



EUROPE AT DIFFERENT SPEEDS

ZOOMARK INTERNATIONAL 2013

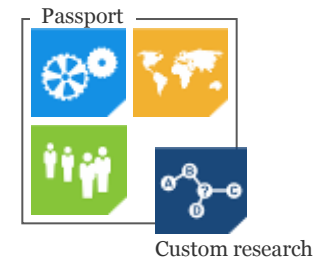
10 MAY 2013

PAULA FLORES

HEAD OF PET CARE RESEARCH

Euromonitor International

- A trusted business intelligence source
- Helping clients make informed decisions
- Consumer-focused: industries, countries, consumers
- Subscription services and custom research
- 600 analysts in 80 countries
- Regional research hubs
- Industry specialist client support teams



INDUSTRY PERFORMANCE

WESTERN EUROPE

EASTERN EUROPE

BRAZIL

FUTURE PROSPECTS



Living In Uncertain Times

+5.2%

+3.8%

+3.6%

+ 3.5%

-0.6%



2009

2010

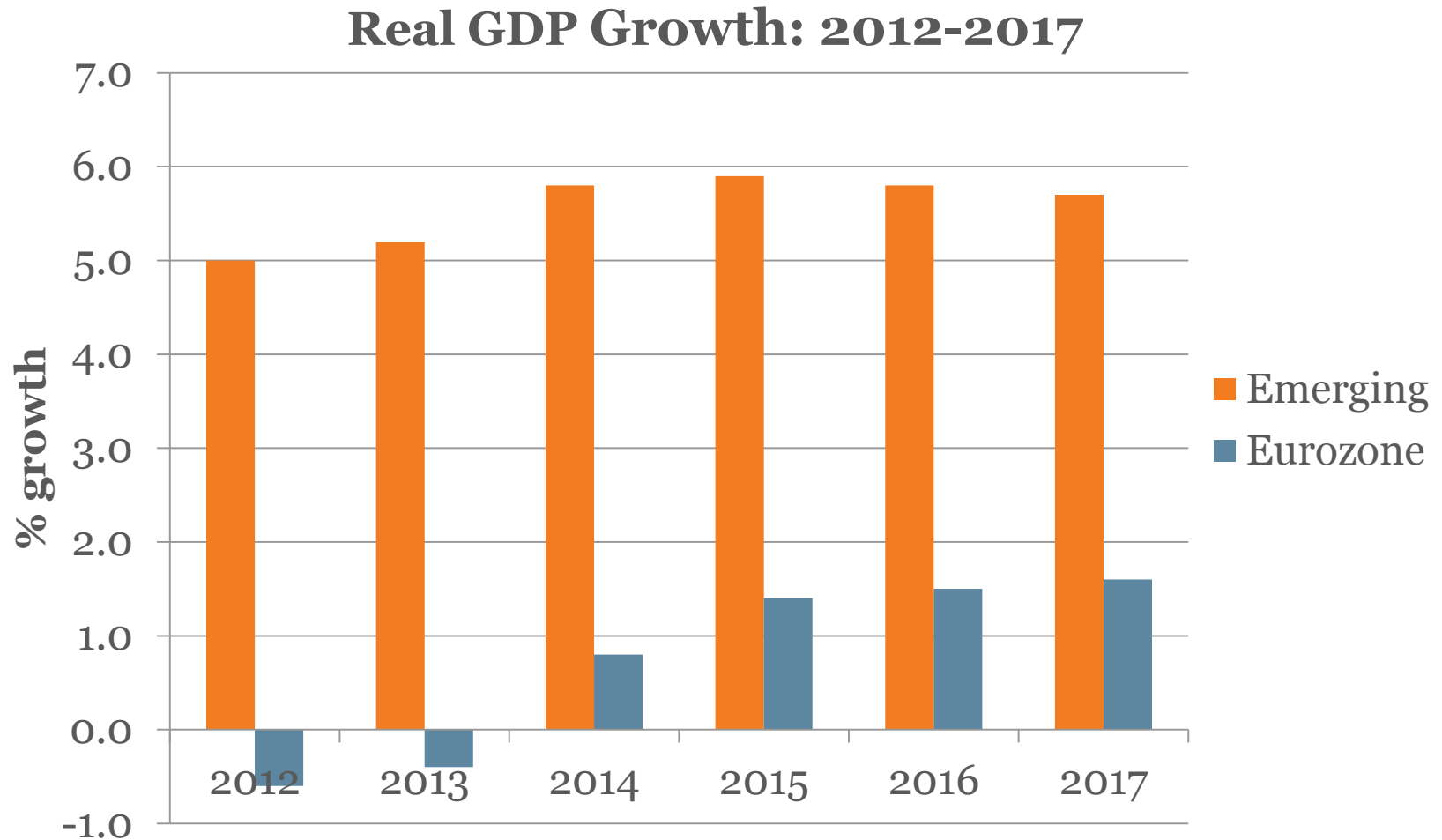
2011

2012

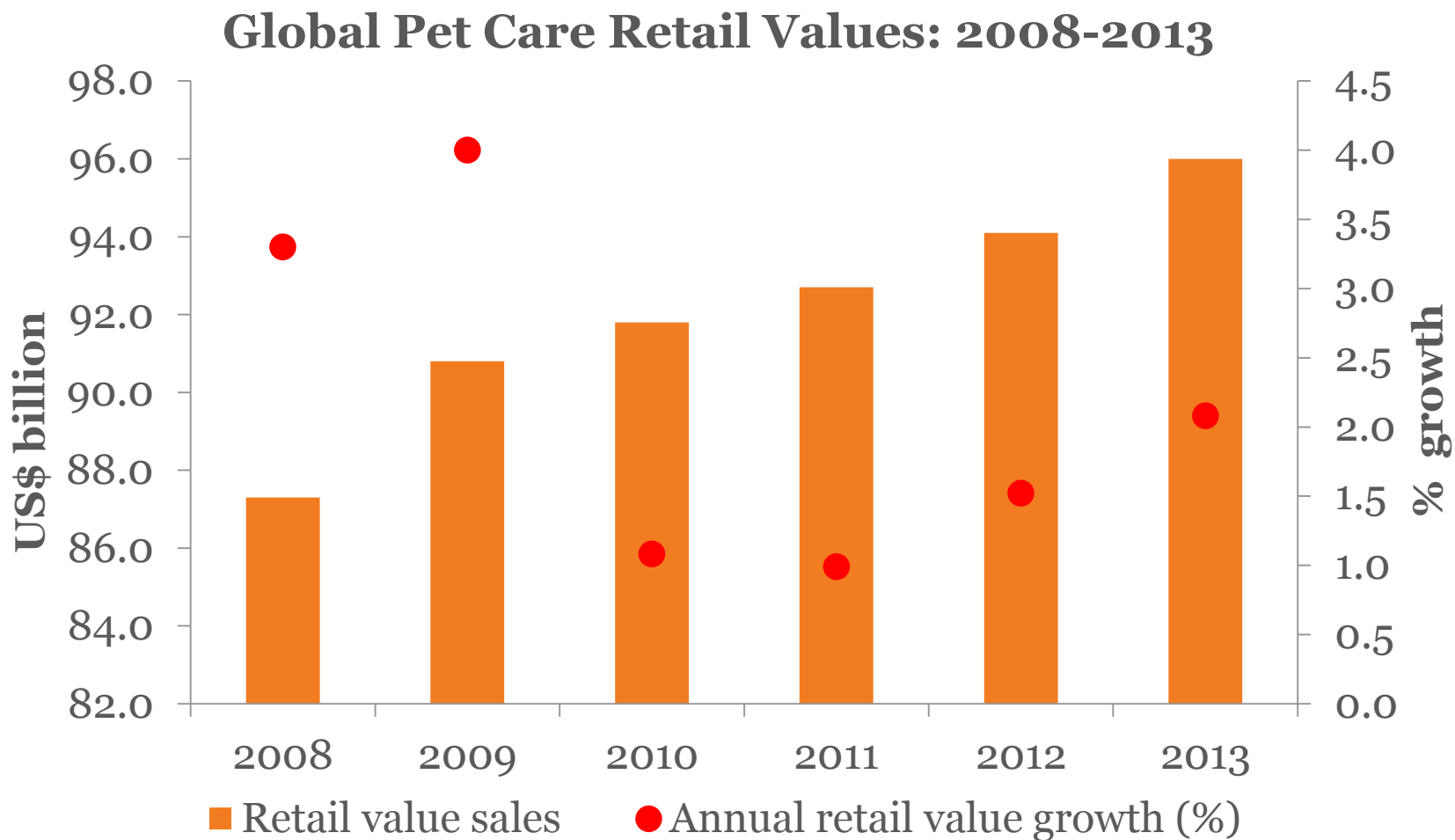
2013

Source: Euromonitor International from national statistics/Eurostat/OECD/UN/International Monetary Fund (IMF), World Economic Outlook (WEO)

