



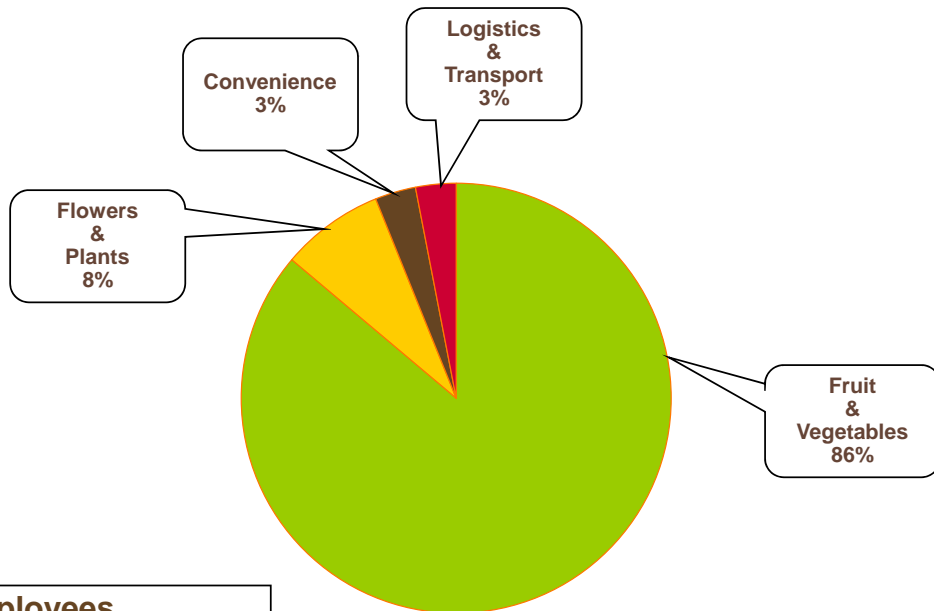
At UNIVÉG, the Customer Defines our Business Model

International Strawberry Congress
Antwerp, 1-3 September 2010



UNIVÉG
Cycle of Freshness

UNIVEG is a leading international supplier of fresh produce



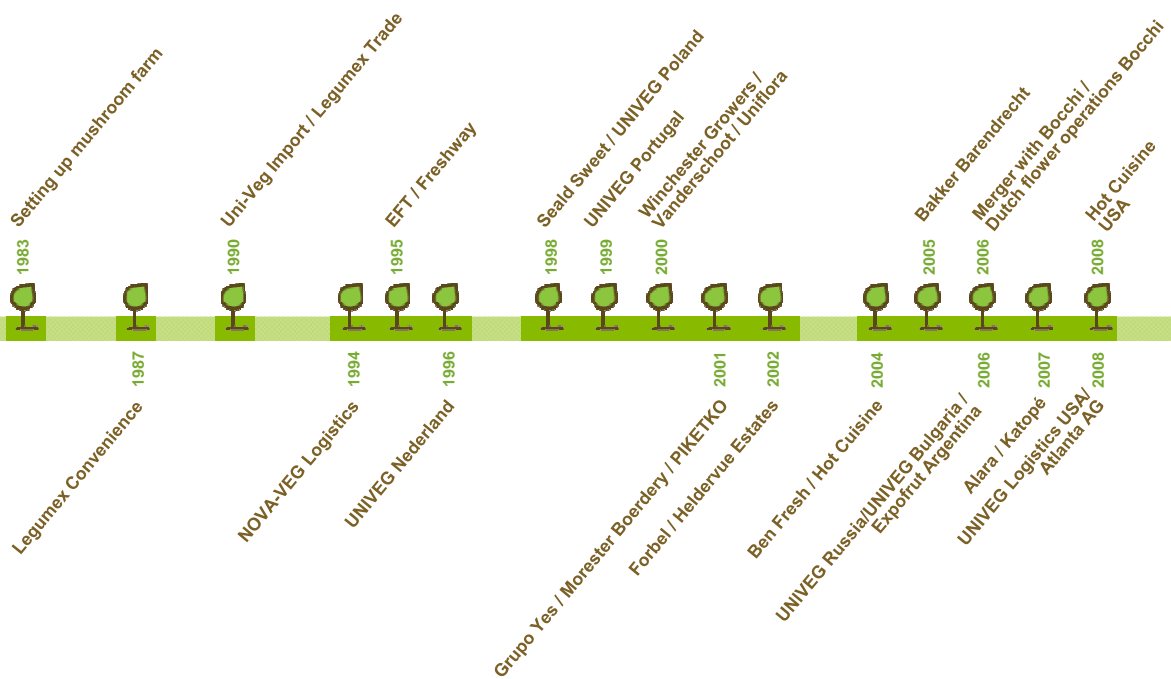
9.500 Employees
Active in 25 countries
Sales 2009: €3 billion

