Royal Reesink N.V.

(a public company with limited liability (naamloze vennootschap) incorporated under the laws of the Netherlands, with its corporate seat in Apeldoorn, the Netherlands)

LISTING PROSPECTUS

Made available to the public in connection with the admission of 1,323,558 depository receipts issued over ordinary shares, currently admitted to trading on the Alternext market of Euronext Amsterdam N.V., on the Euronext market of Euronext Amsterdam N.V.

Royal Reesink N.V. (the "**Company**") shall apply for admission to listing and trading in the Netherlands on Euronext Amsterdam, the regulated market of Euronext Amsterdam N.V. ("**Euronext Amsterdam"**), for all of her existing depository receipts issued over ordinary shares **(**the **"DRs")** with a nominal value of €0.04 per ordinary share (the "**Listing**"). It is expected that the Listing will become effective and that dealings in the DRs on Euronext Amsterdam will commence on 9 March 2016 (the "**Listing Date**") under the symbol "ROYRE" on Euronext Amsterdam, with International Securities Identification Number ("**ISIN**") code NL0000379303. The DRs shall be quoted in euro.

Until the Listing the DRs are listed on Alternext Amsterdam under the symbol "ALRRE".

Trades in the DRs on Euronext Amsterdam shall settle via the facilities of the Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V. ("**Euroclear Nederland**").

This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any of the DRs or any other securities issued by the Company.

The distribution of this document in certain jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves of and observe any restrictions. Potential investors in the DRs should carefully read "Selling and Transfer Restrictions". The DRs have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**US Securities Act**") or with any securities regulatory authority of any state of the United States for offer or sale as part of their Listing and may not be offered or sold within the United States except in certain transactions exempt from the registration requirements of the US Securities Act.

INVESTING IN THE DRs INVOLVES RISKS. SEE "RISK FACTORS" BEGINNING ON PAGE 29 OF THIS PROSPECTUS FOR A DESCRIPTION OF THE MATERIAL RISKS THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE DRs.

This document constitutes a prospectus for the purposes of article 3 of Directive 2003/71/EC of the European Parliament and of the Council, and amendments thereto (the "**Prospectus Directive**"), and has been prepared in accordance with section 5:9 of the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*; the "**FMSA**") and the rules promulgated thereunder (the "**Prospectus**"). This Prospectus has been approved by and filed with the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten,* the "**AFM**").

Listing Agent

SNS Securities N.V.

Prospectus dated 1 March 2016

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SAMENVATTING

*Dit hoofdstuk bevat een Nederlandse vertaling van de Engelstalige samenvatting van dit prospectus gedateerd 1 maart 2016 (het "**Prospectus**"). In geval van mogelijke discrepantie in uitleg van begrippen prevaleert de Engelstalige samenvatting van dit Prospectus.*

<table>
<tr><td colspan="3">Samenvattingen van prospectussen worden opgesteld op basis van informatievereisten uit bijlage XXII van de Prospectusverordening, zoals gewijzigd, die 'Elementen' worden genoemd. Deze Elementen zijn genummerd in afdelingen A – E (A.1 – E.7).

Deze samenvatting bevat alle Elementen die in een samenvatting van een prospectus voor dit type effecten en uitgevende instelling dienen te worden opgenomen. Omdat sommige Elementen niet verplicht zijn, is het mogelijk dat de nummering van de Elementen niet volledig is.

Ondanks dat een Element verplicht opgenomen dient te worden in de samenvatting gelet op het type effecten en de uitgevende instelling, is het mogelijk dat er geen relevante informatie kan worden gegeven met betrekking tot het Element. in dat geval is er een korte beschrijving van het Element opgenomen in de samenvatting met vermelding 'niet van toepassing'.</td></tr>
<tr><td colspan="3">Afdeling A – Inleiding en waarschuwingen</td></tr>
<tr><td>A.1</td><td>Inleiding en waarschuwingen</td><td>Deze samenvatting moet worden gelezen als een inleiding op het Prospectus betreffende de notering van gewone aandelen met een nominale waarde van €0,04 elk (de "Gewone Aandelen") in de vorm van certificaten van aandelen (de "Certificaten") aan Euronext in Amsterdam. Elke beslissing om in Certificaten te beleggen moet gebaseerd zijn op bestudering van dit gehele Prospectus door de belegger. Wanneer een vordering met betrekking tot de informatie in dit Prospectus bij een rechterlijke instantie aanhangig wordt gemaakt, kan de belegger als eisende partij volgens de nationale wetgeving van de lidstaten eventueel gehouden zijn de kosten voor de vertaling van dit Prospectus te dragen voordat de rechtsvordering wordt ingesteld. Wettelijk aansprakelijk zijn uitsluitend de personen die de samenvatting hebben ingediend, waaronder begrepen een vertaling daarvan, indien de samenvatting, wanneer deze wordt gelezen in samenhang met de andere delen van dit Prospectus, misleidend, onjuist of inconsistent is, of indien zij, wanneer gelezen in samenhang met de andere delen van dit Prospectus, niet de kerninformatie bevat die de belegger nodig heeft bij zijn beleggingsbeslissing om al dan niet te investeren in de Certificaten.</td></tr>
<tr><td>A.2</td><td>Toestemming van de Vennootschap voor het gebruik van het Prospectus voor de doorverkoop of definitieve plaatsing van effecten bij financiële tussenpersonen</td><td>Niet van toepassing.</td></tr>
<tr><td colspan="3">Afdeling B – Uitgevende instelling en eventuele garant</td></tr>
<tr><td>B.31-B.1</td><td>Statutaire en handelsnaam van de Vennootschap</td><td>Royal Reesink N.V. (de "Vennootschap").</td></tr>
<tr><td>B.31-B.2</td><td>Vestigingsplaats, rechtsvorm, toepasselijk recht en land van oprichting</td><td>De Vennootschap is een naamloze vennootschap opgericht naar Nederlands recht en met vestigingsplaats in Nederland. De Vennootschap heeft haar statutaire zetel in Apeldoorn, Nederland.</td></tr>
<tr><td>B.31-B.3</td><td>Kerngegevens betreffende de aard van de bedrijfsvoering van de Groep en haar belangrijkste activiteiten</td><td>De Vennootschap en haar groepsmaatschappijen (zijnde rechtspersonen als bedoeld in artikel 24b, Boek 2 van het Burgerlijk Wetboek ("Groepsmaatschappijen") en samen met de Vennootschap, de "Groep") beschouwen zichzelf binnen het equipment segment als toonaangevende distributeurs van machines van vooraanstaande merken en van sterke concepten in Nederland, België, Kazachstan en delen van Duitsland en de Groep is verder actief als een machinedistributeur in Turkije. De Groep houdt zich bezig met de distributie van machines en/of de levering van concepten voor land- en tuinbouw,</td></tr>
</table>

		landschappelijk onderhoud, interne logistiek en transport (*material handling*), weg- en waterbouw, waaronder grondverzet, en engineering. Daarnaast distribueert de Groep in mindere mate schoonmaakmachines. De Groep levert machines geproduceerd door machineproducenten (*original equipment manufacturers*), andere producten en diensten aan eindgebruikers rechtstreeks, via onafhankelijke dealers of via dealers waarin de Groep een aandelenbelang houdt. Gebaseerd op de omzet van de Groep over het eerste half jaar van 2015 (niet gecontroleerd door een accountant), vertegenwoordigden de distributie van machines van Amazonen-Werke H. Dreyer GmbH & Co. KG en de aan haar gelieerde vennootschappen, Atlas Maschinen GmbH en de aan haar gelieerde vennootschappen, CLAAS Kommanditgesellschaft auf Aktien MbH en de aan haar gelieerde vennootschappen, Horsch Maschinen GmbH en de aan haar gelieerde vennootschappen, Kobelco Construction Machinery Europe B.V. en de aan haar gelieerde vennootschappen, Kuhn S.A. en de aan haar gelieerde vennootschappen, Linde Material Handling GmbH en de aan haar gelieerde vennootschappen, MacDon Industries Limited en de aan haar gelieerde vennootschappen, Terex Global GmbH en de aan haar gelieerde vennootschappen en Toro International Company en de aan haar gelieerde vennootschappen (samen de "**Belangrijkste Machineproducenten**") een substantieel deel van de totale omzet van de Groep. De Groep bevordert *cross-selling* tussen haar verschillende divisies, aangezien de equipment divisies aanpalend zijn. De Groep ziet mogelijkheden voor autonome groei door middel van *cross-selling.* De reclame- en marketingactiviteiten van de Groep vinden plaats op internationaal, nationaal, regionaal en lokaal niveau. De Groep heeft verhuurconcepten voor machines in haar construction equipment en material handling equipment divisies en in mindere mate in haar green equipment divisie. Binnen het industries segment meent de Groep een aanzienlijk positie in te nemen als distributeur in de markt voor hydraulische componenten en systemen in Nederland, België en Duitsland, welke tevens het ontwerpen en de assemblage en productie van hydraulische oplossingen voor machines omvat. De Groep meent een minder belangrijke positie met sterke concepten te hebben binnen de Nederlandse markt voor staalproducten. De Groep meent dat zij zich met haar staalactiviteiten onderscheidt door de staalproducten die zijn distribueert te bewerken en daaraan waarde toe te voegen met als doel om een integraal onderdeel van de productieprocessen van haar eindgebruikers uit te maken. Verder distribueert de Groep persoonlijke beschermingsmiddelen in Nederland en biedt in mindere mate, per de datum van dit Prospectus voornamelijk *intercompany* binnen de Groep, andere producten en diensten op het gebied van veiligheid, variërend van *e-learning* tot veiligheidsscans, advies en veiligheidsproducten. De Groep distribueert haar hydraulische componenten en systemen, (bewerkt) staal, persoonlijke beschermingsmiddelen en haar diensten rechtstreeks aan eindgebruikers of, in het geval van de persoonlijke beschermingsmiddelen, ook via een uitgebreid netwerk van onafhankelijke technische groothandels. Naast de hierboven omschreven activiteiten verleent de Groep een volledig scala aan (*after-sales*) diensten aan haar klanten binnen alle bovengenoemde markten. De jaaromzet van de Groep over 2014 bedroeg €473 miljoen (2013: €237 miljoen, 2012 €185 miljoen) en over het eerste halfjaar van 2015 €261 miljoen (niet gecontroleerd) (eerste halfjaar van 2014: €248 miljoen (niet gecontroleerd)). De Groep is voornamelijk actief in Nederland, België, Duitsland en Kazachstan. Sinds eind juni 2015 heeft de Groep zich begeven in activiteiten in Turkije. In 2014 werd circa €249 miljoen, ofwel 53% van de omzet van de Groep in Nederland gegenereerd (2013 €164 miljoen respectievelijk 69%; 2012: €141 miljoen respectievelijk 76%), €98 miljoen, ofwel 21% in België (2013: €51 miljoen respectievelijk 22%; 2012: €36 miljoen respectievelijk 19%), €80 miljoen, ofwel 17% in Duitsland (2013: €19 miljoen respectievelijk 8%; 2012: €8 miljoen respectievelijk 4%) en €40 miljoen, ofwel 8% in Kazachstan (2013 en 2012 niet van toepassing).

		De bedrijfsactiviteiten van de Groep zijn onderverdeeld in twee functionele segmenten:
		
		• *Reesink Equipment* – In dit segment treden de desbetreffende groepsdistributeurs op als distributeur van machines voor de land- en tuinbouw, landschappelijk onderhoud, interne logistiek en transport, weg- en waterbouw inclusief grondverzet en engineering. In mindere mate distribueren zij ook schoonmaakmachines. Binnen dit segment is de Groep tevens actief als leverancier van hardware, firmware en software voor GPS-technologie en precisielandbouw en daaraan gerelateerde diensten. De Groep betrekt nieuwe machines van machineproducenten. Wanneer de Groep zonder dealers opereert, betrekt zij gewoonlijk gebruikte machines van haar eindgebruikers en soms van derden. De Groep betrekt ook gebruikte machines in het kader van inruil van leasemachines. De producten en diensten van de Groep worden voornamelijk geleverd aan agrariërs, loonwerkers, aannemers in landschappelijk onderhoud, groenvoorzieningsbedrijven, golfbanen, gemeentes, overheden, waterschappen, bosbeheerders en logistieke bedrijven actief in de *food, non-food,* industrie en overslag (havens) en aan een breed scala aan bedrijven welke een bepaalde vorm van opslag of andere logistieke faciliteiten exploiteren. De Groep richt zich vrijwel uitsluitend op de distributie van vooraanstaande merken en sterke concepten. Op basis van de jaaromzet van de Groep over 2014 werd circa €422 miljoen, ofwel 89% van de omzet van de Groep gegenereerd in het Reesink Equipment segment (2013: €198 miljoen respectievelijk 84%; 2012: €137 miljoen respectievelijk 74%) en over de eerste helft van 2015 €235 miljoen, ofwel 90% (niet gecontroleerd) (eerste helft van 2014: €221 miljoen respectievelijk 89% (niet gecontroleerd)). Reesink Equipment bestaat uit drie verschillende divisies:
		
		  • *Reesink Green Equipment*: Kamps de Wild B.V., Reesink Technische Handel B.V., Stierman De Leeuw B.V., Packo N.V., Jean Heybroek B.V., CT Agro GmbH, CT Agro TOO, Kuhn Center Turkey Tarim Makinalari A.Ş., Agrometius B.V. en Agrometius BVBA zijn distributeurs en Bruggeman Mechanisatie B.V. en Landtech Zuid B.V. zijn dealers van machines voor de land- en tuinbouw en landschappelijk onderhoud. Jean Heybroek B.V. heeft daarnaast een klein aandeel in de markt van schoonmaakmachines. Reesink Green Equipment voert merken als Claas, Toro, Kuhn, Amazone, Kaweco, Rauch en Trimble.
		
		  • *Reesink Construction Equipment*: Ben Kemp Holding B.V. en haar dochtermaatschappijen Barend Kemp B.V., Kemp BVBA en Huur & Stuur B.V., en Hans van Driel B.V. zijn distributeurs van machines voor grondverzet en overslag en van industriële- en spoorwegmachines. De Reesink Construction Equipment divisie heeft het verhuurconcept "Huur & Stuur" waarmee klanten voor korte tijd machines kunnen huren. Reesink Construction Equipment voert merken als Atlas, Terex, Kobelco, IHI en Bergmann. Daarnaast distribueert de Reesink Construction Equipment divisie producten voor ondergrondse infrastructuren van het merk Ditch Witch vanuit de locaties in De Meern (Nederland) en Hamme (België).
		
		  • *Reesink Material Handling Equipment*: Deze divisie richt zich op het *installed base model* (dat wil zeggen machines waarvoor de Groep naast het distribueren ook diensten kan verlenen en onderdelen kan verstrekken). Motrac Intern Transport B.V., Motrac Handling & Cleaning N.V./S.A., en Pelzer Fördertechnik GmbH zijn distributeurs van machines voor interne logistiek en transport. De vraag naar en daarmee de handel in gebruikte machines in deze sector neigt meer en meer van belang te worden. Om die reden opende Motrac Intern Transport B.V. in de herfst van 2015 een '*Used Equipment Center'* in Apeldoorn, Nederland. De focus sectoren van Reesink Material Handling Equipment zijn distributiecentra voor *food* en *non-food*, logistieke bedrijven, de chemische industrie, koelhuizen, de voedselindustrie en afvalverwerking & recycling. Motrac Handling & Cleaning N.V./S.A. en Pelzer Fördertechnik GmbH zijn eveneens (opportunistisch) distributeurs van schoonmaakmachines. De Reesink Material Handling Equipment divisie voert merken als Linde en Tennant.
		
		• *Reesink Industries* – Binnen het Reesink Industries segment is de Groep actief op het gebied van (de engineering van) hydraulische componenten en systemen via Motrac Hydrauliek B.V. en Motrac Hydraulik GmbH. Reesink Staal B.V. en Safety Centre International B.V. zijn leveranciers van fabricaten van (bewerkt) staal,

		respectievelijk distributeur van persoonlijke beschermingsmiddelen voor de bouwsector, machineproducenten, producenten van systemen, technische groothandels en de agrarische sector. De Groep richt zich voornamelijk op het distribueren van vooraanstaande merken van hydraulische componenten en systemen en van persoonlijke beschermingsmiddelen en op sterke concepten in de staalsector. In 2015 startte de Groep een uitbreiding van de activiteiten op het gebied van veiligheid, waarmee een brede range van diensten en producten wordt aangeboden variërend van *e-learning* tot veiligheidsscans, advisering en veiligheidsproducten. Die activiteiten worden uitgevoerd door Reesink Safety Centre B.V. Op basis van de jaaromzet van de Groep over 2014 werd circa €51 miljoen, ofwel 11% van de omzet van de Groep gegenereerd in het Reesink Industries segment (2013: €38 miljoen respectievelijk 16%; 2012: €47 miljoen respectievelijk 26%) en over de eerste helft van 2015 €26 miljoen, ofwel 10% (niet gecontroleerd) (eerste helft van 2014: €27 miljoen respectievelijk 11% (niet gecontroleerd)). De Vennootschap treedt op als houdstermaatschappij en richt zich op het management van de Groep. De basis groepsstrategie wordt bepaald door de vennootschapsdirectie. De werkmaatschappijen van de Groep zijn grotendeels verantwoordelijk voor de ontwikkeling en de implementatie van hun eigen afgeleide strategie, waarbij zij worden gestimuleerd en ondersteund door de Vennootschap. De werkmaatschappijen worden wat betreft hun activiteiten aangestuurd onafhankelijk van de Groep, wat inhoudt dat de respectievelijke divisiedirecteur en/of lokaal management verantwoordelijk zijn voor de dagelijkse gang van zaken. De Vennootschap is een beursgenoteerd bedrijf, genoteerd aan Alternext Amsterdam. De Vennootschap had bij het sluiten van de beurs op 29 januari 2016 een beurswaarde van circa €107 miljoen (bron: https://www.euronext.com). Indien de aanvraag voor de notering wordt goedgekeurd zal de Vennootschap naar verwachting genoteerd worden aan Euronext in Amsterdam per 9 maart 2016. Het symbool van de Vennootschap zal dan “ROYRE” zijn. De Groep meent dat zij over de volgende sterke punten beschikt die, direct of indirect, haar klanten tot een betere prestatie in staat stellen: • de Groep is oplossingsgericht; • de Groep heeft ervaring met haar producten en markten en is een kennisorganisatie; • de Groep biedt een breed scala aan producten van bekende merken met groeipotentieel; • de Groep is in staat tot innovatie en is een marktpionier met betrekking tot dealerparticipatie en het investeren in aanpalende markten; • de Groep heeft een efficiënt onderdelendistributiesysteem (dat wil zeggen zij distribueert haar onderdelen binnen een paar uur en in elk geval binnen 24 uur) en levert efficiënte *after-sales* diensten • de Groep treedt op als *system integrator* (engineering) en *co-maker* (het aanbieden van bewerkingen en halffabricaten) • de Groep heeft goede relaties met principalen, financieringsinstellingen, houders van Certificaten, aandeelhouders en overige belanghebbenden; en • de Groep heeft een gezonde solvabiliteit (aansprakelijk vermogen, zijnde groepsvermogen plus achtergestelde (converteerbare) leningen, als % van het balanstotaal).
B.31-B.4	Belangrijkste tendensen die een impact hebben op de Group en de sectoren waarin zij werkzaam is	Machines voor de agrarische sector • Afname van het aantal, maar groei in de omvang van agrarische bedrijven; • Grotere en meer complexe machines; • Subsidies en investeringsmogelijkheden; • Groeiende vraag naar ‘*one-stop-shopping*’; • Voorkeuren van eindgebruikers; • Toenemende vraag van machineproducenten en eindgebruikers naar dekkingsgraad en dienstenniveaus; • Groeiende vraag naar financieringsmogelijkheden en mogelijkheden tot het huren van machines; • Wijzigingen in regelgeving en initiatieven van intergouvernementele organisaties; en • Opkomst van precisielandbouw. Machines voor gazononderhoud en landschappelijk onderhoud • Wijzigingen in regelgeving en overheidssubsidies;

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<tr><td></td><td></td><td>

- Groei in aantal maar terugloop in het gebruik van golfbanen; en
- Afname van het aantal maar groei in omvang van klanten die gespecialiseerd zijn in het onderhoud van golfbanen.

Machines voor grondverzet

- Toenemend belang van ‘groene technologie’; en
- Meer mogelijkheden om machines te huren.

Machines voor interne logistiek en transport

- Wereldwijde vraag naar interne logistiek en transport neemt toe;
- Europese vraag komt voornamelijk voort uit vervangingen;
- Toenemende vraag naar gebruikte machines;
- Voortdurende wijzigingen binnen verschillende *handling* segmenten;
- Toename van geautomatiseerde oplossingen; en
- Toenemende globalisering en technische vooruitgang.

Hydrauliek

- Klanten vragen complete oplossingen;
- Strenge wetgeving; en
- Concentratie van de markt vindt plaats.

Staal

- Afhankelijkheid van de bouwsector; en
- Problemen met financiering van onroerend goed is van invloed op de bouwsector.

Persoonlijke beschermingsmiddelen

- Meer wetgeving op het gebied van persoonlijke bescherming maar ook minder personeel maakt gebruik van persoonlijke beschermingsmiddelen en veiligheids-kleding.
</td></tr>
<tr><td>B.31-B.5</td><td>Omschrijving van de Groep en de positie van de Vennootschap daarin</td><td>De Vennootschap is een houdstermaatschappij zonder een rechtstreekse materiële eigen bedrijfsvoering. De belangrijkste activa van de Vennootschap zijn de kapitaalbelangen die zij direct of indirect houdt in haar Groepsmaatschappijen.</td></tr>
<tr><td>B.31-B.6</td><td>Personen die moeten melden dat zij een direct of indirect belang in het kapitaal van de Vennootschap hebben danwel bepaalde stemrechten</td><td>Krachtens de statuten van de Vennootschap, zoals van tijd tot tijd gewijzigd, (de “Statuten”), moeten aandeelhouders en houders van Certificaten met een substantiële deelneming (dat wil zeggen het houden van ten minste 3% van het kapitaal of stemrechten zoals omschreven in de Nederlandse Wet op het Financieel Toezicht) de Vennootschap daarvan in kennis stellen door middel van een formulier dat op de website van de Vennootschap beschikbaar wordt gesteld. De onderstaande tabel bevat een overzicht van de aandeelhouders en houders van Certificaten met een substantiële deelneming in de Vennootschap, zoals aan de Vennootschap doorgegeven in september 2015.
<table>
<tr><th>Aandeelhouder of houder van Certificaten</th><th>Percentage aandelen</th><th>Percentage Certificaten</th></tr>
<tr><td>Project Holland Deelnemingen B.V.</td><td></td><td>16,67%</td></tr>
<tr><td>Delta Lloyd Deelnemingenfonds N.V.</td><td></td><td>12,37%</td></tr>
<tr><td>Todlin N.V.</td><td></td><td>11,33%</td></tr>
<tr><td>Pon Holdings B.V.</td><td></td><td>10,90%</td></tr>
<tr><td>Decico B.V.</td><td></td><td>6,66%</td></tr>
<tr><td>Bibiana Beheer B.V.[1)]</td><td></td><td>6,36%</td></tr>
<tr><td>Navitas B.V.</td><td></td><td>6,15%</td></tr>
<tr><td>Stichting Administratiekantoor van Aandelen Reesink</td><td>95,73%</td><td></td></tr>
</table>
1) De heer F.L.H. van Delft, lid van de raad van commissarissen van de Vennootschap (de “Raad van Commissarissen”), is houder van dit belang in Certificaten via Bibiana Beheer B.V. Ten tijde van de benoeming van de heer Van Delft tot lid van de Raad van Commissarissen, zijn de Vennootschap en de heer Van Delft overeengekomen dat hij tot 12 maanden na zijn aftreden als lid van de Raad van Commissarissen het via Bibiana Beheer B.V. gehouden belang niet zal verkopen. De heer Van Delft blijft indirect houder van dit pakket Certificaten totdat voornoemde periode van 12 maanden is verstreken.

Pon Holdings B.V. kan een aanvullend potentieel belang verkrijgen via haar dochteronderneming Pon Onroerend Goed Leusden B.V. van 12,24% (gebaseerd op een volledig verwaterd aantal Certificaten en onderhevig aan een aanpassing van de conversieprijs).</td></tr>
<tr><td></td><td>Afwijkende stemrechten van aandeelhouders</td><td>Er zijn geen belangrijke aandeelhouders met afwijkende stemrechten.</td></tr>
<tr><td></td><td>Directe en</td><td>Stichting Administratiekantoor van Aandelen Reesink (“STAAR”) heeft een substantiële</td></tr>
</table>

	indirecte eigendom van of zeggenschap over de Vennootschap en de aard van die zeggenschap	deelneming in de Vennootschap, maar STAAR is onderworpen aan een specifieke doelomschrijving in haar statuten en regels met betrekking tot stemrechten. Om die reden meent de Vennootschap dat zij niet direct of indirect in eigendom is van, of dat er overheersende zeggenschap over de Vennootschap bestaat bij, een andere onderneming of een buitenlandse overheid. Op 8 februari 2016 hebben de Vennootschap en River Acquisition B.V., een vennootschap die wordt gehouden door een consortium dat onder leiding staat van Gilde Buy Out Partners, Navitas B.V. en Todlin N.V. (de "**Bieder**"), gezamenlijk bekend gemaakt dat zij voorwaardelijke overeenstemming hebben bereikt, over een aanbevolen openbaar bod in contanten op alle Certificaten en alle Gewone Aandelen die niet op naam van STAAR zijn geregistreerd (de "**Geregistreerde Aandelen**") (de "**Fusieovereenkomst**") met een biedprijs van €101 (cum dividend) in contanten per Certificaat of Geregistreerd Aandeel (de "**Biedprijs**"), onder voorbehoud van de gebruikelijke voorwaarden (het "**Openbaar Bod**") (de "**Gezamenlijke Aankondiging**"). De Biedprijs vertegenwoordigt een premie van 29,4% ten opzichte van de slotkoers van €78,05 voor de Certificaten, die zijn genoteerd aan Alternext Amsterdam, op 5 februari 2016. Het Openbaar Bod waardeert 100% van het geplaatste en uitstaande aandelenkapitaal van de Vennootschap op circa €139,6 miljoen. Grote houders van Certificaten Decico B.V., Delta Lloyd Deelnemingen Fonds N.V., Pon Holdings B.V. en Project Holland Deelnemingen B.V. hebben, onder gebruikelijke voorwaarden, onherroepelijk toegezegd het Openbaar Bod te accepteren en te zullen stemmen voor bepaalde aandeelhoudersbesluiten die betrekking hebben op het Openbaar Bod. De heer F.L.H. van Delft, lid van de Raad van Commissarissen en een groot-certificaathouder via Bibiana Beheer B.V., is een soortgelijke onherroepelijke verbintenis aangegaan. Een aantal managers, met inbegrip van de heer G. van der Scheer (CEO) en de heer G.T.M. Linnenbank (CFO), heeft eveneens soortgelijke onherroepelijke toezeggingen gedaan met betrekking tot door hen gehouden Certificaten, onder voorbehoud dat de Directie en de Raad van Commissarissen niet hun aanbeveling van het Openbaar Bod herroepen, in overeenstemming met de bepalingen in de Fusieovereenkomst. De onherroepelijke toezeggingen van de grote houders van Certificaten en het management vertegenwoordigen tezamen circa 55,9% van het geplaatste en uitstaande aandelenkapitaal van de Vennootschap, voor alle duidelijkheid: exclusief Certificaten en Geregistreerde Aandelen gehouden door de Vennootschap en haar dochterondernemingen. Met inbegrip van de Certificaten die worden gehouden door Navitas B.V. en Todlin N.V., is 73,3% van het geplaatste en uitstaande aandelenkapitaal, voor alle duidelijkheid: exclusief Certificaten en Geregistreerde Aandelen gehouden door de Vennootschap en haar dochterondernemingen, gecommitteerd aan het Openbaar Bod. Dit betekent dat onmiddellijk na de afwikkeling van het Openbaar Bod, welke afwikkeling niet later zal plaatsvinden dan op de vijfde werkdag na de sluitingsdatum, zijnde de dag dat het Openbaar Bod niet meer voor acceptatie open staat (de "**Sluitingsdatum**"), indien en wanneer de Bieder verklaart het Openbaar Bod onvoorwaardelijk gestand te doen ("**Afwikkeling van het Openbaar Bod**"), als aan de voorwaarden daarvoor is voldaan, de Bieder 73,3% tot 100% van het uitstaande en geplaatste kapitaal zal houden, voor alle duidelijkheid: exclusief Certificaten en Geregistreerde Aandelen gehouden door de Vennootschap en haar dochterondernemingen. De Vennootschap is er door de Bieder van op de hoogte gebracht dat de CEO gesprekken met de Bieder heeft gevoerd over een participatie in de Bieder door de CEO na Afwikkeling van het Openbaar Bod en dat de Bieder ook andere leden van het management van de Vennootschap heeft uitgenodigd om te participeren in de Bieder na Afwikkeling van het Openbaar Bod.

B.31-B.7	Geselecteerde historische financiële kerngegevens

Geconsolideerde winst- en verliesrekening *(x €1,0 miljoen)*

	1e Halfjaar 2015 niet gecontroleerd	1e Halfjaar 2014 niet gecontroleerd	2014 gecontroleerd	2013 gecontroleerd	2012 gecontroleerd
Netto omzet	261,4	248,5	473,2	236,6	185,2
Bruto bedrijfsopbrengsten	41,2	36,8	72,3	33,5	22,6
Als % van de netto omzet	15,8%	14,8%	15,3%	14,2%	12,2%
Netto bedrijfsopbrengsten	12,3	9,2	16,0	7,2	4,4
Bedrijfsresultaat excl. afschrijving (EBITDA)[1)] excl. bijzondere posten	18,5	15,7	28,0	14,9	9,2
Bedrijfsresultaat (EBIT)[2)]	13,0	10,0	17,5	10,4	6,7
Resultaat uit gewone bedrijfsvoering vóór belastingen	11,4	8,4	12,7	6,5	0,2
Netto resultaat	8,1	6,0	8,9	4,5	-4,3
Netto inkomen per Gewoon Aandeel:					
Basis *(in €)*	6,51	4,81	7,10	4,85	-6,22
Volledig verwaterd *(in €)*	6,51	4,81	7,10	4,79	-6,12

[1)] EBITDA is gedefinieerd als bedrijfswinst van de groep voor afschrijvingen op onroerend goed, gebouwen en machines en voor afschrijvingen op immateriële vaste activa. EBITDA is als financieel kengetal niet gedefinieerd onder de algemeen in Nederland geaccepteerde waarderingsgrondslagen en is niet gecontroleerd door een accountant.
2) EBIT is gedefinieerd als bedrijfsresultaat van de groep en is als financieel kengetal niet gedefinieerd onder de in Nederland algemeen geaccepteerde waarderingsgrondslagen.

Geconsolideerd kasstroomoverzicht *(x €1.0 miljoen)*

	1e Half jaar 2015 niet gecontroleerd	1e Halfjaar 2014 niet gecontroleerd	2014 gecontroleerd	2013 gecontroleerd	2012 gecontroleerd
Netto kasstroom uit bedrijfsactiviteiten	11,6	5,3	22,3	12,6	8,6
Netto kasstroom uit investeringsactiviteiten	-6,3	-15,9	-22,9	-45,3	-18,1
Netto kasstroom uit financieringsactiviteiten	-4,4	9,5	-3,2	34,5	13,8
Toename/Afname netto kaspositie	**0,9**	**-1,2**	**-3,8**	**1,8**	**4,3**
Netto kaspositie per begin van het jaar	2,7	6,5	6,5	4,6	0,3
Netto kaspositie per einde van de periode	3,6	5,3	2,7	6,5	4,6
Toename/Afname netto kaspositie	**0,9**	**-1,2**	**-3,8**	**1,8**	**4,3**

Geconsolideerde balans *(x €1.0 miljoen)*

	30-06-2015 niet gecontroleerd	30-06-2014 niet gecontroleerd	31-12-2014 gecontroleerd	31-12-2013 gecontroleerd	31-12-2012 gecontroleerd
Vaste activa	95,4	99,6	95,0	98,3	67,7
Vlottende activa	195,4	182,2	178,9	153,8	95,4
Som der activa	**290,8**	**281,8**	**273,9**	**252,1**	**163,1**

Geconsolideerde balans *(x €1.0 miljoen)*

	30-06-2015 niet gecontroleerd	30-06-2014 niet gecontroleerd	31-12-2014 gecontroleerd	31-12-2013 gecontroleerd	31-12-2012 gecontroleerd
Groepsvermogen	91,1	87,0	88,0	85,1	74,0
Achtergestelde converteerbare lening	17,8	17,8	17,8	10,3	-
Achtergestelde leningen	5,0	5,0	5,0	0,2	0,2
Voorzieningen	14,8	15,6	13,7	15,1	11,8
Langlopende verplichtingen	30,5	28,9	27,0	30,7	14,4
Kortlopende verplichtingen	131,5	127,4	122,4	110,6	62,7
Totaal vermogen en verplichtingen	**290,8**	**281,8**	**273,9**	**252,1**	**163,1**

B31-B.8	Geselecteerde pro forma financiële kerngegevens	Niet van toepassing.
B.31-B.9	Winstprognose	Niet van toepassing; de Vennootschap heeft geen winstprognose afgegeven.
B.31-B.10	Historische voorbehouden in verklaring van accountant	Niet van toepassing; er zijn geen voorbehouden gemaakt.
B.31-D4	*Zie D4 hieronder*	
B.32	Naam en zetel van de uitgevende instelling van de Certificaten	Stichting Administratiekantoor van Aandelen Reesink heeft haar statutaire zetel en is gevestigd te Apeldoorn, Nederland.
	Wetgeving en rechtsvorm van de uitgevende instelling van de Certificaten	STAAR is een naar Nederlands recht opgerichte en in Nederland gevestigde stichting.
	Afdeling C – Effecten	
C.13-C.1	Soort en klasse, ISIN-code van de Gewone Aandelen	De Gewone Aandelen zijn gewone aandelen in het kapitaal van de Vennootschap.
C.13-C.2	Valuta van de Gewone Aandelen	De Gewone Aandelen worden uitgegeven in euro's.
C.13-C.3	Aantal Gewone Aandelen en nominale waarde	Op de datum van dit Prospectus zijn in totaal 1.382.537 Gewone Aandelen uitgegeven en geplaatst met een nominale waarde van €0,04 per Gewoon Aandeel.
C.13-C.4	Rechten verbonden aan de Gewone Aandelen	**Voorkeursrechten** Houders van Gewone Aandelen hebben bij uitgifte van Gewone Aandelen een voorkeursrecht naar evenredigheid van het totale aantal door hen gehouden Gewone Aandelen. Houders van Gewone Aandelen hebben geen voorkeursrecht indien cumulatief preferente aandelen A in het aandelenkapitaal van de Vennootschap worden uitgegeven met een nominale waarde van €0,04 elk ("**Cumulatief Preferente Aandelen A**") en cumulatief preferente aandelen B in het aandelenkapitaal van de Vennootschap met een nominale waarde van €0,04 elk ("**Cumulatief Preferente Aandelen B**") (Cumulatief Preferente Aandelen A en Cumulatief Preferente Aandelen B worden samen aangeduid als de "**Preferente Aandelen**" en Gewone Aandelen en Preferente Aandelen worden samen aangeduid als de "**Aandelen**"). De algemene vergadering van aandeelhouders van de Vennootschap (de "**Algemene Vergadering**") kan besluiten de voorkeursrechten te beperken of uit te sluiten, voor welk besluit een meerderheid van ten minste twee derde van de uitgebrachte stemmen vereist is indien minder dan de helft van het geplaatste kapitaal in de Algemene Vergadering aanwezig is. Indien de helft van het geplaatste kapitaal of meer vertegenwoordigd is, kan het besluit worden genomen met een gewone meerderheid van de uitgebrachte stemmen.

		Dividend en Overige Uitkeringen De Vennootschap kan aan de aandeelhouders en andere gerechtigden tot voor uitkering vatbare winst slechts uitkeringen doen voor zover haar eigen vermogen groter is dan het bedrag van het gestorte en opgevraagde deel van het kapitaal vermeerderd met de reserves die krachtens Nederlandse wetgeving of de Statuten moeten worden aangehouden. Winstuitkeringen vinden plaats nadat de Algemene Vergadering de jaarrekening heeft goedgekeurd waaruit blijkt dat bedoelde uitkeringen zijn toegestaan. Op grond van de Statuten, kan de raad van bestuur van de Vennootschap (de "**Directie**") onder goedkeuring van de Raad van Commissarissen besluiten welk deel van de winst zal worden gereserveerd. De na reservering door de Directie resterende winst moet allereerst op de Preferente Aandelen worden uitgekeerd voordat de eventueel nog voor uitkering resterende vatbare winst wordt uitgekeerd aan de overige aandeelhouders. Als de winst uit enig financieel jaar niet voldoende is om een dividend uit te keren op de Preferente Aandelen mogen er in volgende jaren alleen uitkeringen worden gedaan als het tekort is hersteld. Er zijn geen Cumulatief Preferente Aandelen A of Cumulatief Preferente Aandelen B uitgegeven op de datum van dit Prospectus. De overblijvende winst na reservering en uitkering van dividend op de Preferente Aandelen staat ter beschikking van de Algemene Vergadering. De Algemene Vergadering kan, mits op voorstel van de Directie en na goedkeuring van dat voorstel door de Raad van Commissarissen, besluiten dat dividenduitkeringen geheel of gedeeltelijk in de vorm van Gewone Aandelen zullen plaatsvinden. De Algemene Vergadering kan, op voorstel van de Directie een tussentijdse winstuitkering doen, met inachtneming van de Nederlandse wetgeving en de Statuten. De vordering van een houder van Aandelen tot uitkering van dividend vervalt door een tijdsverloop van vijf jaren na de dag van betaalbaarstelling. **Statutenwijziging. Ontbinding en Vereffening** De Algemene Vergadering kan, op voorstel van de Directie en met goedkeuring van de Raad van Commissarissen, met een gewone meerderheid van stemmen besluiten de Statuten te wijzigen of de Vennootschap te ontbinden. Indien de Directie geen voorstel daartoe heeft gedaan, kan de Algemene Vergadering besluiten de Vennootschap te ontbinden met een twee derde meerderheid van de uitgebrachte stemmen in een Algemene Vergadering waarin ten minste drie vierde van het geplaatste aandelenkapitaal vertegenwoordigd is. Ingeval de Vennootschap wordt ontbonden, geschiedt de vereffening volgens de wettelijke bepalingen. Tijdens de vereffening blijven de bepalingen van de Statuten voor zover mogelijk volledig van kracht. Hetgeen na de voldoening der schuldeisers van het vermogen der Vennootschap is overgebleven, wordt, indien mogelijk, als volgt uitgekeerd: (i) allereerst wordt aan de gerechtigde houders van Preferente Aandelen het gestorte nominaal bedrag van hun bezit aan die aandelen of zoveel minder als het beschikbare saldo toelaat uitgekeerd; (ii) vervolgens wordt van het daarna resterende bedrag uitgekeerd aan de houders van Preferente Aandelen ter hoogte van hetgeen zij over de periode tussen de uitgifte van die Preferente Aandelen en de terugbetaling van het nominale bedrag van die Preferente Aandelen minder aan cumulatief voorkeursdividend hebben genoten dan het met die houders vóór de uitgifte overeengekomen percentage over het gestorte nominaal bedrag hunner Preferente Aandelen, of zoveel minder als het beschikbare saldo toelaat; en (iii) voor zover daarna nog een bedrag resteert zal dit bedrag worden uitgekeerd aan de houders van Gewone Aandelen, naar evenredigheid van hun nominaal bezit aan die aandelen. **Stemrechten** Elke houder van Aandelen heeft het recht de Algemene Vergadering bij te wonen, daarin het woord te voeren en zijn stem uit te brengen naar evenredigheid van zijn aandelenbezit, hetzij persoonlijk, hetzij bij volmacht, mits hij of zij voorafgaand aan de vergadering de presentielijst heeft getekend. Elke houder van Aandelen mag één stem uitbrengen per gehouden Aandeel. Besluiten van de Algemene Vergadering worden genomen met een gewone meerderheid van de uitgebrachte stemmen, tenzij de Nederlandse wet of de Statuten uitdrukkelijk en dwingend een grotere meerderheid voorschrijven. **Kapitaalvermindering** De Algemene Vergadering kan besluiten het uitstaande aandelenkapitaal van de Vennootschap te verminderen door Aandelen in te trekken of door de nominale waarde van Aandelen middels een statutenwijziging te verlagen. Op grond van Nederlands

