

nothing but good.

CHOBANI®

GREEK YOGURT



THE MARKET

The U.S. market for Greek yogurt has boomed in recent years, as consumers' tastes shifted toward the rich, creamy texture and low-fat, high-protein nutrition profile. Greek yogurt now accounts for a quarter of the total U.S. yogurt market, and that share continues to grow. Chobani is an authentic Greek strained yogurt, made differently than regular yogurts and signifying a widespread shift in the palates of consumers. Chobani founder,

in a mass way. Chobani never loses sight of its original goal: to make high-quality, fairly priced products so that everyone — regardless of income or geographic location — can access "good" yogurt. In December 2010 Chobani claimed the number-one Greek yogurt spot, and just a few months later, in April 2011, rose to be named the number-one-selling yogurt brand in America.

Most recently, Chobani received the U.S. Small Business Administration's national Entrepreneurial Success of the Year Award for 2012, and was named one of *Fast Company*'s 2012 Most Innovative Companies. Chobani was the catalyst for America's Greek yogurt boom and has since changed the way consumers think about and eat yogurt. Chobani is currently available at major retailers across the United States; in the Greater Toronto, Canada, region; and in New South Wales and Victoria, Australia, with plans to continue expanding in those regions and into new markets globally.

HISTORY

Chobani founder and CEO Hamdi Ulukaya grew up in Turkey working his family's sheep farm and feta cheese operations. In 1994 he moved to the United States to learn English and study business at the State University of New York at Albany. Ulukaya couldn't help but notice a huge gap in the dairy product offerings in America. He knew that Americans would have a palate for the authentic dairy products he enjoyed back in Turkey; they just needed the right products. In 2005 a classified ad crossed

his desk for a recently closed Kraft yogurt plant in central New York. After initially throwing the ad away, Ulukaya trusted his gut and fished it out of the trash. He went to see the plant, deciding to buy it on the spot.

With the help of four employees, it took over one and a half years to perfect the recipe for Chobani. In October 2007 Chobani hit store shelves in Long Island, New York.

Initial retail interest for Chobani primarily came from high-end specialty stores. Despite its need for revenue, Chobani held out for placement on mainstream yogurt shelves based on the belief that everyone deserved access to good yogurt. Chobani's conviction paid off when Stop & Shop, New England's largest retailer, signed on in 2009. Other major retailers quickly followed suit.

THE PRODUCT

Each authentic strained cup of Chobani is *nothing but good*. Made deep in the rolling hills of central



president, and CEO Hamdi Ulukaya shared, "I personally do not believe that the yogurt story has started yet. I believe the yogurt story in this country is about to start."

ACHIEVEMENTS

Chobani grew into a nearly \$1 billion business in just five years, solidifying itself as the number-one yogurt brand in America. Chobani transformed the U.S. yogurt category — sending longtime industry leaders scrambling — by recognizing the opportunity to bring high-quality, authentic dairy products to American consumers



New York, each cup is handcrafted to perfection using only the highest-quality natural ingredients: fresh milk, real fruit, and natural sweeteners. All Chobani products are gluten-free, kosher certified, and made with milk from cows not treated with rBST. Chobani provides twice the protein of regular yogurt, five live and active cultures, and three strains of probiotics.

RECENT DEVELOPMENTS

Today Chobani is the number-one yogurt in America. Global expansion continues, and the company seeks to bring more product innovations to market. The central New York yogurt plant, which used to see one milk truck a day, now welcomes 60 to 80 trucks per day, uses over 3 million pounds of milk a day, and ships over 1.7 million cases of yogurt each week.

Domestically, Chobani is investing more than \$400 million in the expansion of its current central New York plant, along with the construction of a second production facility in Twin Falls, Idaho, as part of the company's continued strategic growth initiative. Its second U.S. site will span 900,000 square feet, making it the largest yogurt plant in the country and creating, directly and indirectly, more than 3,000 new jobs. The Twin Falls facility will double Chobani's U.S.



production capacity and allow the company to bring exciting product innovations to market.

Chobani has also set its sights outside the United States. In July 2011 Chobani acquired Bead Foods, a high-quality dairy manufacturer in Melbourne, Australia. Chobani began importing its yogurt to New South Wales and Victoria soon after. However, work is already under way on a \$25 million expansion of the Melbourne plant so that Chobani products can be locally produced.

Most recently, Chobani launched Champions, the first Greek yogurt for kids. In delicious, kid-pleasing varieties such as VerryBerry and Vanilla Chocolate Chunk, the brand is already among the top five yogurts in the kids' category and continues to grow.

PROMOTION

In February 2011 Chobani launched its first-ever national advertising and marketing campaign: "Real Love Stories." It leveraged the brand's passionate fan base to tell the Chobani story through television, digital, out-

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of-home placements, and social media. Ordinary consumers and real Chobani lovers starred in the ads, sharing their "real love stories" and the lengths they go to for their Chobani. The national campaign paid off, as Chobani claimed the number-one-yogurt-brand title just two short months later.

In February 2012 Chobani and the U.S. Olympic Committee announced a partnership to naturally power Team USA for the London 2012 Summer Olympics and the Sochi 2014 Winter Olympics. Chobani will be available to every

athlete training or living at official U.S. Olympic Training Centers, and all Chobani products will carry the Team USA logo and Olympics rings. Chobani's second national advertising campaign, "Naturally Powering Team USA," debuted during the London Olympics opening ceremonies in July 2012.

BRAND VALUES

The company's philosophy, *nothing but good*, permeates everything Chobani does. Under Ulukaya's leadership, Chobani has grown from four employees to over 1,200 strong. Amid this rapid expansion, Ulukaya managed to keep a cohesive, family culture alive and well in his booming facility. From the company's offices and production facilities — to its relationships with local communities and farmers, business partners, and vendors — all the way to the

consumer, Chobani never falters from this *nothing but good* philosophy.

Since day one, Ulukaya has been a champion for positive change, directly guiding Chobani's strategic philanthropic efforts. The company uses its reputation and financial success to permanently and positively impact the lives of thousands of individuals and communities

around the world.

In 2010 Ulukaya created the Shepherd's Gift Foundation, an independent 501(c)3. Founded in honor of his mother, a woman who lived her life in the spirit of a shepherd — an expression in Turkey used to describe people who give without expecting anything in return — the foundation gives 10 percent of all Chobani after-tax profits to people working for positive, long-lasting change.

Chobani's philanthropic initiatives have supported more than 50 groups to date. The global impact of these efforts is apparent from Chobani's backyard of New Berlin, New York, with the creation of Champions Field — a state-of-the-art Little League facility that gives local families a place to gather and learn the life lessons of sportsmanship, teamwork, and



self-worth — all the way to Somalia, with a \$1 million donation to the Global Enrichment Foundation to support their Convoy for Hope famine relief efforts. This donation provided life-saving aid to approximately 200,000 Somali people during an emergency that the United Nations declared the worst humanitarian crisis in the world.

THINGS YOU DIDN'T KNOW ABOUT CHOBANI

- Ulukaya got Chobani off the ground with the help of a U.S. Small Business Administration loan. Today, Ulukaya remains sole owner of his booming enterprise.
- It takes three pounds of milk to make one pound of Chobani.
- The three most popular Chobani flavors at press time are Blueberry, Black Cherry, and Pineapple.

