

the *total* feed business



ForFarmers N.V.
Roadshow Presentation
Annual Results 2018



NOTIFICATIONS AND DISCLAIMER

REPORTING STANDARDS

The results in this presentation are derived from the ForFarmers 2018 audited financial statements which have been drawn up in accordance with the International Financial Reporting Standards as adopted by the EU (IFRS).

General remark: presented percentages are calculated on the rounded amounts in million euro with one decimal.

SUPERVISION

In view of the fact that shares are freely tradable on EURONEXT Amsterdam, 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

13-03-2019	Publication 2018 Annual Results and Annual Report
29-03-2019	Registration date AGM
26-04-2019	General Meeting of Shareholders
30-04-2019	Ex Dividend listing
02-05-2019	Publication Q1 2019 Trading Update; Registration date for those entitled to dividend
09-05-2019	Dividend payment
15-08-2019	Publication half-year 2019 results
31-10-2019	Publication Q3 2019 Trading Update
12-03-2020	Publication 2019 Annual Results and Annual Report
24-04-2020	General Meeting of Shareholders

FORWARD-LOOKING STATEMENTS

This presentation 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 presentation 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.

ForFarmers: European leader in Total Feed solutions



#1 European Total Feed solutions provider



Total Feed volume of 10 mT¹



2018 Revenue: €2.4 billion
underlying EBITDA²: €100 million



Servicing over 27,000 farmers



Completed 10 acquisitions since 2014



2,700 employees in 2018



Listed since 2016 on Euronext Amsterdam



Founded in 1896 as a cooperative



Based in the Netherlands (head office), Germany, Belgium, Poland and the United Kingdom

1. Total Feed volume 2018 in million metric tonnes (mT); 2. earnings before interest, tax, depreciation and amortisation;
Source: ForFarmers

ForFarmers' products, clients and species

Compound feed



Specialties



Dry Moist Liquid (DML)



Crop



On-farm advisory and support

with
c. 450
on-site
advisors



Total Feed solution



All farm sizes



Ruminant



Swine



Poultry

Central position in value chain to farmers

ForFarmers' approach: From Feed To Farm



Raw materials suppliers

ForFarmers:
Production, supply and application of Total Feed solutions

Farmers

Dairy processors, slaughterhouses & egg packers

Retail & Consumers

Access to farm gate

On-farm feed solution advisory

Formulation, Nutrition & Procurement

Feed milling

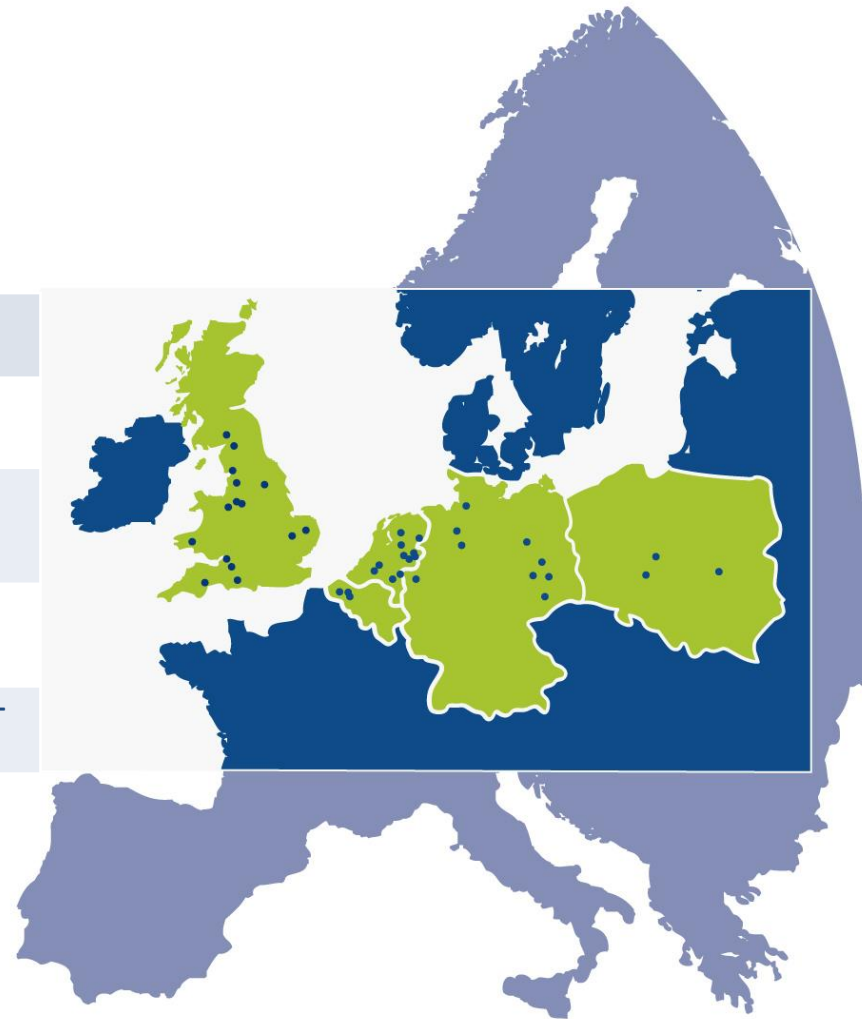
Logistics & delivery



source: ForFarmers

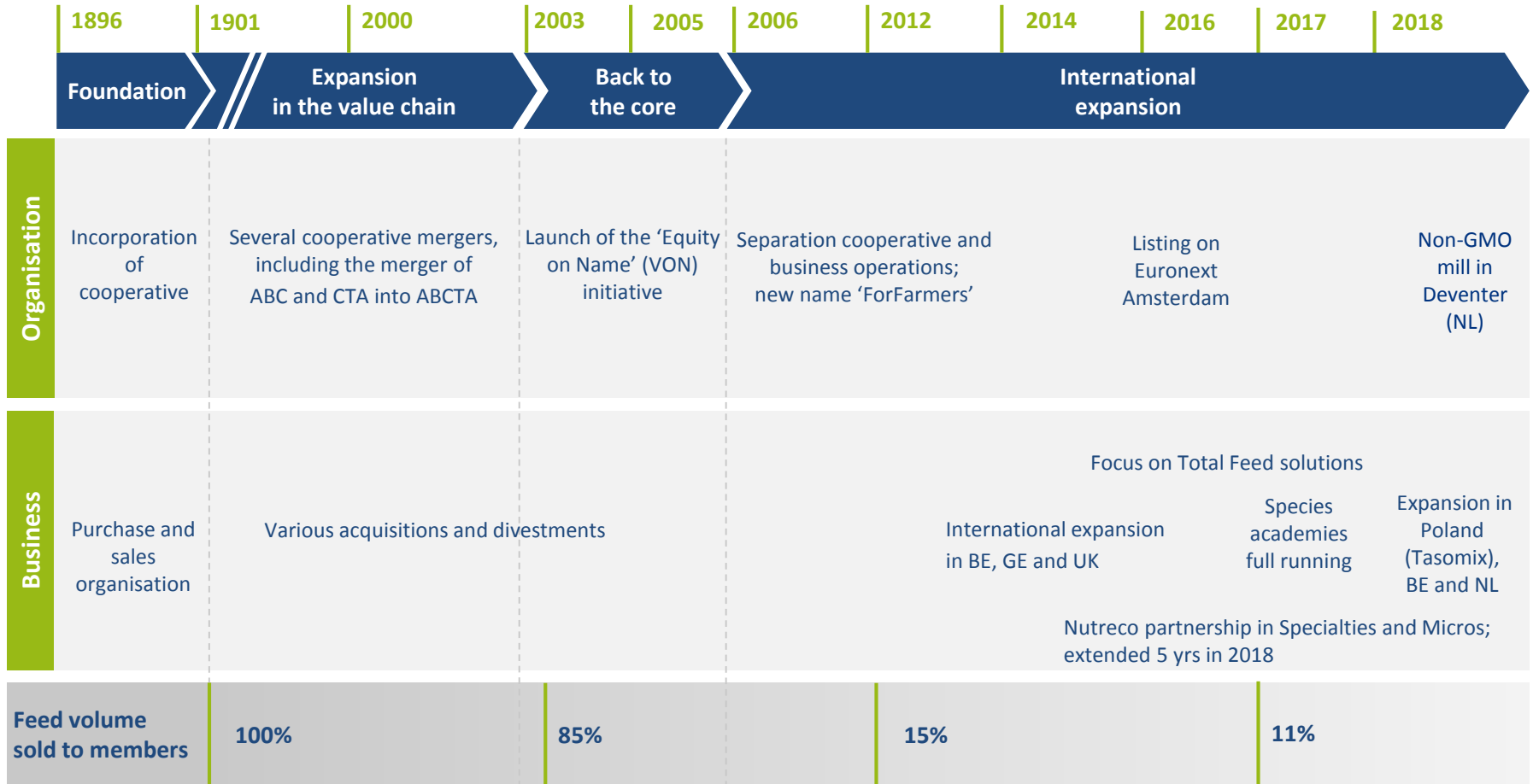
ForFarmers' core markets

Countries	# Locations ¹	Volume
The Netherlands	11	4.5 mT
Germany/Belgium/ Poland	14	2.6 mT
United Kingdom	15	2.9 mT
Total	40	10.0 mT