		recht dient het besluit tot vermindering van het uitstaande aandelenkapitaal de desbetreffende Aandelen nauwkeurig aan te duiden en regels vast te stellen voor de uitvoering van het besluit. Het besluit om Aandelen in te trekken kan uitsluitend betrekking hebben op Aandelen die door de Vennootschap worden gehouden of op Aandelen waarvoor de Vennootschap Certificaten houdt. Voor een besluit tot vermindering van het uitstaande aandelenkapitaal vereist het Nederlands recht ten minste een twee derde meerderheid van de uitgebrachte stemmen in de Algemene Vergadering indien minder dan de helft van het uitgegeven aandelenkapitaal in die Algemene Vergadering vertegenwoordigd is. Voor een besluit tot vermindering van het uitgegeven aandelenkapitaal is daarnaast de voorafgaande gelijktijdige goedkeuring van elke groep aandeelhouders van dezelfde soort waarvan de rechten worden aangetast, vereist.
C.13-C.5	Beperking van de overdraagbaarheid van de Gewone Aandelen	Er zijn geen beperkingen op de vrije overdraagbaarheid van de Gewone Aandelen op basis van de Statuten. Voor de overdracht van Gewone Aandelen of van een beperkt recht daarop is een daartoe opgestelde akte van levering vereist.
C.13-C.6	Notering en toelating tot de handel van de Gewone Aandelen	Niet van toepassing; de Gewone Aandelen zijn niet aan de beurs genoteerd of toegelaten tot de handel.
C.13-C.7	Dividendbeleid van de Gewone Aandelen	Rekening houdend met de groeidoelstellingen van de Vennootschap en de daarvoor benodigde financiële middelen, is het dividendbeleid van de Vennootschap dat zij in beginsel tussen 40-55% van het aan de aandeelhouders ter beschikking staande resultaat uitkeert. Deze uitkering is gebaseerd op een aansprakelijk vermogen (groepsvermogen plus achtergestelde (converteerbare) leningen) van ten minste 40% van het balanstotaal van de Groep. Onder bepaalde omstandigheden kan de Vennootschap bereid zijn een hoger percentage uit te keren. Het dividendbeleid biedt de mogelijkheid het dividend uit te keren in contanten of in de vorm van (certificaten van) gewone aandelen.
C.14-C.1	Soort en klasse, ISIN-code van de Certificaten	De Certificaten vertegenwoordigen elk een financieel belang in één door STAAR gehouden gewoon Aandeel. Indien en wanneer de aanvraag voor de notering wordt goedgekeurd zullen de Certificaten worden verhandeld op Euronext in Amsterdam. Notering zal dan plaatsvinden onder het symbool “ROYRE”. ISIN-code: NL0000379303.
C.14-C.2	Valuta van de Certificaten	De Certificaten worden uitgegeven in euro’s.
C.14-C.4	Aan de Certificaten verbonden rechten	STAAR verzamelt de netto dividenden en overige op de Gewone Aandelen betaalbare uitkeringen die zij als aandeelhouder ontvangt. Na ontvangst betaalt STAAR deze dividenden en uitkeringen zonder enige aftrek uit aan de houders van Certificaten. Ingeval een voorkeursrecht bestaat in verband met de uitgifte van nieuwe Gewone Aandelen, verleent STAAR de houders van Certificaten een gelijksoortig voorkeursrecht met betrekking tot de Certificaten.
C.14-C.5	Beperking van de overdraagbaarheid van de Certificaten	De Statuten bevatten geen beperkingen van de vrije overdraagbaarheid van Certificaten. Er kunnen echter specifieke regels of beperkingen van toepassing zijn op het aanbieden van de Certificaten aan personen die aanwezig of woonachtig zijn in, of personen die ingezetene zijn van of die gevestigd zijn in andere landen dan Nederland, en voor de levering van Certificaten naar rechtsgebieden buiten Nederland kunnen specifieke regels of beperkingen gelden.
C.14	Rechten van de aandeelhouders ten opzichte van de rechten van houders van Certificaten	Houders van Certificaten hebben dezelfde rechten als de aandeelhouders, met uitzondering van stemrechten. Het stemrecht op de Certificaten wordt uitgeoefend door STAAR tenzij aan de houders van Certificaten een volmacht is verleend. STAAR neemt zowel de belangen van de houders van Certificaten als de belangen van de Vennootschap in acht, waarbij de principes van continuïteit en identiteitsbehoud van de Vennootschap bij de stemming mede in aanmerking worden genomen. Houders van Certificaten zijn niet gerechtigd tot het geven van bindende adviezen aan STAAR met betrekking tot de uitoefening van stemrechten op de Gewone Aandelen waarvoor hun Certificaten zijn uitgegeven. Houders van Certificaten kunnen een volmacht verkrijgen die uitsluitend voor een specifieke Algemene Vergadering kan worden verleend door STAAR en welke zal vervallen bij het sluiten van die Algemene Vergadering. Na een volmacht te hebben verkregen, kunnen de houders van Certificaten het verworven stemrecht naar eigen

		inzicht uitoefenen. In een beperkt aantal gevallen kan STAAR een volmacht beperken, uitsluiten of afwijzen, welke gevallen staan vermeld in artikel 2.4 van de statuten van STAAR. Indien wordt voorgesteld de aan de Gewone Aandelen verbonden rechten te wijzigen, doet STAAR mededeling van dit voornemen daartoe, wanneer mogelijk 14 dagen voorafgaand aan de Algemene Vergadering, zonder daarbij te hoeven aangeven hoe STAAR zal stemmen. Op grond van het Nederlands recht hebben houders van Certificaten het recht de Algemene Vergadering bij te wonen en daarin het woord te voeren, de jaarrekening in te zien en kosteloos een afschrift van de jaarrekening te ontvangen. Daarnaast heeft STAAR het recht houders van Certificaten over een bepaalde kwestie te raadplegen wanneer zij dit gepast acht.
C.14	Plaatsingsgarantie voor de Aanbieding	Niet van toepassing.
		Afdeling D – Risico's
D.4-D.2	Belangrijkste risico's die kenmerkend zijn voor de Groep	• **Risico's betreffende de Onderneming en de Bedrijfsvoering van de Groep en de Sectoren waarin de Groep actief is** • De Groep is van mening dat haar succes en resultaten afhangen van de distributie van machines van vooraanstaande merken en sterke concepten. De Groep is in hoge mate afhankelijk van de producten van en haar relatie met de Belangrijke Machineproducenten. Als de producten van de Belangrijke Machineproducenten niet langer voldoen aan de eisen van de klanten van de Groep, kan dit aanzienlijke negatieve gevolgen hebben voor de onderneming, de financiële positie, de resultaten en de vooruitzichten van de Groep. • De Belangrijke Machineproducenten kunnen hun distributieovereenkomsten met de Groep opzeggen, de voorwaarden van die overeenkomsten wijzigen, of de overeenkomsten niet verlengen. Deze veranderingen kunnen aanzienlijke negatieve gevolgen hebben voor de onderneming, de financiële positie, de resultaten en de vooruitzichten van de Groep. • De industrieën waarin de Groep actief is zijn cyclisch van aard en staan derhalve onder invloed van diverse economische factoren, wat aanzienlijke negatieve gevolgen kan hebben voor de onderneming, de financiële positie en de resultaten van de Groep. • Wijzigingen in algemene economische omstandigheden of bedrijfsmatige omstandigheden kunnen aanzienlijke negatieve gevolgen hebben voor de onderneming, de financiële positie, de resultaten en de vooruitzichten van de Groep. • De aanhoudende onzekerheden, enkele jaren geleden gecreëerd door gebeurtenissen in de financiële sector, waaronder begrepen de strengere voorwaarden voor kredietverstrekking en de weerslag op de hypotheekmarkt, kunnen aanzienlijke negatieve gevolgen hebben voor de onderneming, de financiële positie, de resultaten en de vooruitzichten van de Groep. • Geopolitieke ontwikkelingen zouden aanzienlijke negatieve gevolgen kunnen hebben voor de onderneming, de financiële positie, de resultaten en de vooruitzichten van de Groep. • De relatie van elke distributeur van de Groep met de Belangrijke Machineproducenten brengt met zich dat de distributeur geen machines van concurrerende merken distribueert binnen een bepaald geografisch gebied, wat zijn weerslag kan hebben op de mogelijkheden van de Groep om organisch te groeien binnen een bepaalde regio en de bedrijfsvoering en vooruitzichten van de Groep kan beperken. • De Groep zou geen nieuwe geografische gebieden of locaties toegewezen kunnen krijgen van bestaande of nieuwe machineproducenten, wat zijn weerslag kan hebben op de groeimogelijkheden en de algemene bedrijfsvoering van de Groep. • Prijswijzigingen van grondstoffen en landbouwproducten kunnen aanzienlijke negatieve gevolgen hebben voor de onderneming, de financiële positie en de resultaten van de Groep. • De prestaties van de Groep zijn afhankelijk van weersomstandigheden en andere omstandigheden zoals ziektes bij dieren en gewassen en voedselveiligheids-incidenten binnen de geografische markten waarin de Groep haar onderneming uitoefent, maar ook daarbuiten. Een sterke toename in de intensiteit van weercycli en voornoemde omstandigheden kunnen aanzienlijke negatieve gevolgen hebben

		voor de onderneming, de financiële positie en de resultaten van de Groep. • Bepaalde Belangrijke Machineproducenten kunnen andere distributeurs van machines in aanpalende markten contracteren of de aan de Groep toegewezen geografische gebieden waarin zij verantwoordelijk is voor verkoop en dienstverlening verkleinen of die van concurrenten vergroten, wat in elk afzonderlijk geval aanzienlijke negatieve gevolgen kan hebben voor de onderneming, de financiële positie, de resultaten en de vooruitzichten van de Groep. • Parallelinvoer door derden van machines die door de Groep worden gedistribueerd kunnen een negatieve invloed hebben op de onderneming, de financiële positie en de resultaten van de Groep. • Een te klein of een te groot aanbod van machines kunnen een negatieve invloed hebben op de onderneming, de financiële positie en de resultaten van de Groep. • De reputatie van de Groep en haar relatie met klanten en de omzet kan schade ondervinden van mindere prestaties van de Groep of andere partijen in de toeleveringsketen, wat aanzienlijke negatieve gevolgen kan hebben voor de onderneming, de financiële positie en de resultaten van de Groep. • Ongunstige wijzigingen in overheidsbeleid, waaronder begrepen verlaging van subsidies van de Europese Unie of lokale subsidies in landen als Kazachstan en Turkije, en het terugschroeven van overheidsbudgetten kunnen de vraag naar machines doen afnemen en kunnen aanzienlijke negatieve gevolgen hebben voor de onderneming, de financiële positie en de resultaten van de Groep. • De Groep kan aansprakelijk zijn voor milieuschade, en eventuele aanzienlijke milieuschade veroorzaakt door of niet hersteld door de Groep, of beweerdelijk veroorzaakt of niet hersteld door de Groep kan negatieve gevolgen hebben voor de reputatie van de Groep en kan aanzienlijke negatieve gevolgen hebben voor de onderneming, de financiële positie en de resultaten van de Groep. • Het feit dat de Groep gelieerd is aan THR B.V., onder meer via de huur van Ecofactorij 20 in Apeldoorn en de verstrekte leningen, kan aanzienlijke negatieve gevolgen hebben voor de onderneming, de financiële positie en de resultaten de Groep. • De Groep is actief of kan actief zijn in verschillende regio's waar ook ter wereld, zoals in opkomende markten, die in sommige gevallen economisch, sociaal en politiek instabiel zijn, en de Groep loopt bovendien het risico betrokken te raken bij oorlogen en geweld, wat aanzienlijke negatieve gevolgen kan hebben voor de reputatie, de onderneming, de financiële positie, de resultaten en de vooruitzichten van de Groep. • Er is geen garantie dat de strategie van de Groep met succes zal worden uitgevoerd, of dat de Groep de verwachte voordelen van haar strategie (volledig) zal realiseren, wat zijn weerslag kan hebben op de onderneming, de financiële positie en de resultaten en vooruitzichten van de Groep. • De Groep opereert in verschillende zeer competitieve markten en zij kan bedrijfsactiviteiten kwijtraken aan concurrenten of anderszins er niet in slagen de concurrentie het hoofd te bieden, wat aanzienlijke negatieve gevolgen kan hebben voor de onderneming, de financiële positie en de resultaten van de Groep. • De overnamestrategie van de Groep brengt verscheidene risico's met zich mee, onder meer in verband met het niet kunnen vinden van geschikte kandidaten of investeringsmogelijkheden, overnames van ongeschikte kandidaten of het beleggen in ongeschikte objecten, alsmede het niet of met vertraging bewerkstelligen van overnames of investeringen, en de aansprakelijkheid van kopers voor in het verleden ontstane verbintenissen; elk van deze omstandigheden kan aanzienlijke negatieve gevolgen hebben voor de onderneming, de financiële positie, de resultaten en de vooruitzichten van de Groep. • De Groep kan zich geconfronteerd zien met onvoorziene verplichtingen uit eerdere of toekomstige overnames en desinvesteringen die niet worden gedekt door effectieve garanties of vrijwaringen en die aanzienlijke negatieve gevolgen kunnen hebben voor de onderneming, de financiële positie en de resultaten van de Groep. • De Groep richt zich in haar interne logistiek en transport divisie voornamelijk op machines die door mensen worden bediend, terwijl de door mensen bediende logistieke processen wellicht worden vervangen door de voortschrijdende automatisering, wat aanzienlijke negatieve gevolgen kan hebben voor de onderneming, de financiële positie, de resultaten en de vooruitzichten van de Groep.

		• De klanten van de Groep in de sector hydraulische componenten, zoals bepaalde machineproducenten die hydraulische componenten en systemen maken, kunnen ervoor kiezen de techniek in huis te halen door te investeren in technische expertise, wat aanzienlijke negatieve gevolgen kan hebben voor de onderneming, de financiële positie en de resultaten van de Groep. • Het succes van de Groep is afhankelijk van het behouden en werven van directeuren, werknemers op sleutelposities en vaardig personeel. Indien de Groep daar niet in slaagt, kan dit aanzienlijke negatieve gevolgen hebben voor de onderneming, de financiële positie en de resultaten van de Groep. • De Groep kan zich geconfronteerd zien met materiële aansprakelijkheden die niet gedekt worden door de verzekering van de Groep en het is mogelijk dat de Groep niet in staat zal zijn haar huidige verzekeringsdekking te behouden of dat te doen tegen redelijke kosten, wat in beide gevallen negatieve gevolgen kan hebben voor de onderneming, de financiële positie, de resultaten en de vooruitzichten van de Groep. • De Groep kan slachtoffer worden van diefstal of misbruik van informatietechnologie, met eventuele vorderingen van derden als gevolg en dit kan aanzienlijke negatieve gevolgen hebben voor de onderneming, de financiële positie en de resultaten van de Groep. • Juridische procedures waarbij de Groep in de toekomst betrokken kan raken of derden die niet of slechts gedeeltelijk uitbetalen uit hoofde van vrijwaringen kunnen aanzienlijke negatieve gevolgen hebben voor de onderneming, de financiële positie en de resultaten van de Groep. • Het overtreden van regelgeving kan schadevergoeding, boetes of andere sancties tot gevolg hebben en kan aanzienlijke negatieve gevolgen hebben voor het bedrijf, de financiële positie en de resultaten van de Groep. • Wijziging in belastingwetgeving of betwisting van de fiscale positie van de Groep kan aanzienlijke negatieve gevolgen hebben voor de onderneming, de financiële positie en de resultaten van de Groep. • Aandeelhouders en houders van Certificaten kunnen gerechtelijke procedures aanhangig maken die kunnen leiden tot een onderzoek naar het bestuur en beleid van de Vennootschap, of zij kunnen andere juridische stappen tegen de Vennootschap ondernemen die aanzienlijke negatieve gevolgen kunnen hebben voor de onderneming, de financiële positie en de resultaten van de Groep. • De Groep en haar klanten lopen renterisico’s wat aanzienlijke negatieve gevolgen kan hebben voor de onderneming, de financiële positie en de resultaten van de Groep. • Substantiële financiering is nodig voor de machines die de Groep verkoopt, maar dergelijke financiering zou niet beschikbaar kunnen zijn, wat aanzienlijke negatieve gevolgen kan hebben voor de onderneming, de financiële positie en de resultaten van de Groep. • Afwaardering van voorraden kan noodzakelijk zijn in het geval voorraden verouderd zijn, wat aanzienlijke negatieve gevolgen kan hebben voor de onderneming, de financiële positie en de resultaten van de Groep. • Het benodigde werkkapitaal van de Groep wordt beïnvloed door seizoensinvloeden, wat aanzienlijke negatieve gevolgen kan hebben voor de onderneming, de financiële positie en de resultaten van de Groep. • De Groep kan het risico lopen dat zij (tijdelijk) niet aan haar financiële verplichtingen kan voldoen (liquiditeitsrisico) indien een klant zijn verplichtingen niet kan nakomen, wat aanzienlijke negatieve gevolgen kan hebben voor de onderneming, de financiële positie en de resultaten van de Groep. • Indien de Vennootschap en bepaalde Groepsmaatschappijen niet voldoen aan hun verplichtingen uit hoofde van hun kredietfaciliteiten kan dit leiden tot een geval van in gebreke zijn, wat aanzienlijke negatieve gevolgen kan hebben voor de onderneming, de financiële positie en de resultaten van de Groep. • De huidige financieringsregelingen zijn wellicht op de middellange en lange termijn ontoereikend, wat aanzienlijke negatieve gevolgen kan hebben voor de onderneming, de financiële positie, de resultaten en de vooruitzichten van de Groep. • Rampen, terroristische aanvallen, oorlogen, vijandelijkheden, rellen, maatschappelijke onrust, pandemieën en andere onvoorspelbare gebeurtenissen kunnen direct of indirect aanzienlijke negatieve gevolgen hebben voor de onderneming, de financiële positie en de resultaten van de Groep.

		Risico's die samenhangen met de Groepsstructuur • Elke tekortkoming in managementinformatie- en interne controlesystemen kan het voor de Vennootschap moeilijker maken om haar bedrijfsstrategie in de gehele Groep uit te voeren en adequaat te reageren op ongunstige ontwikkelingen binnen haar Groepsmaatschappijen en de interne controlesystemen van de Groep zijn wellicht onvoldoende in staat risico's te herkennen en de mogelijke weerslag daarvan op de Groep. Beide gebeurtenissen kunnen aanzienlijke negatieve gevolgen hebben voor de onderneming, de financiële positie en de resultaten van de Groep. • De Vennootschap is een houdstermaatschappij zonder bedrijfsactiviteiten en is afhankelijk van haar Groepsmaatschappijen voor de benodigde gelden om aan haar financiële verplichtingen te voldoen. Indien de Groepsmaatschappijen niet in staat zijn de Vennootschap te voorzien van gelden kan dit aanzienlijke negatieve gevolgen hebben voor de onderneming, de financiële positie en de resultaten van de Groep. • De Vennootschap heeft één belangrijke aandeelhouder en zeven belangrijke houders van Certificaten die een significante invloed kunnen uitoefenen op de uitkomst van vennootschappelijke aangelegenheden, waardoor de marktprijs van de Certificaten kan dalen. • Op grond van het bepaalde in de call-optie-overeenkomst van de Vennootschap met Stichting Continuïteit Reesink kunnen gunstige wijzigingen in de zeggenschap worden uitgesteld of afgewend en kan de marktprijs van de Certificaten dalen. • De Groep heeft niet de volledige zeggenschap over een aantal vennootschappen waarin zij een deelneming heeft, waardoor de bedrijfsvoering van de Groep kan worden beperkt en aan deze eigendomsstructuur zijn bepaalde risico's verbonden die nadelige gevolgen kunnen hebben voor de onderneming, de financiële positie en de resultaten van de Groep. • Het bestaan als beursgenoteerde onderneming brengt juridische en financiële nalevingskosten met zich mee, die negatieve gevolgen kunnen hebben voor de onderneming, de financiële positie en de resultaten van de Groep. **Risico's die samenhangen met het Openbaar Bod** • Onzekerheid rond de lancering van het Openbaar Bod dan wel het feit dat de Bieder het Openbaar Bod niet gestand doet of dat Afwikkeling van het Openbaar Bod niet plaatsvindt om andere redenen kan een negatieve invloed hebben op de waarde van de Certificaten en de reputatie, de onderneming, de resultaten, de financiële positie en de vooruitzichten van de Groep. • De Gezamenlijke Aankondiging en/of het Openbaar Bod en enige daarmee samenhangende wijziging van de zeggenschap kan een negatieve invloed hebben op of een beperking betekenen voor de zakelijke mogelijkheden van de Groep. • Na Afwikkeling van het Openbaar Bod, indien die plaatsvindt, zal de Bieder in een positie zijn om aanzienlijke invloed uit te oefenen op de Vennootschap en zijn belangen kunnen afwijken van de belangen van andere aandeelhouders en andere houders van Certificaten van de Vennootschap. • De Groep is afhankelijk van de vaardigheden en ervaring van haar directeuren en werknemers op sleutelposities en zou er niet in kunnen slagen om medewerkers aan te trekken op belangrijke posities na de Gezamenlijke Aankondiging en/of het Openbaar Bod. • Na Afwikkeling van het Openbaar Bod, indien die plaatsvindt, zou de Bieder het deel van de bindende Schuldfinanciering dat zal worden getrokken door de Bieder (zijnde tot €37.125.000) geheel of gedeeltelijk naar beneden kunnen doorschuiven naar leden van de Groep, hetzij door verrekening met uitkering van de vrij uitkeerbare reserves van de Vennootschap, hetzij tegen afwikkeling van een '*upstream*' lening door leden van de Groep aan de Bieder, waarbij in het laatste geval de kleine houders van Certificaten kunnen worden benadeeld doordat een lager bedrag aan vrij uitkeerbare reserves beschikbaar is voor uitkering door de Vennootschap in de vorm van dividend. "Schuldfinanciering" refereert aan faciliteiten met een totaalbedrag van €170.000.000, inclusief een acquisitiefaciliteit, dat volledig gecommitteerd is op basis van "certain funds", onder voorbehoud van de gebruikelijke voorwaarden, als uiteengezet in bindende financieringsdocumentatie tussen de Bieder en ABN AMRO Bank N.V., Commerzbank Aktiengesellschaft, Filiale Luxembourg, Coöperatieve Rabobank U.A. en ING Bank N.V.

		• Na Afwikkeling van het Openbaar Bod, indien die plaatsvindt, zal de Groep waarschijnlijk een groter deel van de kasstroom uit operationele activiteiten aanwenden voor rente- en aflossingsverplichtingen ter zake van de schuld van de Groep of ter financiering van rente- en aflossingsverplichtingen van de Bieder ter zake van diens schuld in het kader van de Gewijzigde Financieringsfaciliteit. Dit kan een negatieve invloed hebben op de waarde van de Certificaten en op de activiteiten, de resultaten, de financiële toestand en de vooruitzichten van de Groep. "**Gewijzigde Financieringsfaciliteit**" verwijst naar de situatie dat tijdens of kort na Afwikkeling van het Openbaar Bod, indien die plaatsvindt, een overbruggingskrediet van €37.125.000 ter gedeeltelijke financiering van het Openbaar Bod in de bestaande financieringsfaciliteit zal worden geïntegreerd door middel van een wijziging en herformulering van de bestaande financieringsfaciliteit van de Vennootschap in een gewijzigde en geherformuleerde financieringsfaciliteit.
D.5-D.3	Belangrijkste risico's met betrekking tot de Certificaten	**Risico's met betrekking tot de Certificaten in het algemeen** • Er zou slechts zeer beperkt gehandeld kunnen worden in de Certificaten, als gevolg waarvan houders van Certificaten er wellicht niet in slagen hun Certificaten te verkopen of tegen een redelijke prijs te verkopen. • De marktprijs van de Certificaten kan fluctueren, als gevolg waarvan beleggers hun belegging of een gedeelte daarvan kunnen verliezen. • De uitgifte van extra eigen vermogen door de Vennootschap ofwel door middel van de uitgifte van nieuwe Certificaten ofwel via derden die uitstaande converteerbare leningen omzetten, kan leiden tot verwatering van de belangen van houders van Certificaten of aandeelhouders in de Vennootschap. • Toekomstige verkoop van Certificaten van de Vennootschap door bestaande houders van Certificaten kan een daling van de marktprijs van de Certificaten veroorzaken. • Publicaties van beurs- of bedrijfsanalisten kunnen de prijs en het handelsvolume van de Certificaten beïnvloeden. • De Vennootschap heeft over 2012 geen dividend uitgekeerd. Of dividenden zullen worden uitgekeerd is afhankelijk van, onder andere, de nettowinst en de financiële positie van de Vennootschap. • Houders van Certificaten kunnen onder bepaalde omstandigheden niet gerechtigd zijn tot het uitoefenen van de aan de onderliggende Gewone Aandelen verbonden stemrechten in de Algemene Vergadering. **Risico's met betrekking tot de Certificaten, de Gezamenlijke Aankondiging en het Openbaar Bod** • Als gevolg van het niet-liquide zijn van de Certificaten, kunnen (potentiële) houders van Certificaten niet in staat zijn om te profiteren van een prijsstijging van de Certificaten noch kunnen zij in staat zijn om hun Certificaten te verkopen na de Gezamenlijke Aankondiging en/of het Openbaar Bod. • Na Afwikkeling van het Openbaar Bod, indien die plaatsvindt, kunnen kleinere houders van Certificaten die hebben besloten hun Certificaten niet aan te bieden, niet in staat zijn om hun Certificaten te verkopen of zij kunnen worden gedwongen om afstand te doen van hun Certificaten als gevolg van een mogelijke implementatie van een uitrook-procedure of herstructureringsmaatregel na Afwikkeling van het Openbaar Bod, zoals een activatransactie gevolgd door een liquidatie.
		Afdeling E – Aanbieding
E.1	Netto-omzet en geschatte kosten	Niet van toepassing.
E.2a	Redenen voor de Aanbieding en het gebruik van opbrengsten	Niet van toepassing.
E.3	Algemene Voorwaarden van de Aanbieding	Niet van toepassing.
E.4	Materiële belangen bij de Aanbieding (waaronder begrepen	Niet van toepassing.

	tegenstrijdige belangen)	
E.5	Persoon of entiteit die aanbiedt de Aangeboden Certificaten te verkopen en *lock-up* overeenkomsten	Niet van toepassing.
E.6	Verwatering	Niet van toepassing.
E.7	Geraamde kosten die de Vennootschap aan de beleggers in rekening brengt	Niet van toepassing.

SUMMARY

Summaries of prospectuses are made up of disclosure requirements known as 'Elements' as included in annex XXII of the Prospectus Regulation, as amended. These elements are numbered in Sections A – E (A.1 – E.7). This summary contains all the Elements required to be included in a summary of a prospectus for this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary together with an indication that such Element is 'not applicable'.		
Section A – Introduction and Warnings		
A.1	Introduction and warnings	This summary should be read as an introduction to this prospectus (the "**Prospectus**") relating to the listing of ordinary shares with a nominal value of €0.04 each (the "**Ordinary Shares**") in the form of depository receipts (the "**DRs**") at the Euronext in Amsterdam. Any decision to invest in the DRs should be based on a consideration of this Prospectus as a whole by the investor. Where a claim relating to the information contained in this prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating this prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this prospectus, or it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in the DRs.
A.2	Consent by the Company to the use of the Prospectus for resale or final placement of securities by financial intermediaries	Not applicable.
Section B – Issuer and any Guarantor		
B.31-B.1	Legal and commercial name of the Company	Royal Reesink N.V. (the "**Company**").
B.31-B.2	Domicile, legal form, legislation and country of incorporation	The Company is a public company with limited liability (*naamloze vennootschap*) incorporated under the laws of and domiciled in the Netherlands. The Company has its corporate seat in Apeldoorn, the Netherlands.
B.31-B.3	Key factors relating to the nature of the Group's operations and its principal activities	The Company and its group companies (being legal entities as referred to in section 24b, Book 2, Dutch Civil Code ("**Group Companies**") and together with the Company, the "**Group**") believe they are within the Group's equipment segment a leading distributor of strong brands and strong concepts in the equipment industry in the Netherlands, Belgium, Kazakhstan and parts of Germany and the Group is furthermore active as an equipment distributor in Turkey. The Group is involved in the distribution of equipment and/or the delivery of concepts for agriculture and turf care, landscape maintenance, material handling, construction including earth-moving and civil engineering. To a lesser extent, the Group distributes cleaning equipment. The Group supplies equipment produced by original equipment manufacturers, other products and services to end-users directly, through dealers in which the Group holds an equity interest or through independent dealers. Based on the Group's revenues over the first half year of 2015 (unaudited), the distribution of equipment from Amazonen-Werke H. Dreyer GmbH & Co. KG and its affiliated companies, Atlas Maschinen GmbH and its affiliated companies, CLAAS Kommanditgesellschaft auf

Aktien MbH and its affiliated companies, Horsch Maschinen GmbH and its affiliated companies, Kobelco Construction Machinery Europe B.V. and its affiliated companies, Kuhn S.A. and its affiliated companies, Linde Material Handling GmbH and its affiliated companies, MacDon Industries Limited and its affiliated companies, Terex Global GmbH and its affiliated companies and Toro International Company and its affiliated companies (together the "**Main Original Equipment Manufacturers**") represented a significant share of the Group's total revenues.

The Group promotes cross-selling between its different divisions as the equipment divisions are adjacent. As part of its strategy, the Group sees potential for organic growth through cross-selling. The Group conducts promotional and marketing activities on international, national, regional and local levels.

The Group has rental concepts for construction and material handling equipment and in a minor extent for green equipment.

Within its industries segment the Group believes it has a sizeable presence as a distributor in the hydraulics components and systems markets in the Netherlands, Belgium and Germany, which includes engineering and the assembling and production of hydraulic solutions for machinery. The Group believes it has a minor presence with strong concepts in the Dutch steel products industries. In its steel business, the Group believes it differentiates itself by adding value to and processing the steel products it distributes with a view to becoming an integrated part of its end-users' production processes. Furthermore, the Group distributes personal protective products in the Netherlands and to a minor extent, at the date of this Prospectus mainly intercompany within the Group, offers other products and services in the field of safety, ranging from e-learning to safety scans, consultancy and safety equipment. The Group distributes its hydraulic components and systems, (processed) steel, personal protection items and its services either directly to end-users or, in the case of the personal protective products, through an extensive network of independent wholesalers.

In addition to the activities described above, the Group provides a full range of (after-sales) services to its customers in all markets mentioned above.

The Group's annual revenues over 2014 were €473 million (2013: €237 million, 2012: €185 million), and over the first half year of 2015 €261 million (unaudited) (first half year of 2014: €248 million (unaudited)).

The Group mainly operates in the Netherlands, Belgium, Germany and Kazakhstan. Since end of June 2015 it entered into operations in Turkey. In 2014 approximately €249 million, or 53% of the Group's revenues, were generated in the Netherlands (2013: €164 million respectively 69%; 2012: €141 million respectively 76%), €98 million, or 21% in Belgium (2013: €51 million respectively 22%; 2012: €36 million respectively 19%), €80 million, or 17% in Germany (2013: €19 million respectively 8%; 2012: €8 million respectively 4%) and €40 million, or 8% in Kazakhstan (2013 and 2012 not applicable).

The Group's operations are divided among two functional segments:

- *Reesink Equipment* – In this segment, the relevant Group Distributors operate as a distributor of equipment for agriculture and turf care, landscape maintenance, material handling, construction including earth-moving and civil engineering. To a lesser extent they also distribute cleaning equipment. The Group is within this segment also active as supplier of hardware, firmware and software for GPS technology and precision agriculture and related services thereto. The Group sources new equipment from original equipment manufacturers. Where the Group operates without dealers, it generally sources used equipment from its end-users and occasionally from third parties. The Group also obtains used equipment in the context of trade-ins of leased equipment. The Group's products and services are mainly supplied to farmers, agricultural contractors, landscape contractors, green area companies, golf courses, municipalities, government bodies, water boards, foresters and logistics customers operating in the food, non-food, industrial, transfer (harbors) and a wide variety of companies all of which operate some sort of warehouse or other logistical facilities. The Group nearly exclusively focuses on the distribution of strong brands and strong concepts. According to the Group's annual revenues over 2014, approximately €422 million, or 89% of the Group's revenues was generated in the Reesink Equipment segment (2013: €198 million respectively 84%; 2012: €137 million respectively 74%), and over the first half year of 2015 €235 million, or 90% (unaudited) (first half year of 2014: €221 million respectively 89% (unaudited)). Reesink Equipment consists of three different divisions:

		- *Reesink Green Equipment*: Kamps de Wild B.V., Reesink Technische Handel B.V., Stierman De Leeuw B.V., Packo N.V., Jean Heybroek B.V., CT Agro GmbH, CT Agro TOO, Kuhn Center Turkey Tarim Makinalari A.Ş., Agrometius B.V. and Agrometius BVBA operate as distributors and Bruggeman Mechanisatie B.V. and Landtech Zuid B.V. operate as dealers of products related to agricultural, turf care and landscape maintenance. Jean Heybroek B.V. also has a minor position in the cleaning equipment industries. Reesink Green Equipment carries brands such as Claas, Toro, Kuhn, Amazone, Kaweco, Rauch and Trimble. - *Reesink Construction Equipment*: Ben Kemp Holding B.V. and its subsidiaries Barend Kemp B.V., Kemp BVBA and Huur & Stuur B.V., and Hans van Driel B.V. operate as distributors of construction equipment, including earth-moving, transshipment, industrial and railroad equipment. The Reesink Construction Equipment division has a rental concept "Huur & Stuur" that allows customers to rent construction equipment for a short period of time. Reesink Construction Equipment carries brands such as Atlas, Terex, Kobelco, IHI and Bergmann. Furthermore, the Reesink Construction Equipment division distributes underground construction products of the Ditch Witch brand from the locations in De Meern (the Netherlands) and Hamme (Belgium). - *Reesink Material Handling Equipment*: This division focuses on an installed base model (*i.e.*, machinery for which the Group can provide services and components apart from just distributing equipment). Motrac Intern Transport B.V., Motrac Handling & Cleaning N.V./S.A., and Pelzer Fördertechnik GmbH operate as distributors of material handling equipment. The demand for and therefore the trade in used equipment in this industry tends to become more and more of importance. For that reason Motrac Intern Transport B.V. in the fall of 2015 opened a used equipment center in Apeldoorn, the Netherlands. The Reesink Material Handling Equipment focus industries are food retail, non-food retail, logistics, chemicals, cold store, food production and waste & recycling. Motrac Handling & Cleaning N.V./S.A. and Pelzer Fördertechnik GmbH (opportunistically) also operate as distributors of cleaning equipment. The Reesink Material Handling Equipment division carries brands such as Linde and Tennant. - *Reesink Industries* – Within the Reesink Industries segment the Group is active in the (engineering of) hydraulics components and systems industry through Motrac Hydrauliek B.V. and Motrac Hydraulik GmbH. Reesink Staal B.V. and Safety Centre International B.V. operate as supplier of (processed) steel products, respectively as distributor of personal protective products related to the construction industry, equipment manufacturers, system manufacturers, technical wholesalers and the agricultural industry. The Group focuses on the distribution of strong brands in the hydraulics components and systems industry and in the personal protective products industry and on carrying strong concepts in the steel products industry. In 2015 the Group started expanding the activities in the field of safety, through which a wide range of activities and products is offered ranging from e-learning to safety scans, consultancy and safety equipment. Those activities are conducted by Reesink Safety Centre B.V. According to the Group's annual revenues over 2014, approximately €51 million, or 11% of the Group's revenues was generated in the Reesink Industries segment (2013: €38 million respectively 16%; 2012: €47 million respectively 26%) and for the first half year of 2015 €26 million, or 10% (unaudited) (first half year of 2014: €27 million respectively 11% (unaudited)). The Company acts as a holding company and focuses on the management of the Group. The basic Group-strategy is set out by the management board. The Group's operating companies are largely responsible for developing and implementing their own derived strategy, incentivized by and with the support of the Company. The operating companies are all managed independently from the Group in respect of their business, which means that the respective division directors and/or local management are responsible for the day-to-day business. The Company is a publicly-traded company with a listing on Alternext Amsterdam. At the close of business on 29 January 2016, the Company had a market capitalization of approximately €107 million (source: https://www.euronext.com). If admission to trading is approved, the Company is expected to be listed on Euronext in Amsterdam as of 9 March 2016. The Company's symbol will be "ROYRE". The Group believes it benefits from the following strengths, which, directly or indirectly, enable a better performance of its customers:

		• the Group is solution oriented; • the Group has product and market expertise and is knowledge-driven; • the Group offers a full range of products of well-recognized brands with growth potential; • the Group is capable of innovation and is a market pioneer with respect to dealer participation and investing in related markets; • the Group has an efficient parts distribution system (*i.e.*, it distributes parts within a couple of hours to a maximum of 24 hours) and after-sales service; • the Group acts as a system integrator and co-maker; • the Group has strong relationships with principals, financing institutions, holders of DRs, shareholders and other stakeholders; and • the Group has a healthy solvency (capital base as a % of the balance sheet total, capital base being group equity plus subordinated (convertible) loans)
B.31-B.4a	Significant recent trends affecting the Group and industries in which it operates	**Agricultural equipment** • Reduction in number, but growth in size of agricultural businesses; • Larger and more complicated equipment • Subsidies and investment possibilities; • Rising demand for 'one-stop-shopping'; • End-users preferences; • Original equipment manufacturers' and end-users' increased demands for coverage and service levels; • Rising demand for financing solutions and rental of equipment; • Changes in regulations and global organization initiatives; and an • Upswing of precision farming. **Turf care and landscape equipment** • Changes in regulations and governmental subsidies; • Increase in number, but a reduction in utilization of golf courses; and • Reduction in number but growth in size of customers specialized in golf course maintenance. **Construction equipment** • Increasing importance of 'green technologies'; and • Growing equipment rental possibilities. **Material handling equipment** • Global demand for material handling is rising; • European demand mainly based on replacement; • Higher demand for used equipment; • Continuous changes in various truck segments; • Increase of automated solutions; and • Continuing globalization and technological advances. **Hydraulics** • Customers are asking for full solutions; • Strict legislation; and • Market consolidation is taking place. **Steel and manufacturing** • Dependency on the building industry; and • Mortgage financing issues and local politics affect the building industry. **Personal protective industry** • Increasing personal protective legislation but also a reduction of the workforce using personal protective products and safety wear.
B.31-B.5	Description of the Group and the Company's position therein	The Company is a holding company without material direct business operations. The principal assets of the Company are the equity interests it directly or indirectly holds in its Group Companies.
B.31-B.6	Persons who, directly and indirectly, have a notifiable interest in the Company's	Pursuant to the Company's articles of association, as amended from time to time (the "**Articles**"), shareholders and holders of DRs with a substantial interest (*substantiële deelneming*, a holding of at least 3% of the capital or voting rights as defined in the Dutch Financial Markets Supervision Act) are required to notify the Company by means of a form made available on the Company's website. The following table sets forth the Company's shareholders and holders of DRs with a substantial interest in the Company, as filed with the Company in September 2015.

<table>
<tr><td></td><td>capital or voting rights</td><td>
<table>
<tr><th>Shareholder or holder of DRs</th><th>Percentage of shares</th><th>Percentage of DRs</th></tr>
<tr><td>Project Holland Deelnemingen B.V.</td><td></td><td>16.67%</td></tr>
<tr><td>Delta Lloyd Deelnemingenfonds N.V.</td><td></td><td>12.37%</td></tr>
<tr><td>Todlin N.V.</td><td></td><td>11.33%</td></tr>
<tr><td>Pon Holdings B.V.</td><td></td><td>10.90%</td></tr>
<tr><td>Decico B.V.</td><td></td><td>6.66%</td></tr>
<tr><td>Bibiana Beheer B.V.[1)]</td><td></td><td>6.36%</td></tr>
<tr><td>Navitas B.V.</td><td></td><td>6.15%</td></tr>
<tr><td>Stichting Administratiekantoor van Aandelen Reesink</td><td>95.73%</td><td></td></tr>
</table>
1) Mr. F.L.H. van Delft, a member of the Company’s supervisory board (the “Supervisory Board”), holds this interest of DRs through Bibiana Beheer B.V. At the time of Mr. Van Delft’s appointment as a member of the Supervisory Board, the Company and Mr. Van Delft agreed that he would refrain, up to 12 months after his retirement as a member of the Supervisory Board, from selling the interest held through Bibiana Beheer B.V. Mr. Van Delft will continue to indirectly hold this package of DRs until the aforementioned period of 12 months has expired.
Pon Holdings B.V. may obtain an additional potential interest through its subsidiary Pon Onroerend Goed Leusden B.V. of 12.24% (based on a fully diluted number of DRs and subject to adjustment of the conversion price).
</td></tr>
<tr><td></td><td>Different shareholder voting rights</td><td>No major shareholders have specific voting rights.</td></tr>
<tr><td></td><td>Direct and indirect ownership of or control over the Company and nature of such control</td><td>
Stichting Administratiekantoor van Aandelen Reesink (“STAAR”) holds a substantial interest in the Company, but STAAR is governed by a specific corporate purpose in its articles of association and rules regarding voting rights. Therefore, the Company believes it is not directly or indirectly owned or controlled by another corporation or by any foreign government.
On 8 February 2016, the Company and River Acquisition B.V., a company controlled by a consortium led by Gilde Buy Out Partners, Navitas B.V and Todlin N.V. (the “Offeror”), jointly announced that they reached conditional agreement on a recommended full public cash offer on all DRs and all Ordinary Shares which are not registered in the name of STAAR (the “Registered Shares”) (the “Merger Agreement”) with an offer price of €101 (cum dividend) in cash per DR or Registered Share (the “Consideration”), subject to customary conditions (the “Public Offer”) (the “Joint Announcement”). The Consideration represents a premium of 29.4% to the closing price of €78.05 of the DRs listed on Alternext Amsterdam on 5 February 2016. The Public Offer values 100% of the Company’s issued and outstanding share capital at approximately €139.6 million.
Major holders of DRs Decico B.V., Delta Lloyd Deelnemingenfonds N.V., Pon Holdings B.V. and Project Holland Deelnemingen B.V. have, subject to customary conditions, irrevocably undertaken to accept the Public Offer and to vote in favor of certain shareholder resolutions relating to the Public Offer. Mr. F.L.H. van Delft, member of the Supervisory Board and a major holder of DRs through Bibiana Beheer B.V., has entered into a similar irrevocable undertaking. A number of managers, including Mr. G. van der Scheer (CEO) and Mr. G.T.M. Linnenbank (CFO), have also entered into similar irrevocable undertakings in respect of DRs held by them subject to the Management Board and the Supervisory Board not revoking their recommendation of the Public Offer in accordance with the terms of the Merger Agreement. The irrevocable commitments of major holders of DRs and management together represent approximately 55.9% of the Company’s issued and outstanding share capital, for the avoidance of doubt excluding DRs and Registered Shares held by the Company and its subsidiaries. Taking into account DRs held by Navitas B.V. and Todlin N.V., 73.3% of the issued and outstanding share capital have been committed to the Public Offer, for the avoidance of doubt excluding DRs and Registered Shares held by the Company and its subsidiaries. This means that immediately after settlement of the Public Offer, which will take place no later than on the fifth business day after the closing date, being the date on which the Public Offer closes for acceptance (the “Closing Date”) if and when the Offeror declares the Public Offer unconditional (“Settlement of the Public Offer”), if the conditions therefor have been met, the Offeror will hold at least 73.3% and up to 100% of the issued and outstanding share capital, for the avoidance of doubt excluding DRs and Registered Shares held by the Company and its subsidiaries.
The Company has been informed by the Offeror that the CEO has had discussions with the Offeror regarding participation in the Offeror by the CEO after Settlement of the Public Offer and that the Offeror has extended an invitation to other members of management of the Company to participate in the Offeror after Settlement of the Public Offer.
</td></tr>
</table>

B.31-B.7	Selected historical key financial information	See tables below

Consolidated income statement *(x €1.0 million)*

	1st Half year 2015 unaudited	1st Half year 2014 unaudited	2014 audited	2013 audited	2012 audited
Net revenues	261.4	248.5	473.2	236.6	185.2
Gross operating income	41.2	36.8	72.3	33.5	22.6
As % of the net revenues	15.8%	14.8%	15.3%	14.2%	12.2%
Net operating income	12.3	9.2	16.0	7.2	4.4
Operating results excl. depreciation and amortization ("**EBITDA**")[1] excluding exceptional items	18.5	15.7	28.0	14.9	9.2
Operating results ("**EBIT**")[2]	13.0	10.0	17.5	10.4	6.7
Results from ordinary activities before taxation	11.4	8.4	12.7	6.5	0.2
Net results	8.1	6.0	8.9	4.5	-4.3
Net income per Ordinary Share*:*					
Basic *(in €)*	6.51	4.81	7.10	4,85	-6.22
Fully diluted *(in €)*	6.51	4.81	7.10	4.79	-6.12

[1] EBITDA is defined as group operating results before depreciation of property, plant and equipment and before amortization of intangible assets. EBITDA is a financial measure not defined under the generally accepted accounting standards in the Netherlands (Dutch GAAP) and is unaudited.
[2] EBIT is defined as group operating results and is a financial measure not defined under the generally accepted accounting standards in the Netherlands (Dutch GAAP).

