



# STATE OF THE INDUSTRY

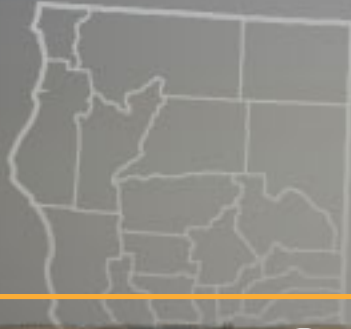
Richard Waycott, President and CEO  
Mike Mason, Chairman of the Board





**BRINGING GREAT TASTE, NUTRITION, AND VITALITY  
TO PEOPLE AROUND THE WORLD THROUGH THE  
ENJOYMENT OF CALIFORNIA ALMONDS**

Maintaining focus on our vision, our “True North”



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# **FUTURE OF THE CALIFORNIA ALMOND INDUSTRY**

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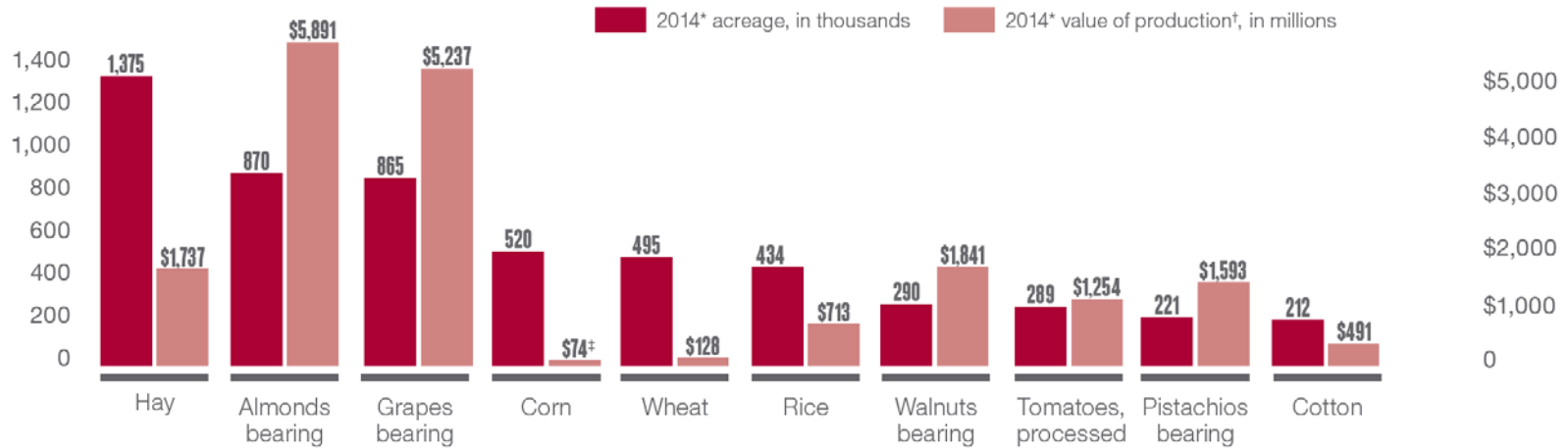
**and the Almond Board of California**



**AWESOME + CHANGES  
LONG TERM VIABILITY  
INGENUITY  
WHOLESOMENESS  
DIETARY BENEFITS  
TRANSFORMATIVE CAPABILITY**

# California Top Ten Crop Acreage vs. Value

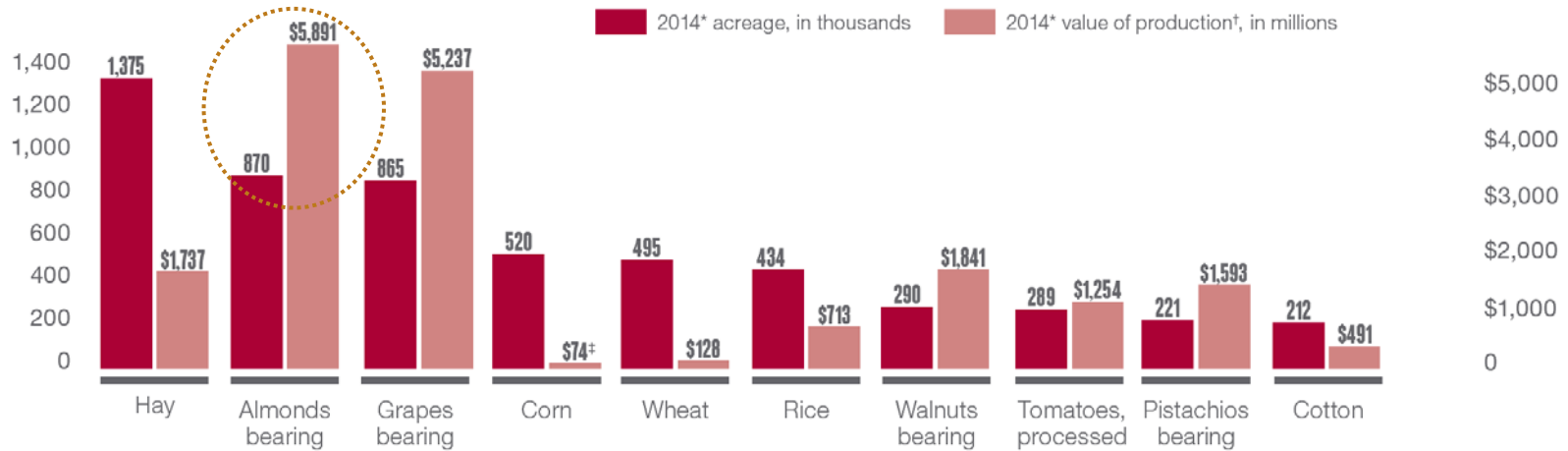
## TOP TEN CALIFORNIA CROP ACREAGE



Source: USDA, NASS. \*Calendar year January through December 2014. †Value based on farm-gate prices. ‡This is the corn for grain value. The corn for silage value for 2014 was not available at time of publication.

