

Cool Business



VESTFROST
COOL EXPERTS

We can't do everything. But what we do, we do well

VESTFROST

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| 1963 Vestfrost founded by Arne Højvig in Esbjerg, Denmark. | 1996 Vestfrost achieves ISO 9001 certification. |
| 1970 Two-shift workday introduced in January for manufacturing. | 1998 Vestfrost is the first company in Europe to achieve the Ecolabel for a fridge freezer – the EU environmental “flower” label. |
| 1973 Vestfrost commences cooperation with Electrolux. | 2000 Unit no. 10 million leaves the production line. |
| 1974 Railway siding directly to the factory opens. | 2002 Torben Sørensen becomes new Group Managing Director. |
| 1979 Unit no. 1 million leaves the production line. | 2003 Vestfrost again 100% Danish owned when Electrolux sells its shares in the company. |
| 1990 Vestfrost receives King Frederik IX's award for export merit. | 2004 New strategy implemented. |
| 1994 The natural cooling agent R 600a is introduced. | |
| 1994 Cooperation with the designer David Lewis begins. | |

I am often asked why Vestfrost manufactures only refrigerators and freezers; why not dishwashers, microwaves and other appliances as well? This is a good question, because most of our colleagues manufacture a variety of products.

In fact, more and more companies are manufacturing an increasing variety of products. By concentrating on refrigerators and freezers for more than 41 years, could it be that Vestfrost has got it wrong? For the last year, we have been focusing on our own company to see what we can do better. We have spared ourselves nothing; no stone has been left unturned. We have studied market data, we have visited and talked with dealers all over the world, we have evaluated our products and processes, and we have done lots of other things as well. We have done everything to make Vestfrost the best partner possible in the refrigerator and freezer business.

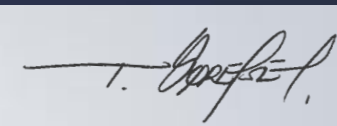
Our analysis started a chain of reactions; there was room for change in a number of areas. We took the consequences and have implemented the necessary changes. Some are already evident, others will become obvious with time. However, the analysis also confirmed that Vestfrost should not – and will not – manufacture hairdryers, clock radios, washing machines or tumble-dryers. We will continue to concentrate on refrigerators and freezers. That is what we do. Only by maintaining dedicated focus can we

live up to our aim of being the best refrigerator/freezer manufacturers in the world.

We will continue concentrating on refrigeration and cooling. We do nothing else. This is the way it has been during the 41 years of focused, solid Vestfrost history, and that is the way it will continue to be in future. Only by maintaining dedicated focus can we attain our goal of being the best in the world at what we do.

We seriously want to offer consumers the best refrigerators and freezers on the market. Consumers must know what the qualities and possibilities are in a Vestfrost solution: excellent refrigeration and/or freezing properties, attractive, harmonious design in good materials, functional design and long service life. This we cannot do alone. We are not in daily contact with consumers. This is what you do – our Vestfrost dealers around the world. You are the ones who engage in daily dialogue with consumers; you are the ones who know about wishes, needs and opportunities. Therefore, we need to work together very closely. Only together can we create success for all three parties involved: the consumer, the dealer and Vestfrost.

We have compiled this brochure to tell you more about Vestfrost – about the way we think, design, develop, manufacture, supply and communicate. And about the business opportunities we offer.



Torben Sørensen
Group Managing Director, CEO





Cool Experts

We have something we are very proud of: the most competent, committed, dedicated employees possible. They think only in terms of refrigerators and freezers. That is why we call them Cool Experts.

At Vestfrost, our mission, business standards, and the promise implicit in our name all reflect the expertise of our employees. Our mission says: Vestfrost develops your ideal refrigerator/freezer solution – and only that.

We are willing and able to go in new and innovative directions at Vestfrost so we can continually improve products and solutions. We listen and understand. This means that we can always compile the best possible solution for the individual customer. We think in terms of holistic solutions, not just products. To us, knowledge, expertise and service are all natural parts of the whole – no doubt because we think of nothing else.

