

COMMITMENT TO TRANSPARENCY



AILIMPO estimates a GRAPEFRUIT harvest in Spain of 61,000 tonnes for the 2017/2018 season

It is expected to continue strengthening Spain's commercial position in the EU, where Spain has already surpassed Florida and Israel in market share.

Murcia, 3 October, 2017

AILIMPO's grapefruit production estimate for the 2017/2018 season indicates a harvest of 61,000 tonnes, which is 24% lower than the harvest from last season, which was a total of 80,700 tonnes. This season there are fewer pieces of fruit per tree, and larger grapefruits are expected. The production area remains stable, and the decreased crop is due to irregular flowering, which affected production variably. The reduction in harvest is more marked in older fields, while the production estimates for younger fields are similar to last season's.

Despite this overall decrease, expectations for the sector are good since the Spanish grapefruit winter season has been confirmed as having the second-greatest volume in the EU, after Turkey. However, regarding product quality, Spanish grapefruit is a distinctly better quality than Turkish grapefruit, which gives us a clear potential for growth. Moreover, given the decrease in supply from Florida and Israel, Spanish grapefruit has clearly become a leading and essential source in the EU for meeting demand.

2016/2017 Season Balance Sheet

The 2016/2017 season closed with a total harvest of 80,783 tonnes, which was mainly exported to Germany and France, representing 50% of our total sales at 31,000 tonnes. A small amount was exported to markets in overseas countries (2500 tonnes), where there was a sharp increase; also, an outstanding effort has been made to open and strengthen markets such as Switzerland, South Africa, China, Saudi Arabia, and the United Arab Emirates. The domestic market was estimated at 7,000 tonnes, with a slight year-on-year increase and a greater presence of grapefruit in supermarkets and fruit vendors. The industry also processed 10,000 tonnes, absorbing the lowest-quality fruit.

2016/2017 SEASON BALANCE SHEET (Tonnes)

	GRAPEFRUIT
EXPORT	60,412
DOMESTIC MARKET	7,000
LOSSES	3,371
PROCESSING	10,000
TOTAL	80,783

2017/2018 SEASON FORECAST (Tonnes)

	GRAPEFRUIT
FORECAST	61,000

DIFFERENCE (%)	-24%
----------------	-------------

COMMITMENT TO TRANSPARENCY

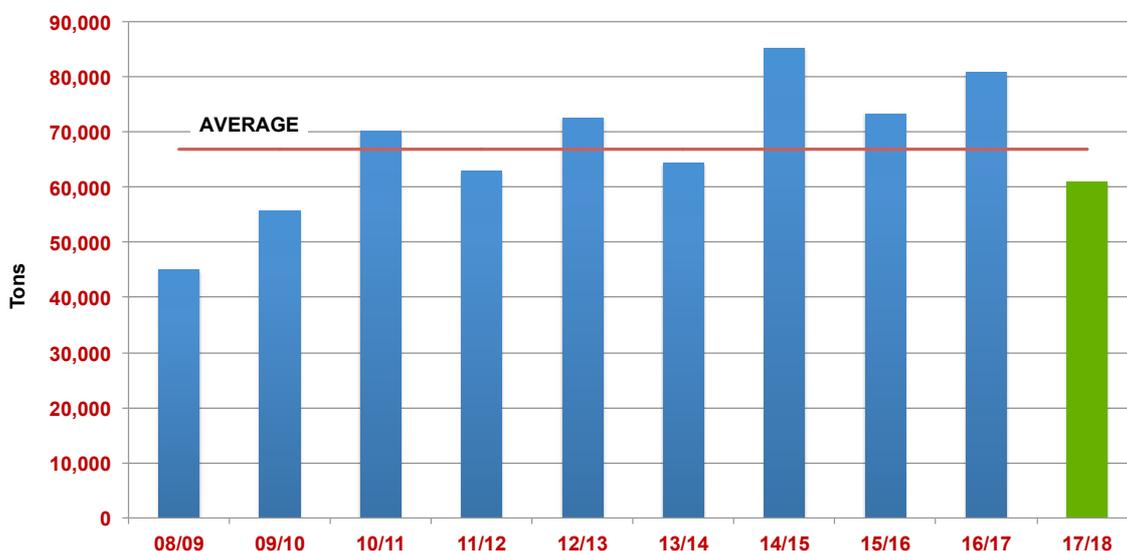


Historical Report of GRAPEFRUIT Production in Spain

	2007/08 S.	2008/09 S.	2009/10 S.	2010/11 S.	2011/12 S.	2012/13 S.	2013/14 S.	2014/15 S.	2015/16 S.	2016/17 S.*	2017/18 S.**
Production	58,500	45,000	55,700	70,100	62,917	72,476	64,278	85,224	73,227	80,783	61,000

TONNES *Tentative data at the close of the 2016/17 season **Ailimpo's harvest forecast for 17/18

	AVERAGE OF LAST 10 SEASONS 2007-2016	FORECAST 2017/2018 Season
Production	66,820 Tonnes	61,000 Tonnes



Note on Methodology: Ailimpo drew up this technical report following the working protocol, using information provided by surveys given to producers, cooperatives, exporters, and processing industries, in addition to field information from its control farms.

Ailimpo is a national inter-professional association, based in Murcia, officially recognised by the Ministry of Agriculture and the European Commission, which represents the economic interests of producers, cooperatives, exporters, and lemon and grapefruit industries in Spain, a sector in which Spain is the world leader for fresh product and 2nd in the ranking of processing countries, with a turnover of €688 million per year, generating 19,875 direct jobs, and a turnover of over €250 million in related industries.

The lemon sector contributes to environmental sustainability, with a positive net balance of 304,840 tonnes of CO2 captured per year.

By law, its functions include: Ensuring the proper operation of the food supply chain, Drawing up agri-food contracts and developing methods for monitoring and streamlining the use of phytosanitary products to guarantee the quality of the products and the protection of the environment, and Boosting and promoting quality and excellence standards in the sector