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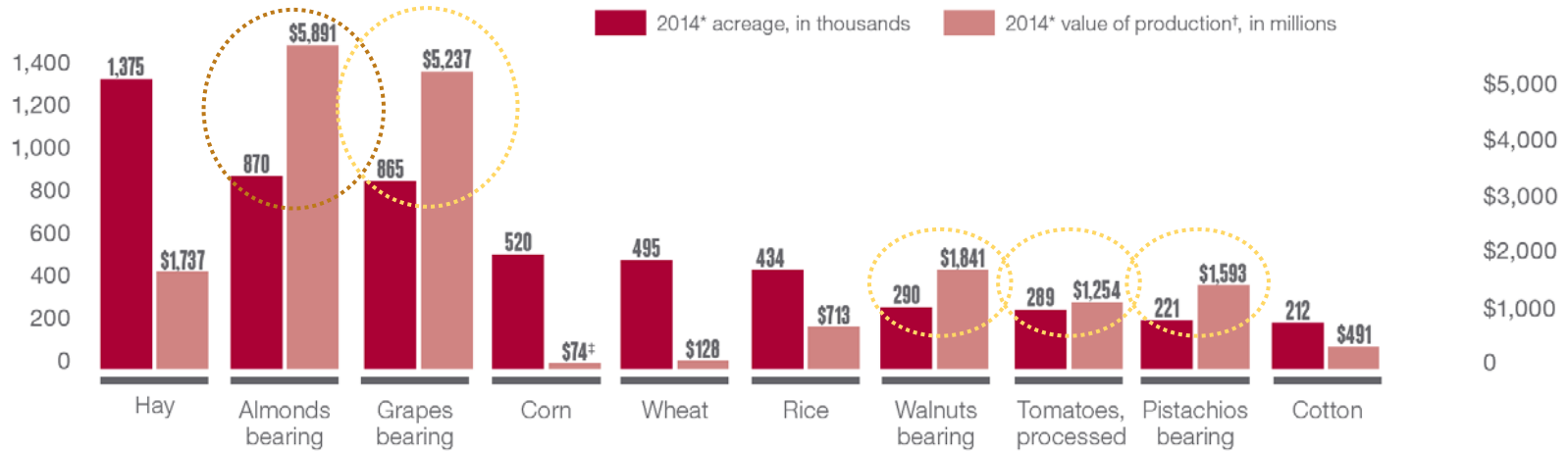
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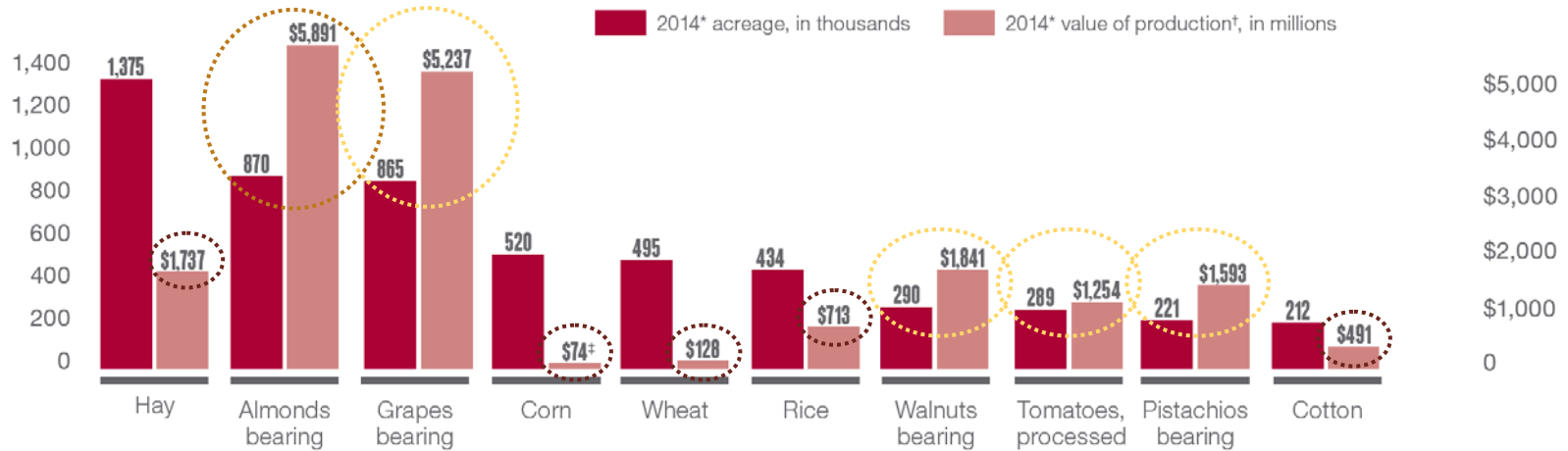
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## TOP TEN CALIFORNIA CROP ACREAGE

