



Amersfoort, 19 April 2012

Nutreco trading update Q1 2012: Strong momentum continues

- **Revenue Q1 2012 EUR 1,128.2 million; an increase of 11.3% from Q1 2011 mainly driven by volume growth of 6.8%**
- **Excellent operational results in Aquaculture division driven by strong organic growth; integration of the acquisition of Shihai in China is on track**
- **Operational results in all segments of the Animal Nutrition division improved compared to the first quarter 2011**
- **Premix and feed specialities position in the growth geography of Brazil strengthened by acquiring 97% of the shares in Nutreco Fri-Ribe and the acquisition of Bellman**
- **Divestment of Hendrix to ForFarmers completed, strategic partnership underway**
- **Outlook: Based on current trading conditions, Nutreco expects EBITA before exceptional items for the first half of 2012 to be approximately EUR 100 million (first half 2011: EUR 83.6 million)**

Wout Dekker, Nutreco CEO:

“After the excellent results in 2011, we entered 2012 with strong momentum. The first quarter results of all of our business segments are higher than the performance in the same period last year. In particular our Aquaculture division had a strong result due to high volume growth in salmon feed. The integration of the acquisition of the Shihai fish and shrimp feed company in Southwest China is on track. So is our capital investment program in Norway to support further organic growth. The first expansion phase will be completed in 2012 and phase two will be ready before the 2013 peak season.

The results in all segments of our Animal Nutrition division improved compared to the first quarter of 2011. By achieving 97% of the shares in our Brazilian Fri-Ribe subsidiary we created the platform to take further steps in one of the most important agriculture and aquaculture growth markets in the world. Subsequently we acquired Bellman Nutrição Animal, a large supplier and producer of feed specialties for ruminants in Brazil. Its activities, geographical presence and product proposition are fully in line with our strategy Ambition 2016. Recently we launched our Sustainability Vision 2020 which lays out the practical steps for Nutreco on our path towards sustainability. We have announced that Kofi Annan will be the keynote speaker at our AquaVision conference in June in Stavanger, Norway. This conference will continue to focus on the challenge of feeding nine billion people sustainably by 2050. Lastly we have completed the divestment of Hendrix to ForFarmers, where it is a core activity with a leading market position and we are excited about our strategic partnership which is now underway.”

Based on the business developments in the first quarter we expect to achieve a record first half year EBITA before exceptional items of approximately EUR 100 million, a significant improvement compared to the same period in 2011.”

Q1 Revenue

(EUR x million)

	<u>Q1 2012</u>	<u>Q1 2011</u>	<u>Δ%</u>
Premix and Feed Specialties	302.3	276.5	9.3
Fish Feed	335.3	262.7	27.6
Animal Nutrition Canada	119.7	107.7	11.1
Compound Feed Europe	141.3	152.0	-7.0
Meat and Other	229.6	215.1	6.7
Total revenue Nutreco	1,128.2	1,014.0	11.3

1. Following its sale, Hendrix is reported as discontinued operations in 2011 and 2012 and not included in the segments Compound Feed Europe and Meat and Other. Sales to discontinued operations are included in revenue.
2. Segment reporting of 2011 has been slightly adjusted between the quarters for comparison purposes.

Operational developments

The revenue in the first quarter amounted to EUR 1,128.2 million, an increase of 11.3% compared to Q1 2011. Volumes accounted for 6.8%, while the price effects were 2.2%. The contribution of acquisitions was 1.0% and related to the acquisition of the fish and shrimp feed business in China. The exchange rate effect was 1.3%.

Premix and Feed Specialties

The revenue in Premix and Feed Specialties increased by 9.3% to EUR 302.3 million (Q1 2011: EUR 276.5 million). The volumes in Premix and Feed Specialties were 2.0% higher. The sales prices were on average 6.9% higher and the foreign currency effect was 0.4%. The operating results in the first quarter were higher compared to the moderate first quarter in 2011. On April 3 Nutreco announced the acquisition of Bellman Nutrição Animal, a Brazilian supplier and producer of feed specialties for ruminants. Bellman operates in 18 states with a strong market position in the midwest of Brazil. In addition to the existing production facility in Mirassol, northwest São Paulo state, a second plant will become operational in 2012 in Mato Grosso. The company has excellent brands built on a science-based market approach. Bellman employs 165 people and in 2011 revenues amounted to EUR 37 million.