An international player

UNIVEG group

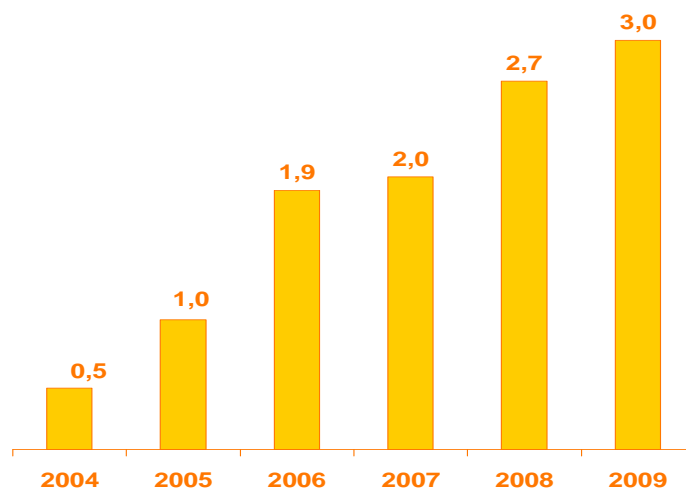


It all started with a small mushroom farm...



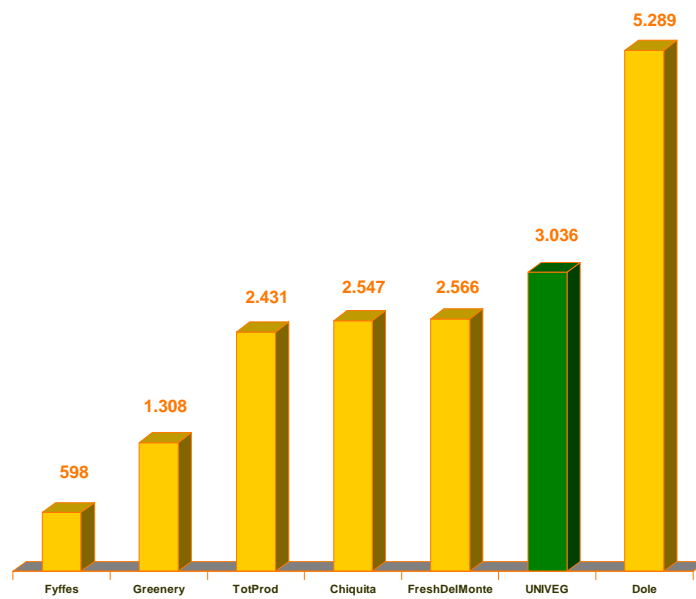
Average annual growth of 43%

UNIVEG Sales Evolution (€ billion)



UNIVEG: Number 2 in it's industry on a world level

2009 Sales (€mm)



Note: 2008 Sales for The Greenery and LTM Jun-09 Sales for Dole
Presenting UNIVEG | page 6 |