Consolidated cash flow statement *(x €1.0 million)*

	1st Half year 2015 unaudited	1st Half year 2014 unaudited	2014 audited	2013 audited	2012 audited
Net cash flow from operating activities	11.6	5.3	22.3	12.6	8.6
Net cash flow from investing activities	-6.3	-15.9	-22.9	-45.3	-18.1
Net cash flow from financing activities	-4.4	9.5	-3.2	34.5	13.8
Increase/decrease in net cash position	**0.9**	**-1.2**	**-3.8**	**1.8**	**4.3**
Net cash position at beginning of the year	2.7	6.5	6.5	4.6	0.3
Net cash position at period-end	3.6	5.3	2.7	6.5	4.6
Increase/decrease in net cash position	**0.9**	**-1.2**	**-3.8**	**1.8**	**4.3**

Consolidated balance sheet *(x €1.0 million)*

	30-06-2015 unaudited	30-06-2014 unaudited	31-12-2014 audited	31-12-2013 audited	31-12-2012 audited
Fixed assets	95.4	99.6	95.0	98.3	67.7
Current assets	195.4	182.2	178.9	153.8	95.4
Total assets	**290.8**	**281.8**	**273.9**	**252.1**	**163.1**
Group equity	91.1	87.0	88.0	85.1	74.0
Subordinated convertible loan	17.8	17.8	17.8	10.3	-
Subordinated loans	5.0	5.0	5.0	0.2	0.2
Provisions	14.8	15.6	13.7	15.1	11.8
Non-current liabilities	30.5	28.9	27.0	30.7	14.4
Current liabilities	131,5	127,4	122.4	110.6	62.7
Total equity and liabilities	**290.8**	**281.8**	**273.9**	**252.1**	**163.1**

B31-B.8	Selected key pro forma financial information	Not applicable.
B.31-B.9	Profit forecast	Not applicable; the Company has not issued a profit forecast.
B.31-B.10	Historical audit report qualifications	Not applicable; there are no qualifications.

B.31-D4	*See D4 below*	
B.32	Name and registered office of the issuer of the DRs	Stichting Administratiekantoor van Aandelen Reesink has its corporate and registered seat in Apeldoorn, the Netherlands.
	Legislation and legal form of the issuer of the DRs	STAAR is a foundation (*stichting*) incorporated under the laws of and domiciled in the Netherlands.
	Section C – Securities	
C.13-C.1	Type and class of Ordinary Shares	The Ordinary Shares are ordinary shares in the capital of the Company.
C.13-C.2	Currency of Ordinary Shares	The Ordinary Shares are denominated in euro.
C.13-C.3	Number of Ordinary Shares and nominal value	On the date of this prospectus, a total of 1,382,537 Ordinary Shares are issued and outstanding with a nominal value of €0.04 per Ordinary Share.
C.13-C.4	Rights attached to the Ordinary Shares	**Pre-Emptive Rights** Holders of Ordinary Shares have a pre-emptive right in the event of an issue of Ordinary Shares in proportion to the total amount of their Ordinary Shares. Holders of Ordinary Shares have no pre-emptive right in the event of an issue of cumulative preference shares A in the Company's share capital with a nominal value of €0.04 each ("**Cumulative Preference Shares A**") and cumulative preference shares B in the Company's share capital with a nominal value of €0.04 each ("**Cumulative Preference Shares B**") (Cumulative Preference Shares A and Cumulative Preference Shares B together, the "**Preference Shares**" and Ordinary Shares and Preference Shares together, the "**Shares**"). The general meeting of shareholders of the Company (the "**General Meeting**") may resolve to restrict or exclude pre-emptive rights, which resolution requires a majority of at least two-thirds of the votes cast if less than one-half of the issued capital is represented at the General Meeting. If one-half or more of the issued capital is represented, the resolution can be adopted with an absolute majority of the votes cast. **Dividends and Other Distributions** The Company may make distributions to the holders of Shares and other persons entitled to distributable profits only to the extent that its equity exceeds the sum of the amount of the paid-in and called up share capital plus the reserves which must be maintained under Dutch law or the Articles. Profits are distributed after the adoption by the General Meeting of the annual accounts from which it appears that said distributions are permitted. Pursuant to the Articles, the Company's management board (the "**Management Board**"), with the approval of the Supervisory Board, decides how much of the profit will be reserved. After reservation by the Management Board, any remaining profits must first be applied to pay a dividend on the Preference Shares, before distribution of any remaining distributable profits to the other shareholders. If the profit made in any financial year is not sufficient to distribute a dividend on the Preference Shares, distributions in following years may only be made provided that such shortfall has been redressed. There are no Cumulative Preference Shares A or Cumulative Shares B outstanding at the date of this Prospectus. Any profits remaining after such reservation and dividend payment on the Preference Shares will be at the disposal of the General Meeting. The General Meeting may, upon the proposal of the Management Board, such proposal having been approved by the Supervisory Board, resolve that payment of dividend may be made wholly or partly in Ordinary Shares. Subject to Dutch law and the Articles, the General Meeting may resolve to distribute an interim dividend upon the proposal of the Management Board. Any entitlement to a dividend distribution by a holder of Shares expires five years after the date those dividends were released for payment. **Amendment Articles. Dissolution and Liquidation** The General Meeting may resolve to amend the Articles or to dissolve the Company by an

		absolute majority of votes at the proposal of the Management Board thereto with the approval of the Supervisory Board. If no such proposal has been made by the Management Board, the General Meeting may adopt a resolution to dissolve the Company by a two-third majority of the votes cast in a General Meeting in which at least three-fourth of the issued share capital is represented. In the event of the dissolution of the Company, the Company will be liquidated in accordance with statutory provisions. During liquidation, the provisions of the Articles will remain in full force as far as possible. The balance of the Company's assets remaining after all liabilities have been paid shall, if possible, be distributed as follows (i) first, the entitled holders of Preference Shares will receive the nominal amount paid up on their shareholdings or a lesser amount in accordance with the available balance; (ii) secondly, following this payment, holders of Preference Shares will receive the shortfall in cumulative preferred dividend enjoyed by them in the period between the issue of these Preference Shares and redemption of the nominal amount of these Preference Shares in relation to the percentage of the paid-up nominal amount of their Preference Shares agreed with these holders prior to the issue, or a lesser amount in accordance with the available balance; and (iii) any amount remaining after this will be paid out to holders of Ordinary Shares in proportion to the nominal value of their shareholdings. **Voting Rights** Each holder of Shares is entitled to attend the General Meeting, to address the General Meeting and to exercise voting rights pro rata to its shareholding, either in person or by proxy, provided he or she has signed the attendance list in advance. Each holder of Shares may cast one vote per Share held. Resolutions of the General Meeting are passed by an absolute majority of votes cast unless Dutch law or the Articles explicitly and mandatorily prescribe a larger majority. **Capital reduction** The General Meeting may resolve to reduce the issued share capital of the Company by cancellation of Shares or by reducing the nominal value of Shares by amending the Articles. Under Dutch law, the resolution to reduce the issued share capital must specifically state the shares concerned and lay down rules for the implementation of the resolution. The resolution to cancel Shares may only concern Shares which are held by the Company or Shares for which the Company holds DRs. Under Dutch law, a resolution to reduce the issued share capital requires a majority of at least two-thirds of the votes cast in the General Meeting if less than one-half of the issued share capital is represented at that General Meeting. A resolution to reduce the issued share capital in addition requires the prior simultaneous approval by each group of shareholders of the same class whose rights are prejudiced.
C.13-C.5	Restrictions on transferability of the Ordinary Shares	There are no restrictions on the free transferability of the Ordinary Shares under the Articles. A transfer of Ordinary Shares or of a restricted right thereto requires a deed of transfer drawn up for that purpose.
C.13-C.6	Listing and admission to trading of the Ordinary Shares	Not applicable; the Ordinary Shares are not listed or admitted to trading.
C.13-C.7	Dividend policy of the Ordinary Shares	Taking into account the Company's growth objectives and the financial resources this requires, the Company's dividend policy in principle involves distribution of 40-55% of the profit placed at the shareholders' disposal. This is based on a capital base (group equity plus subordinated (convertible) loans) of at least 40% of the Group's balance sheet total. Under certain circumstances, the Company may be willing to distribute a higher percentage. The policy allows for distribution of dividend either in cash or in DRs or Ordinary Shares.
C.14-C.1	Type and class, security identification number of the DRs	The DRs are depositary receipts which each represent a financial interest in one Ordinary Share held by STAAR. If and when the admission to trading is approved the DRs will be traded on Euronext in Amsterdam. Listing will then take place under the symbol "ROYRE". ISIN code: NL0000379303.
C.14-C.2	Currency of the DRs	The DRs are denominated in euro.
C.14-C.4	Rights attached to	STAAR shall collect the net dividends and other distributions payable on the Ordinary Shares which it receives in its capacity as shareholder. Upon receipt, STAAR shall pay out these

	the DRs	dividends and distributions to the holders of DRs without any deductions. In the event that a pre-emptive right exists in connection with the issue of new Ordinary Shares, STAAR shall grant the holders of DRs a similar pre-emptive right in respect of DRs.
C.14-C.5	Restrictions on transferability of the DRs	There are no restrictions on the free transferability of DRs under the Articles. However, the offer of DRs to persons located or resident in, or who are citizens of, or who have a registered address in countries other than the Netherlands, and the transfer of DRs into jurisdictions other than the Netherlands may be subject to specific regulations or restrictions.
C.14	Rights of the Shareholders versus the rights of the holder of DRs	Holders of DRs have the same rights as the shareholders except for the voting rights. Voting rights on the DRs are exercised by STAAR. STAAR shall consider the interests of the holders of DRs as well as the interests of the Company, taking into account its principles of continuation and maintenance of identity upon voting. Holders of DRs are not entitled to give binding instructions to STAAR concerning the exercise of voting rights on the Ordinary Shares underlying their DRs. Holders of DRs can obtain powers of attorney, which can be granted only for a particular General Meeting and expire upon close of that General Meeting. After obtaining a power of attorney, the holders of DRs may exercise its obtained voting right as it sees fit. In certain cases STAAR can limit, exclude or renounce a power of attorney, which cases are included in clause 2.4 of the articles of association of STAAR. Moreover, if it is proposed to alter the rights attached to the Ordinary Shares, STAAR shall announce this intention if possible 14 days prior to the General Meeting without having to indicate how STAAR shall vote. Under Dutch law, holders of DRs have a right to attend and speak at the General Meeting, to inspect the annual accounts and to obtain a copy of the annual accounts free of charge. In addition, STAAR is entitled to consult holders of DRs in respect of a particular matter whenever it believes it is appropriate to do so.
C.14	Underwriting of the Offering	Not applicable.
		Section D – Risks
D.4-D.2	Key risks that are specific to the Group	**Risks relating to the Group's Business, Operations and the Industry in which it operates** • The Group believes its success and results are dependent on distributing strong brands and strong concepts in the equipment industry. The Group is substantially dependent on the products of and its relationship with its Main Original Equipment Manufacturers. If the products of the Main Original Equipment Manufacturers no longer meet the Group's customers' requirements, this could have a material adverse effect on the Group's business, financial condition, results of operations and prospects. • The Main Original Equipment Manufacturers may terminate their distribution contracts with the Group, change the terms of those contracts or not renew these contracts. These changes could have a material adverse effect on the Group's business, financial condition, results of operations and prospects. • The industries in which the Group is active are cyclical in their nature and are therefore influenced by various economic factors, which could have a material adverse effect on the Group's business, financial condition and results of operations. • Changes in general economic conditions or business conditions in specific industries could have a material adverse effect on the Group's business, financial condition, results of operations and prospects. • The ongoing uncertainties created some years ago by events in the financial industry including the tightening of standards for granting credits and the impact on the mortgage market, may have a material adverse effect on the Group's business, financial condition, results of operations and prospects. • Geopolitical developments could have a material adverse effect on the Group's business, financial condition and results of operations and prospects. • The relationship of each of the Group Distributors with the Main Original Equipment Manufacturers entails that they do not distribute equipment of competing brands within a specific geographical area, which might impact the Group's ability to grow organically within a specific geographical region and limit the Group's conduct of business and prospects. • The Group may not obtain additional geographic areas of responsibility and locations from existing or new original equipment manufacturers, which might impact the Group's growth prospects and its general conduct of business. • Changes in commodity and agricultural products prices could have a material adverse effect on the Group's business, financial condition and results of operations.

- The performance of the Group is subject to weather conditions and other circumstances such as animal or crop diseases and food safety incidents inside but also outside the geographical markets in which the Group operates its business. A significant increase in the severity of weather cycles and the occurrence of the aforementioned circumstances could have a material adverse effect on the Group's business, financial condition and results of operations.
- Certain Main Original Equipment Manufacturers may appoint other equipment distributors in close proximity to the Group's business or reduce the geographic areas of responsibility for sales and services assigned to the Group or enlarge those of competitors, any of which may have a material adverse effect on the Group's business, financial condition, results of operations and prospects.
- Parallel imports by third parties of equipment which the Group distributes may adversely affect the Group's business, financial condition and results of operations.
- An undersupply or oversupply of equipment may adversely affect the Group's business, financial condition and results of operations.
- The Group's reputation and relationship with its customers and its revenues could be harmed by performance failures by the Group or other parties in the supply chain, which could have a material adverse effect on the Group's business, financial condition and results of operations.
- Adverse changes in governmental policies, including decreases in European Union subsidies or local subsidies in countries as Kazakhstan and Turkey and the tightening of government budgets, may reduce demand for equipment and could have a material adverse effect on the Group's business, financial condition and results of operations.
- The Group may be liable for environmental damages, and any significant environmental damage caused or not remedied by the Group, or perceived to be caused or not remedied by the Group, could have a negative effect on the Group's reputation and could have a material adverse effect on the Group's business, financial condition and results of operations.
- The Group's affiliation with THR, *e.g.* through the rent of Ecofactorij 20 in Apeldoorn and the granted loans, could have a material adverse effect on the Group's business, financial condition and results of operations.
- The Group is active or may be active in a number of regions around the world, such as in emerging markets, some of which are economically, socially and politically unstable, which could have a material adverse effect on the Group's financial condition, results of operations and prospects.
- There can be no assurance that the Group's strategy will be successfully implemented, or that the Group will (fully) realize the expected benefits of its strategy, which might impact the Group's business, financial condition, results of operations and prospects.
- The Group operates in different highly competitive environments and may lose business to competitors or otherwise be unable to compete favorably, which could have a material adverse effect on the Group's business, financial condition and results of operations.
- The acquisition strategy of the Group may lead to several risks, *e.g.* related to the failure to identify suitable candidates or investment opportunities, the acquisitions of unsuitable candidates or the making of unsuitable investments, as well as a delay in realizing acquisitions or investments or the impossibility by the Group to close acquisitions or investments, and the liability of buyers for legacy obligations, each of which could have a material adverse effect on the Group's business, financial condition and results of operations and prospects.
- The Group may incur unforeseen liabilities from former and future acquisitions and divestments that are not covered by effective warranties or indemnities which could have a material adverse effect on the Group's business, financial condition and results of operations.
- The Group in its material handling division currently focuses mainly on man-operated equipment, while ongoing automation may replace man-operated logistical flows, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.
- The Group's customers in the hydraulics components industry, such as certain original equipment manufacturers of hydraulic components and systems, may choose to insource engineering by investing in technological expertise, which could have a material adverse effect on the Group's business, financial condition and results of operations.
- The Group's success is dependent on the ability to retain and recruit (managing) directors, key personnel and skilled employees. The Group's inability to do so could have a material adverse effect on the Group's business, financial condition and results of operations.

		• The Group may incur material liabilities that are not covered by the Group's insurance or the Group may not be able to maintain the Group's current insurance coverage or do so at a reasonable cost, which in either case could adversely affect the Group's business, financial condition, results of operations and prospects. • The Group could be subject to information technology theft or misuse, which could result in third party claims and could have a material adverse effect on the Group's business, financial condition and results of operations. • Legal proceedings in which the Group may become involved in the future or third parties not or only partially paying out under indemnifications could have a material adverse effect on the Group's business, financial condition and results of operations. • Violations of laws could result in damages, fines or other sanctions and could have a material adverse effect on the Group's business, financial condition and results of operations. • Changes in tax laws or challenges to the Group's tax position could have a material adverse effect on the Group's business, financial condition and results of operations. • Shareholders and holders of DRs could initiate proceedings leading to an investigation of the Company's management policies or bring other legal actions against the Company that could have a material adverse effect on the Group's business, financial condition and results of operations. • The Group and its customers are exposed to interest rate risks which could have a material adverse effect on the Group's business, financial condition and results of operations. • Substantial financing is required for the equipment the Group sells, but such financing may not be available, which could have a material adverse effect on the Group's business, financial condition and results of operations. • Write-downs of inventory might be necessary in case the inventory becomes obsolete which could have a material adverse effect on the Group's business, financial condition and results of operations. • The Group's working capital needs are influenced by seasonal effects, which could have a material adverse effect on the Group's business, financial condition and results of operations. • The Group may be exposed to the risk that it is (temporarily) unable to meet its financial obligations (liquidity risk) if a customer is not able to meet its obligations, which could have a material adverse effect on the Group's business, financial condition and results of operations. • A failure of the Company and certain Group Companies to comply with obligations under its financing facilities could result in an event of default, which could have a material adverse effect on the Group's business, financial condition and results of operations. • Current financing arrangements may not be sufficient in the mid or long term, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects. • Catastrophic events, terrorist attacks, acts of war, hostilities, riots, civil unrest, pandemic diseases and other unpredictable events could have a direct or indirect material adverse effect on the Group's business, financial condition and results of operations. **Risks relating to the Group's Structure** • Any failure of management information and internal control systems may adversely affect the ability of the Company to implement its business strategy throughout the Group and adequately respond to unfavorable developments within its Group Companies and the Group's internal control systems may not adequately identify risks and the impact they can have on the Group. Both events could have a material adverse effect on the Group's business, financial condition and results of operations. • The Company is a holding company without operations and relies on its Group Companies to provide it with funds necessary to meet its financial obligations. If the Group Companies are unable to provide the Company with funding, this could have a material adverse effect on the Group's business, financial condition and results of operations. • The Company has one major shareholder and seven major holders of DRs who may have significant influence on the outcome of corporate matters, which may reduce the market price of the DRs. • Provisions in the call option agreement of the Company with Stichting Continuïteit Reesink could delay or deter a beneficial change in control and may reduce the market price of the DRs. • The Group does not have full control over some of the companies in which it has a participating interest, which may limit the conduct of the Group's business and this

		ownership structure carries certain risks which could have a material adverse effect on the Group's business, financial condition and results of operations. • Being a public company gives rise to legal and financial compliance costs, which could have an adverse effect on the Group's business, financial condition and results of operations. **Risks relating to the Public Offer** • Uncertainty around the launch of the Public Offer or the Offeror failing to declare the Public Offer unconditional or Settlement of the Public Offer not occurring for any other reason could adversely affect the value of the DRs and the Group's reputation, business, results of operations, financial condition and prospects. • The Joint Announcement and/or the Public Offer and any related change of control may negatively affect or limit the Group's business opportunities. • Following Settlement of the Public Offer, if this occurs, the Offeror will be in a position to exert substantial influence over the Company and its interests may differ from the interests of the Company's other shareholders and other holders of DRs. • The Group relies on the skills and experience of its (managing) directors and key personnel, and may fail to retain or recruit key staff following the Joint Announcement and/or the Public Offer. • Following Settlement of the Public Offer, if this occurs, the Offeror may push down all or part of the binding Debt Financing that will be drawn down by the Offeror (being up to €37,125,000) to members of the Group either by settlement against the distribution of the Company's freely available reserves or by way of an upstream loan by members of the Group to the Offeror, in which latter case the minority holders of DRs may be prejudiced due to a lower amount of freely distributable reserves available for distribution by the Company by way of dividend. "**Debt Financing**" refers to facilities in an aggregate amount of €170,000,000 including an acquisition facility which is fully committed on a "certain funds" basis, subject to customary conditions, as set out in binding debt commitment documentation between the Offeror and ABN AMRO Bank N.V., Commerzbank Aktiengesellschaft, Filiale Luxembourg, Coöperatieve Rabobank U.A. and ING Bank N.V. • Following Settlement of the Public Offer, if this occurs, the Group is likely to dedicate more of its cash flow from operations to service the Group's debt or to fund the service by the Offeror of the Offeror's debt under the Amended Financing Facility. This could adversely affect the value of the DRs and the Group's business, results of operations, financial condition and prospects. "**Amended Financing Facility**" refers to the situation that on or shortly after Settlement of the Public Offer, if this occurs, a bridge facility of €37,125,000 to partially finance the Public Offer will be rolled into the Company's existing financing facility which will be effected by way of an amendment and restatement of the Company's existing financing facility into an amended and restated financing facility.
D.5-D.3	Key risks relating to the DRs	**Risks relating to the DRs in general** • Trading in the DRs could be very limited which might lead to holders of DRs not being able to sell their DRs at a reasonable price or at all. • The market price of the DRs may fluctuate, which could cause investors to lose some or all of their investment. • Issuance of additional equity by the Company either through it issuing new DRs or through third parties converting outstanding convertible loans, could lead to a dilution of holders of DRs' or shareholders' equity interests in the Company. • Future sales of the Company's DRs by existing holders of DRs could cause the market price of the DRs to decline. • Publications of securities or industry analysts may influence the price and trading volume of the DRs. • The Company has not paid a dividend for 2012. Whether dividends will be paid is subject to i.e. the Company's net profit and financial position. • Holders of DRs may under circumstances not be entitled to exercise the voting rights attached to the underlying Ordinary Shares in the General Meeting. **Risks relating to the DRs, the Joint Announcement and the Public Offer** • Due to the illiquidity of the DRs, (potential) holders of DRs may not be able to benefit from any increases in price of the DRs nor may they be able to sell their DRs following the Joint Announcement and/or the Public Offer. • Following Settlement of the Public Offer, if this occurs, minority holders of DRs who have decided not to tender their DRs, may not be able to sell their DRs or may be forced to

		relinquish their DRs as a result of a possible implementation of a squeeze-out or post-Settlement of the Public Offer restructuring measure, such as an asset sale followed by a liquidation.
Section E – Offer		
E.1	Net proceeds and estimated expenses	Not applicable.
E.2a	Reasons for the Offering and use of proceeds	Not applicable.
E.3	Terms and conditions of the Offering	Not applicable.
E.4	Interests material to the Offering (including conflicts of interests)	Not applicable.
E.5	Person or entity offering to sell the Offer DRs and lock-up arrangements	Not applicable.
E.6	Dilution	Not applicable.
E.7	Estimated expenses charged to the investors by the Company	Not applicable.

RISK FACTORS

Before investing in the DRs, prospective investors should consider carefully all of the information in this Prospectus, including the following specific risks and uncertainties in addition to the other information set out in this Prospectus. If any of the following risks actually occurs, the Group's (as defined below) business, results of operations, financial condition or prospects could be materially adversely affected. In that event, the value of the DRs could decline and an investor might lose part or all of the investor's investment. Although the Group believes that the risks and uncertainties described below are the material risks and uncertainties facing the Group's business and the DRs, additional risks and uncertainties not presently known to the Group or that the Group currently deems immaterial could also have a material adverse effect on the Group's business, results of operations, financial condition or prospects and could negatively affect the price of the DRs. All of these risk factors and events are contingencies which may or may not occur. The Group may face a number of the risks described below simultaneously and one or more of the risks described below may be interdependent. The risks and uncertainties described are not necessarily presented in the order of likelihood that a risk will materialize or seriousness of the consequences if a risk should materialize.

Prospective investors should read and carefully review all detailed information set out in this Prospectus and should reach their own views before making an investment decision with respect to any DRs. In addition, before making an investment decision with respect to any DRs, prospective investors should consult their own stockbroker, bank manager, lawyer, auditor or other financial, legal and tax advisers and carefully review the risks associated with an investment in the DRs and consider such an investment decision in light of their personal circumstances.

Risks relating to the Group's Business, Operations and the Industry in which it operates

The Group believes its success and results are dependent on distributing strong brands and strong concepts in the equipment industry. The Group is substantially dependent on the products of and its relationship with its Main Original Equipment Manufacturers. If the products of the Main Original Equipment Manufacturers no longer meet the Group's customers' requirements, this could have a material adverse effect on the Group's business, financial condition, results of operations and prospects

The Company together with its Group Companies (as defined below) (together the "**Group**") believes it is a leading distributor of strong brands and strong concepts in the equipment industry in the Netherlands, Belgium, Kazakhstan and parts of Germany. The Group also is a distributor of mainly agricultural machinery in Turkey. Based on the Group's revenues over the first half year of 2015 (unaudited), the distribution of equipment from Amazonen-Werke H. Dreyer GmbH & Co. KG and its affiliated companies ("**Amazone**"), Atlas Maschinen GmbH and its affiliated companies ("**Atlas**"), CLAAS Kommanditgesellschaft auf Aktien MbH and its affiliated companies ("**Claas**"), Horsch Maschinen GmbH and its affiliated companies ("**Horsch**"), Kobelco Construction Machinery Europe B.V. and its affiliated companies ("**Kobelco**"), Kuhn S.A. and its affiliated companies ("**Kuhn**"), Linde Material Handling GmbH and its affiliated companies ("**Linde**"), MacDon Industries Limited and its affiliated companies ("**MacDon**"), Terex Global GmbH and its affiliated companies ("**Terex**") and Toro International Company and its affiliated companies ("**Toro**") (the "**Main Original Equipment Manufacturers**") represented a significant share (75%) of the Group's total revenues. The revenues generated per individual Main Original Equipment Manufacturer ranged from 1% to 37% of the Group's revenues over the first half year of 2015 (unaudited). In addition, the Company's strategy contemplates, among other things, obtaining additional geographic areas of responsibility and product ranges from the Main Original Equipment Manufacturers.

To remain competitive the Group must continuously seek, and the Main Original Equipment Manufacturers must continuously develop, new and innovative products or enhance the existing equipment lines to ensure that the products continue to be accepted on an ongoing basis. However, the Main Original Equipment Manufacturers may not be able to successfully produce new products, or its competitors could develop, manufacture or sell equipment that is more technologically advanced, more price competitive or otherwise better received in the market than that of the Main Original Equipment Manufacturers.

Due to the substantial dependence on the Main Original Equipment Manufacturers, the Group's success depends, in significant part, on (i) the overall reputation and success of the Main Original Equipment Manufacturers; (ii) the possibility for the Group to obtain additional geographic areas of responsibility and product ranges from the Main Original Equipment Manufacturers; (iii) the introduction of new and innovative products by the Main Original Equipment Manufacturers which meet the Group's customers' requirements; (iv) the manufacture and delivery of competitively-priced, high quality equipment and parts by the Main Original Equipment Manufacturers in quantities sufficient to meet the Group's customers' requirements on a timely basis; (v) the quality, consistency and management of the overall distribution system to the Group; and (vii) the ability of the Main Original Equipment Manufacturers to manage risks and costs. If the Main Original Equipment Manufacturers do not provide, maintain or improve any of the foregoing, or if the Main Original Equipment Manufacturers were sold, reduced or ceased operations, this could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Main Original Equipment Manufacturers may terminate their distribution contracts with the Group, change the terms of those contracts or not renew these contracts. These changes could have a material adverse effect on the Group's business, financial condition, results of operations and prospects

Certain Main Original Equipment Manufacturers routinely conduct evaluations of distributors' standards and market share studies, the results of which can impact the relationship with any or all Group Distributors (as defined hereafter). A "**Group Distributor**" is any of Kamps de Wild B.V. ("**Kamps de Wild**"), Reesink Technische Handel B.V. ("**Reesink Technische Handel**"), CT Agro GmbH ("**CT Agro"),** CT Agro TOO **("CT Agro Kazakhstan"),** Kuhn Center Turkey Tarim Makinalari AŞ ("**Kuhn Center Turkey**"), Packo N.V. ("**Packo**"), Agrometius B.V. ("**Agrometius**"), Agrometius BVBA ("**Agrometius Belgium**"), Stierman De Leeuw B.V. ("**Stierman De Leeuw**"), Jean Heybroek B.V. ("**Jean Heybroek**"), Ben Kemp Holding B.V. and its subsidiaries Barend Kemp B.V., Kemp BVBA and Huur & Stuur B.V. ("**the Kemp Group**"), Hans van Driel B.V. ("**Hans van Driel**"), Safety Centre International B.V. ("**Safety Centre International**"), Motrac Hydrauliek B.V. ("**Motrac Hydrauliek**"), Motrac Hydraulik GmbH ("**Motrac Hydraulik**"), Motrac Intern Transport B.V. ("**Motrac Intern Transport**"), Motrac Handling & Cleaning N.V./S.A. ("**Motrac Handling & Cleaning**") and Pelzer Fördertechnik GmbH ("**Pelzer Fördertechnik**"). Under the agreements with the Group's Main Original Equipment Manufacturers, the latter have the right to terminate these agreements in certain circumstances (*e.g.*, in the event that a Group Distributor fails to perform a material obligation under a distribution contract, or if a Group Distributor adds a line of products which competes with the Main Original Equipment Manufacturers' equipment without prior consent of the relevant Main Original Equipment Manufacturer). In addition, certain Main Original Equipment Manufacturers may change the terms of their agreements with the Group, such as the Group sales and service areas or the product, pricing or delivery terms. Finally, the Main Original Equipment Manufacturers may decide not to renew the distributions agreements with the Group for various reasons, including that it may prefer to supply dealers or end-users directly.

If any of the Main Original Equipment Manufacturers were to change the terms of any or all of these agreements (upon renewal or during the course of the relationship) in a manner that adversely affects the Group, the Group's business may be harmed, and if the Main Original Equipment Manufacturers were to terminate any or all of its contracts with the Group, or not renew them, this could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The industries in which the Group is active are cyclical in their nature and are therefore influenced by various economic factors, which could have a material adverse effect on the Group's business, financial condition and results of operations

The industries in which the Group is active (*i.e.*, agriculture, turf care and landscape maintenance, material handling, construction including earth moving, cleaning equipment industry, hydraulics components and systems industry, building industry, installation production, offshore and shipping industry) are cyclical in their nature and therefore influenced by various economic factors. Although the Group sells equipment, products, components and systems and provides services to a broad range of customers in a number of industries, cyclicality in the respective markets could have a material adverse effect on the Group's business, prospects, financial condition (including its working capital) or results of operations. The cyclicality can be linked to general economic conditions in the markets the Group serves. In periods of slow growth or decline, the Group's customers are more likely to decrease investment in equipment, lose their creditworthiness or become insolvent and the Group is more likely to experience decreased revenues as a result. These cyclical downturns have affected the Group's customers industries in the past, are affecting them at present and are likely to affect them in the future.

Changes in general economic conditions or business conditions in specific industries could have a material adverse effect on the Group's business, financial condition, results of operations and prospects

Worldwide economic developments could affect the Group. *E.g.*, low oil prices negatively affect the general economic conditions in Kazakhstan which could adversely affect the sale of agricultural equipment and have an adverse impact on the Group's revenues and profitability.

The poor economic conditions in a great part of Europe have impacted until recently government budgets, which might be a threat to the continuation of certain public investments that have historically benefited the Group's business, in particular in the Dutch construction, agriculture, turf care and landscaping markets. Continued reductions in government budgets can have an adverse impact on the Group's business, results of operations, financial condition and prospects as the Group generates revenues from the ability of the sale and rental of equipment to governmental entities.

Changes in farm income and farmland value, the level of worldwide farm output and demand for farm products and limits on agricultural imports are material factors that could adversely affect the agricultural industries and result in a decrease in the amount of agricultural equipment that the Group's customers purchase. The nature of the agricultural equipment industries is such that a downturn in demand can occur suddenly, resulting in excess inventories and reduced prices for new and used equipment. These downturns may be prolonged and the Group's revenues and profitability could be materially harmed as the Group's business depends upon general activity levels in the agricultural industry.

The 2008 – 2012 economic downturn, which generally negatively affected all industries, has especially negatively affected the building industry and thereby the related construction and industrial industry. Although the economic conditions are considered to improve, local authorities in the Netherlands decide to delay or even cancel the developments of building plans due to demographic developments and a high vacancy rate in commercial buildings. The building industry is experiencing a prolonged economic down cycle as a result of these macro-economic circumstances, which negatively impacts sales of steel products and construction equipment. The effect of the economic turmoil between 2008 and 2012 on the Group's markets may lead to a continued delay in or a cancellation of orders. Unemployment, the lack of consumer trust and the (reduced) availability of residential mortgage financing, due also to stricter conditions, or credit and funds in general, has impaired and may continue to impair consumers to purchase homes. The low sales volume of homes in the Netherlands has lead, and may continue to lead, to development projects – and more important related infrastructure projects – being postponed or cancelled.

During periods of economic downturn, the Group may also experience additional difficulties maintaining favorable pricing and payment terms and customers may take longer to pay the Group's invoices. Any inability to collect invoices in a timely manner may lead to increased write-offs of uncollectible invoices. A decreased demand for the products sold by the Group may lead to competitors competing more heavily to provide their own products to the same customers, which may put additional pressure on prices.

These factors have had and may continue to have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The ongoing uncertainties created some years ago by events in the financial industry including the tightening of standards for granting credits and the impact on the mortgage market, may have a material adverse effect on the Group's business, financial condition, results of operations and prospects

The ongoing uncertainties created some years ago by events in the financial industry, including the tightening of standards for granting credits and the impact on the mortgage market, could adversely affect the ability of customers of the Group's equipment and services to obtain financing, thus reducing demand. Similarly, if consumers cannot obtain mortgage loans or only limited amounts of these loans, this is likely to have an adverse effect on the demand for equipment sold and rented by the Group. Any restriction on the credit terms extended to its customers could result in loss of customers, business and revenues of the Group. Decreased demand for the Group's products could have a negative impact on the Group's financial performance and cash flow. The difficulties in the credit market are expected to prolong this risk for the Group. These factors may have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Geopolitical developments could have a material adverse effect on the Group's business, financial condition and results of operations and prospects

Global as well as regional political developments and international tensions could lead to measures that have an economic impact, *e.g.* Russia's import restrictions on European agricultural products. This may have a significant negative impact on the businesses of end-users of agricultural and other equipment the Group distributes and as a result have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The relationship of each of the Group Distributors with the Main Original Equipment Manufacturers entails that they do not distribute equipment of competing brands within a specific geographical area, which might impact the Group's ability to grow organically within a specific geographical region and limit the Group's conduct of business and prospects

The relationship of each of the Group Distributors with the Main Original Equipment Manufacturers entails that the relevant Group Distributors do not distribute equipment of competing brands within a specific geographical area. This could mean that the Group Distributors cannot distribute more products (in the future) and are therefore limited in their ability to grow organically. While the Group may acquire other companies that are outside the scope of the geographic areas that the Group is active in, this might still impact the Group's ability to grow organically within a specific geographical region and limit the Group's conduct of business and its prospects.

The Group may not obtain additional geographic areas of responsibility and locations from existing or new original equipment manufacturers, which might impact the Group's growth prospects and its general conduct of business

The success of the Group's growth strategy depends partially upon the Group's ability to acquire additional areas of responsibility and locations from existing or new original equipment manufacturers. This is influenced by the availability and price of suitable acquisition candidates (*e.g.*, distributors), the availability of capital to complete acquisitions and the Group's ability to compete effectively for available acquisition candidates. In addition, acquiring equipment distributors generally requires the consent of the original equipment manufacturer. Original equipment manufacturers typically evaluate management, performance and capitalization of a prospective acquirer in determining whether to consent to the sale of a distributor. There can be no assurance that original equipment manufacturers will consent to any or all acquisitions of distributors that the Group may propose, which might impact the Group's growth prospects and its general conduct of business.

Changes in commodity and agricultural products prices could have a material adverse effect on the Group's business, financial condition and results of operations

Many of the end-users of the products distributed by the Group are directly and indirectly affected by fluctuations in commodity prices (*e.g.*, steel) and agricultural products prices (*e.g.*, grain, milk or corn). As a result, the Group is also indirectly affected by fluctuations in those prices. An adverse change in commodity prices or in agricultural products prices could have a material adverse effect on the Group's business, financial condition and results of operations.

The performance of the Group is subject to weather conditions and other circumstances such as animal or crop diseases and food safety incidents inside but also outside the geographical markets in which the Group operates its business. A significant increase in the severity of weather cycles and the occurrence of the aforementioned circumstances could have a material adverse effect on the Group's business, financial condition and results of operations

Weather conditions, particularly cold periods (*e.g.*, snow), floods and droughts and the occurrence of circumstances such as animal (*e.g.*, foot and mouth disease) or crop diseases, or food safety incidents (*e.g.*, contaminated milk powder leading to a limitation of importation by China of milk powder) may have a significant impact on the success of the industries in which the Group is active. Accordingly, the Group's financial condition and results of operations may be materially and adversely affected by these events since they may impact the timing and amount of equipment, parts and service purchased by the Group's customers and could have a material adverse effect on the Group's business, financial condition and results of operations.

Certain Main Original Equipment Manufacturers may appoint other equipment distributors in close proximity to the Group's business or reduce the geographic areas of responsibility for sales and services assigned to the Group or enlarge those of competitors, any of which may have a material adverse effect on the Group's business, financial condition, results of operations and prospects

The Main Original Equipment Manufacturers have assigned geographically defined areas of responsibility to the Group, whereby the Group has been granted distribution and product support rights within those markets. However, there can be no assurance that certain Main Original Equipment Manufacturers will not appoint other equipment distributors and dealers in close proximity to the Group's business as no exclusive relationships have been entered into with all Main Original Equipment Manufacturers. In addition, under a limited number of distribution agreements, the relevant Main Original Equipment Manufacturers can unilaterally enlarge or reduce the sales and service geographic areas of responsibility assigned to the Group. To the extent the Main Original Equipment Manufacturers appoint other equipment distributors and dealers in close proximity to the Group's business or reduce the sales and service geographic areas of responsibility assigned to the Group or enlarge those of competitors, the Group's business, financial condition, results of operations and prospects could be materially adversely affected.

Parallel imports by third parties of equipment which the Group distributes may adversely affect the Group's business, financial condition and results of operations

Parallel imports by third parties of non-counterfeited machinery from brands the Group distributes without the permission of the Main Original Equipment Manufacturer or the assignment of such rights might affect the margins of the Group. The Main Original Equipment Manufacturers might sell at different prices in different markets. Parallel import arbitrage between these price inequalities, generally (negatively) impacts price levels of prices in the markets where the products are being sold by selling typically at lower prices than is prevalent in that market. Parallel imports might have an impact on markets for new machinery, as well as on markets for used machinery. The occurrence of parallel imports may have a material adverse effect on the Group's business, financial condition and results of operations.

An undersupply or oversupply of equipment may adversely affect the Group's business, financial condition and results of operations

Although original equipment manufacturers typically manage production levels of new equipment in response to demand in consultation with the Group, there may be short-term undersupplies of new equipment as original equipment manufacturers adjust to industry demand fluctuations. In addition, undersupplies could be caused by problems in the supply chain, for example as a result of natural disasters. If the Group's original equipment manufacturers cannot provide the Group with a reliable supply of new equipment the Group may not be able to meet its customers' demand and results of operations could be negatively impacted. In addition, an undersupply of equipment may cause prices for such equipment to increase. To the extent the Group cannot pass on any increased costs of equipment to its customers, the Group's results of operations may suffer. In addition, there might be (global) oversupplies of used equipment which could adversely affect demand for, or the market prices of, new and used equipment. The occurrence of undersupplies of new equipment and the occurrence of oversupplies of used equipment could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's reputation and relationship with its customers and its revenues could be harmed by performance failures by the Group or other parties in the supply chain, which could have a material adverse effect on the Group's business, financial condition and results of operations

The Group distributes equipment either to end-users through (independent) dealers or to end-users directly and it provides a variety of related (after-sales) services. The Group's or the dealers' failure to meet standards or service levels could lead to customer disputes or claims for compensation and may have a negative effect on the reputation of the Group, could harm the Group's relationship with its customers and could have a material adverse effect on the Group's business, financial condition and results of operations.

Adverse changes in governmental policies, including decreases in European Union subsidies or local subsidies in countries as Kazakhstan and Turkey and the tightening of government budgets, may reduce demand for equipment and could have a material adverse effect on the Group's business, financial condition and results of operations

Changes in governmental policies (on supranational, national and local level), including the extent of any governmental and international regulation especially with regards to agriculture, turf care and (livestock) farming (*e.g.*, the discontinuation of tax benefits related to agricultural diesel or changes in environmental laws affecting minerals application and crop protection), could adversely affect sales of equipment. Government subsidies such as the European Union or local subsidies for farmers influence demand for equipment. The tightening of (local) government budgets and continued reductions of government expenditure may reduce the amount of payments to individual end-users. Adverse changes in governmental policies and reductions in governmental funding and spending could reduce demand for equipment and could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group may be liable for environmental damages, and any significant environmental damage caused or not remedied by the Group, or perceived to be caused or not remedied by the Group, could have a negative effect on the Group's reputation and could have a material adverse effect on the Group's business, financial condition and results of operations

The operations and properties of the Group are subject to different laws and regulations in the countries in which it operates concerning the release of materials into the environment and otherwise relating to the protection of the environment. Environmental laws can, and in many jurisdictions where the Group operates, do, impose liability without regard to whether the owner or lessor had knowledge of the release of substances or caused the release.

