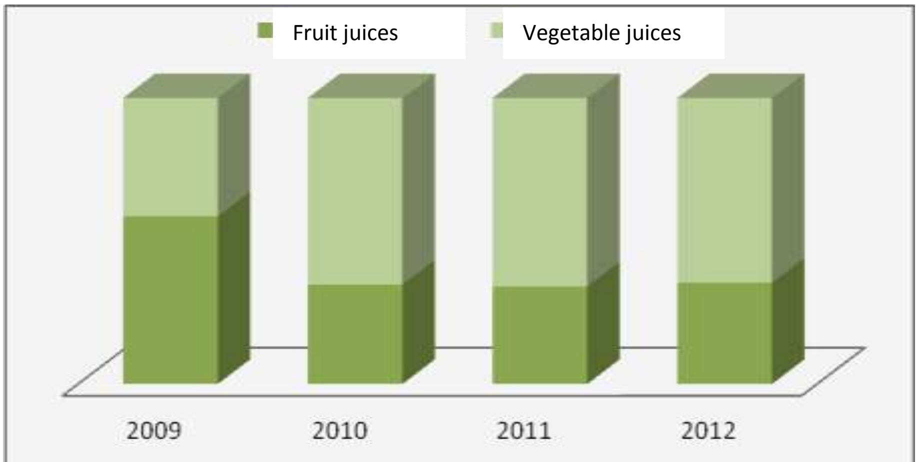
CHAPTER 14

PRODUCTION OF FRUIT AND VEGETABLE JUICES

During 2007 – 2009 production of fruit and vegetable juices (baby juices not included) reduced significantly in Russia. If in 2006 ***,4 mln. nominal packs of products were manufactured, by 2009 this rate was twice less. Domestic production of juices depends much on import of foreign concentrated juice products. In 2008 – 2009 import volumes were characterized by negative dynamics; at that increase rates themselves were decreasing gradually.

Within the period researched the minimum was marked in 2011 – 2 668 mln. nominal packs of fruit and vegetables juices, that is by 12,3% less than production in the previous year. Positive trend was outlined only in the past 2012, when Russian manufacturers supplied the market with 2 989,6 mln. nominal packs of the product.

In 2009 more than **% of juice production, baby juices and nectars excluding, was focused on fruit juices output. For 2010-2011 share of vegetable juices started increasing and reached **,2%, however in 2012 due to higher increase rates in the segment of fruit juices, their presence consolidated again by 0,3 p.p. in comparison with 2011.



Change of structure of Russian production of fruit and vegetable juices in 2009 – 2012, %

CHAPTER 17

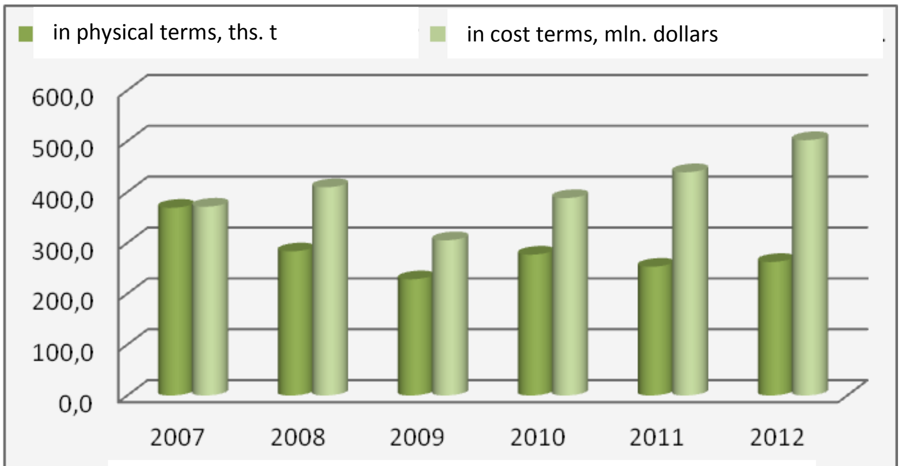
ANALYSIS OF RUSSIAN IMPORT OF JUICES

In 2012 ***,5 ths. tons of fruit and vegetable juices, worth a total of *** mln. dollars, were delivered to Russian market. It should be noted, if in 2011 in physical terms deliveries volume reduced by 17%, in cost terms rates kept growing (+13%) in the same year.

Mainly concentrated juice products are imported on Russian market. Despite Russian production of apple juice is mainly based on domestic raw materials, a part of concentrates are also to be bought in other countries.

The largest categories of products imported by Russia are apple and orange juices. The sections below contain information volumes of fruit and berries juices with different degree Brix reflecting product's concentration degree.

