



Press Release

Frutarom Wins Frost & Sullivan Fastest Growing Company of the Year Award

Haifa, December 12, 2007, **Frutarom Industries Ltd.** (LSE: FRUTq, TASE: FRUT, OTC: FRUTF) has won the 2007 European Frost & Sullivan Fastest Growing Company of the Year Award in the Food Flavors market.

According to Frost & Sullivan, the recipient of the Fastest Growing Company of the Year Award would be the company with the highest percentage of revenue growth in the market while maintaining profitability. The Award signifies the company's commitment to developing and marketing technologically advanced products in the market being studied.

Frost & Sullivan found Frutarom to have been *"successful in adopting a rapid growth strategy, combining profitable organic growth and acquisitions, which has bolstered its position in the global flavors market"*. Frost & Sullivan determined that *"strategic acquisitions along with strong sales growth and focus on the combination of taste and health and on mid size local customers have elevated Frutarom's position as one amongst the top ten flavor houses in the global flavors market and that Frutarom's discreet strategies have helped it achieve rapid growth in the flavors market"*. Frost & Sullivan found Frutarom as *"uniquely positioned to support the growing segment of functional food and growing consumer demands for natural products with health and nutritional benefits, organic products and clean label"*. In addition, the award emphasizes Frutarom's commitment to R&D, both internal and external, driven by collaborations with universities, research institutes and start ups, and to innovative products. Another criteria included in the judging panel's considerations was Frutarom's strong and close relations with its customers. All of these attributes convinced Frost & Sullivan that Frutarom is the most deserving recipient of the 2007 Fastest Growing Company of the Year Award in the European flavors market.

According to **Ori Yehudai, Frutarom President and Chief Executive Officer**, "Receiving the award is a great honor. This win reflects the success of Frutarom's rapid growth strategy, achieving accelerated organic growth in its core activities together with executing strategic acquisitions. Frutarom's growth comes, among others, by continuing to create added value for customers and by focusing on both large multinationals and mid size and local customers, as well as from the accelerated shift of many leading food companies to the use of natural flavors and ingredients, with the emphasis on clean labels and functional and organic food. Frutarom is uniquely positioned at the junction of Taste and Health: we have the ability to provide unique, tasty flavor solutions together with the scientific bases for health benefits.



Frutarom has in recent years intensified its investment in these fields in implementing its vision "To Be the Preferred Partner for Tasty and Healthy Success," while utilizing the considerable synergy with the acquisitions Frutarom has made. We expect this growth to intensify as we realize the synergy of the seven acquisitions made this year".

Background on the Company

Frutarom is a global company active in the global markets for flavors and ingredients. Frutarom has significant production and development centers on three continents and markets its products on five continents to over 5,000 customers in more than 120 countries. Frutarom's products are intended mainly for the food, beverage, flavor, fragrance, pharmaceutical, nutraceutical, health food, functional food, food additives, and cosmetic industries.

Frutarom operates through two Divisions:

- The Flavors Division, which develops, produces and markets flavor compounds and food systems.
- The Fine Ingredients Division, which develops, produces and markets natural flavor extracts, natural functional food ingredients, natural pharmaceutical/nutraceutical extracts, specialty essential oils and citrus products, and aroma chemicals.

Frutarom's products are produced at its plants in the United States, England, Switzerland, Germany, Israel, Denmark, China, and Turkey. The Company's global marketing organization includes branches in Israel, the United States, England, Switzerland, Germany, Belgium, Holland, Denmark, France, Hungary, Romania, Russia, Ukraine, Kazakhstan, Belarus, Turkey, Brazil, Mexico, China, Japan, Hong Kong, India and Indonesia. The Company also works through local agents and distributors worldwide. Frutarom has 1,500 employees worldwide.

For further information, visit our website: www.frutarom.com.