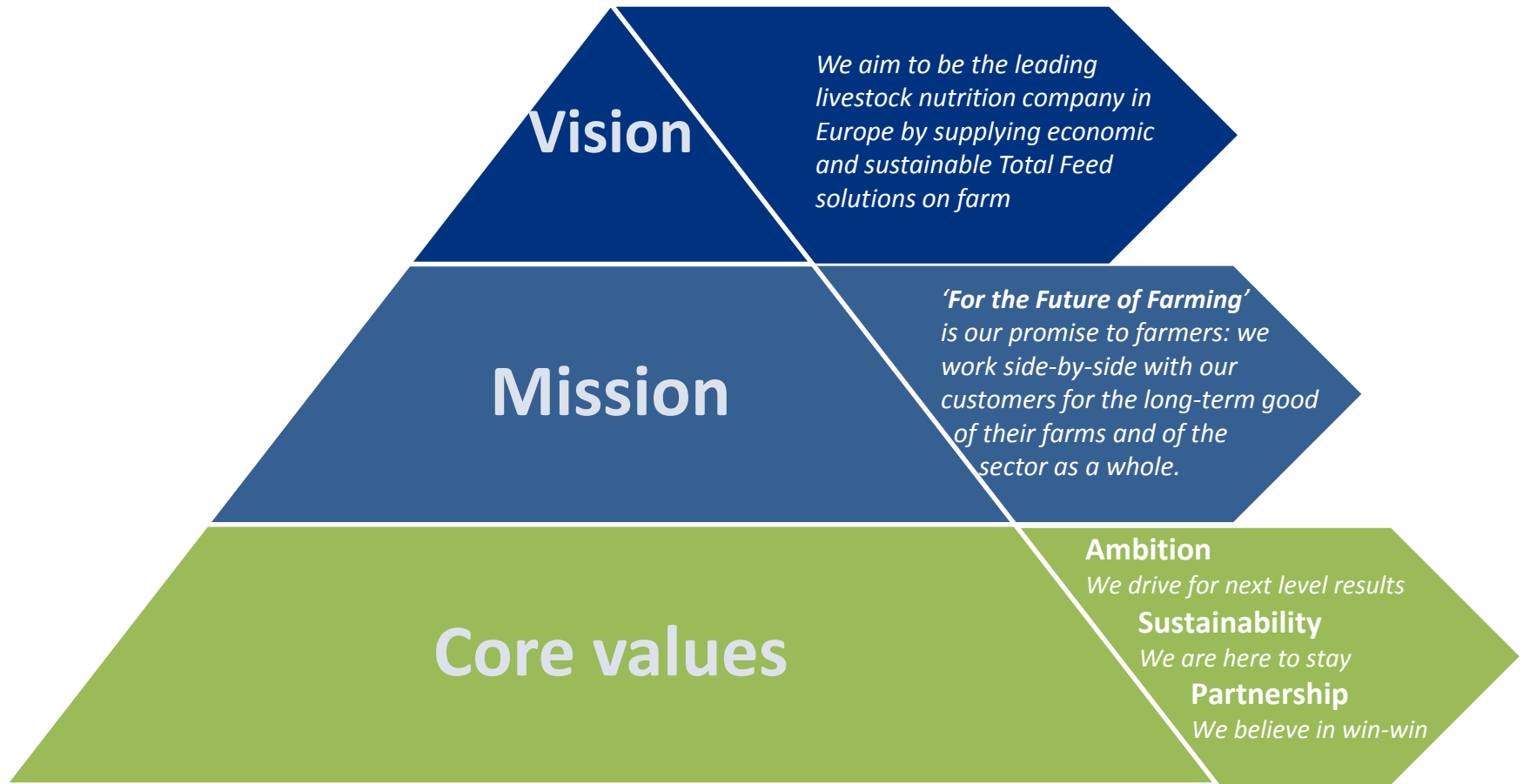
1. Locations include production and blending mills as at March 2019;
Source: ForFarmers annual results 2018

History: from regional compound feed cooperative to leading European listed Total Feed company



Source: ForFarmers

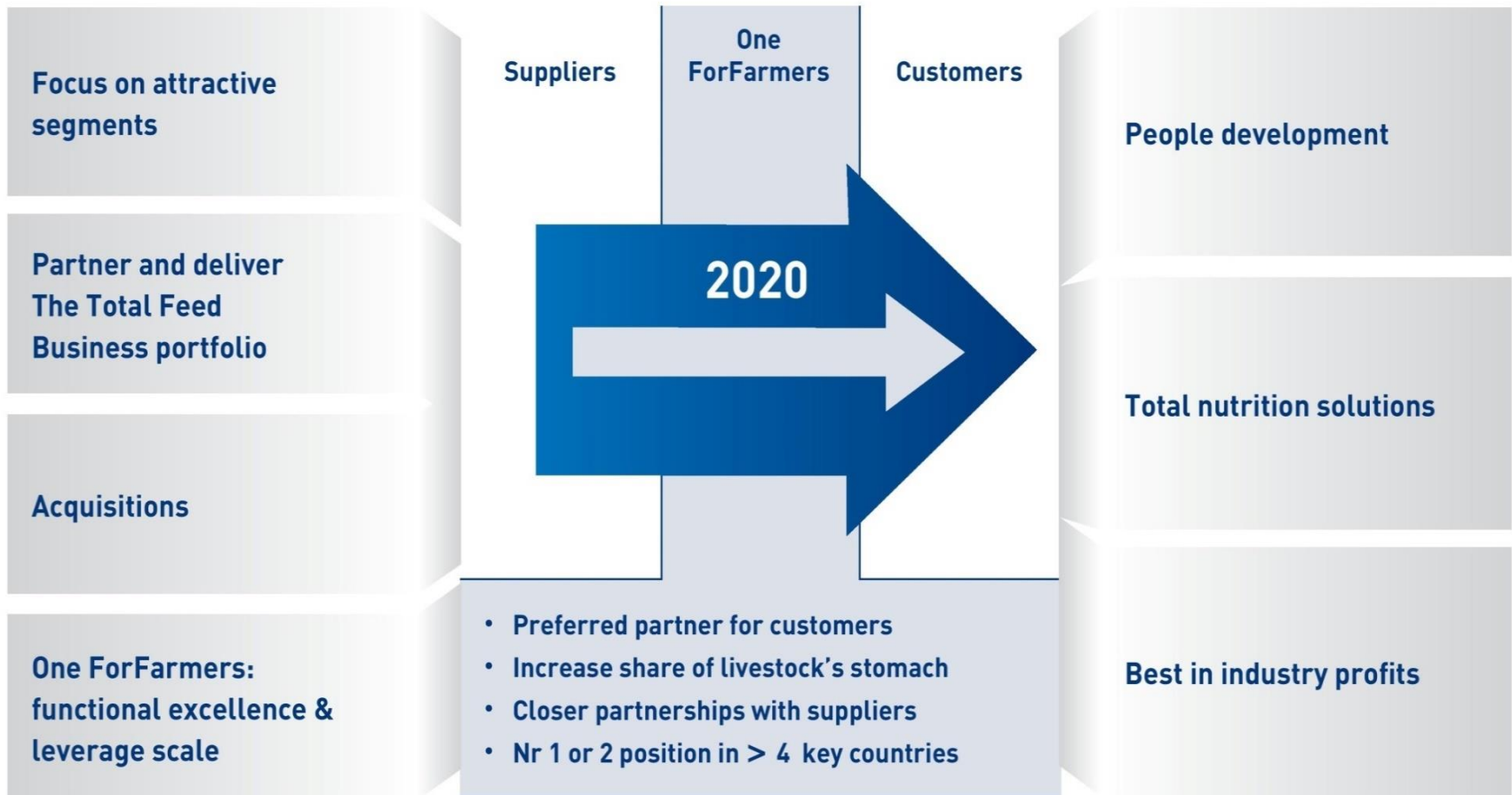
ForFarmers addresses increasing need for sustainable food production



For the Future of Farming



Strategy Horizon 2020: further enhance & expand business in Europe+




ForFarmers Executive Committee

Yoram Knoop
CEO
[6/12]



<p>Arnout Traas CFO [8/18]</p> 	<p>Control/Finance, Information Technology (IT), Legal Affairs, Risk Management, Mergers & Acquisitions, Investor Relations</p>	<p>Pieter Wolleswinkel</p> 	<p>David Fousert</p> 	<p>Adrie van der Ven</p> 	<p>Steven Read</p> 
<p>Stijn Steendijk Dir. Strategy & Organisation [5/10]</p> 	<p>Human Resources, Nutrition & Innovation Centre (NIC), Marketing, Communication, Sustainability, Corporate Affairs, Commercial Excellence, Digital Innovation</p>	<p>COO [5/12]</p> <p>ForFarmers Netherlands</p>	<p>COO [3/14]</p> <p>ForFarmers Belgium Reudink Pavo</p>	<p>COO [4/10]</p> <p>ForFarmers Germany Poland New regions</p>	<p>COO [33/33]</p> <p>ForFarmers United Kingdom</p>
<p>Arthur van Och Dir. Supply Chain [1/1]</p> 	<p>Purchasing, Formulation & Quality, Production & Logistics, Operational Excellence, Engineering Projects, Health & Safety</p>	<p> Jan Potijk is member of Executive Board until AGM 2019</p>			

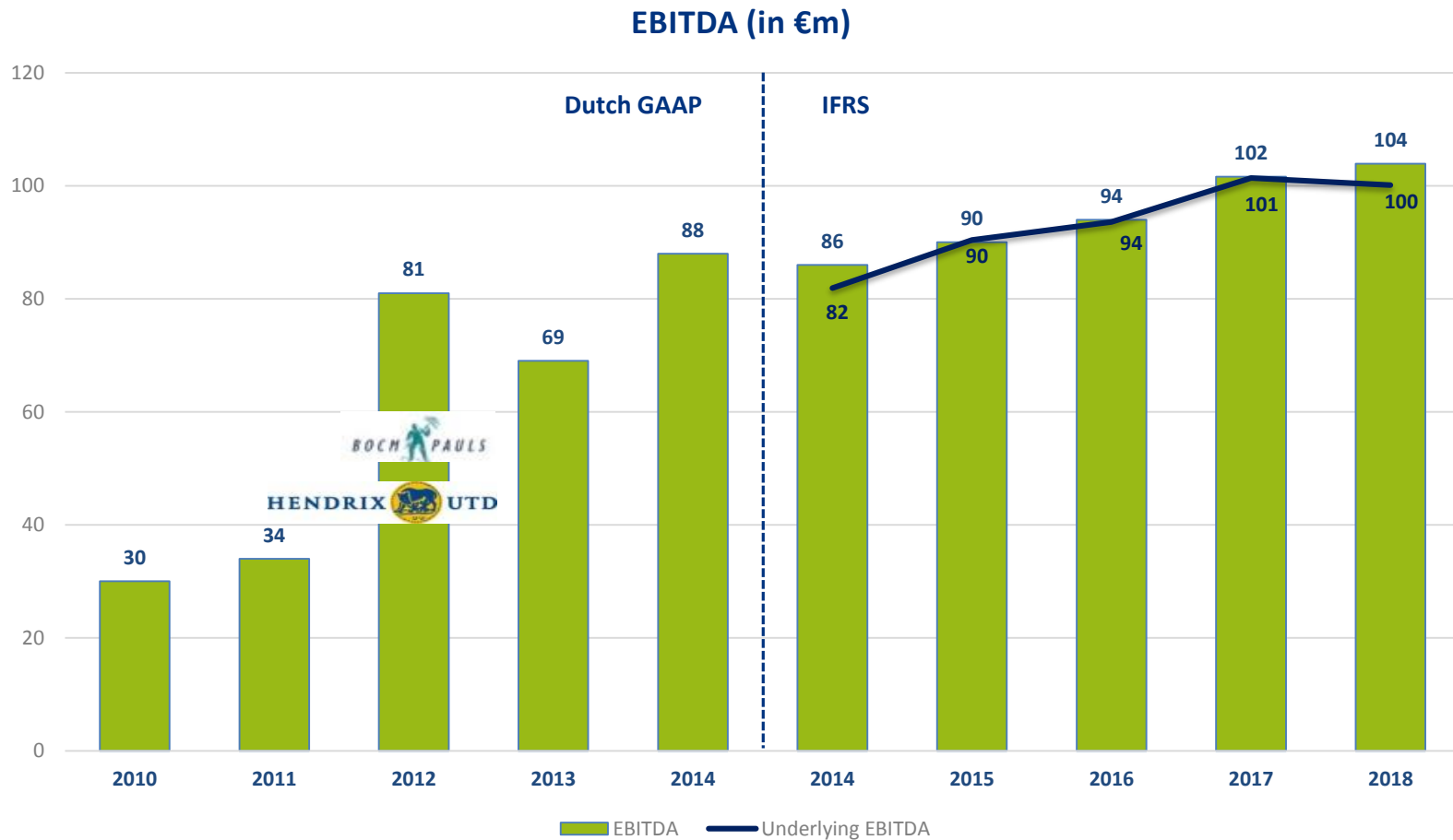
 Years with the company or predecessors/Years active in the industry

