

FOODS & BEVERAGES MARKET IN ROMANIA

REPORT

for



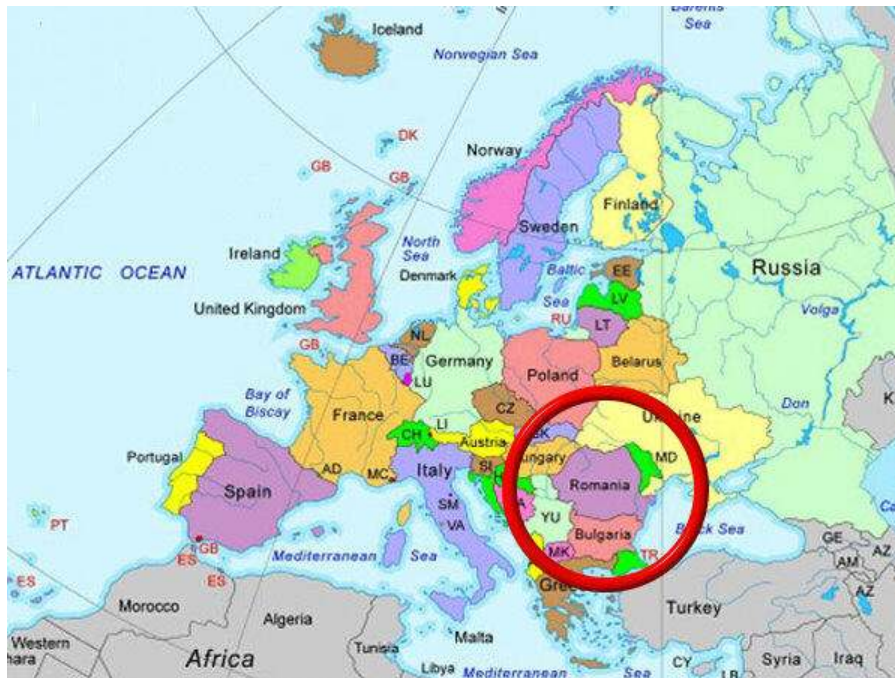
by



SUMMARY

1. **GENERAL OVERVIEW OF THE ROMANIAN ECONOMY**
2. **FOODS & BEVERAGES RETAIL IN ROMANIA**
3. **FOODS & BEVERAGES SECTOR IN ROMANIA - GENERAL OVERVIEW**
4. **FINNISH FOOD CATEGORIES**
 - 4.1. **OAT PRODUCTS**
 - 4.2. **LACTOSE-FREE, GLUTEN-FREE PRODUCTS**
 - 4.3. **PREMIUM & CONVENIENCE PRODUCTS**
 - 4.4. **FUNCTIONAL & HEALTHY FOOD**
 - 4.5. **BERRY PRODUCTS**
 - 4.6. **ALCOHOL**
 - 4.7. **MEAT**
 - 4.8. **CHOCOLATE**
 - 4.9. **LIQUORICE**
 - 4.10. **ORGANIC PRODUCTS**
 - 4.11. **RAW MATERIALS & INDUSTRIAL FOOD INGREDIENTS**

1. GENERAL OVERVIEW OF THE ROMANIAN ECONOMY



Romania is the 2nd largest market in Central Eastern Europe (CEE) after Poland. It is an EU member since 2007 and one of the most dynamic economies in Europe with direct access to the Black Sea (Constanta Port).

The currency used in Romania is RON (aka Leu). 1 EUR = 4.5 RON

For foreign investors, Romania is an attractive target. According to official provisional and revised data from National Bank of Romania, the foreign direct investment in Romania went up by approximately 18% in the first 11 months of 2015 compared to the similar period of 2014, reaching 2,883 billion EUR.

The GDP in Romania has registered an increase of 3.7% y-t-y in the first nine months of 2015. According to EC, the forecasted y-o-y GDP growth in Romania is 3.6% in 2015 and 4.2% in 2016.

Romania's imports of food, beverages, and tobacco in 2015 went up by 19% (some EUR 550 million) compared to 2014, totalling EUR 5.35 billion. CIF imports in Romania have increased by 7.1% in the first ten months of 2015 compared to the similar period of 2014.

Retail turnover volume in Romania (excepting trade with auto vehicles and motorcycles) registered an increase of 8.9% as gross series in 2015 compared to 2014 - it is considered by The Economist to be the 2nd highest increase in the world after Vietnam.

Retail sales of food, beverages and tobacco in Romania have increased by 19.1% in 2015 compared to 2014.

Volume of construction works has registered an increase of 9.7% as gross series in the first ten months of 2015 compared to the first ten months of 2014.

Main manufacturing industries in Romania are automotive, oil equipment, foods & beverages, chemicals, metal forming, plastic, garments, furniture and Romania is a regional hub for ITC, BPO and software.

Romanian economy performances are expected to continue to improve this year, due to tax cuts and salary increases, further EU funding spending and road transport infrastructure development which may further boost domestic consumption and may bring new investors to the country.

2. FOODS & BEVERAGES RETAIL IN ROMANIA

Retail sales of food, beverages and tobacco in Romania have increased by 19.1% in 2015 compared to 2014, while Romania's imports of food, beverages, and tobacco in 2015 went up by 19% (some EUR 550 million) compared to 2014, totalling EUR 5.35 billion.

The foods & beverages imports accelerated starting June 2015 after the Government decided to cut the VAT rate on food from 24% to 9% (starting June 1). The increase in domestic consumption also led to an increase in food imports.

