

BlueMind Fabulous 40

Translation of survey published in the leading Dutch Elsevier Foodmagazine (2013)



Growth is not an illusion

Companies in meat, potato and dairy sectors thrive at the top.

The highest growth in the food sector was observed in relatively unknown Dutch companies. BlueMind notes this year seventeen companies which have grown more than 10 percent on average in the past three years.

Van Loon fastest grower

Last year Van Loon Vlees (Van Loon Meat) was still the second fastest grower. Bakery products supplier Borgesius had the number 1 position in the Fabulous 40, the list compiled every year by corporate finance firm BlueMind and commissioned by



Bart Jonkman, BlueMind

Foodmagazine. Borgesius now is in 24th place with still more than 8 percent turnover growth. The listed companies are the companies in the food sector with the fastest average growth in turnover in the past three years. The top-17 of the list even experienced an average growth of more than 10 percent in the last three years. For comparison: retailers show an average annual growth of 2 to 3 percent.

No illusion

Growth in the food sector is not an illusion, as demonstrated by the list. Even considerable growth is not unthinkable. The list also shows that growth in food is generated in various ways. In the three measured years six-

teen companies were involved in mergers or acquisitions; in terms of numbers there are even more mergers or acquisitions, i.e. 21. In the last measured year 2011, Refresco, Huskes, Royaan and Van Oers have expanded through acquisitions. Five companies are owned by private equity companies. The list is compiled based on six criteria. The companies must be registered in the Netherlands. They are active in the production and/or processing food & drink sector. They have at least €5 million turnover in one of the three measured years. The majority interest must be held by Dutch shareholders or foreign private equity. Finally, the companies must not be listed on a stock exchange and BlueMind considers figures deposited before April 1st.

Back to the number 1: Van Loon Vlees. Director Erik van Loon does not state names of customers in an interview further on in Foodmagazine. He does say however that roughly two-thirds of the turnover is generated from retail. 'We do not produce and support own A-brands, but we do for the private labels of our clients. We are strong in that private label space', said Erik van Loon earlier to Foodmagazine.

Own capacity

The number two on the list is Nedato. Nedato is a potato processing company. It is remarkable that the company grows quickly autonomously, i.e. without acquisitions. Nedato is a large 'silent force'. The potato cooperation



exists fifty years this year and has become an organisation with sales of approximately 400,000 ton potatoes in the international fresh produce market. Nedato has become an enterprise that supplies the whole chain from cultivation and collection to supply of

‘The top 40 has grown slightly above 10 percent on average over the three previous years’

potatoes and controls from plant to customer in last half century. Nedato generates 40 percent turnover from the processing and sale of consumption potatoes. The other 60 percent comes from potatoes destined for the European processing industry. Nedato is established in Oud-Beijerland, with an ultra modern sorting, washing and packaging factory.

Number 3 is Vreugdenhil. That company also is the greatest climber in the list and comes from position 35. Vreugdenhil has been one of the main



international providers of milk powders and dairy specialities for the food industry for decades. The company supplies globally to a.o. the dairy, chocolate, ice cream and bakery industries. Here as well, a company that claims it dominates the whole chain ‘Our speciality spans from purchase and production to storage, sale and



Stephanie Clerx and Jan Willem Jonkman, BlueMind

distribution of base materials and semi finished products and continued quality control during the whole process. Through our presence in the complete production chain up to the end product, we are able to deliver high quality products.’

According to Stephanie Clerx and Jan Willem Jonkman of BlueMind the top 40 on average has grown slightly more than 10 percent on average over the three previous years. If it is an indication for an attractive economy, then the current situation is quite well. Last year the average growth was still 5.9

percent. The researchers also see a number of companies from the top 40 dropping. Stephanie Clerx: ‘Fourteen companies dropped because their turnover was too low and eight companies had not reported their results on the measuring date of 1 April.’

