



## Food & Ingredients

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# Food & Ingredients Core Businesses



## Edible oils

Oils, margarines, mayonnaise, shortenings and industrial fats sold in foodservice, food processor and retail markets

## Milling

Wheat products for food processors and bakery customers, and corn dry products for cereal manufacturers, brewers, snack food producers and other customers

# Foods & Ingredients Fact Sheet



- Leading global manufacturer of bulk and bottled vegetable oils
- Leading producer of branded consumer bottled oils in Europe and South America; growing in Asia
- Second largest margarine producer in the world
- Leading corn and wheat miller in the Americas
- Leading foodservice and food processor supplier in North America

# Bunge Integrated Business Model

## Bunge Edible Oils Value Chain



## Bunge Milling Value Chain



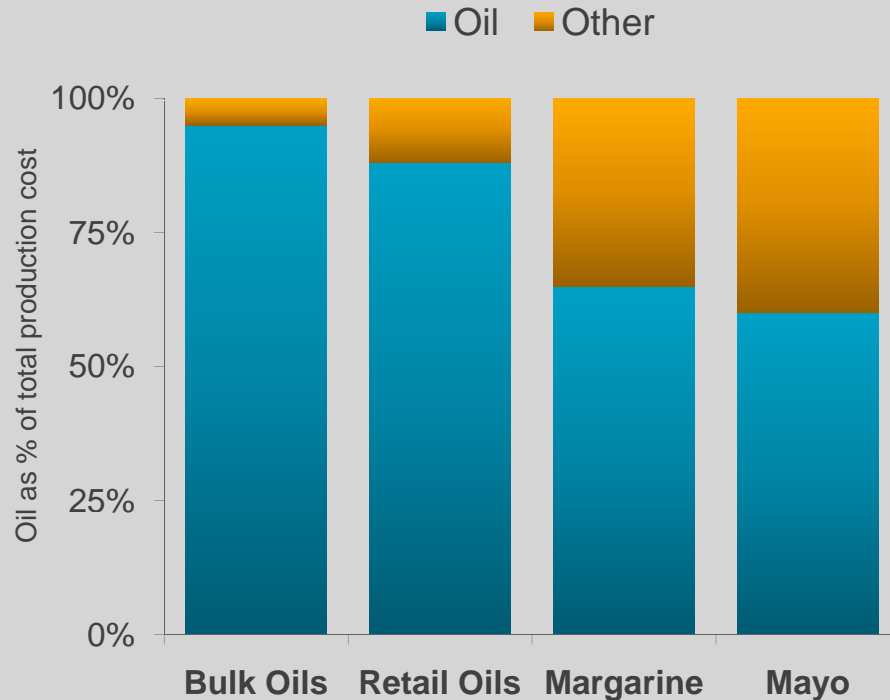
### Integrated Business Model



- 1 Direct access to suppliers
- 2 Cost efficiencies
- 3 Flexibility and footprint synergies with Agri
- 4 Ability to better manage volatility

# Significance of Oil

## Raw Material Cost Impact



Sources: Euromonitor

- On average, Food & Ingredients consumes ~60% of the Bunge crude oil production
- Margarine and mayonnaise also absorb significant quantities of oil