Traditional Business Model: Production Based

- Growers produce their product without much connection with customer needs
- After each season they “try to get rid” of their harvested volumes
- They associate in cooperatives to increase their power over the customer
- Consequences of this disconnect between production and customer needs:
 - Periods of oversupply succeed periods of shortages
 - Huge price fluctuations
 - Growers encounter serious difficulties in periods of oversupply
 - Product types and varieties offered not necessarily those that customers / food retailers want

UNIVEG innovated the industry value chain

From a Production Based to a Customer Focused Business Model

- 🌱 UNIVEG's customers are the large food retailers
- 🌱 Together with the customer, UNIVEG determines the customer's needs:
type of product, quality, volumes needed, timing of deliveries, etc.
- 🌱 Mostly in close coordination with the customer, UNIVEG finds the sources for the products (from UNIVEG's own production and/or from third parties)
- 🌱 UNIVEG organizes production in function of customer needs and negotiates prices

UNIVEG innovated the industry value chain (Cont.)

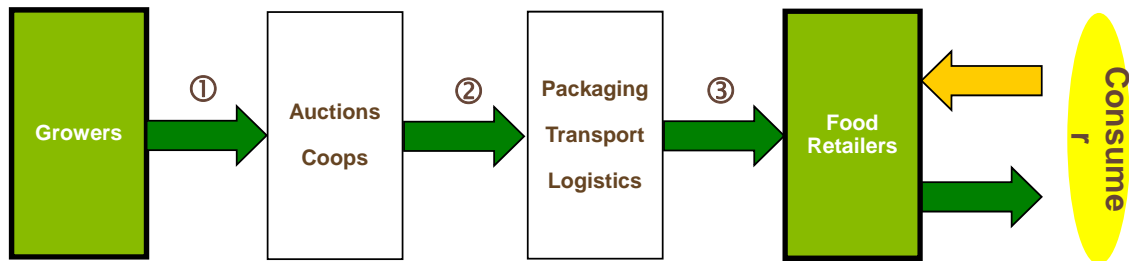
From a Production Based to a Customer Focused Business Model (Cont.)

- UNIVEG takes care of sorting, special treatments, packaging and sea transport
- UNIVEG imports the products into Europe or the US, organizes transportation from the ports to UNIVEG's cooled logistic centres
- From our logistic centres, UNIVEG makes sure that the customers receive the right goods, in the right volumes, at the right time and in the most cost effective way
- UNIVEG also supports the customer in the area of category management: product and service innovation, range composition, merchandising, promotions, etc.

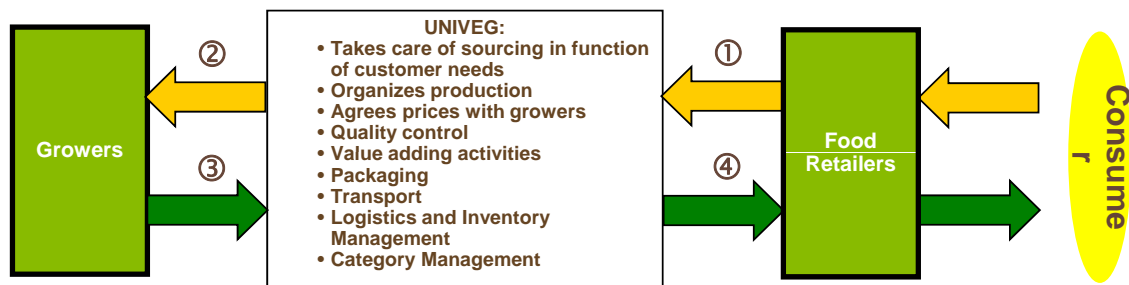
The most powerful Business Model Innovation is the one that innovates the "Industry Value Chain" !

