



Frost & Sullivan Lauds Naturex S.A for its Market Penetration Leadership

LONDON – November 20th, 2007 – The 2007 *Frost & Sullivan* Market Penetration Leadership Award in the European natural extracts market is presented to Naturex S.A.. Compelling growth strategies including expansion into new geographic areas, customer proximity, homogeneous and aggressive pricing, effective backward integration and reduced time to market have all enabled Naturex S.A. to establish itself as a dominant participant in the natural extracts market.

“Within a short span of 15 years, Naturex S.A. has become a global leader in the botanical extracts market,” notes *Frost & Sullivan* Research Analyst Chandrasekhar S. “With its unique strategies, Naturex S.A. has been able to expand its global market share from 3 per cent in 2003 to approximately 9 per cent in 2007.”

Since 2005, Naturex S.A. has been involved in a number of strategic alliances and acquisitions including PureWorld Inc, Hammer Pharma and HP Botanicals. This is in line with its external growth strategy, which has given it access to newer markets while improving penetration into current ones.

“Naturex S.A. is one of the few plant extracts manufacturers with an aggressive and homogeneous pricing strategy across all markets,” observes Mr. Chandrasekhar. “This emphasises the confidence that the company has in its product quality, reinforces its image as a truly global company and reiterates the consistency and standardisation of its products”.

In addition, Naturex has increased its sales force, offering enhanced client service for better customer retention.

“The company’s comprehensive product portfolio spans more than 350 innovative botanical extracts catering to the nutraceutical, pharmaceutical, cosmetic and food industry and has helped Naturex S.A. achieve an organic growth of about 12 per cent –more than double the rate at which the market is growing,” states Mr. Chandrasekhar. “The company’s commitment to constantly enhancing its product portfolio with innovative offerings is reflected in the fact that nearly 4 per cent of its sales are re-invested into R&D initiatives.”

An exclusive mechanism has enabled Naturex to accelerate the ‘time to market’; when the industry average is six months, Naturex S.A.’s ranges between a few days and a few months. For instance, the recent launch of its Fraxinus Excelsior extract in June 2007 took only four months from conception to commercialisation.

One of its strategies for providing consistently high-quality products has been its symbiotic tie-ups with farmers around the globe for procurement of raw materials. In addition to the direct access, this has enabled Naturex S.A. to ensure the reproducibility, traceability and high quality of its finished products.

“Naturex S.A. recognises the significance of these associations and has been actively involved in supporting the welfare and growth of farmers,” comments Mr. Chandrasekhar. “The 2007 plan to promote the Peruvian Maca growers and communities is a standing testimony to its business model based on effective backward integration and giving back to the communities where it does business.”

The Frost & Sullivan Award for Market Penetration Leadership of the Year Award is presented each year to the company that has demonstrated excellence in capturing market share within their industry. The recipient has demonstrated strategic excellence in product innovation, marketing, and sales strategies that have resulted in the largest gain in market share over the past 2-3 years.

Frost & Sullivan Best Practices Awards recognise companies in a variety of regional and global markets for demonstrating outstanding achievement and superior performance in areas such as leadership, technological innovation, customer service, and strategic product development. Industry analysts compare market participants and measure performance through in-depth interviews, analysis, and extensive secondary research in order to identify best practices in the industry.



About Naturex

Naturex manufactures and sells natural ingredients for the food, nutraceutical, pharmaceutical and cosmetic industries. Headquartered in Avignon, France, the Group has an international reach, with over 90% of its sales realized in 30 different countries outside France, 65% of which are generated on the US market. Naturex has facilities in France, Morocco, the United States and Italy, a subsidiary in the United Kingdom and a representative office in Singapore.

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