The main food retail chains operating in Romania that are relevant for Finnish products are:

Auchan

Set up year: 2005

Chain: 33 Auchan hypermarkets

Net turnover: 848 million EUR in 2014

Average no of employees: 9,344 in 2014

Ownership: Auchan Group

Plans: to reach a turnover of over one billion EUR per year

Products (FINPRO target segments): Oat; Lactose-free & Gluten-free; Premium & Convenience; Functional & Healthy; Berry; Alcohol; Meat; Chocolate; Liquorice

Billa

Set up year: 1999

Chain: 86 Billa supermarkets

Net turnover: 317 million EUR in 2014

Average no of employees: 3,168 in 2014

Ownership: Carrefour Group (in December 2015, Carrefour has acquired Billa stores in Romania from REWE Group)

Plans: n/a

Products (FINPRO target segments): Oat; Lactose-free & Gluten-free; Premium & Convenience; Functional & Healthy; Berry; Alcohol; Meat; Chocolate; Liquorice

Carrefour

Set up year: 2001

Chain: 28 Carrefour hypermarkets, 98 Market supermarkets, 43 Express proximity stores and 10 Contact proximity stores

Net turnover: 1 billion EUR in 2014

Average no of employees: 7,284 in 2014

Ownership: Carrefour Group

Plans: n/a

Products (FINPRO target segments): Oat; Lactose-free & Gluten-free; Premium & Convenience; Functional & Healthy; Berry; Alcohol; Meat; Chocolate; Liquorice

Cora (Romania Hypermarche)

Set up year: 2002

Chain: 12 Cora hypermarkets

Net turnover: 385 million EUR in 2014

Average no of employees: 4,818 in 2014

Ownership: Louis Delhaize Group

Plans: n/a

Products (FINPRO target segments): Oat; Lactose-free & Gluten-free; Premium & Convenience; Functional & Healthy; Berry; Alcohol; Meat; Chocolate; Liquorice

Kaufland

Set up year: 2003

Chain: 105 Kaufland hypermarkets

Net turnover: 1.8 billion EUR in 2014

Average no of employees: 12,180 in 2014

Ownership: Schwarz Group

Plans: to reach over 150 stores by 2020

Products (FINPRO target segments): Oat; Lactose-free & Gluten-free; Premium & Convenience; Functional & Healthy; Berry; Alcohol; Meat; Chocolate; Liquorice

Lidl

Set up year: 2007

Chain: 192 Lidl stores

Net turnover: over 750 million EUR in 2014 (estimate)

Average no of employees: n/a

Ownership: Schwartz Group

Plans: to open ten new stores in 2016, with total investments of over 20 million EUR

Products (FINPRO target segments): Oat; Lactose-free & Gluten-free; Premium & Convenience; Functional & Healthy; Berry; Alcohol; Meat; Chocolate; Liquorice

Mega Image

Set up year: 1995

Chain: 447 stores (under the brands Mega Image, Shop&Go, AB Cool Food, Mega Drive)

Net turnover: 634 million EUR in 2014

Average no of employees: 7,161 in 2014

Ownership: Delhaize Group

Plans: to invest approximately 50 million EUR per year in order to open new stores

Products (FINPRO target segments): Oat; Lactose-free & Gluten-free; Premium & Convenience; Functional & Healthy; Berry; Alcohol; Meat; Chocolate; Liquorice

Metro Cash & Carry

Set up year: 1996

Chain: 31 Metro stores

Net turnover: 1 billion EUR in 2014

Average no of employees: 5,125 in 2014

Ownership: Metro Group

Plans: n/a

Products (FINPRO target segments): Oat; Lactose-free & Gluten-free; Premium & Convenience; Functional & Healthy; Berry; Alcohol; Meat; Chocolate; Liquorice

Profi

Set up year: 1999

Chain: 371 Profi stores

Net turnover: 415 million in 2014

Average no of employees: 5,672 in 2014

Ownership: Enterprise Investors

Plans: to hire over 2,500 employees in 2016 in the new stores planned to be launched

Products (FINPRO target segments): Oat; Lactose-free & Gluten-free; Premium & Convenience; Functional & Healthy; Berry; Alcohol; Meat; Chocolate; Liquorice

Real

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Set up year: 2007 (under “Real Hypermarket Romania SRL” name - company acquired by Auchan in 2013) and 2013 (under current name “Real Hyper Magazine SRL”)

Chain: 4 Real hypermarkets

Net turnover: 47 million EUR in 2014

Average no of employees: 659 in 2014

Ownership: Metro Group

Plans: n/a

Products (FINPRO target segments): Oat; Lactose-free & Gluten-free; Premium & Convenience; Functional & Healthy; Berry; Alcohol; Meat; Chocolate; Liquorice

REWE (Penny Market & XXL Mega Discount)

Set up year: 2005

Chain: 173 Penny Market stores and 8 XXL Mega Discount stores

Net turnover: 525 million EUR in 2014

Average no of employees: 3,079 in 2014

Ownership: REWE Group

Plans: to open 20 - 25 Penny Market stores per year

Products (FINPRO target segments): Oat; Lactose-free & Gluten-free; Premium & Convenience; Functional & Healthy; Berry; Alcohol; Meat; Chocolate; Liquorice

Selgros Cash & Carry

Set up year: 2001

Chain: 19 Selgros stores

Net turnover: 637 million EUR in 2014

Average no of employees: 3,882 in 2014

Ownership: Coop Group

Plans: to open at least one store in 2016

Products (FINPRO target segments): Oat; Lactose-free & Gluten-free; Premium & Convenience; Functional & Healthy; Berry; Alcohol; Meat; Chocolate; Liquorice

