



Press release

Lochem, 22th March 2016

ForFarmers:

Solid growth of Total Feed volume and operating profit

Earnings per share increase of 5.3% and dividend per share by 32.2%

Highlights 2015:

- Total Feed volume increased by 3.8% to 9.1 million tons. Like-for-like volume growth increased slightly (+1.3%) in very difficult agricultural market conditions
- Gross profit increased 7.7% to € 424.2 million, like-for-like growth 1.8% (€ 6.9 million)
- Operating profit (excluding incidentals) increased by 8.1% to € 64.4 million
- Profit for the year (IFRS) increased to € 50.7 million from € 48.1 million (2014 Dutch GAAP € 39.0 million)
- Implementation strategic programme Horizon 2020 and standardisation One ForFarmers on track
- Further expansion in the United Kingdom with the acquisition of Total Feed activities of Countrywide Farmers in May 2015
- Proposed dividend per share € 0.23299 (+32.2%)
- Resolution regarding potential public listing on the Annual General Meeting agenda on 15th April 2016

Yoram Knoop, CEO ForFarmers: *"In a year with challenging conditions for the agricultural sector and our customers, I am pleased with the achievements of ForFarmers. Volumes, gross profit and profit all increased. With the ongoing implementation of Horizon 2020, the transformation from a local compound feed supplier to a leading international feed company is fully underway. Meanwhile, significant progress has been made and advantages have been realised with our strategic partnerships. In 2015 ForFarmers has strengthened its position, has further professionalised the organisation and is ready for the new challenges of 2016."*

Key figures

Amounts in € million (unless otherwise stated)	2015	2014	Change in %
Total Feed volume (x 1,000 tons)	9,093.6	8,764.8	3.8%
Revenue	2,244.5	2,221.3	1.0%
Gross profit	424.2	393.7	7.7%
Operating profit excl incidental items	64.4	59.6	8.1%
Operating profit	64.1	62.6	2.4%
Profit for the year to the owners	50.7	48.1	5.4%
	31-12-2015	31-12-2014	
Equity	407.2	368.2	
Solvency ratio*	55.2%	52.7%	
Earnings per share (x €1)	0.479	0.455	5.3%

* Equity divided by balance sheet total

Market developments

Prices in the agricultural sector continued to be under pressure during 2015. Milk prices fell and prices for pig meat remained low. Egg prices increased slightly. As a result of the Russian import ban, a large European export market for meat and dairy products was unavailable. This resulted in significant negative margin pressure for many customers in the core markets of ForFarmers.

Furthermore, costs for farmers increased driven by increased regulation, mainly in the area of animal welfare and environmental sustainability. This resulted in farmers focusing even more on finding solutions to improve efficiency on their farms and to enhance their margins.

These market developments have accelerated the scaling up and need for professionalism in the agricultural sector. Due to this, the complexity on farms increases, which leads to a growing need for integrated solutions and professional monitoring of technical and financial results. ForFarmers plays an important role in this development with innovative feed and management concepts together with advanced monitoring systems.

Results 2015

The operating profit over 2015 (excluding incidental items) increased by 8.1% from € 59.6 million in 2014 to € 64.4 million in 2015.

(€ x million)	2015	2014	Δ	Δ%
Operating profit	64.1	62.6	1.5	2.4%
Gain on sale of investments and assets held for sale	-1.4	-2.1	0.7	
Restructuring costs / Impairment non-current assets	1.3	2.1	-0.8	
IFRS effect on employee benefits in The Netherlands	0.4	-3.0	3.4	
Operating profit excluding incidental items	64.4	59.6	4.8	8.1%
Effect of movements in exchange rates			-1.7	
Effect of acquisitions on operating profit			-0.1	
Increase operating profit excluding incidental items, movements in exchange rates and effect of acquisitions			3.0	5.0%

In 2015 the 'gain on sale of investments and assets held for sale' related to the divestment of the 6% stake in a software company in the United Kingdom (+ € 1.1 million). In 2014 this gain was related to the divestment of the international activities of BOCM PAULS International and the divestment of the 50% stake in the horse feed activities of Subli.