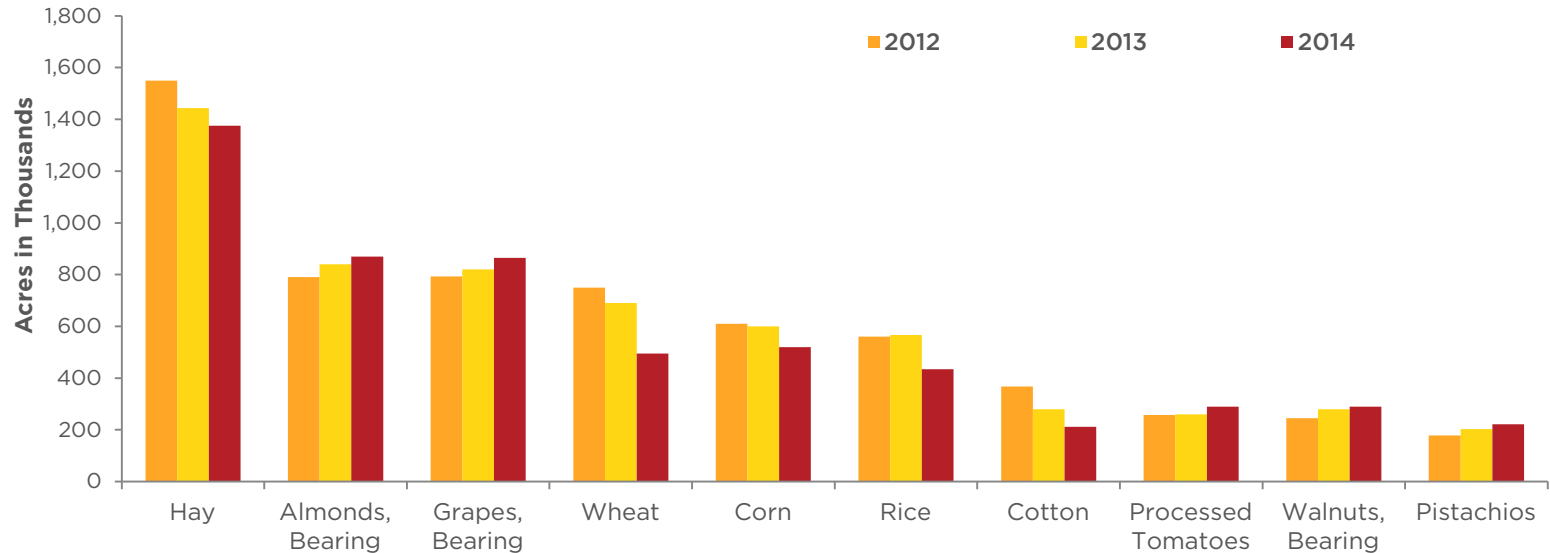


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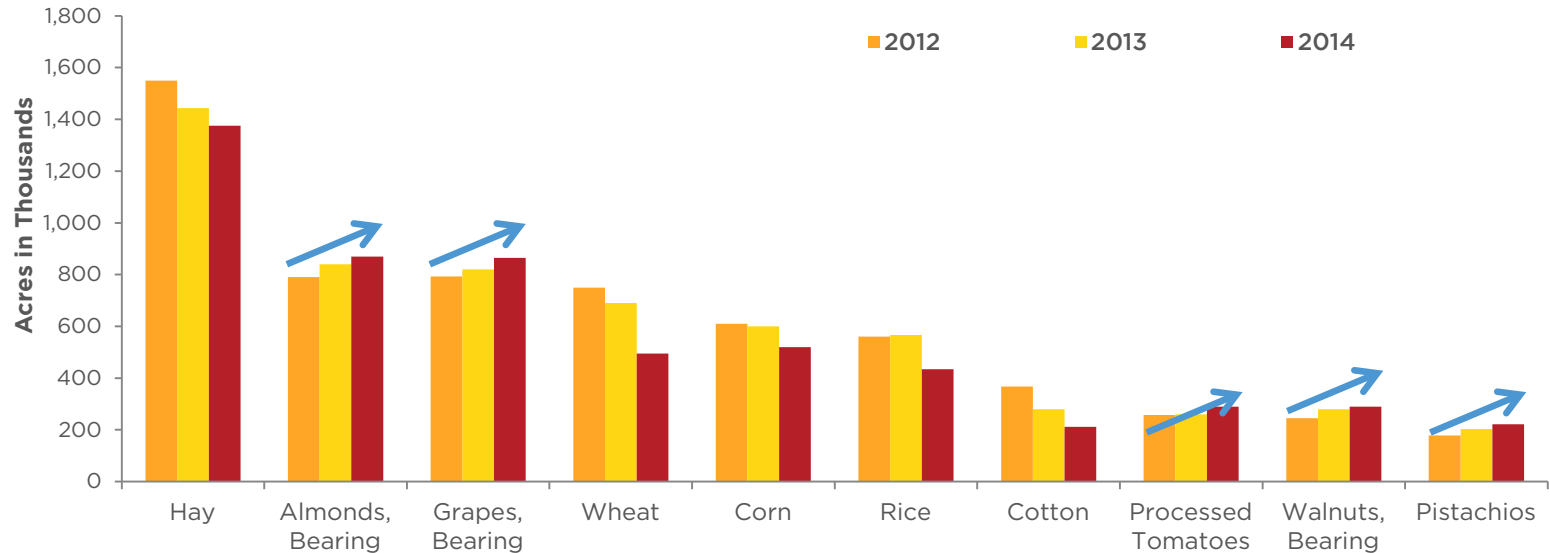
# Acres Usage Change Over Time