# Distribution Channels

## Sales Channels

### Retail

- Branded
- Private Label



### Foodservice

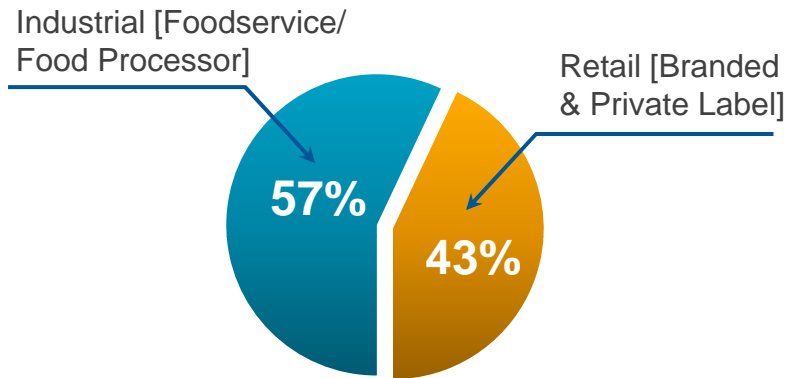


### Food Processors



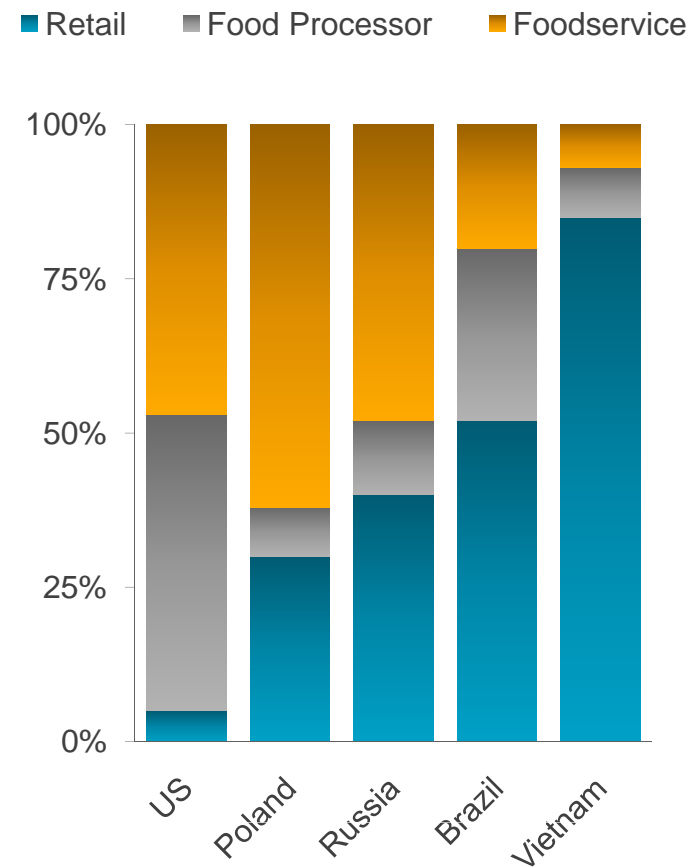
# Portfolio and Distribution Channels

## Portfolio by Net Sales



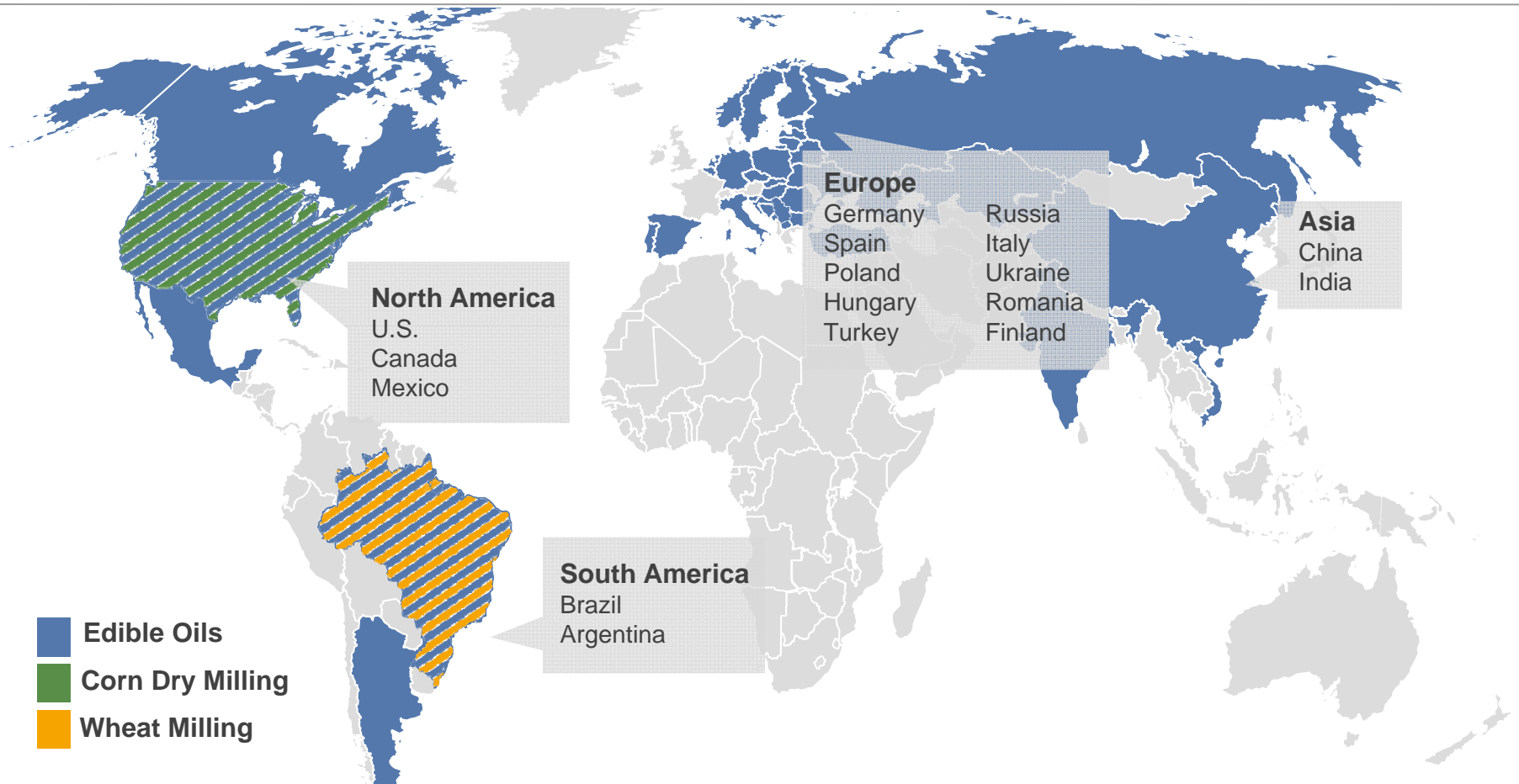
Edible Oils	Food Processor	Foodservice	Retail
Bulk	X	X	
Bottled		X	X
Margarine	X	X	X
Mayonnaise		X	X
Shortenings	X	X	
<b>Milling</b>			
Corn	X		
Wheat	X	X	