The Group's real estate may be polluted. In these circumstances, the Group might be obliged to take temporary containment measures or cure the existing pollution. The costs related to such measures or the costs of defending against environmental claims may be substantial. The Group also bears the risks that the costs of these measures or remediation cannot be recovered from the person or legal entity that originally caused the pollution.

No assurance can be given that environmental liability may not be incurred in the future as a result of existing or future contamination of any of the Group's sites or otherwise as a result of the Group's operations. In addition, any significant environmental issue caused or not remedied by the Group, or perceived to be caused or not remedied by the Group, could also have a negative effect on the Group's reputation and could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's affiliation with THR, e.g. through the rent of Ecofactorij 20 in Apeldoorn and the granted loans, could have a material adverse effect on the Group's business, financial condition and results of operations

The Group holds 36% of the depositary receipts in THR B.V. ("**THR**"), a wholesaler of do-it-yourself ("**DIY**") products. For more information on THR, see "Business – Other Interests". THR has been and continues to be affected by adverse general economic conditions and decreased consumer spending. A continued stagnation of DIY-sales, a new recession, or the public perception of declining economic conditions could continue to substantially decrease consumer spending and as a result negatively affect the business in which THR is active. This could in turn adversely affect THR's revenues and related results. In 2012 the Group wrote down the investment value of THR and the loans it provided. The Group also reduced the rent for THR's distribution center at Ecofactorij 20 in Apeldoorn (the Netherlands) effective 2013 and 2014. These adjustments have been accounted for in the valuation of the distribution center at Ecofactorij 20 in Apeldoorn (the Netherlands) as of 31 December 2012 and 31 December 2014. The Group is affiliated with THR in several manners, for instance under the joint venture agreement between, among others, the Company and THG Beheer Apeldoorn B.V. relating to the transfer of the Group's DIY activities to THR (*i.e.*, indemnities and warranties) and new finance arrangements made in

2013. On the date of this Prospectus the Company has granted loans amounting to €1.3 million to THR and besides that guarantees amounting to €1.9 million are provided to ABN AMRO Bank N.V. THR is also still the Group's main tenant for the Ecofactorij 20 in Apeldoorn (the Netherlands) location. A deterioration of THR's financial position could impact the Group's rental income, might lead to a further re-evaluation of the property and might lead to the Group having to find a new tenant or a buyer of the Ecofactorij 20 location. In case the Group was not to find a new tenant or buyer, the Group's business, financial condition and results of operations could be materially adversely affected. The Group's affiliation with THR as described above could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group is active or may be active in a number of regions around the world, such as in emerging markets, some of which are economically, socially and politically unstable, which could have a material adverse effect on the Group's financial condition, results of operations and prospects

The Group operates mainly in the Netherlands, Belgium and Germany. In 2014 and 2015 the Group expanded to Kazakhstan and Turkey respectively. Emerging markets such as Kazakhstan and Turkey have recent histories of economic, social and political instability. In addition, the Group may develop a new key market or decide to make additional investments in other existing high-risk markets, and as a result be exposed to additional or increased social, political and economic instability, among other risks. In such markets, the Group is particularly exposed to changes in the legislative, political, regulatory and economic framework in addition to risks relating to political unrest and terrorism.

There is also a risk that local governments adopt policies that may have an adverse effect on the Group, including nationalization, expropriation of assets, nullification or modification of contract terms, the imposition of unexpected taxes or other payment obligations on the Group, the introduction of exchange controls and other restrictive or protectionist policies and actions.

Furthermore there is a risk that exchange rate fluctuations may have an adverse effect on the Group. Even if the Group hedges the currency risks directly resulting from its own foreign business transactions, being procurement or sales in foreign currencies, there may occur adverse effects of exchange rate fluctuations. *E.g.* in August 2015 the central bank of Kazakhstan decided to let go of the rate link between the Kazakh currency, the tenge, and the US dollar which immediately resulted in a decrease of 23% of the tenge's market price. This not only negatively affected the value of the Company's equity interest in CT Agro but also did negatively affect the end-users' businesses in Kazakhstan and their investment opportunities and as a result the sales opportunities of CT Agro and CT Agro Kazakhstan. A decrease in the market price of the Kazakh currency, or of the currency of any other foreign country in which the Group is or will be active besides the euro, may occur (again) in the future.

If any of these risks materialize, this could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

There can be no assurance that the Group's strategy will be successfully implemented, or that the Group will (fully) realize the expected benefits of its strategy, which might impact the Group's business, financial condition, results of operations and prospects

The Group's current strategy describes the Group's ambition to become a major full line equipment distributor in the relevant markets and to be an integrated supplier in the industrial division. For more information on the Group's strategy, see "Business". There is no assurance that the Group's strategy will be successfully implemented, or that the Group will (fully) realize the expected benefits of its strategy, which might impact the Group's conduct of business, financial condition, results of operations and prospects.

The Group operates in different highly competitive environments and may lose business to competitors or otherwise be unable to compete favorably, which could have a material adverse effect on the Group's business, financial condition and results of operations

The markets in which the Group operates are highly competitive and may possibly become even more competitive in the future. The Group competes with many different types of businesses, including family run businesses, original equipment manufacturers and conglomerates with equipment distribution activities and dealer activities. The steel trading and handling activities are faced with competition ranging from specialized trading companies to major international conglomerates. Historically, the Group's competitors have competed aggressively on the basis of pricing and to a lesser extent on inventory availability. This might result in decreased margins of the Group's sales to the extent the Group chooses to match competitors' downward pricing. To the extent the Group chooses not to match pricing or to remain within a reasonable competitive distance from the competitors pricing, this could have an adverse effect on the Group's results of operations, as the Group might lose sales volume. In addition, to the extent competitors who sell other brands than the Group provide their customers with more innovative or higher quality products, provide more advantageous or better customer financing, or have more effective marketing efforts, the Group's ability to compete, financial condition and results of operations could be adversely affected.

Increasing competition from existing competitors in the sectors in which the Group operates or a further consolidation in its markets could add pressure on prices and margins for the Group. Companies that compete with the Group may have greater financial and other resources. The Group may not be able to respond effectively to competitive pressures, or to continue to operate and enter into arrangements on economically competitive or viable terms. This could have a material adverse effect on the Group's business, financial condition and results of operations.

The acquisition strategy of the Group may lead to several risks, e.g. related to the failure to identify suitable candidates or investment opportunities, the acquisitions of unsuitable candidates or the making of unsuitable investments, as well as a delay in realizing acquisitions or investments or the impossibility by the Group to close acquisitions or investments, and the liability of buyers for legacy obligations, each of which could have a material adverse effect on the Group's business, financial condition and results of operations and prospects

The Group has historically achieved growth through a combination of organic growth and acquisitions. Execution of the Group's corporate strategy will require the continued pursuit of acquisitions and investments and will depend on the Group's ability to identify suitable acquisition candidates and investment opportunities. Acquisition and investments entail risks, such as:

- inaccurate assumptions about revenues and costs, including synergies;
- the assumption of unknown liabilities;
- limitations on rights to indemnify the seller;
- inaccurate assumptions about the overall costs of equity or debt;
- deteriorating capital structure as a result of debt finance;
- lack of management control when minority equity interests are taken;
- customer or key employee losses at the acquired businesses; and
- a potential dilutive impact on the Company's earnings per DR.

The Group cannot be sure that it will be or has been able to identify and acquire, on reasonable terms, if at all, suitable acquisition candidates or investment opportunities or that it will be able to obtain the necessary funding on favorable terms, if at all, to finance any of those potential acquisitions or investments. Failure to identify suitable candidates or investment opportunities or the acquisitions of unsuitable candidates or the making of unsuitable investments could impair the Group's ability to achieve its strategic objectives. Additionally, compliance with anti-trust or any other regulations may delay proposed acquisitions or prevent the Group from closing acquisitions or investments in the manner proposed, if at all.

Moreover, achieving the expected benefits and synergies of the acquisitions and investments depends, in part, upon whether the operations, the IT systems and the personnel of the acquired companies and the investments can be integrated in an efficient and effective manner with the Group's existing businesses. The process of integration may be disruptive and may take longer than the Group anticipates. The performance of the acquired business and investments may not meet the Group's expectations.

More specifically, the Group might not be able to implement the desired level of high-quality after-sales service business model in other divisions within the Group, or the Group might not be able to fully optimize the cross-selling potential. The manifestation of any of these risks could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group may incur unforeseen liabilities from former and future acquisitions and divestments that are not covered by effective warranties or indemnities which could have a material adverse effect on the Group's business, financial condition and results of operations

Over the past years, the Group has expanded its business through organic growth and through acquisitions. The Group intends to continue its acquisition activities. Acquisitions of companies expose the Group to the risk of unforeseen expenses, losses, or obligations with respect to employees, customers and business partners of acquired businesses, public authorities and other parties. Before making an investment in a company or business, the Group assesses the value or potential value of such company or business and the potential return on such an investment. In making the assessment and otherwise conducting due diligence, the Group relies on the resources available and, in some cases, an investigation by third parties. However, there is no assurance that due diligence examinations carried out by the Group or by third parties in connection with equity interests in companies or businesses that the Group has acquired or will acquire are sufficient or will reveal all of the risks associated with such companies and businesses, or the full extent of such risks. In addition, acquired companies or businesses may have hidden liabilities that are not apparent at the time of acquisition. Although the Group normally obtains certain warranties and indemnities from the seller, these warranties and indemnities may not cover all of the liabilities that may arise following the acquisition and any indemnification may not fully compensate the Group for any diminution in the value of its interest in such companies or businesses. The Group may also encounter difficulties enforcing warranties or indemnities against a seller for various reasons, including the insolvency of the seller or expiry of claim periods for such warranties or indemnities. Similarly, in relation to divestments of businesses or assets, the Group may not always be able to pass on the entire risk relating to the divested business or assets to the purchaser, which may lead to additional risks such as liability related to legacy obligations. This means that after divestment, the Group could be faced – sometimes many years later – by substantial liabilities.

A materialization of (unknown) liabilities that are not covered by effective warranties or indemnities, or the inability to enforce indemnities or indemnities that cannot be passed on to the buyer, could have a material adverse effect on the Group's business, financial conditions and results of operations.

The Group in its material handling division currently focuses mainly on man-operated equipment, while ongoing automation may replace man-operated logistical flows, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects

The Group believes that its end-users in the material handling equipment industry generally focus on products that can be customized to their specifications and utilized in their operations. In addition, its end-users seek to improve the automation, standardization and integration of equipment utilized in their material handling operations. In this regard, the Group currently has a focus on distributing man-operated material handling equipment such as forklift trucks. The Group however sees that certain modern warehouses are equipped with fully automated equipment, thus making a part of the man-operated equipment the Group offers (such as forklift trucks) redundant. If the Group is unable to keep up with the trend of ongoing automation and offer enhanced fully automated equipment that meets the evolving requirements of its end-users, this could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group's customers in the hydraulics components industry, such as certain original equipment manufacturers of hydraulic components and systems, may choose to insource engineering by investing in technological expertise, which could have a material adverse effect on the Group's business, financial condition and results of operations

The Group, through Motrac Hydraulics (Motrac Hydrauliek for the Netherlands and Belgium and Motrac Hydraulik for Germany) provides (engineering services of) hydraulic components and systems required to create, for example, drive-trains, complete hydraulic power units as well as system solutions for mobile and industrial applications. As these systems become more complex, the Group sees that industry demand evolves from a pure hydraulic solution demand to a mechatronic demand (*i.e.,* a combination of hydraulics, mechanics and electronics) which requires more technical expertise. As a result, the Group sees and benefits from a trend that midsize original equipment manufacturers tend to outsource the engineering to full line components and systems providers such as the Group and start to focus solely on the functional specifications. Should these original equipment manufacturers, however, choose to insource the engineering process by investing in technological expertise, this could have a material adverse effect on the Group's business, financial condition, and results of operations.

The Group's success is dependent on the ability to retain and recruit (managing) directors, key personnel and skilled employees. The Group's inability to do so could have a material adverse effect on the Group's business, financial condition and results of operations

The Group is characterized by its decentralized structure and consists of several group companies within the meaning of section 2:24b of the Dutch Civil Code ("**DCC**") (the "**Group Companies**") operating in different markets headed by the respective division director and (in some cases) local management. The Group's division directors and key personnel are vital to the on-going stability and growth in their respective markets. Any unplanned change in division directors and key personnel at the Company's and the Group Companies' level could have a negative impact on the Group's business, financial condition and results of operations.

The Group's businesses are built around strong brands and strong concepts which to a great extent depend on the (technical) knowledge of the employees. The Company and its Group Companies are therefore dependent upon being able to attract and retain skillful personnel. Competition for such personnel is intense and the Group may be unable to successfully attract, integrate or retain sufficiently qualified personnel. Should the Group be unable to retain and to recruit skillful personnel, this could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group may incur material liabilities that are not covered by the Group's insurance or the Group may not be able to maintain the Group's current insurance coverage or do so at a reasonable cost, which in either case could adversely affect the Group's business, financial condition, results of operations and prospects

The Group carries insurance of various types, including employment practices, pension-related, product liability and general liability coverage. While it seeks to maintain appropriate levels of insurance, not all risks are insurable and not all claims are reimbursable and there can be no assurance that the Group will not experience major incidents that are not covered by its insurance. For example, incidents related to earthquakes, nuclear bombs and terrorism are not covered by the Group's insurance. Also, credit risk is not fully covered by the Group's insurance and certain Group Companies are risk bearer for work-related disability of employees. In addition, the occurrence of several events resulting in substantial claims for damages may have a material adverse effect on the Group's business, results of operations, financial condition and prospects. In addition, the Group's insurance costs may increase over time in response to negative developments in its claims history or due to material price increases in the insurance market in general. There can be no assurance that the Group will be able to maintain the Group's current insurance coverage or do so at a reasonable cost which could adversely affect the Group's business, results of operations, financial condition and prospects.

The Group could be subject to information technology theft or misuse, which could result in third party claims and could have a material adverse effect on the Group's business, financial condition and results of operations

The Group could face attempts by others to gain unauthorized access to the Group's information technology systems, which could threaten the security of the Group's information and stability of its systems. These attempts could arise from industrial or other espionage or actions by hackers that may harm the Group or its customers. Although the Group seeks to detect and prevent such theft and attacks, it may not be successful in doing so. Theft, unauthorized access and use of trade secrets or other confidential business information as a result of such an incident could disrupt the Group's business and adversely affect its reputation and competitive position, which could have a material adverse effect on the Group's business, financial condition and results of operations.

Legal proceedings in which the Group may become involved in the future or third parties not or only partially paying out under indemnifications could have a material adverse effect on the Group's business, financial condition and results of operations

The Group is currently involved in a limited number of legal proceedings. The outcome of these legal proceedings is currently not expected to individually or in the aggregate have a material adverse effect on the Group's business. There can be no assurance that the Group will not become involved in legal proceedings in the future which could have a material adverse effect on the Group's business, financial condition and results of operations.

Third parties have indemnified the Group for certain liability claims. If these third parties were not to pay out under the indemnification or if they were to pay only part of the liability of the Group, this could have a material adverse effect on the Group's business, financial condition and results of operations.

Violations of laws could result in damages, fines or other sanctions and could have a material adverse effect on the Group's business, financial condition and results of operations

The Group's operations are affected by various statutes, regulations and laws in markets in which it operates. The Group is subject to various laws applicable to businesses generally, including, but not limited to, laws affecting tax, land use, zoning, the environment, occupational health and safety, product safety, quality and liability, transportation, labor and employment practices (including pensions), anti-bribery, competition, construction, procurement, administrative, accounting, corporate governance, market disclosure, data protection, money laundering and economic sanctions laws and regulations. There can be no assurance that the Group will not incur material costs or liabilities in connection with regulatory requirements. Future developments in laws and regulations concerning the Group's businesses may materially adversely affect its business, financial condition and results of operations. The technical services the Group provides in addition to the sales is an area that is in particular exposed to the risk of non-compliance with rules relating to competition, anti-bribery and health and safety. Any failure to comply with applicable laws and regulations (and in particular those relating to competition, anti-bribery and health and safety) by any of the Group's employees, Group Companies, businesses acquired by the Group, or business partners may lead to heavy fines, to damage to the Group's brands and reputation and to exclusion from participation in public tenders. In addition such failures may lead to disciplinary, administrative, civil and criminal enforcement actions and civil liability. The precautions the Group takes to prevent and detect non-compliance with these rules may not always have the desired effect.

Any breach of obligations under these statutes, regulations and laws, or even incidents relating to the environment or health and safety that do not amount to a breach, could have a material adverse effect on the Group's business, financial condition and results of operations.

Changes in tax laws or challenges to the Group's tax position could have a material adverse effect on the Group's business, financial condition and results of operations

The Group is subject to tax laws and regulations which are diverse, complex and are subject to varying interpretations in each of the jurisdictions in which the Group operates. The Group cannot be certain that the relevant tax authorities are in agreement with the Group's interpretation of these laws. Changes in tax laws and regulations could adversely affect the Group's tax position, including its effective tax rate or tax payments. The Group often relies on generally available interpretations of tax laws and regulations in the jurisdictions in which the Group operates. If tax laws or their interpretations change, or if the Group's tax positions are challenged by relevant tax authorities, the imposition of additional taxes could require the Group to pay taxes that the Group currently does not collect or pay or increase the costs of the Group's products or services to track and collect such taxes, which could increase the Group's costs of operations and could have a material adverse effect on the Group's business, financial condition and results of operations.

Shareholders and holders of DRs could initiate proceedings leading to an investigation of the Company's management policies or bring other legal actions against the Company that could have a material adverse effect on the Group's business, financial condition and results of operations

Shareholders and holders of DRs representing alone or together at least 10% of the Company's issued share capital, or holding alone or together Shares (defined below) or DRs with a related nominal value of €225,000 could initiate proceedings with the Enterprise Chamber (*Ondernemingskamer*) of the Amsterdam Court of Appeals (the "**Enterprise Chamber**") to investigate the Company's management policies and the conduct of its business. If the Enterprise Chamber determines that there are good reasons to doubt the proper management of the Company's affairs, it may appoint experts to conduct investigations and prepare reports at the Company's expense. If, on the basis of these reports, the Enterprise Chamber should render a finding of corporate misconduct, it may order, at the request of the petitioners of the investigation proceedings, the advocate-general to the Enterprise Chamber, or, if the report has been made available by the Enterprise Chamber to the public at large, any interested party, that one or more measures be taken. These measures may include suspension or annulment of resolutions of the Company's management board ("**Management Board**"), the Company's supervisory board ("**Supervisory Board**") and Company's general meeting of shareholders (the "**General Meeting**"), the suspension or dismissal of members of the Management Board or Supervisory Board, the temporary appointment of one or more persons to the Management Board or Supervisory Board, the temporary deviation from certain provisions of the articles of association of the Company (the "**Articles**") and the temporary transfer of Ordinary Shares and Preference Shares (as defined below) (Ordinary Shares and Preference Shares together the "**Shares**") to a nominee. In addition, the Enterprise Chamber may order a wide range of temporary measures during the proceedings. Investigations or legal proceedings, if initiated against the Company, could severely distract management, result in significant legal defense and other costs, and may lead to additional negative publicity. Any finding of corporate misconduct could result in investigations by competent authorities and further civil claims being brought against the Company. Any such investigations by competent authorities and other legal proceedings could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group and its customers are exposed to interest rate risks which could have a material adverse effect on the Group's business, financial condition and results of operations

An end-users decision to purchase equipment is dependent of the ability of the end-user to finance these purchases. Interest rate costs form a significant part of the financing costs. Volatility in the credit markets may have a negative impact on the Group's business by making it more difficult for certain customers of the Group to obtain financing to purchase equipment. Increases of interest rates may make equipment purchases less affordable for end-users and, as a result, the Group's revenues and profitability may decrease as the Group manages excess inventory and reduced prices for equipment. To the extent the Group cannot pass on the increased costs as a result of increased interest rates to its customers, the Group's net income may decrease

Part of the Group's existing and future debt and borrowings carry or may carry floating interest rates. The interest-bearing debts consist mainly of non-current liabilities and debts to credit institutions, which have a floating interest rate consisting of (mostly) 1-month or 3-month EURIBOR plus a fixed interest premium. The risk of an interest rate increase occurring is currently not hedged which means that an increase could have a material negative effect on the Group's profitability.

A materialization of any of these risks could have a material adverse effect on the Group's business, financial condition and results of operations.

Substantial financing is required for the equipment the Group sells, but such financing may not be available, which could have a material adverse effect on the Group's business, financial condition and results of operations

The sale of equipment requires substantial inventories of equipment and parts to be maintained to facilitate sales on a timely basis. As the Group grows, whether organically or through acquisitions, inventory requirements will increase and, as a result, the financing requirements will also increase. In the event that the available financing sources are not maintained, cannot be refinanced on commercially reasonable terms or are insufficient to satisfy future requirements, the Group would be required to obtain financing from other sources. There can be no assurance that additional or alternative financing could be obtained on commercially reasonable terms. To the extent additional or alternative financing cannot be obtained on commercially reasonable terms, this could have a material adverse effect on the Group's business, financial condition and results of operations.

Write-downs of inventory might be necessary in case the inventory becomes obsolete which could have a material adverse effect on the Group's business, financial condition and results of operations

The sale of equipment requires substantial inventories of products and parts to be maintained to facilitate sales to end-users on a timely basis. While the Group believes its inventory management systems are sufficient, variations in market demand for the products it sells can result in certain items of inventory becoming obsolete, requiring the Group to write-down some of its inventory balance. As a result, the Group would not be able to realize expected revenues and cash flows from such inventory, which could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's working capital needs are influenced by seasonal effects, which could have a material adverse effect on the Group's business, financial condition and results of operations

The equipment distribution industry is a complex business in which part of the profitability is generated by sophisticated procurement and hence, timing, when dealing and interacting with original equipment manufacturers. The Group pre-orders and pre-pays some of the agricultural equipment it expects to sell in the upcoming season. Pre-ordering agricultural equipment means the Group may receive a discount on the purchase price. The discount received will translate itself into additional profit once the sale materializes during the season. At the same time, end-users pre-order agricultural equipment with the Group, allowing the Group to share the received discount with those end-users. The end-users however only pay later. All in all, this means the Group has ample outflow of resources when pre-orders are made, while it may take up to several months before sales materialize, revenues are being recognized, and cash flows back in. This could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group may be exposed to the risk that it is (temporarily) unable to meet its financial obligations (liquidity risk) if a customer is not able to meet its obligations, which could have a material adverse effect on the Group's business, financial condition and results of operations

The Group is exposed to liquidity and credit risks if a customer is not able or unwilling to meet its obligations and fewer payments (and prepayments) are received. Recently the Group has seen many of its customers seeking to manage their own working capital by demanding or imposing less favorable payment terms. This can lead to longer payment intervals. In addition, the Group's customers may experience financial difficulties, including bankruptcies or restructurings, which could require the Group to assume more credit risk or limit the Group's ability to collect payments owed to the Group. This could lead to pressure on the working capital level of the Group or to the risk that it is (temporarily) unable to meet its own financial obligations. If any of these risks materialize, this could have a material adverse effect on the Group's business, financial condition and results of operations.

A failure of the Company and certain Group Companies to comply with obligations under its financing facilities could result in an event of default, which could have a material adverse effect on the Group's business, financial condition and results of operations

The Group has different financing facilities of which the most important one is the Financing Facility (as defined in "Operating and Financial Review – Capital Resources"). In addition, the Group has other financing arrangements for which various types of security have been provided.

The Financing Facility contains restrictive covenants, the most important ones being (i) a total net senior debt/EBITDA ratio (unaudited, see "Important Information – Presentation of Financial and Other Information – Non-Dutch GAAP and non-IFRS information" for a description of EBITDA) of a maximum of 3.00 (with semi-annual test) and (ii) an interest coverage ratio of at least 4.0. These covenants place restrictions on, among other things, the amount of interest costs incurred and distributions made relative to cash flow, the amount of credit relative to earnings and the amount of capital investment. In addition the covenants restrict the ability of the Company and its Group Companies to encumber or dispose of assets, to acquire companies or businesses or merge, to substantially change the general nature of the business, to attract additional financial indebtedness, to provide guarantees or indemnities and to pay out dividends or other distributions. The Group may, as a consequence of these covenants, be restricted in responding to changing market conditions or in pursuing favorable business opportunities. In addition, the Group will have to dedicate a substantial share of its cash flow from operations to service debt, which in turn will reduce the amount of cash flow it will have available for dividend distributions, capital investment, working capital and other general corporate purposes.

Any failure to comply with the obligations of the Financing Facility, any of the other financing arrangements or any other financial obligation could result in an event of default (including events of cross-default between the different agreements), which, if not cured or waived, could require an accelerated repayment of the Financing Facility and the other financing arrangements. In addition, the lenders could enforce their security interests on securities granted such as mortgages on real estate and pledges on bank accounts, moveable assets and receivables. Changes in applicability of legislation or changes to legislation such as changes in accounting standards (*e.g.*, regarding on- and off-balance sheet requirements related to leases) which are not reflected in the financing conditions, could lead to a failure by the Company and its Group Companies to comply with the obligations under the Financing Facility or other financing arrangements. There can be no assurance that the assets of the Group Companies which are party to the Financing Facility would be sufficient to repay the Financing Facility in full. The aforementioned circumstances could, together and on a standalone basis, have a material adverse effect on the Group's business, financial condition and results of operations.

Current financing arrangements may not be sufficient in the mid or long term, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects

The Group is dependent upon having access to sufficient liquid funds. While the Group believes its current resources are adequate to fund its requirements, there can be no assurance that it will not experience shortfalls in the mid or long term. Additional capital may be required by the Group in connection with financing new capital-intensive projects, acquisitions or for other investments in the mid or long term. In addition, the Group may incur unanticipated liabilities or expenses, and customers may not be able to pay or pay later. There can be no assurance that the Group will be able to raise new equity or arrange new borrowing facilities in a timely manner on acceptable terms and in amounts necessary to conduct its ongoing and future operations, should this be required. Any of these developments could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Catastrophic events, terrorist attacks, acts of war, hostilities, riots, civil unrest, pandemic diseases and other unpredictable events could have a direct or indirect material adverse effect on the Group's business, financial condition and results of operations

Catastrophic events, terrorist attacks, acts of war or hostilities, riots, civil unrest, pandemic diseases and other similarly unpredictable and generally uninsurable events, and responses to those events or acts, may reduce the number of workable days of either the suppliers or dealers of the Group or the Group itself and therefore prevent the Group from being able to perform towards its customers on a service level as expected. Those events and acts may also create economic and political uncertainties which may have an adverse effect on the economic conditions in different countries or decrease the demand for or increase the costs of the Group's products and services. These events and acts may also affect employees, including key employees. If the Group's business continuity plans do not fully address these events or cannot be implemented under the circumstances, the Group may incur losses. Unforeseen events can also lead to lower revenues or additional operating costs, such as fixed employee costs not recovered by revenues due to inability to perform, higher insurance premiums and the implementation of redundant back-up systems. A materialization of these risks could have a direct or indirect material adverse effect on the Group's business, financial condition and results of operations.

Risks relating to the Group's Structure

Any failure of management information and internal control systems may adversely affect the ability of the Company to implement its business strategy throughout the Group and adequately respond to unfavorable developments within its Group Companies and the Group's internal control systems may not adequately identify risks and the impact they can have on the Group. Both events could have a material adverse effect on the Group's business, financial condition and results of operations

The Group is organized on a decentralized basis, leaving certain management decisions concerning Group Companies to the discretion of the relevant division director end/or local management. The Company has implemented management information and internal control systems to ensure that its business strategy is implemented throughout the Group and to be able to adequately respond to unfavorable developments within its Group Companies. These systems combine elements that are specific to each individual Group Company, with elements that are in place on a Group wide uniform basis.

There can be no assurance that the management information and internal control systems put in place by the Group are adequate and effective. This is especially the case if the Group is confronted with risks that it has not fully or adequately identified or anticipated. In addition, any risk management and internal control system is exposed to inadequate, fraudulent, negligent or unauthorized dealings by employees or third parties, such as product theft, and IT failures. Any such failures of the Group's control systems could have a material adverse effect on the Group's business, financial condition and results of operations.

The Company is a holding company without operations and relies on its Group Companies to provide it with funds necessary to meet its financial obligations. If the Group Companies are unable to provide the Company with funding, this could have a material adverse effect on the Group's business, financial condition and results of operations

The Company is a holding company without material, direct business operations. The principal assets of the Company are the equity interests it directly or indirectly holds in its Group Companies. As a result, the Company is dependent on loans, dividends and other payments from these sources to generate the funds necessary to meet its financial obligations, including the payment of dividends. The ability of the Group Companies to make such distributions and other payments depends on their earnings and may be subject to statutory or contractual limitations. As an equity investor in its Group Companies, the Company's right to receive assets upon their liquidation or reorganization will be effectively subordinated to the claims of their creditors. When the Company acts in the capacity as creditor of the Group Companies, for example with respect to management fees or accounting costs, the Company's claims may still be subordinated to any security interest in or other lien on their assets and to any of their debt or other obligations that are senior to the Company's claims.

The Company has one major shareholder and seven major holders of DRs who may have significant influence on the outcome of corporate matters, which may reduce the market price of the DRs

A significant number of Shares and DRs and the voting rights in the Company are concentrated in the hands of one major shareholder and seven major holders of DRs, see "Major Shareholders and Related Party Transactions". For the differences of voting rights between shareholders and holders of DRs, see "Holders of DRs may under circumstances not be entitled to exercise the voting rights attached to the underlying Ordinary Shares in the General Meeting".

Consequently, these major shareholder and major holders of DRs may be in a position to exert significant influence over or determine the outcome of all corporate matters requiring approval of the shareholders and the holders of DRs, including the approval of significant transactions. The interests of these shareholders and holders of DRs may differ from the interests of other shareholders and holders of DRs. As a result, these major shareholders' and major holders of DRs' interests in the Company's voting capital may permit them to effect certain transactions without other shareholders' or holders of DRs' support, or delay or prevent certain transactions that are in the interests of other shareholders or holders of DRs, including a sale or other change in control of the Company's business. The market price of the DRs may decline if the major shareholders and major holders of DRs use their influence over the Company's voting capital in ways that are adverse to other shareholders and holders of DRs. In addition, the concentration of ownership may also have the effect of delaying or preventing a change in control, which in turn could have a material adverse effect on the market price of the DRs or prevent holders of DRs from realizing a premium over the market price for their DRs. Finally, if these major shareholders and holders of DRs should decide to sell their Shares or DRs or a large portion thereof, this could have a material adverse effect on the market price of the DRs.

Provisions in the call option agreement of the Company with Stichting Continuïteit Reesink could delay or deter a beneficial change in control and may reduce the market price of the DRs

The Company at 8 April 2014 renewed the call option agreement, which replaced all earlier agreements, with Stichting Continuïteit Reesink ("**Stichting Continuïteit**") (a foundation whose objective is to promote the interests of the Company and the businesses operated by the Company and its Group Companies in a way that the interests of the Company and those businesses and all involved are as far as possible safeguarded. These objects include protection of the continuity or independence or own identity of the Company and its Group Companies insofar not contrary to the interest of all others involved, to the fullest extent possible). Under the call option agreement, Stichting Continuïteit has the right to acquire up to a maximum of 3,000,000 cumulative preference shares B in the Company's share capital with a nominal value of €0.04 each (the "**Cumulative Preference Shares B**"). Stichting Continuïteit has a credit facility to enable it to pay the amount to be paid up on the Cumulative Preference Shares B. The Cumulative Preference Shares B must be paid up for 25% of the nominal value. The Company and Stichting Continuïteit have agreed that the number of votes cast on Cumulative Preference Shares B will not exceed the aggregate number of votes that can be cast on the Ordinary Shares and the cumulative preference shares A in the Company's share capital with a nominal value of €0.04 each ("**Cumulative Preference Shares A**") (the Cumulative Preference Shares B and the Cumulative Preference Shares A together, the "**Preference Shares**") outstanding at that time. On 3 April 2015 the Company repurchased all of the 260,000 outstanding Cumulative Preference Shares A and on the same date the cancellation of such shares was initiated which was completed in the beginning of June 2015.

The option of Stichting Continuïteit on Cumulative Preference Shares B could delay or deter proposals to acquire the Company or other transactions resulting in a change of control of the Company, including proposals that might otherwise result in the holders of DRs receiving a premium over the market price for the DRs. Likewise, the option of Cumulative Preference Shares B may reduce the market price of the DRs.

The Group does not have full control over some of the companies in which it has a participating interest, which may limit the conduct of the Group's business and this ownership structure carries certain risks which could have a material adverse effect on the Group's business, financial condition and results of operations

The Group holds a number of participating interests in companies that also have other shareholders not affiliated with the Group. Sometimes these third party shareholders own a majority of the shares in such companies. The Group will most likely make additional investments in participating interests in the future.

The Group cannot assure that its co-shareholders will have the same ideas on strategy as the Group or that the Group will be able to influence the strategy and operations of these companies and pursue its strategies with respect to these companies and the markets in which they operate. In addition, the Group's co-shareholders may be subject to change of control provisions, which may affect their strategies in connection with these companies. In some cases, the Group may receive less information about the business activities of these companies than it would about its wholly-owned subsidiaries. Any of these factors could have a material adverse effect on the Group's business, financial condition and results of operations.

In addition, owning participating interests and collaborating with third parties carries certain risks, including:

- conflicts between the policies or objectives adopted by the Group's co-shareholders and those adopted by the Group;
- disagreement with the Group's co-shareholders in connection with the operations of or investments by their company; or
- financial difficulties encountered by the Group's co-shareholders affecting their ability to make additional or necessary investments.

These risks may result in a deadlock situation and an inability to distribute profits or make further necessary investments.

If any of such conflicts or problems arises, this could have a material adverse effect on the Group's business, financial condition and results of operations.

Being a public company gives rise to legal and financial compliance costs, which could have an adverse effect on the Group's business, financial condition and results of operations

Compliance with regulations applicable to publicly-traded companies adversely impacts the Group's resources. As a publicly-traded company, the Company is subject to rules and regulations that increase legal and financial compliance costs, make some activities more time-consuming and costly, and divert management's attention away from operations. The Company cannot predict or estimate the amount of additional costs it (may) incur(s) as a result of these requirements or the timing of these costs. The costs of being a publicly-traded company and the attendant diversion of management's time and attention could have an adverse effect on the Group's business, financial condition and results of operations.

Risks relating to the Public Offer

Uncertainty around the launch of the Public Offer or the Offeror failing to declare the Public Offer unconditional or Settlement of the Public Offer not occurring for any other reason could adversely affect the value of the DRs and the Group's reputation, business, results of operations, financial condition and prospects

On 8 February 2016, the Company and River Acquisition B.V., a company controlled by a consortium of investors led by Gilde Buy Out Partners, Navitas B.V and Todlin N.V. (the "**Offeror**"), jointly announced that they reached conditional agreement on a recommended full public cash offer on all DRs and all Ordinary Shares which are not registered in the name of STAAR (the "**Registered Shares**") (the "**Merger Agreement**") with an offer price of €101 (*cum dividend*) in cash per DR or Registered Share (the "**Consideration**"), subject to customary conditions (the "**Public Offer**") (the "**Joint Announcement**").

Although it is possible that the Company will be acquired by the Offeror, this is not a certainty. Pursuant to the Merger Agreement, the Offeror does not have to launch the Public Offer if certain commencement conditions have not been met or waived. For instance, if the Company does not comply with the co-determination procedures pursuant to the Works Councils Act (*Wet op de Ondernemingsraden*) with respect to the Public Offer (and the financing thereof) the Offeror is not obligated to launch the Public Offer. See "Documents Incorporated by Reference – Joint Announcement" for an overview of all commencement conditions. Furthermore, even if the Offeror launches the Public Offer, it has no obligation to declare the Public Offer unconditional (*gestand doen*) if certain offer conditions are not met or waived. For instance if the Minimum Acceptance Condition will not be met or if the General Meeting will not resolve to appoint the nominated members of the Supervisory Board and provide a waiver in respect of the rule that a legal person may not hold or have registered in his name more than 1% of the issued Ordinary Shares, the Offeror will not be required to declare the Public Offer unconditional (*gestand doen*). "**Minimum Acceptance Condition**" refers to one of the offer conditions agreed upon in the Merger Agreement: if the aggregate number of (a) tendered DRs and Registered Shares, and (b) DRs and Registered Shares directly or indirectly held by the Offeror or committed to the Offeror, but not tendered and subject only to the Public Offer being declared unconditional, does not represent at least 95% of the Company's issued share capital (*geplaatst kapitaal*) as at the closing date, being the date on which the Public Offer closes for acceptance (the "**Closing Date**"), excluding DRs and Registered Shares held by the Company or any of its subsidiaries for their own account as at the Closing Date, the Offeror does not need to declare the Public Offer unconditional (*gestand doen*). Compliance with antitrust or any other regulations may delay or prevent the Public Offer from taking place in the manner proposed, if at all. See "Documents Incorporated by Reference – Joint Announcement" for an overview of all offer conditions. In addition, Stichting Continuïteit may exercise its call option of Cumulative Preference Shares B, which could delay or prevent the Public Offer from being launched and/or being declared unconditional.

Uncertainty around the occurrence of the Public Offer due to the above or other circumstances or the announcement of a public offer by a bona fide third party (a "**Competing Offer**"), negative publicity around the Public Offer and/or any litigation relating to the Public Offer (from minority shareholders, minority holders of DRs or otherwise) may affect the value of the DRs, the relationship between the Company and the Offeror and the business of the Group. It could divert management attention from executing the Group's strategy. Uncertainty may also affect the extent to which the Company can run its business: the Company has agreed to certain restrictions on running its business during the period between the execution of the Merger Agreement and settlement of the Public Offer, which will take place no later than on the fifth business day after the Closing Date if and when the Offeror declares the Public Offer unconditional ("**Settlement of the Public Offer**"). The Company requires prior approval from the Offeror for certain business decisions in the interim period. If the Offeror terminates the Merger Agreement as a consequence of a material breach of the Merger Agreement by the Company in connection with the Management Board's or Supervisory Board's recommendation or if a Competing Offer is announced which is not matched by the Offeror through an increase of the Public Offer, the Company must pay the Offeror a termination fee in the amount of €2 million.

The manifestation of any of these risks could adversely affect the value of the DRs and the Group's reputation, business, results of operations, financial condition and prospects.

The Joint Announcement and/or the Public Offer and any related change of control may negatively affect or limit the Group's business opportunities

The reputation of the Group is essential for ensuring the success and performance of its business model. The Group can provide no assurance that the Joint Announcement and/or the Public Offer do not negatively affect its reputation and consequently its business opportunities.

More specifically, certain material agreements, including agreements with Main Original Equipment Manufacturers, contain change of control provisions that could be triggered by Settlement of the Public Offer. The Group can provide no assurance that these counterparties will choose to waive the change of control provisions. Furthermore, the Company was granted the right to use a royal designation in its trade name, which it has done by calling itself "Koninklijke Reesink" or "Royal Reesink". Following the Public Offer and also following any post-closing restructuring measures, the Company is likely to need to request the cabinet of the King to prolong its royal designation. The cabinet of the King may decide not to grant the Company's request to prolong the royal designation. Any of the events described above could adversely affect the Group's reputation, business, results of operations, financial condition and prospects.

Following Settlement of the Public Offer, if this occurs, the Offeror will be in a position to exert substantial influence over the Company and its interests may differ from the interests of the Company's other shareholders and other holders of DRs

Immediately after Settlement of the Public Offer, if this occurs, the Offeror will hold at least 73.3% and up to 100% of the Company's issued and outstanding share capital, for the avoidance of doubt excluding DRs and Registered Shares held by the Company and its subsidiaries. The Offeror will then be in a position to exert substantial influence over the General Meeting, and, consequently, on matters decided by the General Meeting, including the appointment and dismissal of members of the Supervisory Board, the distribution of dividends, the amendment of the Articles or any proposed capital increase.

Furthermore, certain important business and strategy related resolutions of the Management Board require prior approval of the Supervisory Board or the General Meeting. The Offeror and the Company have entered into the Merger Agreement pursuant to which the Offeror has the right to nominate three of the Supervisory Board members subject to Settlement of the Public Offer taking place. As it may nominate three of the five Supervisory Board members, the Offeror may therefore effectively be able to veto certain important business and strategy related decisions and it may control the appointment and dismissal of the Management Board and/or certain key members of management. Although the Company and the Offeror have agreed upon certain non-financial covenants to protect the interest of minority shareholders and minority holders of DRs, these non-financial covenants may prove insufficient and it is possible that these non-financial covenants are deviated from with the prior approval of the Supervisory Board, including a vote in favor of at least one independent Supervisory Board member as meant in the Code (an "**Independent Supervisory Board Member**").

In any of the above instances, the interests of the Offeror could deviate from the interests of the Company's other shareholders and other holders of DRs. As the major holder of DRs, the Offeror may delay, postpone or prevent transactions that might be advantageous for investors. Furthermore, the concentration of ownership could adversely affect the trading volume and market price of the DRs.

The Group relies on the skills and experience of its (managing) directors and key personnel, and may fail to retain or recruit key staff following the Joint Announcement and/or the Public Offer

The Group believes that its performance, success and ability to fulfil its strategic objectives are substantially dependent on retaining its current division directors and key personnel who are experienced in the markets and business in which the Group operates. Following the Joint Announcement and/or the Public Offer, there can be no assurance that the Group will be able to retain the division directors and key personnel. The loss of their services could have a material adverse effect on the Group's strategic goals business, results of operations and financial condition.