BlueMind states another number of striking conclusions from the list. Intertaste is the highest newcomer. The spices, condiments and sauces company grows by 16.9 percent on average. Intertaste is a combination of the following companies: Wijko, Degens

Growth does not always mean growth

The companies on this list are listed based on growth. The figures run to 2011. Sometimes growth results from growth due to external circumstances explains M Gramsa, director of Nedato. Nedato is the number 2 on the list with an average growth of 23.8 percent. Gramsa: ‘We already experienced in the past that we were present in the top of the list. Usually, you grow by changing something to your product or your approach, and that requires cash. In 2012 we have achieved a turnover level of € 55 million, with the same volume as in 2011, which is € 30 million less than the previous year, on which this list is based. It only is related to the fact that we had a completely different potato price. I can assure you that, unfortunately, our company did not grow spectacularly in volume.’ Anyway, the group of potato-related companies in the Fabulous 40 is relatively small. If you add up the turnover of all companies, you see meat, bakery products and dairy and cheese as the big growers. What also is remarkable is that the family companies are well represented in the list. Out of the forty companies eighteen are run by families including the fastest grower in the list. The family company with the highest reported turnover is the Van Drie Groep with a turnover of € 1,9 billion. Van Drie has grown annually by more than 17 percent. The company is managed by Herman, Jan and René van Drie.