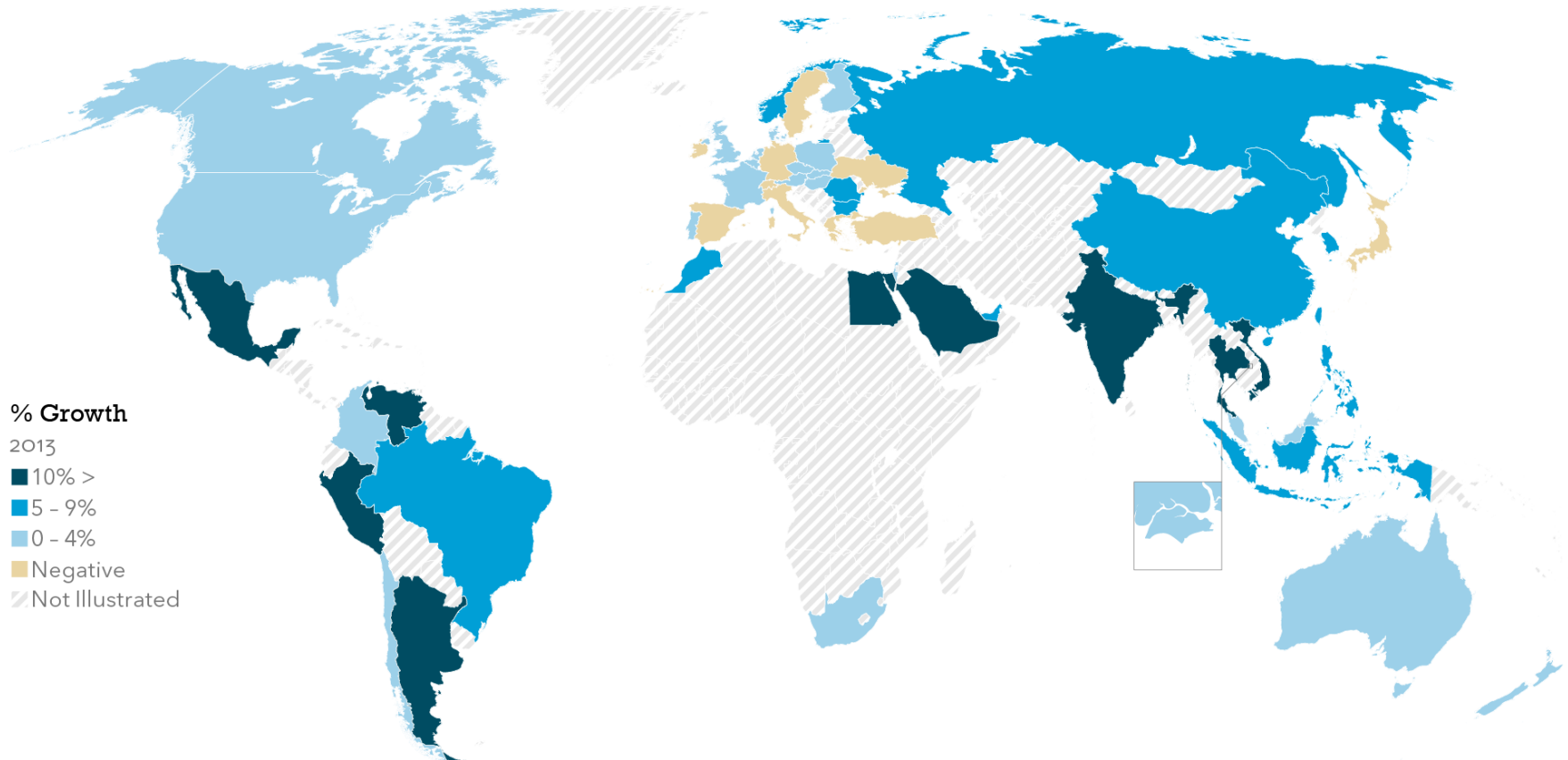
The Troubles in the Eurozone



Pet Care Posts Good Growth

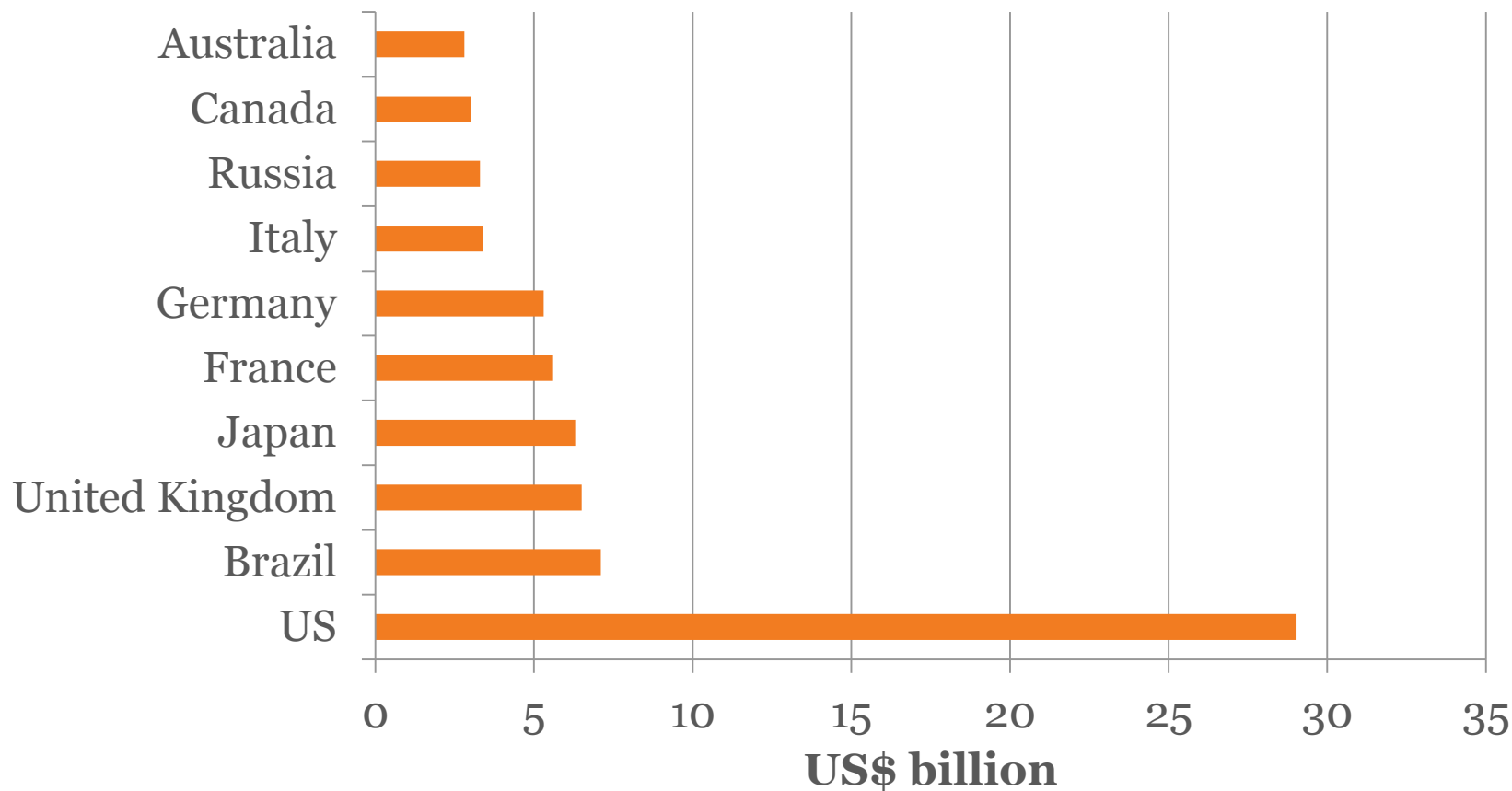


And Pet Care at Different Speeds in 2013



Top 10 Largest Markets in 2013

Pet Care Top 10 Largest Markets by Retail Value



Global Pet Care Drivers



Humanisation

Premiumisation

INDUSTRY PERFORMANCE



Global Pet Care Drivers



Saudi Arabia: Pet Facial Scrub



Israel: Pet Head

Global Pet Care Drivers



Purina One Beyond
South Africa Q1 2013



UAE Iams Pro Active Health
Launched 2012

Global Pet Care Drivers



Israel: Nature's Variety Instinct



Dog Bakery in Canada

INDUSTRY PERFORMANCE

WESTERN EUROPE

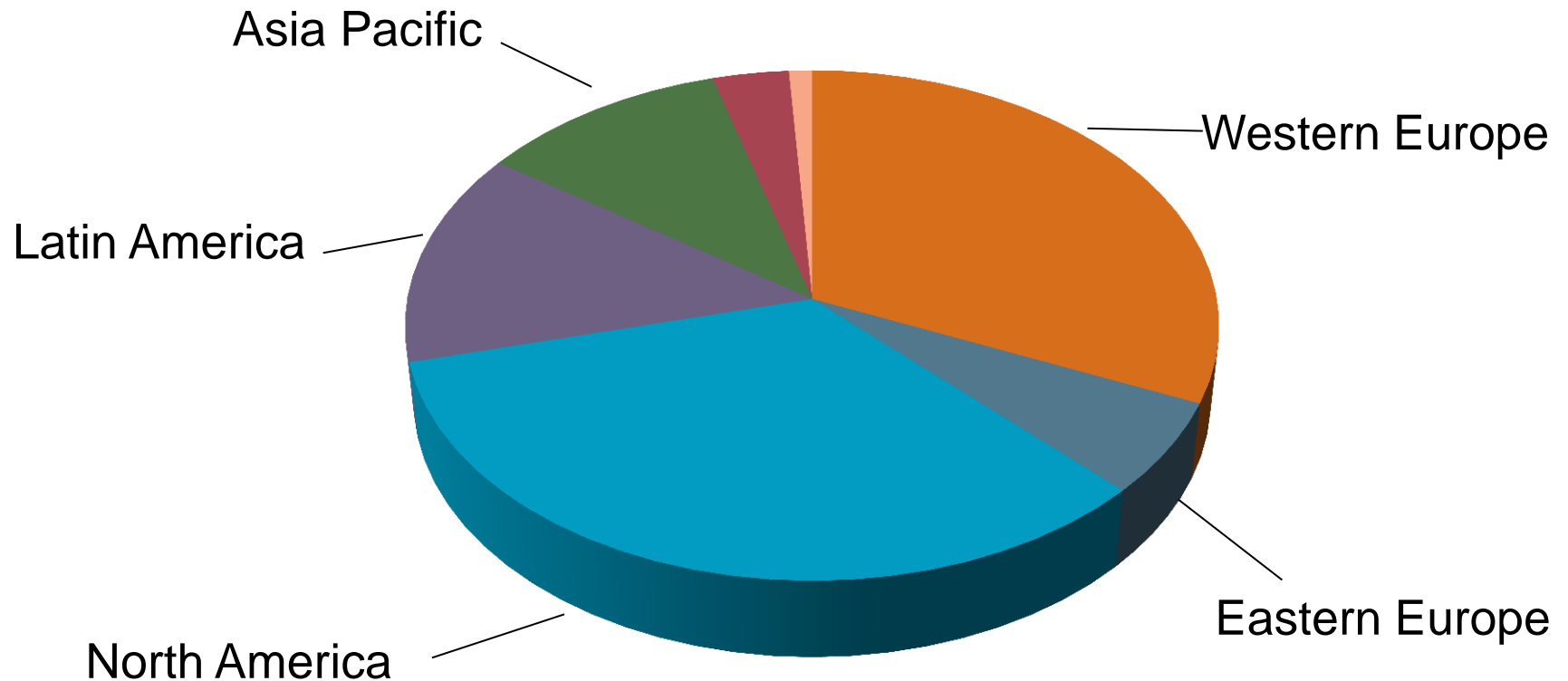
EASTERN EUROPE

FUTURE PROSPECTS



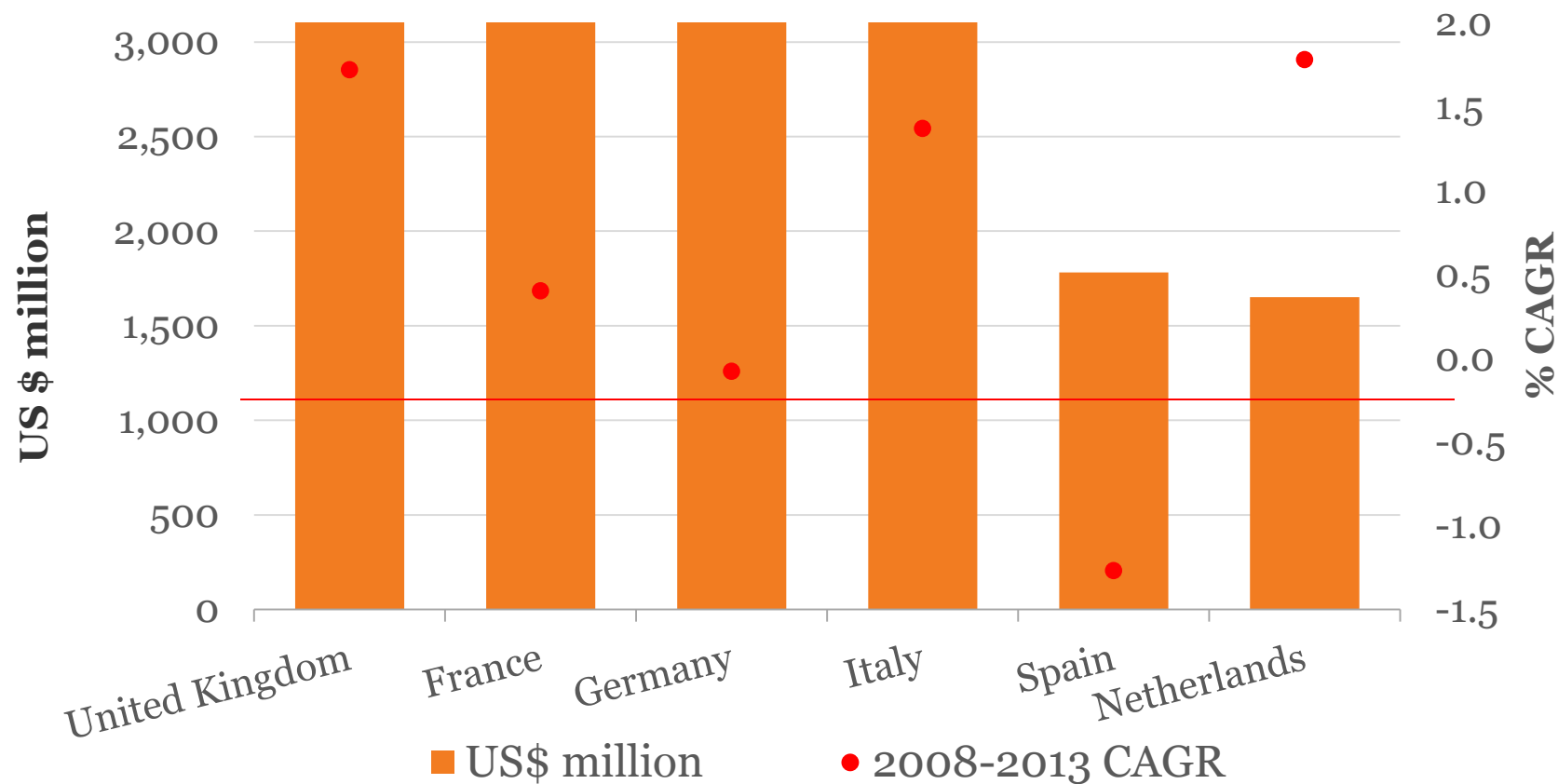
North America and Western Europe are the Leaders