## CALIFORNIA TOP ACREAGE BY CROP 2012-2014



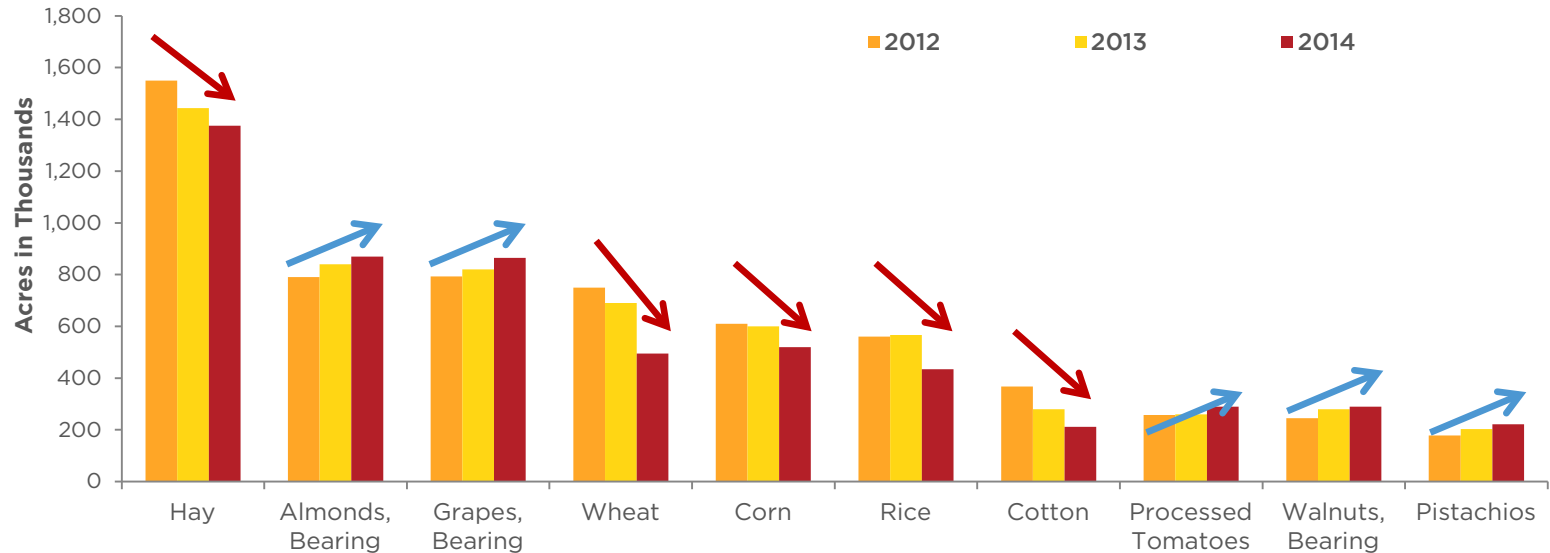
# Acres Usage Change Over Time

## CALIFORNIA TOP ACREAGE BY CROP 2012-2014



# Acres Usage Change Over Time

## CALIFORNIA TOP ACREAGE BY CROP 2012-2014





**WATER-SAVING  
MICRO-IRRIGATION  
TECHNOLOGIES**

have helped farmers

**REDUCE**

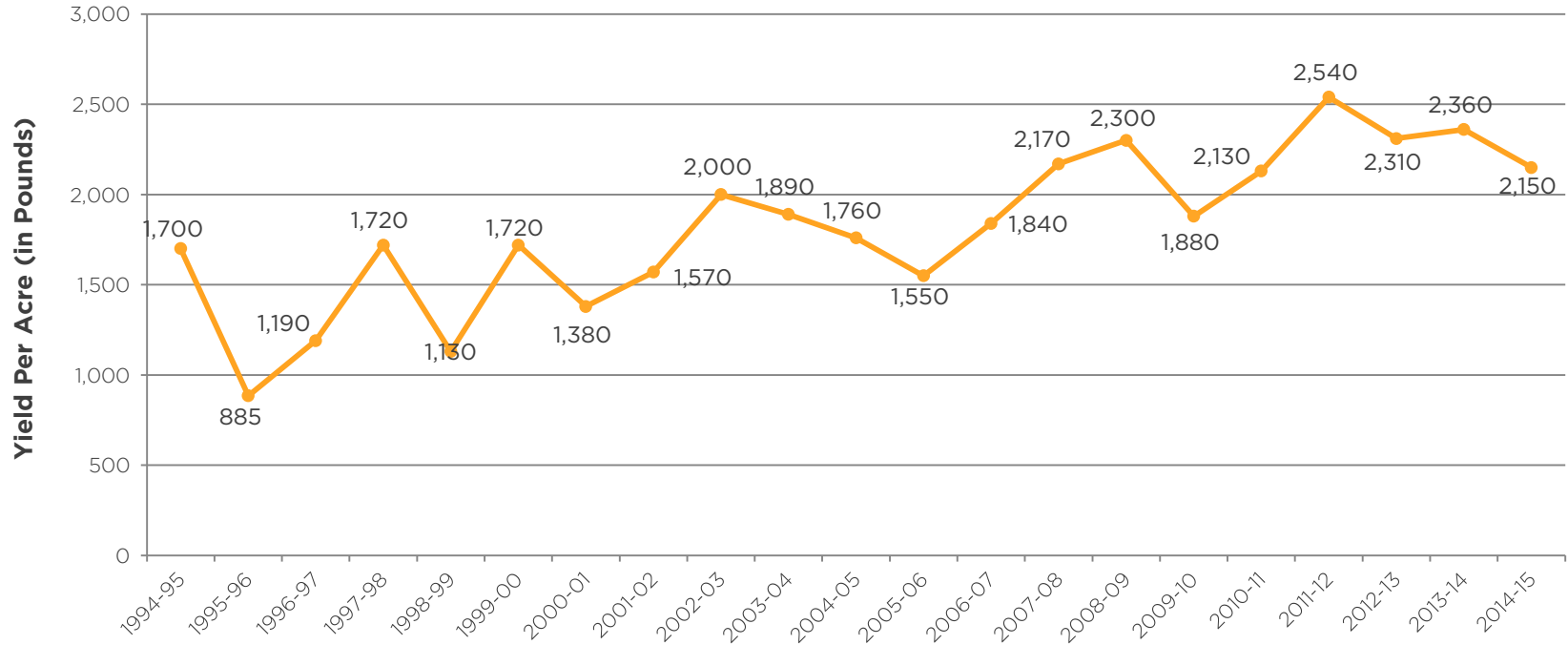
the amount of water it  
takes to grow

**1LB** of   
by

**33%**

**SINCE 1994<sup>2</sup>**

# Average Yield/Acre 1994/95-2014/15



# Increasing per capita consumption drives price inelasticity

## ADDRESSABLE POPULATION PER CAPITA

	Per Pound Consumption			
	2010/11	2011/12	2012/13	2013/14
USA	1.6	1.8	1.9	2.0
Canada	1.9	2.0	2.2	2.3
UK	0.6	0.6	0.5	0.5
France	1.3	1.5	1.4	1.4
Germany	1.7	1.9	1.8	1.9
China	0.2	0.2	0.2	0.1
India	0.2	0.3	0.3	0.3
S. Korea	0.7	1.0	1.0	1.1
Russia	0.3	0.4	0.5	0.3
Brazil	0.03	0.04	0.04	0.05

A close-up photograph of almonds moving along a dark conveyor belt. A bright blue laser line is projected across the belt, likely for automated sorting or inspection. The almonds are in various stages of focus, with some in sharp focus and others blurred in the background.

More Automation:

**INVESTMENT**  
in plant and equipment



These are transformative times

**CHALLENGE → STRATEGY → SUCCESS**

crop of choice for the **21<sup>st</sup> century**



# ALMOND ORCHARD OF THE FUTURE

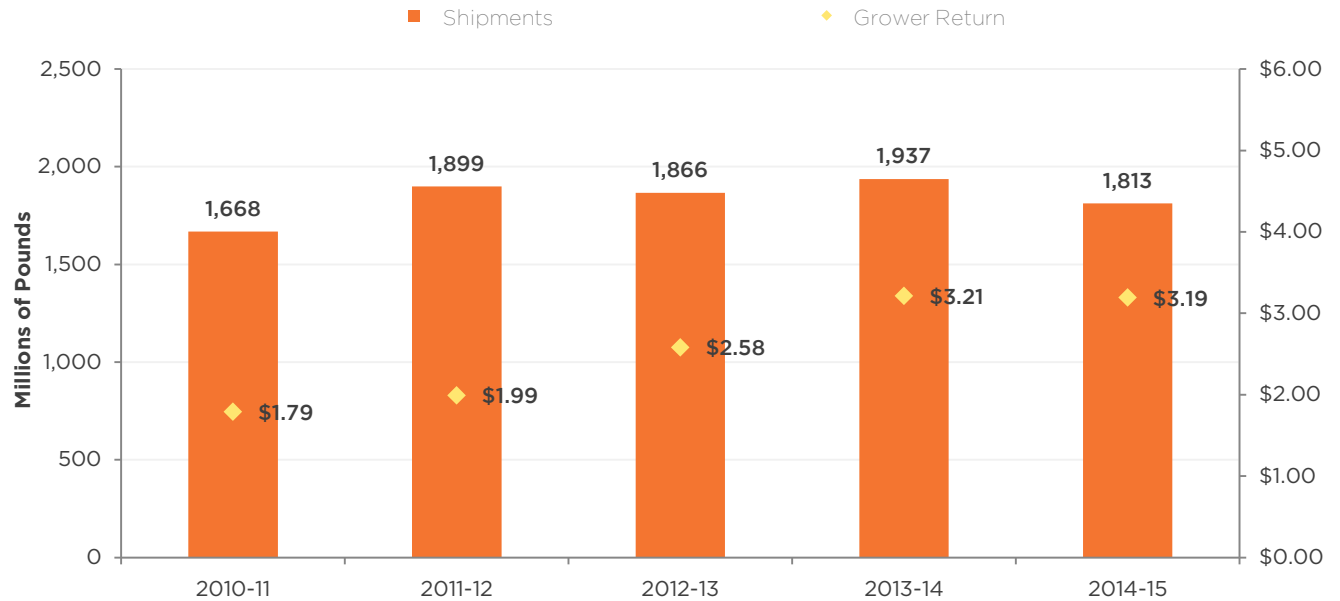
Where can the almond industry and ABC make a difference?