## Oil Consumption by Channel (metric tons)





# Global Presence



## 2001:

- 2 Countries
- Net Sales: \$1.7 billion



## 2009:

- 17 Countries
- Net Sales: \$7.9 billion



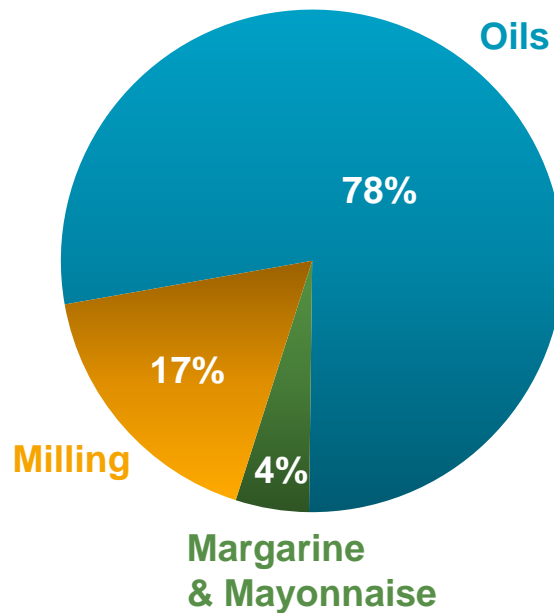
## Strong Positions in Key Markets

	Brazil	Russia	Germany	Ukraine	Poland	Hungary	Romania
Bottled Oil Market Value (\$0,000)	3,800	2,500		500	450	200	300
Bottled Oil Market Share	#1	#3		#2	#1	#1	#1
Margarine Market Value (\$0,000)	1,300		1,800		650	150	
Margarine Market Share	#2		#2		#2	#2	