Pet Care Sales by Region



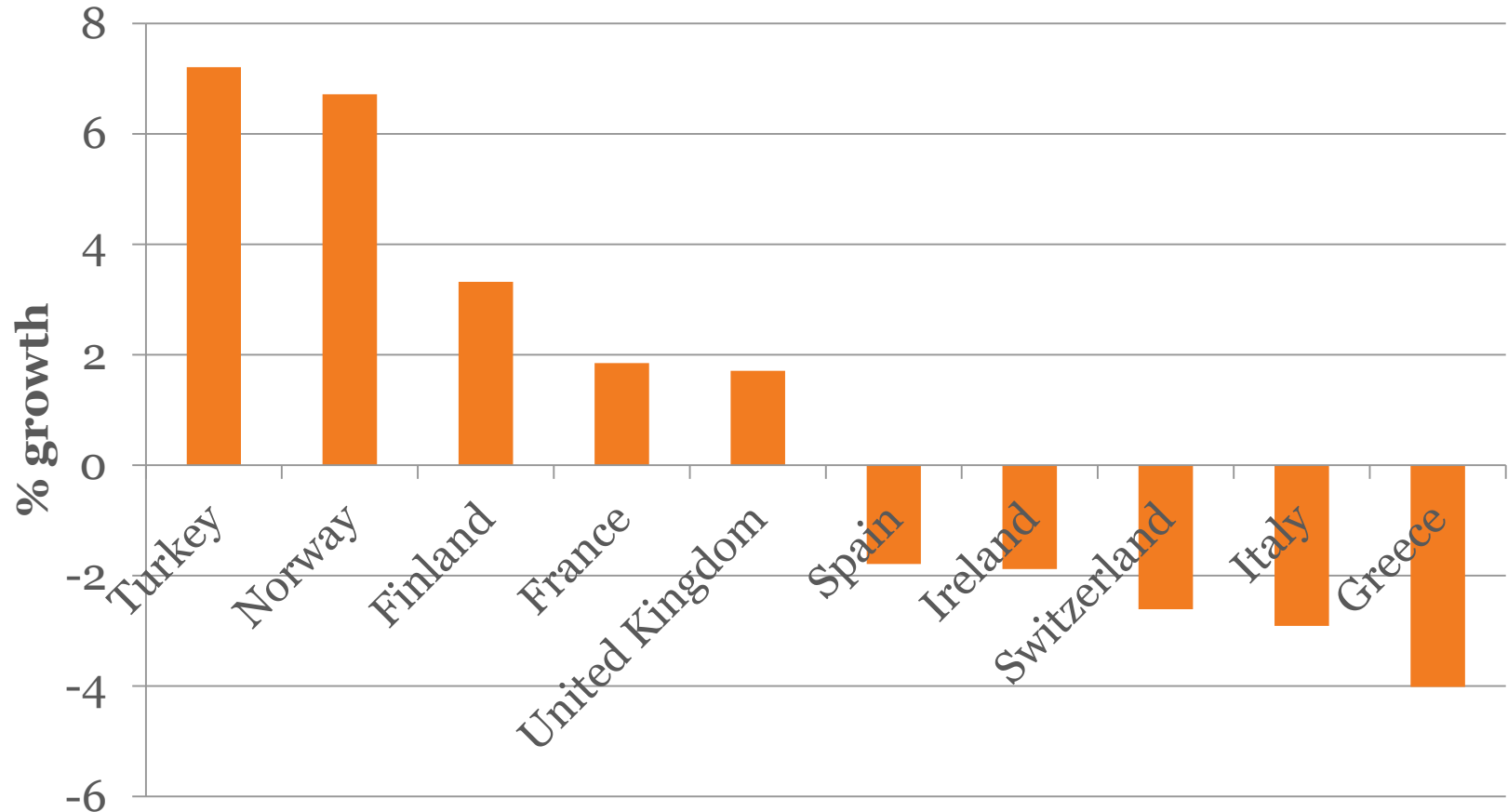
Mature Western European Markets

Pet Care Retail Value Sales in Western European Markets: 2013



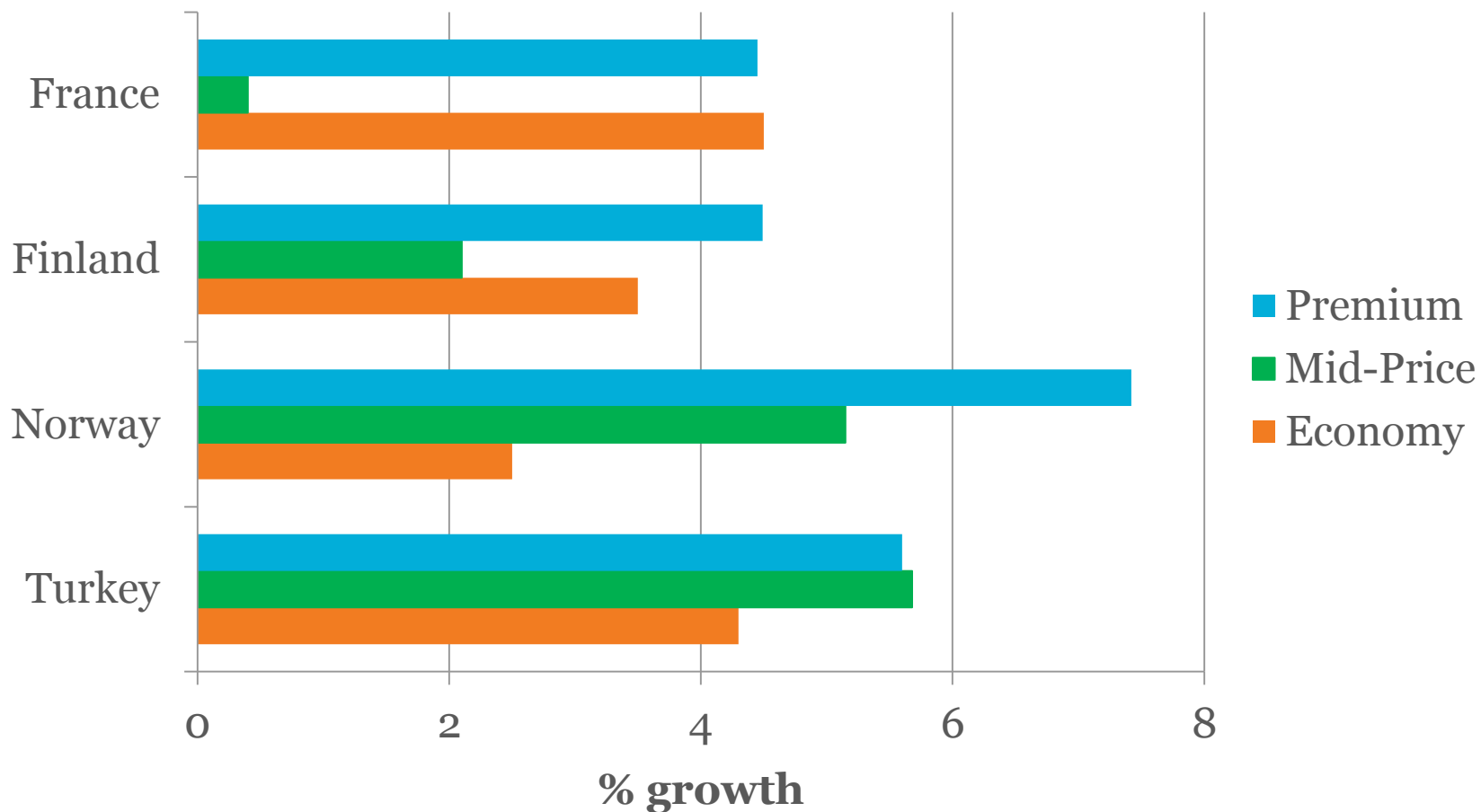
Strong Polarisation Across Europe

Pet Care Value Growth in Western Europe: 2013



Best Performing Dog and Cat Food Markets

Top Four Dog and Cat Food Markets 2013



With Humanisation Still Growing Strong



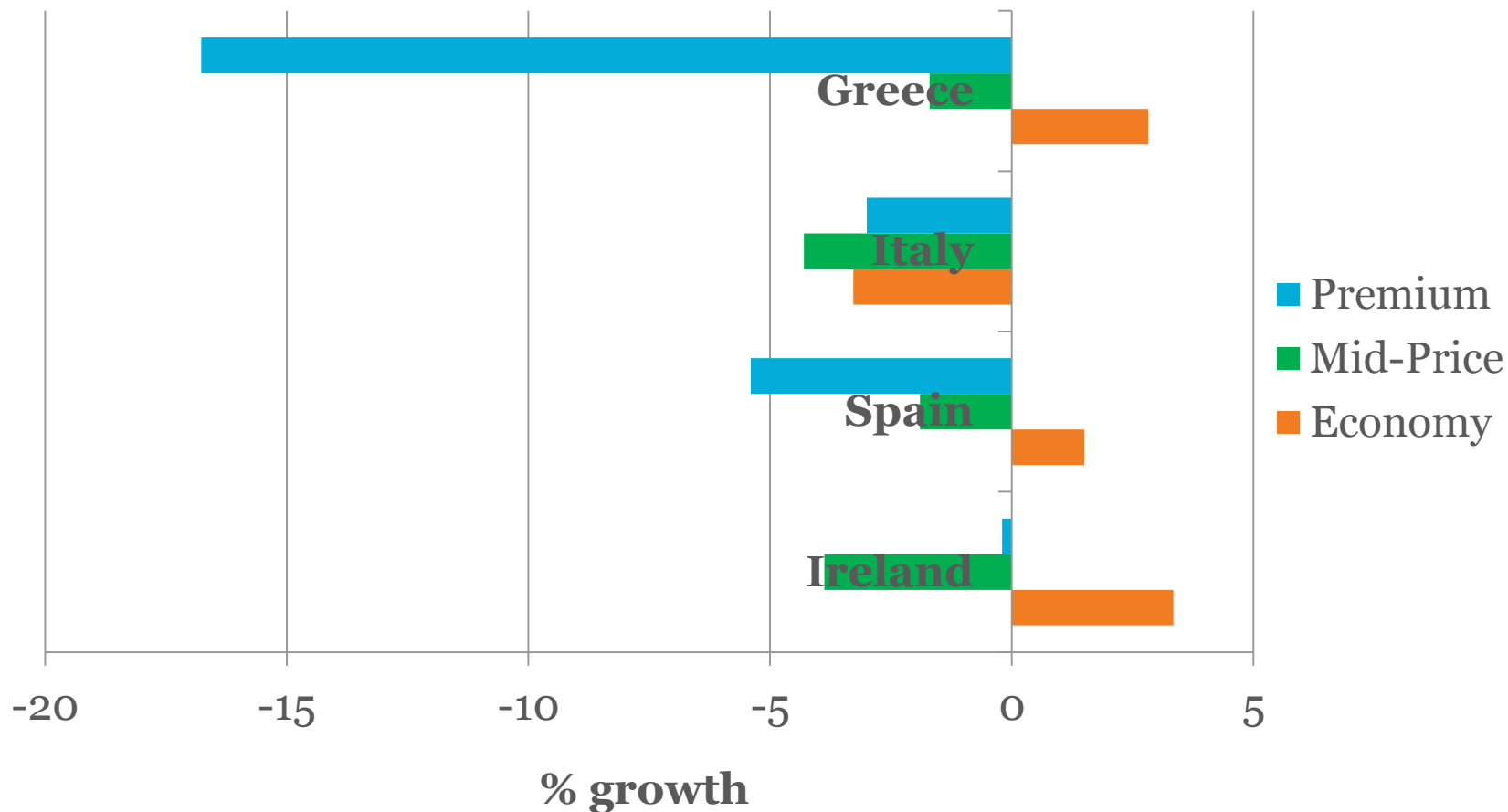
Gimdog
H von Gimborn GmbH
