

a brief presentation

2010

Arla Foods is one of the world's largest dairy companies. Our products are sold in more than 100 countries and we have 16,200 employees.

You can read more about the past year, our products and our work towards a sustainable future at www.arla.com



FINANCIAL HIGHLIGHTS 2009

- **Owners:** 3,838 in Denmark and 3,787 in Sweden.
- **Inflow of raw milk:** 4,253 million kg. in Denmark, 1,894 in Sweden, 1,970 in the UK and 543 from other suppliers.
- **Milk performance price:** 2,14 DKK/kg. member milk.
- **Revenue:** 46,230 million DKK, of which 61 per cent is from outside Sweden and Denmark.
- **Profit:** 971 million DKK.
- **Solvency:** Equity 28 per cent.
- **Employees:** Approx. 16,200. Including 7,600 in Denmark, 3,200 in Sweden, 2,900 in the UK, 470 in Finland, 380 in Poland, 300 in the Netherlands and 70 in Germany.

THE COOPERATIVE COMPANY

Ownership

Arla is the fourth largest cooperative dairy company in the world. The company can trace its beginnings back more than 100 years and in 2000 Swedish Arla and Danish MD Foods merged. At the start of 2010, 7,625 Danish and Swedish cooperative members owned the cooperative.

Democracy

Each day our owners deliver our most important raw material: milk. They also participate in a democratic system and elect members to serve on both the Board of Directors and Arla's top decision making board, the Board of Representatives.

Closer to Nature™

Through our Closer to Nature™ concept, we have committed to making products free from artificial colourings and flavourings and limit our use of additives. We are also the world's largest producer of organic dairy products.

Global company

We have production facilities in 13 countries and sales offices in another 20 countries. Our products are exported all over the world and sold under well-known brands. Our core markets are Sweden, Denmark, Finland, the UK, Germany, the Netherlands and Poland.

Environment and climate

Our ambition is to minimise emissions and continually improve our environmental performance throughout the supply chain. For example, we will reduce greenhouse gas emissions from transport, production and packaging by 25 per cent between 2005 and 2020.

7,625 cooperative members
in 50 districts

50 district councils
(26 in Denmark and 24 in Sweden)

7 regions
(4 in Denmark and 3 in Sweden)

The Board of Representatives:
140 members and 10 employee
representatives

The Board of Directors:
14 members and 4 employee
representatives



Would you like to work at Arla?

When you join Arla Foods, you will become part of one of the world's largest dairy companies. There are many challenging roles and career prospects, in a variety of fields, for you to choose from. Read more at www.arla.com/career/



A BRIEF PRESENTATION OF ARLA – WHAT HAPPENED IN 2009



A STEADY COURSE THROUGH A TURBULENT MARKET

Although competition in the dairy market became tougher in 2009 and the recession affected consumers' purchases, our brands performed well.

DAIRY FARMERS OWN ARLA

Arla is a democratically-managed producer cooperative that is owned by 3,838 Danish and 3,787 Swedish dairy farmers. Over the year the number of owners fell by four per cent in Denmark and seven per cent in Sweden.

STRONG BRANDS AND INNOVATIVE PRODUCTS

Arla's products are sold in more than 100 countries. Our most important brands are Arla®, Lurpak® and Castello®. We are continually improving our products and developing new ones.



AMBITIOUS GROWTH STRATEGY

Our investments aim to make us the natural choice for 250 million consumers in northern Europe and the UK. Arla is also a world leader in powdered whey proteins and we aim to double revenue in the coming years.

THE MARKET IS LIKE A ROLLER-COASTER

Although milk is a local fresh product, global supply and demand for our most important raw material, milk, significantly affects us. In recent years, the market for raw milk has become more international and dynamic.

EXPANSION IN THE NETHERLANDS AND THE UK

During 2009 we acquired a large dairy in Dutch Nijkerk. A project has also begun to build the world's largest and most environmentally-friendly and technologically advanced dairy for liquid milk on the outskirts of London in the UK.

POPULAR WORKPLACE

We want to offer a good workplace for our current and future employees. Our work environment, corporate culture and continual dialogue with employees help us to achieve this.



TAKING RESPONSIBILITY CALLS FOR ACTION

Arla works to ensure that all activities are carried out in a responsible and sustainable way. Although we have come a long way, we can still do better.





- Production and sales
- Sales offices

A LOCAL AND GLOBAL PRESENCE

In the annual report 2009 and on our website you will find additional information and maps of our core markets and the rest of the world, indicating the locations of our facilities and sales offices.



A company with responsibilities. For the third consecutive year, Arla has made a report 'Our responsibility' that explains Arla's ambitions and achievements within social responsibility. It is based on Arla's Code of Conduct. The report includes both the work we are proud of and areas we can work to improve. The report can be read on our website.

For information and inspiration, visit www.arla.com



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*Production: Ulrika Gyllenwik,
 Corporate Communication.
 Pictures: Thomas Carlgren and
 Arla's archive. Translations:
 Amesto. Printing: Halmstad
 Tryckeri, 2010.*