Vestfrost's more than 1100 Cool Experts work passionately every day to live up to our mission. The following core values and core competences are our compass.

Core values
Positive
Credible
Determined

Core competences
Adaptable
Ahead
Efficient



Cool expertise, cool products

The most important part of any fridge-freezer solution is the product. Product development and manufacturing are the heart and soul of Vestfrost. While Vestfrost develops and manufactures only fridge-freezers, we offer them in a wide range of innovative and multifaceted products.

In home appliances, the Vestfrost name appears on everything from refrigerators and freezers to wine cabinets – all of which share the common denominator of being so outstanding in design and quality that they fulfil the commitment of the Vestfrost logo. During recent years, we have revitalized our development and manufacturing processes. Our entire line of products has been renewed, and there are more on the way. The world's best fridge-freezer products must come from Vestfrost – and we mean it.

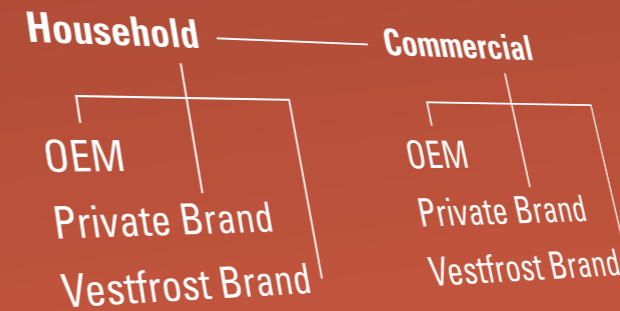
Vestfrost manufacturing expertise is in high demand, and we also manufacture for other companies under OEM agreements. Moreover, Vestfrost is at the forefront of the industry with special-purpose products such as ultra-low temperature units that can freeze at temperatures as low as -80 °C. Sushi restaurants, for example, use this type of freezer to retain the full flavour of raw fish. These freezing capabilities are also used in laboratories where it can be necessary to maintain ultra-low temperatures.

The Vestfrost Commercial Division also develops and manufactures fridge-freezer products for commercial use in restaurants, supermarkets and so on. Here, we collaborate with a number of the world's leading beverage manufacturers such as Red Bull and Carlsberg Breweries. As you see, there is plenty to do in the cooling and freezing industry!



Commercial fridge-freezers

Refrigerator and freezer cabinets bearing the manufacturer's logo are important tools that can be decisive in selling an exponent product. Vestfrost know-how and close cooperation with the individual customer create sales results all over the world.



Medicinal coolers and freezers

Conditions for vital medicines must never go wrong. Due to our stable products and expertise in temperature regulation, Vestfrost is one of the world's leading manufacturers of medicinal coolers.



WE KNOW
OUR
CUSTOMERS' CUSTOMERS
CUSTOMERS

We know our customers' customers



To be successful in developing new products and combining the optimal product range for the individual Vestfrost customer – be they distributors or dealers – it is imperative to understand consumers' needs; the needs of our customers' customers.

Only through in-depth knowledge of our end-customers can we provide the best possible consulting services back through the value chain to dealers and distributors. Therefore, we at Vestfrost have intensified our efforts and focus on understanding the market and the consumer.

We want to know consumers better than they know themselves, i.e. Vestfrost wants to know what consumers' wishes are, before consumers

themselves know. To do this, we must have thorough knowledge and understanding of the various consumer segments.

It could be said that we have turned everything upside down. Traditionally, the refrigeration business (including ourselves) has endeavoured to design, develop and manufacture fantastic products. And then it's up to dealers to sell them – if they can. Now, we are beginning by understanding customers and their needs, to enable us to develop – and sell – the ultimate refrigerator/freezer solutions. This is the difference between a sold product and a product collecting dust in a stockroom.

Side-by-Side

Vestfrost has a solution especially for homes with large fridge-freezer needs. Here is one of our side-by-side solutions. The freezer and refrigerator (FZ 235 F and FZ 374 R) feature only the finest and most functional materials.