Germany



Feline Young Adult Sterilised
Hill's Pet Nutrition SNC
France

Worst Performing Dog and Cat Food Markets

Top Four Less Performing Markets 2013



With Private Label Becoming More Refined



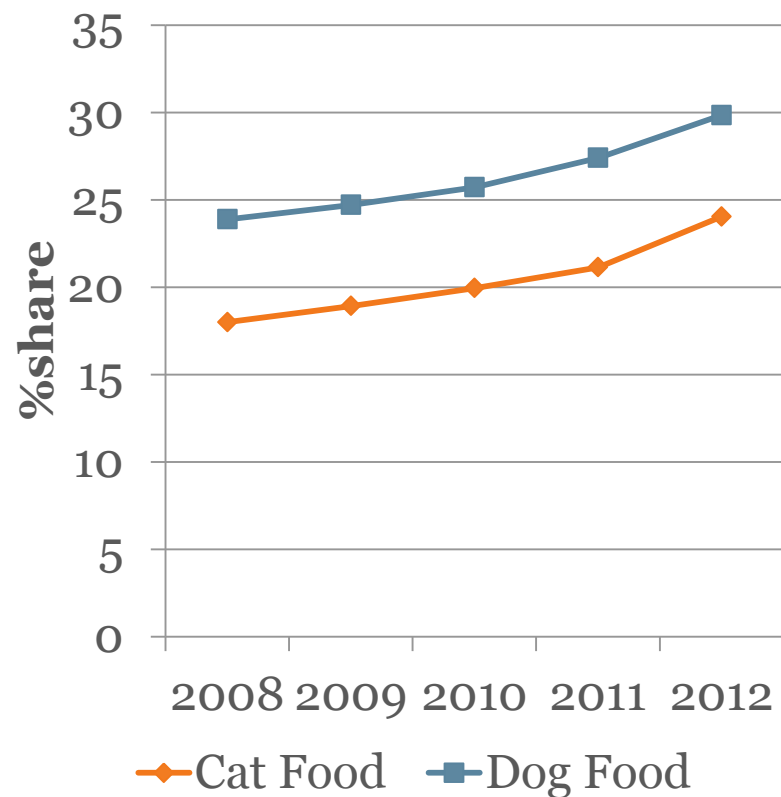
Select Gold Senior
Fressnapf
Germany



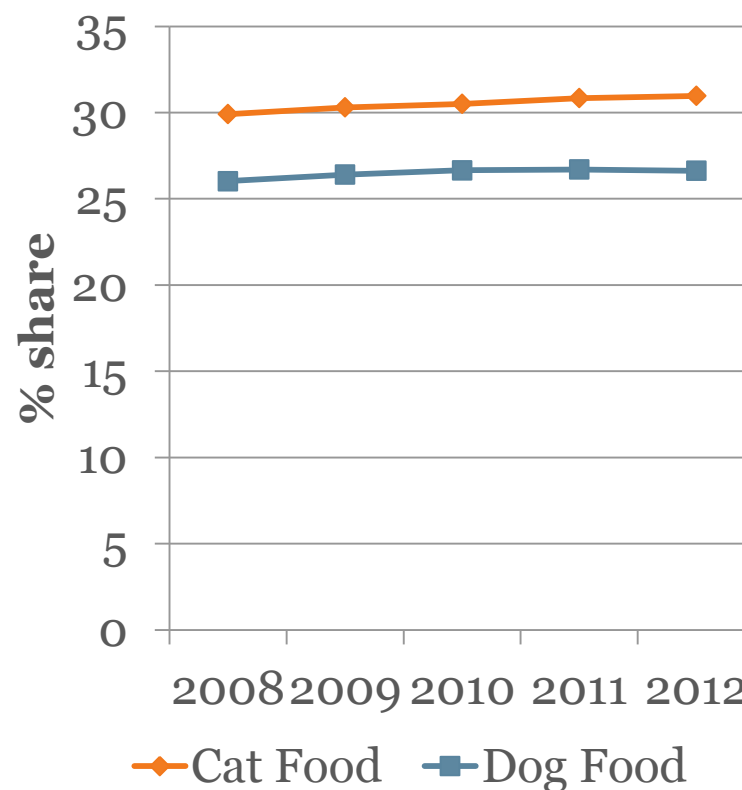
El Corte Inglés
Spain

And Gaining Share

Private Label Share in Spain: 2008-2012



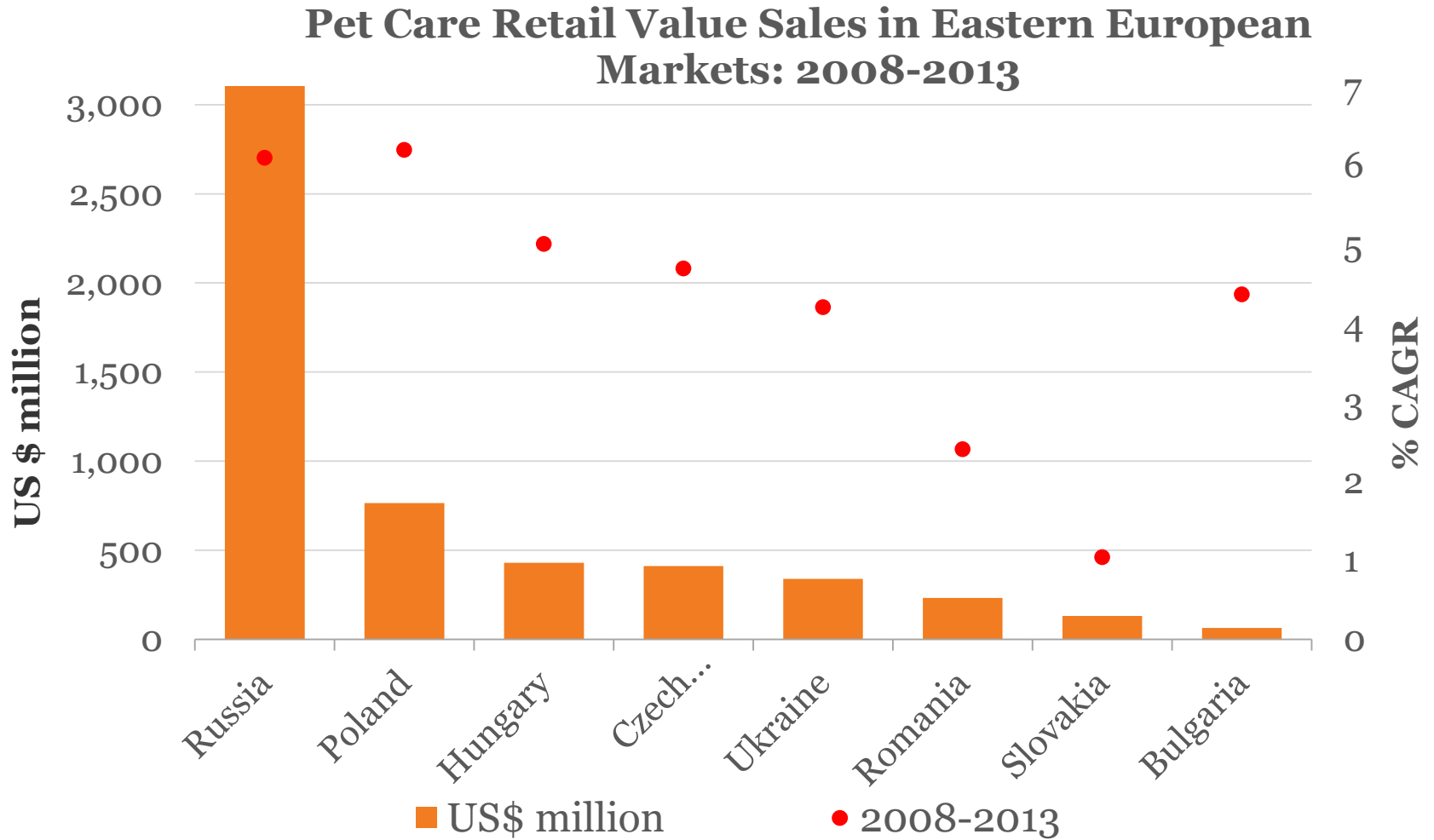
Private Label Share in Germany: 2008-2012