Plafar Retail

Set up year: 2000

Chain: approx. 30 Plafar stores

Net turnover: 5.4 million EUR in 2014

Average no of employees: 128 in 2014

Ownership: Portuguese and Romanian individuals

Plans: n/a

Products (FINPRO target segments): Oat; Lactose-free & Gluten-free; Premium & Convenience; Functional & Healthy; Berry; Chocolate; Liquorice

Ki-Life

Set up year: 2006

Chain: 2 Ki-Life stores

Net turnover: 0.5 million EUR in 2014

Average no of employees: 9 in 2014

Ownership: Romanian individuals

Plans: n/a

Products (FINPRO target segments): Oat; Lactose-free & Gluten-free; Premium & Convenience; Functional & Healthy; Berry; Meat; Chocolate; Liquorice

Naturalia

Set up year: 1995

Chain: 6 Naturia stores

Net turnover: 1.8 million EUR in 2014

Average no of employees: 41 in 2014

Ownership: Romanian individuals

Plans: n/a

Products (FINPRO target segments): Oat; Lactose-free & Gluten-free; Premium & Convenience; Functional & Healthy; Berry; Meat; Chocolate; Liquorice

3. FOODS & BEVERAGES SECTOR IN ROMANIA - GENERAL OVERVIEW

The Romanian foods & beverages market is quite dynamic, registering recent developments such as: new investments, new market entries, diversification, VAT reduction, value and volume growths.

The retail sales of food, beverages and tobacco in Romania have increased by 19.1% in 2015 compared to 2014. This increase has been recorded mainly due to the VAT reduction on food and non-alcoholic beverages from 24% to 9%, starting with June 2015. It is expected that this Government measure will continue to boost the consumption in Romania.

The CIF imports of food, beverages and tobacco have recorded approximately 3,855 million EUR in the first nine months of 2015 in Romania.

The Romanian purchasing power continues to grow. In October 2015, the net nominal average salary has increased by 9.7% compared to October 2014. Starting with 1 May 2016, the minimum gross salary at the national level will increase with 19%, from 1,050 RON to 1,250 RON (approx. 270 EUR).

The retail of food and beverages in Romania is dominated by international chains, such as Kaufland, Carrefour, Metro Cash & Carry, Auchan, Selgros Cash & Carry, Mega

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Image etc. The discount retail chains operating in Romania are Lidl, Penny and XXL Mega Discount. All the modern retail chains have private brands.

In regards to entering the market, introducing a new food or beverage in Romania can be difficult, due to strong competition from both local producers and imported goods.

4. FINNISH FOOD CATEGORIES

4.1. OAT PRODUCTS

The oat products are sold in Romania mainly in specialised stores selling natural products (such as Plafar, K-Life), but also in supermarkets, hypermarkets and pharmacies.

Some main producers of oat and cereals products in Romania are: Solaris, Sano Vita, Pirifan etc.

Some examples of imported brands of oat products in Romania are: Nestle, Quaker etc.

The sweets and snacks, including of cereals, are usually consumed by Romanians between meals or as a meal substitute.

The sweet biscuits represent approximately 5% of the snacking market in Romania. The domestic market of sweet biscuits is very fragmented with more than 400 brands of over 1,500 varieties. The market is dominated by the traditional or simple biscuits, especially Petit Beurre biscuits and sandwich biscuits. The sweet biscuits market in Romania is in a continuous process of definition, in terms of price segments, the complexity of consumer needs and the diversification and consolidation of players on the market.

New types of biscuits that have entered the market recently include a variety of cereals biscuits, often with dried fruits, specially packaged for a quick snack.

The salty snacks market in Romania is estimated at approximately 380 million EUR in 2014. The pretzels and the crackers are the top categories of the salty snacks in Romania, with 49% and 24% of the market, respectively. The Romanian salty snacks market is growing, mainly in the segment of the private brands (especially peanuts and baked snacks).

The imports of prepared foods obtained by the swelling or roasting of cereals and cereals (other than maize) in grain form or in the form of flakes or other worked grains (except flour, groats and meal), pre-cooked or otherwise prepared have recorded around 26 million EUR in Romania in 2014, up by some 3% compared to 2013.

The Romanian imports of bread, pastry, cakes, biscuits and other bakers' wares, whether or not containing cocoa, wafers and similar products have registered approximately 176 million EUR in 2014, up by 7% compared to 2013.

Examples of prices:

Product	Price (RON)*	Store
Oats Cheerios, Nestle, 400 g	11.46	Mega Image

Oat flakes with chocolate, Quaker, 375 g	12.99	Mega Image
Oat flakes, K Classic, 500 g	1.79	Kaufland
Biscuits with cereals and fruits, Belvita, 300 g	7.49	Billa
Sliced rye bread, Vel Pitar, 500 g	4.99	Mega Image
Black bread with seeds, Vel Pitar	2.83	Mega Image
Wholemeal bread with seeds, Avanti, 300 g	3.19	Mega Image

*1 EUR = 4.5 RON

Romanian companies interested in this category: BIO Logistic & Distribution Partener

4.2. LACTOSE-FREE, GLUTEN-FREE PRODUCTS

The consumer orientation towards healthier food products or to foods with special nutritional profile, such as allergen-free products, has a growing trend in Romania.