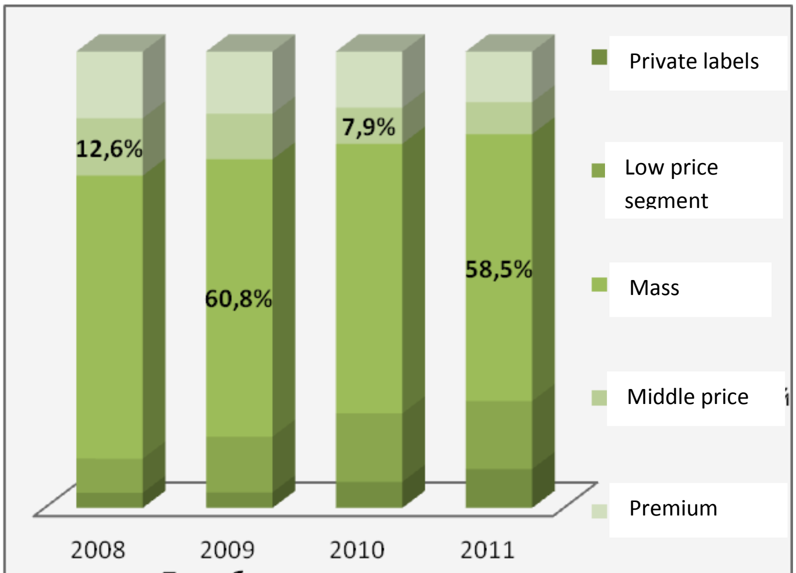
As for fruit juices with Brix lower than 20 (lower than 30 – for grape juice), grapefruit and other citrus juices (except for orange) are imported in almost equal volumes. In 2012 1 *** and 1 **** tons were imported correspondingly. 6 301 tons and 6 629 tons of apple and orange juices were imported correspondingly. Two last categories were marked by increase of deliveries volumes by 20,4% and 14,1%.



Dynamics of import of fruit and vegetable juices in physical and cost terms in 2007 -2012

CHAPTER 22

CONSUMERS' PREFERENCES



Consumers' preferences by price categories of juice in 2008 – 2011, %

During the last two years a trend to reduction of premium juices is observed, while consumption of low-budget products is on the contrary growing.

In 2011 the mass and the lowest price segments constituted *0% of the market. Buying juices of these segments makes those Russia citizens who could not afford juices due to financial reasons a part of juices consumers.

In 2011 in the structure of preferences share of premium products took only 1*,1%, while private trade marks - *,5%. Brands Private label becomes more and more popular due to low price (27,5 rub/l at an average) and also growing number of stores of "discounter" type and neighboring stores, where PLs constitute a significant part of assortment. According to the experts' estimations, share of Private labelled products grew from *,9% in 2011 to *,3% in 2012 on the market of juices.

LIST OF SCHEDULES, DIAGRAMS, TABLES AND SCHEMES

ABOUT INTESCO RESEARCH GROUP COMPANY

INTESCO RESEARCH GROUP is the analytical agency, specializing in development of high-quality business plans, feasibility studies and marketing researches on federal and regional levels. We provide our clients with up-to-date and accurate information, professional recommendations for conducting business.

All works of **INTESCO RESEARCH GROUP** are based on the proven investigation methods. When conducting marketing researches and developing the business plans the agency applies the worldwide accepted methods of investments efficiency evaluation and they are based on the Russian and international quality standards.

Analysts of **INTESCO RESEARCH GROUP** are the graduates of the leading Moscow institutions of higher education (Moscow State University, Moscow Institute of Physics and Technology, Russian academy of economics named after Plekhanov, Higher School of Economics, State University of Economics and Finance) and have deep knowledge in marketing, methods of marketing research arrangement, investment projects efficiency evaluation, preparing the analytical reports and business-forecasting.

Professional approach and service, high-quality specialists, deep knowledge of various markets, broad design experience and constant improvement allow the **INTESCO RESEARCH GROUP** to provide the high-quality service to all the clients.

Information from our reports is published in the largest Russian newspapers and magazines: “Vedomosti”, “Kommersant-Dengi”, “Rossiyskaya gazeta”, “Forbes”, “Russian Food Market”, “FoodService”, “MAXIM”, “Partner: myasopererabotka”, “Moe delo. Magazin”, “Odnako”, “Khlebopekarnoe proizvodstvo”, “Producty i Pribyl”, “Konditerskaya sfera/khlebopechenie”, “Tsenovik”, “RBK daily”, “Unipack.Ru”, etc.

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и многие другие

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