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FUTURE PROSPECTS

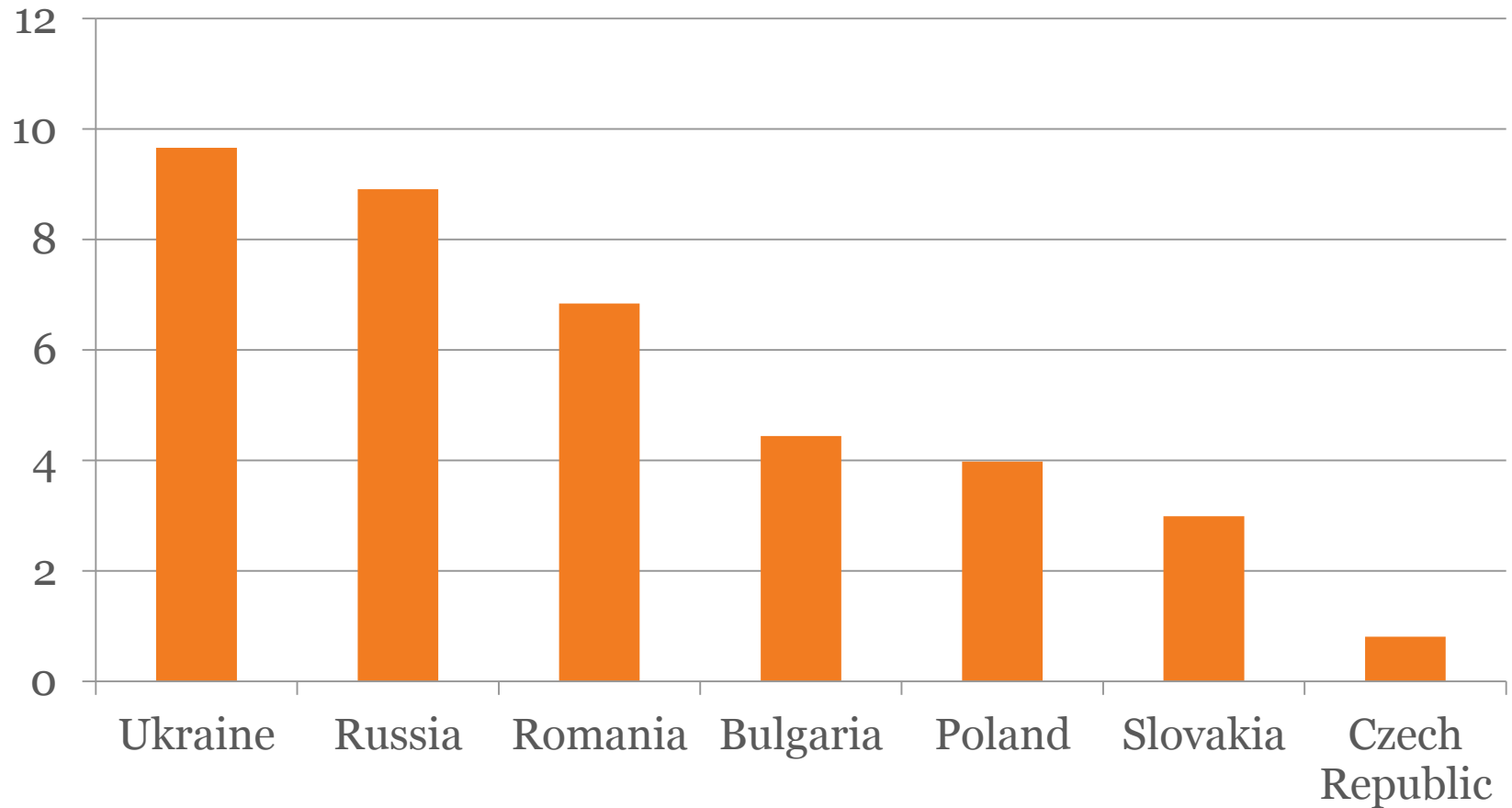


Eastern Europe: Vibrant Markets



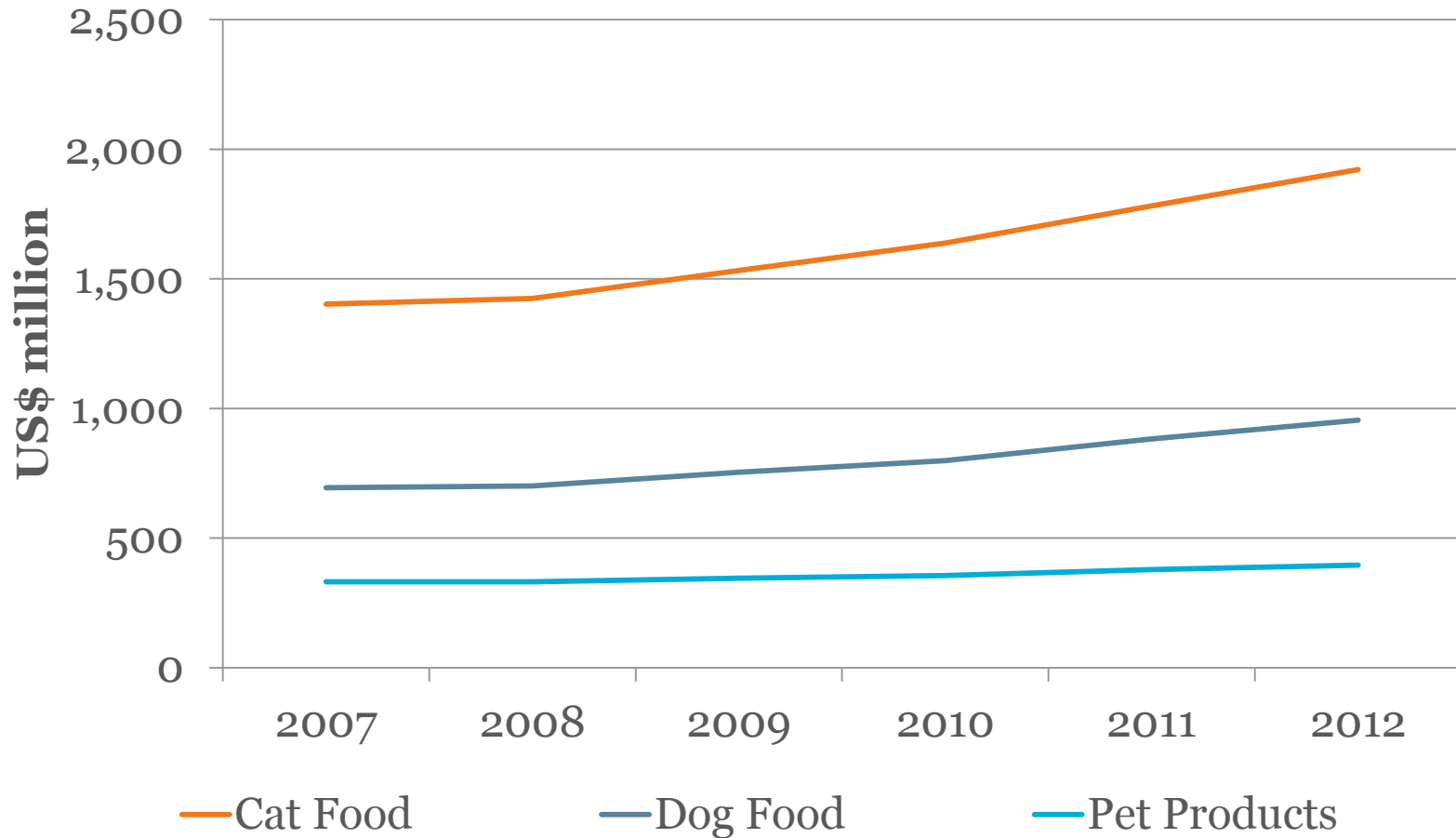
Bright Prospects in 2013

Pet Care Value Growth in Eastern Europe : 2013

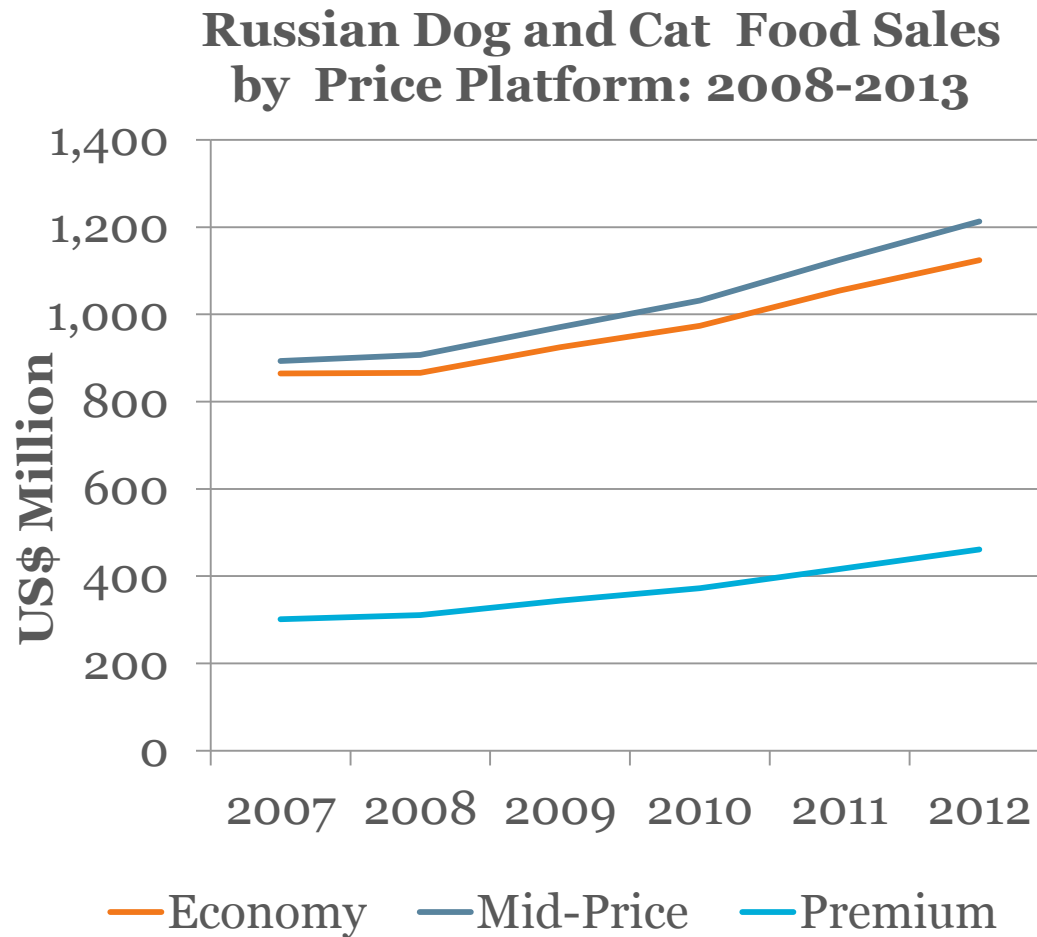


Buoyant Russian Market with Plenty of Potential

Russian Pet Care Retail Value Sales: 2008-2013