According to a TNS CSOP survey in 2015 at the request of Magazinul Progresiv, the gluten-free products are known by 37% of the Romanian consumers and these products have been purchased in the last year by 8% of the Romanians. Furthermore, the lactose-free products are known by 30% of the Romanian consumers, but these products have been purchased in the last year by only 5% of the Romanians.

The gluten-free and lactose-free products are sold in Romania in specialised stores selling bio and diet products, in supermarkets, hypermarkets and pharmacies. Usually, the chains of supermarkets and hypermarkets in Romania have dedicated areas for healthy food (gluten-free products, bio products, dietetic products).

Mondelez Romania takes into consideration the launching of a range of snacks with special nutritional profile – gluten-free, lactose-free – amid the growing interest of the Romanian consumers in health and nutrition. Therefore, Mondelez intends to launch the Enjoy Life brand on the Romanian market after the company will test the interest of the local consumers in allergen-free products in a market survey in 2016. At present, the portfolio of Mondelez in Romania included two “well-being snacks” brands: Barni and BelVita.

Some examples of imported brands of gluten-free or lactose-free products in Romania are: de Bron, Grillon d'Or –Céréco, Farmhouse Biscuits, Balance, Valsoia, Gullon, Sanitarium etc.

Product	Price (RON)*	Store
Gluten-free fruit-juice toffees, de Bron,	10.99	Plafar

90 g		
Gluten-free müsli, Grillon d'Or, 500 g	26.31	Plafar
Gluten-free honey crunch biscuits, Farmhouse Biscuits, 150 g	19.00	Delicatese Florescu
Gluten-free triple chocolate chip biscuits, Farmhouse Biscuits, 150 g	16.00	Delicatese Florescu
Lactose & gluten-free cocoa rice with crisps, Balance, 85 g	10.00	Delicatese Florescu
Gluten-free crackers, 210 g, Schar	23.50	Ki-life
Gluten-free beer, 0.33 l, Neumarkter Lammsbräu	7.50	Ki-life
Lactose-free Emmental cheese, 150 g, Sobbeke	13.70	Ki-life

*1 EUR = 4.5 RON

Romanian companies interested in this category: BIO Logistic & Distribution Partener, Delicatese Florescu, Firenze Com, Prier CD Invest

4.3. PREMIUM & CONVENIENCE PRODUCTS

After the VAT reduction on food and non-alcoholic beverages from 24% to 9% in June 2015, the premium foods segment in Romania has increased by more than 20 - 25%.

The Romanian consumers increasingly look towards speciality and gourmet foods, their tastes become more sophisticated as their purchasing power increases.

Retail chains such as Mega Image and Billa have more gourmet products and also private label focusing on Romanian traditional foods.

4.3.1. CHEESE

The annual cheese consumption in Romania is still at a low level compared with other European countries, averaging approximately 5 kg per capita.

The offer of cheese products in Romania is diversified, from cheese creams and fresh cheeses to processed cheeses and blue cheeses. The Romanian market is dominated by the domestically produced types of cheeses, such as Telemea (white cheese) and Cascaval (yellow cheese). The most popular brands of yellow cheese on the Romanian market are: Hochland, Delaco, Solomonescu and Dotti.

In the recent years, an increasing preference of the Romanian consumer towards gourmet cheeses was observed, blue cheeses as well as goat cheeses.

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There are approximately 500 processors of milk and dairy products in Romania. The production of cheese products in Romania has recorded 69,621 tonnes in the first ten months of 2015, up by around 8% compared to the similar period of 2014. Some main producers of cheeses in Romania are: Albalact, FrieslandCampina, Delaco, Hochland, Covalact etc. - recently they have started to develop the premium segment.

The offer of imported cheese products in Romania is wide and includes: fresh cheese, grated or powdered cheese, processed cheese, blue-veined cheese, Emmentaler, Gruyère, Cheddar cheese etc.

The imports of cheese for processing, Emmentaler, Gruyère, Sbrinz, Bergkäse, Appenzell, Fromage fribourgeois, Vacherin Mont d'Or and Tête de Moine, Cheddar, Edam, Tilsit, Kashkaval, Feta, Kefalo-Tyri, Finlandia, Jarlsberg have recorded over 62 million EUR in Romania in 2014, up by some 5% compared to 2013.

The Romanian imports of processed cheese (not grated or powdered) have reached approximately 18.5 million EUR in 2014, up by almost 5% compared to 2013. Furthermore, the imports of blue-veined cheese and other cheese containing veins produced by *Penicillium roqueforti* have recorded almost 3.2 million EUR in 2014 in Romania, up by approximately 25% compared to 2013. The imports of cheese and curd in Romania have registered almost 127 million EUR in 2014, up by 5% compared to 2013.

Some examples of imported brands of premium cheeses in Romania are: Jean d'Alos, Soignon, Jean Yves Bordier, Arla, Zanetti, Albeniz etc.

Examples of prices:

Product	Price (RON)*	Store
Gorgonzola Cremoso, Galbani, 150 g	12.51	Mega Image
Matured Kaskaval, Muller, 250 g	9.59	Mega Image
Blue cheese, Gran Bavarese, 100 g	6.59	Kaufland
Creamy blue cheese, Milkana, 100 g	3.95	Cora
Creamy cheese, President, 250 g	6.72	Mega Image
Emmentaler Cheese, 250 g, Goldsteig	6.99	Billa
Gouda Holland cheese, 450 g, Milbona	12.99	Lidl
Blue cheese, 150 g, Bergader	6.49	Lidl

*1 EUR = 4,5 RON

Romanian companies interested in this category: Euro Lact Prest Com, Whiteland Import Export

4.3.2. FISH PRODUCTS

The consumption of fish per capita in Romania is approximately 5 - 5.5 kg per year. It has a growing trend, mainly due to the health benefits associated by the Romanians with the consumption of fish and seafood.