BlueMind Fabulous 40 - 2013

Nr	Company	Sector	Position in 2012	Net turnover 2011 in €	Net turnover 2010 in €	Net turnover 2009 in €	CAGR 2009-2011	M&A activity	Private equity	M&A Deals	Private Equity Firm
1	Van Loon Vlees	Meat processing	2	202,308	177,498	131,578	24.00%	✓		2009: a.o. beef processor Roosendaal	
2	Nedato	Potato (products)	20	89,542	63,179	58,445	23.78%				
3	Vreugdenhil	Dairy	35	536,962	457,116	351,802	23.54%				
4	DOC Kaas (Cheese)	Dairy (cheese)	18	448,036	389,775	299,228	22.36%			2012: Kraats Cheese (not in the measured years 2009-2011)	
5	Rouveen Kaasspecialiteiten	Dairy (cheese)	19	108,513	87,125	77,011	18.70%				
6	De Verwenbakker	Bakery products	5	20,569	16,861	14,856	17.67%				
7	DIS International	Beverages	4	105,360	82,729	76,557	17.31%				
8	Van Drie Groep	Meat processing	15	1,979,553	1,671,640	1,442,374	17.15%	✓		2009: Alpuro	
9	Intertaste	Spices/condiments/sauces	-	111,474	81,988	81,553	16.91%	✓		2010: Royco	
10	Menken Combinatie	Meat products, salads, sauces	21	105,907	87,299	79,053	15.75%				
11	Refresco	Beverages	22	1,524,177	1,223,945	1,139,574	15.65%	✓	✓	2009: Schiffers Food, 2011: Spumador & Soft Drink International	3i
12	G.P.S. Nunspeet	Poultry processing	24	158,055	130,713	121,662	13.98%				
13	Dairy Trading International	Dairy	26	148,435	134,344	115,510	13.36%				
14	Remia	Sauces	23	250,591	212,933	197,847	12.54%	✓		2010: De Marne Fabrieken (Mustard) 2011: Van Dijk Food department sauce	
15	Interchicken	Poultry processing	7	146,117	135,020	115,912	12.28%			Meanwhile, Interchicken has been acquired by Plukon Food Group	
16	Plukon Food Group	Poultry processing	8	834,869	738,662	674,000	11.30%	✓	✓	2008: Flandrex (BE), 2010: Maiski (BE) 2012: InterChicken	Gilde Buy Out
17	Koopmans Meel	Bakery products	-	81,244	64,895	65,762	11.15%				
18	Peka Kroef	Potato (products)	39	104,681	95,691	86,539	9.98%				
19	Huuskes	Fresh products	12	111,946	98,071	93,405	9.48%	✓		2011: Multi Cuisine Arnhem	
20	De Kuyper	Beverages	28	71,139	64,235	59,997	8.89%	✓		2009: Mandarine Napoleon	
21	Zeelandia	Bakery products	29	407,283	371,099	343,683	8.86%	✓		2010: Aldia	
22	Gosschalk	Meat processing	-	189,889	166,246	160,617	8.73%				
23	FrieslandCampina	Dairy	-	9,626,000	8,972,000	8,160,000	8.61%	✓		several divestments and acquisitions	
24	Continental Bakeries	Bakery products	16	319,854	297,127	272,652	8.31%	✓	✓	2008: Gillebagaren, 2010: Grabower Süßwaren	NPM Capital
25	Borgesius	Bakery products	1	110,443	109,620	94,230	8.26%				
26	Banketbakkerij Merba	Bakery products	27	63,227	55,068	53,989	8.22%				
27	Cono Kaasmakers	Dairy (cheese)	30	181,284	174,981	154,894	8.18%				
28	Kennemervis Groep	Fish / seafood	40	186,645	176,118	161,048	7.65%	✓		2009: Fishes Wholesale, 2012: Kennemervis has sold Schmidt Zeevis and Van der Maesen Viswaren (BE)	Bracamonte
29	Royaan (Buitenfood)	Snacks	-	66,437	60,580	57,474	7.52%	✓		2011: Tjendrawasih	NPM Capital
30	Verstegen Spices & Sauces	Spices/condiments/sauces	17	95,462	88,108	82,590	7.51%				
31	Delicia	Confectionary (chocolate)	3	50,360	52,808	44,873	5.94%		✓		One Equity Partners
32	Van Hessen	Meat processing (intestines)	14	193,342	192,367	175,398	4.99%		✓		Janivo
33	Vergeer Holland	Dairy (cheese)	38	257,117	244,100	235,926	4.39%	✓		2008: Karsemeyer, 2010: De Keyzer, 2012: Kraats Cheese	
34	Farm Frites	Potato (products)	37	334,562	313,790	316,294	2.85%				
35	Van Oers	Snacks	-	97,523	86,491	92,467	2.70%	✓		2011: Freshwell	
36	Gulpener	Beverages	31	13,291	13,158	12,672	2.41%				
37	Enkco Foodgroup	Meat processing	-	70,044	58,317	66,901	2.32%			Acquisition in 2008 (outside the measured years)	
38	Vion	Meat processing	32	9,387,753	8,769,101	8,987,922	2.20%	✓		2008: Grampian Country and J&J Tranfi eld, 2010: Sobel and Weyl Beef, 2011: Laru, 2013: Vion has sold ABP Food (Ireland)	
39	Vika (Mijwo)	Dairy (cheese)	-	41,519	39,845	39,796	2.14%				
40	Royal Smilde Food Group	Bakery products	-	218,756	208,764	210,057	2.05%	✓		2010: Smilde has sold Romi Smilfood	



and Kuijpers van den Boom. In 2010 the company obtained a third production location by the acquisition of the former Royco factory in Utrecht.

Stable

'De Verwenbakker and DIS International are two companies we permanently see in the top 10', according to Clerx and Jonkman. De Verwenbakker is the success story of entrepreneur Ferrie Verhagen who started a bakeryshop in Liessel, Brabant in 1987. The bakery became an industrial bakery. The turnover consists of 90 percent own production and 10 percent resale of pastry and cakes for example. The founder transferred his management tasks in early 2009. De Verwenbakker is active in retail, food service, bakeries and industry. De Verwenbakker is active in both the Netherlands as well as in Germany.

DIS International is a bottler of soft drinks originating from the beer activities of Brand Bier, Ridder Bier, Leeuw Bier, Lindeboom and Gulpener Bier.