# Portfolio Evolution

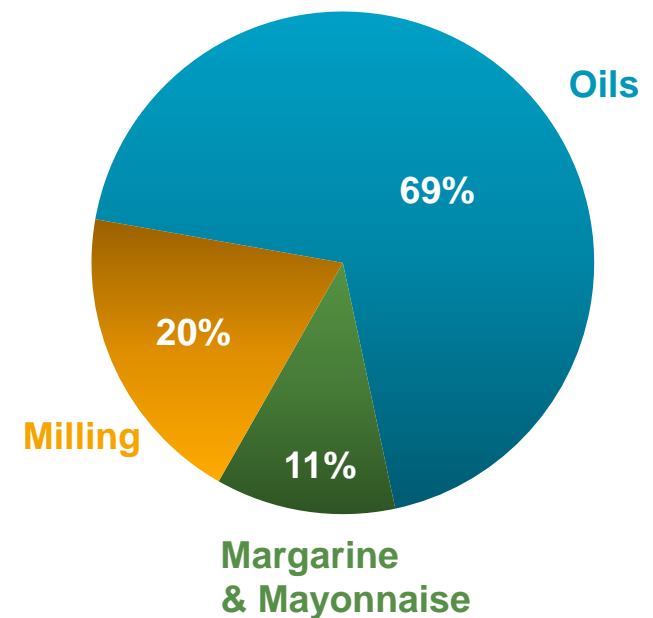
Net Sales Contribution

2004



- More balanced portfolio
- Margin improvement
- Lower volatility

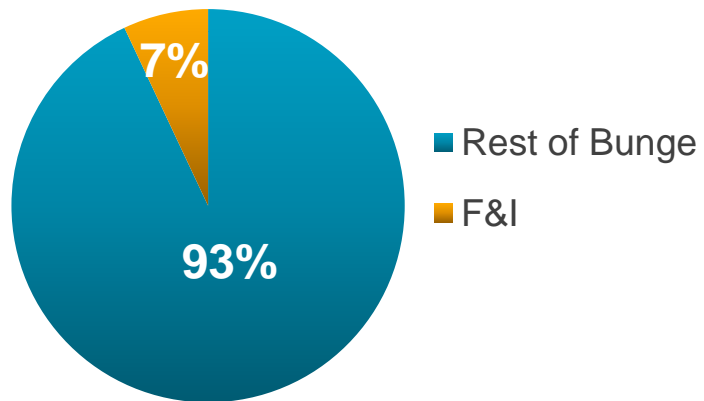
2009



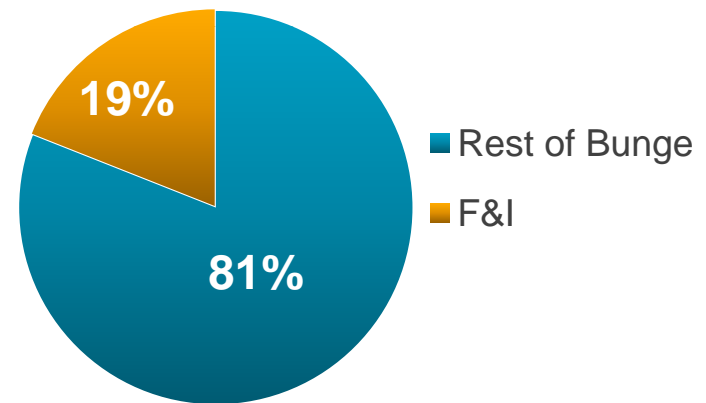
**Continue growing the total business and increase the value-added contribution from margarine**