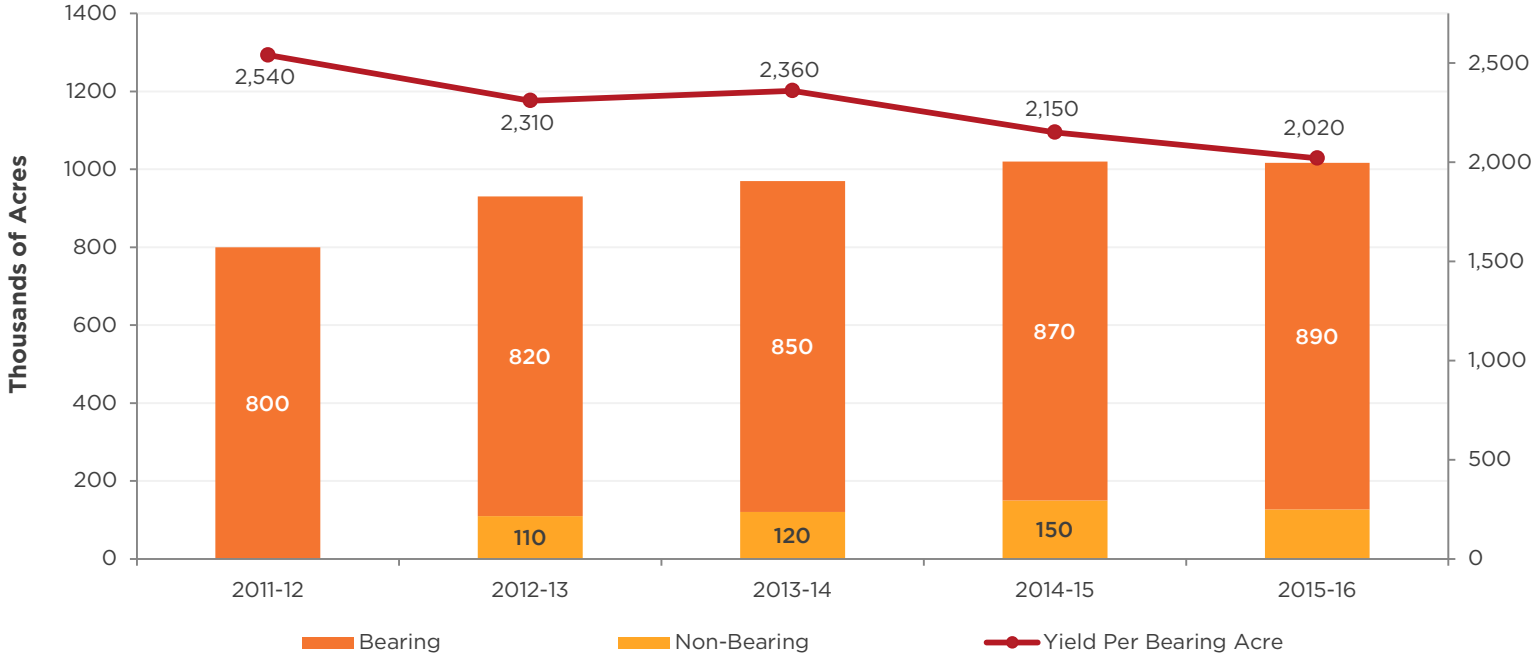


**ACCELERATED INNOVATION**  
**— MANAGEMENT (AIM) —**

# Almond Shipments Down, Record Prices, West Coast Port Slow Down

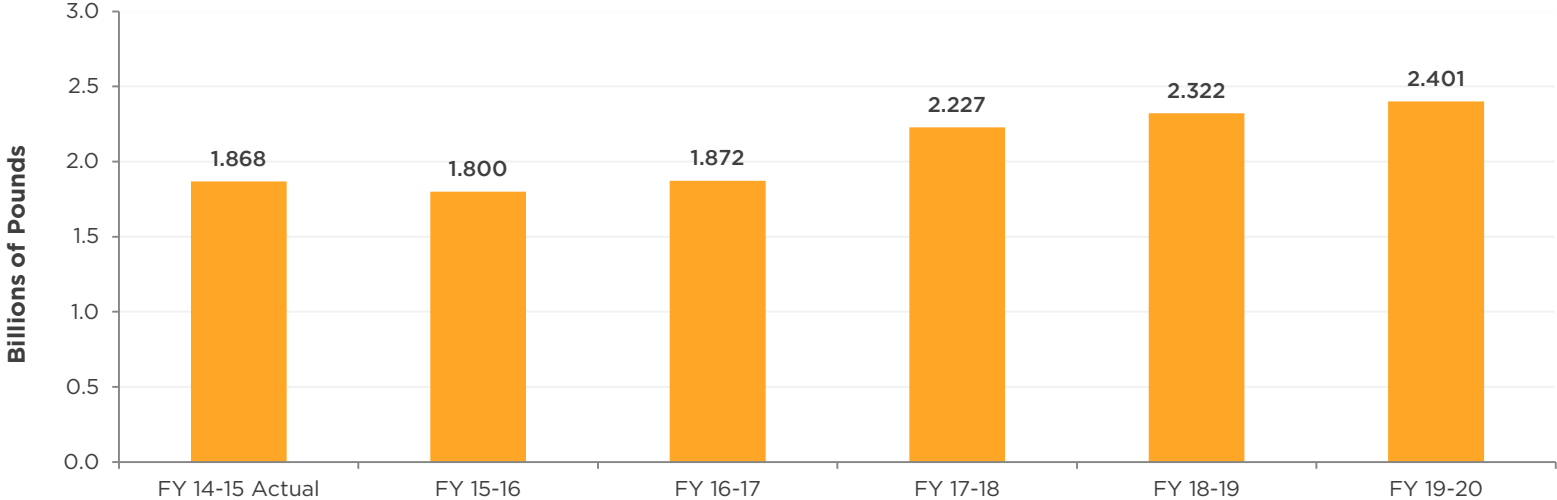


# California Almond Acreage and Yield Per Acre

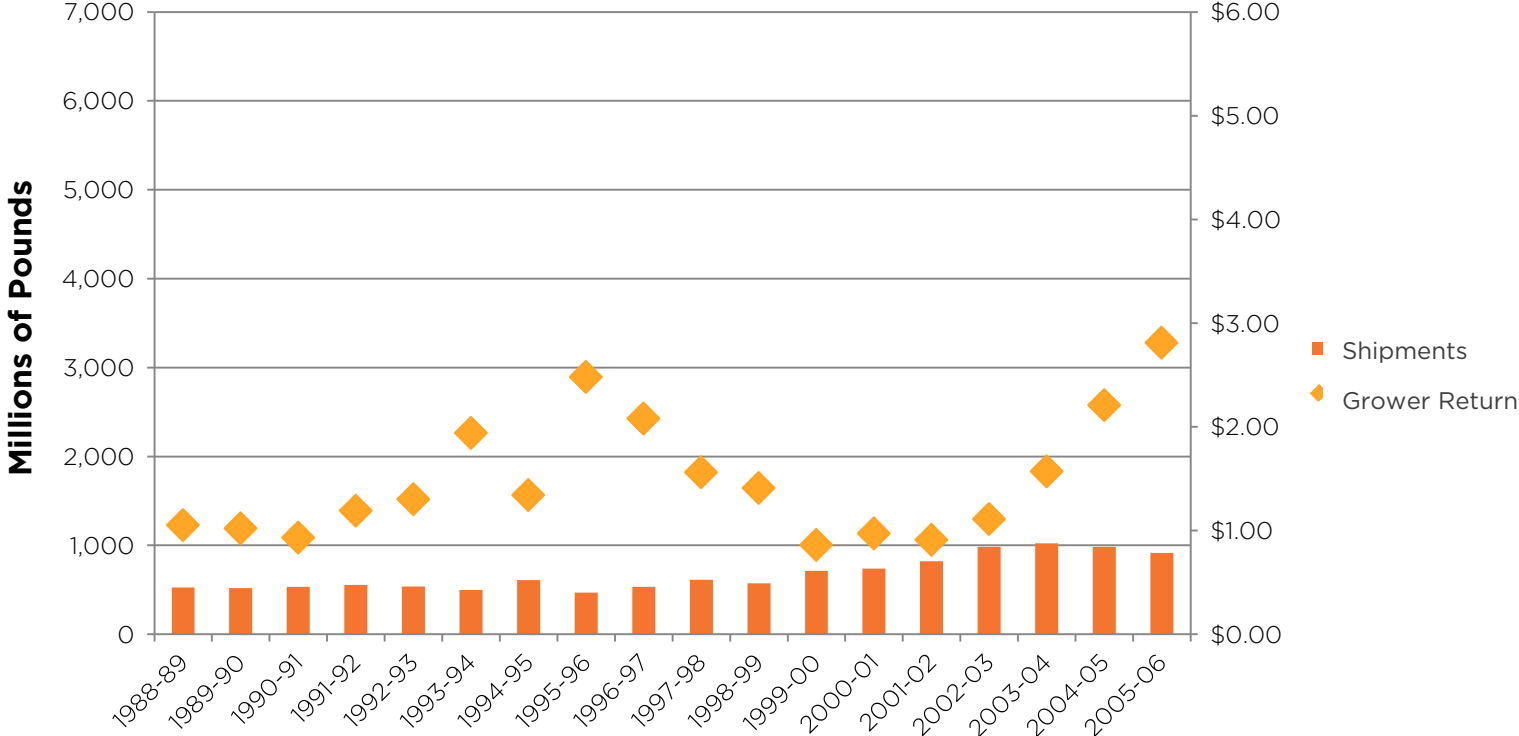