Russian Consumers Opt for Mid-Priced Pet Food



- Russian market accounts for nearly 60% of Eastern European sales
- Many consumers trading up from economy
- International brands hold good brand equity

INDUSTRY PERFORMANCE

WESTERN EUROPE

EASTERN EUROPE

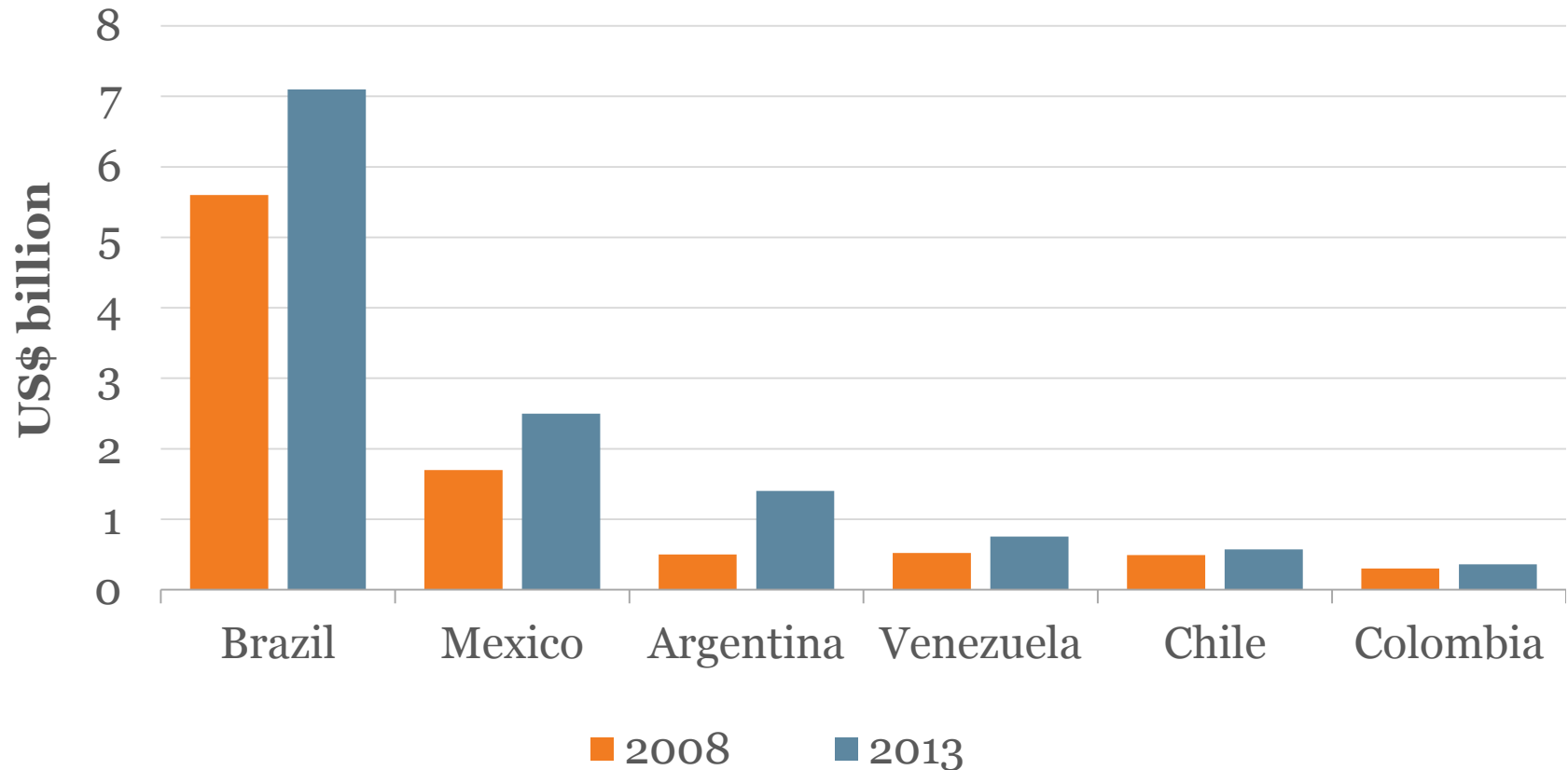
BRAZIL

FUTURE PROSPECTS



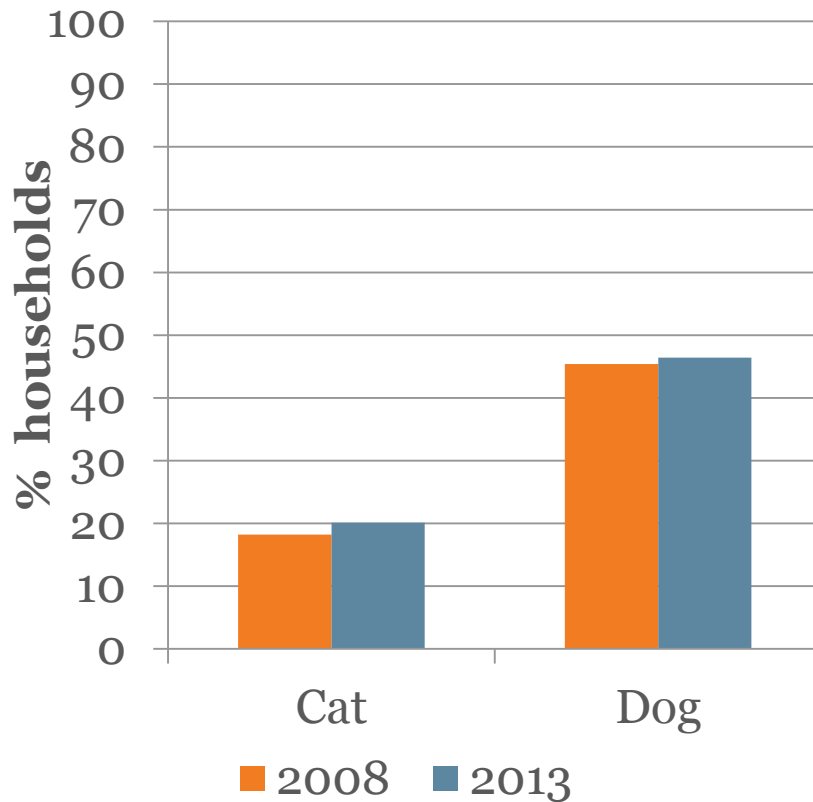
Latin American Pet Care: A Rising Global Star