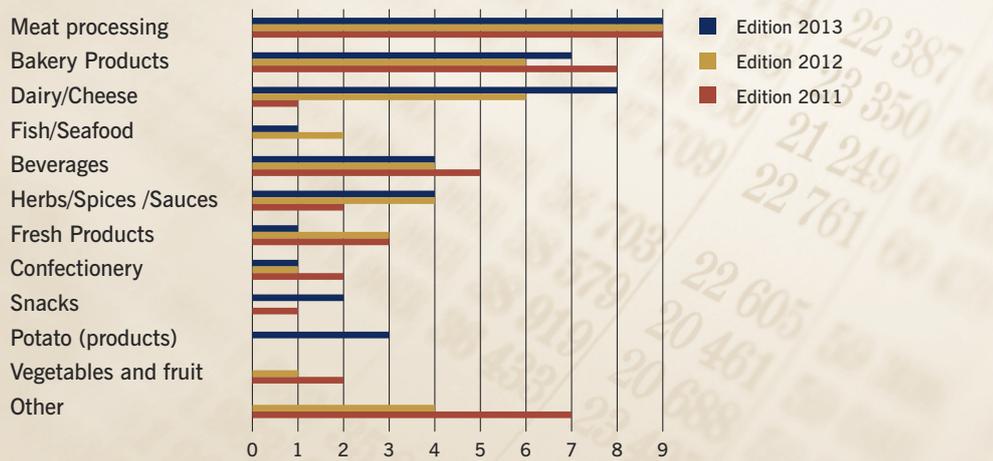
Clerx and Jonkman: 'In addition, please take a look at a company like Zeelandia. It has climbed up in the list year on year. From position 37 to 34, to 29 and 21 now.' Zeelandia is specialised in the development, production, sale and distribution of bakery ingredients, both for bread and confectionery. In the previous edition of the Fabulous 40, there were parties included in the list with a decrease in turnover. This year the list only contains growing companies. The study is

based on the registered growth in turnover, but does not consider the profits. Vion for example, with more

than €9 billion the largest company in the list, actually has very bad results in profitability. The meat company has serious problems and had to close a number of departments. It also had to do a considerable write-off (€500 million) on its balance sheet

Sometimes the reality is ahead of the list. In the meantime, Interchicken, position 15 in the list, has been taken over by Plukon (position 16). The take-over took place in 2012, the year outside the measured years for this year's study. Growth therefore is no guarantee for an independent future.

Meat processing is still solid in the lead



Study is criterion for growth

The Fabulous 40 study is a Dutch equivalent of the Fast 50 published in the British trade magazine The Grocer. The companies included in the Fabulous 40 meet five previously set selection criteria. The companies must be active in the food and drinks production sector, with registered offices in the Netherlands. Their turnover must be at least € 5 million in one of the measured years. The annual accounts must be deposited with the Chamber of Commerce by 31 March 2013 at the latest. The companies must not be listed on a stock exchange and the majority of their shares must be held by Dutch shareholders or foreign private equity parties. For the collection of information data of the Chamber of Commerce, Reach and Amadeus, company information, public information of websites and interviews are used. As the criterion for growth, the growth percentage of the turnover over the years 2009, 2010 and 2011 was selected, the so-called CAGR-methode (Compound Annual Growth Rate).

The study is organised exclusively for Foodmagazine and carried out by BlueMind. Should there be ambiguity or discussion about inclusion in the list or if you have suggestions for improvement or other suggestions, please contact Stephanie Clerx of BlueMind Corporate Finance. She can be reached on email address stephanie.clerx@bluemind.nl or tel. +31 (0)73 623 87 74.

ACQUISITIONS
MONTHLY
AWARDS
2011

ACQUISITIONS
MONTHLY
AWARDS
2008

BlueMind advises mid-market, large and fast-growing companies on buying and selling businesses, investment opportunities, management buy-outs and funding businesses

- One of the largest independent corporate finance firms in the Benelux
- Award-winning international corporate finance advice
- Approximately 15 deals each year
- Various sectors, mainly Industrial Markets, Food & Drink, Consumer and TMT sectors
- Access to main Western and emerging markets