Following Settlement of the Public Offer, if this occurs, the Offeror may push down all or part of the Debt Financing that will be drawn down by the Offeror (being up to €37,125,000) to members of the Group either by settlement against the distribution of the Company's freely available reserves or by way of an upstream loan by members of the Group to the Offeror, in which latter case the minority holders of DRs may be prejudiced due to a lower amount of freely distributable reserves available for distribution by the Company by way of dividend

The Offeror intends to partially finance the Public Offer through facilities in an aggregated amount of €170,000,000 including an acquisition facility which is fully committed on a "certain funds" basis, subject to customary conditions (the "**Debt Financing**"). To that end, it has entered into the binding debt commitment documentation between the Offeror and ABN AMRO Bank N.V., Commerzbank Aktiengesellschaft, Filiale Luxembourg, Coöperatieve Rabobank U.A. and ING Bank N.V. (the "**Binding Debt Commitment Documentation**"), see "Operating and Financial Review – Capital Resources – Facilities". If the Offeror acquires less than 95% of the issued and outstanding share capital in the Company, for the avoidance of doubt excluding DRs and Registered Shares held by the Company and its subsidiaries, pursuant to the Public Offer, the Offeror may push down all or part of the Debt Financing that will be drawn down by the Offeror (being up to €37,125,000) to members of the Group. The Offeror has informed the Company that the most likely scenario to push down any part of the Debt Financing would be by way of a settlement against the distribution of the Company's freely distributable reserves. If a debt push down is effected by way of distribution of the Company's freely distributable reserves, the minority holders of DRs will receive a pro rata part of the freely distributable reserves that are being extracted from the Company in dividends. However, if a debt push down is effected by way of an upstream loan by members of the Group to the Offeror, the minority holders of DRs may be prejudiced due to a lower amount of freely distributable reserves of the Company that can be distributed to shareholders (for example, as dividend).

Following Settlement of the Public Offer, if this occurs, the Group is likely to dedicate more of its cash flow from operations to service the Group's debt or to fund the service by the Offeror of the Offeror's debt under the Amended Financing Facility. This could adversely affect the value of the DRs and the Group's business, results of operations, financial condition and prospects

Pursuant to the Binding Debt Commitment Documentation, following Settlement of the Public Offer, if this occurs, it is envisaged that the Debt Financing be rolled over into the Group's existing Financing Facility and that the existing Financing Facility be amended and restated into an amended financing facility (the "**Amended Financing Facility**"). At such time, the Offeror and the Group will be part of the same group of companies and the Amended Financing Facility will be a group financing under a single facilities agreement. The Offeror and the members of the Group are likely to dedicate more of their cash flow from operations to service the Group's debt under the Amended Financing Facility or to fund (whether by way of upstream loans from members of the Group or dividend from the Company) the service by the Offeror of the Offeror's debt (to the extent not pushed down into the Group) under the Amended Financing Facility, as the aggregate amount under the Amended Financing Facility will exceed the Group's currently drawn debt financing facilities. This could adversely affect the value of the DRs and the Group's business, results of operations, financial condition and prospects.

Risks relating to the DRs in general

Trading in the DRs could be very limited which might lead to holders of DRs not being able to sell their DRs at a reasonable price or at all

Historically, the volume of trading on Alternext Amsterdam in DRs is low. The average daily trading volume in the DRs on Alternext Amsterdam from 1 January 2015 up to and including 31 December 2015 was €53,623 and 581 DRs (source: https://www.euronext.com). There is no guarantee that, when listed at Euronext Amsterdam, there will be sufficient liquidity in the DRs to sell or buy any number of DRs at certain price levels. The price of the DRs will in addition be subject to volatility and investors may be unable to sell their DRs at or above the price that was paid for them. The Company cannot predict the extent to which an active market for the DRs will develop or how the development of such a market might affect the market price for the DRs. An illiquid market for the DRs may result in lower trading prices and increased volatility, which could adversely affect the value of an investment. Although the Company has retained a liquidity provider to support the trading of the DRs under certain conditions, this is no guarantee that there will be sufficient liquidity in the DRs to sell or buy any number of DRs at certain price levels.

The market price of the DRs may fluctuate, which could cause investors to lose some or all of their investment

The market price of the DRs may fluctuate widely, depending upon many factors beyond the Group's control. This volatility could stem from the risk factors listed in this section of the Prospectus, variations in the Group's actual or anticipated results of operations and financial condition, variations in expectations of securities analysts and investors, future issues of DRs or rights to acquire DRs in the capital of the Company, changes in general market conditions, macroeconomic trends and other related factors. As a result of such fluctuation, investors may not be able to sell their DRs at or above the price that was paid for them, or at all, which could cause investors to lose some or all of their investment.

Issuance of additional equity by the Company either through it issuing new DRs or through third parties converting outstanding convertible loans, could lead to a dilution of holders of DRs' or shareholders' equity interests in the Company

The Company may conduct future offerings of DRs, Shares or other securities convertible into the Company's common stock to fund acquisitions, finance operations or for other purposes. Such future offerings, or the perception by the market that such offerings may occur, could lower the market price of the DRs or make it more difficult for the Company's holders of DRs or shareholders to sell their DRs or Shares. Moreover, any issuance of additional DRs or Shares will dilute the ownership interest of existing holders of DRs or shareholders.

Future sales of the Company's DRs by existing holders of DRs could cause the market price of the DRs to decline

If existing holders of DRs sell substantial amounts of DRs in the public market or otherwise, the market price of the DRs could be affected. The market price of the DRs may as a result decline substantially or fluctuate widely. The perception in the public market that existing holders of DRs might sell could also depress the market price of DRs. A decline in the price of DRs might impede the Company's ability to raise capital through the issuance of additional DRs or other securities, and may cause holders of DRs to lose part or all of their investment in the Company's DRs.

Publications of securities or industry analysts may influence the price and trading volume of the DRs

The trading market for the DRs will be influenced by the continued availability and recommendations of research reports covering the Group's business. If one or more research analysts ceases to cover the Group's business or fails to regularly publish reports on our business, the Group could lose visibility in the financial markets, which could cause the market price or trading volume of the DRs to decline. In addition, if research analysts do not make positive recommendations regarding the DRs, or if negative research is published on the industry or geographic markets that the Group serves, the price and trading volume of the DRs could decline.

The Company has not paid a dividend for 2012. Whether dividends will be paid is subject to i.e. the Company's net profit and financial position

In principle, the Company's dividend policy involves distribution of 40-55% of the profit placed at the shareholders' disposal. The policy allows for distribution of dividend either in cash or in DRs or Ordinary Shares. The Company has not paid out any dividends to its shareholders for financial year 2012 and therefore STAAR has not paid out any dividends to the holders of DRs. The Company has paid dividends for financial years 2013 and 2014 and STAAR paid out the dividends to the holders of DRS either in cash or in stock (see "Dividends and Dividend Policy"). Whether dividends will be paid in the future is subject to *i.e.* the Company's net profit and financial position, and the proposal for the payment of a dividend is at the discretion of the Management Board, with the prior approval of the Supervisory Board, subject to relevant Dutch law and a number of factors, including the level of the Company's distributable reserves, the Company's business prospects and conditions, cash requirements, earnings and cash flow, capital resources, financial performance and conditions and expansion and capital expenditure or investment plans. Also, the General Meeting may elect to reinvest the entire profit instead of paying dividends to the holders of DRs or to shareholders.

For the payment of dividends, please see in addition the risk: "The Company is a holding company without operations and relies on its Group Companies to provide it with funds necessary to meet its financial obligations. If the Group Companies are unable to provide the Company with funding, this could have a material adverse effect on the Group's business, financial condition and results of operations."

Holders of DRs may under circumstances not be entitled to exercise the voting rights attached to the underlying Ordinary Shares in the General Meeting

The DRs do not carry the right to give instructions to STAAR on how to exercise the voting rights attached to the Shares. Pursuant to Dutch law, holders of DRs will upon request be given a proxy entitling them to exercise the voting rights, to the exclusion of STAAR, on the underlying Ordinary Shares at the General Meeting indicated in the proxy. A holder of DRs who has been given such a proxy may exercise the right to vote in its sole discretion. STAAR may only limit, exclude or revoke the proxy if (i) pursuant to a concert party arrangement, one or more holders of Shares or DRs, whether or not jointly with subsidiaries, hold 25% or more of the issued capital of the Company; or (ii) in the opinion of STAAR the exercise of the voting rights by a holder of DRs conflicts with the interest of the Company and the business connected with it.

Risks relating to the DRs, the Joint Announcement and the Public Offer

Due to the illiquidity of the DRs, (potential) holders of DRs may not be able to benefit from any increases in price of the DRs nor may they be able to sell their DRs following the Joint Announcement and/or the Public Offer

Historically, the volume of trading on Alternext Amsterdam in the DRs is low. There can be no assurance that an active and liquid market for the DRs will develop following the Listing or, if it does develop, that it will be sustained or liquid. If such market fails to develop or be sustained this could negatively affect the ability of (potential) holders of DRs to benefit from any increases in price of the DRs as a result of the Joint Announcement and/or the Public Offer. Any uncertainty relating to the launch and/or the Settlement of the Public Offer and/or the ability of the Offeror to obtain full ownership of the Company may negatively affect the ability of holders of DRs to dispose of their DRs.

Following Settlement of the Public Offer, if this occurs, minority holders of DRs who have decided not to tender their DRs, may not be able to sell their DRs or may be forced to relinquish their DRs as a result of a possible implementation of a squeeze-out or post-Settlement of the Public Offer restructuring measure, such as an asset sale followed by a liquidation

The Company and the Offeror have agreed that they shall seek to procure the delisting of the DRs from Euronext Amsterdam and the termination of the listing agreement between the Company and Euronext in relation to the listing of the DRs as soon as possible following Settlement of the Public Offer. Minority holders of DRs who have decided not to tender their DRs in the Public Offer may not be able to sell their DRs for a fair price or at all even if the DRs are not delisted. The Offeror has no obligation to purchase these DRs from the minority holders of DRs.

Following Settlement of the Public Offer, the Offeror may effect or cause to effect any restructuring of the Group for the purpose of achieving an optimal operational, legal, financial or fiscal structure in accordance with Dutch law, some of which may have the effect of diluting the interest of any remaining shareholders or holders of DRs. For instance, if the Offeror acquires at least 95% of the issued and outstanding share capital of the Company, for the avoidance of doubt excluding DRs and Registered Shares held by the Company and its subsidiaries, the Offeror intends to initiate the statutory squeeze-out proceedings to obtain 100% of the DRs and Registered Shares. If the Offeror acquires less than 95% of the issued and outstanding share capital and decides to waive the Minimum Acceptance Condition, provided that such waiver requires the prior written approval of the Supervisory Board if the total of the tendered DRs and Registered Shares at the Closing Date or at the date the extended Offer closes for acceptance (the "**Postponed Closing Date**") represents less than 80% of the Company's issued and outstanding share capital, for the avoidance of doubt excluding DRs and Registered Shares held by the Company and its subsidiaries, the Offeror intends to utilize any legal measures available to it in order to acquire full ownership of the Company (*e.*g. an asset transaction, statutory (cross border) merger or demerger, contribution of assets and/or cash against issue by the Company of additional shares). The Offeror may, after Settlement of the Public Offer, acquire the entire business of the Company at the same price and for the same consideration as the Consideration pursuant to an asset sale, followed by a liquidation of the Company, to deliver such consideration to the remaining minority holders of DRs and the remaining minority holders of Registered Shares.

IMPORTANT INFORMATION

General and Responsibility Statement

Potential investors should rely only on the information contained in this Prospectus and any supplement to this Prospectus within the meaning of section 5:23 FMSA, should such supplement be published.

The Company does not undertake to update this Prospectus, unless required pursuant to section 5:23 FMSA and therefore potential investors should not assume that the information in this Prospectus is accurate as of any date other than the date of this Prospectus. No person is or has been authorized to give any information or to make any representation in connection with the Listing, other than as contained in this Prospectus, and, if given or made, any other information or representations must not be relied upon as having been authorized by the Company. The delivery of this Prospectus at any time after the date hereof will not, under any circumstances, create any implication that there has been no change in the Company's affairs since the date hereof or that the information set forth in this Prospectus is correct as of any time since its date.

This Prospectus is made available by the Company. The Company accepts responsibility for the information contained in this Prospectus. The Company declares that it has taken all reasonable care to ensure that, to the best of its knowledge, the information contained in this Prospectus is in accordance with the facts and contains no omission likely to affect its import.

SNS Securities N.V., a public company with limited liability (*naamloze vennootschap*) with its address at Nieuwezijds Voorburgwal 162, 1012 SJ Amsterdam, (the Netherlands), is acting as listing agent (the "**Listing Agent**") exclusively for the Company in relation to the Listing of the DRs. Neither SNS Securities N.V. nor any of its directors, officers, agents or employees makes any representation or warranty as to the accuracy, completeness or fairness of the information or opinions described or incorporated by reference in this Prospectus, in any investor report or for any other statements made or purported to be made either by itself or on its behalf in connection with the Company or the Listing. Accordingly, SNS Securities N.V. disclaims all and any liability, whether arising in tort or contract or otherwise in respect of this Prospectus and or any such other statements.

ABN AMRO Bank N.V. has been engaged by the Company solely as paying and depositary agent ("**Paying and Depositary Agent**") for the Ordinary Shares and the DRs. The Paying and Depositary Agent's activities consist of paying sums due on the Ordinary Shares and the DRs. The Paying and Depositary Agent is acting for the Company only and will not regard any other person as its client in relation to the Listing. Neither the Paying and Depositary Agent nor any of its directors, officers, agents or employees makes any representation or warranty as to the accuracy, completeness or fairness of the information or opinions described or incorporated by reference in this Prospectus, in any investor report or for any other statements made or purported to be made either by itself or on its behalf in connection with the Company or the Listing or the DRs. Accordingly, the Paying and Depositary Agent disclaims all and any liability, whether arising in tort or contract or otherwise in respect of this Prospectus and or any such other statements.

Potential Conflicts of Interests

The Listing Agent is acting exclusively for the Company and for no one else in relation to the Listing of the DRs and will not be responsible to anyone other than to the Company for giving advice in relation to, respectively, the Listing of the DRs. The Listing Agent will not act as investment company and will not render any investment advice to the Company.

The Listing Agent (or its respective affiliates) has from time to time been engaged, and may in the future engage, in commercial banking, investment banking and financial advisory and ancillary transactions in the course of its business with the Company (or any parties related to the Company) for which it has received or may receive customary compensation. In respect of the above, the sharing of information will generally be restricted for reasons of confidentiality, by internal procedures or by rules and regulations (including those issued by the AFM). As a result of these transactions, the Listing Agent may have interests that may not be aligned, or could potentially conflict, with the interests of shareholders or holders of DRs, or with the interests of the Group.

The Listing Agent has provided, and may continue to provide the Company with advice in connection with listing sponsor services and liquidity providing services including equity research coverage, road show activities and market making activities. The Listing Agent will not act as investment company and will not render any investment advice to the Company.

The Listing Agent has not performed a due diligence investigation on the Group in relation to the Listing.

Presentation of Financial and Other Information

Non-Dutch GAAP and non-IFRS information

This Prospectus presents certain financial measures that are not measures defined under the generally accepted accounting standards in the Netherlands ("**Dutch GAAP**") nor under the International Financial

Reporting Standards as adopted by the European Union ("**IFRS**"), including EBITDA (as defined below) and certain organic figures and certain combined figures. These financial measures are not measures of financial performance under Dutch GAAP or under IFRS, and should not be considered as an alternative to cash flow from operating activities, or operating results, or any other Dutch GAAP or IFRS measure. These measures are unaudited and should not be considered in isolation or as an alternative to performance measures derived in accordance with Dutch GAAP or IFRS and may not be comparable to other similarly titled measures used by other companies, because these measures are not uniformly defined and other companies may calculate them in a different manner that the Company does, limiting its usefulness as comparative measures. More specifically, the definition of EBITDA is specific to the Group's business and reflects certain adjustments to reported figures relating to the Group's recent operational history, and may not be experienced on a similar basis, or at all, going forward. In addition, EBITDA can be significantly affected by matters beyond the Group's control. Accordingly, undue reliance should not be placed on the presentation of EBITDA in this Prospectus and EBITDA should not be considered in isolation from, or as a substitute for, the analysis of the Group's results of operations and financial condition under Dutch GAAP or IFRS.

EBITDA and EBIT

"**EBITDA**" is defined as group operating results ("**EBIT**") before depreciation of property, plant and equipment and before amortization of intangible assets.

Dutch GAAP information

This Prospectus includes or incorporates by reference (i) the audited consolidated financial statements (including the notes and auditor's report) of the Group as of and for the years ended 31 December 2014, 31 December 2013 and 31 December 2012 and (ii) the unaudited consolidated condensed interim financial statements as of and for the six-month periods ended 30 June 2015 and 30 June 2014, which have been prepared in accordance with Part 9 of Book 2 of the DCC.

Organic figures

The Group's results of operations are affected by several acquisitions and a divestment in its steel business.

The Group presents organic figures (but only to the extent reliable financial information is available), such as organic net revenues and organic gross operating income, which represent the Group's performance including acquisitions and excluding divestments. The organic figures do not include the performance of acquired companies in the year of acquisition and in the year after an acquisition they include the performance of an acquisition as if the acquisition took place on 1 January of the year of acquisition. The effects can schematically be shown as follows:

Year N, Acquisition of A	Year N+1, Acquisition of B	Year N+2, No acquisition
To determine organic figures the performance of A is eliminated	To determine organic figures the performance of B is eliminated and the performance of A is presented as if the acquisition of A took place on 1 January of year N	To determine organic figures the performance of B is presented as if the acquisition of B took place on 1 January of year N+1

Organic figures indicate the performance of the Group in a year without taking into account acquisitions during that year. Therefore the effects of acquisitions during a year can be indicated by comparing the realized figures with the organic figures over that year. Organic figures are unaudited.

Combined figures / Combined income statement over the years 2013 and 2012 (unaudited)

On 16 October 2013 the Group completed the largest acquisition in its history, which led to a doubling in size of the Group, by acquiring the European material handling equipment and hydraulics components and systems business of Pon Holdings B.V. See: "History - History of the Group (excluding the history of acquired entities)". In relation to this acquisition organic figures are determined as stated above. In light of the impact of this acquisition, in addition combined income statements over 2013 and 2012 and explanatory notes thereto are included in this Prospectus, showing the combined figures of the Group and the concerning acquired entities as if their acquisition took place on 1 January 2012. The combined income statements are based on the Group figures over 2012 and 2013 and the figures of the entities acquired through this acquisition over 2012 and the period 1 January – 16 October 2013. They do however not purport to present a fully accurate indication what the Group's results from operation or financial condition over 2012 and 2013 would have been if this acquisition had taken place on 1 January 2012, since adjustments related to the acquisition have been made to reflect the situation as if the acquisition took place on 1 January 2012 as accurately as possible. The combined income statements therefore are just presented for illustrative purposes. The combined figures and adjustments are unaudited.

IFRS information

Pursuant to Regulation (EC) 1606/2002 of the European Parliament and of the Council, and amendments thereto (the "**IAS Regulation**"), the Company will, after the Listing, have to apply IFRS for the financial year 2016. The first time adoption of IFRS will be applied as per 1 January 2015, to enable comparative figures. The next published Company's financial statements for the financial year 2015 will be prepared in accordance with Dutch GAAP. As well as under Dutch GAAP under IFRS Part 9 of Book 2 of the DCC is applicable.

The financial reporting regime to apply in a prospectus depends on the timing of the listing on a regulated market. Since the Listing will take place before publication of the financial statements for the financial year 2015 the historical financial information in this Prospectus can, pursuant to the Prospectus Directive, be reported under Dutch GAAP.

In the context of transparency and comparability however, the Company presents in this Prospectus supplemental financial information, highlighting the principal differences between Dutch GAAP and IFRS which impact the Group's consolidated financial statements, which information can be considered as being relevant to investors. See the "Supplemental Financial Information" chapter. Following the Listing the Company will prepare its financial statements, for the year ending 31 December 2016, in accordance with IFRS.

The supplemental financial information contains:

- a reconciliation of the Group's consolidated balance sheet reported in accordance with Dutch GAAP as per 31 December 2014 (audited) to its consolidated opening balance sheet in accordance with IFRS as per 1 January 2015 (unaudited), including notes thereto;
- a reconciliation of the Group's equity reported in accordance with Dutch GAAP as per 31 December 2014 (audited) to its equity in accordance with IFRS as per 1 January 2015 (unaudited), including notes thereto;
- a qualitative description of the impact of the transition from Dutch GAAP to IFRS on the Company's consolidated income statement.

The supplemental financial information has been prepared by the Company to the best of its knowledge at the date of this Prospectus, is unaudited and may be subject to change when audited.

Rounding and negative amounts

Certain figures contained in this Prospectus, including financial information, have been subject to rounding adjustments. Accordingly, in certain instances the sum of the numbers in the text or a column or a row in tables contained in this Prospectus may not conform exactly to the total figure given for that column or row.

Negative amounts are shown by "-" or "negative" before the amount.

Currency

All references in this Prospectus to "euro", "EUR" or "€" are to the official currency of the member states of the European Economic and Monetary Union. All references to "US dollar", "US$" or "USD" are to the lawful currency of the United States. All references to "Canadian dollar", "CAN$" or "CAD" are to the lawful currency of Canada. All references to "Kazakh tenge" or "KZT" are to the lawful currency of Kazakhstan. All references to "Turkish lira" or "TRY" are to the lawful currency of Turkey.

Market and Industry Information

The Group is active in different industries and related markets, as described in the "Business" chapter and in the "Industry Overview and Competition" chapter. The Group believes there are no sufficient (independent) sources available describing and supporting an analysis of the markets and industries in which it is active and the competition it faces therein. The information contained in this Prospectus relating to market and industry is therefore based on the Group's own analysis, unless the contrary is expressly indicated.

All references to market data, industry statistics and industry forecasts in this Prospectus from third party sources consist of estimates compiled by industry professionals, organizations or analysts of publicly available information or the Group's own knowledge of its sales and markets. Industry publications generally state that their information is obtained from sources believed to be reliable but that the accuracy and completeness of such information is not guaranteed and that the projections they contain are based on a number of significant assumptions. Although the Group believes these sources are reliable, the Group does not have access to the information, methodology and other bases for such information and has not independently verified the information.

In this Prospectus, the Group makes certain statements regarding its competitive and market position. The Group believes these statements to be true, based on its own analysis, market data and industry statistics.

The information in this Prospectus that has been sourced from third parties has been accurately reproduced with reference to these sources in the relevant paragraphs and, as far as the Group is aware and able to ascertain from the information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading.

Supplements

If a significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus which is capable of affecting the assessment of the DRs arises or is noted prior to the Listing, a supplement to this Prospectus will be published. Such supplement will need to be approved by the AFM in accordance with section 5:23 FMSA. The Listing then might be postponed.

Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Prospectus or in a document which is incorporated by reference in this Prospectus. Any statement so modified or superseded shall, except as so modified or superseded, no longer constitute a part of this Prospectus.

Notice to Investors

The distribution of this Prospectus and the offer, acceptance, delivery, transfer, exercise, purchase of, subscription for, or trade in, the DRs may be restricted by law in certain jurisdictions. Persons in possession of this Prospectus are required to inform themselves about and to observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities law of any such jurisdiction. This Prospectus may not be used for, or in connection with, and does not constitute, any offer to sell, or an invitation to purchase, any of the DRs in any jurisdiction. Neither this Prospectus, nor any related materials, may be distributed or transmitted to, or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws or regulations.

The content of this Prospectus is not to be considered or interpreted as legal, financial or tax advice. Each prospective investor should consult his own stockbroker, bank manager, lawyer, auditor or other financial, legal or tax advisers before making any investment decision with regard to the DRs, to consider such investment decision in light of his personal circumstances, and in order to determine whether or not such prospective investor is eligible to invest in the DRs.

Forward-Looking Statements

This Prospectus contains forward-looking statements that reflect the Company's intentions, beliefs or current expectations and projections about the Group's future result of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Group operates. Forward-looking statements involve all matters that are not historical facts. The Company has tried to identify forward-looking statements by using words as "may", "will", "would", "should", "expects", "intends", "estimates", "anticipates", "projects", "believes", "could", "hopes", "seeks", "plans", "aims", "objective", "potential", "goal" "strategy", "target", "continue", "annualized" and similar expressions or negatives thereof or other variations thereof or comparable terminology, or by discussions of strategy that involve risks and uncertainties.

SELECTED HISTORICAL FINANCIAL INFORMATION

The selected historical financial and operational information of the Group shown in the tables below should be read in conjunction with the information contained in "Important Information – Presentation of financial and other information", "Operating and Financial Review", and the consolidated financial statements, including the notes thereto, incorporated by reference in this Prospectus and other financial data appearing elsewhere in this Prospectus.

Consolidated income statement *(x €1,000, except for weighted average number of Ordinary Shares)*

	1st Half year 2015 unaudited	**1st Half year 2014 unaudited**	**2014 audited**	**2013 audited**	**2012 audited**
Net revenues	261,414	248,502	473,211	236,558	185,222
Cost of sales	-220,174	-211,675	-400,899	-203,042	-162,595
Gross operating income	**41,240**	**36,827**	**72,312**	**33,516**	**22,627**
Selling expenses	13,849	13,852	26,959	13,424	9,292
General and administrative expenses	15,131	13,741	29,326	12,923	8,717
Exceptional items	-	-	-	-	229
Total expenses	**28,980**	**27,593**	**56,285**	**26,347**	**18,238**
Net operating income	**12,260**	**9,234**	**16,027**	**7,169**	**4,389**
Other operating income	707	750	1,500	3,252	2,315
Operating results	**12,967**	**9,984**	**17,527**	**10,421**	**6,704**
Revenues from receivables included in fixed assets, and from securities	-	-	658	-	182
Interest and similar income	109	106	307	130	343
Changes in the value of receivables included in fixed assets, and of securities	-	-	-	-	-3,215
Expenses relating to financing activities and similar charges	-1.743	-1.696	-3,357	-2,235	-905
(Non-)realized fair value adjustments of investment property	103	-	-2,439	-1,804	-2,878
Results from ordinary activities before taxation	**11,436**	**8,394**	**12,696**	**6,512**	**231**
Taxation of results from ordinary activities	-3,254	-2,362	-3,856	-1,998	-626
Share in results from participating interests	-	12	8	19	-3,922
Results after taxation	**8,182**	**6,044**	**8,848**	**4,533**	**-4,317**
Minority interests in profit	-50	-23	57	-24	-14
Net results	**8,132**	**6,021**	**8,905**	**4,509**	**-4,331**
Weighted average number of Ordinary Shares:					
Basic	1,249,014	1,247,559	1,247,559	909,756	704,022
Fully diluted	1,249,014	1,247,559	1,247,559	922,185	714,842
Net income per Ordinary Share:					
Basic (in €)	6.51	4.81	7.10	4.85	-6.22
Fully diluted (in €)	6.51	4.81	7.10	4.79	-6.12

Consolidated cash flow statement *(x €1,000)*

	1st Half year 2015 unaudited	1st Half year 2014 unaudited	2014 audited	2013 audited	2012 audited
Operating results	**12,967**	**9,984**	**17,527**	**10,421**	**6,704**
Adjustments for:					
- Depreciation and amortization	5,477	5,687	10,473	4,481	2,276
- Changes in provision	732	616	260	-338	-805
- Changes in working capital [1)]	-3,106	-7,198	-2,328	1,397	1,657
Cash flow from business operations	16,070	9,089	25,932	15,961	9,832
- Income received from financing activities	109	106	307	130	155
- Dividend received	-	-	-	-	182
- Expenses relating to financing activities	-1,956	-1,689	-2,509	-2,084	-978
- Income tax paid	-2,609	-2,238	-1,410	-1,407	-637
Net cash flow from operating activities	**11,614**	**5,268**	**22,320**	**12,600**	**8,554**
Acquisition/disposal of Group Companies [1)]	-1,320	-10,852	-13,433	-37,844	-14,864
Investments in:					
- Intangible fixed assets	-247	-237	-1,104	-367	-
- Tangible fixed assets	-6,810	-7,130	-11,428	-6,915	-2,820
- Financial fixed assets	4	-171	-171	-1,307	-920
Disposals:					
- Intangible fixed assets	-	-	4	-	-
- Tangible fixed assets	1,966	2,447	1,896	1,009	146
- Financial fixed assets	102	-	1,317	151	405
Net cash flow from investing activities	**-6,305**	**-15,943**	**-22,919**	**-45,273**	**-18,053**
Changes in debts to credit institutions [2)]	2,205	14,806	4,041	-8,650	-1,566
Purchase of cumulative preference shares	-1,040	-	-	-	-
Income from non-current liabilities	-	-	39	23,716	14,936
Repayment of non-current liabilities	-1,859	-2,156	-4,035	-755	-308
Revenues from the issue of Shares/DRs	-	-	-	20,210	4,936
Changes in own Shares and DRs	-	-	-	-	-
Dividend paid	-3,666	-3,196	-3,196	-	-4,243
Net cash flow from financing activities	**-4,360**	**9,454**	**-3,151**	**34,521**	**13,755**
Increase/decrease in net cash position	**949**	**-1,221**	**-3,750**	**1,848**	**4,256**
Net cash position at beginning of the year	2,666	6,479	6,479	4,631	375
Exchange rate and conversion differences on cash	-44	-	-63	-	-
Net cash position at period-end	3,571	5,258	2,666	6,479	4,631
Increase/decrease in net cash position	**949**	**-1,221**	**-3,750**	**1,848**	**4,256**

1) In the cash flow statement over the first half year of 2014 an amount of €5.2 million has been shifted from 'Acquisition/disposal of Group Companies' to 'Changes in working capital' as compared to the published unaudited consolidated cash flow statement which is part of the unaudited consolidated interim financial information for the six-months period ended 30 June 2014 as published 27 August 2014.
2) In the cash flow statement over the first half year of 2015 an amount of €2.1 million has been added to the 'Changes in debts to credit institutions' as compared to the published unaudited consolidated cash flow statement which is part of the unaudited consolidated interim financial information for the six-months period ended 30 June 2015 as published 25 August 2015.

Consolidated balance sheet *(x €1,000)*

	30-06-2015 unaudited	30-06-2014 unaudited	31-12-2014 audited	31-12-2013 audited	31-12-2012 audited
Fixed assets					
Intangible fixed assets	4,893	5,152	5,300	5,460	-
Tangible fixed assets	68,237	68,281	66,267	66,109	41,475
Investment property	19,900	22,950	20,940	22,950	24,570
Financial fixed assets	2,349	3,225	2,490	3,798	1,692
	95,379	**99,608**	**94,997**	**98,317**	**67,737**
Current assets					
Inventories	106,835	102,729	107,471	90,318	63,397
Receivables	84,979	74,207	68,812	56,948	27,331
Cash and cash equivalents	3,571	5,258	2,666	6,479	4,631
	195,385	**182,194**	**178,949**	**153,745**	**95,359**
Total assets	**290,764**	**281,802**	**273,946**	**252,062**	**163,096**
Group equity [1)]					
Shareholders' equity	91,011	87,036	88,066	85,109	74,105
Minority interest	102	-3	-83	-26	-50
	91,113	**87,033**	**87,983**	**85,083**	**74,055**
Subordinated convertible loan [1)]	**17,825**	**17,825**	**17,825**	**10,300**	**-**
Subordinated loans [1) 2)]	**5,023**	**5,023**	**5,023**	**177**	**177**
Provisions					
Provision for deferred tax liabilities	10,882	11,808	10,590	12,255	10,723
Pension provision	440	395	407	494	-
Provision for warranty commitments	2,303	1,995	1,923	1,268	792
Provision for jubilee benefits	813	871	814	875	271
Provision for restore costs	95	95	-	-	-
Provision for unsecured risks	-	3	-	-	-
Other provisions	225	441	–	256	–
	14,758	**15,608**	**13,734**	**15,148**	**11,786**
Non-current liabilities [2)]	**30,531**	**28,900**	**26,952**	**30,730**	**14,367**
Debts to credit institutions	38,696	52,729	41,711	34,069	29,782
Current portion of non-current debts	3,557	3,719	3,803	7,621	1,023
Trade creditors	51,536	43,558	37,142	26,235	19,917
Dividend	3	165	–	-	-
Taxation and social insurance contributions	17,750	12,951	15,305	10,907	5,090
Payable for pensions	1,173	-670	555	511	30
Other liabilities and accrued liabilities	18,799	14,961	23,913	31,281	6,869
Current liabilities	**131,514**	**127,413**	**122,429**	**110,624**	**62,711**
Total equity and liabilities	**290,764**	**281,802**	**273,946**	**252,062**	**163,096**

[1)] The capital base consists of group equity and subordinated (convertible) loans (**Capital Base**). The Capital Base amounts on 31 December 2012 to €74,232, on 31 December 2013 to €95,560, on June 2014 to €109,881 (unaudited), on 31 December 2014 to €110,831 and on 30 June 2015 to €113,961 (unaudited).

[2)] An amount of €177 has been shifted from Non-current liabilities to Subordinated loans compared to the published financial statements 2012, 2013 and 2014.

BUSINESS

Overview

The Group believes within its equipment segment it is a leading distributor of strong brands and strong concepts in the equipment industry in the Netherlands, Belgium, Kazakhstan and parts of Germany and the Group is furthermore active as an equipment distributor in Turkey. The Group Distributors are involved in the distribution of equipment and/or the delivery of concepts for agriculture and turf care, landscape maintenance, material handling, construction including earth-moving and civil engineering. The products and services are supplied either directly, through dealers in which the Group holds an equity interest or through independent dealers to farmers, contractors, green area companies, golf courses, municipalities, government bodies, water boards, foresters and logistics customers operating in the food, non-food, industrial, transfer (harbors), agricultural and civil engineering sectors. To a lesser extent, the Group distributes cleaning equipment.

The Group promotes cross-selling between its different divisions as the equipment divisions are adjacent. For instance, a customer interested in agricultural equipment might also be interested in earth-moving equipment or forklift trucks. As part of its strategy, the Group sees potential for organic growth through cross-selling. The Group conducts promotional and marketing activities on international, national, regional and local levels.

The Group has rental concepts for construction and material handling equipment and in a minor extent for green equipment.

In recent years, many of the Group's customers have experienced difficulties with traditional sources of funding. To address this problem, as part of its strategy the Group organizes funding options (vendor leasing, stock financing) in cooperation with leasing companies for both long and short term lease and provides long and short term rent.

Within its industries segment the Group believes it has a sizeable presence as a distributor in the hydraulics components and systems markets in the Netherlands, Belgium and Germany, which includes engineering and the assembling and production of hydraulic solutions for machinery. The Group believes it has a minor presence with strong concepts in the Dutch steel products industries. In its steel business, the Group believes it differentiates itself by adding value to and processing the steel products it distributes with a view to becoming an integrated part of its end-users' production processes. Furthermore, the Group distributes personal protective products in the Netherlands and to a minor extent, at the date of this Prospectus mainly intercompany within the Group, offers other products and services in the field of safety, ranging from e-learning to safety scans, consultancy and safety equipment. The Group distributes its hydraulic components and systems, (processed) steel, personal protection items and its services either directly to end-users or, in the case of the personal protective products, through an extensive network of independent wholesalers. With its industrial products and services the Group supplies mainly building companies, installation production companies, technical wholesalers, the offshore and shipping industry, original equipment manufacturers and system integrators and the agricultural industry.

The Group believes a distributor has to be the essential link in the chain, both for the customer and for the principal. Technology is developing fast and the Group believes its business model has to be flexible enough to anticipate this. At Reesink Industries, the Group therefore is increasingly concentrating on being a system integrator and co-makership partner. The strategy adopted at Reesink Industries, whereby additional emphasis is placed on engineering (system integrator) and offering processing and semi-finished products (co-makership), will be continued unabated.

In addition to the activities described above, the Group provides a full range of (after-sales) services to its customers in all markets mentioned above.

The Group's annual revenues over 2014 were €473 million (2013: €237 million, 2012: €185 million), and over the first half year of 2015 €261 million (unaudited) (first half year of 2014: €249 million (unaudited)).

The Group mainly operates in the Netherlands, Belgium, Germany and Kazakhstan. Since end of June 2015 it entered into operations in Turkey. In 2014 approximately €249 million, or 53% of the Group's revenues, were generated in the Netherlands (2013: €164 million respectively 69%; 2012: €141 million respectively 76%), €98 million, or 21% in Belgium (2013: €51 million respectively 22%; 2012: €36 million respectively 19%), €80 million, or 17% in Germany (2013: €19 million respectively 8%; 2012: €8 million respectively 4%) and €40 million, or 8% in Kazakhstan (2013 and 2012 not applicable).

The Group's operations are divided among two functional segments:

- *Reesink Equipment* – In this segment, the relevant Group Distributors operate as a distributor of equipment for agriculture and turf care, landscape maintenance, material handling, construction including earth-moving and civil engineering. To a lesser extent they also distribute cleaning equipment. The Group is within this segment also active as supplier of hardware, firmware and software for GPS technology and precision agriculture and related services thereto. The Group sources new equipment from original equipment manufacturers. Where the Group operates without dealers, it generally sources used equipment from its end-users and occasionally from third parties. The Group also obtains used equipment in the context of trade-ins of leased equipment. The Group's products and services are mainly supplied to farmers, agricultural contractors, landscape contractors, green area companies, golf courses, municipalities, government bodies, water boards, foresters and logistics customers operating in the food, non-food, industrial, transfer (harbors) and a wide variety of companies all of which operate some sort of warehouse or other logistical facilities. The Group nearly exclusively focuses on the distribution of strong brands and strong concepts. According to the Group's annual revenues over 2014, approximately €422 million, or 89% of the Group's revenues was generated in the Reesink Equipment segment (2013: €198 million respectively 84%; 2012: €137 million respectively 74%), and over the first half year of 2015 €235 million, or 90% (unaudited) (first half year of 2014: €221 million respectively 89% (unaudited)). Reesink Equipment consists of three different divisions:

- *Reesink Green Equipment*: Kamps de Wild, Reesink Technische Handel, Stierman De Leeuw, Packo, Jean Heybroek, CT Agro, CT Agro Kazakhstan and Kuhn Center Turkey operate as Group Distributors and Bruggeman Mechanisatie B.V. ("**Bruggeman Mechanisatie**") and Landtech Zuid B.V. ("**Landtech Zuid**"), operate as dealers (the "**Group Dealers**") of products related to agricultural, turf care and landscape maintenance. Jean Heybroek also has a minor position in the cleaning equipment industries. Reesink Green Equipment carries brands such as Claas, Toro, Kuhn, Amazone, Kaweco and Rauch. Agrometius and Agrometius Belgium also operate as Group Distributors. They mainly carry the brand Trimble and serve the entire agricultural and related market with their GPS technology and precision farming products and services and, as such, operate across this market within the Group.

- *Reesink Construction Equipment*: The Kemp Group and Hans van Driel operate as distributors of construction equipment, including earth-moving, transshipment, industrial and railroad equipment. The Reesink Construction Equipment division has a rental concept "Huur & Stuur" that allows customers to rent construction equipment for a short period of time. Reesink Construction Equipment carries brands such as Atlas, Terex, Kobelco, IHI and Bergmann. Furthermore, the Reesink Construction Equipment division distributes underground construction products of the Ditch Witch brand from the locations in De Meern (the Netherlands) and Hamme (Belgium).

- *Reesink Material Handling Equipment*: This division focuses on an installed base model (*i.e.*, machinery for which the Group can provide services and components apart from just distributing equipment). Motrac Intern Transport, Motrac Handling & Cleaning, and Pelzer Fördertechnik operate as distributors of material handling equipment. The demand for and therefore the trade in used equipment in this industry tends to become more and more of importance. For that reason Motrac Intern Transport in the fall of 2015 opened a used equipment center in Apeldoorn, the Netherlands. The Reesink Material Handling Equipment focus industries are food retail, non-food retail, logistics, chemicals, cold store, food production and waste and recycling. Motrac Handling & Cleaning and Pelzer Fördertechnik (opportunistically) also operate as distributors of cleaning equipment. The Reesink Material Handling Equipment division carries brands such as Linde and Tennant.

- *Reesink Industries* – Within the Reesink Industries segment the Group is active in the (engineering of) hydraulics components and systems industry through Motrac Hydraulics (Motrac Hydrauliek for the Netherlands and Belgium and Motrac Hydraulik for Germany). Reesink Staal B.V. ("**Reesink Staal**") and Safety Centre International operate as supplier of (processed) steel products, respectively as distributor of personal protective products related to the construction industry, equipment manufacturers, system manufacturers, technical wholesalers and the agricultural industry. The Group focuses on the distribution of strong brands in the hydraulics components and systems industry and in the personal protective products industry and on carrying strong concepts in the steel products industry. In 2015 the Group started expanding the activities in the field of safety, through which a wide range of activities and products is offered ranging from e-learning to safety scans, consultancy and safety equipment. Those activities are conducted by Reesink Safety Centre B.V. ("**Reesink Safety**"). According to the Group's annual revenues over 2014, approximately €51 million, or 11% of the Group's revenues was generated in the Reesink Industries segment (2013: €38 million respectively 16%; 2012: €47 million respectively 26%) and for the first half year of 2015 €26 million, or 10% (unaudited) (first half year of 2014: €27 million respectively 11% (unaudited)).

The Company acts as a holding company and focuses on the management of the Group. The Group's headquarters are located in Apeldoorn (the Netherlands). From 1 January 2015 the daily management of the Group is in the hands of an executive committee, chaired by the CEO and also including the CFO, the division directors and the officers responsible for human resources and legal affairs (the "**Executive Committee**"). The basic Group-strategy is set out by the Management Board. Reesink Staal, Reesink Safety, the Group Distributors and the Group Dealers (together the "**Operating Companies**") are largely responsible for developing and implementing their own derived strategy, incentivized by and with the support of the Company. The Operating Companies are all managed independently from the Group in respect of their business, which means that the respective division directors and/or local management are responsible for the day-to-day business.

History

History of the Group (excluding the history of acquired entities)

The Group has a history dating back to 1786, when Hendrik Reesink (1764–1835) registered himself as a master blacksmith at the blacksmith guild of Zutphen (the Netherlands) on 23 January 1786. In addition to his blacksmithing activities, Hendrik Reesink also traded in blacksmith supplies and ran a hardware store, laying the foundation for some of the current focus areas of the Group: distribution of agricultural equipment and steel products. Besides forging (and trading in metals), throughout the years, the Reesink business expanded in the sale and repair of farm machinery. The Company was incorporated in April 1930 and listed on the Amsterdam stock exchange in 1959.