# ABC Board of Directors Production Forecast for California Almonds

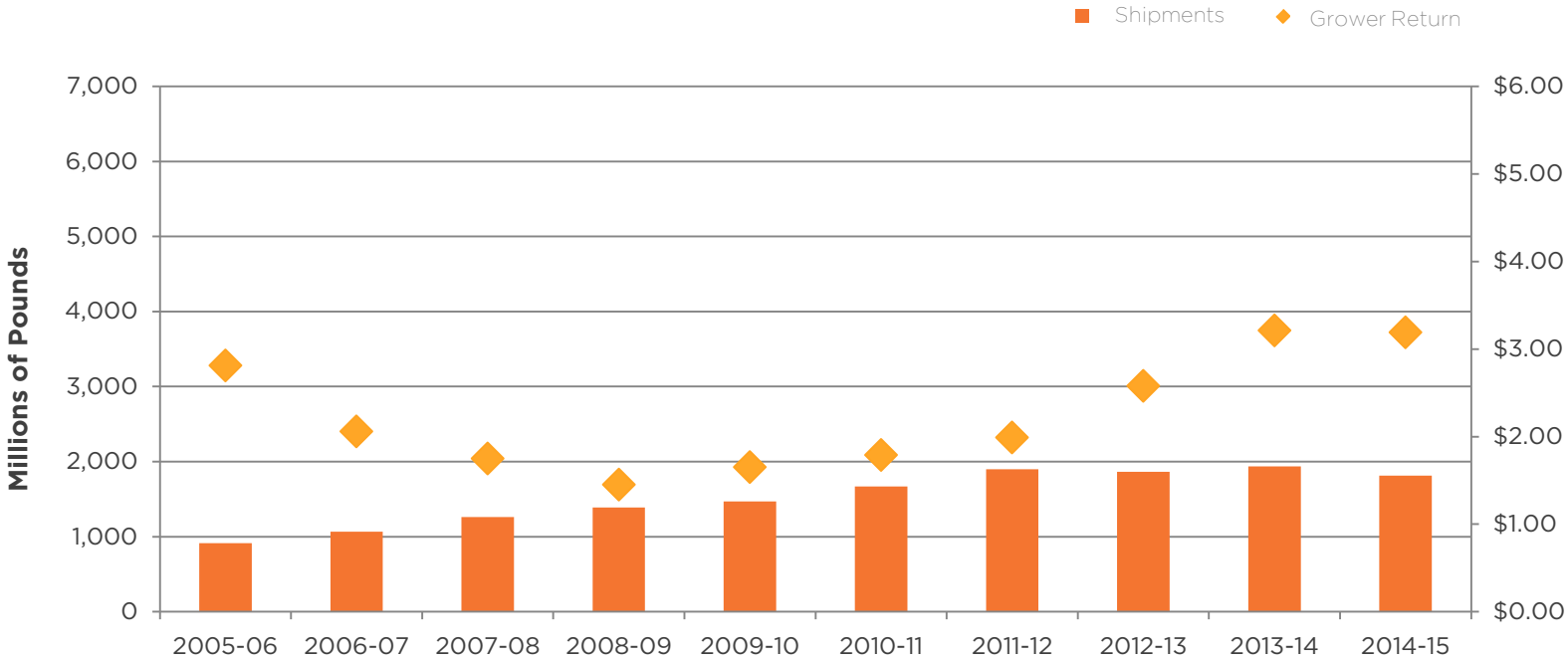
## PRODUCTION FORECAST



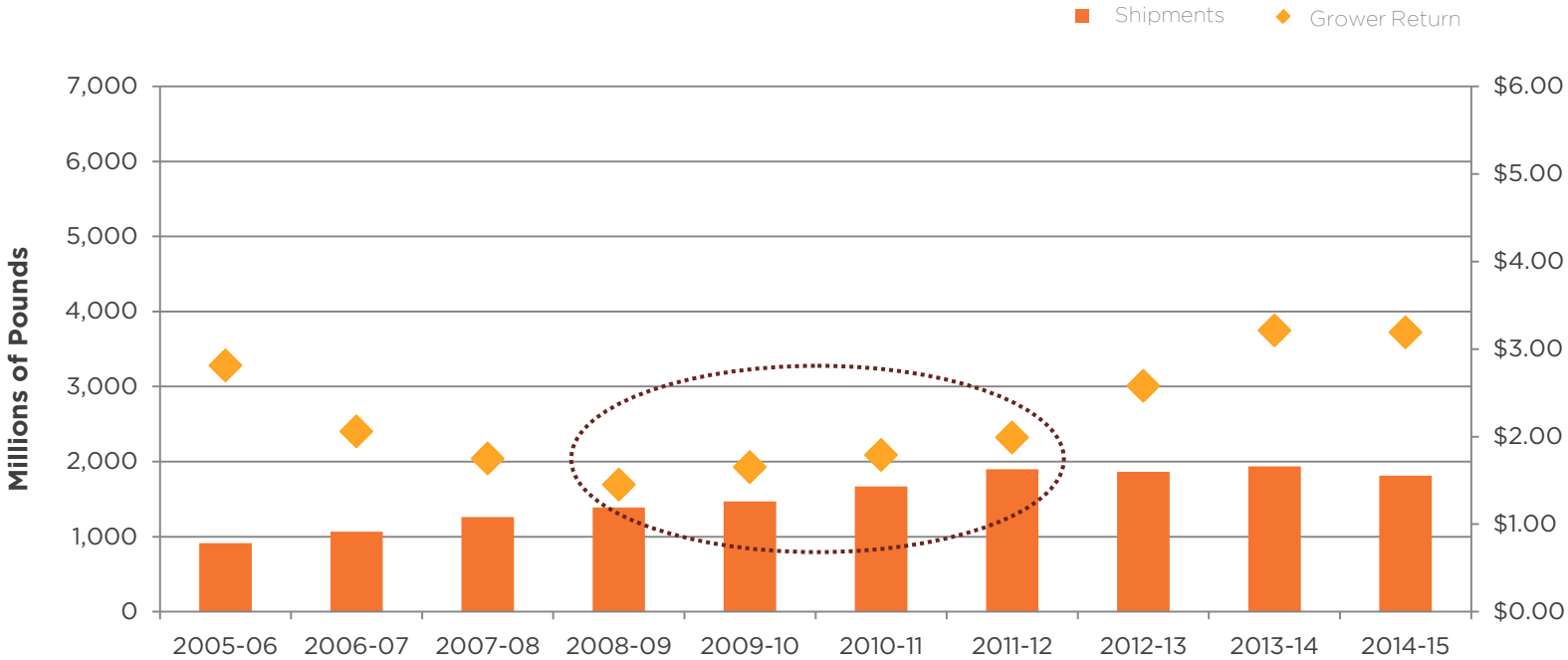
# Historical Shipments and Grower Return