Source: ForFarmers

Key investment highlights

- 1 European leader providing Total Feed solutions to farmers
- 2 Resilient markets with selective growth opportunities
- 3 Access to farm gate
- 4 Focussed strategy Horizon 2020
- 5 Proven M&A strategy to drive further expansion
- 6 Sustainability vital element in business model
- 7 Strong balance sheet

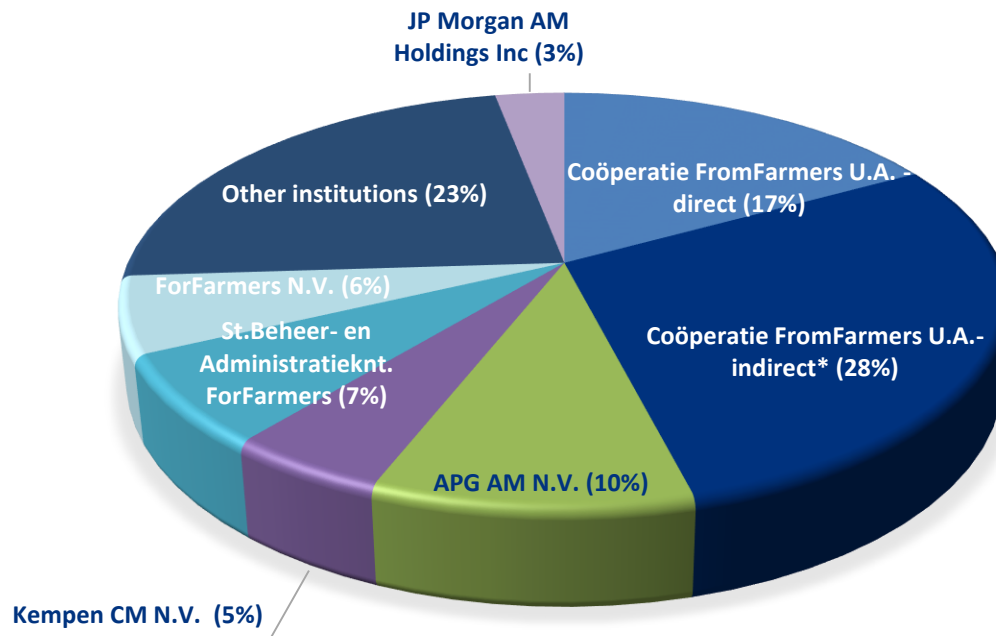
(Underlying) EBITDA development



Source: ForFarmers; Note: 2014 underlying EBITDA as disclosed in the Annual Report 2018 is corrected for comparative reasons
 Amounts are in € millions

ForFarmers shareholders¹

- Technical listing on Euronext Amsterdam: 24 May 2016
- Average daily traded volume in 2018: approx. 110,000

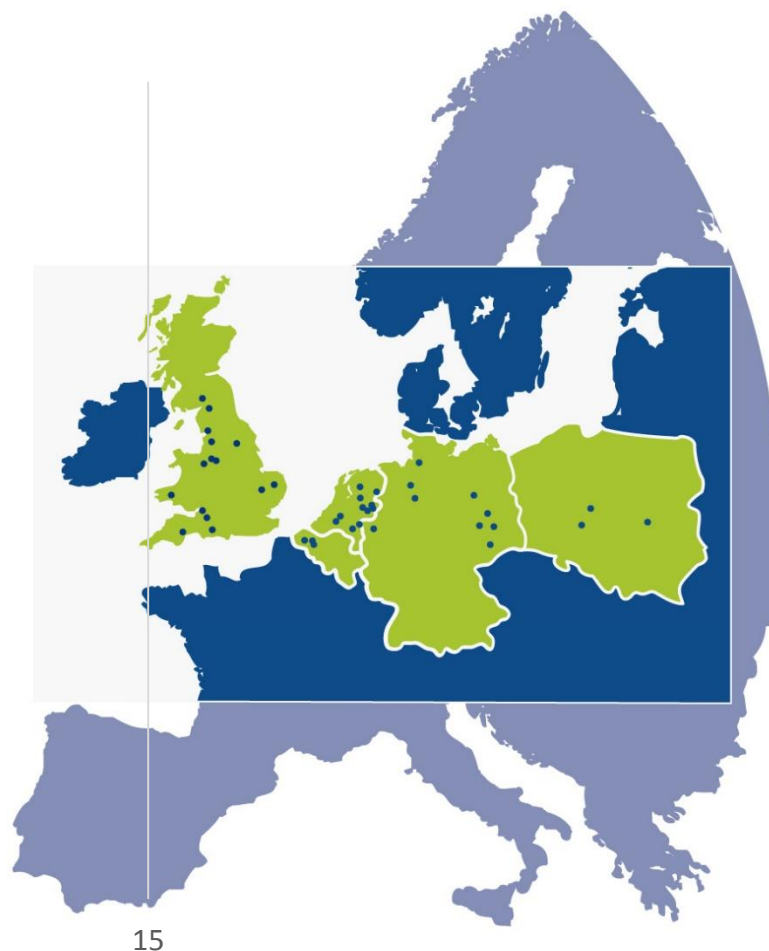
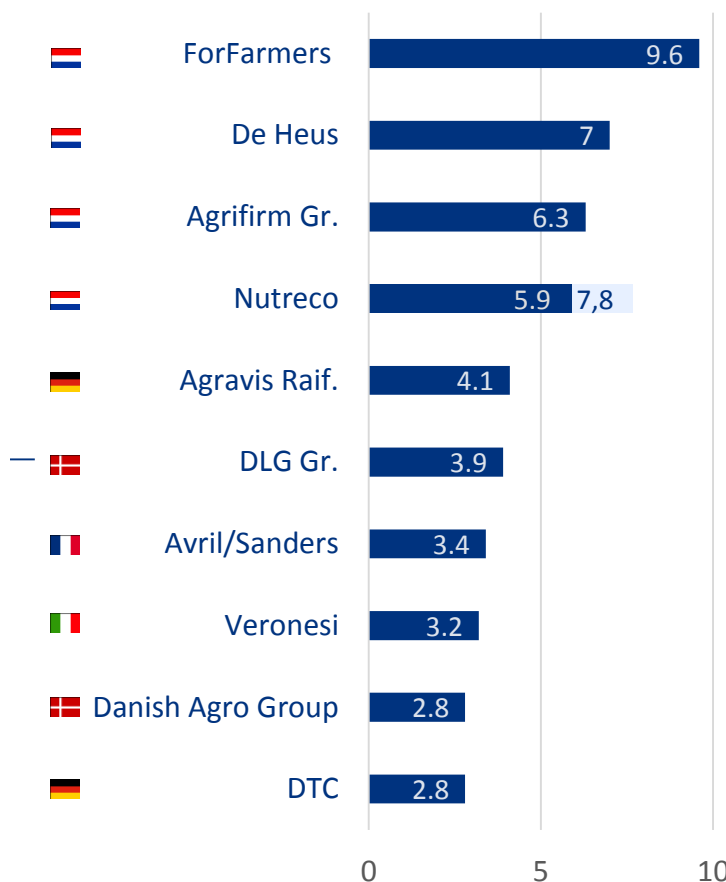


The stakes presented in Blue letters (Kempen, APG and J P Morgan) are based on rounded capital interests as last registered at AFM (on issued ordinary shares ForFarmers) and the stakes presented in White letter are the positions as presented in the Annual Report 2018 as at 31 December 2018; * Indirect holding of FromFarmers relates to the holdings of the individual members of the cooperative

HORIZON 2020 IN PRACTICE

Leading market positions in ForFarmers' markets

Top 10 Largest feed producers in Europe (2017, mT)¹




1) WattAgNet (2017, latest available data); comprises poultry, pig, ruminant, pet, horse and aqua feed, compounds, premixes, additives, integrators and vendors and may include volumes outside EU, Nutreco includes approx. 1.9mT fish feed volume


Source: ForFarmers, WattAgNet

Leading positions in core countries


Netherlands

Company	Compound feed production (mT)	Total feed
#1 ForFarmers	3.0	
#2 Agrifirm	2.5	
#3 De Heus	2.0	
#4 Fuite	0.7	


Belgium

Company	Compound feed production (mT)	Total feed
#1 Aveve	1.3	
#2 ForFarmers	0.6	
#3 VandenAvenue	0.6	
#4 Quartes	0.4	

United Kingdom


Company	Compound feed production (mT)	Total feed
#1 AB Nutrition	2.2	
#2 ForFarmers	2.0	
#3 2Agriculture	0.9	
#4 Mole Valley Partners	0.8	

Germany

Company	Compound feed production (mT)	Total feed
#1 Agravis	4.1	
#2 DTC	2.8	
#3 Bröring	1.8	
#4 ForFarmers	1.3	