In 2006, the Group acquired Packo Agri N.V., a distributor of agricultural, turf care and landscape maintenance equipment in Belgium. This acquisition marked the first substantial expansion of the Group outside the Netherlands. That same year, the Group also acquired the remaining 66.7% of the share capital of Safety Centre International, followed by the divestment of Dutec B.V. (a regional technical wholesaler). In 2006, the Company transferred its listing from Euronext in Amsterdam, a regulated market of Euronext Amsterdam N.V., to a multilateral trading facility, Alternext Amsterdam. In November 2009, the Group expanded its industrial activities by acquiring the assets of the bankrupt Nederlandse Staal Unie V.O.F. which the Group (via Nederlandse Staal Unie B.V. ("**Nederlandse Staal Unie**")) acquired to make a turn-around as the Group believed the Nederlandse Staal Unie V.O.F. had valuable client contacts. In July 2010, the Group acquired Jean Heybroek, thereby expanding the Group's green equipment business in the Netherlands and in Belgium. In 2011, the Group transferred its DIY-activities (Reesink Retail B.V., Interlogica B.V. and FRG Retail B.V.), including the exploitation of its Fixet franchise activities, to THR B.V. ("**THR**"), a wholesaler in DIY-products and professional construction materials, in exchange for 36% of the depositary receipts in THR (through Stichting Administratiekantoor THR), see "Other Interests". The remaining 64% of the depositary receipts are held by a single majority holder of depositary receipts. THR in turn transferred at the same time (part of) the exploitation of its Fixet franchise to retail company DGN retail B.V. In recent years, the Group has also acquired equity interests in dealers: 25% in De Kruyf Mechanisatie (2010), 75% in Bruggeman Mechanisatie (2011) and 25% in De Vries Mechanisatie (2012).

In 2012, Packo & Heybroek was incorporated merging certain Jean Heybroek activities and Packo Agri's Packo Greentech business. In 2012, the Group acquired the Kemp Group, through which it became active in the adjacent industries of earth-moving equipment and railroad equipment. In 2012, due to the crisis in the building industry, the activities of Nederlandse Staal Unie were combined with Reesink Staal.

In 2013, the Group acquired Hans van Driel and therewith strengthened its position in the earth-moving equipment, transshipment and railroad equipment industries. In 2013, the Group's newly incorporated dealer Landtech Zuid acquired certain assets and liabilities of local dealer. In 2013 the Group acquired all issued and outstanding shares in the share capital of Pon Material Handling Europe B.V. ("**PMH-E**") and its 100% subsidiaries Motrac Hydrauliek, Q-Lion B.V. (dormant), Motrac Intern Transport, Motrac Handling & Cleaning and Motrac Hydraulik and 75.04% of the issued and outstanding shares in the share capital of Pelzer Fördertechnik, which covered all the European material handling equipment and hydraulics components and systems business of Pon Holdings B.V. ("**Pon Holdings**") ("the **Acquisition of PMH-E**"). PMH-E was renamed Reesink Material Handling Equipment B.V. ("**RMHE**"). Through this acquisition, the Group expanded its range of strong brands and strong concepts with Linde (material handling equipment such as forklifts or trucks), Tennant (cleaning equipment) and Linde Hydraulics (hydraulics components and systems).

At the beginning of 2014 the Group acquired certain assets, including the name 'CT Agro GmbH', and liabilities and all issued and outstanding shares in the capital of CT Agro Kazakhstan. CT Agro is a Group Distributor of agricultural machinery of the German brand Claas. This machinery is delivered to end-users in Kazakhstan through lease companies as well as directly. In the context of being a full-line supplier CT Agro also operates as a (non-) exclusive supplier of agricultural machinery of other brands, such as MacDon, Horsch, Summers, Morris and Amazone. Its 100% subsidiary CT Agro Kazakhstan is a Group Distributor in Kazakhstan for the (spare) parts of afore mentioned brands and is furthermore responsible, through its 10 own service centers, for the service of afore mentioned brands and in some cases the sales of (used) equipment. CT Agro Kazakhstan also provides parts and services for some other equipment brands with identical, mainly Cummins, engines.

In October 2014 the Company acquired 100% of the shares of O. de Leeuw Groentechniek B.V. ("**De Leeuw Groentechniek**"), located in Hattem, the Netherlands. De Leeuw Groentechniek was part of the O. de Leeuw Group and imported a complete range of quality equipment from top brands for forest and for park and garden for professional and private use. In 2013, the year before the acquisition, the company, achieved revenues of nearly €3.5 million. The Group believes the combination of De Leeuw Groentechniek and Stierman, a Group

Company with similar activities, strengthens both organizations substantially. The activities of both companies where combined and (re)located in Apeldoorn. Under the name of 'Stierman De Leeuw' a complete range of machinery, fittings and parts is offered in the forest, park and garden market through resellers.

As per 1 January 2015 the Group transferred the remaining part of the franchise formula "Fixet" to DGN retail B.V. A subordinated loan provided in 2011 by the Company to DGN retail B.V., along with receivables from Fixet franchisees, was settled in early 2015 resulting in an amount of €0.1 million payable to the Company. The receivables as mentioned here concerned fees from Fixet franchisees for whom the Company till 2015 still legally acted as franchisor but to which receivables DGN retail B.V. was entitled based on the agreement in 2011 through which the DIY-activities were transferred (see above).

In April 2015 the Company's subsidiary Motrac Hydraulik reached agreement regarding the acquisition of the activities of IMAV-Hydraulik GmbH ("**IMAV**") in Willich, Germany. IMAV traded in and produced standard and customized hydraulic manifolds for original equipment manufacturers and system integrators. These systems complemented the existing product range of the Group. In 2014, so before the acquisition, IMAV achieved revenues of €6.5 million. The transaction was completed on 30 April 2015. The activities of IMAV were integrated into that of Motrac Hydraulik. The Group believes this created a stronger organization in Germany for hydraulic components and systems. All of Motrac Hydraulik's activities are at the date of this Prospectus located in Willich, Germany.

In June 2015 the Company and APH Group from Heerenveen, the Netherlands, reached agreement regarding a joint venture for the distribution of machinery for soil tillage and feed processing machines in Turkey. APH Group operates since many years in Turkey through its subsidiary APH Group Turkey. In 2012 APH Group expanded its operations in Turkey with an organization for the distribution of machinery as mentioned above. The Group has extensive experience with such agricultural machines and is, in concert with APH Group, further expanding these activities which generated in 2014, the year before the start of the joint venture, revenues of approximately €2 million. This led to the incorporation of Reesink Turkey B.V. ("**Reesink Turkey**"), in which the Company holds 75 percent of the shares. The new company in turn holds all the shares in Kuhn Center Turkey and will cooperate closely with APH Group Turkey, an important player in potato and vegetable mechanization. The Group believes this joint venture provided a solid base for starting operations in Turkey, a country where the agricultural sector has huge potential. The transaction was completed on 25 June 2015.

In August 2015 the Company reached an agreement on the acquisition of 95% of the shares in the capital of Agrometius. The Group believes Agrometius is the leading specialist in GPS technology and precision agriculture in the agricultural sector in mainly the Netherlands and Belgium. The other 5% of the shares remain in the hands of the company's director, Mr. D.G. Nijland, who continued in this role after the acquisition. Agrometius' total revenues for 2014, thus before the acquisition, were €7.5 million and it operates at a very high level of profitability. Its core business is the distribution of Trimble Agriculture products in mainly the Dutch and Belgian market. In addition to supplying the hardware, firmware and software for the GPS technology and precision agriculture, Agrometius also provides the links between the tractors and the various types of equipment, as well as handling all after-sales. As a secondary activity, Agrometius is also engaged in the collection of soil data, as well as providing advice to users. Agrometius serves the entire agricultural market and, as such, will continue to operate across this market within the Group, providing service for all brands. The market in Belgium is served by Agrometius Belgium, a 100%-owned subsidiary of Agrometius. The acquisition was completed on 7 September 2015.

An overview of the Group's history is given in the table below:

Year	**Event**
1786	Establishment of the foundations of the Group
1930	Incorporation of the Company
1959	Listing of the Company on the legal predecessor of Euronext in Amsterdam
2006	Acquisition of Packo Agri
2006	Acquisition of the remaining shares of Safety Centre International
2006	Divestment of Dutec B.V.
2006	Transfer of the listing of the Company's DRs to Alternext Amsterdam
2009	Acquisition of assets of Nederlandse Staal Unie V.O.F.
2010	Acquisition of Jean Heybroek
2010	Start of participating in dealers by acquiring an equity interest in De Kruyf Mechanisatie (25%) (in 2011 the Group acquired a 75% equity interest in dealer Bruggeman Mechanisatie, in 2012 in dealer De Vries Mechanisatie (25%) and in 2013 the Group's newly incorporated dealer Landtech Zuid acquired certain assets and liabilities of a local dealer)
2011	Participation in the depositary receipts in THR (36%) through the transfer of its DIY-activities
2012	Incorporation of Packo & Heybroek
2012	Acquisition of the Kemp Group

Year	Event
2012	Activities of Nederlandse Staal Unie combined with Reesink Staal
2013	Acquisition of Hans van Driel
2013	Acquisition of PMH-E
2014	Acquisition of certain assets of CT Agro GmbH including 100% of outstanding shares in CT Agro TOO
2014	Acquisition of De Leeuw Groentechniek
2015	Transfer remaining part of the franchise formula Fixet to DGN retail B.V.
2015	Start of expanding activities in the field of safety
2015	Acquisition of certain assets of IMAV-Hydraulik GmbH
2015	Start joint venture Turkey
2015	Acquisition of 95% of outstanding shares in Agrometius B.V. including 100% of outstanding shares in Agrometius BVBA

At the end of 2013 the Group underwent a legal restructuring so that the legal organizational structure became more in line with the Group's functional organizational structure. During 2014 a number of additional legal changes took place within the Group as shown in the table below.

Year	Legal restructuring
2014	Reesink Agricultural Equipment GmbH renamed CT Agro GmbH
2014	Fixet Valkenswaard B.V. renamed Outlet-DHZ-Valkenswaard B.V.
2014	Reesink GmbH transformed into Reesink GmbH & Co KG
2014	Merger of Packo & Heybroek N.V. and Packo Agri N.V. into Packo N.V.
2014	Koninklijke Reesink N.V. renamed Royal Reesink N.V.
2014	Merger of O. de Leeuw Groentechniek B.V. and Stierman B.V. into Stierman De Leeuw B.V.

For the legal structure as per the date of this Prospectus see "General information".

Vision

The Group's vision is that the world faces a huge challenge because by 2050, worldwide there will be more than nine billion people that have to be fed. Furthermore, the Group believes that the number of middle-class people will grow from two to five billion over the next 15 to 20 years, mostly due to demographic developments in Asia. The Group is of the opinion that the effect of this should not be underestimated. Demand for consumer goods from these new middle-class groups will grow accordingly. The Group believes increasing consumer needs are expected to lead to demand for food, water and energy rising by respectively 35%, 40% and 50% higher than currently is the case. This poses huge economic, ecological and social challenges for the world. The Group believes sustainability has long ago passed the point of being simply an issue of caring for the environment. It is a serious matter in which the survival of humanity and our living environment is at stake. The Group believes need for sustainable innovation is becoming increasingly urgent.

These issues are directly reflected in the Group's activities. The Group believes demand for cleaner, smarter and more efficient equipment will only increase in agriculture, logistics and civil engineering, along with the further development of system integration and co-makership which is leading to optimization of operations throughout the chain and thus limit wastage of materials and the number of transport movements, among other things. The Group believes safety is also playing an increasingly important role and that its range of safety solutions presents an adequate response to this development. By offering sustainable and innovative solutions with respect for people and the environment, the Group believes it can make a positive contribution to meeting the challenges that the world faces.

Mission

With its knowledge of products and markets, the Group aims to be an essential link in the distribution chain, firstly by translating market feedback into innovative and sustainable solutions for the Main Original Equipment Manufacturers and other suppliers and secondly by supporting dealers and customers in the operation of their businesses.

Strategy

The ambition of the Group is to become, in the relevant markets, a major full-line distributor in equipment and a full service provider and system integrator in industries. The Group's strategy involves both organic growth and growth through acquisitions. At the date of this Prospectus the Group is mainly active in the Netherlands, Belgium, Germany, Kazakhstan and Turkey. The Group's strategy includes expansion into other regions or countries, entering other emerging markets and adjoining markets by expanding its product range within the existing divisions. This will involve acquisitions in some cases. Organic growth will include the roll-out of existing operations into different regions or countries. By entering into new geographic markets, the Group believes that its risk profile becomes more diversified and that it lowers its exposure to circumstances such as weather conditions and other circumstances such as animal or crop diseases or food safety incidents. The Group's aim is also to bring its three equipment divisions into balance in terms of size in order to further reduce the Group's dependence on market fluctuations.

The Group also sees potential for organic growth through cross-selling and cross-rental, dealer participations in so-called full-line dealers of Kamps de Wild, expanding the offering of safety products and activities and developing innovative solutions and concepts with a sustainable character. Furthermore, in order to maintain, or strengthen, its market position both in existing and new markets, the Group strives to offer different forms of financing (*e.g.*, funding options in cooperation with leasing companies for both long and short term lease) and long and short term rent.

Operating Companies in the Reesink Equipment division sometimes compete with certain other Operating Companies, *e.g.*, Kamps de Wild competes with Reesink Technische Handel distributing equipment of different brands in the same industry. The Group believes that intra-group competition is beneficiary for the Group. The Group therefore operates so-called "Chinese Walls" between certain businesses to make healthy competition possible within the Group. For this reason Reesink Green Equipment is divided into two departments: Green Equipment and Kamps de Wild Holding.

The Group aims to strengthen the interrelated divisions within Reesink Equipment and segments within the Group and to focus on implementing its customer-oriented strategy. The Group intends to achieve the latter by focusing on an effective after-sales service, implementing performance indicators, organizing dealer and end-user events ('dealer and demonstration days'), operating training centers, ensuring the availability of equipment parts, participation in trade fairs and measuring customer satisfaction.

The Group believes knowledge of its markets and customers is what matters. In order to have this knowledge in house and to further develop it, the Group offers its employees career guidance and various targeted training opportunities.

The Group believes partnering involves more than simply putting the customer first, in which the pure sale of machines is still the guiding principle. Partnering also means looking for other solutions, such as offering capacity contracts and other concepts. A capacity contract means that the Group considers with the customer how many machines he needs for his daily works and peak times. The Group Distributor then supplies additional machines on demand by the customer on a temporary basis. The Group intends to strengthen its installed-base model by focusing more strongly on after-sales services such as maintenance and the sale of (spare) parts of equipment.

The Group believes a distributor has to be the essential link in the chain, both for the customer and for the principal. Technology is developing so fast that the Group's business model has to be flexible enough to anticipate this. At Reesink Industries, the Group is therefore increasingly concentrating on being a system integrator and co-makership partner.

The Group has the following specific qualitative targets for the Operating Companies (listed in random order) for the next years:

- to structure the Operating Companies so that they are able to provide the best possible service to customers at low cost; this means:
    - customer-oriented thinking;
    - lean & mean organization;
    - a high level of knowledge and expertise within the organization, and.
- to ensure that the Operating Companies can offer a total package of:
    - product;
    - service;
    - rental possibilities;
    - capacity contracts;
    - engineering;
    - co-makership;
    - system integration;
    - training; and
    - finance solutions,

while in the meantime maintaining the Company as a small-scale holding company that incentivizes and encourages segment or division management to implement segment or division strategy and supports and arranges financing for its Operating Companies.

Competitive Strengths

The Group believes it benefits from the following strengths, which, directly or indirectly, enable a better performance of its customers:

- the Group is solution oriented;

- the Group has product and market expertise and is knowledge-driven;
- the Group offers a full range of products of well-recognized brands with growth potential;
- the Group is capable of innovation and is a market pioneer with respect to dealer participation and investing in related markets;
- the Group has an efficient parts distribution system (*i.e.*, it distributes parts within a couple of hours to a maximum of 24 hours) and after-sales service;
- the Group acts as a system integrator and co-maker;
- the Group has strong relationships with principals, financing institutions, holders of DRs, shareholders and other stakeholders; and
- the Group has a healthy solvency (Capital Base as a % of the balance sheet total)

Organizational Structure

At the end of 2013 a new legal and functional structure was implemented. Since then the Group has a functional organizational structure with two segments and three divisions.

From 1 January 2015 the daily management of the Group is in the hands of an Executive Committee, chaired by the CEO. The Executive Committee also includes the CFO, the division directors and the officers responsible for human resources and legal affairs.

The respective division directors and/or local management are responsible for the day-to-day management of the Operating Companies. The Operating Companies may all be found within this functional organizational structure. In addition, several Group Companies provide additional (supporting) services within the Group (*e.g.*, Reesink Support B.V. provides shared services to certain Group Companies such as accounting, human resources, IT, personnel, control and finance).

The Group and its Segments

The Group has two segments, Reesink Equipment and Reesink Industries. The Reesink Equipment segment is subdivided in three divisions:

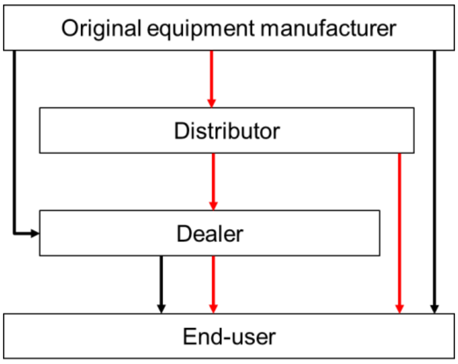
- Reesink Green Equipment;
- Reesink Construction Equipment; and
- Reesink Material Handling Equipment.

Reesink Equipment Segment

The Group Distributors act as distributors and the Group Dealers act as dealers of equipment and other products for agriculture and turf care, landscape maintenance, material handling, construction including earth-moving, civil engineering and cleaning. The relevant Group Distributors provide distribution services which means that they serve as a direct link between (i) original equipment manufacturers and dealers – who may be Group Dealers – who in their turn supply equipment to end-users or (ii) original equipment manufacturers and end-users.

Position of a distributor and dealer within the value chain

Generally speaking, original equipment manufacturers sell equipment either to distributors or to (independent) dealerships in geographically defined areas of responsibility. Generally the distributors and dealers obtain exclusive distribution and product support rights within their markets. The decision of original equipment manufacturers to either work with a distributor or with a dealer depends on the original equipment manufacturers' focus and preparedness to invest directly into a geographic area. In case the original equipment manufacturer decides to work with an independent distributor, it generally relies on this distributor to provide sales, finance, marketing and product support either directly or indirectly through a dealer to the end-users in an assigned market area. When an original equipment manufacturer decides to work with dealers directly, the original equipment manufacturer is generally responsible for providing the aforementioned services directly or indirectly to the end-users. The different possible equipment flows and contractual relationships in the distribution value chain are indicated with the arrows in the chart below.



In the markets in which the Group is active, the original equipment manufacturers generally do not work with dealers directly. The red arrows in the chart above indicate the equipment flows and the contractual relationships in the markets in which the Group is active. The black arrows indicate possible equipment flows which are not relevant for the markets in which the Group is active.

Relationship with original equipment manufacturers

Although the Group is dependent mainly on the quality of the equipment that the original equipment manufacturers produce, the original equipment manufacturers are also dependent on the (quality of the) distributors and the dealers they work with to sell their machinery. Original equipment manufacturers work in close cooperation with their distributors, in executing the latter's business plans while at the same time ensuring that the original equipment manufacturers' brands are protected and enhanced. This is one of the reasons why distributors and dealers generally do not supply equipment of competing brands. The Group believes this creates a strong and lasting relationship between original equipment manufacturer and distributors.

The Group has entered into distribution and service agreements with several reputable original equipment manufacturers. The relationships with the Main Original Equipment Manufacturers (who's Amazone, Atlas, Claas, Horsch, Kobelco, Kuhn, Linde, MacDon, Terex and Toro brands the Group distributes), have generally been longstanding, in some cases dating back more than 50 years. The Group's relationships with its original equipment manufacturers are generally based on a distribution agreement between the Group Distributor and the relevant original equipment manufacturer, but in some cases a distribution letter is the basis for the relationship. In certain jurisdictions there is no documentation reflecting the relationship between the original equipment manufacturer and the Group Distributors as the relevant statutory law provides the necessary legal protection.

In case of a detailed distribution agreement, the following topics tend to be addressed:

- geographic area of appointment (including exclusivity provisions and non-compete provisions, if applicable);
- business conditions such as:
    - warranty, service and payment provisions;
    - performance goals;
    - personnel;
    - facilities;
    - stock;
    - advertising and sales promotion;
    - use of intellectual property and trademarks;
    - decisions subject to manufacturer' approval;
- applicable terms and conditions;
- term and termination arrangements; and
- governing law and dispute resolution.

Geographic area of appointment

The Group mainly enters into the distribution agreements through one or more Group Distributors. One or more Group Distributors is generally appointed as exclusive or main distributor for certain products, markets or services within a predetermined territory. The appointed territory may under some contracts be enlarged or reduced unilaterally by the relevant original equipment manufacturer. The Group Distributors are generally allowed to distribute either to general line distributors, sub-distributors, dealers or directly to end-users in the appointed territory. In some cases, the original equipment manufacturer reserves the right to market, sell and ship products to certain pre-disclosed categories of customers within the appointed territory directly, for which the Group Distributors sometimes receive a commission.

The Group Distributors are generally not allowed to work with other original equipment manufacturers or sell within their appointed territory any product that directly competes with the equipment of the relevant original equipment manufacturer. A breach of prohibitions could lead to a termination of the distribution agreement by the relevant original equipment manufacturer.

Business conditions

Generally speaking, Group Distributors purchase equipment at their own risk and expense from the original equipment manufacturers. The Group Distributors in some cases do not have to pre-fund the equipment, but certain discounts may be available in case of pre-funding for several months. The distribution agreements generally also contain an arrangement with regard to warranty on the equipment, to the effect that the original equipment manufacturer must establish and administer a warranty program for equipment and distribute service information to the Group Distributors as may be appropriate to allow the Group Distributors to offer adequate after-sales service for each product. The warranty on the product is in most cases extended to the customers of the Group Distributors.

The distribution agreements generally contain performance goals, which mean that (sales) goals must be realized in order for the relevant Group Distributor to maintain certain benefits under the agreement (such as discounts), or for a longer termination notice period to apply. Some distribution agreements provide for a sale-back construction in case of termination of the distribution agreement, but other distribution agreements prohibit the return of equipment to the original equipment manufacturers entirely.

The Group Distributors are generally obliged to maintain adequate facilities and employ adequately trained personnel to provide and maintain the equipment. Also, the Group Distributors are generally obliged to maintain adequate stock and a representative selection of products to support its dealer organization, to meet customer demand on a timely basis, to demonstrate products when practicable and to develop and penetrate the market potential for the equipment.

In order to optimize sales possibilities, the original equipment manufacturers and the Group Distributors generally cooperate in the advertising and sales promotion for the equipment. Under certain distribution agreements the original equipment manufacturers are obliged to prepare, make available and supply the Group Distributors with advertising and sales promotion materials for the equipment. Group Distributors are generally authorized to use the original equipment manufacturers trademarks in connection with the promotion of equipment. The original equipment manufacturers sometimes also have to assist in the conception of programs utilizing the materials and communicate with the Group Distributors on a regular basis to keep them informed on technical-, service- and other developments.

Usually, the Group Distributors require the original equipment manufacturer's approval for a number of matters, including but not limited to appearance and location of facilities. The entering into agreements with other original equipment manufacturers is usually also a matter that requires prior approval from the relevant original equipment manufacturer and the distribution agreement usually provides for an exit arrangement for the relevant original equipment manufacturer in case a Group Distributor does not obtain the prior approval for engaging with another original equipment manufacturer.

Applicable terms and conditions

The original equipment manufacturer's general terms and conditions are generally applicable to the distribution agreements. Also, for certain distribution agreements standardized terms, such as the International Commercial Terms published by the International Chamber of Commerce, are applicable with regard to transportation and delivery of equipment.

Term and termination arrangements

The Group strives to enter into long-term contracts with its original equipment manufacturers. The distribution agreements with its original equipment manufacturers are typically entered into for either an indefinite period of time, or for a (long) definite period of time. Generally speaking, the definite period is five years, but the Group Distributors have also entered into distribution agreements for ten years. No distribution agreement with a Main Original Equipment Manufacturer has been entered into for a shorter period than one year.

Termination arrangements vary. Sometimes distribution agreements do not provide for exit arrangements, especially in the older agreements. Sometimes detailed termination processes are provided for, describing the various situations in which a party to the distribution agreement may terminate the agreement, *e.g.* in case of a change of control. All contracts with original equipment manufacturers provide for relatively long notice periods in case of a termination without cause, varying from six to eighteen months. Generally, distribution agreements entered into for a definite period of time are extended automatically if the distribution agreement has not been terminated by either party, taking into account a certain notice period. Some agreements may therefore only be terminated at a specific point in time. In case of certain specified urgent causes (*e.g.*, in case of failure to comply with material obligations such as non-payment and misuses of trademarks), distribution agreements may also be terminated immediately. Some contracts provide for shorter notice periods in case performance goals are not met.

Governing law and dispute resolution

In case of disputes, the distribution agreements generally provide for dispute resolution in accordance with the laws of the jurisdiction from which the relevant original equipment manufacturer operates or in which it is incorporated.

Customer financing arrangements

The economic ownership of the equipment generally remains with the Group until it is sold to the customer, which can be a dealer, an end-user or leasing company. Dealers and end-users sometimes finance their new equipment by way of floor planning or through vendor lease facilities, which are offered by independent third parties such as specialty lenders and banks, or by the original equipment manufacturers' captive finance companies. Floor planning facilities ordinarily finance 100% of the costs of the equipment from the original equipment manufacturer, plus any applicable goods and services tax.

In recent years, many of the Group's customers have experienced difficulties with traditional sources of funding. To address this problem, as part of its strategy the Group organizes funding options in cooperation with leasing companies for both long and short term lease and provides long and short term rent.

Divisions of Reesink Equipment Segment

Reesink Green Equipment division

The Group's Reesink Green Equipment division consists of Kamps de Wild, Bruggeman Mechanisatie, Landtech Zuid, Reesink Technische Handel, Stierman de Leeuw, Packo, Jean Heybroek, CT Agro, CT Agro Kazakhstan, Kuhn Center Turkey, Agrometius and Agrometius Belgium.

Kamps de Wild

Kamps de Wild operates as a full-line distributor and mainly operates the agricultural, cattle and dairy farming and contractor markets through dealers. In addition, Kamps de Wild focuses on sales support, product management, after-sales, education and training, marketing, market research and warranty settlement. Kamps de Wild operates various brands, of which the main brand is Claas.

The most significant brands Kamps de Wild operates are:

- *Claas* – a manufacturer of self-propelled forage harvesters focusing entirely on the agricultural industry; Kamps de Wild operates the Claas brand exclusively for the Dutch market; the Claas range of products includes tractors, self-propelled harvesting machines, hay-making machinery, balers and telescopic handlers;
- *Amazone* – a manufacturer supplying products for the agricultural industry ranging from products related to soil tillage to products related to the preparation of land for harvest (including manure dispensers, injectors and seeders); and
- *Kaweco* – a Kamps de Wild private label, providing liquid organic fertilizers for grass land and arable land, transport tankers, silage transport technology (RADIUM) and multi-purpose wagons (THORIUM and PULL BOX).

The Claas dealer network that Kamps de Wild serves has been restructured in 2015. It is subdivided into three categories being full-line dealers, long-line dealers and green-line dealers. Full-line dealers provide the full line of Claas equipment on a 100% exclusive basis. Long-line dealers represent, also exclusively, a long line of Claas equipment except for the self-propelled harvesting machines like combines and forage harvesters and the system tractor Xerion. Green-line dealers do have a limited range of tractor-driven Claas equipment. All dealers order their stock from Kamps de Wild directly, and provide after-sales services and maintenance for the machinery they sell.

In line with the Group's strategy to have more contact with end-users, Kamps de Wild, through Kamps de Wild Participaties B.V., participates in two full-line dealers: Bruggeman Mechanisatie (75%) and Landtech Zuid (100%). Kamps de Wild also has minority interests in two other full-line dealers, De Kruyf Mechanisatie (25%) and De Vries Mechanisatie (25%) (see "Other interests").

Reesink Technische Handel

Reesink Technische Handel operates mainly as a distributor in the agricultural, cattle and dairy farming and contractor markets in the Netherlands. Reesink Technische Handel imports and markets agricultural applications including soil tillage, mowing, foraging, harvesting and feeding equipment through independent dealers, which means that it usually does not supply equipment directly to the end-users. Reesink Technische

Handel's range of products does not include tractors or self-propelled forage harvesters. Its customers include cattle farmers and crop farmers, horticulturists, landscape maintenance companies and agricultural contractors. Reesink Technische Handel mainly operates the following brands:

- *Kuhn*, a manufacturer of a wide choice of agricultural machinery that can be installed on a tractor, such as ploughs, hay equipment, seeding machines and feeding cattle equipment. Reesink Technische Handel supplies Kuhn equipment exclusively in the Netherlands; and
- *Rauch*, a manufacturer specialized in fertilizer spreaders and the main supplier for Kuhn of seeding equipment.

Reesink Technische Handel imports and markets machines through independent dealers, which means that it usually does not directly supply end-users.

Stierman de Leeuw

Stierman de Leeuw carries a range of landscaping and turf care machinery, tools and accessories for forestry, turf care, and garden and parks maintenance in the Netherlands. It also carries a range of personal protective products used in these industries. Its end-users' include governments (particularly municipal authorities) and private companies (including gardening companies). Brands operated include Pellenc, Ego, Etesia, Eliet, Posch and Oregon. It has been decided on in 2015 that the activities related to the protection clothing line of Stierman de Leeuw will be moved to Safety Centre International.

Packo

Packo operates as a distributor and operates in the agricultural, cattle and dairy farming and contractor markets and also distributes equipment in the turf care and landscaping markets. Packo imports and markets machinery through independent dealers, which means that it usually does not directly supply end-users. It specializes mainly in selling a range of products of manufacturer Kuhn (described above) and Toro (see Jean Heybroek) exclusively in Belgium. In addition, it operates a number of equipment brands mainly purchased by farmers and agricultural contractors in Belgium, including Bogballe fertilizer spreaders, MX front loaders, Köckerling and Guttler soil tillage machinery, Agricola Italiana vegetable sowers and Zuidberg frontline systems.

Jean Heybroek

Jean Heybroek operates in the Netherlands and supplies to independent dealers and directly to end-users in three subdivided market segments: green technology, soil technology and cleaning technology. Green technology relates to equipment for the maintenance of public and private parks, recreational areas and sporting grounds for professional and private use. Jean Heybroek supplies equipment in the specialized niche market of golf course maintenance directly to end-users. It operates brands such as:

- *Toro*, a manufacturer specialized in residential equipment such as lawn mowers and spray machines, landscaping maintenance equipment and golf course equipment such as professional golf course mowers, aerators, sprayers, irrigation systems and utility cars. Jean Heybroek supplies Toro equipment exclusively in the Netherlands and in Belgium (through Packo),

but also Club Car, TYM compact tractors, LM Trac multipurpose machines and Amazone (described above) in the Netherlands. The soil technology market segment relates to machinery and equipment for the installation of subterranean infrastructure, including horizontal directional drilling systems of Ditch Witch. The cleaning technology market segment of Jean Heybroek relates to equipment for sweeping, scrubbing and cleaning retail outlets, institutions and heavy industry, for floor spaces ranging from 100 to 10,000 square meters. In this market segment, Jean Heybroek operates the Factory Cat, ISAL and DEB brands.

CT Agro / CT Agro Kazakhstan

CT Agro, based in Germany, operates as a full-line distributor in the agricultural, cattle and dairy farming and contractor markets in Kazakhstan. CT Agro mainly operates the brand Claas (described above). In the context of being a full-line supplier CT Agro also operates as a supplier of agricultural machinery of other brands, such as MacDon, Horsch, Summers, Morris and Amazone. The equipment is delivered directly to the end-users in Kazakhstan. Its 100% subsidiary CT Agro Kazakhstan is a Group Distributor in Kazakhstan for the (spare) parts of the afore mentioned brands and is furthermore responsible, through its 10 own service centers, for the service of afore mentioned brands and in some cases the sale of (used) equipment. CT Agro Kazakhstan also provides parts and services for some other equipment brands with identical, mainly Cummins, engines.

Kuhn Center Turkey

Kuhn Center Turkey operates mainly as a distributor in the agricultural, cattle and dairy farming and contractor markets in Turkey. It imports and markets agricultural applications including soil tillage, mowing, foraging, harvesting and feeding equipment through independent dealers as well as directly to end-users. Kuhn Center Turkey's range of products does not include tractors or self-propelled forage harvesters. Its customers include cattle farmers and crop farmers, horticulturists, landscape maintenance companies and agricultural contractors. Kuhn Center Turkey mainly operates the brand Kuhn (described above).

Agrometius / Agrometius Belgium

Agrometius and Agrometius Belgium operate in the field of precision farming in respectively the Netherlands and Belgium. They supply GPS steering systems and (partly self-designed) hard- firm- and software to connect tractors and machines as well as sensor technology to gather soil and crop information which information they use for various applications, *e.g.* fertilizing and crop protection. Agrometius and Agrometius Belgium distribute their products and services through selected dealers as well as directly to end-users, depending on the complexity of the systems. Its customers are typically dealers, farmers and contractors. Agrometius and Agrometius Belgium mainly operate the brand:

- *Trimble*, a provider of advanced location-based solutions for maximizing productivity and enhancing profitability by integrating expertise in GPS, laser, optical and inertial technologies with application software, wireless communications, and services to provide complete commercial solutions.

Reesink Construction Equipment division

The Reesink Construction Equipment division consists of the Kemp Group (which also carries the rental concept "Huur & Stuur") and Hans van Driel.

Kemp Group

The Kemp Group, consisting of Ben Kemp Holding B.V., and its 100% subsidiaries Barend Kemp B.V., Kemp BVBA and Huur & Stuur B.V., is specialized in earth-moving equipment and supplies, unlike most other Group Distributors, directly to end-users. The Kemp Group operates sites in De Meern (near Utrecht, the Netherlands), Bergschenhoek (near Rotterdam, the Netherlands) and the Belgian town of Hamme. The Kemp Group imports various brands, including IHI mini-excavators and Kobelco crawler excavators, in the Netherlands. In addition, the Kemp Group imports a variety of equipment for the Belgian market, including Atlas excavators, industrial machinery and railroad equipment, and the Terex compact line. The Kemp Group not only serves as a distributor or supplier, but also provides for a range of (after-sales) services including customizing and equipment design. The Kemp Group customizes the equipment it distributes with logos, trademarks and color patterns upon request of its end-users.

The Kemp Group also distributes underground construction products of the Ditch Witch brand (Inc. Charles Machinery). Formally, the contract of the Ditch Witch brand has been entered into by Jean Heybroek. The Group however believes the Ditch Witch products are more adjacent to the Reesink Construction Equipment division than the Reesink Green Equipment division. Therefore, these activities have been moved to the Group's sites in De Meern (the Netherlands) and Hamme (Belgium).

Huur & Stuur B.V. is a rental company for earth-moving equipment in the Netherlands. The rental concept "Huur & Stuur" allows customers to rent construction equipment and accessories for a short period of time, varying from one day to several months.

Hans van Driel

Hans van Driel is a Group Distributor that supplies high-quality construction, earth-moving, transshipment and recycling machinery to end-users through independent dealers. Hans van Driel operates in the Netherlands and has sites in Tiel and Ommen. Hans van Driel mainly operates the following brands:

- *Atlas*, a manufacturer of mobile excavators, storage and transshipment machinery and rail-road equipment. Hans van Driel supplies Atlas equipment exclusively in the Netherlands; and
- *Terex*, a manufacturer of wheel loaders, mini excavators and compact mobile excavators
- *Bergmann*, a manufacturer of wheeled and tracked dumpers.

Reesink Material Handling Equipment division

The Reesink Material Handling Equipment division consists of Motrac Intern Transport, Pelzer Fördertechnik and Motrac Handling & Cleaning. The main areas of focus in the Reesink Material Handling Equipment division are: sales, services and parts, rental, leasing, forklifts, warehouse trucks, training and logistical consultancy. Other areas of activities are warehouse systems, sales of racking, and other storage systems. In some cases these activities are performed together with a partner. The Reesink Material Handling Equipment focus industries are food retail, non-food retail, transport contractors, chemicals, cold store, food production and waste & recycling. Furthermore, the Reesink Material Handling Equipment division works with a rental and service provision concept and provides its customers with lease opportunities mostly together with third parties. This market segment focuses on an installed base model (i.e., machinery for which the Group can provide services and components apart from just distributing equipment). The Group Distributors active in the Reesink Material Handling Equipment division are described below.

Motrac Intern Transport

Motrac Intern Transport distributes Linde forklifts and warehouse trucks in the Netherlands. It primarily services end-users directly. Motrac Intern Transport is currently based in Almere and in Zwijndrecht (both in the Netherlands). The demand for and therefore the trade in used equipment in the material handling equipment industry tends to become more and more of importance. For that reason Motrac Intern Transport in the fall of 2015 opened a used equipment center in Apeldoorn, the Netherlands

Pelzer Fördertechnik

Pelzer Fördertechnik distributes Linde forklifts and warehouse trucks in the North-Rhine-Westphalia region in Germany. It services end-users directly. Furthermore, Pelzer Fördertechnik sells cleaning machines opportunistically in the North-Rhine-Westphalia region in Germany. Pelzer Fördertechnik is based in Kerpen and in Köln (both in Germany).

Motrac Handling & Cleaning

Motrac Handling & Cleaning distributes Linde forklifts and warehouse trucks in Belgium. It primarily services end-users directly. Motrac Handling & Cleaning also distributes Tennant floor cleaning machinery including mob cleaners, mob scrub cleaners and scrub vacuum cleaners in Belgium. Motrac Handling & Cleaning is based in Antwerpen and in Flémalle (both in Belgium).

Reesink Industries Segment

Motrac Hydraulics (Motrac Hydrauliek for the Netherlands and Belgium and Motrac Hydraulik for Germany), Reesink Staal, Safety Centre International and Reesink Safety operate as distributors of a wide range of hydraulic components and systems including engineering, (processed) steel products for (property) construction, personal protective products and services.

Motrac Hydraulics

Motrac Hydraulics (Motrac Hydrauliek for the Netherlands and Belgium and Motrac Hydraulik for Germany) provides (engineering of) hydraulic components and systems required to create for example drive-trains, complete hydraulic power units as well as system solutions for mobile and stationary applications. Its hydraulic solutions are based on the power of oil to control different kinds of mechanical motions in machinery. Motrac Hydraulics is active in the agricultural, mining and earth-moving industry, offshore and marine industry, automotive industry, and the industrial industries. Motrac Hydraulics is the distributor of Linde Hydraulics, and system partner for original equipment manufacturers such as Bucher Hydraulics, Völkel Mikro Elektronik and Eaton Hydraulics products. Motrac Hydraulik also trades in and produces systems and hydraulic components, like manifolds under the brand name IMAV-hydraulics which are supplied to original equipment manufacturers and system integrators.

Reesink Staal

Reesink Staal sells rolled steel and a wide range of girders, pipes, bars, profiles and sheets, in a variety of sizes. The company is active as an independent wholesaler in (rolling mill) steel products for (housing) construction and industrial activities in the Netherlands. Prices of and margins on base products correlate with raw product price levels. Reesink Staal has a product range that is based on customer specifications and which involves adding value to steel by de-bulking, maintaining stock and distribution, supplemented with steel processing – zigzagging, sawing (including mitre sawing), drilling, cutting, blasting and conserving. Reesink Staal is transforming into a solution provider, from traditional trading with little added value into a steel service center with significant added value services.

Safety Centre International

Safety Centre International sells mainly work shoes, but also protective work gear and other personal protective products related to health and safety in the Netherlands. These products are used in the construction industry, in industrial settings and elsewhere. Safety Centre International's product range includes brands such as Bata Industrials, Craft Functional Wear, Mammoet Workwear, ProJob Workwear, Wock Shoes and Mapa security gloves. Safety Centre International also distributes Safety Centre International operates through an extensive network of independent wholesalers.

Reesink Safety

In 2015 a start has been made on expanding the activities in the field of safety, for both the Group and its customers. Reesink Safety will be offering a wide range of activities and products, ranging from e-learning to safety scans, consultancy and safety equipment.

Other Interests

Aside from participation in the various businesses described above, the Group also has interests in De Kruyf Mechanisatie (25%), De Vries Mechanisatie (25%) and THR (36%).

De Kruyf Mechanisatie and De Vries Mechanisatie

In line with the Group's strategy to have more contact with end-users, Kamps de Wild holds, through Kamps de Wild Participaties B.V., a strategic minority interests in two full-line dealers, De Kruyf Mechanisatie (25%) and De Vries Mechanisatie (25%). Both dealers mainly operate the agricultural, turf care and landscaping, cattle and dairy farming and contractor market.

THR

In 2011, the Group transferred its DIY-activities (Reesink Retail B.V., Interlogica B.V. and FRG Retail B.V.) to THR in exchange for 36% of the depositary receipts in the share capital of THR (through Stichting Administratiekantoor THR). The remaining 64% in THR is held by a single majority holder of depositary receipts. THR is mainly active as a wholesaler in the DIY-business and provides the logistics for Safety Centre International. The restructuring of the Group's DIY-activities in 2011 was the consequence of sustained declining economic conditions, whereby sales revenues at DIY chains and stores had fallen, fewer people were moving and the construction of new homes had decreased. THR has been directly affected by these trends, which were stronger than expected. In 2012 the Group wrote down the investment value of THR (approximately €3.8 million, including the losses of 2012) and the loans the Company provided (including the guarantee the Company provided to the other holder of depositary receipts in THR) (approximately €3.2 million). The Group reduced the rent for THR's distribution center at Ecofactorij 20 in Apeldoorn (the Netherlands) effective 2013 and 2014. As a result, the Group receives less rent; the total annual rent is approximately €1.5 million excluding V.A.T. The adjustments have been accounted for in the valuation of the distribution center at Ecofactorij 20 in Apeldoorn, the Netherlands, as of 31 December 2012 and 31 December 2014 and led to depreciations on this property of €2.3 million and €1.8 million respectively. In 2013 a total of €1.3 million in loans was provided and guarantees (*borgstellingen)* amounting to €1.9 million were provided to ABN AMRO Bank N.V.

Intellectual Property

Important intellectual property assets for the Group are the different brand names it operates (*e.g.*, Reesink, Kamps de Wild, Kaweco and Stico). The Group operates mainly under the trade name Royal Reesink. Other intellectual property assets are the patents respectively the application for patents held by Kamps de Wild and Jean Heybroek. These (applications for) patents relate to among others (i) a method and device for supplying material to growth present on a surface, expiring on 28 March 2016, (ii) a device and method for making trenches. Given the broad range of equipment distributed by the Group in the various adjacent industries, the Group's business or profitability is not dependent on these patents or the application for these patents.

