



Press release

Lochem, 20 February 2018

ForFarmers extends European leadership position by creating joint venture with Tasomix in Poland

ForFarmers N.V. ('ForFarmers') signed a share purchase agreement with the owners of the Polish company Tasomix to acquire 60% of their shares. Tasomix is a large and innovative feed company, mainly active in the poultry sector. Through this transaction, ForFarmers adds its fifth country of operation and takes another step in strengthening its position as the leading feed company in Europe.

This step is in line with ForFarmers' Horizon 2020-strategy to grow both organically and through acquisitions in Europe and surrounding regions. Tasomix provides access to a European market with an above average growth rate in the attractive poultry sector. In recent years, Poland has become the largest broiler producing country in Europe, servicing the local market and exporting to mostly EU countries.

Yoram Knoop, CEO of ForFarmers: 'We are pleased to be making the first step into Poland. We see opportunities to benefit from the expertise within Tasomix and to leverage our capabilities in Poland. This step also strengthens our poultry proposition. We are looking forward to joining forces with the strong local management team that will remain in place, to make Tasomix an even stronger, leading, player in the Polish market'.

Through this transaction, ForFarmers acquires a business with two operational production facilities and one new facility, which is under construction. The operational mills are located in Biskupice Ołoboczne (some 250 km south-west of Warsaw) and Myślibórz (some 200 km west of Warsaw). Their joint capacity is approximately 450kT. These mills mainly produce feed for poultry farmers, but also serve the ruminant and pig farmers. The head office of Tasomix is located in Biskupice Ołoboczne, next to the mill. The feed mill being constructed in Pionki (approx. 100 km south of Warsaw) has a maximum capacity of approximately 350kT, and is scheduled to open later this year. This mill is destined to manufacture feed for a dedicated poultry integrator, which is linked to the owners of Tasomix. A supply agreement has been put in place with this integrator. The mill will also serve non-integrated poultry farmers and pig farmers.

In 2016, Tasomix sold 395kT of feed, manufactured in its two operational mills, with a revenue of PLN 429 million (currently approximately €103 million) and a normalised EBITDA of approximately PLN 34 million (currently approximately €8 million). Tasomix has 180 employees. Based on these results, Tasomix currently ranks number 4 in the Polish feed market.



At closing of the transaction, ForFarmers will make a first payment of PLN 234 million (currently approximately €56 million) in cash and will receive 60% of the shares. The second payment will be made in 2021 and is dependent on achieving specified targets, relating to future operational results of Pionki. The agreement includes the possibility for ForFarmers to over time obtain the remaining shares. ForFarmers plans to fully consolidate the Tasomix results, but shall run the company as a true joint venture cross leveraging the strengths of both companies. Tasomix is expected to contribute to the 2018 earnings per share.

Closing of the agreement is expected to take place within approximately three months after today, subject to obtaining the required approval of the Polish Competition Authorities.

Ireneusz Sobczak, Managing Director of Tasomix: 'We are excited about this agreement. It means that we will have access to a very professional and financially solid organization with international operations and be able to benefit from the large pool of knowledge and experience. This will enable us to enhance our growth ambition of becoming a leading Polish feed company'.

Tasomix will become part of the ForFarmers cluster Germany, Belgium and Poland, managed by Adrie van der Ven (COO). Tasomix will continue operating under the Tasomix brand whilst adding 'Grupa ForFarmers' to its logo, indicating the close cooperation between ForFarmers and Tasomix.

This press release contains information, which qualifies as inside information within the meaning of article 7, paragraph 1 of the EU Market Abuse Regulation.

Note to the editor / For additional information:

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ForFarmers Company profile

ForFarmers N.V. ('ForFarmers', Lochem, the Netherlands) is an internationally operating feed company that offers total feed solutions for conventional and organic livestock farming. ForFarmers gives its very best "**For the Future of Farming**": for the continuity of farming and for a financially secure sector that will continue to serve society for generations to come in a sustainable way. By working side-by-side with farmers ForFarmers delivers real benefits: better returns, healthier livestock and greater efficiency. This is achieved by offering tailored and Total Feed solutions and a targeted approach with specialist and expert support.

With sales of approximately 9.3 million tons of feed annually, ForFarmers is market leader in Europe. ForFarmers has approximately 2,300 employees and production facilities in the Netherlands, Belgium, Germany and the United Kingdom. In 2016, revenues amounted to over €2.1 billion.

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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 last published 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.