In 2015 the Group incurred € 1.3 million costs related to restructuring and an impairment of fixed assets as a result of the planned construction of a new factory for ruminant feed in Exeter (United Kingdom). The incidental costs of € 2.1 million in 2014 were related to the closing of a factory in Deventer.

As a result of the implementation of IFRS, the pension plan for the former Hendrix employees is accounted for as a defined benefit plan for 2015 and 2014. Due to the decrease of the pension accrual rate from 2.0% to 1.875% in 2014, an incidental income of € 3.0 million was reported. For 2015 an incidental cost of € 0.4 million was recorded for the new pension plan that became effective as of 1st January 2016. For all Dutch employees this pension plan qualifies as a defined contribution plan.

In 2015 the **Total Feed volume**, including the net effect of acquisitions, increased by 3.8% to 9.1 million tons (2014: 8.8 million tons). The like-for-like volume increase was 1.3%. In the Netherlands cluster a like-for-like growth of 4.0% was realised. In the Germany/Belgium cluster there was a slight decline in volume of 0.6%, caused by the fact that the cluster acted more restrained towards lower profitability longer-term contracts (tenders). In the United Kingdom cluster the like-for-like volume declined by 1.0%. This decline was mainly caused by a drop in demand from ruminant farmers, in particular in the DML segment. Due to acquisitions the total volume in the United Kingdom did, however, increase by 6.4%.

The volume of compound feed of ForFarmers remained stable compared to 2014. An increase was realised in both the ruminant and the poultry sector, the swine sector showed a slight decrease in volume.

In 2015 the **revenue** increased by 1.0% up to € 2,244.5 million. This increase was mainly the result of currency effects (€ 72.5 million, +3.3%) and acquisition effects (€ 43.7 million, +2.0%). Like-for-like and excluding currency effects the revenue decreased by € 93.0 million (-4.2%) as a result of the lower raw material prices that were passed on to customers. This was partly offset by like-for-like volume growth of 1.3%.

In 2015 the **gross profit** amounted to € 424.2 million, an increase of € 30.5 million (+7.7%). Excluding currency effects (€ 15.9 million, +4.0%) and net acquisition effects (€ 7.7 million, +1.9%) the gross profit increased by € 6.9 million (+1.8%). The growth was mainly realised in the Netherlands cluster driven by higher Total Feed volume, the application of nutritional knowledge, a better product mix and more specialties sold. There was also moderate growth of gross profit (€ 0.7 million, +1.0%) for the Germany Belgium cluster caused by a better product mix with more specialties. In the United Kingdom cluster gross profit decreased, corrected for currency and acquisition effects, by € 2.1 million (- 1.4%), as a result of lower volumes and margin pressure in the DML segment.

The strategic partnerships with Nutreco and Agrifirm (Crop) made a contribution to the increase of margins, with benefits coming from economies of scale.

The increase in **operating expenses** in 2015 amounted to € 25.8 million (+7.7%), mainly as a result of currency effects (€ 14.2 million, +4.2%), acquisition effects (€ 7.5 million, +2.2%) and incidental items (€ 2.6 million, +0.8%). The like-for-like increase amounted to € 1.5 million (+0.4%). Due to the very difficult financial situation of many of our customers, especially in the swine sector on the continent, a net additional € 1.9 million, compared to 2014, was added to the provision for doubtful debts. The further professionalisation of the organisation and the implementation of One ForFarmers resulted in higher operating expenses, almost fully offset by operational efficiencies. Energy costs were lower due to declining prices in the market and improved efficiencies. The operating expenses also include one-off expenses for the preparation of the potential public listing as well as costs caused by the bird flu at the beginning of 2015 of € 0.3 million compared to € 1.0 million in 2014. The number of employees, in fulltime equivalents, was 2,370 at 31st December 2015, compared to 2,286 at 31st December 2014. This increase is caused by acquisitions (+47 FTE), strengthening the organisation and the permanent employment of temporary labour.