# Almond Shipments and Grower Return



# Almond Shipments and Grower Return

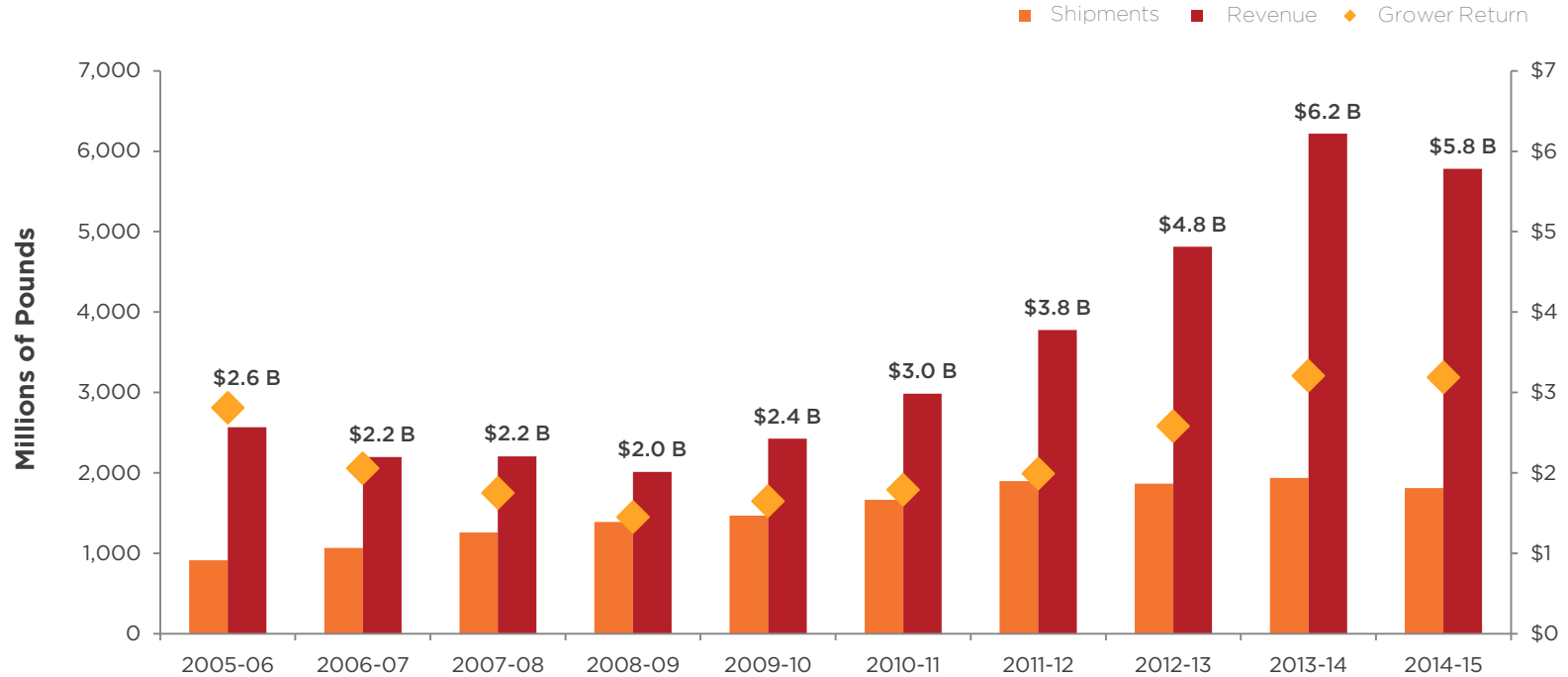




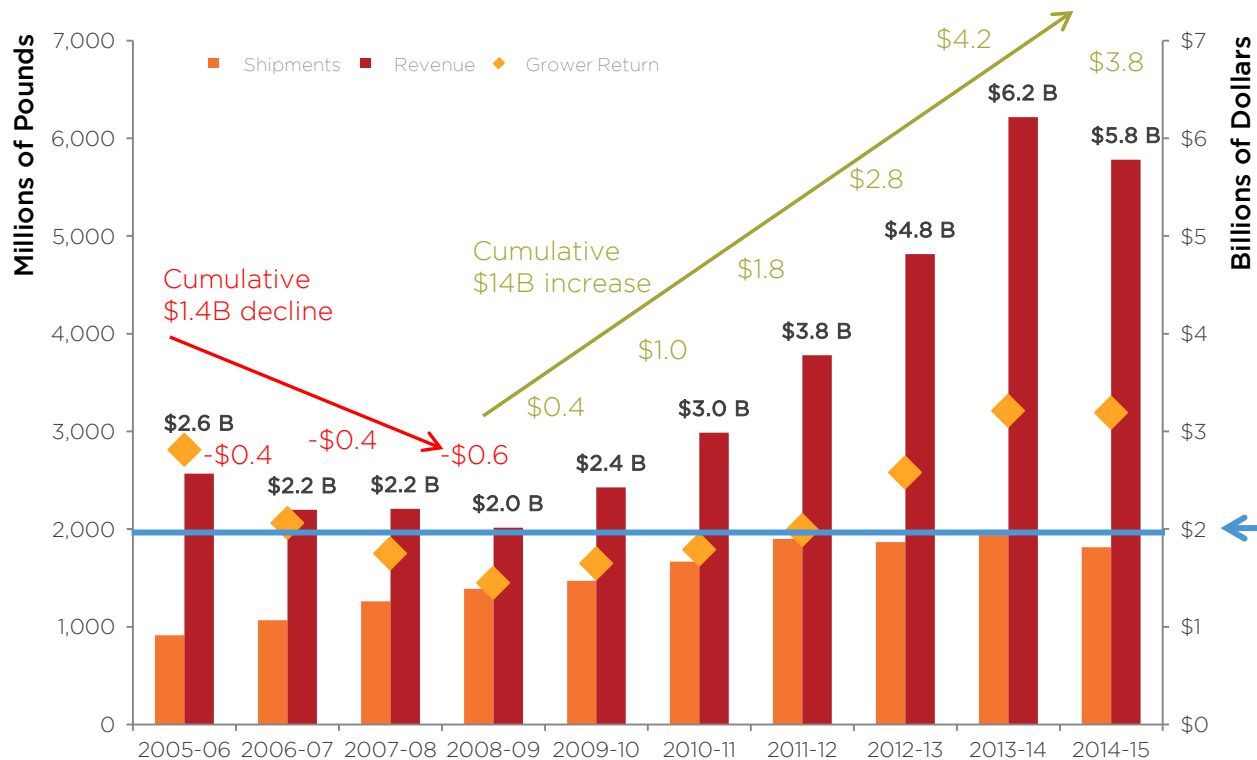
# ABC Investments Over the Past 10 Years

Program	10 Year Investment
Technical + Regulatory Affairs	\$5.6 million
Industry Services	\$6.4 million
Environmental Programs	\$8.7 million
Almond Quality & Food Safety	\$10.4 million
Production Research	\$11.1 million