Poland

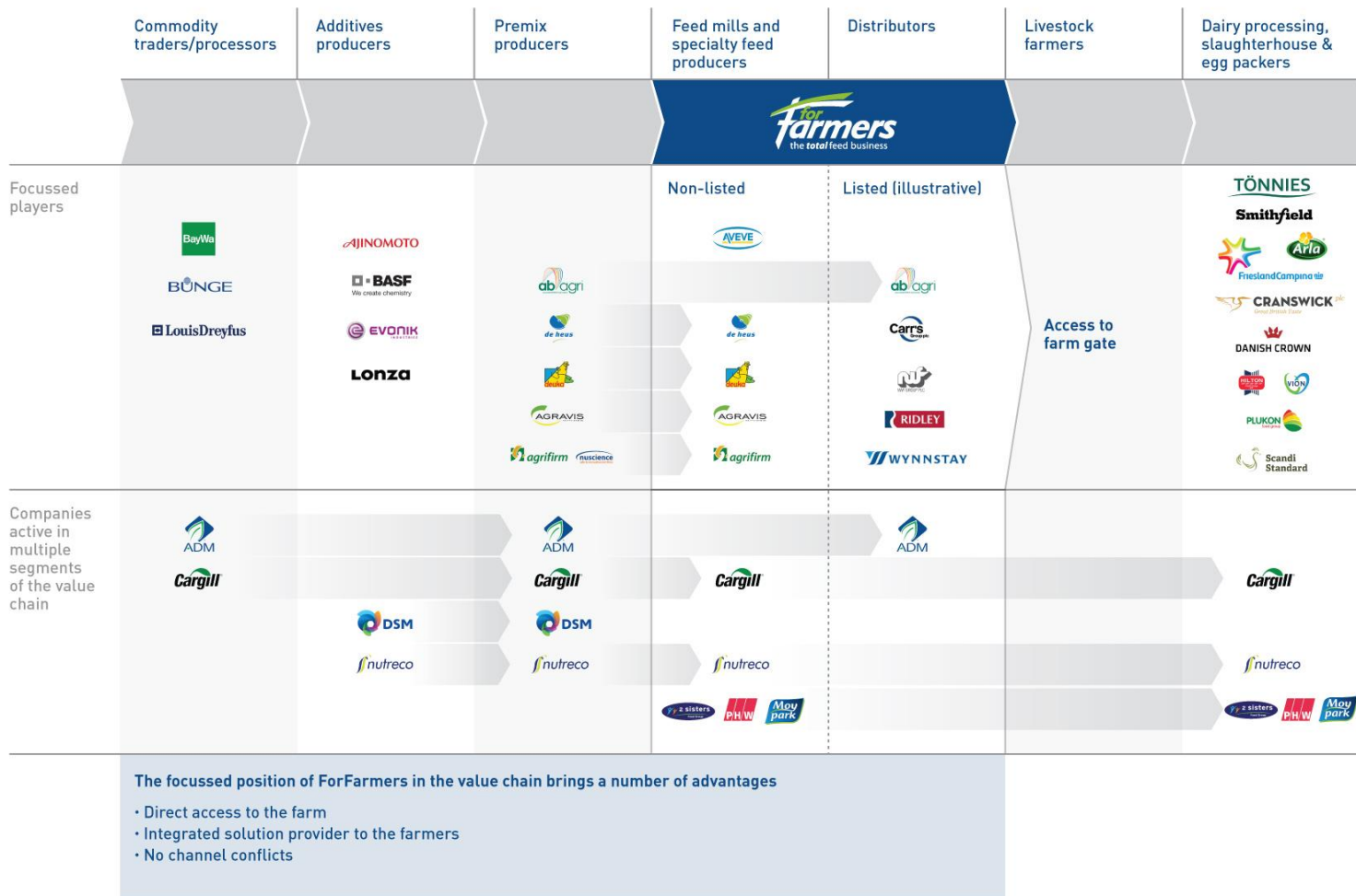
Company	Compound feed production (mT)	Total feed
#1 Cargill	1.3	
#2 De Heus	1.0	
#3 Wipasz	0.6	
#4 ForFarmers/Tasomix	0.4	

1) ForFarmers' management best estimates; ForFarmers' compound feed comprises compound feed, blends, concentrates and young animal feed.

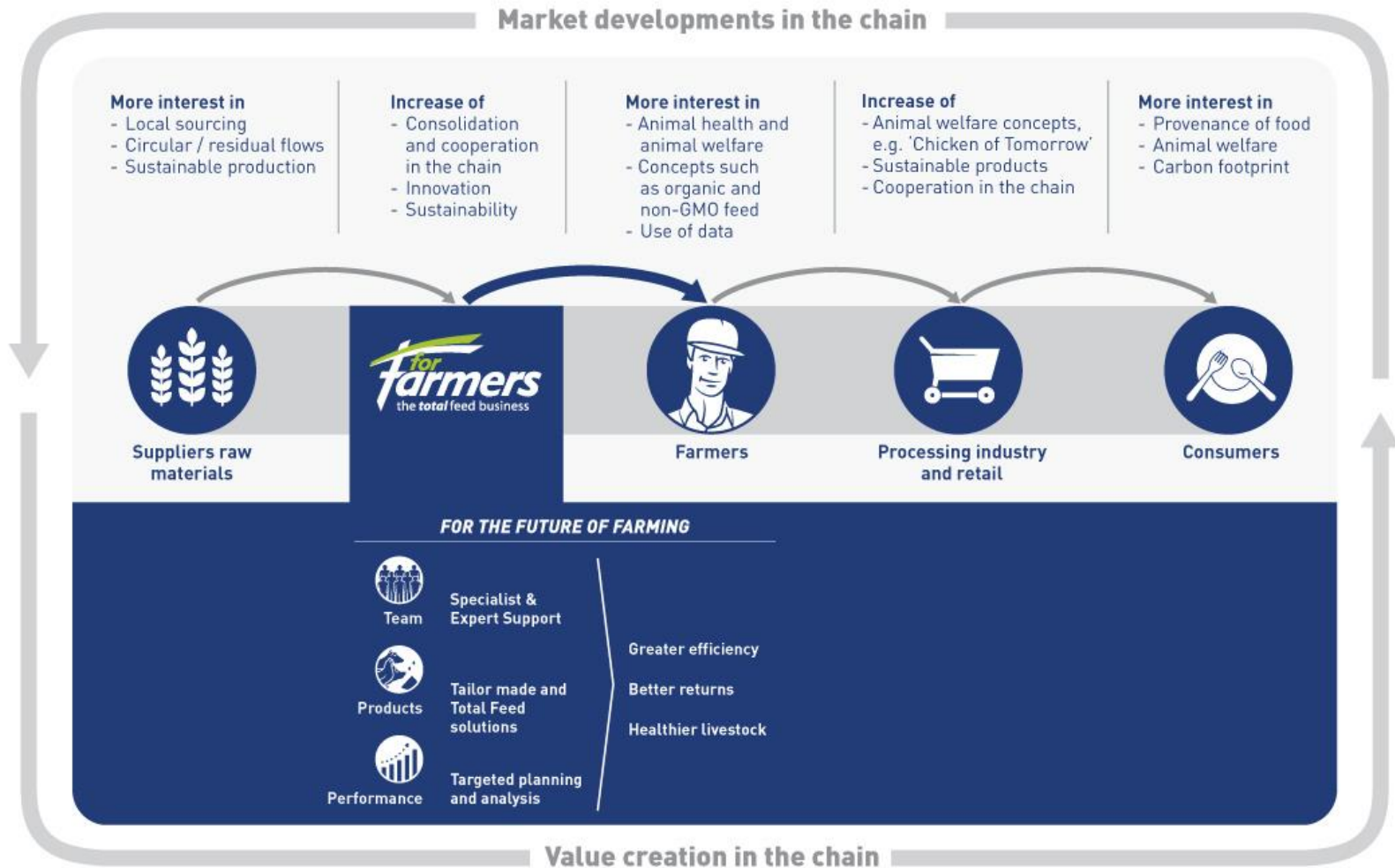
Source: ForFarmers, WattAgNet based on 2017 results

ForFarmers in the value chain:

Focussed on feed solutions delivered on farm



Value creation within changing market circumstances






SWOT-analysis

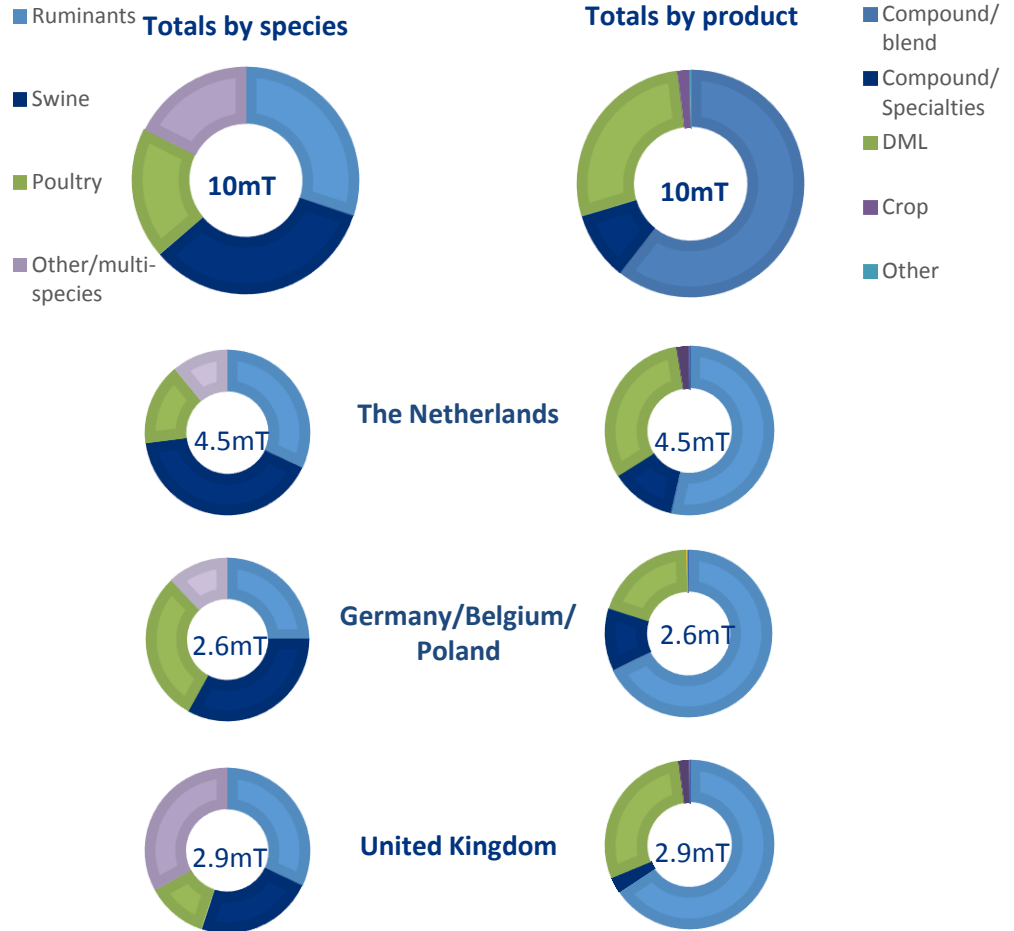
	Positive	Negative
Internal	<p>STRENGTHS</p> <ul style="list-style-type: none"> - Full focus on Total Feed approach on-farm - Leveraging scale, internal academies, in-house Nutrition Innovation Centre - Solid financial position 	<p>WEAKNESSES</p> <ul style="list-style-type: none"> - Total Feed portfolio not yet complete in all countries - Market position in Germany and Poland still sub-optimal - Imbalance in the contributions from the various clusters
External	<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> - In consolidating markets: growing demand for customer-specific data-driven / supportive solutions, further acquisitions and further use of big data - Increase in environmental and other legislation requires innovative feed solutions - Growing interest in food quality and provenance - Increasing global demand for animal proteins 	<p>THREATS</p> <ul style="list-style-type: none"> - Animal diseases - Increase in legislation concerning environmental impact - Growing attention for alternatives to animal proteins for human consumption - The use of algorithm solutions for feed advice

Total Feed solutions tailored towards key species

Focus on key species





Key species		Dairy
		Beef, Goat, Sheep
		Sows and piglets
		Fatteners
		Layers
		Broilers
		Mainly ruminant
		All species
		Horse, game
		Other species

Total Volume ForFarmers (2018)