Traditional production based **“Push”** vs. UNIVEG’s customer focused **“Pull”** Business Model

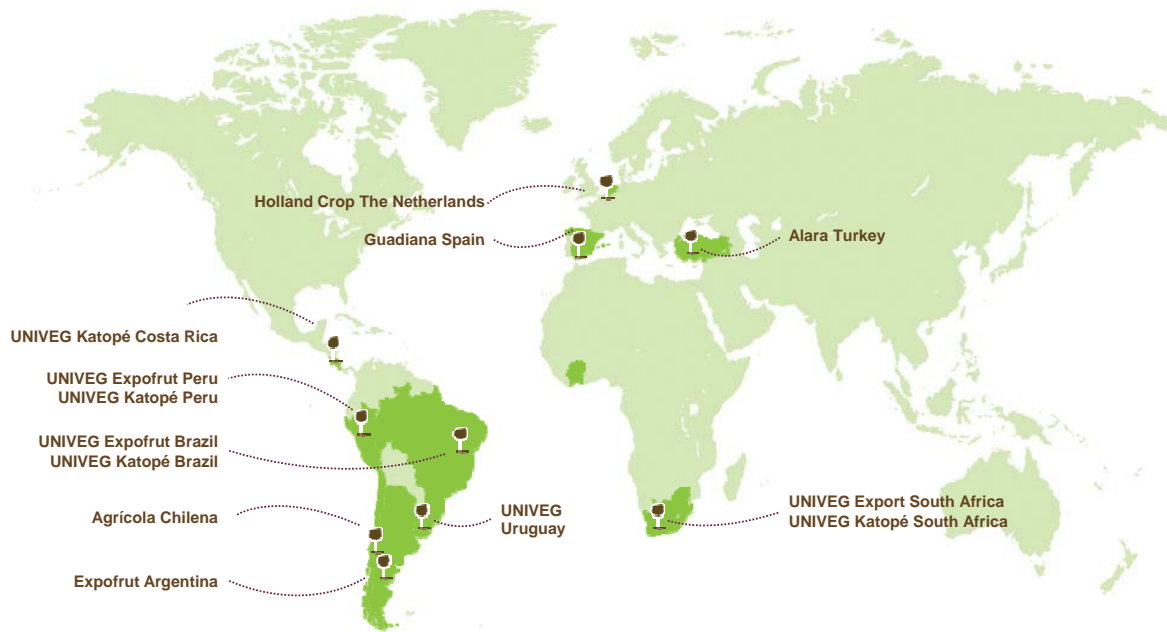
Traditional Production Based **“Push”** Model



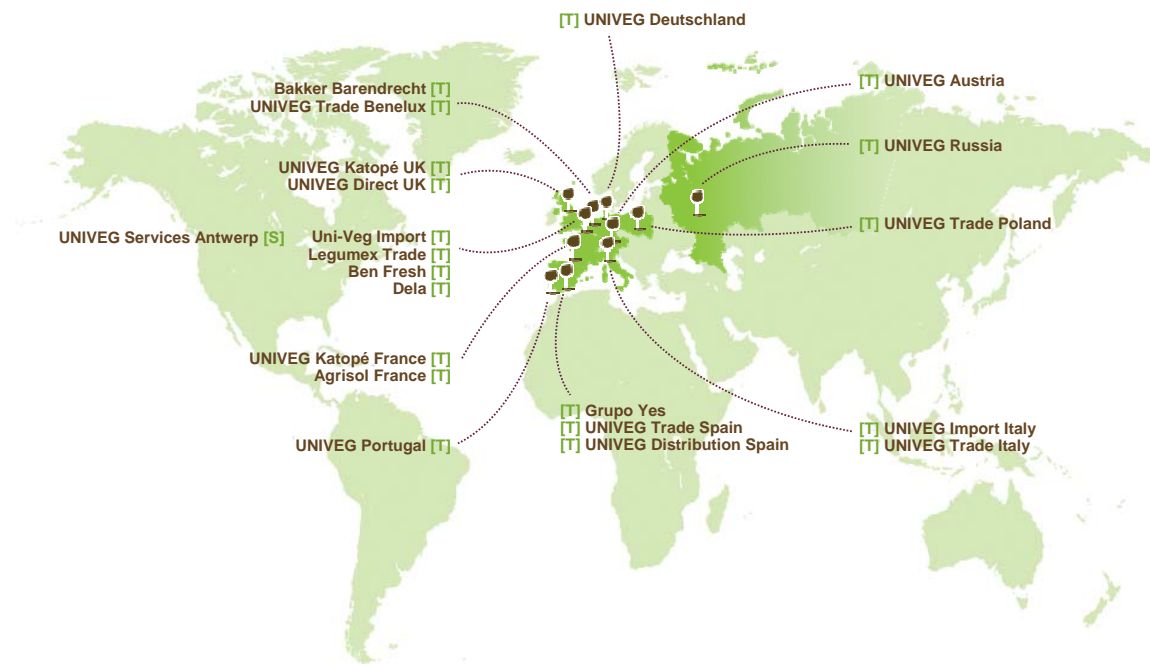
UNIVEG’s Customer Focused **“Pull”** Model