According to the National Association of the Fish Producers (Romfish), the Romanians prefer roe salads, marinated fish and smoked fish.

According to the Romanian Fish Processors, Importers, Distributors and Merchants Association (RO-FISH), the needs of fish in Romania are supported mainly by imports (around 87%) while the domestic production represents approximately 13%.

The imports of fish, crustaceans, molluscs and other aquatic invertebrates in Romania have registered approximately 135 million EUR in 2014, up by almost 16% compared to the previous year. Furthermore, the Romanian imports of fish, crustaceans, molluscs and other aquatic invertebrates have registered approximately 55 million EUR in the first five months of 2015. Romania imports fish and seafood mainly from the Netherlands, Spain, Poland, Italy, Sweden, Turkey, Hungary, Denmark, Germany, Vietnam etc.

Examples of premium brands of fish and fish products imported in Romania are: Caviar Kaspia, Renna, Palmera, Cadelmar – Greci etc

There are over 20 companies specialised in the fish processing in Romania. The main fish processing products in Romania are roe, followed by marinated fish, smoked fish, fish in brine etc. Some of the main producers of fish and fish products in Romania are: Ocean Fish, Negro 2000, Pescado Grup, Pestisorul de Aur Import Export, Sabico Impex, Elixir CD, Costiana, Group Omega Fish etc.

The main criteria in buying fish and fish products in Romania are: price, origin, quality, expiration date etc.

Examples of prices:

Product	Price (RON)*	Store
Marinated salmon fillet, Negro, 100 g	13.39	Mega Image
Trout fillet, Edenia, 600 g	21.22	Cora
Golden fish fingers, Frosta, 300 g	8.55	Mega Image
Fish from the oven with broccoli sauce, Frosta, 360 g	11.67	Mega Image
Pre-cooked shrimp, Ocean Fish, 500 g	36.96	Cora

Seafood cocktail, Cora, 500 g	14.99	Cora
Tuna in olive oil, As do Mar, 160 g	14.00	Mega Image

*1 EUR = 4.5 RON

4.3.3. ICE CREAM

The Romanian market of ice cream is characterised by a diversified offer.

The annual consumption of ice cream in Romania is approximately 1.5 - 2 litres per capita, a low level compared to other European markets.

On the IKA segment in Romania, in the period April 2014 – March 2015, the sales of ice cream have increased by 11.5% in value and by 12% in volume, compared to April 2013 – March 2014.

The imports of ice cream and other edible ice, whether or not containing cocoa have recorded over 24 million EUR in Romania in 2014, up by 5% compared to 2013.

Some examples of imported brands of ice cream in Romania are: Häagen-Dazs, Carte D'Or, Magnum, Mars, Nestle etc.

Examples of prices:

Product	Price (RON)*	Store
Ice cream cake, Jimmy's, 840 g	39.54	Kaufland
Ice cream with vanilla, La Strada, 500 ml	16.99	Mega Image
Triple chocolate ice cream, Carte D'Or, 900 ml	19.15	Mega Image
Ice cream cake with apple and cinnamon, 2 l, Ballino	11.41	Lidl
Ice cream with caramel and cream, 1 l, Ballino	4.99	Lidl
Ice cream with nuts, 1 l, Gelatelli	7.02	Lidl

*1 EUR = 4.5 RON

4.3.4. SAUCES

The sauces market in Romania is divided into three categories, the mustard representing the largest segment in terms of sales, followed by ketchup and mayonnaise. Recently more gourmet style sauces and dips have been introduced on the market, both with original brands and private brands.

The annual consumption of mustard in Romania is approximately 1.5 jars per capita

On the IKA segment in Romania, the sales of mustard have recorded an increase of 12.8% in value, in 2014 compared to 2013.

Some examples of producers of mustard and sauces in Romania are: Orkla Foods, Valmi, Alexandros Impex, IoliMex etc.

The imports of sauces and preparations therefore, mixed condiments and mixed seasonings, mustard flour and meal and prepared mustard have reached almost 49 million EUR in Romania in 2014, up by approximately 12% compared to 2013.

Some examples of imported brands of mustard and sauces in Romania are: Maille, kivinat, Panzani, Blue Dragon, Zwergenwiese, Terre Exotique, Heinz, Sacla Italia, Cidacos etc.

Examples of prices:

Product	Price (RON)*	Store
Mustard a L'Ancienne, Maille, 210 g	7.99	Mega Image
de Dijon Mustard, kivinat, 350 g	27.55	Plafar
Sauce (Champignons des Bois – Bolets et Cepes), Panzani, 425 g	7.48	Mega Image
Sauce Extra Bolognese, Panzani,, 425 g	9.50	Carrefour
Dark soy sauce, Blue Dragon, 150 ml	6.99	Mega Image

*1 EUR = 4,5 RON

4.4. FUNCTIONAL & HEALTHY FOOD

The Romanian market of the functional and healthy food is characterised by a diversified offer, including protein bars, powders, ready-to-drink products etc.

According to Euromonitor, the sales of sports nutrition products on the Romanian market have increased by 15% in 2014, similar to the growth registered in the previous year. The powder format of sports nutrition is the largest category with 45% of the total category sales.