The **operating profit (excluding incidental items)** increased by 8.1% to € 64.4 million compared to € 59.6 million in 2014. Taking currency effects and acquisition effects into account the increase amounted to € 3.0 million (+5.0%). The increase was mainly realised by the Netherlands cluster. The operating profit for the Germany/Belgium cluster remained stable. For the United Kingdom cluster there was a decrease due to the DML segment (€ 0.5 million) and additional costs to further strengthen the organisation.

The **profit for the year** increased by 5.4% to € 50.7 million (2014: € 48.1 million). The refinancing that was completed in October 2014, in 2015 resulted in lower financing costs of € 1.1 million. In addition, the financing costs were affected positively by currency effects (€ 0.3 million additional compared to 2015) and a one-off with regard to the refinancing in 2014 of € 0.6 million.

The effective tax rate increased slightly to 24.2% compared to 23.4% in 2014. There was a higher tax gain in the United Kingdom cluster in 2014 as a consequence of a higher reduction of the nominal tax rate in 2014 compared to 2015, resulting in a decrease in the deferred tax liabilities.

Effect of transition to IFRS on statement of profit or loss 2014

In the context of the intended public listing, ForFarmers converted its 2015 financial statements (including the comparative figures over 2014) from Dutch GAAP ("Richtlijnen voor de Jaarverslaggeving") into IFRS.

The profit for the year (IFRS) increased from € 48.1 million (Dutch GAAP € 39.0 million) to € 50.7 million.

€ 1,000

2014	Note	Dutch GAAP	Effect of HaBeMa *)	Other transition adjustments	IFRS
Statement of profit or loss					
Revenue		2,292,014	-65,055	-5,678	2,221,281
Cost of raw materials and consumables		-1,883,928	50,486	5,891	-1,827,551
Gross profit		408,086	-14,569	213	393,730
Other operating income		6,619	-	-97	6,522
Employee benefit expenses	b	-138,537	3,322	6,214	-129,001
Depreciation and amortization	c	-28,958	2,320	2,850	-23,788
Other operating expenses		-188,109	2,644	566	-184,899
Operating profit		59,101	-6,283	9,746	62,564
Finance income	d	2,435	-2	641	3,074
Finance costs	d	-8,110	258	168	-7,684
Net finance costs		-5,675	256	809	-4,610
Share of profit of equity-accounted investees, net of tax		-	4,664	-	4,664
Profit before tax		53,426	-1,363	10,555	62,618
Income tax expense		-13,584	2,014	-2,020	-13,590
Profit for the year		39,842	651	8,535	49,028
Attributable to:					
· Owners of the Company	a	38,954	651	8,535	48,140
· Non-controlling interests		888	-	-	888
Profit for the year		39,842	651	8,535	49,028

*) Effect relates to deconsolidation of HaBeMa and the IFRS transition of HaBeMa (see note a)

The most important differences in terms of the profit before tax are:

a) Joint venture HaBeMa

As a result of the transition to IFRS the HaBeMa joint venture (50%) is no longer proportionally consolidated but accounted for as equity-accounted investee. Consequently, the operating profit for both 2014 and 2015 under IFRS is no longer comparable to the 2013 operating profit under Dutch GAAP, since the participation result under IFRS is accounted for as 'Share of profit of equity-accounted investees, net of tax'. The transition to IFRS within HaBeMa itself has a positive effect on the net result of HaBeMa amounting to € 0.7 million.

b) Post-employment benefit plans

In particular due to the interest development and the adjustment of the pension accrual rate from 2.0% to 1.875% in the Netherlands, the post-employment benefit expenses over both years show significant variances for the defined benefit plans that were applicable up to 31 December 2015. From 1 January 2016 ForFarmers concluded a new pension plan for its Dutch employees that qualifies as a defined contribution plan. This new plan is part of the integration and harmonisation of the terms and conditions of employment of ForFarmers and Hendrix employees and is one of the last steps in this process. The total impact on the statement of profit or loss amounted € 5.7 million of which € 3.0 million related to the adjustment of the pension accrual rate and € 2.7 million related to the application of the 'projected unit of credit' method for recognising expenses instead of the pension premium paid. Although these adjustments under IFRS are also considered as amendments in the pension plan, the impact was not reflected under Dutch GAAP, since the post-employment benefit expenses were recognised based on pension premium paid.

