COUNTRY FACT SHEET:

Germany

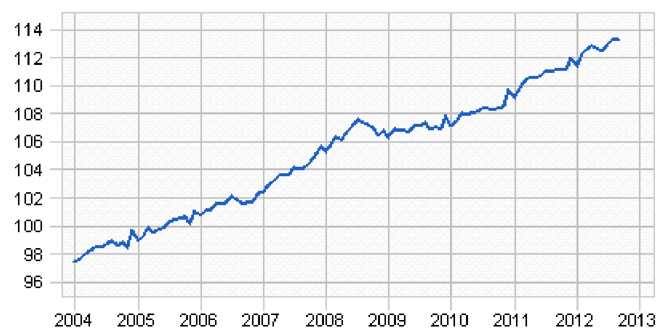
General information

Capital:	Berlin	**Population:**	approx. 82 m (2011)
Surface area:	357,121 square km	**Unemployment rate:**	7% (2012)
Official language(s):	German	**Households:**	40.3 m (2011)
Currency:	Euro	**Average household size:**	2.03 people (2011)
Trading language(s):	German		

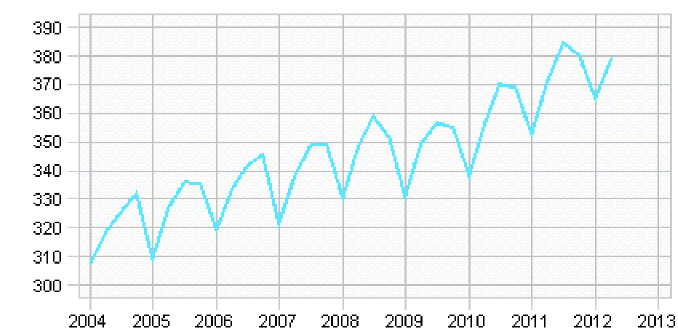
Key macroeconomic indicators

Gross domestic product at current prices, original values, billion Euro

Consumer price index, original values, 2005 = 100



Private consumption at current prices, original values, billion Euro



Economic growth	2011	3.0%
Inflation rate	2011	2.3%
Increase in real earnings	2011	1.0%
Financial deficit of public budgets	2011	-1.0%
Public debt	2011	81.2%

Food industry structure

- 2011: turnover € 163.3 bn (+7.6%); 5,960 companies (+1%), mainly SMEs; 550,000 employees (+1.4%)
- 4th largest industry in Germany; remains a stable industry in the long-run
- Most important industry branches: meat and meat processing, milk, confectionary, bakery, alcoholic beverages
- Exports are a main pillar (€ 48.4 bn); imports € 43.1 bn
- Germany is the third largest exporting nation for food and drink products on the global market

Grocery retail structure

- Food & drink sales 2011: € 169 bn
- Top 5 retailers account for approx. 75% of the market
- Sales shares of main players: EDEKA Group (25.3%), REWE Group (14.8%), Schwarz Group (13.7%), Aldi Group (12.0%), Metro Group (6.8%). All retailers operate a variety of formats (except Aldi).
- Number of outlets 2012: 41,708. This includes discounters and drugstores.
- Large number of discount stores 16,320 which account for almost 40% of food retail turnover

FEVIA Vlaanderen Federatie Voedingsindustrie

Compiled by Green Seed Germany, www.greenseedgroup.de
October 2012

Sources: Federal Statistic Office Germany, The Federation of German Food and Drink Industries (BVE), The Nielsen Company, Lebensmittel Zeitung, Deutscher Fachverlag
In collaboration with the Flemish government and Flanders Investment & Trade

green seed International Food Consulting

COUNTRY FACT SHEET:

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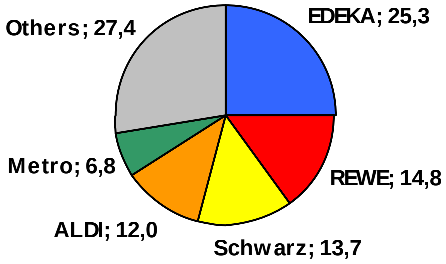
Major grocery retailers

Group	No. of stores	Food turnover, gross (in m EUR)	Food share (%)	Market share (%)	Positioning
EDEKA	11,810	42,708	90.5	25.3	Depends on format
REWE	5,800	25,100	70.7	14.8	Depends on format
Schwarz	3,650	23,236	81.1	13.7	Depends on format
Aldi	4,305	20,254	82.0	12.0	Discount
Metro	470	11,417	38.0	6.8	Depends on format



Foodservice structure

- 3 segments: Non-Commercial and Commercial which is Catering and Accommodation
- Non-Commercial comprises Business (with € 14.8 bn most important), Health / Elderly Care and Education
- Catering is divided into Fast Food, Man on the Move (e.g. stations, motorways, airports), Leisure, Retail, Full Service (i.e. Restaurants), Events / Trade Fairs / Sport
- Highest t/o generated in Fast Food € 5.8 bn and Man on the Move € 2.6 bn
- Accommodation comprises hotels (€ 11.2 bn), inns (€ 3.4 bn), hotel garnis (€ 1.4 bn), guest houses (€ 0.8 bn)

Main food shows

- Anuga, Cologne; the largest food & drink trade fair in the world; every two years (mid-October)
- ISM, Cologne; the largest confectionery trade fair in the world; annually (late January)
- Internorga, Hamburg; largest European trade fair for out-of-home; annually (March)

Main trade magazines

- Lebensmittelzeitung, Deutscher Fachverlag, weekly, circulation 40,000, retail and food industry
- Lebensmittelpraxis, LPV Media, every two weeks, circulation 60,000, retail and food industry
- Rundschau für den Lebensmittelhandel, medialog, monthly, circulation 65,000, retail and food industry
- food service, Deutscher Fachverlag, 11x p.a., circulation 10,600, restaurant industry
- catering inside, Deutscher Fachverlag, 8x p.a., circulation 16,200, catering industry

Consumer behaviour today & expected food trends – Opportunities for Flemish food exporters

- German consumers are price-conscious but taste is important and quality-orientation is a prerequisite
- Current interest in products with health benefits, lactose and gluten free products, lower sugar and fat
- Animal welfare and regionalty trends reflect the consumers' concern re the social impact of food production
- Out of home food consumption increasingly popular

EVALUATION OF MARKET AND OPPORTUNITIES

- World's 4th largest economy, size of market (82 m)
- Loyal, relatively affluent and well-educated consumers. Loyal trade partners.
- Brand and private label opportunities
- Even niche markets can be promising, no need for national launch
- EU law applies + German food law which can be stricter
- IFS accreditiation is mandatory for the majority of private label

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