The rapidly expanding gyms and sports centres in Romania contribute to the growth of functional and healthy food sector.

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Examples of main producers of nutritive supplements in Romania are: Hofigal, Laboratoarele Fares Bio Vital, Dacia Plant, PlantExtrakt, Zenyth Pharmaceuticals, Favisan, Plantavorel, Pro Nutrition Impex, Redis Co, Natural Plus Comert etc.

The domestic producers of nutritive supplements manufacture: herbal products, natural vitamins and minerals, protein powders, protein bars, protein concentrates, amino-acids, muscle-building supplements, fat burners, creatine, weight loss products, instant drinks, weight gainers, carbohydrates etc.

Some examples of brands of nutritive supplements imported and distributed in Romania are: Optimum Nutrition, Big Protein, BPI Sports, Bio-Engineered Supplements and Nutrition (BSN), Cellucor, Cytosport, Dymatize, Gaspari Nutrition etc.

At the same time, the market of health and food supplements, such as herbal products, natural vitamins and minerals, products from plants in capsules etc. is increasing in Romania. Local producers lead the market, but there are also importers of foreign brands such as Himalaya, Bioking, Aboca, Adams, Solaray, ALFA Vitamins, Jarrow Formulas etc.

Examples of prices:

Product	Price (RON)*	Store
Alfalfa seeds powder, Nutrislim Superfoods, 250 g	40.99	Mega Image
Yacon root powder, Nutrislim Superfoods, 125 g	43.99	Mega Image
Rapeseed oil, 250 ml, Sunlit	23.11	Carrefour
Spirulina, 100 capsules, Nature's Way	55.93	Plafar
Omega 3-6-9, 40 capsules, Alevia	18.50	Ki-Life
Protein bar, 50 g, Raw Bite	9.90	Plafar
Maple & peanut protein snack, 50 g, Pulsin	10.61	Plafar
Fibro-bar forte, 60 g, Redis	2.42	Plafar
Rapeseed honey, 500 g, Pirifan	21.80	Plafar
Cretan honey from flowers, pine trees and thyme, Grelia, 270 g	31.00	Delicatese Florescu

*1 EUR = 4,5 RON

Romanian companies interested in this category: BIO Logistic & Distribution Partener, Delicatese Florescu, Firenze Com, Prier CD Invest

4.5. BERRY PRODUCTS

There are over 200 companies operating in the sector of processing and preserving of fruits and vegetables in Romania.

The production of tinned fruits in Romania has recorded 5,595 tonnes in 2014.

Examples of main producers of berry jams in Romania are: Contec Foods, MGC Topoloveni or Annabella Fabrica de Conserve Raureni.

Examples of imported brands of berry products in Romania are: Alain Milliat, Scandic, Dalfour, Chambord, Schwartau, Helios etc.

Examples of prices:

Product	Price (RON)*	Store
Strawberries yoghurt, Activia, 125 g	1.59	Mega Image
Berry yoghurt, Muller, 500 g	4.99	Mega Image
Cranberries yoghurt, Zuzu Max, 125 g	1.55	Billa
Fresh cranberries, 125 g	7.89	Cora
Forest fruits and honey jam, Lesbos, 380 g	25.00	Delicatese Florescu

*1 EUR = 4.5 RON

Romanian companies interested in this category: Delicatese Florescu, Firenze Com, Aquila

4.6. ALCOHOL

The average monthly consumption of alcoholic beverages - wine, beer, plum brandy ("Tzuica") and natural spirits - is of approximately 2.27 litres per capita in Romania.

According to a GfK Romania survey at the request of the Brewers of Romania Association, the beer is the Romanians' favourite drink with their meals. Almost 80% of the Romanian adults who regularly consume alcohol with their meals have declared they prefer beer, both during the week and at weekends.

According to Brewers of Romania Association, the beer market in Romania has registered 14.9 million hectolitres in 2014. Furthermore, the volume of the Romanian beer market has reached approximately 7.6 million hectolitres in the first semester of 2015, up by 3.8% compared to the similar period of the previous year.

Over 97% of the beer consumed by Romanians is manufactured in Romania. The major beer producers in Romania are: Ursus Breweries, Heineken Romania, Bergenbier, Romaqua Group and United Romanian Breweries Bereprod.

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Recently more independent breweries started to produce craft beers. Some of them are Ground Zero, Fabrica de Bere Buna, Fabrica de Bere Nemteana etc.

The wine production in Romania has registered approximately 4.1 million hectolitres in 2014. The most important producers of wine in Romania are: Murfatlar, Cotnari, Jidvei, Vincon and Tohani.

The cider is a new entrant on the Romanian market. The product is sold in retail and HoReCa. At present, Romania does not have cider production and all the cider products available on the domestic market are imported. In 2015, Heineken has launched on the Romanian market the Strongbow apple cider brand. Subsequently, United Romanian Breweries Bereprod has launched in Romania the Somersby brand, a cider within the Carlsberg portfolio. According to Nielsen, Strongbow Dark Fruit (cider) is considered „breakthrough innovation” product in 2015.

