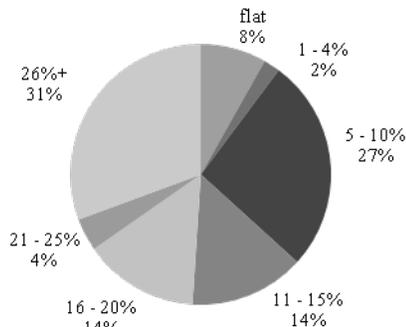


2008 was a year of bad debt and tighter access to capital and credit for nutrition industry suppliers. Firms were still dealing with the blows that rising fuel prices and currency fluctuations delivered in 2007 and the first half of 2008 which left many supply companies uncertain of how the economic downturn would affect the U.S. nutrition industry and what would be in store for 2009.

Still respondents to *Nutrition Business Journal's* annual survey of nutrition industry raw material and ingredient suppliers indicated that 2008 was not a year of slumping sales and declining bottom lines.

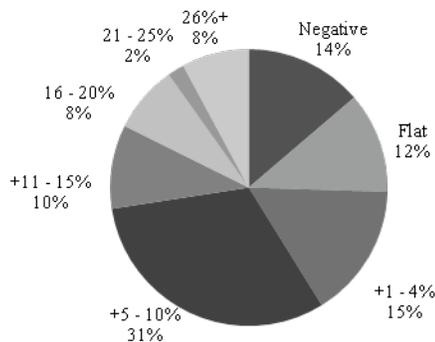
### Raw Material Company 2008 Sales Growth



Source: NutritionBusinessJournal survey of 49 raw material & ingredient supply companies conducted 11/10/08-12/4/08. Question: "What was the growth rate in nutrition raw materials & ingredient supply sales for your company in 2008?"

Nearly 50% of raw material & ingredient supply firms that responded to NBJ's survey noted 2008 sales growth of over 15%, indicating that 2008 was a strong year for supplement, functional food and cosmeceutical ingredient suppliers.

### 2008 Nutritional Ingredient Pricing Trends by Company



Source: NutritionBusinessJournal survey of 51 raw material & ingredient supply companies conducted 11/10/08-12/4/08. Question: "Please indicate an average pricing trend for all your company's nutrition ingredients and raw materials during 2008."

Only 14% of survey respondents reported price decreases in 2008. Nearly 30% of respondents noted double-digit price increases, reversing a many-year trend of declining ingredient prices driven by Asia-Pacific suppliers and aggressive purchasing strategies of manufacturers.

*NBJ's Raw Material & Ingredient Supply* issue, which published in December 2008, provides an in-depth look at NBJ's 2007 RMIS sales numbers and preliminary estimates for 2008, as well as findings from NBJ's annual supplier survey and interviews with more than 25 executives in the RMIS industry. To order your copy of the issue or to subscribe to *NBJ*, go to [www.nutritionbusinessjournal.com](http://www.nutritionbusinessjournal.com).