



## **Citrosuco and Citrovita announce agreement to merge their orange juice operations**

- ✓ *The new company will be a joint venture between the two companies on a 50%-50% basis*
- ✓ *The new company will become the worldwide leader in orange juice processing, delivering an improved level of quality, efficiency and sustainability, matching the growing requirements of the market*
- ✓ *The merger aims to encourage the development and growth of Brazilian citrus industry, improving efficiency and value of the production chain*

The Fischer Group and the Votorantim Group, owners of Citrosuco and Citrovita, respectively, announced today that they have signed an agreement to merge their operations in the orange juice industry. The merger will lead to the creation of a single company, in which each group will have an equity interest of 50%, becoming the worldwide leader in orange juice processing and delivering an improved level of quality, efficiency and sustainability, matching the growing requirements of the market and providing direct benefits to the whole production chain.

The new company will export to more than 80 countries and will have capacity to process more than 40% of all orange juice produced and exported from Brazil. It will hold an important position on the global market and be responsible for the production of 25% of all orange juice consumed worldwide. The new company will have an annual revenue of approximately US\$1.2 billion, 6 processing plants in Brazil and one in the United States (Florida), and 158,000 acres of owned groves for producing oranges, representing as much as 30% of its total processing, with the remaining 70% supplied by more than 2,500 independent growers. The company will have 6,000 employees, with employment peaking at 10,000 in the harvesting season.



Both companies currently are active in all steps of the production chain: from growing oranges to the export of the juice around the world. The merger will bring synergies and operational gains in the production, processing, export and commercialization of orange juice.

The new company will carry the same values as Citrosuco and Citrovita currently stand for: a management that prioritizes ethical and respectful relationships with all players in the whole supply chain as well as a continuous search for sustainable growth. The new company intends to stimulate the further development and growth of the whole citrus industry, creating value through partnerships with many local and international players in the supply chain, but foremost with the independent orange growers in Brazil.

Under the agreement signed by the shareholders, the new company will be managed by Tales Lemos Cubero as CEO (currently CEO of Citrosuco) and Mario Bavaresco Junior as Senior Executive VP (currently CEO of Citrovita). The Board of Directors will be made up of 50% of representatives of each shareholder.

Citrosuco and Citrovita will submit the merger to the antitrust authorities in Brazil and in other markets where required.

### **The numbers of the new company (Citrosuco + Citrovita)**

Plants in Brazil	6 (state of São Paulo)
Plants Abroad	1 (Florida, USA)
Port Terminals	2 (Brazil) and 6 (USA, Belgium, Australia and Japan)
Number of Vessels	5 own vessels and 3 chartered
Number of Employees	6,000, reaching 10,000 in the harvest season
Annual Net Revenues	US\$ 1.2 billion



## About Citrosuco

Citrosuco was founded in 1963 by the visionary businessman Carl Fischer as the Fischer Group's first processing plant for concentrated orange juice and by-products in the town of Matão, state of São Paulo. As time went by, his son and successor, Carlos Guilherme Eduardo Fischer, preserved the focus of the business, expanded the processing plants and made various investments in farms. The Fischer Group pioneered the construction of an integrated bulk transport system for orange juice (concentrate – FCOJ and not-from-concentrate – NFC), including storage, dedicated vessels and port terminals in Brazil and abroad. In 1997 Citrosuco started processing oranges in the world's second largest orange production country, the USA, with the acquisition of a plant in Lake Wales, Florida.

## About Citrovita

Citrovita was founded in 1989 as one of the business units of the Votorantim Group. It began its activities with a production unit in Catanduva in the state of São Paulo and on its own orange grove in Itapetininga (SP). As part of its ongoing expansion process, in 1998 it incorporated the Cambuhy plant in Matão (SP) and in 2004, the Sucorrico plant, in Araras (SP), as well as expanding its own groves. It has sales offices in Europe, North America and Asia and port terminals in Santos, Belgium and Australia. The company constantly invests in the training of its employees in line with the Votorantim Group's business model.

## Additional information

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