c) Amortisation of goodwill and acquisition costs

Under Dutch GAAP goodwill is amortised to the statement of profit or loss, whereas under IFRS goodwill is not amortised, but tested for impairment on a yearly basis. In transition to IFRS the ForFarmers has reversed the goodwill amortisation recorded for 2014 (€ 3.1 million). Furthermore, under Dutch GAAP ForFarmers included transaction costs (€ 0.6 million) in the purchase consideration paid and as such in the goodwill balance. Under IFRS these balances are to be recognized in profit or loss when incurred. For 2014 this implies that the transaction costs for the acquisition of HST Feeds and Wheyfeed in the United Kingdom were expensed. The positive effect of the above was € 2.5 million.

d) Finance income and finance costs

Under Dutch GAAP ForFarmers accounts for the interest rate swaps through cost-price hedge accounting and these are kept off-balance. Under IFRS the interest rate swaps do not qualify for hedge accounting and are valued at fair value. At the transition date (1 January 2014) the fair value of the interest rate swaps is presented under 'Non-current loans and borrowings, including derivatives'. Under Dutch GAAP these interest swaps had, due to the refinancing in 2014, been expensed. Under IFRS this resulted in a positive effect on profit (before tax) of € 1.4 million.

Results and developments 2015 per cluster

The results and developments including the comparative figures by cluster are explained below.

2015

€ 1,000

	The Netherlands	Germany / Belgium	United Kingdom	Group / eliminations	Consolidated
Total Feed volume (in tons)	4,102,723	1,924,380	3,066,529	-	9,093,632
Segment revenue	1,001,866	529,585	771,508	-58,489	2,244,470
Gross profit	190,131	66,045	166,904	1,124	424,204
Depreciation, amortisation and impairment	-8,167	-3,609	-11,754	-2,508	-26,038
Operating profit	53,541	7,981	17,392	-14,864	64,050
Gain on sale of investments and assets held for sale	-	-	-1,378	-	-1,378
Restructuring costs / Impairment non-current assets	-	-	1,281	-	1,281
IFRS effect on employee benefits in The Netherlands	400	-	-	-	400
Incidental items	400	-	-97	-	303
Operating profit excluding incidental items	53,941	7,981	17,295	-14,864	64,353

2014

€ 1,000

	The Netherlands	Germany / Belgium	United Kingdom	Group / eliminations	Consolidated
Total Feed volume (in tons)	3,944,672	1,936,906	2,883,205	-	8,764,783
Segment revenue	993,679	549,254	748,639	-70,291	2,221,281
Gross profit	182,904	65,362	145,464	-	393,730
Depreciation, amortisation and impairment	-9,032	-3,493	-8,019	-3,244	-23,788
Operating profit	48,866	8,011	18,196	-12,509	62,564
Gain on sale of investments and assets held for sale	-200	-	-1,861	-	-2,061
Restructuring costs / Impairment non-current assets	2,100	-	-	-	2,100
IFRS effect on employee benefits in The Netherlands	-3,000	-	-	-	-3,000
Incidental items	-1,100	-	-1,861	-	-2,961
Operating profit excluding incidental items	47,766	8,011	16,335	-12,509	59,603

Netherlands

€ 1,000

	2015	2014
Total Feed volume (in tons)	4,102,723	3,944,672
Segment revenue	1,001,866	993,679
Gross profit	190,131	182,904
Depreciation, amortisation and impairment	-8,167	-9,032
Operating profit	53,541	48,866
Gain on sale of investments and assets held for sale	-	-200
Restructuring costs / Impairment non-current assets	-	2,100
IFRS effect on employee benefits in The Netherlands	400	-3,000
Incidental items	400	-1,100
Operating profit excluding incidental items	53,941	47,766

Total Feed volume

Total Feed volume for the Netherlands cluster increased by 4.0% to 4.1 million tons. In the ruminant sector the increase of the volume amounted to 5.4%, mostly as a result of the abolition of the milk quotum resulting in more cows being kept on farm. In addition more compound feed and concentrates per animal were fed in this segment, which resulted in higher milk production. The volume was also higher in the poultry sector (+4.9%). In the swine sector there was a general declining trend (-1.5%) due to low sales prices of pig meat.