**Latin American Pet Care Retail Values by
Major Market: 2008 vs 2013**

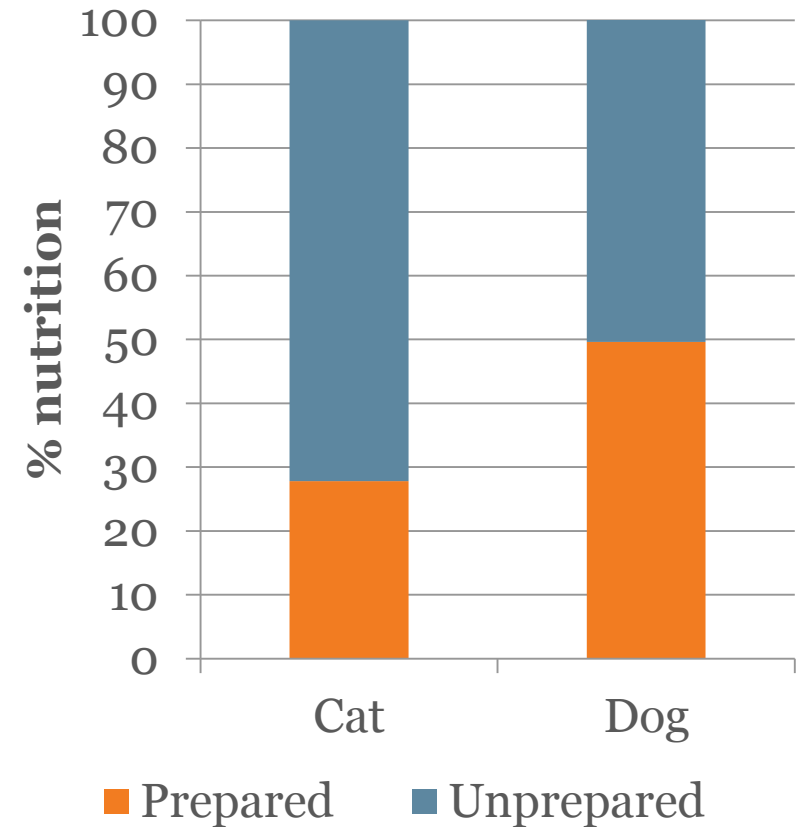


Growing Pet Ownership Rates Means Plenty of Untapped Potential

Proportion of Brazilian Households Owning a Dog/Cat 2013

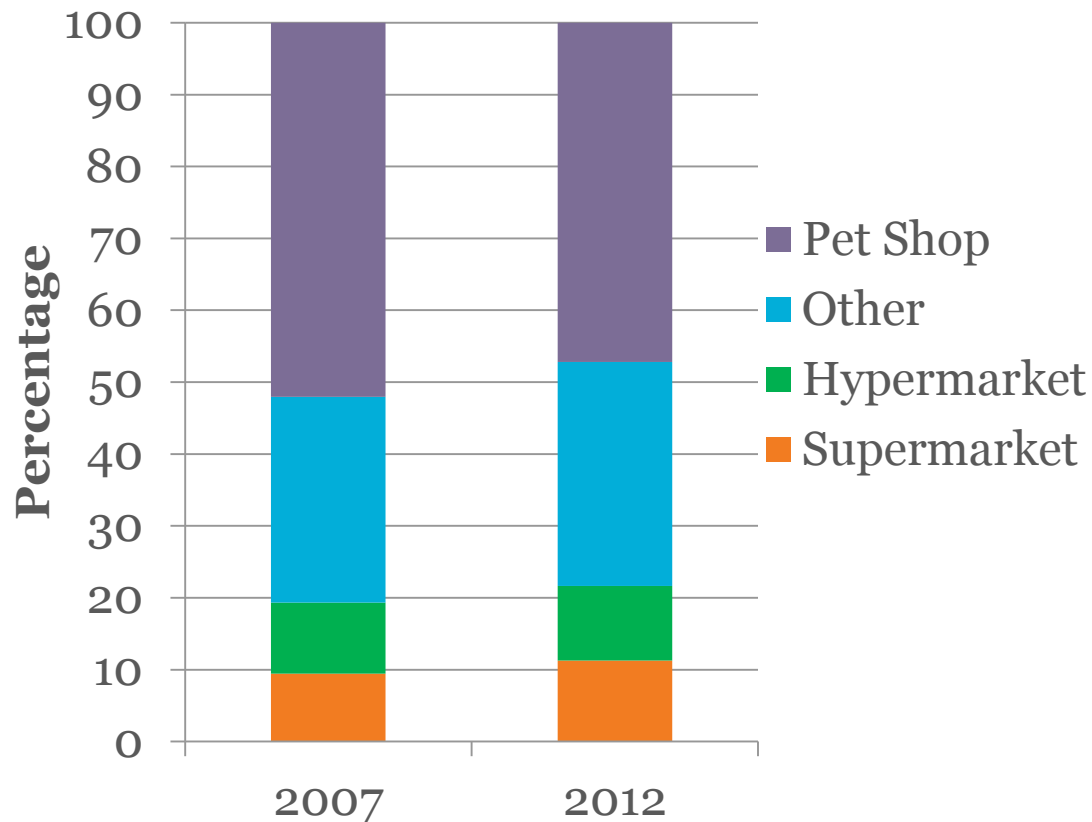


Brazilian Pet Nutrition 2013



Latent Potential Further Strengthened by Distribution Channels

Brazilian Distribution Channels: 2008-2013



- Concentration in modern grocery creates opportunities for “mass” premium brands
- Premium Pet Care brands also favoured by strength of:
 - Pet shop
 - Pet superstores

Leading Pet Care Companies in Brazil



INDUSTRY PERFORMANCE

GLOBAL TRENDS

REGIONAL OVERVIEW

FUTURE PROSPECTS

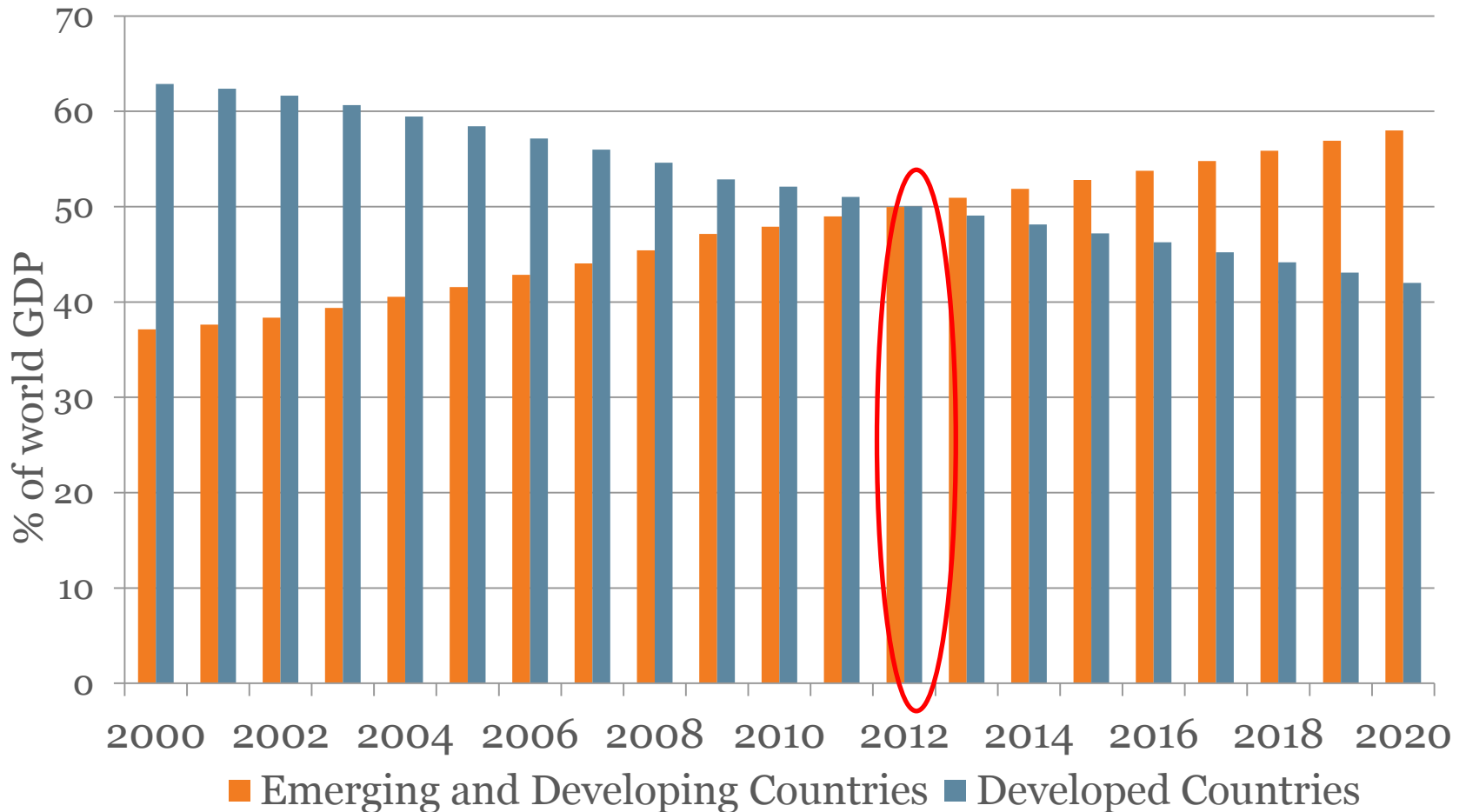


Globally Priorities Will Shift Up to 2016

- 66% of global GDP growth generated in emerging markets
- 88% of the global population lives in emerging markets
- Annual disposable income grows rapidly in emerging markets