Source: ForFarmers

Complete portfolio to support our trusted advisor role

Product	Description	Application	Examples	Value add
Compound feed				
	Mix from various raw materials and premix and additives	Finished products to be fed as a complete feed to animals	<ul style="list-style-type: none"> Compound feed (e.g. Feed²Milk, NOVA, Apollo, ULTRA) Blends 	✓✓
Specialty feed additives				
	Specific (complex) nutrients	Specially designed for home mixing, young animals and animals in transition	<ul style="list-style-type: none"> Premixes and minerals Additives (e.g. Selko, Milkpower) Transition feeds (Translac) Piglet feed (VIDA) Calf milk replacers (e.g. VITAMILK) Concentrates (e.g. MIXX, Blendix) Fermentation (Ferm4Farm) Prestart Neonatal 	✓✓✓
DML				
	Dry, Moist and Liquid (DML) co-products	Supplemental to rations	<ul style="list-style-type: none"> Rapeseed meal (D) Feedmix RV (D) Beet pulp (M) Corngold® (M) Citrocell (M) DGS Protiwanze® (L) 	✓
Crop				
	Broad product portfolio to support crop production	Nutrient planning, cultivation techniques, crop protection, rotations, variety choice, etc.	<ul style="list-style-type: none"> Seeds (Topgrass) Silage additives (SiloSolve©FC) Crop protection Fertilisers (e.g. Gro Grass, Gro Mais) 	✓✓

Source: ForFarmers

Swine Strategy: More with Less

€ added value

=



Products



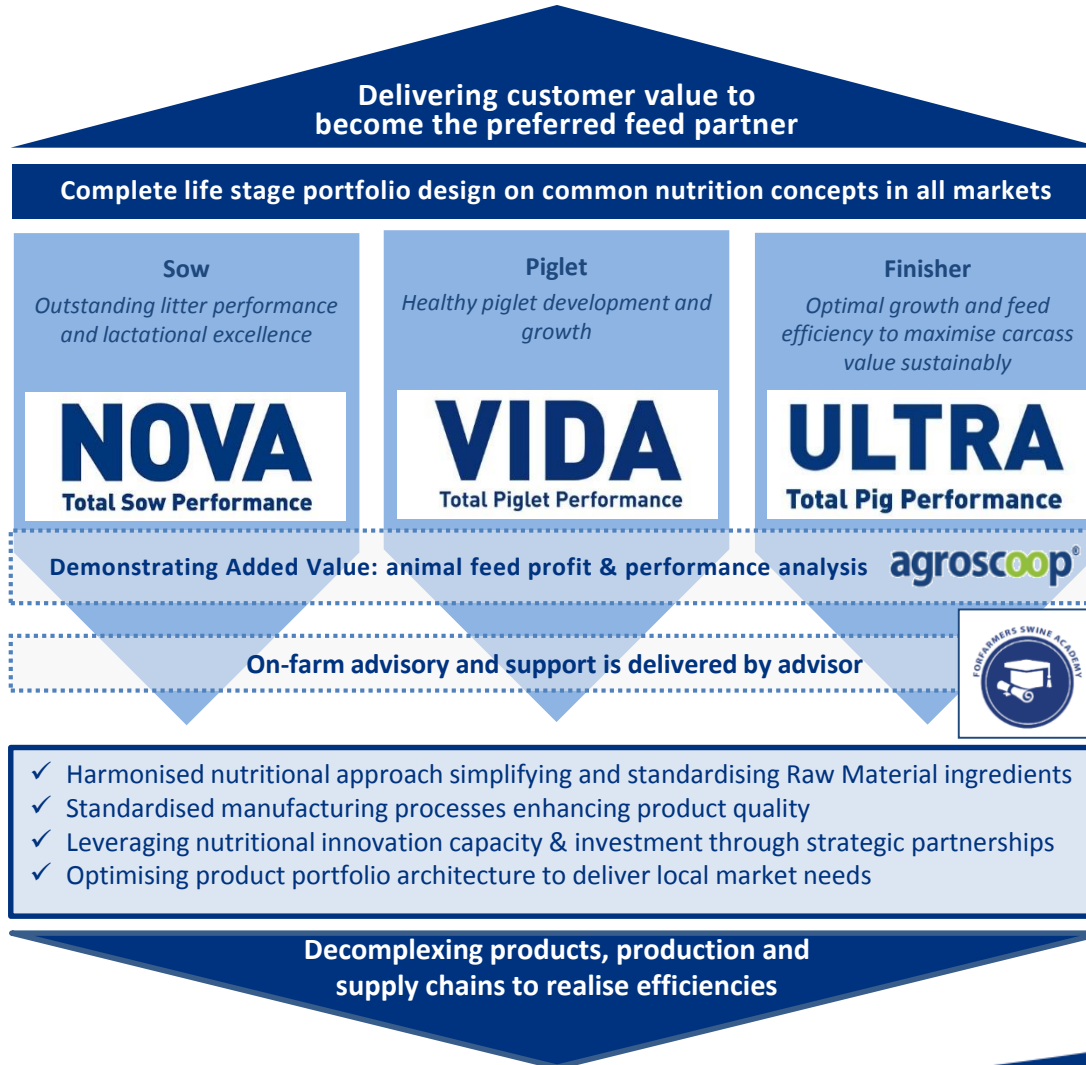
Performance



Expert Team

=

€ efficiencies



ULTRA: Input to sustainable output thinking

Market needs are more complex and specific

ForFarmers identified 6 core needs at pig farms and in supply chains:

- Growth rates
- Feed efficiency
- Reducing medication needs
- Reduced aggression
- Environmentally friendly
- Simpler management

ULTRA: unique concept proposition – Growth and More

- Aligned to farmers, abattoir and retail needs
- Class leading technical performance with less environmental impact
- Tested in 4 countries at over 50 farms

Evidence based concept

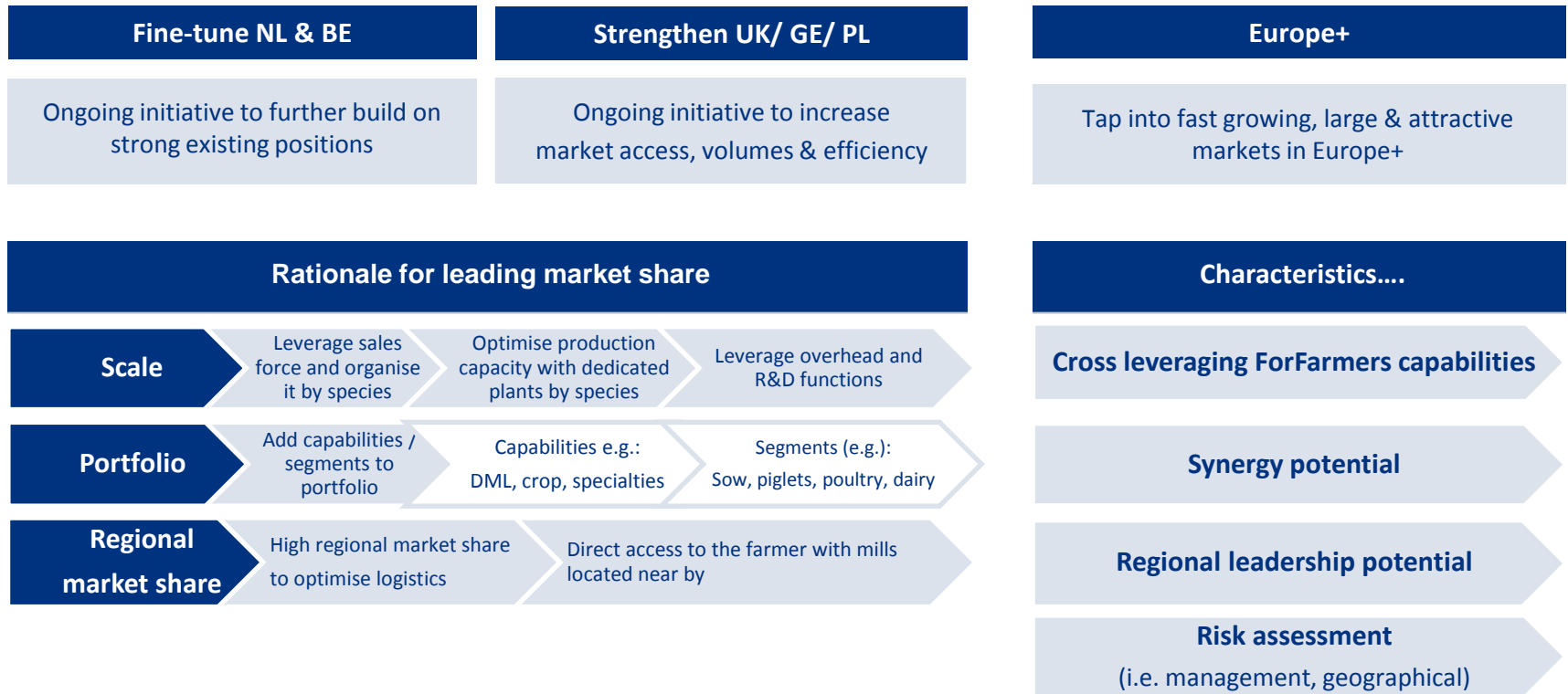
Tools and applications to deliver Plan-Do-Check-Act advice plans