Fish Feed

The revenue in Fish Feed was 27.6% higher than in the first quarter of 2011 at EUR 335.3 million. There was a volume increase of 26.0% mostly due to strong demand for salmon feed in Norway and Chile. The volume increase in feed for salmonids was 32.6% and for non-salmonids 5.0%. The contribution of the acquisition of the Shihai fish and shrimp feed business in China was 3.7%. The price effect was -5.3% and the foreign exchange impact 3.2%. The operating result in Q1 was up from the same quarter of 2011.

Animal Nutrition Canada

The revenue in Q1 2012 of Animal Nutrition Canada was EUR 119.7 million compared to EUR 107.7 million in Q1 2011, an increase of 11.1%. The increase was mainly caused by 9.4% higher prices, due to higher raw material prices, and partly offset by 1.1% lower volumes. The foreign exchange impact was 2.8%. The operational result was higher than in the same period last year.

Compound Feed Europe

The revenue of Compound Feed Europe decreased by EUR 10.7 million to EUR 141.3 million compared to Q1 2011 (-7.0%). Lower raw materials costs had a price effect of -3.8%. Volumes decreased by 3.2% compared to the same period in 2011. The operational result in Q1 was higher than the same quarter last year benefiting from the restructuring undertaken following the

acquisition of the compound feed activities of Cargill in Spain and Portugal. The divestment of Hendrix to ForFarmers was completed by the end of the first quarter.

Meat and Other

Revenue from Meat and Other was 6.7% higher at EUR 229.6 million, related to 0.5% increased volumes and 6.1% higher prices. The foreign exchange impact was 0.2%. The result in Q1 is above that of Q1 2011 due to higher prices and lower production costs.

Outlook first half year 2012

The following developments are expected for the first half of 2012:

- Premix and Feed Specialties: operational result of the first half year slightly above the result of first half 2011, which was EUR 34.7 million;
- Fish Feed: a significantly higher operational result for the first half of 2012 than the EUR 35.4 million recorded in the first half of 2011;
- Animal Nutrition Canada: operational result slightly above the first half of last year, which was EUR 10.9 million;
- Compound Feed Europe: operational result of the first half of 2012 above that of the first half 2011, which was EUR 6.2 million; and
- Meat and Other: operational result above last year (first half year 2011: EUR 8.0 million).

Operating result first half year 2012

Based on current trading conditions, Nutreco expects the EBITA before exceptional items for the first half of 2012 to be approximately EUR 100 million (2011: EUR 83.6 million). Due to seasonality of the business, the majority of Nutreco's result is generated in the second half of the year.

Agenda 2012

- Develop higher margin portfolio of nutritional solutions
- Focus on Premix and Feed Specialties and Fish Feed
- Continue drive for operational excellence in mature markets
- Grow in geographies Brazil, Russia, China and Southeast Asia
- Start implementing the actions from Sustainability Vision 2020

Calendar 2012:

11-13 June: AquaVision 2012 Stavanger, Norway
26 July: Publication of half year results
18 October: Trading update third quarter

Ambition 2016

Nutreco's 'Ambition 2016 - driving sustainable growth' is to grow and improve profitability by providing innovative and sustainable nutritional solutions for its customers. This will be realised by focusing on a higher margin portfolio of nutritional solutions such as premixes, feed specialties and fish feed, and by expanding into the growth geographies of Latin America, Russia, China and Southeast Asia, which will see the largest increases in both production and consumption of animal protein food products.

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Nutreco

Nutreco is a global leader in animal nutrition and fish feed. Our advanced feed solutions are at the origin of food for millions of consumers worldwide. Quality, innovation and sustainability are guiding principles, embedded in the Nutreco culture from research and raw material procurement to products and services for agriculture and aquaculture. Experience across 100 years brings Nutreco a rich heritage of knowledge and experience for building its future. Nutreco employs approximately 10,000 people in 30 countries, with sales in 80 countries. Nutreco is listed on the NYSE Euronext stock exchange in Amsterdam and with annual revenues of EUR 4.7 billion in 2011.

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Cautionary note regarding forward-looking statements

This announcement contains forward-looking statements. Forward-looking statements are statements that are not based on historical fact, including statements about our beliefs and expectations. Any statement in this announcement that expresses or implies our intentions, beliefs, expectations or predictions (and the assumptions underlying them) is a forward-looking statement. Such statements are based on plans, estimates and projections as currently available to the management of Nutreco. Forward-looking statements therefore speak only as of the date they are made and we assume no obligation to publicly update any of them in the light of new information or future events.