Examples of imported alcohol brands in Romania are:

- wine: Paul Mas, Golden Kaan, Los Vascos, Casetta, Oxford Landing, Yalumba, Taylor's, Longridge, Mulderbosch, Gato Negro etc
- whiskey: Aberfeldy, Jack Daniel's, Highland Park, Drambuie, J&B etc
- liqueur: De Kuyper, Absente, Cointreau, Lucas Bols, Feeney's, Unicum Szilva, Mandarine Napoléon etc
- gin: Bombay Sapphire, Fifty Pounds, Finsbury, Larios, Beefeater etc
- vodka: Eristoff, Finlandia, Grey Goose, Puschkin, Danzka, Sobieski etc
- brandy: Ararat, Metaxa etc
- cider: Valderance, Rose de Pommes, Reflets de France etc

Examples of prices:

Product	Price (RON)*	Store
Coffee Layered Liquor, Sheridan's, 0.7 l	91.96	Carrefour
Liquor Tiramisu, Angelli, 0.5 l	23.35	Carrefour
Liquor Sambuca, Ramazotti, 0.7 l	59.99	Mega Image
Liquor, Amaretto di Venezia, 0.7 l	20.99	Metro
Vodka, Tazovsky, 0.7 l	35.97	Carrefour
Whiskey, Grant's, 0.7 l	48.99	Mega Image
Whiskey, Ballentine's, 0.7 l	52.18	Carrefour
Whiskey, J&B Rare, 0.7 l	53.11	Carrefour
Dry Spirit, Kreskova, 0.5 l	15.30	Kaufland
Vermouth, Garrone, 1 l	26.99	Mega Image
Beer, Bergembier, PET 1 l	3.69	Mega Image

Beer, Beck's, 0.33 l	2.74	Mega Image
Beer, Stella Artois, 0.75 l	10.63	Carrefour
Cabernet Sauvignon Wine, Castel Bolovanu, 0.75 l	24.89	Mega Image
Wine, Vino Amigo, 2 l	9.66	Kaufland
Wine, Primitivo di Manduria, Jorche Antica Masseria, 0.75 l	83.99	Mega Image
Energy drink, Red Bull, 250 ml	4.74	Mega Image
Energy drink, Club Mate, 330 ml	6.99	Mega Image
Cider, 0.75 l, Reflets de France	12.90	Carrefour
Cidre De Normandie, 0.75 l, Andre Jalbert	10.11	Lidl

*1 EUR = 4.5 RON

Romanian companies interested in this category: Firenze Com

4.7. MEAT

The annual average consumption of meat and meat products in the fresh meat equivalent is approximately 58 kg per capita in Romania.

The most consumed type of meat products in Romania is the salami, with a share of approximately 40%, followed by sausages and frankfurters (20%), baloney (15%), specialties (17%), ham (7%) and others (1%). In the category of sausages, the Romanians prefer mainly pork sausages, followed by poultry, beef and turkey sausages.

On the IKA segment in Romania, the percentage of the pork sales in the total meat sales is approximately 35%.

The production of meat in Romania has recorded 680,253 tonnes in 2014, up by almost 8% compared to 2013. Furthermore, the production of meat products has registered 337,740 tonnes in Romania in 2014, up by approximately 4% compared to 2013.

There are over 750 companies operating in the sector of the production, processing and preserving of meat and meat products in Romania. Some of the main producers of meat and meat products in Romania are: Smithfield, Unicarm, Marex, Caroli Foods, Elit, Diana, Cris-Tim, Aldis, Agricola Bacau etc. Players such as Smithfield Group are vertically integrated.

Examples of imported brands of meat and meat products in Romania are: Carrasco-Guijuelo, Casademont, Espina, Jean Caby, Italia Salumi, Fiorucci, Bauwens, Galbani, La Selva, Penafria etc.

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Some of the main importer-distributors of meat and meat products in Romania are: Agroalim Distribution, Intertrade Distributie Produse Alimentare, Optimeat, Cris Vest Carne, Radan Impex, Stela Com etc.

The main criteria in buying meat and meat products in Romania are: price, expiration date, colour and appearance, quality, low additive content and origin.

Examples of prices:

Product	Price (RON)*	Store
Sliced pork meat, Gusturi Romanesti, 1 kg	20.19	Mega Image
Chicken, Edenia, 550 g	16.60	Cora
Chicken gizzards and hearts, Coco Rico, 1 kg	10.99	Mega Image
Chicken legs, Bona Avis, 1 kg	11.99	Kaufland
Sliced salami, Reinert, 80g	5.37	Mega Image
Dry salami, Agricola, 100 g	2.62	Mega Image
Sinaia salami, Aldis, 500 g	13.99	Carrefour
Peles salami, Agricola, 300 g	12.24	Mega Image
Pork salami, Cris-Tim, 500 g	12.99	Mega Image
Canadian salami, C+C, 570 g	12.59	Mega Image
Italian salami, Gustoso, 300 g	9.66	Kaufland
Smoked bacon, Caroli, 100 g	3.54	Mega Image
Kaizer, Campofrio, 100 g	2.80	Kaufland

*1 EUR = 4.5 RON

Romanian companies interested in this category: Cris Vest Carne, Firenze Com

4.8. CHOCOLATE

The Romanian chocolate market is highly competitive, with very strong local and international players, investing substantially in communication and marketing.

The chocolate market in Romania is estimated at approximately 300 million EUR. The key segment is represented by the chocolate tablets, with over 45% in value. The remaining market is divided almost equally between the pralines and the bars, the most dynamic being the pralines.

The annual chocolate consumption in Romania is still at a low level compared to other European markets, averaging 1.4 - 1.7 kg per capita.

Mondelez is the leader on the chocolate market in Romania, being present in all categories and in all price segments, with a large portfolio of brands (Milka, Poiana,

Toblerone). Kandia Dulce is present in all three chocolate market segments - in the tablets and pralines segment, it operates three brands: Kandia, Laura and Primola. The local chocolate producer Heidi is the leader on the premium segment and holds a 7% share of the domestic market of chocolate tablets.