Recent Developments

Trading Update

The Group has published a trading update in its press release dated 29 October 2015. The content of this press release is incorporated by reference into this Prospectus, see "Documents Incorporated by Reference".

Agreement in Principle with Lely Holding S.à.r.l. on the acquisition of turf care activities

On 1 February 2016 the Company reached agreement in principle with Lely Holding S.à.r.l. on the acquisition of its turf care activities in the United Kingdom, Ireland and Denmark. These activities mainly comprise the distribution of Toro machines for the maintenance of golf courses and public green areas and TYM compact tractors. The turf care activities of Lely Holding S.à.r.l. in the three countries achieved total net revenues of some €60 million in 2015, with around 125 employees. Due diligence will be started and the transaction is expected to be completed at the beginning of the second quarter of 2016. It is the intention of the Company to finance the purchase price of the shares by a drawdown under the current Financing Facility. Following the due diligence investigations, the approval process with the syndicate of banks will be started in accordance with the terms under the existing Financing Facility.

Public Offer

On 8 February 2016, the Company and the Offeror, a company controlled by a consortium of investors led by Gilde Buy Out Partners, Navitas B.V and Todlin N.V., jointly announced that they reached conditional agreement on a recommended public offer on all DRs and Registered Shares with an offer price of €101 (*cum dividend*) in cash per DR or Registered Share, subject to customary conditions (see "Documents Incorporated by Reference – Joint Announcement" for a full description of the commencement and offer conditions). The Public Offer values 100% of the Company's issued and outstanding capital at approximately €139.6 million.

Governance of the Company following Settlement of the Public Offer

Following Settlement of the Public Offer, the composition of the Management Board is expected to remain the same. The Supervisory Board is expected to be composed of five members following Settlement of the Public Offer. Mr. C.P. Veerman and Mrs. R.M. Bergkamp will continue as Independent Supervisory Board Members. Mr. C.P. Veerman will remain chairman of the Supervisory Board. Three new members of the Supervisory Board are expected to be nominated for appointment by the Offeror. The two Independent Supervisory Board Members will need to remain 'independent' as meant in the Code. The Company and the Offeror have agreed in the Merger Agreement that an Independent Supervisory Board Member needs to resign from the Supervisory Board, as soon as such Independent Supervisory Board Member ceases to be independent or, directly or indirectly, acquires any equity or similar interest in the Company. The Offeror has acknowledged that for as long as the Company applies the large company regime (*structuurregime*) and the Supervisory Board exists of up to five (5) members, the Works Council has a reinforced right to recommend one individual for nomination as member of the Supervisory Board. In the Merger Agreement, the Company and the Offeror have agreed that this shall be one of the Independent Supervisory Board Members.

Non-financial covenants

The Offeror has agreed to certain non-financial covenants with regard to the Company's strategy, structure and governance, financing, minority shareholders and minority holders of DRs, employees and other matters. For instance, the Company's business will be maintained substantially intact, taking into account the realization of the business strategy. This also means that Reesink Green Equipment will remain subdivided into two departments using Chinese walls. The Offeror has also committed itself to procure that the Group will remain prudently financed to safeguard the continuity of the business and to continue the business strategy (see "Dividends and Dividend Policy – Dividend Policy Ordinary Shares" and "Operating and Financial Review – Capital Resources – Facilities"). The Company is also expected to remain a separate legal entity and organization and to remain the holding company of the current and future subsidiaries and operations. The non-financial covenants are expected to be published in full in an offer memorandum to be prepared by the Offeror and to be approved by the AFM, which is, if all conditions are fulfilled, expected to be published in April 2016 (the "**Offer Memorandum**").

The Company and the Offeror have agreed that the Independent Supervisory Board Members will be given a special role in monitoring the compliance with the non-financial covenants. Any deviation from the non-financial covenants is only permitted with the prior approval of the Supervisory Board including a vote in favor of such approval by at least one (1) Independent Supervisory Board Member. Pursuant to the Merger Agreement, any successor of the Offeror will be required to commit to the same non-financial covenants for any remaining part of the period to which the Offeror had committed.

The non-financial covenants relating to minority holders of DRs and minority shareholders expire on the earlier of (A) the date on which none of the DRs and Registered Shares are held by any third party other than the Offeror or its affiliates and (B) the date on which the Enterprise Chamber has determined the price payable by the Offeror to the other shareholders or other holders of DRs pursuant to the compulsory acquisition procedure (*uitkoopprocedure*). Most other non-financial covenants terminate three years after Settlement of the Public Offer.

Irrevocable undertakings, continued participation

Major holders of DRs Decico B.V., Delta Lloyd Deelnemingenfonds N.V., Pon Holdings B.V. and Project Holland Deelnemingen B.V. have, subject to customary conditions, irrevocably undertaken to accept the Public Offer and to vote in favor of certain shareholder resolutions relating to the Public Offer. Mr. F.L.H. van Delft, member of the Supervisory Board and a major holder of DRs through Bibiana Beheer B.V., has entered into a similar irrevocable undertaking. A number of managers, including Mr. G. van der Scheer (CEO) and Mr. G.T.M. Linnenbank (CFO), have also entered into similar irrevocable undertaking in respect of DRs held by them, subject to the Management Board and the Supervisory Board not revoking their recommendation of the Public Offer in accordance with the terms of the Merger Agreement. The irrevocable commitments of major holders of DRs and management together represent approximately 55.9% of the Company's issued and outstanding share capital, for the avoidance of doubt excluding DRs and Registered Shares held by the Company and its subsidiaries. Taking into account DRs held by Navitas B.V. and Todlin N.V., 73.3% of the issued and outstanding share capital have been committed to the Public Offer, for the avoidance of doubt excluding DRs and Registered Shares held by the Company and its subsidiaries. This means that immediately after Settlement of the Public Offer, if the conditions therefor have been met, the Offeror will hold at least 73.3% and up to 100% of the issued and outstanding share capital, for the avoidance of doubt excluding DRs and Registered Shares held by the Company and its subsidiaries. See also "Major Shareholders and Related Party Transactions".

The Company has been informed by the Offeror that the CEO has had discussions with the Offeror regarding participation in the Offeror by the CEO after Settlement of the Public Offer and that the Offeror has extended an invitation to other members of management of the Company to participate in the Offeror after Settlement of the Public Offer.

Financing of the Public Offer

In the Merger Agreement, the Offeror has committed itself to finance the Public Offer through a combination of shareholder funding made available on behalf of the Offeror and third party debt financing. In this context, the Offeror has received binding equity commitment letters, including from entities managed, controlled and/or advised by each of Gilde Buy Out Partners, Navitas B.V. and Todlin N.V., for an aggregate amount of €109 million which are fully committed, subject to customary conditions (the "**Shareholder Financing**"). In addition the Offeror has entered into the Binding Debt Commitment Documentation with ABN AMRO Bank N.V., Commerzbank Aktiengesellschaft, Filiale Luxembourg, Coöperatieve Rabobank U.A. and ING Bank N.V. for facilities in an aggregate amount of €170,000,000 including an acquisition facility which is fully committed on a "certain funds" basis (such acquisition facility, the "**Debt Financing**"). The Debt Financing will be rolled over into the Group's existing corporate debt financing (see "Operating and Financial Review – Capital Resources – Facilities").

The Offeror has confirmed to the Company that it has no reason to believe that any such customary conditions to the Shareholder Financing or the Debt Financing will not be fulfilled on or prior to the date of Settlement of the Public Offer.

The Offeror has confirmed to the Company that it will be able to fund the acquisition of the DRs and Registered Shares under the Public Offer and the payment of fees and expenses related to the Public Offer from the Shareholder Financing and the Debt Financing.

In addition, the outstanding loan from Pon Onroerend Goed under the Loan Agreement dated 16 October 2013 (for a description see "Operating and Financial Review – Capital Resources") will be repaid by the Company if the Public Offer results in a change of control (the "**Offer Change of Control**"). For practical reasons, Pon Onroerend Goed has agreed with the Company and STAAR pursuant to a letter agreement entitled 'Prepayment of vendor loan and payment of conversion value' dated 5 February 2016, that it will not exercise its conversion right under the Loan Agreement in the event of an Offer Change of Control. Pursuant to this letter agreement, the Company has agreed that it will, upon the occurrence of an Offer Change of Control, make an additional payment to Pon Onroerend Goed in an amount equal to the additional amount that would have been payable to Pon Onroerend Goed under the Public Offer had Pon Onroerend Goed exercised its conversion right in connection with such Offer Change of Control and subsequently tendered its DRs. The payments will be funded through the Group's financing facilities.

The Offeror has agreed with the Company that the Offeror will procure that the Group will remain prudently financed to safeguard the continuity of the Group's business and of the implementation of its business strategy.

Competing Offer

The Company and the Offeror may each terminate the Merger Agreement in the event of a Competing Offer which, in the reasonable opinion of the Management Board and the Supervisory Board, is a more beneficial offer than the Public Offer, provided that the consideration exceeds the Consideration, if fully in cash, by 7.5%, or more. As part of the Merger Agreement, the Company has entered into customary undertakings not to solicit third party offers. In the event of a Competing Offer, the Offeror will be given the opportunity to match this offer, in which case the Merger Agreement may not be terminated by the Company.

Termination Fee

If the Merger Agreement is terminated by the Offeror (i) following the announcement of a Competing Offer which is not matched by the Offeror, or (ii) because of a material breach of the Merger Agreement by the Company in connection with the Management Board and/or Supervisory Board recommendation, the Company will pay the Offeror a termination fee of €2 million.

Obtaining 100% ownership

The Offeror has stated that its willingness to pay the Consideration is based on the acquisition of 100% of the DRs and Registered Shares or 100% of the assets of the Company. An acquisition of 100%, would, so the Offeror has indicated, enable an efficient capital structure both from a tax and financing perspective, which is an important factor in achieving the premium implied by the Consideration.

If the Offeror acquires at least 95% of the DRs and Registered Shares, for the avoidance of doubt excluding DRs and Registered Shares held by the Company and its subsidiaries for their own account, the Company intends to delist from Euronext Amsterdam promptly, and the Offeror intends to initiate the statutory squeeze-out proceedings to obtain 100% of the DRs and Registered Shares.

If the Offeror acquires less than 95% of the DRs and Registered Shares, for the avoidance of doubt excluding DRs and Registered Shares held by the Company and its subsidiaries for their own account, and decides, in its sole discretion, to waive the Minimum Acceptance Condition, the Offeror has indicated that it intends to utilize any legal measures available to it in order to acquire full ownership of the Company (*e.g.* an asset transaction, statutory (cross border) merger or demerger, contribution of assets and/or cash against issue by the Company of additional shares). The Offeror may, after Settlement of the Public Offer acquire the entire business of the Company at the same price and for the same consideration as the Consideration pursuant to an asset sale, followed by a liquidation of the Company, to deliver such consideration to holders of Registered Shares and DRs. Any such asset sale and liquidation will require the approval of the Management Board and Supervisory Board, as well as the approval of the General Meeting at that time. Such post-closing restructuring measures also require the approval of at least one of the Independent Supervisory Board Members.

Recommendation

After due and careful consideration of the strategic, financial, operational and social aspects of the contemplated transaction, and after having received extensive financial and legal advice, the Management Board and the Supervisory Board have indicated that they believe the Public Offer to be in the best interest of the Company and its stakeholders, including the Company's shareholders and holders of DRs. Leonardo & Co. B.V. has issued a fairness opinion to the Management Board and Supervisory Board that the Public Offer is fair to the holders of DRs and Registered Shares from a financial point of view. Taking all of these considerations into account, the Management Board and the Supervisory Board have indicated that they fully support and unanimously recommend the Public Offer for acceptance to the holders of DRs and the holders of Registered Shares.

Indicative timetable

The process in relation to the Public Offer is subject to the applicable laws and rules regarding public offers in respect of securities of a company which is listed on a regulated market such as Euronext Amsterdam. The Company and the Offeror have agreed in the Merger Agreement that they will seek to obtain all necessary approvals, such as the approval of the Offer Memorandum by the AFM and competition clearance in Europe and Kazakhstan as soon as practicable. The advice and consultation procedures with the Works Council and the relevant trade unions have started immediately after the Joint Announcement.

The Company and the Offeror currently envisage that the Public Offer will be made following the admission of trading of the DRs to the regulated market of Euronext Amsterdam. Further information may be found in the Offer Memorandum, which will contain further details regarding the Public Offer, if and when published. The Offeror has confirmed to the Company that if all conditions are fulfilled, it expects to publish the Offer Memorandum in April 2016.

The Company expects to hold an informative extraordinary General Meeting at least six business days before closing of the offer period under the Public Offer, in accordance with Article 18 paragraph 1 of the Dutch Decree on Public Offers (*Besluit openbare biedingen Wft*).

Delisting

The Company and the Offeror have agreed that as soon as possible after Settlement of the Public Offer, they shall seek to procure the delisting of the DRs from Euronext and the termination of the listing agreement between the Company and Euronext in relation to the listing of the DRs. See "Risk Factors – Following Settlement of the Public Offer, if this occurs, minority holders of DRs who have decided not to tender their DRs, may not be able to sell their DRs or may be forced to relinquish their DRs as a result of a possible implementation of a squeeze-out or post-Settlement of the Public Offer restructuring measure, such as an asset sale followed by a liquidation".

Preliminary consolidated condensed results 2015

The Group has published unaudited preliminary consolidated condensed results for the financial year ended 31 December 2015 in its press release dated 19 February 2016. The content of this press release is incorporated by reference into this Prospectus, see "Documents Incorporated by Reference".

Property, Plants and Equipment

The following tables provide an overview of the Group's material owned and rented facilities.

Owned facilities

Location	**Country**	**Principal Use**	**Size m^2**
Apeldoorn, Ecofactorij 20	the Netherlands	Rented to THR	51,367
Apeldoorn, Ecofactorij 20	the Netherlands	Land for own use	8,719
Apeldoorn, Woudhuizermark 79*	the Netherlands	Own use, activities Reesink Technische Handel and Stierman de Leeuw, workshop, warehouse, showroom and office	72,570

Location	Country	Principal Use	Size m^2
Zutphen, Estlandsestraat 6-10*	the Netherlands	Own use, activities Reesink Staal, warehouse, steel processing and office	37,871
Zutphen, Estlandsestraat 4	the Netherlands	Land for own use	6,738
Zutphen, Contrescarp 6	the Netherlands	Available for sale	1,642
Zevenaar, Edisonstraat 10*	the Netherlands	Own use, activities Kamps de Wild, workshop, warehouse, showroom and office	12,720
Broekland, van Dongenstraat 36*	the Netherlands	Own use, activities Bruggeman Mechanisatie, workshop, warehouse, showroom and office.	8,985
Astana, Microdistrict 12-97 str.6	Kazakhstan	Own use, activities CT Agro / CT Agro Kazakhstan rep. office / workshop, warehouse and office	2,397
Kokshetau, Valikhonov str., 187	Kazakhstan	Own use, activities CT Agro Kazakhstan, workshop, warehouse and office	3,476
Stampersgat, Fabrieksstraat 11-13	the Netherlands	Available for sale	60,141
Hamme, Zwaarveld 14-16*	Belgium	Own use, activities Kemp Group, workshop, warehouse, showroom and office	13,358
Valkenswaard, De Hoge Veste 58	the Netherlands	Own use, activities Outlet-DHZ-Valkenswaard B.V.	4,811
Zevenaar, Amperestraat 8	the Netherlands	Available for sale	16,480
Antwerpen, Noorderlaan 612**	Belgium	Own use, activities Motrac Handling & Cleaning, workshop, warehouse, showroom and office	7,640
Köln, Marktstrasse 10	Germany	Own use, activities Pelzer Fördertechnik, workshop	250
Kerpen, Karl-Ferdinand-Br.18	Germany	Own use, activities Pelzer Fördertechnik, workshop, warehouse, showroom and office	6,905

* Encumbered with a first ranking right of mortgage
** Motrac Handling and Cleaning holds a concession on 11,320 m2 of land at the Noorderlaan in Antwerpen, Belgium, ending 31 December 2029.

Rented facilities

Location	Country	Principal Use	Rental Term
De Meern, Molensteyn 41, 47, 48	the Netherlands	Activities Kemp Group, workshop, warehouse, showroom and office	Dec 2021
Bergschenhoek, Weg en Bos 111	the Netherlands	Activities Kemp Group, workshop	Dec 2016
Tiel, Marconistraat 15	the Netherlands	Activities Hans van Driel, workshop, warehouse, showroom and office	Dec 2020
Ommen, Strangeweg 22	the Netherlands	Activities Hans van Driel, workshop	Dec 2018
Rosmalen, Saffierborch 16	the Netherlands	Activities Safety Centre International, office	Apr 2016
Houten, Wilgenkade 6	the Netherlands	Activities Jean Heybroek, workshop, warehouse, showroom and office	Dec 2019
Houten, Essenkade 2b	the Netherlands	Activities Jean Heybroek, warehouse	Feb 2017
Lemele, Lemelerweg 29c	the Netherlands	Activities Bruggeman Mechanisatie, workshop, warehouse, showroom	Sep 2021
Veghel, Corridor 9	the Netherlands	Activities Landtech Zuid, workshop, warehouse, showroom, office	Feb 2016
Alphen aan den Rijn, Maatschapslaan 39	the Netherlands	Activities Agrometius, workshop, warehouse, office	Apr 2016
Broekland, van Dongenstraat 38	the Netherlands	Activities Bruggeman, workshop, warehouse, office	Mar 2020
Almere, Rondebeltweg 51	the Netherlands	Activities Motrac Intern Transport, workshop, warehouse, showroom and office	Dec 2018
Baak, Dambroek 2	the Netherlands	Activities Motrac Hydrauliek, office, warehouse, production	Dec 2016

Location	Country	Principal Use	Rental Term
Baak, Dambroek 21	the Netherlands	Activities Motrac Hydrauliek, warehouse	Dec 2016
Zwijndrecht, Molenvliet 35	the Netherlands	Activities Motrac Intern Transport, workshop, warehouse, office	Dec 2016
Apeldoorn, Tweelingenlaan 161	the Netherlands	Activities Motrac Intern Transport, workshop, warehouse	Jul 2020
Nevşehir, Organize Sanayi Bolgesi 2 Sokak 19	Turkey	Activities Kuhn Center Turkey, workshop, warehouse, office	Jan 2021
Flémalle, Rue des Semailles 19a	Belgium	Activities Motrac Handling & Cleaning, workshop, office	Oct 2017
Landen, Stationsstraat 50	Belgium	Activities Agrometius Belgium, warehouse, office	Nov 2016
Zedelgem, Torhoutsesteenweg 166	Belgium	Activities Packo, workshop, warehouse, showroom and office	Feb 2017
Ciney, Route National IV 3	Belgium	Activities Packo, workshop, warehouse, showroom and office	Sep 2018
Herzfeld-Lippetal, Lippborgerstrasse 5	Germany	Activities of Reesink GmbH & Co. KG, and CT Agro, office	Oct 2019
Langenfeld, Carl-Leverkus-Strasse 20	Germany	Activities Motrac Hydraulik (moved to Willich)	Jun 2016
Willich, Siemensring 87	Germany	Activities Motrac Hydraulik, workshop, warehouse, production facility, office	Apr 2025
Kostanay, St. Karbyscheva de B. 24	Kazakhstan	Activities CT Agro Kazakhstan, warehouse, office	Dec 2016
Petropavlovsk, St. Kazaxstanskoy Truth 68, of. 103	Kazakhstan	Activities CT Agro Kazakhstan, warehouse, office	Dec 2016
Pavlodar, St. Torgovaya, 2/22	Kazakhstan	Activities CT Agro Kazakhstan, warehouse, office	Dec 2016
Almaty, St. Swyunbaya, 461	Kazakhstan	Activities CT Agro Kazakhstan, warehouse, office	Dec 2016
Kyzylorda, St. Bokeikhan, 95	Kazakhstan	Activities CT Agro Kazakhstan, warehouse, office	Jul 2016
Aktobe, Pr. 3, office 4	Kazakhstan	Activities CT Agro Kazakhstan, warehouse, office	Dec 2016
Ust-Kamenogrsk, St. Hajiyev, 36,	Kazakhstan	Activities CT Agro Kazakhstan, warehouse, office	Dec 2016
Yesil, St. Industrial, 10	Kazakhstan	Activities CT Agro Kazakhstan, workshop, warehouse, showroom and office	Dec 2016
Akkol, St. Begeldinow, 141	Kazakhstan	Activities CT Agro Kazakhstan, customs warehouse	Jun 2016

The Group believes that it will eventually sell the real estate not being used by the Group. At the date of this Prospectus, the Group does not own any real estate for investment purposes.

Material Contracts

Below is a summary of certain key contracts of the Group (other than those entered into in the ordinary course of business):

The Financing Facility

For a description of the Financing Facility, see “Operating and Financial Review – Capital Resources”.

The Loan Agreement

For a description of the Loan Agreement, see “Operating and Financial Review – Capital Resources”.

Lease Agreements

The Group, in its material handling division and to a minor extent in its green division, offers a variety of lease-constructions to its end-users, and it does so together with several partners to the lease agreements.

The various lease-constructions the Group offers (through the lease contracts) are, according to current legislation in accounting standards (*e.g.*, regarding on- and off balance sheet requirements related to leases), currently not reflected in the financing conditions.

Logistics contract

A logistics agreement exists between RMHE and Pon Logistics B.V. relating to the logistic services provided by Pon Logistics B.V. to Motrac Intern Transport, Motrac Handling & Cleaning and Pelzer Fördertechnik. The provided logistic services include ordering, stock keeping, receiving, storing, order picking and shipment of parts.

Joint venture agreement relating to the transfer of the Group's DIY activities to THR

The joint venture agreement between, among others, the Company and THG Beheer Apeldoorn B.V., relates to the transfer of the Group's DIY activities to THR. The joint venture agreement is entered into for an indefinite period of time. In general, the joint venture can be terminated by either party for cause after the lapse of an agreed cure period.

After a lock-up period of 4 years since the start of the joint venture in 2011, both the Company and THG Beheer Apeldoorn B.V., are allowed to transfer their depositary receipts in THR to certain third parties (not being competitors). In the case of a transfer to a third party, the other holder(s) of depository receipts in THR have a right of first refusal. Also, drag-along and tag-along rights are included. A drag-along right ensures that if a selling holder sells its depository receipts, the other holder(s) are forced to join the deal on the same terms and conditions as applicable to the selling holder (pro rata). If the selling holder fails to exercise its drag-along right, then the other party can still join the deal by exercising its tag-along right. If the third party refuses to acquire depository receipts from other holders of depository receipts in THR, the selling holder is not allowed to transfer its depository receipts.

Pursuant to the joint venture agreement, the Company may appoint one of the three board members of Stichting Administratiekantoor THR, a company holding 100% of the shares in THR and granting the depositary receipts in THR. Certain important topics on which Stichting Administratiekantoor THR, as the sole shareholder of THR, has to vote require the unanimous approval of the board of Stichting Administratiekantoor THR. The Company is not obliged to additional funding. Secrecy and non-compete clauses have been agreed upon, but such clauses may be restricted due to provisions under Dutch law.

The Company's investment in THR and the loans it provided to THR have been written down completely as of 31 December 2012. In 2013 a total of €1.3 million in loans was provided and guarantees (*borgstellingen)* amounting to €1.9 million were provided to ABN AMRO Bank by the Company.

The Group further more remains affiliated with THR in several other manners, for instance through THR's obligation to provide the logistics for Safety Centre International. THR is also the Group's main tenant for the Ecofactorij 20 in Apeldoorn (the Netherlands) location, meaning that a deterioration of THR's financial position could impact the Group's rental income, might lead to a further re-evaluation of the property and might lead to the Group having to find a new tenant or a buyer of the Ecofactorij 20 location.

DGN retail B.V. agreement and the annexes thereto

As per 1 January 2015 the Company transferred the remaining part of its franchise formula 'Fixet' to DGN retail B.V. A subordinated loan provided in 2011 by the Company to DGN retail B.V., along with receivables from Fixet franchisees, was settled in early 2015 resulting in an amount of €0.1 million payable to the Company. The receivables as mentioned here concerned fees from Fixet franchisees for whom the Company till 2015 still legally acted as franchisor but to which receivables DGN retail B.V. was entitled since the agreement in 2011 through which the DIY-activities were transferred (see "History – History of the Group (excluding the history of acquired entities)". The Company has no remaining exposure to DGN retail B.V. or to 'Fixet'.

Merger Agreement

The Company and the Offeror entered into the Merger Agreement regarding the Public Offer on 8 February 2016. See especially "Business – Recent Development – Public Offer", "Dividends and Dividend Policy - Dividend Policy Ordinary Shares", "Operating and Financial Review – Capital Resources – Facilities" and "Documents Incorporated by Reference – Joint Announcement" for a description of the terms and the conditions of the Merger Agreement.

Environment

The Group is the owner of Fabrieksstraat 11-13 in Stampersgat (the Netherlands). The property is not used by the Group anymore and is available for sale. Certain parts of the Group's Stampersgat property are polluted. This currently does not affect the Group's operations as the property is not used by the Group and the possible negative effects of the pollution have been included in the valuation of the property (which effects were also taken into consideration in the historic purchase price).

Legal and Arbitration Proceedings

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which may have, or which have had in the previous twelve months, significant effects on the Company's and/or the Group's financial position or profitability.

Although not considered to be material by the Group, a description of a current investigation and a relevant current proceeding is provided below.

Authority for Consumers and Markets investigations

In the context of due diligence investigations, it came to the attention of the Group that the Authority for Consumers and Markets is investigating whether the Dutch trade association Bouwmachines, Magazijninrichtingen, Wegenbouwmachines en Transportmaterieel (BMWT) and its members have been engaged in anti-competitive conduct from 1998 onwards, in particular with respect to exchanging information regarding rates of mechanics. Two Group Companies that are members of the Dutch trade association Bouwmachines, Magazijninrichtingen, Wegenbouwmachines en Transportmaterieel (BMWT) have been requested to provide information to the Authority for Consumers and Markets. At this stage, no further information can be provided.

Activa N.V.

In October 2008, Tennant Europe B.V. entered into a full-service agreement with its customer Activa N.V. for the rental of approximately 200 cleaning machines. Under the agreement, Tennant Europe B.V. was also obliged to provide maintenance and support. Tennant Europe B.V. subcontracted its maintenance and support duties in February 2011 to Motrac Handling & Cleaning.

Activa N.V. was not satisfied with the services rendered by Motrac Handling & Cleaning and ceased making payments to Tennant Europe B.V. As a consequence, legal proceedings in the Commercial Court of Antwerp (17th chamber) were initiated by Tennant Europe B.V. in which it claims approximately €500,000 for unpaid invoices and approximately €900,000 for breach of contract from Activa N.V. Activa N.V. in its turn claims €500,000 damages and €1,700,000 for breach of contract from Tennant Europe B.V. Tennant Europe B.V. claims from Motrac Handling & Cleaning the damaged claimed by Activa N.V. and the amounts claimed by Tennant Europe B.V. from Activa N.V. in case Tennant Europe B.V. loses the litigation against Activa N.V. Activa N.V. claims part of the damages it claims from Tennant Europe B.V. from Motrac Handling & Cleaning if it loses the litigation against Tennant Europe B.V. By (interlocutory) judgment of the Commercial Court of Antwerp dated 1 April 2014 the claims of Activa N.V. were declared unfounded. Activa N.V. filed for appeal.

Group Structure

The Company is a holding company without material direct business operations. The principal assets of the Company are the equity interests it directly or indirectly holds in its Group Companies.

The Company is, until the transition to Euronext Amsterdam, a publicly-traded company with a listing on Alternext Amsterdam. The Company's symbol at Alternext Amsterdam is "ALRRE". At the close of business on 29 January 2016, the Company on Alternext Amsterdam had a market capitalization of approximately €107 million (source: https://www.euronext.com).

Material Subsidiaries

The following table provides an overview of the Company's material subsidiaries or other interests as of the date of this Prospectus.

Material Subsidiaries	**Location (statutory)**	**Country**	**Equity interest**
Agrometius B.V.	Alphen aan de Rijn	the Netherlands	95%
Agrometius BVBA	Landen	Belgium	95%*
Barend Kemp B.V.	De Meern	the Netherlands	100%
Bruggeman Mechanisatie B.V.	Broekland	the Netherlands	75%
CT Agro GmbH	Lippetal	Germany	100%
CT Agro TOO	Kokshetau	Kazakhstan	100%
Hans van Driel B.V.	Tiel	the Netherlands	100%
Huur & Stuur B.V.	De Meern	the Netherlands	100%
Jean Heybroek B.V.	Houten	the Netherlands	100%
Kamps de Wild B.V.	Zevenaar	the Netherlands	100%
Kemp BVBA	Hamme	Belgium	100%
Kuhn Center Turkey Tarim Makinalari A.Ş.	Istanbul	Turkey	75%**
Landtech Zuid B.V.	Veghel	the Netherlands	100%
Motrac Handling & Cleaning N.V./S.A.	Antwerpen	Belgium	100%
Motrac Hydrauliek B.V.	Zutphen	the Netherlands	100%

Material Subsidiaries	Location (statutory)	Country	Equity interest
Motrac Hydraulik GmbH	Langenfeld	Germany	100%
Motrac Intern Transport B.V.	Almere	the Netherlands	100%
Packo N.V.	Zedelgem	Belgium	100%
Pelzer Fördertechnik GmbH	Kerpen-Sindorf	Germany	75.04%***
Reesink Safety Centre B.V.	Apeldoorn	the Netherlands	100%
Reesink Staal B.V.	Zutphen	the Netherlands	100%
Reesink Support B.V.	Apeldoorn	the Netherlands	100%
Reesink Technische Handel B.V.	Apeldoorn	the Netherlands	100%
Safety Centre International B.V.	Rosmalen	the Netherlands	100%
Stierman de Leeuw B.V.	Apeldoorn	the Netherlands	100%

*) Agrometius BVBA is a 100% subsidiary of Agrometius B.V. in which the Company holds an equity interest of 95%.

**) Kuhn Center Turkey Tarim Makinalari A.Ş. is a 100% subsidiary of Reesink Turkey B.V. in which the Company holds an equity interest of 75%.

***) The voting percentage is 75.00%. The Company's results entitlement amounts to 100% except for a fixed dividend payment of €52.454 to the other shareholder Linde LMH Beteiligungs GmbH.

Other interests	Location (statutory)	Country	Equity interest
De Kruyf Holding B.V.	Nijkerk	the Netherlands	25%
Mechanisatie Beheer B.V.	Beilen	the Netherlands	25%
THR B.V.	Apeldoorn	the Netherlands	36%

INDUSTRY OVERVIEW AND COMPETITION

Overview

The Group's competitive position varies across the different industries and related markets in which it is active. The Group defines its competitive environment according to its main business segments and divisions. This chapter therefore follows the Reesink functional organizational structure being the equipment industry (Reesink Equipment segment, subdivided into Reesink Green Equipment, Reesink Construction Equipment and Reesink Material Handling Equipment) and the hydraulic components and parts, the steel and manufacturing and the personal protective products and services industries (Reesink Industries segment).

The Group believes there are no sufficient (independent) sources available describing and supporting an analysis of the markets and industries in which it is active and the competition it faces therein. The information contained in this Prospectus relating to market and industry is therefore based on the Group's own analysis, unless the contrary is expressly indicated. The Group declares that it has taken all reasonable care to ensure that, to the best of its knowledge, the information contained in this chapter reflects a fair representation of the markets and industries in which the Group is active and the competition it faces.

Equipment Distribution Market

The Group believes that multiple factors influence a buyer's choice to purchase agricultural, turf care, landscape maintenance, material handling and construction including earth moving equipment. These factors include brand loyalty, quality of after-sales services, product features, product performance, availability of a full product range, the quality and pricing of products, technological innovations, product availability, financing terms, parts and warranty programs, resale value and customer service and satisfaction. The Group's main focus is on providing high-quality and high-value products and service. Buyers tend to favor brands based on their experience with the product and especially with the dealer. End-users' perceptions of product value (total cost of ownership) in terms of productivity, reliability, resale value and dealer support are formed over many years. The Group primarily competes on the basis of customer service, availability of products (sale or rental) and product performance, quality and price. The equipment distribution industry remains competitive from a pricing standpoint.

The Group does not identify the 'equipment distribution market' as an independent industry in itself, but more as an overarching principle for the distribution of equipment into specialized adjacent industries such as the agricultural, turf care and landscape maintenance, material handling and construction including earth moving industry. These markets are considered to be adjacent as customers of one submarket can also be interested in products of other markets (*e.g.*, a customer interested in agricultural equipment such as tractors may also be interested in earth-moving equipment sold in the construction division such as wheel loaders or forklift trucks in the material handling division). Equipment distributors and dealers therefore operate strong integrated businesses designed to meet end-users' needs throughout the equipment lifecycle. Generally, like the Group, most equipment distributors and dealerships are built around five distinct but complementary business operations:

- new equipment sales;
- used equipment sales;
- after-sales (product support including maintenance, parts and service);
- equipment rentals; and
- finance and insurance (in cooperation with independent financial and insurance institutions).

The interrelated markets in which the Group is active are described separately below.

Green equipment market

Agriculture – general overview

As an agricultural equipment distributor, the Group distributes a wide range of machinery such as combines, tractors, ploughs, hay-making machinery, hay loaders, presses, integrated baler wrappers, manure dispensers, manure injectors, seeders, fertilizers for grass land and arable land, transport tanks, silage transport technology, multi-purpose wagons and many others to end-users directly, through independent dealers and through Group Dealers.

In general, operators of food-, livestock- and grain producing farms and independent contractors providing services to these farms are purchasers of agricultural equipment and qualify as end-users in this market. As the purchase of agricultural equipment is an investment, the key factors influencing sales of agricultural equipment are the level of net farm income and, to a lesser extent, general economic conditions, changes in governmental agricultural policies, interest rates and the availability of financing.

Demand for agricultural equipment is driven by prices of soft commodities, the availability of financing and more general macro-economic factors in the near term. In the longer term, demand is driven by the quest for economies of scale, declining availability of agricultural land, a growing world population and advances in technology (both technological and biological). In addition, the continuous growth of the world population positively affects the agricultural equipment business.

Aside from the conditions mentioned above, the agricultural, and interrelated markets such as the agricultural equipment market, are also highly dependent on weather conditions. Weather conditions are a major determinant of crop yields and therefore also affect equipment buying decisions. In addition, the geographical variations in weather from season to season may result in some markets contracting, while other markets are experiencing growth.

General specifics on agriculture in the Netherlands and Belgium

According to the World Bank Group the Dutch and Belgian agriculture in 2014 accounted for respectively 1.8% and 0.7% of GDP (Gross Domestic Product, value added). In the Netherlands and Belgium, agricultural businesses are historically mainly family businesses. Net income of such businesses is primarily impacted by the volume of acreage planted, commodity and livestock prices, stock levels, crop yields and farm operating expenses (including fuel, fertilizer and financing costs).

The Group sees a slow but steady decline in the number of dairy farmers and agricultural businesses in the Netherlands and Belgium over the last forty years. Based on numbers provided by Dutch Agricultural Economics Institute (LEI Wageningen UR) and the Dutch Central Bureau of Statistics (*Centraal Bureau voor de Statistiek*), close to approximately 66,500 agricultural businesses are operative in the Netherlands in 2015. The number has declined by 64% compared to the number of agricultural businesses that were operative in 1970 (184,613). Meanwhile, in that same period, the acreage used by the total group of agricultural businesses has decreased more modestly, from 2.1 million square acres to 1.8 million square acres, a decline of 14%.

According to Dutch Agricultural Economics Institute (LEI Wageningen UR) and the Dutch Central Bureau of Statistics, the agricultural markets experienced healthy economic conditions in the period between 2005 and 2008, with high margins and revenues in 2007 and 2008. The global financial crisis, which led to a global downturn in economic activity in the period after the financial year 2008, resulted in a great decline in volume in 2009. In the years 2010-2014 the agricultural sector experienced in general fair conditions and prices which led to growth of agricultural equipment sales, although there were sometimes notable differences in income development of farmers, *e.g.* in 2014 between crop farmers and dairy farmers, In 2015 milk quota, which regulated the milk volumes in Europe for 40 years, ended. In anticipation to the ending quota, dairy farmers stocked up their herds and capacity, which was part of the boom in 2013-2014. The termination of the quota was accompanied with a drop in milk demand in various parts of the world. This led to a sharp drop in the milk price. The Group believes prices are expected to rise again in the course of 2016 as both farmers and the dairy industry get used to the volatility of milk prices.

For the near future the Group sees a further decrease in the number of farmers, resulting in larger scale operations with larger agricultural equipment which will be more complicated. Because of this better, more complicated equipment it will be necessary to increase the focus on the end-user. For the larger equipment fewer dealers will be suitable to serve the end-user and even a more direct sales and direct support might be necessary to maintain or increase the market share.

General specifics on agriculture in Kazakhstan

Kazakhstan has evolved from a centrally planned economy towards a market economy. The country has abundant resources like oil, gas, copper, uranium, et cetera. In addition, Kazakhstan is strategically located between China and Europe.

The Kazakh agriculture in 2014 accounted for 4.7% of GDP, according to the World Bank Group. The country has 270 million hectares of land. Roughly 200 million hectares qualify as agricultural land. Some 30 million of those hectares are arable land, suitable for crops, the rest is used for extensive grazing. The structure of agriculture in Kazakhstan is very diverse. There are a number of holdings that can cover up to 350,000 hectares and have several villages belonging to their farms. On the other hand, there are also a lot of back yard farms that own up to 2 hectares. Mostly the workers at the holdings have their own back yard farm. The back yard farms hold the majority of the cattle, horses and sheep, whereas the holdings are the big wheat producers. Depending on the conditions, approximately 18 to 25 million tons of wheat are produced yearly. With a national consumption of roughly 10 million tons, the rest is being exported.

Unlike some of the neighboring countries, the Kazakh agricultural sector is run by private farms and private holdings, which have their own investment plans. They are free to operate. Most of the bigger farms and holdings are run by experienced management and have their own agronomic staff. Both management and staff have a wide experience in growing crops under the local harsh conditions. The abundant availability of agricultural land gives big opportunities, that are only restricted by the limited availability of financing, water and also logistics, as Kazakhstan is the biggest landlocked country in the world.

Kazakhstan is member of the Eurasian Economic Union, as well as Russia, Belarus, Kyrgyzstan and Armenia. Import restrictions do exist for combine harvesters, but until the end of 2016 does a quota apply, which leaves sufficient space to operate. In addition, CT Agro buys Claas combines from the Claas factory in Krasnodar, Russia, meaning inside the custom union where no quota or import duties do apply.

General specifics on agriculture in Turkey

Turkey has a large and growing agriculture industry that according to the World Bank Group corresponds to 8.0% of Turkish GDP in 2014. Turkey is agriculturally self-sufficient with a climate suitable for agriculture, large arable lands and sizeable water supplies. The southeastern region offers very fertile and well-irrigated lands. The country has around 77 million hectares of land of which almost 50% qualify as agricultural land. The arable land ratio of Turkey is 27%. Agricultural structures in Turkey are modernizing swiftly. The Group believes that despite unresolved internal political problems, Turkey is continuing to transform itself into a leading industrial nation. But the urban migration that this brings about impacts agriculture. The remaining farmers have to rely increasingly on contractors and machinery rings. There is a real trend towards farms merging, and hand in hand with that, investors from other sectors are entering the field. Besides farms merging, increasing numbers of contractor businesses are being set up. The conventional pattern is usually for a progressive farmer to invest in particular machinery above his own needs. He will then do work on his neighbors' fields for a fee or, alternatively, in return for an agreed share of the harvest in low yield areas.

Agriculture – subdivision of markets

An array of technically advanced large-scale equipment is used in the agriculture industry. Each type of agricultural equipment has specific functions. Demand for agricultural equipment varies according to the agriculture activity conducted in a particular region. The key markets for agricultural machinery are outlined below:

- Crop production
- Livestock production (cattle farming)
- Dairy farming
- Contractors

Specifics on agricultural machinery key markets in the Netherlands and Belgium

Crop production (*e.g.*, cereal grains, wheat, sugar beets) and seeded pasture are a major component of agriculture in the Netherlands, Belgium and Germany. End-users in this market mainly use tractors, seeding and tillage equipment, fertilizer spreaders, and harvesting equipment such as combines.

Livestock production is significant in the Netherlands and Belgium and is focused on beef, pork and poultry production. End-users in this market mainly use midsized tractors, wheel loaders, skid steer loaders, hay and forage harvesting equipment and feeding equipment.

Dairy production is also a significant sector in the Netherlands and Belgium. End-users in this market mainly use high-tech new equipment ranging from used midsize to large tractors, forage harvesters, feeding equipment to mixers.

Contractors are increasingly using agricultural equipment. Contractors use midsized tractors for pulling compaction implements or small cultivators and high-horsepower four-wheel drive tractors for pulling scrapers for earthmoving projects.

Specifics on agricultural machinery key markets in Kazakhstan [1)]

Crop production is the main agricultural activity in Kazakhstan. Some 30 million hectares of arable land produce up to 25 million tons of wheat of which 10 million tons are for internal use, the rest is exported. Next to wheat, there is sugar beet and potato production, mostly for inland use.

Livestock production is mainly in the hands of back yard farmers, that run their business next to their jobs on big farms and they have very small herds. The Kazakh government is promoting livestock production in order to convert plant protein into animal protein and thus add more value to the agricultural production. Still livestock production is at a relatively low level.

Dairy production is in the same developing stage as livestock production. Here also the government is promoting with subsidies. Lack of water and logistics (dairy processing) are hindering the pace of growth.

Contractors play no role of importance. The big farms have their own equipment and the back yard farms all have their Russian tractor and implements to do the fieldwork.

[1)] Sources a.o.: ACEPAS, Analytical Centre of Economic Policy in Agricultural Sector, Kazakhstan, the Ministry of Agriculture of Kazakhstan and the Regional Office for Europe and Central Asia of the FAO, Food and Agriculture Organization of the United Nations.

Specifics on agricultural machinery key markets in Turkey [1)]

Crop production plays a very important role in the agriculture market. Turkey has some 11.5 million hectares land under cereal production and is furthermore an important fruits, nuts and vegetables producer.