# Value-Added Contributor

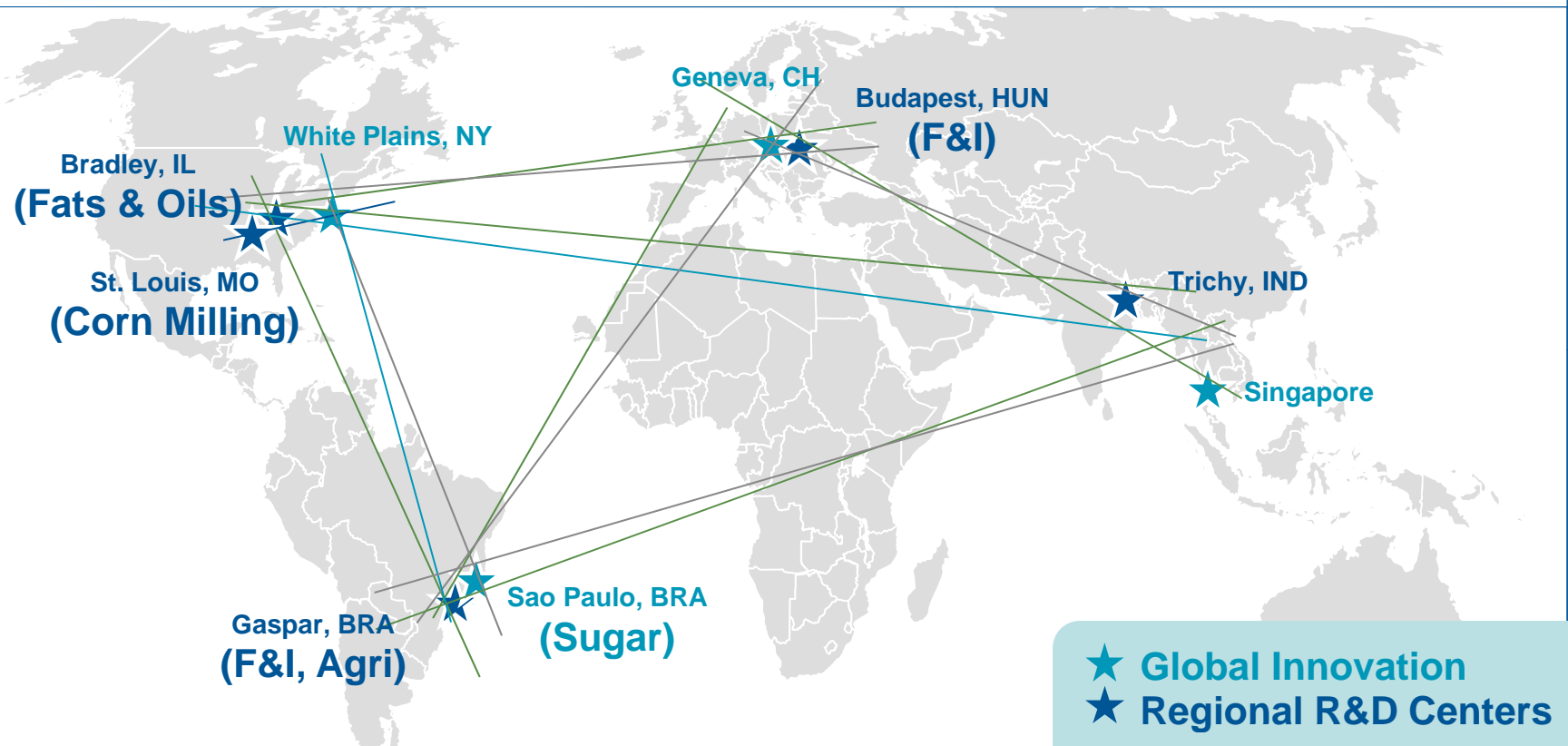
**2009 Volume (Mt)**



**2009 Net Sales (\$M)**



# Bunge Global Innovation Network



- Bring new science and technology to support value creation and regional business development in key categories (food, feed, sugar and fertilizer)
- Manage networks of knowledge with universities, research institutes and technology partners to access emerging opportunities
- Health and nutrition related innovation important growth driver

# Recent Innovation Initiatives

## Key Initiatives

- **Naturally processed oils**, e.g. first press oils
- **Enzymatic interesterification applications:** no trans/low SAFA formulations for target customers
- **IP oils:** Success in High Oleic canola leads the way for High Oleic soy oil solutions (replace trans in frying), next generation omega-3 and High Stearic soybean oil
- **Reduced sodium margarine:** replace standard salt in retail spreads and bakery margarines with lower sodium sea salt while delivering functionality / taste parity preference to control
- **Launch DHA fortified oils** in China

# Strategic Priorities

## **Strengthen the global Oils position**

- Grow in key geographies
  - Continue improving financial returns
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## **Expand Margarine business**

- Continue growing in Europe and other geographies
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## **Maintain strong regional positions in Milling**

- Corn in the U.S., wheat in Brazil
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## **Grow in adjacent value chains**

- For example: rice, palm, other oils



Thank you.