Forward-looking statements involve inherent risks and uncertainties. A number of significant factors could therefore cause actual future results to differ materially from those expressed or implied in any forward-looking statement. Such factors include but are not limited to conditions on the markets in Europe, the United States and elsewhere from which we derive a substantial portion of our revenue, potential defaults on the part of borrowers or trading counterparties, the implementation of our restructuring programme including the envisaged reduction in headcount and the reliability of our risk management policies, procedures and methods. For more information on these and other factors, please refer to our annual report. The forward-looking statements contained in this announcement are made as of the date hereof and the companies assume no obligation to update any forward-looking statement contained in this announcement.

Attachment:

Following the sale of Hendrix, Hendrix is reported as discontinued operations in 2011. The half-year results 2011 are adjusted accordingly and provided as attachment. The segment reporting has been slightly adjusted between the quarters for comparison purposes and is also enclosed.

Consolidated statement of comprehensive income

(EUR x million)	H1 2011 total	H1 2011 continued
Revenue	2,573.4	2,124.5
Raw materials and consumables used	-2,093.9	-1,692.3
Change in fair value of biological assets	-0.1	0.1
Changes in inventories of finished goods and work in progress	17.5	17.7
Gross margin	496.9	450.0
Other operating income	6.0	1.1
Personnel cost	-247.1	-223.5
Depreciation and amortisation expenses	-34.9	-32.5
Impairment of long-lived assets	2.1	0.3
Other operating expenses	-150.3	-127.2
Operating result from continuing operations	72.7	68.2
Financial income	2.1	3.6
Financial expenses	-15.2	-15.2
Foreign exchange result	-	-
Net financing costs	-13.1	-11.6
Share in result of associates and other investments	1.5	1.5
Result before tax from continuing operations	61.1	58.1
Income tax expense	-16.2	-15.4
Result after tax from continuing operations	44.9	42.7
Result after tax from discontinued operations	-	2.2
Gain on sale of discontinued operations, net of tax	-	-
Result after tax from discontinued operations	-	2.2
Total result for the period	44.9	44.9
Other comprehensive income		
Currency translation differences:		
Net foreign exchange differences on foreign operations	-38.0	-38.0
Net foreign exchange differences on net investment hedges	24.2	24.2
Net loss on revaluation related to inflation accounting	-0.2	-0.2
Cash flow hedges:		
Effective portion of changes in fair value of cash flow hedges related to interest rate derivatives	2.1	2.1
Net change in fair value of cash flow hedges related to interest rate derivatives reclassified to profit or loss	-0.3	-0.3
Net change in cash flow hedges of foreign exchange transactions	0.4	0.4
Net change in cash flow hedges of commodity derivatives	0.1	0.1
Income tax on other comprehensive income	-0.9	-0.9
Other comprehensive income for the period, net of tax	-12.6	-12.6
Total comprehensive income for the period	32.3	32.3

Condensed operating segment reporting

Revenue per quarter

(EUR x million)	Q1		Q2	
	2011 continued	2011 restated	2011 continued	2011 restated
Revenue				
Premix and Feed Specialties	276.2	276.5	275.7	273.9
Fish Feed	261.8	262.8	346.2	348.1
Animal Nutrition Canada	107.7	107.7	112.3	112.3
Compound Feed Europe	153.2	152.0	146.2	146.0
Meat and Other	215.1	215.0	230.1	230.2
Total revenue	1,014.0	1,014.0	1,110.5	1,110.5

(EUR x million)	Q3		Q4	
	2011 continued	2011 restated	2011 continued	2011 restated
Revenue				
Premix and Feed Specialties	290.9	290.8	307.4	309.1
Fish Feed	514.3	518.0	479.2	472.5
Animal Nutrition Canada	116.7	116.7	123.9	123.9
Compound Feed Europe	152.9	149.3	138.2	143.2
Meat and Other	239.4	239.4	233.7	233.7
Total	1,314.2	1,314.2	1,282.4	1,282.4

(EUR x million)	H1		H2	
	2011 continued	2011 restated	2011 continued	2011 restated
Revenue				
Premix and Feed Specialties	551.9	550.4	598.3	599.9
Fish Feed	608.0	610.9	993.5	990.5
Animal Nutrition Canada	220.0	220.0	240.6	240.6
Compound Feed Europe	299.4	298.0	291.1	292.5
Meat and Other	445.2	445.2	473.1	473.1
Total revenue	2,124.5	2,124.5	2,596.6	2,596.6