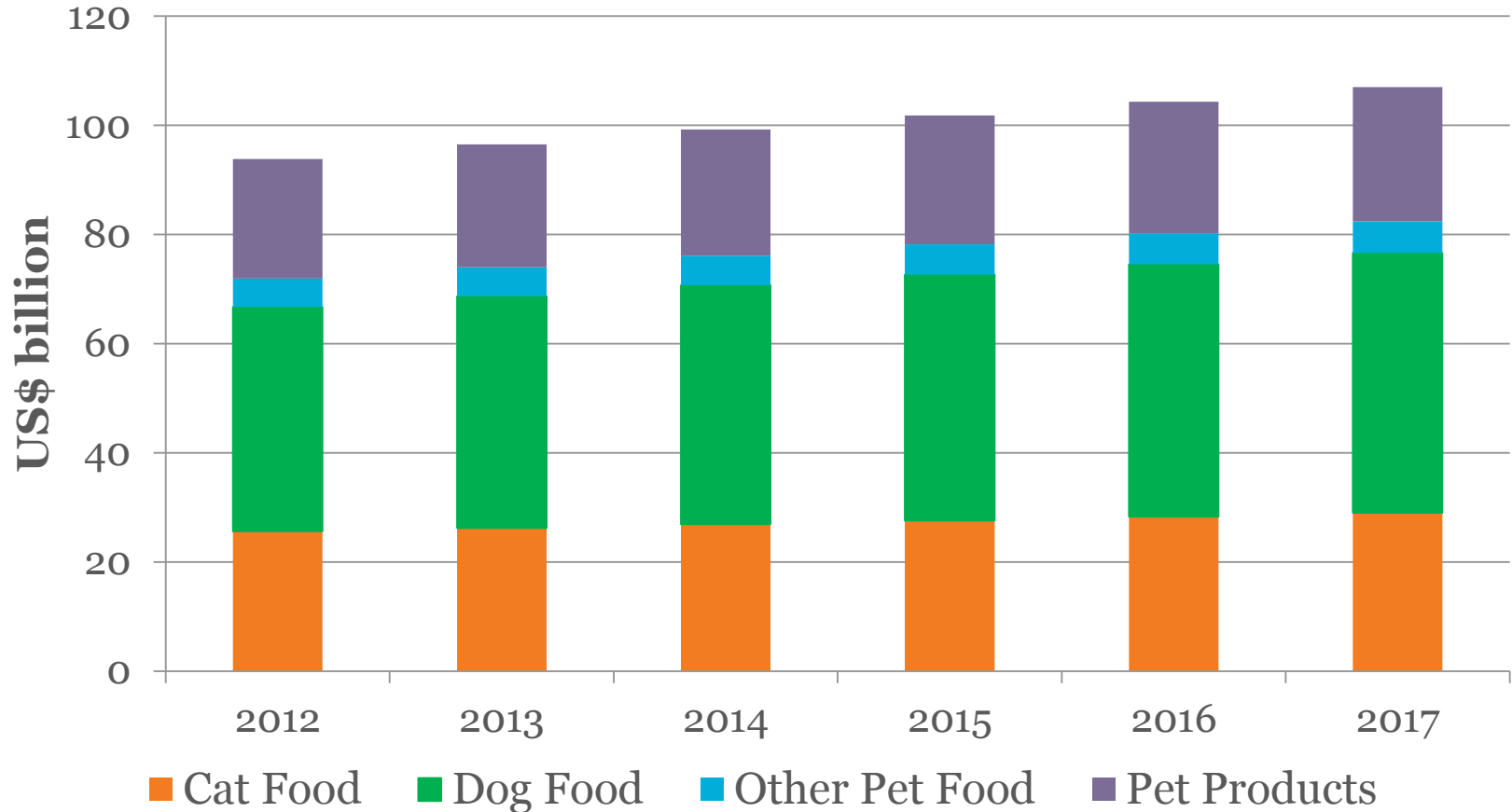
Power Shift to Emerging Markets Will Continue

Global GDP Contribution in PPP Terms: 2000-2020



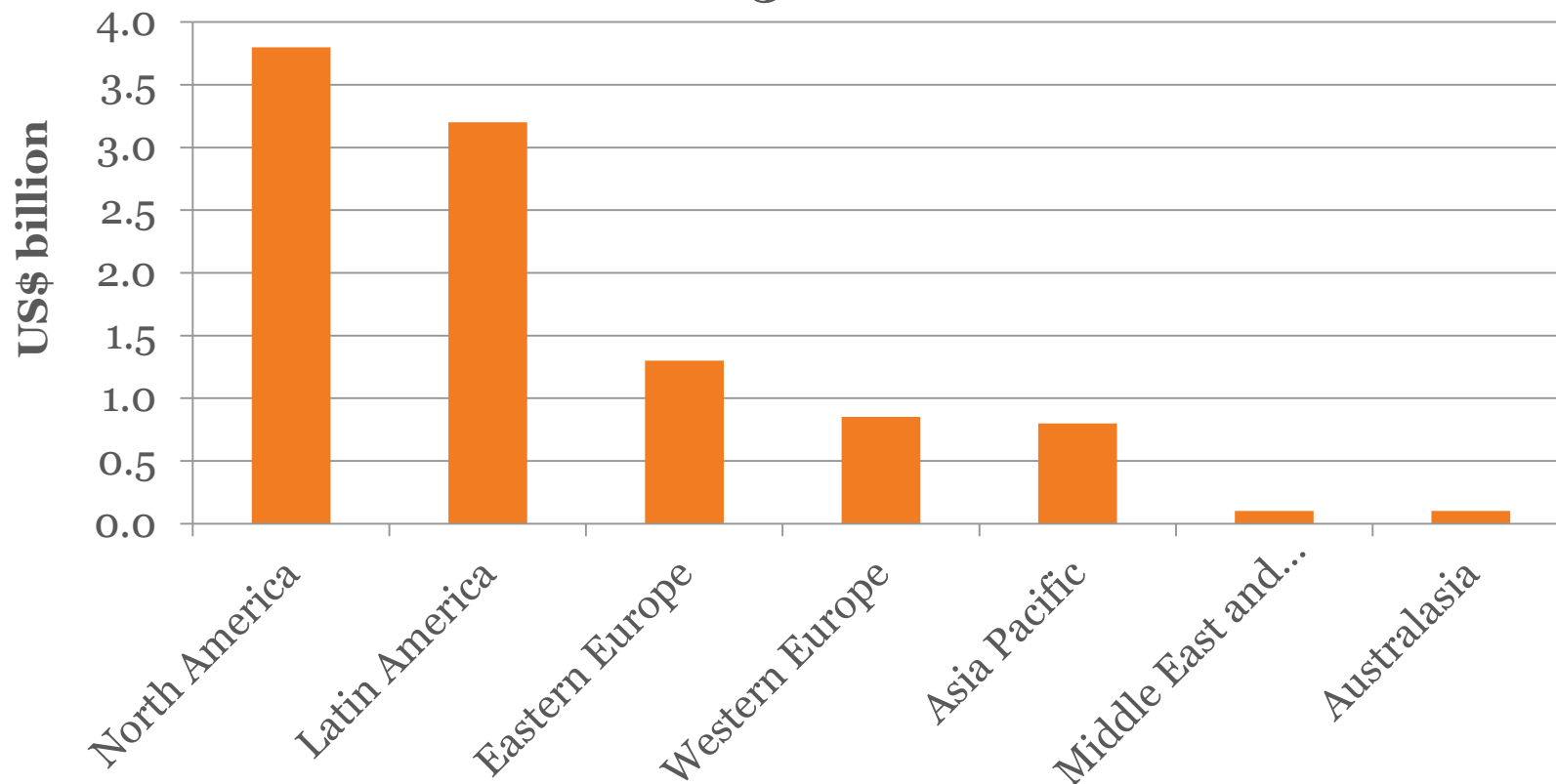
What Does the Future Hold for Global Pet Care?

Global Pet Care Retail Value Prospects: 2012-2017



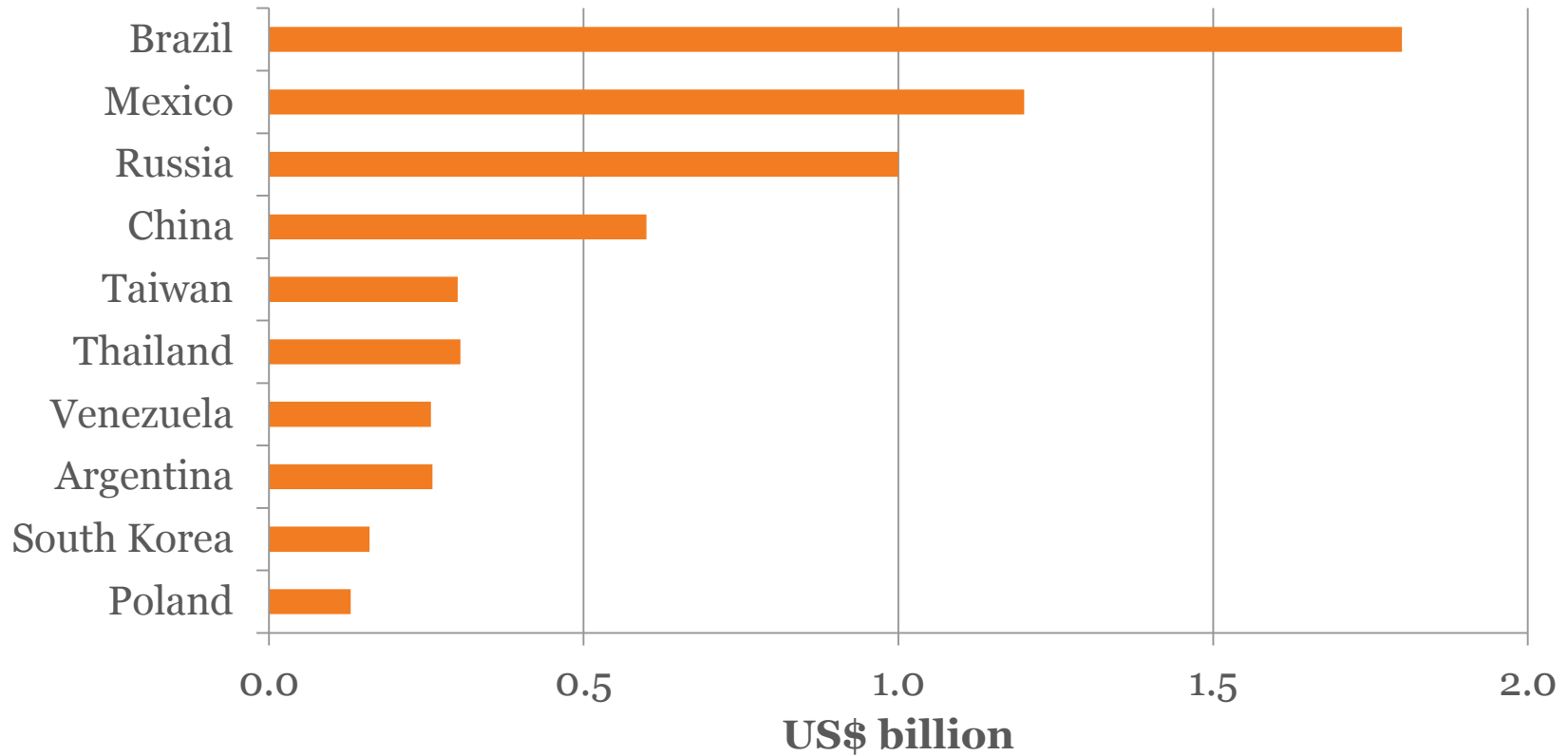
Emerging Markets Remain Key to the Future of Pet Care

Pet Care Absolute Retail Value Gains by Region: 2013-2018



Emerging Markets Remain Key to the Future of Pet Care

10 Strongest Growing Emerging Pet Care Markets by Retail Value: 2013-2018



Final Conclusions

In developed markets austerity continues to bite

Premiumisation set to intensify in most markets

But private label will become an increasing threat

Emerging markets will remain key to the future of pet care



THANK YOU FOR LISTENING

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