UNIVEG's Fruit & Vegetables **growing** areas around the world



UNIVEG's Fruit & Vegetables trading & service areas around the world





UNIVEG's Fruit & Vegetables **trading & service** areas around the world



Market Trends Strengthen UNIVEG's Business Model

Consumer trends

	Market Trend	Implication for Food Retailer	UNIVEG's USP
1	Increased focus on health & wellness	Increasing importance of fruit & vegetables category for retailer.	UNIVEG always starts with the retailer's needs and is able to deliver a full service for fruit & vegetables.
2	Consumer wants more choice and fruit year-round	Retailer must offer more choice and a year-round availability.	UNIVEG has own production and product sourcing both in the Southern and Northern Hemisphere and is able to guarantee a year-round supply for a wide choice of products, including exotics.
3	Consumers want fruit & vegetables low on / free of pesticide residues	Retailers must be able to guarantee that their fruit & vegetables are below certain levels of pesticide residues.	UNIVEG is in full control of the supply chain, from production to the retailer's distribution centers.

Market Trends Strengthen UNIVEG's Business Model

Consumer trends (Cont.)

	Market Trend	Implication for Food Retailer	UNIVEG's USP
4	Sustainability	Retailers under constant pressure from consumer organizations to minimize the ecological footprint (CO ₂ , other pollution, energy consumption, etc.).	Thanks to its worldwide sourcing capabilities, expertise and flexibility, UNIVEG can organize and control the supply chain in order to minimize the ecological footprint.
5	Increased focus on price / value	Retailers under constant price pressure for a given product quality.	Thanks to its worldwide sourcing capabilities and its vertically integrated supply chain (no other intermediaries between production and retailer), UNIVEG offers the retailer, on average, both the lowest product cost and most efficient supply chain solution.

Market Trends Strengthen UNIVEG's Business Model

Trends on the level of the food retailer

	Market Trend	Implication for Food Retailer	UNIVEG's USP
1	Fruit & vegetables becoming one of the most important categories for the food retailer	More and more food retailers see the fruit & vegetables category both as an image builder and a profit maker. They use the category as an important marketing tool and give it a prominent position in their stores.	As an all-round specialist in the fruit & vegetables category, UNIVEG not only offers the food retailer services in the areas of sourcing and distribution, but also in the marketing and category management area.
2	Year-round product availability becoming crucial	With more demanding consumers and increasing competition in fruit & vegetables, a guaranteed product availability has become the retailer's no.1 priority.	With its global sourcing capabilities, UNIVEG can provide the retailer a year-round product availability and does not depend on the climatologic conditions of a specific geographical area.

Market Trends Strengthen UNIVEG's Business Model

Trends on the level of the food retailer (Cont.)