FZ 235 F FZ 374 R

We are easy to understand



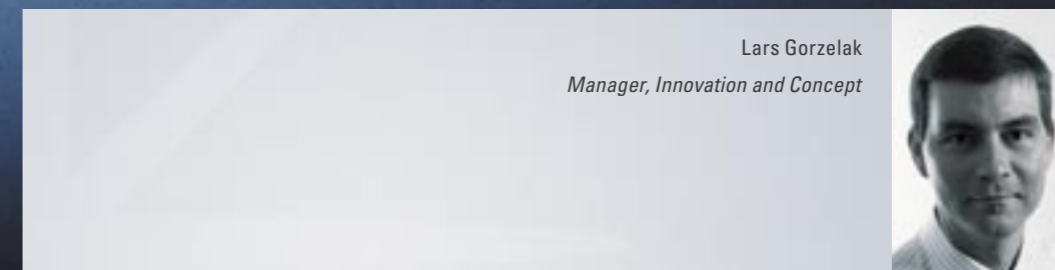
Do you also have the feeling that it is becoming increasingly complicated to differentiate between products? And to explain the differences? Then, imagine how consumers must feel!

Now, Vestfrost is doing something else. We have made everything easier. In fact, we have made everything easy for consumers to understand. At Vestfrost it is no longer our engineers or designers who decide which products we should develop and what we

should call them. We no longer begin with long technical explanations. Now, we always begin with consumers' various basic needs, and then augment them with relevant specifications that, in turn, enhance Vestfrost qualities.

We have divided the refrigerator/freezer line into four product universes which reflect the various needs consumers have. Strictly speaking, we work only in three of these universes. The fourth – Experiment – we leave confidently in the hands of our colleagues.

SOLID	FUNCTION	ZHAPE	EXPERIMENT
 <p>This universe is for the consumer who wants an honest, no-nonsense, high-quality solution. These products cannot fry eggs, make coffee or search the Web. But they can refrigerate and freeze, and they do both very well.</p>	 <p>This universe is for the consumer who is especially interested in functional qualities: the selection of materials, practicality, cleaning ease, etc. Briefly, that the design on the inside has been considered as carefully as the design on the outside.</p>	 <p>This universe is for the consumer who wants aesthetic design. Who says refrigerators and freezers have to be ugly white boxes? Not Vestfrost! Here, we set new standards for innovative design that goes hand in hand with functionality and quality.</p>	<p>This universe is for the consumer who likes new technical features and integration with other electronic products. Vestfrost manufactures no products in this universe, and has no wish to do so.</p>



Lars Gorzelak
Manager, Innovation and Concept

Psst! It's a refrigerator



A refrigerator or freezer unit does not have to look like one. This is one of the basic principles in our Innovation and Concept Department at Vestfrost. This department is the very heart of our company; it is where consumer research, development of materials and manufacturing meet and are integrated by our design processes. Many new thoughts and ideas are generated here, a few of which eventually become new products.

To remain constantly a step ahead of market developments, we often out-source experts to participate in the development process. For example, in connection with our new Zhape series which will be introduced around the world in the autumn of 2004, we have worked with the designer David Lewis who is known, among other things, for his work for Bang & Olufsen. David Lewis, whose designs are based on his personal philosophy of kitchens

and refrigerators/freezers says, "The most important thing you need in a refrigerator or freezer is visibility; you need to be able to see what you have – and what you don't have."

Visibility is definitely a prominent feature of the new premium quality refrigerators and freezers by David Lewis and Vestfrost. However, it will be the cutting-edge exterior design that everyone will notice first. There is a reason for this, according to Lewis.

"A modern kitchen is something like a café. You meet there and chat about your day, do homework, read the newspaper, watch a little TV. Perhaps a couple of friends drop by for a glass of wine and something to eat. That's why kitchens now look different. A refrigerator doesn't need to look like a refrigerator."



FZ 244 C

Who says a freezer has to be square and white? Not Vestfrost – one of the world's leading manufacturers of freezers. This is the FZ 244 C chest freezer which, with its rounded lid and silver colour, is a total reconsideration of traditional concepts of what freezers should look like.