Commercial calculations to demonstrate added value

ULTRA
Total Pig Performance



Clear and proven M&A strategy to drive further expansion and profitability

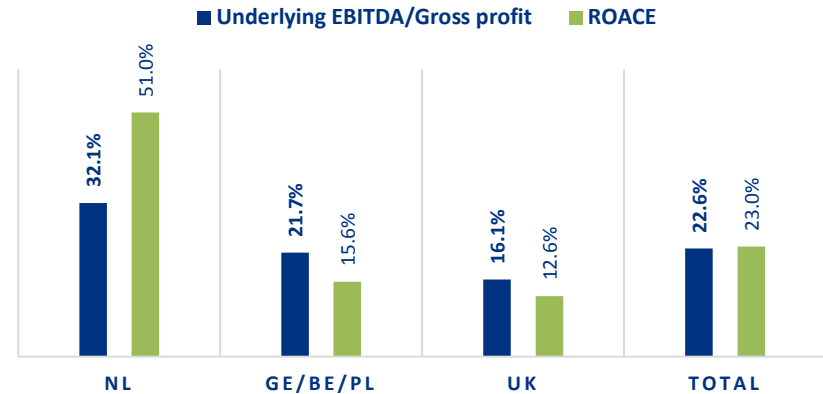
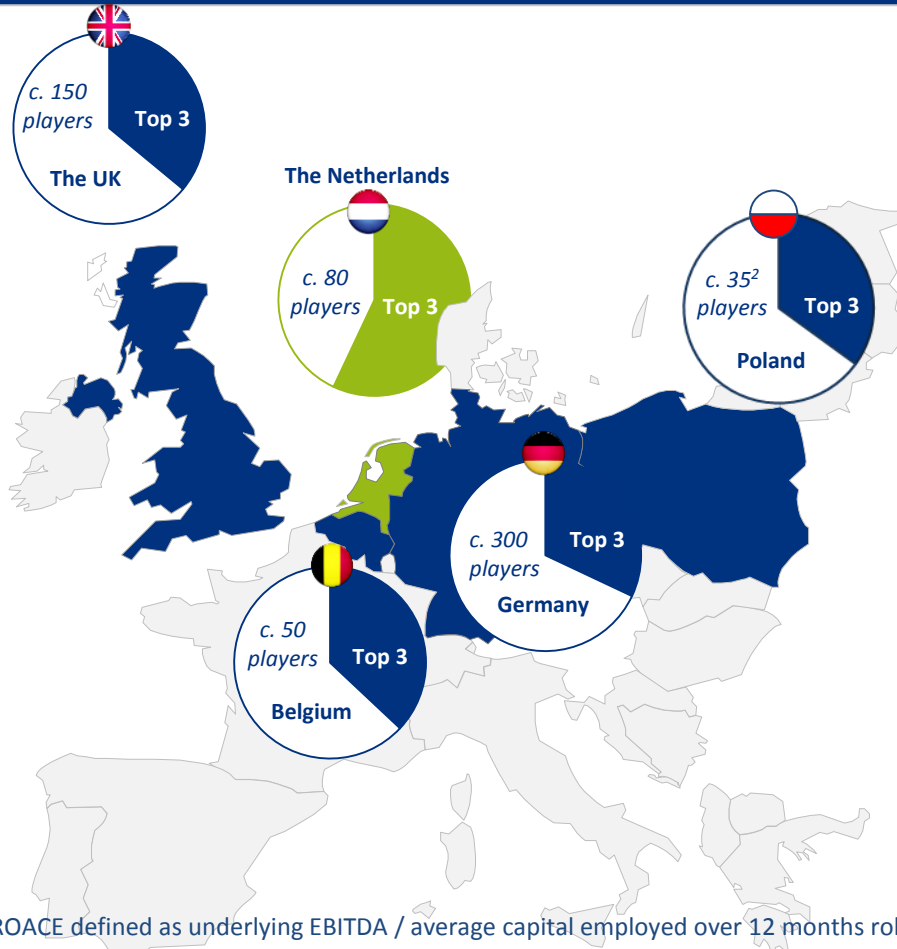


Strengthen positions UK, Germany & Poland

Strong market shares drive economies of scale

Lower levels of consolidation may provide opportunities

Conversion ratio 2018 (underlying EBITDA/ Gross Profit) and ROACE¹



1. ROACE defined as underlying EBITDA / average capital employed over 12 months rolling average; 2. with a capacity of over 30kT

Sources: Feed production volumes : FEFAC, NL, BE and PL: ForFarmers' estimates, GE: Deutscher Verband Tiernahrung data, UK: AG Industries estimate. Includes feed for poultry, cattle and pig categories, as defined by FEFAC (pet food not included)

ForFarmers' acquisitions in 2018

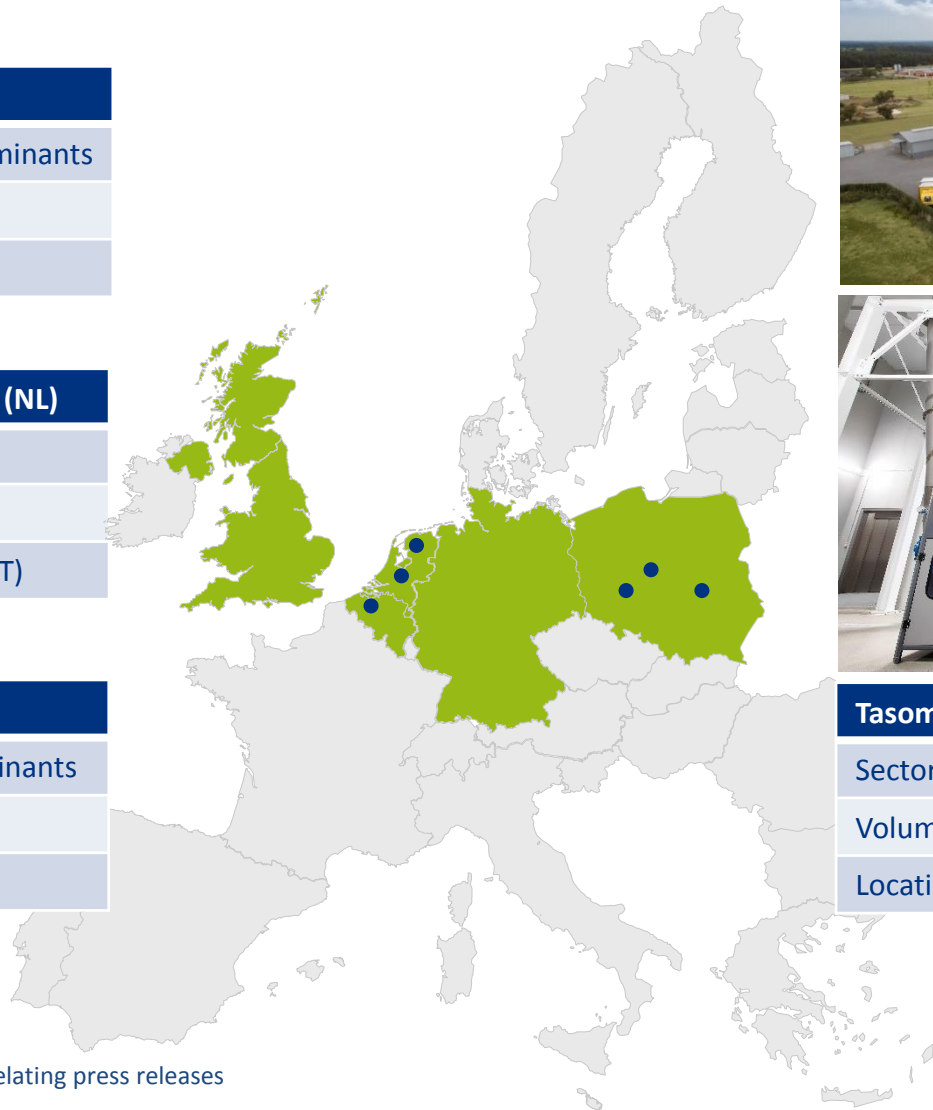
Maatman (NL)	
Sector	Poultry & Ruminants
Volume *	114 kT
Location	Wolvega (FR)

Van Gorp Biologische Voeders (NL)	
Sector	Organic (all)
Volume *	67 kT
Location	Schalkwijk (UT)

Voeders Algoet (BE)	
Sector	Swine & Ruminants
Volume *	150 kT
Location	Zulte



Tasomix (60%) (PL)	
Sector	Poultry, Ruminant & Swine
Volume *	395 kT
Locations	Pionki, Biskupice, Kaboro



* Volumes (2017) as disclosed in relating press releases
Source: ForFarmers

Acquisitions / divestments as of 2014

Company	Year	Acquisitions / Divestments	Sector	Country	Volume Total Feed ¹ (x1.000 ton)	Acquisition amount ¹ (€m)
Van Gorp Biologische Voeders	2018	Acquisition	All (organic)	Netherlands	67	9.1
Maatman	2018	Acquisition	Poultry, ruminant	Netherlands	105	8.3
Voeders Algoet	2018	Acquisition	Swine, ruminant	Belgium	150	15.5
Tasomix (60%)	2018	Acquisition	Poultry, Ruminant and Swine	Poland	402	92.0 ²
Arable customer portfolio (FF NL)	2018	Divestment	Crop / Arable	Netherlands		(5.7)
DML activities (FF NL)	2018	Partnership	DML	Netherlands	160	
Wilde Agriculture Ltd.	2017	Acquisition	All	United Kingdom		2.0
Transport activities Wheyfeed	2016	Divestment	Transport	United Kingdom		
Leaffield Feeds Ltd.	2016	Divestment	Other	United Kingdom		(1.3)
VleutenSteijnVoeders B.V.	2016	Acquisition	Swine	Netherlands	295	30.5
Countrywide Farmers	2015	Acquisition	All	United Kingdom	400	14.0
Export activities BOCM PAULS 50%	2014	Divestment	All	United Kingdom		
Subli	2014	Divestment	Horses	Netherlands		
De Peel Consultancy & Voeders B.V.	2014	Acquisition	All	Netherlands		1.2
Wheyfeed Ltd.	2014	Acquisition	Liquid additives	United Kingdom	200	5.4
HST Feed Ltd.	2014	Acquisition	Ruminant, Poultry	United Kingdom	140	16.2

1) Volumes and Purchase considerations as presented in financial statements 2018, or the relating press release, 2) First payment, €57.2 m in July 2018, second payment (earn-out) to follow in 2021; For exact dates of closing of transactions, reference is made to the relevant press releases; Source: ForFarmers

ForFarmers' team

Profile

- 2,654 FTE's¹
- c. 650 commercial functions
- c. 450 on-farm advisors

Male/Female



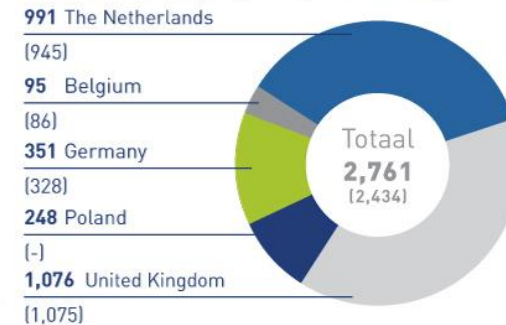
Male **81%**
(82%)

Female **19%**
(18%)

Age structure



Number of employees per country



2017 | Comparative data are presented in between brackets

See note 15 of the financial statements for the number of employees converted to FTEs

Focus on talent development & leadership

- Management programmes (e.g. Masterclass Senior Management, Potential Program)
- Logistics Academy, Sales Academy and Sector Academies (Ruminants, Swine, Poultry)

1. As at 31-12-2018, equalling 2,761 employees

Source: ForFarmers

Sustainability KPIs 2018

Theme	Material, focus area	KPI	Performance
Environment	1. Limit phosphate pollution SDG 12	1. phosphate efficiency percentage on-farm in NL (dairy and swine farmers)	+
	2. Limit greenhouse gas emissions SDG 12 & 13 & 17	2. GHG emissions in metric tonnes of CO ₂ equivalent and in Kg of CO ₂ per tonne	+/-
	3. Minimise the use of land, water and energy SDG 12 & 15 & 17	3. percentage of sustainable soy bean meal and palm oil	+
People & society	4. Ensure safe and fair working conditions SDG 3 & 17	4. Number of Lost Time Incidents (LTIs)	-
	5. Improve feed safety SDG 3 & 17	5. Total number of feed safety incidents due to non-compliance with regulations and voluntary codes	+
Animal health & Welfare	6. Improve animal health and welfare SDG 3 & 15 & 17	Improving animal health & welfare is deemed an integral part of Total Feed solutions for which no specific KPI has been developed	No specific KPI



