

# Arla Foods Ingredients

Lactose on the Global Dairy Trade  
Auction

19 January, 2015



# Arla Foods Ingredients



# A global leader in whey processing

- Revenue: **EUR 476 mn** (2014)
- Expected revenue **growth rate of 16% p.a.** (towards 2017)
- **Global market leader in whey proteins and lactose**
- Global sales network and supply chain
- 821 employees (2014)
- Arla Foods Ingredients is **fully owned by Arla Foods Amba**



# All products available at the Global Dairy Trade platform are from our brand new state-of-the-art lactose factory in Denmark

- 100% owned by Arla Foods Ingredients
- State-of-the-art lactose production
- Total lactose capacity: ~80,000 MT
- All products are Vegetarian/Halal/Kosher
- The lactose is refined and come in 3 qualities:
  - Unmilled
  - Mesh 100
  - Mesh 200
- Products are bagged in either 25 kg or 1,000 kg bags





# Further details on packaging

## Packaging details

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- Products are bagged in either **25 kg small bags** or **1,000 kg big bags** (Mesh 200 products are bagged in 25 kg small bags only)
- Our lactose is available in 2 different big bags with below measurements:
  - **670x960x1850 cm** (height, width, depth)
  - **870x870x1750 cm** (height, width, depth)

# Arla Foods Ingredients on the Global Dairy Trade



# The Global Dairy Trade (GDT) online auction is the world's largest dairy auctions and an ideal outlet for buying lactose

## 5 quick facts about GDT...

- **GDT has annual dairy sales >900,000 MT** with the majority sold as milk powder
- **>650 buyers from >90 countries** and the number is increasing
- **Pricing is based on demand and supply** (See illustration and description to the right)
- Until now, only limited quantities of lactose have been offered on GDT – AFI is going to change this
- **We want to make GDT a strong and reliable channel for buying lactose**

## How does GDT Work?



- Twice a month, sellers report their volumes for sale and starting price to GDT, which then opens for bidders
- If the total bids exceed the volume available, a new bidding round begins at a higher price
- Further bidding rounds are initiated as necessary until demand matches supply

# Benefits from buying lactose on GDT

## GDT is an ideal channel for buying lactose

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- Supports **best price** for lactose as pricing is based on supply and demand
  - Creates a reliable **global benchmark for lactose** both on price and quality
  - Easy access to **large volumes of high quality lactose** available as Vegetarian/Kosher/Halal
  - **Consistent sales outlet** that matches supply with demand
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GLOBAL  
DAIRY  
TRADE







**We hope to meet you on GDT**