On the IKA segment, the top five brands of pralines - Raffaello, Milka, Poiana, Merçi and Toffifee - hold a combined 50.4% of sales value, while the retailers' own brands have a market share of 9.1%.

The imports of chocolate and other food preparations containing cocoa in Romania have recorded approximately 162 million EUR in 2014, up by almost 15% compared to 2013.

Examples of imported brands of chocolate in Romania are: Maxim's de Paris, Michel Cluizel, Mademoiselle de Margaux, Valrhona, Merci, Toffifee, Ferrero Rocher, Belgian, Lindt, Hershey's, Starbrook, Ritter Sport etc.

Examples of prices:

Product	Price (RON)*	Store
Alpine Milk Chocolate, Schogetten, 33 g	1.57	Mega Image
Pralines, Belgian, 250 g	19.10	Carrefour
Mint Chocolate Tablets, Royal Mints, 200 g	7.99	Kaufland
Pralines with dark chocolate, Belgian, 135 g	12.99	Mega Image
Pralines, Excelcium, 200 g	10.99	Mega Image
Pralines with hazelnuts, Milka, 110 g	6.24	Mega Image
Pralines with chocolate and caramel, Toffifee, 125 g	6.89	Mega Image
Pralines, Ferrero Rocher, 200 g	17.49	Mega Image
Dark chocolate with hazelnuts, Heidi Grand'Or, 100 g	6.99	Billa

*1 EUR = 4,5 RON

Romanian companies interested in this category: BIO Logistic & Distribution Partener, Delicatese Florescu, Firenze Com, Meredith, Prier CD Invest, Romega Food Distribution, Aquila

4.9. LIQUORICE

The sweets market in Romania is estimated at 380 million EUR, with an annual growth of 3%.

Main sweets available on the Romanian market are:

- candies
- caramels
- pralines

Consumption of liquorice sweets is rather limited in Romania.

The imports of sugar confectionery not containing cocoa (including liquorice extract, jelly confectionery, toffees, caramels etc) have recorded almost 42 million EUR in Romania in 2014, up by some 8% compared to 2013.

Some examples of imported brands of liquorice in Romania are: Casino, Elah, Alpenbauer, Panda, Fida, Sanagola etc.

Examples of prices:

Product	Price (RON)*	Store
Assortment liquorice, Casino, 250 g	22.80	Mega Image
Liquorice, Fida - Le Bonelle Gelées, 200 g	12.00	La Republica Del Gusto
Liquorice, Fida - Gocce, 160 g	12.00	La Republica Del Gusto

*1 EUR = 4,5 RON

Romanian companies interested in this category: BIO Logistic & Distribution Partener

4.10. ORGANIC PRODUCTS

The organic products are sold in Romania in specialised stores selling natural products (such as Plafar, Bio Holistic etc), as well as in supermarkets, hypermarkets and pharmacies.

Producers and re-packers of organic foods in Romania are: Solaris Plant, Pirifan, SanoVita etc.

Some examples of imported brands of organic food products in Romania are: Bohlsener Muhle, Organix, The Bridge, ma baker, BioKing, Grillon d'Or -Céréco, Goodies, Emco, polz, Pulsin, Rawr, Rawbite, La Finestra sul Cielo etc.

The organic food sector has potential for growth in the next years, as Romanian consumers are becoming more health conscious.

Examples of prices:

Product	Price (RON)*	Store
Bio crispy oat biscuits, Bohlsener Muhle, 125 g	13.00	Plafar
Bio spelt oat cookies with butter, Bohlsener Muhle, 125 g	14.00	Plafar
Organic raspberry & apple soft oat bars, Goodies, 180 g	17.95	Mega Image
Organic creamy vanilla baby biscuits, Organix, 54 g	14.69	Mega Image
Organic chocolate smoothie, ma baker, 90 g	6.81	Plafar
Organic oatmeal with chocolate, Emco, 55 g	2.31	Plafar
Organic black blueberry nectar, polz, 0.2 l	4.97	Plafar
Organic chicken, 1.4 kg, Geflügelschlachtereie Stauß	59.03	Ki-Life
Bio crispy bread with sesame, 210 g, Linea Natura	6.50	Ki-Life

*1 EUR = 4,5 RON

Romanian companies interested in this category: Bio Holistic, BIO Logistic & Distribution Partener, Delicatese Florescu, Firenze Com

4.11. RAW MATERIALS & INDUSTRIAL FOOD INGREDIENTS

Some of the main producers of raw materials and industrial food ingredients in Romania are: Supremia Grup, Fuchs Condimente or Gemini Natromind.

The Romanian imports of crushed and ground Capsicum or Pimenta have recorded approximately 2.4 million EUR in 2014, up by some 14% compared to 2013.

The importer-distributors of industrial food ingredients in Romania have a diversified offer that includes: caraway, enzymes, colours, emulsifiers, additives, flavours, powders, proteins etc.

Examples of imported brands of raw materials and industrial food ingredients in Romania are: Döhler, DMV International, Emsland, Frutarom, Gewurzmuller, Nesse, DSM Food Specialties etc.

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Some of the main importer-distributors and re-packers of raw materials and industrial food ingredients in Romania are: Alinda Ro, Dupont Exim, Enzymes & Derivates, Eurogamma Flavors & Fragrances etc.

Romanian companies interested in this category: Firenze Com, Meredith