Global Reporting Initiative™

Sustainability key issue in innovation

Balancing the sustainability themes in innovative concepts



Environment



People



Welfare

		Environment	People	Welfare
Apollo (broilers)	Producing meat efficiently with reduced carbon footprint and lower land use			
Organic (broilers)	Organic Broiler Production			
Gildehoen (broilers)	Slow Growing Concept in collaboration with retailers in the Netherlands			
ULTRA (swine finisher)	Better feed efficiency and growth, without increasing phosphate and nitrate excretion, better gut health, lower aggression, reduced mortality, simpler feed programmes for easier management			
NOVA (swine sow)	Improved technical performance, lower GHG emissions. Better sow productivity, reduced preweaning			
Feed2Milk (Dairy)	Efficient milk production with healthy (longevity) cows			
Translac (Dairy)	Optimally managing the transition period (drying off - calving) of dairy cows			

The darker the colour green, the more relevant

Source: ForFarmers

FINANCIAL RESULTS 2018

Highlights 2018

General developments in the sectors in Europe

- Milk prices on the Continent lower in 2018 than in 2017 – still above historical average
In the UK milk prices in 2018 on average higher than in 2017
- Dairy herd smaller (11%) and lower milk production in NL due to phosphate reduction measures
- European pig prices lower than in 2017
- Lower pig prices in Belgium in particular in 2H18 following detection African Swine Fever among wild boar
- Prices for broilers at reasonable level during Q1-Q3 2018; in Q4 prices started to decline
- Egg prices high at beginning 2018 (in wake of fipronil-affair NL) but lower during rest of year

Results ForFarmers

Total Feed volume: +4.9% to 10.0mT

- Growth through acquisitions (2.8%) and LFL¹ (2.1%)
- Ruminants: growth in all clusters despite phosphate reduction measures in NL
- Swine: growth in NL and G/ BE /PL larger than decline in UK
- Poultry: growth in all clusters, particularly in Poland due to acquisition of Tasomix

Compound feed: +4.2% to 7.0mT

- Due to acquisitions (4.1%) and LFL (0.1%)
- Growth in G/ BE /PL, stable in the UK and decline in NL

1. LFL means like-for-like

Highlights 2018 - continued

Gross profit: +5.6% to €443.4m; acquisitions (+2.3%), LFL¹ (+3.6%), forex translation (-0.3%)

Underlying² EBITDA at constant currencies: **-1.0% to €100.4m;** growth GE/BE/PL & UK could not compensate decline NL

Incidental gain €3.9m (on EBITDA level), mainly due to sale of arable activities in NL

Profit (to shareholders): flat at €58.6m

EPS: **+3.6%** to €0.58

Underlying² EPS flat at €0.58 (excl. impact of SBB³ : €0.56)

Net cash flow from operating activities €82.1m (2017: €116.3m)

Working capital + €7.1m, due to acquisitions (+€30.4m) and LFL improvement (-€23.3m)

Ratios:

Conversion ratio

Underlying EBITDA/ gross profit 22.6% (2017: 24.2%)

ROACE⁴ 23.0% (2017: 24.3%)

ROACE⁵ 16.4% (2017: 18.2%)

Solvency 50.4% (Dec-17: 52.1%)

1. LFL means Like-for-like and is the movement excluding acquisitions and divestments and currency effects; 2. 'Underlying' means excl. incidentals, see note 27 financial statement relating to Alternative Performance Measures (APMs); 3. SBB means share buy back programme; 4. ROACE means underlying EBITDA divided by 12-months average capital; 5. ROACE based on underlying EBIT divided by 12-months average capital

Underlying EBITDA development

(in €m)	2018	2017	Total %	FX ²	M&A ³	LFL ⁴	Comments
Total Feed-volume (in mT)	10.0	9.6	4.9%		2.8%	2.1%	LFL growth in NL & GE/BE, decline in UK
<i>o/ w Compound feed</i>	7.0	6.7	4.2%		4.1%	0.1%	LFL growth in GE/BE/P & UK offset by decline NL (phosphate emission reduction measures)
Gross profit	443.4	419.8	5.6%	-0.3%	2.3%	3.6%	All clusters higher; (volumes, contribution strategic partnerships, partly passing on of energy prices, more specialties) NL & G: lower growth due to higher inbound logistics costs
Depreciation, amortisation and impairment	-28.0	-27.6					Depreciations 2018 €21.6m (2017: €19.4m) and amortisations 2018 €6.9m (2017: €6.3m). 2018 includes incidental reversal of impairment Deventer mill (€0.6m); 2017 included €1.9m incidental loss
Total Operating expenses	-372.9	-346.8	7.5%	-0.3%	3.5%	4.3%	LFL: higher energy and outbound logistics costs in all clusters Impact of acquisitions and one-off M&A costs (€2.3m) Net release provision doubtful debts €1.1m. (2017 : release €1.8m)
Operating profit (EBIT) incl. incidental items	75.9	74.0	2.6%	-0.1%	-3.2%	5.9%	
EBITDA	103.9	101.6	2.3%	-0.2%	0.6%	1.9%	
Incidental items	-3.9	-0.2					Gain sale arable activities NL (€4.5m), and in UK (€0.4m), less pension addition UK (-€0.9m) and restructuring UK (-€0.1m)
Underlying⁵ EBITDA	100.1	101.4	-1.3%	-0.3%	0.6%	-1.6%	Development underlying EBITDA per cluster: <ul style="list-style-type: none"> • NL: -5.0% to €71.5m • GE/BE/PL: +27.3% to €20.0m • UK: +10.3% tot €20.5m • Central & support expenses: -46.9% to -€12m
Translation-effect	0.3						Pound sterling to euro
Underlying EBITDA at constant currencies	100.4	101.4	-1.0%				

1. presented percentages are calculated on the rounded amounts in million euro with one decimal and additions may lead to small differences due to rounding;
 2. FX means currency translation impact; 3. M&A means net effect acquisitions/divestments. 4. LFL stands for like-for-like and is excl. currency and effect of acquisitions/ divestments; 5. Underlying means excluding incidental items

Profit development¹

<i>(in €m)</i>	2018	2017	Comments
Operating profit (EBIT)	75.9	74.0	Incl. incidental gain €4.4m
Net finance costs	-4.4	-2.4	Incl. accrual option liability Tasomix and earn-out agreements all acquisitions
Share of profit of equity-accounted investees, net of tax	2.9	3.9	Decline results HaBeMa due to decline in trading volume
Income tax expense	-15.2	-16.2	
Profit for the period	59.2	59.3	Declined by 0.1%
Effective Tax Rate	21.3%	22.7%	Incl. one-off impact lower future tax rate NL and recognition net operating losses in GE
Non-controlling interests	-0.6	-0.7	
Profit attributable to owners of the company	58.6	58.6	Flat ; including €1.0m total incidental gain (2017: €1.6m incidental loss)
Underlying profit	57.6	60.1	
Underlying basic earnings per share (in €)	0.58	0.58	Flat ; excluding impact SBB ² underlying eps 2018:€0.56
ROACE³	23.0%	24.3%	Due to increase average capital employed on valuation of acquisitions

1. presented percentages are calculated on the rounded amounts in €m with one decimal; 2. SBB means share buy-back programme, started 2017 ended February 2018; 3. ROACE defined as underlying EBITDA/average capital employed over 12 months rolling average, based on underlying EBIT it decreased from 18.2% in 2017 to 16.4% in 2018

Healthy capital structure

<i>(in €m)</i>	31-12-2018	31-12-2017	Comments
Total Assets	873.7	787.3	Mainly due to acquisitions
Equity	440.8	409.9	Combination of net profit minus dividend payments and SBB ¹ , including OCI ⁴ such as re-measurement defined benefits UK and currency translation effect
Solvency ratio	50.4%	52.1%	Total equity/ total assets
Net working capital	76.3	69.2	+€7.1m; due to acquisitions (+€30.4m) and LFL improvement (-€23.3m)
- Current assets ²	350.6	285.0	Inventory & trade receivables up due to acquisitions
- Current liabilities ³	277.2	215.8	Increase in trade payables
Overdue receivables	18.7%	14.9%	Impact acquisitions; LFL improvement
Net Debt / (Cash)	17.1	(67.1)	Incl. net cash, short & long term bank facilities /loans. Debt position up due to acquisitions & SBB

1. SBB means share buy back programme, started 2017 and ended February 2018; 2. current assets excluding cash and cash equivalents; 3. current liabilities excluding bank overdrafts. 4. OCI stands for Other Comprehensive Income;
General remark: additions may lead to small differences due to rounding

Market and sector developments by region in 2018

General

- Warm, dry summer months leading to low river levels (NL and Germany) & spike in raw materials prices (2H18)
- Growing consumer interest in poultry products

The Netherlands

- Increasing public pressure on agricultural sector in light of climate targets
- Smaller dairy herd (-11%) & extra investments for farmers required following phosphate regulations
- Demand for non-GMO¹ feed is increasing (resulting in re-opening of Deventer mill)

Germany

- Growing interest in animal welfare and environmentally friendly measures
- Demand for non-GMO¹ feed continues to grow

Belgium

- Consumer interest in quality and provenance of food & more focus on AMR²
- African swine fever detected among wild boar, leading to pressure on pig prices

Poland

- Growing discussion regarding use of GMO soy & use of local raw materials
- Poultry sector grows faster than in other European countries

United Kingdom

- Due to cold spring and dry summer increasing demand for compound feed in ruminant sector
- Swine sector remained stable following increased demand and increased import from the Continent
- Consumer demand for poultry growing

1. non-GMO means non genetically modified organisms, 2) AMR means anti microbial resistance

Total Feed volume-development in 2018

Volume Total Feed: +4.9% (10.0mT)

- *Compound feed* +4.2% (7.0mT)

The Netherlands : + 2.9% (4.5mT)

- Smaller dairy cow herd due to phosphate measures
- Volume growth TF in all species
- Volume growth biological (organic) feed (Reudink)
- Volume compound feed declined in ruminant and swine

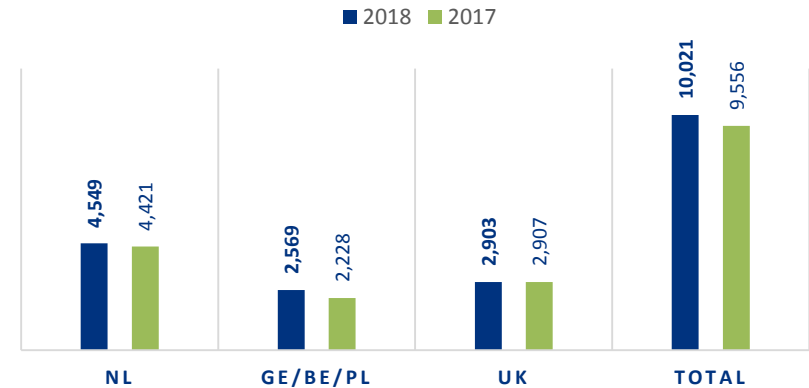
Germany/Belgium/Poland +15.3% (2.6mT)