The sale of organic feed increased in volume by more than 40% compared to 2014. This increase was partly the result of the cooperation with Agrifirm (full year 2015 compared to 4 months in 2014). In addition to this, ForFarmers realised a significant growth in the number of customers who bought organic feed in 2015.

Gross profit

In the Netherlands ForFarmers realised a gross profit of € 190.1 million, an increase of € 7.2 million (+4.0%). The increase was mainly caused by the increase in volume. The increase in Total Feed was higher than in compound feed. The increase of the gross profit was also caused by the enhanced application of nutritional knowledge, a better product mix and higher sales in specialties. The gross profit of the Pavo (horse feed) business unit increased as a result of the launch of a number of new products. The strong volume growth in the organic segment (Reudink) and the strategic partnerships also contributed to the increase.

Operating expenses

Operating expenses, excluding incidental items, were almost the same as the previous year and amounted to € 138.5 million. In 2015 a higher amount was added to the allowance for bad debts compared to 2014 due to the difficult economic climate for customers, especially pig farmers. These additional expenses were compensated by lower energy costs and operational savings. In addition, both in 2015 and in 2014, additional costs were incurred as a result of bird flu (€ 0.3 million in 2015 and € 1.0 million in 2014).

Operating profit excluding incidental items

The operating profit excluding incidental items amounted to € 53.9 million compared to € 47.8 million in 2014. This improvement of € 6.1 million is the result of volume growth (4.0%) and consequently higher gross profit of € 7.2 million net of higher expenses (€ 1.3 million) and further improvement of operational efficiencies.

Germany / Belgium

€ 1,000

	2015	2014
Total Feed volume (in tons)	1,924,380	1,936,906
Segment revenue	529,585	549,254
Gross profit	66,045	65,362
Depreciation, amortisation and impairment	-3,609	-3,493
Operating profit	7,981	8,011
Incidental items	-	-
Operating profit excluding incidental items	7,981	8,011

Total Feed volume

The volume in the Germany/Belgium cluster in 2015 was 1.9 million tons which was slightly lower than in 2014. Volume in both the swine and the ruminant sector declined. Sales in the ruminant sector decreased compared to last year due to the low milk prices resulting in less use of compound feed. The sales in the swine sector declined as a result of the low swine prices and the resulting pressure on our customers' margins. In the poultry sector volume grew, particularly in products for the laying hen sector (>20%), due to the acquisition of new customers. Volume in the broilers segment in Germany/Belgium was lower in 2015.

Gross profit

Gross profit was slightly higher (€ 66.0 million in 2015 compared to € 65.4 million in 2014), despite the negative volume effect and the pressure on prices in the ruminant and swine sectors. This can be attributed to the improved product mix with more specialties (Total Feed) and the strategic partnerships.

Operating expenses

In 2015 total operating expenses remained the same at € 58.6 million. Investments in the strengthening of the organisation, the higher pension charges (mainly due to low interest rates) and an additional charge to the allowance for bad debts neutralised the realised savings on energy and the operational expenses.

Operating profit excluding incidental items

The operating profit remained the same at € 8.0 million. This stable operating profit was driven by an underlying improvement of the result which was offset by an additional charge to the allowance for bad debts.

United Kingdom

€ 1,000

	2015	2014
Total Feed volume (in tons)	3,066,529	2,883,205
Segment revenue	771,508	748,639
Gross profit	166,904	145,464
Depreciation, amortisation and impairment	-11,754	-8,019
Operating profit	17,392	18,196
Gain on sale of investments and assets held for sale	-1,378	-1,861
Restructuring costs / Impairment non-current assets	1,281	-
Incidental items	-97	-1,861
Operating profit excluding incidental items	17,295	16,335

Total Feed volume

Total Feed volume in the United Kingdom cluster increased by 6.4% to a total volume of 3.1 million tons. This increase is the result of the acquisitions of Countrywide Farmers (2015), Wheyfeed (2014) and HST (2014). On a like-for-like basis the volume decreased slightly by 1.0%. Amongst the factors contributing to this were a decline in the volume in compound feed in the ruminant sector by almost 4% as a result of lower demand. The reason for this was lower milk prices and the abundant fodder available due to mild temperatures. This decline in volume of compound feed was partly compensated by an increasing demand for single feed (+2.5%) from dairy farmers. The volumes in the swine sector remained almost the same. In the poultry sector a like-for-like growth of 2.0% was realised.

