



Press Release

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Royal De Heus makes strategic entry into the Balkans

On 15 July this year, Royal De Heus signed the agreement for the acquisition of 100% of the shares of the Serbian company Proteinka. By means of this acquisition De Heus is making an entry into the Balkans that is focused on the future. This step is in line with De Heus' aim of further broadening its country portfolio and building up a position in a region where the animal husbandry sector is set a fast development over the years ahead.

Proteinka, based in Sabac in the north-west of Serbia, produces mixed feed for cattle, poultry and pigs. Proteinka has a production capacity of approximately 80,000 tonnes.

The Serbian market currently consists of a lot of smaller animal husbandry farms run as family businesses. The total volume of professionally produced mixed feed comes to approximately 1.5 million tonnes in a total market of 3.4 million tonnes. Serbia is rich in local raw materials, such as corn, wheat and also soya. Today, many smaller operations still mix their own local raw materials with concentrates. The expectation is that these small livestock farmers will grow their farms and start to professionalise over the years ahead. The need for high-quality mixed feeds, as an additional boost to increased efficiency of production, will rise strongly as a result. De Heus will be able to introduce its knowledge and experience of nutrition, production of mixed feeds, raw materials and farming systems to support Proteinka and its customers in this more professional environment.

Given its strategic location in the north-west of Serbia, Proteinka is favourably placed geographically, with respect to both the most important Serbian livestock farming areas as well as commercial opportunities in the neighbouring countries, such as Bosnia-Herzegovina, Montenegro and Macedonia. Expectations for these countries are that the animal husbandry sector will also develop rapidly over the years ahead.

Koen de Heus, CEO of Royal De Heus, said of the acquisition: *“With the purchase of Proteinka we are taking a major step in the Balkan region. Animal husbandry in this region will develop rapidly over the years ahead. Given Proteinka's knowledge of the local market, combined with our worldwide knowledge of nutrition and stable management, among other things, we see many opportunities for supporting local livestock farmers in this increasingly professional environment”*

The day-to-day leadership of Proteinka will be in the hands of Serbian manager Neno Cipcija. Mr Cipcija has extremely wide experience in the agricultural sector.

Not for publication

For more information, please contact Joost Belt, Corporate Director Marketing & Communication: jbelt@deheus.com or by calling 06 – 294 41 955

Established in 1911, **Royal De Heus** is an internationally operating company with the production and commercialization of high-quality animal feeds as its core activity. Strong international growth has now made De Heus one of the top 20 animal feed suppliers in the world. The company has more than 3,000 employees worldwide, 650 of them in the Netherlands. Its head office is located in Ede-Wageningen, the Netherlands.

In addition to the Netherlands, De Heus has operations in more than 50 countries, including operating companies in Vietnam, Poland, Russia, the Czech Republic, Egypt, Ethiopia, South Africa and Brazil. De Heus is also active in the Chinese market, where it has a strategic alliance with Wellhope Agri-Tech Co. Ltd. In addition, De Heus operates in many foreign markets through the export of concentrates, in particular to Eastern Europe, Africa and the Middle East.