David Lewis
Designer



We have both a sense of time and direction

Just as creative and innovative as we are in some areas, just as predictable – perhaps even boring – we are in others. Because, when it comes to product quality and logistics, we stick to old-fashioned virtues. In that respect, Vestfrost has one simple principle: the right product in the right quality, in the right place at the right time.

It is no coincidence that we have ISO 9001 certification. The extremely high demands Vestfrost makes both to components and processes ensure optimum quality in every step of manufacturing. And that they are carried out with due respect for the environment – another basic principle held by Vestfrost (long before it became necessary). In keeping with our traditions, Vestfrost remains at the

forefront of developments. We therefore also have ISO 14001 and OHSAS 18001 certification which obliges us to always supply refrigeration and freezer products in the most energy-efficient class. At Vestfrost, we happen to take this obligation for granted.

There is not much more to add to our logistics principles. It is merely a matter of course that you receive the right products at the right time; that you do not have unnecessary products standing around, taking up space in your stockrooms – or have to wait until tomorrow for products that could have been sold yesterday. Here, you can rely on us, just as you can rely on our ability to react and respond quickly. It is possible to do a lot of things very quickly.

FZ 220 F

A freezer can be both attractive and practical – at the same time. Here, the FZ 220 F, featuring the latest no-frost technology that makes defrosting unnecessary.



Niels Albæk
Technical director



We have a good story – and we like to tell it



FZ 365 W

Vestfrost sets new standards for storing wines. Our newly developed wine cabinets, such as the FZ 365 W shown here, meet the most stringent demands for accurate and constant temperature control.



To communicate effectively with consumers, it is necessary to have a good story. We think we have one. Admittedly, we have not always been good enough at telling it, but we are changing that now.

We have developed an entirely new communication platform and a new graphic identity – all bound together by the concept of Cool Experts. This includes everything from our ice crystal trademark, to our values and the way we relate to creating the best refrigerators and freezers.

Among other things, you will experience the new Vestfrost in the form of an entirely new web site, new advertisements and new catalogues. The primary purpose of the new mode of communication is to strengthen the Vestfrost brand, help attract new consumers into dealers' stores, and make selling easier. And finally, to generate retail sales.

Jesper Hansen
Marketing Manager



Together, we will be successful

To us, a good refrigerator/freezer is the same as a sold refrigerator/freezer. In other words, our goals are the same as yours: we want to move lots of Vestfrost products out of your store; quickly and profitably.

Vestfrost intends to be retailers' preferred partner, and we have organized ourselves to live up to that goal. We know and understand your needs, and we can meet them because we maintain close contact with our customers. We believe this results in the long-term customer relations that have always been an essential part of Vestfrost.

The best solution often requires new ways of thinking. We do this all the time. For example,

it is imperative that the product line you sell is customized as much as possible to your shop's profile, location and customers. That way, we ensure that products end up with your customers, rather than in a back room of your store. This requires a versatile approach and – not least – close dialogue between you and the Vestfrost sales team.

We can offer sparring, know-how and insight in business optimization, as well as knowledge of consumer trends in the market. Together, we can be an effective unit that benefits sales. We call this cool partnering.

We believe in cooperation. The closer, the better. And the more we all get out of it.



FZ 277 R

Vestfrost uses the latest two-component technology in drawers, boxes and shelves. These can all easily be moved up and down, and are robust and easy to clean. They are shown here in a Function refrigerator.

SOLO

On-going dialogue is the way to continual improvements. At Vestfrost we are prepared to offer advice any time or place you might wish. But close cooperation does not end there. We do not have all the answers – far from it. We

can always improve. To improve, we need your opinions – and those of your colleagues and customers. Please do not hesitate to contact us with criticism, compliments, or just some good advice. That is why we are here.

Carsten Nederup
Sales and Marketing Director



A/S Vestfrost

Spangsbjerg Møllevvej 100
DK-6705 Esbjerg Ø
Denmark

Tel. +45 79 14 22 22
Fax +45 79 14 23 55

www.vestfrost.com
info@vestfrost.com