Gross profit

Gross profit increased by € 21.4 million (+14.7%). This increase was entirely driven by acquisitions (net effect of € 7.7 million; 5.3%) and the favourable exchange rate of the British Pound (+€ 15.9 million; 10.9%). On a like-for-like basis the gross profit declined slightly by € 2.1 million (-1.4%). This decline was caused by the lower gross profit in the DML segment. Both the ruminant and the swine/poultry business units showed an increasing gross profit due to the improved product mix including more specialties (Total Feed).

Operating expenses

A strong currency and acquisition effect can also be noted in the total operating expenses. The increase of the total expenses by € 21.4 million (+16.6%) is caused in full by the currency effect of the British Pound (€ 14.2 million; +11.0%) and increasing expenses as a result of acquisitions (€ 7.5 million; +5.8%). On a like-for-like basis the operating expenses dropped by € 0.3 million mainly as a result of lower energy prices and introduction of efficiency measures.

Operating profit excluding incidental items

The operating profit in the United Kingdom increased by 6.1% to € 17.3 million. The positive currency effect of € 1.7 million (+10.4%) and the net acquisition contribution of € 0.1 million (+0.8%) were offset due the reduction in DML. The operating profit of the DML business unit decreased by € 0.5 million and the expenses increased as a result of the strengthening of the organisation.

Central and support expenses

€ 1,000

	2015	2014
Gross profit	1,124	-
Depreciation, amortisation and impairment	-2,508	-3,244
Operating profit	-14,864	-12,509
Incidental items	-	-
Operating profit excluding incidental items	-14,864	-12,509

The central and support expenses increased as a result of investments in further professionalisation of the organisation.

Capital structure and solvency

Group Equity as at 31 December 2015 amounted to € 407.2 million, an increase of € 39.0 million compared to 31 December 2014. On balance this is the effect of the addition of the 2015 profit and the distributed dividend of € 18.7 million. In addition the amount of the currency translation differences of the subsidiary in the United Kingdom was directly charged to equity. A net addition to the pension provision in the United Kingdom of € 4.9 million as a result of higher interest rates at the end of 2015 was also accounted for directly in equity. The **solvency ratio** increased from 52.7% at the end of 2014 to 55.2% as at 31 December 2015.

The balance of the available cash and cash equivalents minus the bank loans and borrowings amounted to € 33.7 million positive compared to a positive balance of € 25.7 million at the end of 2014 resulting in a positive **net debt**. The net working capital increased slightly by € 0.1 million to € 129.0 million.

Investments in property, plant and equipment amounted to € 24.9 million and the depreciation on assets amounted to € 22.5 million. The investments mainly related to trucks in the United Kingdom.

Special developments

ForFarmers will build a new factory in Exeter (United Kingdom) with a capacity of 300,000 tons that will replace the current production facility of 150,000 tons. As a consequence the strategic position in one of the most important regions in the United Kingdom will be strengthened. The investment will amount to £ 10 million and the construction is expected to take another 12 months. Consequently ForFarmers will be better placed to offer its customers in this region the optimal Total Feed solutions, which will lead to better service, improved sustainability and ultimately lower costs.

Strategic developments

In Horizon 2020, ForFarmers has determined the strategic direction for the years to come. The strategy is aimed at creating more value for all stakeholders by means of growth and scale benefits. Aligning our approach with specific needs of customer segments through offering Total Feed solutions, is the base for autonomous growth. Combining and further developing knowledge and expertise within the group plays a pivotal role in this regard. In addition, strategic alliances and partnerships will contribute to economies of scale and the further deepening and expansion of knowledge and expertise. The international expansion with a focus on 'Europe+' will contribute to expanding and/or achieving a number one or two position in all regions in which ForFarmers is active. The One ForFarmers approach is aimed at harmonising processes, benefitting from economies of scale and the further professionalisation of the organisation.