- Volume growth TF in all sectors
- LFL growth market share in all species
- Considerable increase in poultry sector due to Tasomix acquisition
- Volume growth compound feed (in %) higher than in TF, mainly due to Tasomix and Voeders Algoet

United Kingdom: -0.1% (2.9mT)

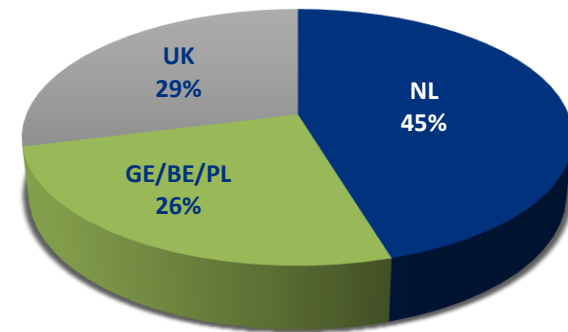
- Volume TF growth in ruminant sector, mainly to dairy farmers
- TF volume decline in swine sector on lower DML volumes due to discontinuation of some loss making activities
- Volume growth TF in poultry sector
- Volume compound feed rose more (in %) than TF

Total Feed volume per cluster¹



1) 2017 comparative data adjusted to reflect DML sales shift from NL to BE

2018 volume split per cluster



Development percentages are presented based on actual (non-rounded) volumes in tonnes

Gross profit: LFL¹ growth in all clusters

(in €m and %)	Reported 2018 vs. 2017		Total difference 2018 vs. 2017		Currency impact		M&A ¹		LFL ³ change	
	2018	2017	€m	%	€m	%	€m	%	€m	%
Gross profit	443.4	419.8	23.6	5.6%	-1.1	-0.3%	9.7	2.3%	15.0	3.6%

Gross profit per cluster

In all clusters:

- More specialties in product mix
- Contribution strategic partnerships
- Partly passing on increased energy prices

The Netherlands: + €1.7m (0.8%)

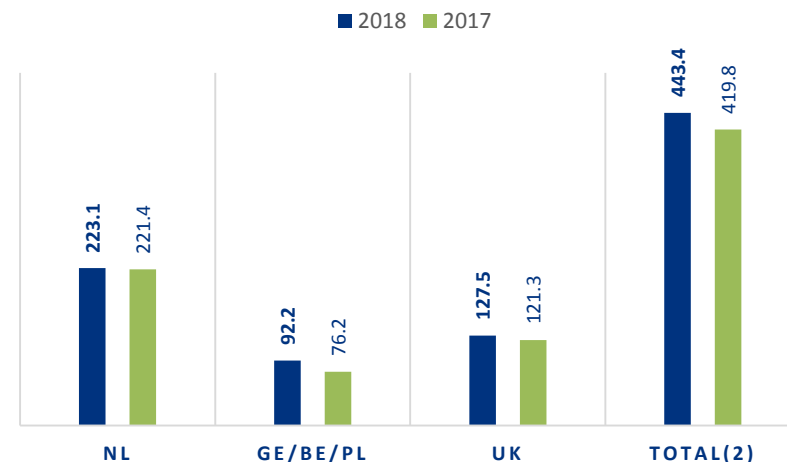
- Effect divestment arable activities
- Lower compound feed volumes (phosphate measures)
- Higher inbound logistics costs (low river levels)
- No full pass-on of spike in raw material prices

Germany/Belgium/Poland: + €15.9m (20.9%)

- Large impact acquisitions (Poland and Belgium), particularly on compound feed volume
- LFL volume growth
- No full pass-on of spike in raw material prices in Poland

United Kingdom: + €6.2m (5.1%)

- Higher growth (in %) compound feed volume than TF volume
- Successfully renewed commercial proposition to large pig farmers



Additions may lead to slight differences due to roundings; 1) M&A means net effect acquisitions/divestments; 2) Incl. Group/eliminations; 3) LFL stands for like-for-like and means excluding currency impact and net effect acquisitions & divestments

Results by cluster

<i>(in €m)</i>	the Netherlands		Germany/ Belgium/Poland		United Kingdom		Group/ Eliminations		Consolidated	
	2018	2017 ¹	2018	2017 ¹	2018	2017	2018	2017	2018	2017
Total Feed Volume (k tonnes)	4,549	4,422	2,569	2,228	2,903	2,907	-	-	10,021	9,556
Revenue	1,153	1,112	665.3	551.3	662.2	622.4	-75.6	-67.4	2,405	2,219
Gross profit	223.1	221.4	92.2	76.2	127.5	121.3	0.7	0.9	443.4	419.8
Operating profit	69.2	67.9	13.8	12.3	7.6	5.3	-14.7	-11.6	75.9	74.0
EBITDA	76.0	75.4	20.0	15.6	19.8	18.8	-12.0	-8.2	103.9	101.6
Incidental items ²	-4.5	-0.1	-	0.2	0.6	-0.2	-	-	-3.9	-0.2
Underlying EBITDA	71.5	75.3	20.0	15.7	20.5	18.6	-12.0	-8.2	100.1	101.4
Currency translation effect	-	-	-	-	0.3	-	-	-	0.3	-
Underlying EBITDA at constant currency	71.5	75.3	20.0	15.7	20.8	18.6	-12.0	-8.2	100.4	101.4
EBITDA/gross profit ratio	32.1%	34.0%	21.7%	20.7%	16.1%	15.3%		-	22.6%	24.2%
ROACE³	51.0%	49.1%	15.6%	18.3%	12.6%	10.5%			23.0%	24.3%
ROACE⁴									16.4%	18.2%

Additions may lead to slight differences due to rounding; 1) 2017 comparative data adjusted to reflect DML sales shift from NL to BE; 2) Incidentals 2018; sale arable activities (NL), small gain (UK), offset by pension contribution UK; 3) ROACE means underlying EBITDA/average capital employed on 12 months rolling average; 4) ROACE based on underlying EBIT

Horizon 2020 – Activities update

Focus on attractive segments

- Focus on growth in specialities
- Continuation growth in organic feed solutions (Reudink)

Partner and deliver the Total Feed Business portfolio

- Strategic partnership with Nutreco extended for 5 years
- Strategic partnership with Baks in NL regarding moist co-products
- Use of CRM for offering Total Feed and focus on sales efficiency

Acquisitions (& divestments)

- Sale of (non-core) arable activities in the Netherlands (February)
- Acquisition 60% shares of Tasomix, Poland (July)
- Acquisition Maatman, the Netherlands and Germany (September)
- Acquisition Voeders Algoet, Belgium (October)
- Acquisition Van Gorp Biologische Voeders, the Netherlands (October)

One ForFarmers: functional excellence & leverage scale

- Health & Safety: increase in number LTIs¹ requires attention
- UK business transformation: combination ruminant sales teams to one commercial organisation & announced closing of Blandford site
- Implementation of Financial Shared Service Centre on Continent (NL, BE and GE)

1. LTI's means Lost Time Incidents

Horizon 2020 – delivery progress

Employee development

- Appointment Arthur van Och as Supply Chain Director
- Retirement Jan Potijk and nomination Adrie van der Ven as of AGM 2019
- Appointment of Pieter Wolleswinkel and David Fousert as members of the Executive Committee
- Internal academies across species and functions fully operational
- Approx. 25% of ForFarmers employees shareholder of ForFarmers

Total nutrition solutions

- Apollo poultry concept launched in NL, GE, UK (starter feed concept for chickens)
- ‘Pens Stimulator+’ product introduced in NL – for better roughage uptake by dairy cows
- On-farm applications introduced for pig farmers in UK – to measure technical results
- Ultra, new concept for finishers (swine sector) developed; launched in February 2019

Results 2018

- **Underlying EBITDA at constant currencies** **-1.0% to €100.4m**
- Profit for shareholders flat at €58.6m
- Underlying earnings per share flat at €0.58 (excl. impact of SBB¹: €0.56)

1) SBB means share buy back programme

Outlook

- **Ruminant sector:**

Global outlook positive, European consumption stabilising
More focus on export of European dairy products

- **Swine sector:**

Global demand growing, EU consumption slowly declining, decreasing herd size (NL and GE),
export to China could grow due to trade negotiations & AFS¹ (in China)

- **Poultry sector:**

Growing interest from consumers,
more processing capacity becoming available in PL leading to growth potential compound feed

- Impact Brexit remains unpredictable

- Integrations acquisitions (Tasomix, Voeders Algoet, Maatman, Van Gorp Bio) ongoing
to achieve synergies

- Full focus on enhancing capacity utilisation of Pionki mill in Poland

1) AFS means African Swine Fever

Outlook (continued)

- **2019 first-half results**

Underlying EBITDA expected to show strong decline vs 1H2018 results due to current purchasing positions in combination with focus on sustaining market share

- **Efficiency plans 2019 – 2020 launched**

Total cost savings of €10m (in 2021 vs 2018); optimisation group factory footprint & other efficiency projects
Existing 2017 UK supply chain rationalisation plans incorporated (e.g. recently announced closing Blandford site)
Affects all countries excluding Poland and covers all functions
Involves reduction of 125–150 FTEs (approx. 5 to 6% of FTEs); natural attrition & redundancies
Efficiency plans will lead to incidental costs

- **Planned capex and working capital 2019**

€50m capex, on e.g systems and processes to support ongoing growth, enhanced efficiency measures and digitalisation.
Ongoing focus on further optimising working capital and leveraging strategic suppliers

- **IFRS 16**

Impact (as of 1-1-2019): expected increase of EBITDA by approx. €5.0m, no impact on EBIT
Expected net decrease of profit before tax of €0.5m
Per 1-1-2019: total assets increase approx. €25.0m

- **Proposal for new Share Buy-Back (SBB¹) programme**

Limited SBB of €30m and a SBB for employee participation programme
Start after the publication of Q1 2019 trading update, end no later than October 2020

- **Reconfirmation guidance:** for the *medium term an on average* annual underlying EBITDA growth in the mid single digits at constant currencies, excl. impact of significant acquisitions & barring unforeseen circumstances

Summary 2018

**Solid strategic progress
Strong 1H & weaker 2H,
impacted by dry summer**

**EBITDA growth in all clusters
excluding NL**

**Gross profit: +5.6%
Underlying¹ EBITDA²: - 1.0%
Net profit³: flat
Underlying EPS⁴: flat**

**3 acquisitions in existing
regions
Added 5th country (PL)
Balanced specie portfolio**

**Better LFL⁵ working capital
&
Strong balance sheet**

**Efficiency plans 2019-2020
Share buy-back proposed
of €30m**

1. Underlying means excluding incidental items; 2. At constant currencies; 3. Net profit attributable to the shareholders of the Company;
4. Excl. impact SBB 2018 underlying EPS:€0.56; 5. LFL means like-for-like

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