Human Nutrition Research	\$14.2 million
Global Market Development	\$308.1 million
<b>Total</b>	<b>\$364.5 million</b>

# Industry Revenue



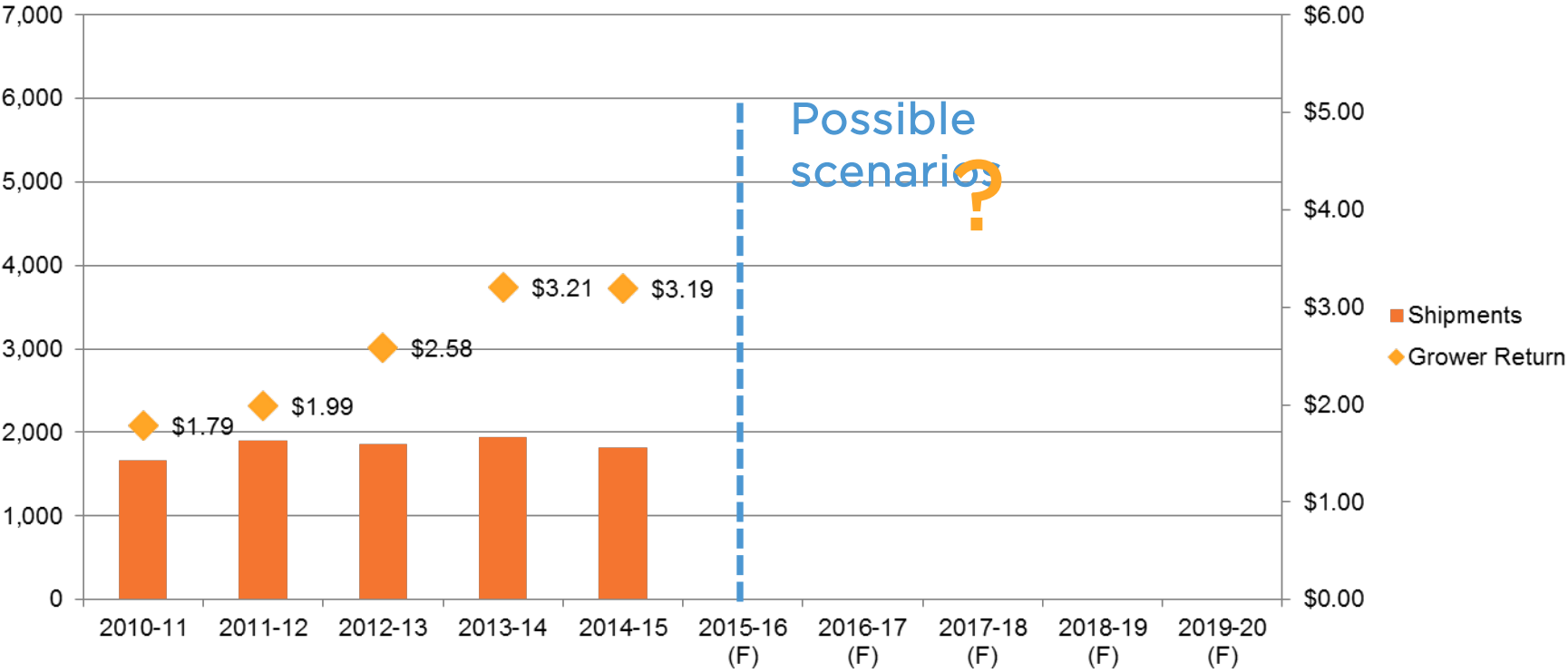
# Industry Value: Overwhelming Growth Over Past 10 Years



For 30 cents over ten years, gained a net \$12.6B, or \$0.88/pound

Declining to \$2B, then rising to \$6B over 10 year period

# Shipment + Average Growth Return 2010/11-2014-15





**STRIVING FOR  
EXCELLENCE**