	Market Trend	Implication for Food Retailer	UNIVEG's USP
3	Trend to reduce number of fruit & vegetables suppliers	Only larger international suppliers can adequately cope with market trends such as lower residue levels, sustainability, year-round supply, supply chain efficiency. In addition, retailers want to simplify and lower the costs of their own procurement organization.	With its full service approach, UNIVEG offers retailers a one stop shopping service.
4	Market trends increasingly drive retailers towards long term relationships with their suppliers of fruit & vegetables	Changing suppliers on a daily or weekly basis in function of the lowest price does not allow full control of the supply chain (sustainability, residue levels, etc.) and does not sufficiently guarantee availability.	Thanks to its expertise, scale and global presence, UNIVEG combines full service with full control of the supply chain and guaranteed supply at competitive prices.

Market Trends Strengthen UNIVEG's Business Model (Cont.)

Trends on the level of the food retailer (Cont.)

	Market Trend	Implication for Food Retailer	UNIVEG's USP
5	Increasing tendency for retailers to outsource the procurement and category management of fruit & vegetables to specialized service providers	Because of market trends, mentioned earlier, category management of fruit & vegetables is becoming increasingly complex. This outsourcing allows retailers to focus on their customer and core competency: the merchandising, marketing and selling of fruit & vegetables in their outlets. It also relieves them of the burden to recruit and develop the very specialized and rare talent that management of the fruit & vegetables category requires.	The retailer can fully or partly outsource the management of the fruit & vegetables category to UNIVEG. There are not many players on a world level who are able to provide this service.
6	Increased focus on local production	In order to reduce the ecological footprint, there is a tendency to source more and more from local growers. This trend however will not prevail over the trend for year-round fruit availability.	UNIVEG combines both sourcing from local and overseas producers.



Towards a consolidation in the distribution of Fruit & Vegetables

- Small and medium sized distributors of fruit & vegetables will have increasing difficulties in coping with abovementioned market trends
- Large food retailers will reduce their fruit & vegetable purchases from small and medium sized local distributors and from auctions
- Small and medium sized local distributors will be mainly used by large food retailers for small and urgent fill-in orders and specialized needs
- Large food retailers will increasingly concentrate their fruit & vegetables procurement and category management with large, international service providers such as UNIVEG



UNIVEG's Business Model offers tremendous growth opportunities

Short and Mid Term

- Focus on core business
 - Further expand our service offering to existing customers in countries where we have already a large share of the market: Germany, Netherlands and Belgium
 - Expand our service offering and customer base in countries where we have a significant presence, but a low market share: France, UK, USA, Spain and Italy
- Develop additional opportunities

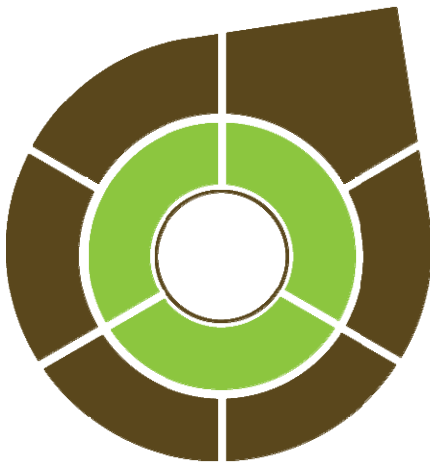
Use our production, sourcing and commercial capabilities to sell our products into attractive markets where we have no – or only a small – marketing sales organization, such as: Scandinavia, Russia, Eastern Europe, North-Africa, certain Asian countries, Brazil...

Longer Term

- Worldwide food supply (including fruit & vegetables) will become a very serious problem: availability, increasing product cost, ongoing pressure to take cost out of supply chain, increasing need for service providers such as UNIVEG
- Further roll-out UNIVEG's business model on a global level: selected countries in Western and Eastern Europe, South America and Asia



Our six operating principles are the basis for all our activities



OPERATION PRINCIPLES

- Client is king
- Deliver operational excellence
- Be passionate, innovative and entrepreneurial
- Quality
- Multiple entities, one group
- Corporate Social Responsibility