In 2015 considerable progress has been made with the implementation of Horizon 2020. As part of customer segmentation and in order to optimise the support of the various customer groups, the roll out of a customer relationship management system (CRM) has started in the UK in December 2015. The other countries will follow in 2016. As part of the Total Feed approach, the offering of Total Feed solutions has been further improved. With strategic partner Nutreco, a first joint piglet nutrition concept was introduced under the brand name Vida. The program provides significantly better results than what was previously available on the market. Through combined purchasing with the strategic partners, economies of scale have been realised.

The further roll out of One ForFarmers, aimed at the exchange and use of internal knowledge and the further professionalisation of the organisation, has made considerable progress. The rebranding towards the One ForFarmers brand has been completed and the new matrix organisation is almost entirely in place. At group level, the formulation and procurement departments were combined, investments and knowledge sharing in production and logistics resulted in benefits and management development programmes were initiated. The health and safety standards were enhanced, creating a higher safety awareness.

The sustainability strategy was sharpened in 2015 and the first steps were taken to report according to the GRI Guidelines (Global Reporting Initiative) over the year 2017. In preparation for reporting according to GRI, KPI's and objectives for the most important aspects of the sustainability strategy will be set in 2016, based on a materiality analysis.

Outlook 2016

The market trends do not provide clear indications when farm profitability will improve. The geopolitical situation also remains tense and volatility on raw material and currency markets is expected to continue. The changing flow of information regarding harvest expectations has a considerable effect on price developments of important raw materials. Uncertainty about the Europe referendum in the United Kingdom may affect the exchange rate of the British Pound.

The developments in the Netherlands to reduce phosphate emission could on the longer term affect the Total Feed sales. The new phosphate regulation is expected to have limited impact on the results of ForFarmers in 2016. The long-term prospects for the agricultural sector as a whole in the North of Western Europe have not fundamentally changed as a result of developments during 2015.

Increased regulations, in particular aimed at animal welfare and the environment, confront many farmers with increasing costs. Consequently, even more than before, they are looking for solutions to improve efficiency on farm and increase their profitability. They are also looking to increase economies of scale. ForFarmers can support its customers in this regard with the Total Feed approach.

Taking into account the uncertain financial situation in the agricultural sector ForFarmers will continue to pursue a stringent accounts receivable policy. In addition ForFarmers remains focussed on the implementation of operational improvements and the further implementation of Horizon 2020. Investments, excluding potential acquisitions, are expected to be to approximately € 35 million in 2016.

The ambition remains to further enhance long-term profitability and to perform best in class for the feed industry.

Taking into account the uncertain outlook ForFarmers does not make any specific statements about results expectations for 2016.

Subsequent events

There are no subsequent events after balance sheet date.

Intended listing on Euronext in 2016

After the presentation at the Annual General Meeting of 17 April 2015, relating to the outcome of the study regarding the transition to the public stock exchange, ForFarmers started the preparation for a technical listing on Euronext Amsterdam. After approval of the Supervisory Board, the company opted for Rabobank and ABN AMRO Bank as advisors. With the public listing, trading of participation accounts and depositary receipts will be discontinued. The participation accounts can then still be kept on the trading platform at Van Lanschot or be converted into (depositary receipts for) shares. After public listing the trading in depositary receipts will be converted to trading of the shares on Euronext. A resolution regarding a potential listing on Euronext will be on the agenda of the Annual General Meeting on 15 April 2016.

At this meeting the shareholders also will be requested to authorise the Executive Board – with the approval of the Supervisory Board – to acquire (depositary receipts for) shares up to a maximum of 10% of the issued share capital of the ForFarmers B.V., as ForFarmers has the intention to offer its employees also in 2016 the opportunity to participate in a participation plan (for employees or for senior management).

At the end of 2015, Cooperative FromFarmers held 61.0% of the depositary receipts of ForFarmers B.V.. At that date the Cooperative directly held 25.4% and the members of the Cooperative through participation accounts 35.6%. The stake of other depositary receipt holders (not being the Cooperative) further grew from 31.1% at the end of 2014 to 39.0% at the end of 2015.

Note for editors:

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ForFarmers (Lochem, the Netherlands) is an internationally operating company active in the field of conventional and organic feed solutions for the animal husbandry sector. ForFarmers is the European market leader, with annual volumes of around 9.1 million tons of livestock feeds. In addition to animal feeds for the cattle, pig-farming, poultry and equine sectors, ForFarmers supplies trade goods for the arable and grassland farming sectors. ForFarmers also offers its clients additional expertise and advice in the fields of nutrition, livestock farming and business development.

Given its position in the food chain, ForFarmers is committed to be an industry leader in terms of sustainability. Through the efficient production and logistics of feed and by developing products and concepts that ensure a better nutritional efficiency and improved quality of life for animals, ForFarmers contributes to economically viable and sustainable food production. In order to do so, the company has its own innovation centre, which cooperates closely with leading research institutes and universities.

In 2015, ForFarmers recorded revenue of € 2.2 billion. The company has a workforce of 2,370 employees and production facilities in the Netherlands, Belgium, Germany and the United Kingdom.

At year-end 2015, **Coöperatie FromFarmers** had a controlling interest of 61.0% in ForFarmers B.V., and with the depositary receipts of its members 68.2% of the control over the company. FromFarmers is a cooperative with 6,248 members and is based in Lochem (the Netherlands). The cooperative's activities include the management of its participation in ForFarmers B.V.

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PRESENTATION ANNUAL RESULTS ON 22 MARCH 2016

There will be analysts/investor call at 09.30 hours CET that can be followed simultaneously on the website www.forfarmers.eu

At 11.00 hours CET a press conference will be held at the ForFarmers head office, Kwinkweerd 12, Lochem (NL)

PUBLICATION 2015 ANNUAL REPORT

The 2015 annual report (incl. financial statements) will be available from 22 March 2016 on the ForFarmers website (www.forfarmers.eu).

REPORTING STANDARDS

The figures in this press release are derived from the ForFarmers 2015 financial statements, and have been drawn up in accordance with the International Financial Reporting Standards (IFRS).

SUPERVISION

In view of the fact that (depository receipts) for shares are freely tradable on the current trading platform, ForFarmers operates under the supervision of the Financial Markets Authority (AFM) and the company acts in accordance with the prevailing regulations for share-issuing companies.

IMPORTANT DATES

15-04-2016 Annual General Meeting
18-04-2016 Ex-dividend date
22-04-2016 Dividend payment date
26-08-2016 Publication first half year 2016 results
14-03-2017 Publication 2016 annual results
26-04-2017 Annual General Meeting
17-08-2017 Publication first half year 2017 results

FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements, including those relating to ForFarmers legal obligations in terms of capital and liquidity positions in certain specified scenarios. In addition, forward-looking statements, without limitation, may include such phrases as "intends to", "expects", "takes into account", "is aimed at", "plans to", "estimated" and words with a similar meaning. These statements pertain to or may affect matters in the future, such as ForFarmers future financial results, business plans and current strategies. Forward-looking statements are subject to a number of risks and uncertainties, which may mean that there could be material differences between actual results and performance and expected future results or performances that are implicitly or explicitly included in the forward-looking statements. Factors that may result in variations on the current expectations or may contribute to the same include but are not limited to: developments in legislation, technology, jurisprudence and regulations, share price fluctuations, legal procedures, investigations by regulatory bodies, the competitive landscape and general economic conditions. These and other factors, risks and uncertainties that may affect any forward-looking statements or the actual results of ForFarmers, are discussed in the 2015 annual report. The forward-looking statements in this press release are only statements as of the date of this document and ForFarmers accepts no obligation or responsibility with respect to any changes made to the forward-looking statements contained in this document, regardless of whether these pertain to new information, future events or otherwise, unless ForFarmers is legally obliged to do so.