Livestock production is promoted by the Turkish government in order to convert plant protein into animal protein and thus add more value to the agricultural production. Still livestock production is at a relatively low level.

Dairy production is in the same developing stage as livestock production. Here also the government is promoting with subsidies. Therefore the milk price is at a level of €0.60 a liter (price level December 2015), which is very high compared to the milk prices in *e.g.*, the Netherlands and Belgium.

Contractors are more and more important for the agricultural market in Turkey. The conventional pattern is usually for a progressive farmer to invest in particular machinery over and above his own needs. He will then do work on his neighbors' fields for a fee or, alternatively, in return for an agreed share of the harvest in low yield areas.

[1)] Sources a.o.: The Republic of Turkey Prime Ministery Investment Support and Promotion Agency and The Republic of Turkey Ministry of Food, Agriculture and Livestock

Agriculture – industry trends

The Group believes that its position as a distributor of agricultural equipment and its network of dealers (including the dealers in which it holds equity stakes), allows the Group to provide end-users with equipment that meets their specific requirements. Major trends in Western European agricultural industries and also in other regions include a reduction in number but growth in size of agricultural businesses, supporting an increase in demand for higher capacity agricultural equipment. Other major trends in agricultural industries include the following.

Subsidies and investment possibilities

The existence of European and governmental subsidies in the agricultural market reduces the effects of cyclical fluctuations in the agricultural equipment business. The effect of these subsidies on agricultural equipment demand within Europe depends to a large extent on the 'Common Agricultural Policy' of the European Union. Cuts in governmental spending and the fact that it is more difficult to obtain financing since the economic crisis, make that agricultural businesses in Western Europe tend to postpone investments in equipment.

Rising demand for 'one-stop-shopping'

Agricultural businesses are increasingly not only seeking to purchase equipment but are also seeking to obtain services from organizations that not only sell equipment, but that are able to provide adapted (technical) solutions. For example, a breakdown of combines and large tractors during the harvest period can have a significant negative impact on the revenues of an end-user. The timely availability of the right spare parts is important. As such, the Group perceives increasing demand for 'one-stop shopping'. It believes that distributors, in many cases together with their (independent) dealers, that are able to have equipment available and provide high value-after sales services in varying fields and over several locations, are poised to capture a larger share of future market growth.

End-users preferences

End-user preferences regarding agricultural equipment product types and features vary by region. For instance, in the Netherlands, Belgium and other European countries in Western Europe farms are generally smaller than those in North and South America, Asia and Australia. In these countries there is greater demand for somewhat smaller yet equally sophisticated machines. In Kazakhstan however, farms are usually huge and for this reason there is a demand for high capacity equipment. In Turkey used technologies are designed for smaller-scale structures. As consequence of the trend of merging farmers into larger farming structures, the demand for lager capacity machinery increases.

Original equipment manufacturers' and end-users' demands for coverage and service levels

Original equipment manufacturers are becoming more demanding in terms of the coverage and service levels of their distributors and dealers. This requires high levels of investments which can only be borne by dealers if they are supported by a strong distribution partner and if they can sell multiple products to the end-users in a larger area.

Strengthening the distribution network is also necessary because end-users are unwilling to travel to purchase equipment and expect rapid responses in case of downtime. This implies that full coverage of an area is required.

Rising demand for financing solutions and rental of equipment

The Group sees a growing demand for alternative financing solutions to provide end-users with new equipment, such as floor planning or stock finance facilities for dealers. These are generally either offered by independent finance companies, such as specialty lenders, or banks.

Flexible rental periods, no high capital expenditure and access to high-end equipment are reasons for end-users to choose for rent instead of buying equipment.

The Group believes that distributors need to make available a fleet of rental equipment, such as tractors, in order to be able to offer an attractive product range to end-users, which means higher capital expenditures and more inventories for dealers and distributors.

Changes in regulations and global organization initiatives

The Group's target industries are facing increased regulatory requirements. Governmental policies can affect the market for agricultural equipment when regulations are implemented regarding for instance the levels of acreage planted or the amount of milk produced. *E.g.*, the milk market in the European Union used to be regulated by a quota system. Every member state had a national production quota which it distributed to farmers. Whenever a member state exceeded its quota, it had to pay a penalty (called 'super levy') to the European Union. This national penalty was financed by penalties imposed on farmers who had exceeded their individual quotas. As per 1 April 2015, the milk quota regime was abolished.

The Group experiences that such changes in regulations directly impact the business of the end-users, and therefore indirectly have an impact on the business of the Group.

(Other) Specifics on agricultural industry trends in the Netherlands and Belgium

Upswing of precision farming

The field of precision farming is rapidly evolving, with the Netherlands as frontrunner. More and more data is generated by sensors on the machines and tractors. These arrays of data are processed into information to be used on the machines for application of *e.g.*, fertilizer and crop protection. In the coming years, connectivity between the tractors and equipment from different brands, in order to be able to process the information, will be a key success factor. Big data is at the horizon of this development, but in the short and mid-term users (farmers and contractors) need hands on tools in order to make their investment in precision farming profitable.

The Group is participating in several tests in the Netherlands of precision irrigation technologies. The aim is increasing the yield of crop with less energy and water and with less fertilizer.

(Other) Specifics on agricultural industry trends in Kazakhstan [1)]

In Kazakhstan the availability of finance plays an important role in the agricultural business. Most of the deals are financed by KazAgroFinance, a state owned finance institution and TechnoLeasing, a privately owned leasing company. Also subsidies are important. Both factors are partly depending on the income of the oil industry; the low oil price might therefore have an effect on the level of investment in the agriculture. On the other hand, the government wants to be less dependent on the oil industry and is developing different segments of the economy; agriculture is one of them.

[1)] Sources a.o.: ACEPAS, Analytical Centre of Economic Policy in Agricultural Sector, Kazakhstan, the Ministry of Agriculture of Kazakhstan and the Regional Office for Europe and Central Asia of the FAO, Food and Agriculture Organization of the United Nations.

(Other) Specifics on agricultural industry trends in Turkey [2)]

As part of its targets set for the agriculture sector, by 2023 Turkey aims to be among the top 5 of global agricultural producers. To meet this target large investments (*e.g.*, subsidies) are made by the Turkish government. The economy of Turkey is for a large part financed by supplier credits. The Group believes that in order to improve the sales of equipment a development that leads to more financing by banks and leasing companies will be of importance.

[2)] Sources a.o.: The Republic of Turkey Prime Ministry Investment Support and Promotion Agency and The Republic of Turkey Ministry of Food, Agriculture and Livestock.

Agriculture – competition overview

The agricultural equipment industry is highly competitive. The Group primarily competes on the basis of product performance, quality service, availability of products (sale or rental) and price. The industry is also competitive from a pricing standpoint.

The Group competes with large global full-line suppliers present in almost every market with captive distribution networks and a broad range of products that cover demand for equipment. Original equipment manufacturers typically market and distribute their products through (independent) distributors which in their turn supply to independent dealers. Two of the global producers of agricultural machinery distributed by the Group are the German based manufacturer Claas and the French based manufacturer Kuhn. There are several global original equipment manufacturers who supply a full line of agricultural equipment and (spare- or additional) parts through (independent) distributors and dealers. The largest manufacturers in the industry, who are operated by the competitors of the Group are Deere & Company (John Deere), CNH Global N.V. and AGCO Corporation. All three provide a long line of equipment and parts that address the primary machinery requirements of farmers. Due to the competitive nature among the several global original equipment manufacturers, distributors and dealers generally do not supply agricultural equipment of similar nature of two brands at the same time.

Furthermore, the Group also competes with specialized original equipment manufacturers focused on particular industry segments on either a global or regional basis. These manufacturers have their own distribution channels that focus on agricultural equipment and are, among others Lely, Agrifac Machinery B.V., Schuitemaker, Joskin, Trioliet and Vervaet Agri B.V.

Specifics on competition within agriculture equipment industry in the Netherlands and Belgium

In addition, the Group competes in the field of after-sales services, including maintenance, and the sale of (spare) parts. The Group’s main competitors are strong distributors in this field and are, among others, Mechan Groep B.V. (MechaTrac B.V., Gebr. De Vor Achterveld B.V. Matermaco SA), CNH Nederland, John Deere Nederland B.V., Cofabel N.V., Abemec B.V. and Zonna B.V.

Specifics on competition within agriculture equipment industry in Kazakhstan

The main competitors in Kazakhstan are the Russian producers and the Eurasia Group, the importer of, amongst others, John Deere. CT Agro, the Russian competition and John Deere all have a nationwide network of sales and service outlets.

Specifics on competition within agriculture equipment industry in Turkey

Turkey has an intact agricultural machinery sector and the local producers are the main competitors. Apart from one or two harvesting equipment segments, demand is met from domestic production. In fact, a significant proportion of the tractors and agricultural equipment manufactured in Turkey is exported. The machines manufactured there use proven technologies and are generally regarded as robust, although they are designed for the smaller-scale structures in the domestic market, Central Asia, the Middle East and North Africa. To meet the needs of the growing number of larger farming structures, Turkish manufacturers will have to switch to producing larger capacity machinery alongside their existing product ranges. Also all of the Group’s other world wild competitors in the agricultural industry as mentioned before are active in Turkey.

Turf care and landscaping – general overview

As a turf care and landscape maintenance equipment distributor, the Group distributes a wide range of machinery such as mowers, multifunctional compact tractors, cutters, splitters, shredders, small-wheel electric vehicles (*e.g.*, golf cars) and irrigation solutions. The Group also supplies a wide range of tools and parts for forestry, garden and park maintenance such as electrical chainsaws, guide bars, sprockets and personal protection products.

End-users of turf care and landscape maintenance equipment are generally landscape contractors, (operators of) golf courses, (local) government related entities, water boards, forestry services and gardeners. Since the purchase of turf care and landscape maintenance equipment is considered to be a less bulky investment than the purchase of agricultural equipment, the purchase of turf care and landscape maintenance equipment is driven by (technical) replacement solutions, general economic conditions and budgets.

In the Netherlands and Belgium, net income of businesses is primarily impacted by the volume of acreage planted, prices, weather conditions influencing crop yields, operating expenses (including fuel, fertilizer and financing costs) and governmental subsidies or spending. Independent contractors as well as government related entities such as municipalities or cities (the latter being a major client of independent contractors) are driven by available budgets and hence general economic conditions.

Turf care and landscape maintenance – subdivision of markets

The turf care and landscape maintenance industry can roughly be subdivided in turf care, lawn and garden maintenance and forestry. More importantly, the industry can be subdivided in categories of customers that purchase the equipment:

- *Professionals:* Professionals vary from golf courses to professional landscape contractors which use the equipment commercially for their respective businesses. Professionals mainly use mowers, multifunctional compact tractors, cutters, splitters, shredders, small-wheel electric vehicles (golf cars) and irrigation solutions.
- *Semi-professionals:* Persons owning large gardens or persons owning and taking care of horses can be identified as semi-professionals that use equipment privately or commercially. Semi-professionals mainly

use mowers, multifunctional compact tractors, and wood processing equipment such as cutters, splitters and shredders.

- *Consumers:* Consumers are persons buying turf care and landscaping equipment (*e.g.*, small mowers) for private use, sometimes for the purpose of a hobby.

Within the turf care and landscape maintenance industry the Group focuses mainly on professional and semi-professional customers or end-users that purchase compact tractors and wood processing equipment.

Turf care and landscape maintenance – industry trends

The Group believes that its position as a distributor of turf care and landscape maintenance equipment and its network of dealers, allows the Group to provide end-users in the Netherlands and Belgium with equipment that meets their specific requirements. Major trends in Western European turf care and landscape maintenance industries include the following.

Changes in regulations and governmental subsidies

The tightening of (local) government budgets and continued reductions of government expenditure may reduce the amount of payments to individual end-users and could reduce the direct spending of the government. This can result in higher costs for end-users. Changes in certain tax-related can also result in higher costs for end-users.

Increase in number, but a reduction in utilization of golf courses

Over the last 15 years, the Group has seen that an increasing number of persons have started playing golf. This has led to an increasing amount of golf courses and 'holes' in the Netherlands. The Group sees a growing number of professionals which should mean an increased demand for equipment. However, the Group also sees that these golf courses are experiencing a reduced utilization (in spite of the increased amount of players).

Reduction in number but growth in size of customers specialized in golf course maintenance

The Group has seen that over the last couple of years, operators of golf courses tend to outsource maintenance of golf courses to professional third parties, so called golf contractors. In addition the Group has seen a reduction in number but growth in size of these third parties providing maintenance services. As a result, the Group has experienced and currently is still experiencing that there are fewer potential customers in the professional golf course maintenance industry.

Turf care and landscape maintenance – competition overview

The two main brands the Group operates in the turf care and landscaping segment are Toro and Club Car.

Competition in the turf care and landscape maintenance industry mainly comes from global original equipment manufacturers. There are several competing global producers of turf care and landscape maintenance equipment with considerable market share like Kioti Tractors, Iseki, Deere & Company, Kubota, Ransomes/Jacobson and Shibaura. Other well-known brands with a modest market share in this class of machinery are Case New Holland and Yanmar. Competition also comes from importers or distributors of competing brands. Two of the most important competing importers and distributors for the Netherlands are C. van der Pols & Zn. (Ransomes/Jacobson) and John Deere Nederland B.V. Other competitors are for example Mechan Groep (Fendt, Holder, Kubota and Schliesing), Van Der Haeghe B.V. and Hilaire van der Haeghe N.V. (Iseki). For Belgium the main competing importers and distributors are Thomas BVBA (Ransomes/Jacobson) and Fagadis SA (John Deere).

Construction equipment market

Construction – overview

The Group operates its various brands through a so-called 'multi-brand' concept, which means that the brands operated by the Group are complementary and that the Group is not dependent on one brand or original equipment manufacturer.

The Dutch and Belgian construction and earth moving equipment market segment can be divided into two categories: heavy construction and light construction. The main purchasers of heavy construction equipment include construction companies, municipalities, local governments, waste management and recycling companies, transshipment companies and dredging companies. These purchasers are also active in the market for light construction equipment. In addition, purchasers like contractors, building companies, utility companies, specialized road construction companies, landscapers, logistics companies and farmers are active in the light construction equipment market.

Heavy construction equipment typically includes excavators, wheel loaders, railroad machines, graders, dozers and articulated dump trucks. Purchasers of heavy construction equipment are particularly dependent on the significance of major infrastructure construction and repair projects such as highways, railroad, tunnels, dams and harbors. Customers are mainly dependent on governmental spending and economic growth. Specifically in the Netherlands, part of the heavy equipment demand is related to the light construction segment. Often when new houses are built (light construction), the entire infrastructure (heavy construction) will also need to be build, thereby linking the heavy and light equipment demand to changes in the housing market. The heavy equipment industry generally follows cyclical economic patterns linked to the gross domestic product.

Light construction equipment typically includes mini and midsize crawler excavators, midsize mobile excavators, small wheel loaders, skid steer loaders, backhoe loaders, telehandlers, spider lifts, crawler lifts and scissor lifts but also a full range of pipe bursters, directional drills, trenchers and piercing tools. The principal factors influencing sales of light construction equipment are the levels of residential construction, commercial construction, and also the levels of remodeling and renovation which in turn is influenced by interest rates and the availability of financing for remodeling and renovation projects. Other major factors include the level of light infrastructure construction such as utilities, cabling and piping and maintenance expenditures. The principal use of light construction equipment is to replace relatively high cost, slower and therefore less effective, manual work. Product demand has generally followed housing construction, but lagging six to twelve months behind depending on the overall business climate.

Seasonal demand fluctuations for construction equipment are somewhat less significant than for agricultural equipment. Nevertheless, housing construction generally slows down during the winter months due to the weather conditions. Applicable labor conditions regulations for instance prohibit working outside under specific weather conditions. As a result, industry retail demand for construction equipment is generally strongest in the second and fourth quarters.

The construction equipment industry has seen an increase in the use of hydraulic excavators and wheel loaders in excavation and material handling applications. In addition, the light equipment sector has grown as manual labor is increasingly being replaced on construction sites by machines with a variety of attachments for specialized applications, such as mini- and midsize crawler excavators, midsized mobile excavators, small wheel loaders and also telehandlers. General economic conditions, infrastructure spending rates, housing construction, commercial construction and governmental policies on taxes and utilities and construction projects can have effect on sales of construction equipment. In addition, due to the rising demand for installation of for example optical fiber, the Group sees an increasing demand for pipe bursters, directional drills, trenchers and piercing tools.

Construction – subdivision of markets

Construction equipment is used for multiple purposes by the principal end-users markets:

- *Road construction:* Road construction includes removing, placing and preparing material for building roads and highways. Equipment used in the road construction segment cover a wide range of equipment types, including mobile and crawler excavators, wheel loaders, graders and compaction equipment. Paving, the process of overlaying residential or arterial roadways with asphalt or concrete pavement, is also part of the road construction activities. Equipment used in these activities includes pavers, asphalt rollers, distributors, milling machines and asphalt transfer machines.

- *Waste handling and recycling:* Waste handling and recycling companies are active in a growing and stable market segment. Furthermore, equipment used in this segment is mainly based on mobile excavators, crawler excavators, wheel loaders and dozers.

- *Railroad construction:* The railroads in the Netherlands and in Belgium are important and popular way of travelling for a big part of the working population and students. The railroad network also connects the main ports of Rotterdam, Amsterdam and Antwerp with the rest of Europe. Equipment used in railroad construction and maintenance thereof are specific railroad machines based on mobile excavators.

- *Material handling and transshipment:* The Netherlands and Belgium serve as the 'port of Europe' due to their geographical locations and the infrastructure abounding in water. This results in high quantities of goods that can be and are transshipped. Equipment used in this segment is mainly used in local ports and include material handling equipment and wheel loaders.

- *Crushing and screening:* The principle end-market of crushing and screening can be described as the production of raw material necessary in most construction equipment. Crushing and screening equipment consists of equipment such as crawler excavators, crushers, screen decks, conveyers, and washing equipment used to reduce the size of the aggregate material and separate the material into sizes specified by equipment requirements.

- *Site development:* Site development covers preparing residential, commercial and industrial land for development purposes. Equipment used in this segment is similar to equipment used for road construction and also includes articulated dump trucks and dozers in various sizes.

- *Governmental:* Governmental markets can be identified as a specialized sub-market. In this market, maintenance equipment for governments and landscaping companies (or contractors) relates to the maintenance of roads, utility infrastructure and public areas. Equipment used in this segment includes utility equipment such as mini and midsize (mobile) excavators and small wheel loaders.

Construction – industry trends

The Group believes that its position as a distributor of both heavy and light construction equipment, and to a lesser extent its network of dealers, and its rental program allow the Group to provide end-users in the Netherlands and Belgium with equipment that meets their specific requirements. Major trends in Western European construction equipment industries are described below.

Increasing importance of 'green technologies'

Growing demand for environmental friendly equipment is becoming less sensitive to economic cycles. 'Green technologies' present significant opportunities for the technical equipment and services sectors. As sustainable development becomes an increasing concern to national and local authorities, businesses and the public at large, and energy prices remaining historically at least at relatively high levels, energy efficient solutions in infrastructure and facilities are believed to continue to gain importance and influence customer demand for energy and environmental friendly systems. The need for advanced 'green' solutions has become a prime focus for industrial, commercial, infrastructure and public sector customers, as national and local authorities begin to impose more stringent requirements or offer incentives regarding the use of energy efficient systems, property, and renewable energies in response to growing concerns for sustainable development.

Growing equipment rental possibilities

In Western Europe, original equipment manufacturers, distributors and dealers started with short period rentals of equipment and equipment attachments to individuals or small contractors who needed specialized pieces of equipment for specific jobs or projects. In this environment, the mini-excavator has become one of the principal rental products, together with specialized pieces of equipment. As the rental market evolved, a greater variety of light and heavy equipment products has become available for rent. In addition, rental companies grew in both size and number and have allowed contractors to rent machines for longer periods instead of purchasing the equipment. This allows contractors to complete specific job requirements with greater flexibility and cost control.

Construction – competition overview

The construction equipment industry is highly competitive. The Group competes with large global full-line suppliers with a presence in every market and captive distribution networks with a broad range of products that cover most customer needs. Original equipment manufacturers typically market and distribute their products through (independent) distributors which in their turn supply to (independent) dealers or to end-users directly. When supplying directly to the end-user, the distributed equipment can generally be categorized as 'client-specific', which means that these types of equipment are not supplied in large quantities. Independent equipment dealers are able to market and distribute the original equipment manufacturers' products because of their knowledge of local markets and their familiarity with customary business contacts in the region. Equipment dealers may carry products from a single manufacturer, or may carry equipment lines from several manufacturers on an exclusive or non-exclusive basis. When an equipment distributor offers equipment lines from several manufacturers, such equipment distributor is usually able to offer a broader range of equipment products to the local market. Independent equipment distributors typically operate under distributor contracts with the original equipment manufacturers and significant connections exist relating to sales and marketing strategies, advertising, financing and product support.

Increasingly, independent equipment dealers are consolidating to form equipment dealership groups. These dealership groups operate on a larger scale, often owning and operating from multiple branch locations across a relatively wide geographic area. By doing so, these dealers are able to improve product offering, expand distribution capabilities, and reduce costs. The Group believes that original equipment manufacturers have benefited from dealership consolidation as larger independent dealership operations are generally more stable and better capitalized and the overall efficiency and effectiveness of the distribution of the manufacturers' equipment products is improved through dealing with fewer distribution partners.

The Group's main operated brands for heavy construction equipment are Atlas and Kobelco. Atlas is a German based manufacturer which focuses its business especially on the Western and Northern European countries. Atlas is specialized in manufacturing mobile excavators, material handling and railroad equipment and achieves good market share in its segments due to the focus on niche markets. Kobelco, a subsidiary of Kobe Steel, is a Japanese manufacturer of heavy as well as light construction equipment such as, among others, crawler excavators. Kobelco is the leading brand in technology, design and fuel efficiency, and therefore has lower carbon emissions than similar machines.

The Group's main competitors in the field of heavy construction equipment are among others Pon Equipment B.V. (which operates mainly Caterpillar), Kuiken N.V. (which mainly operates Volvo, also in the light construction equipment industry), Bia B.V. (which mainly operates Komatsu) and Hitachi Construction Machinery (Europe) N.V. (which operates its own brand, also in the light construction equipment industry).

The Group's main operated brands in the field of light construction equipment are Terex, IHI, Kobelco and Ditch Witch (through Jean Heybroek), which mainly provide compact crawler excavators, wheel excavators and directional drills and pipe bursters. Besides Kuiken N.V. and Hitachi Construction Machinery (Europe) N.V. as mentioned above, the Group mainly competes with distributers such as the Meerman Groep (which mainly operates Kubota), Inter-Techno B.V. (which mainly operates Bobcat) and Verhoeven Grondverzetmachines B.V. (which operates mainly Takeuchi).

Material handling equipment market [1)]

Material handling – overview

The Group distributes and/or services a wide range of material handling products from Linde, including electrical and diesel or LPG powered forklift trucks, (hand-) pallet trucks, warehouse trucks and stacking, storage and order picking trucks. Materials handling products are used by most manufacturing and distribution companies and for a vast variety of goods. They are present during the entire lifecycle of goods, from manufacturing to distribution, consumption and to disposal.

The main buyers of material handling equipment are active in a wide variety of sectors. All of them operate some sort of warehouse or other logistical facilities. Increasingly, end-users of material handling equipment judge investments in equipment on the basis of total cost of ownership, thereby shifting focus from purchase price to efficiency and quality of the machines. In addition, the European market increasingly makes use of more automated and more integrated systems in order to operate more efficiently. The Group's customers are mainly focused on industries such as food retail, non-food retail, logistics, chemicals, cold store, (food) production and waste and recycling.

The global and European material handling equipment market is dependent on global economic developments as investments in warehouses and logistical buildings. The demand for related equipment is driven by global trade levels and general investment climate. In the European Union, the developments in the material handling equipment industry can be measured by production value. Since the outbreak of the financial crisis in 2008, the market has shown a steep decrease and since 2011 a steady recovery. The first market to recover was the German market and that market has shown a growth-trend resulting in an expected all-time high in 2015. The Belgian and Dutch market took longer to recover. In 2015 however, 'normal' (long term average) market levels are expected for both these markets.

[1)] Sources a.o.: ITA, the Industrial Truck Association, and industry studies (World Material Handling Products) from The Freedonia Group.

Material handling – subdivision of markets

Material handling equipment covers a wide range of products and systems. The European Federation of Materials Handling has classified the material handling industry into seven categories, being: conveyors for bulk handling, cranes and lifting equipment, elevating equipment, industrial trucks, intralogistic systems, mobile elevating work platforms, and racking and shelving. The most relevant categories to the Group are described below.

- *Industrial trucks:* This important segment of the material handling industry provides for a link between palletizing and logistics equipment. A further subdivision in three main segments can be made, with the first two being internal combustion trucks and electric trucks, which both have counter-balance features for handling heavier loads. The third segment covers warehouse trucks, which tend to be smaller, nonpolluting electric powered 'pallet lifter' machines for indoor use. They can be driverless (so-called automated guided vehicles) or pedestrian-propelled manual and semi-manual trucks. Industrial trucks are used in nearly every production process on several levels.
- *Intralogistic systems:* The intralogistic system category entails automation, control and information technologies and integration of several types of material handling equipment into one system. To enable processes in the various value chains to become more efficient, logistical systems are becoming more integrated resulting in more efficient inventory control, waste management and production control through on time delivery.
- *Racking and shelving:* The racking category consists of (adjustable) pallet racking, drive-in racking, gravity live storage racking and plastic storage containers. Pallet racking is a system designed to store materials on pallets in horizontal rows with multiple levels. It is an essential element in warehouses, manufacturing facilities and distribution and logistics centers.

Material handling – industry trends

Material handling equipment is used for, among others, loading and unloading, linking production steps, moving pallets in logistics centers and transferring containers in ports. This makes the material handling industry largely dependent on global economic growth, capital expenditure levels and expansion projects. The Group believes several trends and industry characteristics have been and are ongoing within the Western European material handling equipment market.

Global demand for material handling is rising

The Group believes that the global sales of material handling equipment shall increase. The industrial truck market has shown a moderate growth in recent years and is expected to growth even further in the years to come.

The highest growth rates are expected to be reached in emerging markets. The level of capital investment and the growth in global trade is crucial to the level of sales. The Group has seen that due to economic downturn, customers tend to delay purchasing new trucks whereas the level of replacement has historically increased during upturns. The Group believes that, except for exceptional circumstances the Group cannot foresee, the Western Europe market will more or less stay at the current level.

European demand mainly based on replacement

Mature markets are generating strong demand for trucks to replace old trucks. The Western European material handling market is to a large extent dependent on the replacement market. Around 90% of total annual sales in Western Europe are estimated to come from replacement investments.

Higher demand for used equipment

The market for used trucks will become more important in service offerings to the end-user market. More and more mixed fleets of old and new trucks are offered instead of completely new fleets. Next to that, refurbished used trucks are an acceptable alternative to low-end (mainly Asian) new trucks.

Continuous changes in various truck segments

The distribution of forklifts by product type varies significantly across countries and regions. More mature markets tend to show a shift towards more specialized warehouse trucks. Especially in Western Europe there is a clear shift from IC-engined counterbalance trucks towards electric counterbalance trucks. In general the counterbalance trucks show a decrease in the more mature markets whereas the warehouse segment will show further growth. The emerging markets however will keep on relying on counterbalance trucks, mainly with IC-engines.

Increase of automated solutions

The Group believes that in the next five year period opportunities will be good for sales of advanced equipment such as automated conveyors and automated guided vehicles. Automated products reduce the required labor input in operating machinery, helping to curtail labor costs. It is also expected that the rising importance of internet-sales will increase demand for automated equipment, as business of customers is increasingly conducted in large, lightly staffed centralized warehouses to store and ship goods.

The Group further sees that pricing is determined by technological advances in the components and subsystems from which they are constructed. Current advanced material handling systems have benefited from next-generation systems, which are characterized by steadily improving levels of performance at comparable or lower costs.

Continuing globalization and technological advances

As a result of continuing globalization, individual steps in value chains are increasingly centralized, causing greater demand for transport services and logistic solutions. As a result of the technology becoming more complex, the Group believes that customers are more likely to outsource service functions for material handling equipment.

Material handling – competition overview

The material handling equipment industry is highly competitive.

Original equipment manufacturers typically market and distribute their products through (independent) distributors which in their turn supply to (independent) dealers or to end-users directly. When supplying directly to the end-user, the Group aims to provide full solutions for the customer, which means that the types of equipment the Group distributes should be complementary to each other. Due to the competitive nature among the several global original equipment manufacturers, distributors in Western Europe generally do not supply material handling equipment of similar nature of two brands at the same time.

In the material handling equipment market several global original equipment manufacturers supply a full line of equipment and (spare- or additional) parts worldwide. The Group competes with large global full-line suppliers present in almost every market with captive distribution networks. The Group operates this market with the Linde brand which is owned and manufactured by the Kion Group. The other major manufacturers of lift trucks in the industry are considered to be Toyota, Kion Group, Jungheinrich, Hyster-Yale Materials Handling, Anhui Heli, Hangcha, Crown Equipment Corp, MCF, UniCarriers Americas and Komatsu by market share. Toyota is generally considered to be the market leader in the material handling equipment industry worldwide, and is also the market leader in North America. Overall, the Group considers Kion Group to be the market leader in Europe.

Industrial Market

The Group identifies the 'industrial market' as an overarching principle that can generally be subdivided into the hydraulic components and systems market, the steel construction and manufacturing industry and the personal protective products market.

Hydraulic components and systems market

Hydraulics – general overview

Since the acquisition in 2013 of PMH-E, the Group is active in the hydraulic components and systems market. The Group offers a wide range of hydraulic components and systems, including engineering, which vary from solutions from the simplest drives through complete power packs or integrated hydraulic, mechanical or electrical systems to products such as pumps, hydro motors and hydro pumps, valves and drives. The Group also trades in and produces standard and customized hydraulic manifolds for original equipment manufacturers and system integrators.

The Group's customers in the hydraulic market are diverse and are active in various industries such as the agricultural, mining and earth moving, offshore and marine, automotive and industrial.

Hydraulics – subdivision of markets

The hydraulic components and systems market can be segmented into the agricultural industry, mining and earth moving industry, offshore and marine industry, automotive industry, and the industrial industries. The hydraulic solutions and products distributed vary among these industries.

Hydraulics – industry trends

The Group believes that its position in the hydraulic components and systems market allows the Group to provide end-users with solutions and products that meet their specific requirements. Major trends in the hydraulic solutions and product industry include the following.

Customers are asking for full solutions

One of the main trends the Group sees is that industry demand evolves from a pure hydraulic solution demand to a mechatronic demand (*i.e.*, a combination of hydraulics, mechanics and electronics). As these systems become more complex, more technical expertise is required. As a result, midsize original equipment manufacturers tend to outsource the engineering to a full line components and systems provider and start to focus solely on the functional specifications.

Strict legislation

(Stricter) legislation becomes of more importance for risk management of suppliers active in the hydraulics market. The Group believes that this could drive small suppliers of hydraulic components and parts to merge in order to be able to mitigate these risks properly.

Market consolidation is taking place

The Group believes that the above-mentioned trends have resulted in specialized hydraulic companies merging to combine all different expertise fields needed to become a full-line hydraulic components and systems provider as is requested by the market. These integrated types of companies move from playing one specific role in the value chain to a multidisciplinary role, called system integrators. They are providing full solutions, services and wholesale activities. Therefore they are able to realize relative higher revenues growth and maintain margin levels. Integrators earn these premiums by offering added value with their full solutions, eliminating value chain steps and leveraging wholesale scale advantages in purchasing.

Hydraulics – competition overview

The Group is active as a full-line provider for hydraulic components and systems and manufactures itself manifold block under the brand name IMAV. The Group's main activities in this industry stretches from engineering, designing, testing and building or fully producing, until the hydraulic solution requested by its customers is created. The Group also provides service packages and maintenance for created hydraulic solutions. The Group maintains a stock of pumps, motors and components from, besides IMAV, system partners such as Linde Hydraulics, Eaton, Bucher Hydraulics and Völkel Mikro Elektronik in order to be able to deliver hydraulic components and systems quickly.

The key competitors in the hydraulic components and systems market are Rexroth (Bosch Group), Parker Hannifin and Sauer Danfoss. These competitors dominate the hydraulic components and systems market in the relevant areas in which the Group is active with a collective market share of approximately 45%. The market share that is not captured in these three companies is very fragmented, thereby indicating that there might be room for expansion by the Group.

Based on its size and customer profiles, the Group believes it is a mid-market player (within the €5-50 million revenues range). Based on the size of the Netherlands, the Group can be considered as one of the larger players in the Dutch hydraulic components and systems market.

Steel construction and manufacturing industry

Steel construction and manufacturing – general overview

The Group is active in the steel construction and manufacturing industry as an integrated supplier of intermediate steel products, such as girders, pipes, bars, profiles and sheets, delivering these products to the building and manufacturing industry. Based on customer specifications, the Group mainly supplies Dutch based customers with products which it processed by for example zigzagging, sawing (including mitre sawing), drilling, cutting, blasting or coating the steel.

The Group identifies a wide range of customers in the steel construction and manufacturing industry, varying from building companies to installation production companies, technical wholesalers, the offshore and shipping industry, original equipment manufacturers and system integrators and the agricultural industry.

Reesink Staal has experienced difficult market conditions since 2008. Overall market conditions remain tough and as a result, a repositioning of the activities has been necessary. Continued strong demand from emerging markets for commodities including metallurgical coal, iron ore and scrap metals have driven raw material prices necessary for steel production. As a result, steel prices in Europe have been maintained at relatively high levels since 2008. Meanwhile, due to a continued lack of demand in Europe and fierce competition, the relatively high prices have not been passed on to consumers. As a result, the contribution margin per ton of steel traded has for a considerable period of time been low, and currently still remains low.

The steel trading and handling industries are important adjacent industries for the Group and are connected with the overall conditions of the building and construction sector, a sector which has been experiencing negative economic situations over the past years. The level of new houses being built is low. This is mainly due to the general macroeconomic conditions. In addition, the fact that it is currently generally harder to obtain mortgage financing has negatively influenced the residential construction industry as less home buyers appear to be active in the market. Commercial construction has also declined substantially, mainly due to overinvestments in earlier periods and general economic conditions.

Steel construction and manufacturing – subdivision of markets

The Group identifies a wide range of customers in the steel construction and manufacturing industry. The entire group of customers is diverse, including building companies and agricultural equipment and machine manufacturers.

Steel construction and manufacturing – industry trends

The Group sees overcapacity in the market and pressure on the prices; however demand for steel for industrial activities remains relatively stable. The Group therefore believes that it is important for the Group to have a distinctive edge. The Group believes it does this by providing all sorts of processing services, extending the steel range, and by making an effort to attract industrial customers. Major trends in Dutch steel and manufacturing industries include the following.

Dependency on the building industry

Businesses active in the steel construction and manufacturing industries are highly dependent on (the trends in) the building industry, more specifically the housing and commercial building sector. As this sector has been experiencing negative economic conditions since 2009 and the opportunities and potential commercial success in this sector remain limited, the margins for the Group are also experiencing pressure. Moreover, pricing and margins on base products correlate with raw product price levels (which are linked to the price of scrap metals as well as iron ore) which also influence the margins for the Group. The Group believes that value (and margins) can be added through specialized handling of products.

Mortgage financing issues and local politics affect the building industry

The Group believes that the (reduced) availability of residential mortgage financing, due also to stricter conditions, or of credit and funds in general, as well as the fact that local governments postpone and even cancel building development plans due to demographic developments, negatively influence residential construction.

Steel construction and manufacturing – competition overview

Steel processing companies obtain their raw material from raw material producers. There are only a few raw material producers in the steel industry which are substantial in size. These are among others ThyssenKrupp Steel Europe AG, ArcelorMittal, Salzgitter AG (Peiner Träger GmbH), Voestalpine Stahl GmbH, Tata Steel Europe and Dillinger Hutte GTS GmbH & Co.KG. These companies produce raw materials like blooms, billets, slabs, rods and tube rounds which are used by steel processing companies such as Reesink Staal.

The Group competes in the Dutch market as one of the 55 midsized companies processing steel. This makes this market highly competitive. The larger businesses active in the steel processing market, such as Bressers Metaal B.V., MCB Nederland B.V., Van Raak Staal Oss B.V., Geurt-Janssen B.V. and Reesink Staal, offer a wide range of finishes. Some of the steel suppliers have specialized in certain areas with a clear focus on just a few steel products for niche markets. The market of steel processing furthermore consists of among others privately (family) owned businesses such as Douma Staal B.V., Geerstema Staal B.V., B.V. IJzerleeuw, Joseph van de Loo B.V., Felix Philips Staal & Metaal B.V., ODS B.V., Van Raak Staal Oss B.V., Geurts-Janssen B.V. and Vlietjonge B.V. Suppliers of processed steel products are, unlike the steel producers mentioned above, focused on the domestic market. Most of the midsized companies provide their customers with roughly the same products as the Group does. The distinction between the competitors comes with the added value they are able to deliver. Besides adding value by customizing products to client standards and demands, in time delivery is also of great importance. Some of the steel processing companies focus on transport, allowing delivery of steel beams and products up to a length of over 30 meters. Almost all of the midsized steel suppliers are equipped with a versatile delivery program, allowing clients to order up to one day in advance, meaning all of them maintain a substantial amount of products in stock.

Besides competing with processing companies, competition in the steel construction and manufacturing industry also comes from the raw material producers such as Arcelor Mittal Holland II B.V. (with five distribution sites), Deltastaal B.V. (Salzgitter) and ThyssenKrupp Materials Nederland B.V.

Personal protective products industry

Personal protective products – general overview

The Group is active as a distributor and wholesaler of work shoes, work gear and other personal protective products related to health and safety in the Netherlands. These items are used by customers who are active in the construction industry, in industrial settings and elsewhere such as ports and docks.

The demand for personal protective products is mainly driven by general economic conditions and the overall economic situation in the industries that use personal protective products such as the industrial or construction industry. In addition, rules and regulations regarding safety on the work floor influence the demand for personal protective products.

Personal protective products – subdivision of markets

For the Group, the market of personal protective products is divided in subdivisions in which the Group has products available. The relevant subdivisions, including the main brands that are supplied in these subdivisions, are outlined below:

- *Safety footwear:* This subdivision covers all sorts of safety footwear from brands such as Bata, Bekina, Mammoet and Netco.
- *Safety work wear:* Safety work wear varies from protective helmets to jackets from brands such as ProJob, Craft and Mammoet.
- *Personal protective products:* This subdivision covers protective products such as gloves and safety glasses from brands such as Mapa and MSA.
- *Safety services:* Safety services include training and education via electronic learning in the field of health and safety in the work environment, such as the VGM Box.

Personal protective products – industry trends

The Group sees a trend that governments are increasingly adopting new rules and regulations for safety on the work floor, which could result in the sale of additional personal protective products. However, the Group also sees that the quantitative number of work force using personal protective products and safety wear has been constantly decreasing over the last years. This is mainly caused by the fact that a lot of the Group’s customers are wholesalers in the construction and industry segments, which markets continue to experience economic downturn.

Personal protective products – competition overview

Typically, suppliers of personal protective products distribute their products through distributors which in their turn supply to independent wholesalers. The Group's main suppliers for personal protective products are Bata, Craft Functional Wear, ProJob Swedish Workwear and Bekina Safety Boots.

There are only a few competitors for the Group in the Dutch personal protective product distribution market, being Intersafe, Majestic, ALL Shoes and Mascot. Due to the fact that this market experiences economic downturn, the Group believes the total market is decreasing and heavy competition makes it difficult to maintain margins. In addition, there is competition from smaller competitors with products in a lower segment and with lower pricing, for instance from Chinese manufacturers.

DIY market

Apart from the divisions and industries described above, the Company holds 36% of the issued depositary receipts in THR. THR is a company specialized in the wholesale distribution of DIY products to DIY stores and landscaping retail store chains. THR is the Group's main tenant for the Ecofactorij 20, Apeldoorn (the Netherlands) location.

The DIY market is strongly connected to the housing market as most customers engage in DIY-projects upon moving. As a result, the condition of the housing market reflects upon the DIY market. Transactions in the housing market have dropped considerably due to the economic crisis; therefore the DIY market also has experienced the economic downturn.

Since two years the number of houses sold in the Netherlands is increasing and the Dutch Association of Realtors (*Nederlandse Vereniging van Makelaars*) announced in July 2015 that house sales were at the same level again as before the economic crisis.

The Group believes however, this trend does not (yet) reflect in the DIY-business. The GfK, a market research bureau specialized in retail business, confirms this opinion. According to the GfK, the growth in consumer spending within the DIY-sector is very modest, but durable. The third quarter of 2015 showed a growth of 2% as opposed to the third quarter of 2014. For the full year 2015 a total growth is expected of merely 1%. Also considering the fact that local governments are delaying and even cancelling building plans due to demographic developments, the Group believes that, although the downturn might belong to the past, it will take time before sales in the DIY-business are at a satisfactory level again.

DIVIDENDS AND DIVIDEND POLICY

General

The Company may make distributions to its shareholders only if its shareholders' equity exceeds the sum of the paid-up and called up part of the share capital plus the reserves required to be maintained by Dutch law. The profit and the distributable reserves are at the disposal of the General Meeting.

The Company may make a distribution of dividends to its shareholders only after the adoption of its annual accounts demonstrating that such distribution is legally permitted. The Management Board is permitted, subject to certain requirements and approval of the Supervisory Board, to decide to pay interim dividends.

Provisions in the Articles

Subject to the approval of the Supervisory Board, the Management Board is authorized to retain as much profit earned during the most recent financial year as it deems necessary. From the profits remaining, a fixed dividend of 4.5% shall be distributed on the Cumulative Preference Shares A. On the Cumulative Preference Shares B a dividend shall be distributed equal to the average deposit rate of the European Central Bank, plus a maximum mark-up or discount of 4%, weighted by the number of days from which the distribution is paid and calculated for the paid-up portion of the nominal amount of the Cumulative Preference Shares B. The aforementioned dividend percentages of the Preference Shares shall be adjusted for partial capital reductions, new issuances and, with respect to the Cumulative Preference Shares B, a resolution for additional payments. If the profit made in any financial year is not sufficient to distribute the percentage of dividend on the Preference Shares as mentioned, distributions in following years may only be made provided that such shortfall has been redressed.

Any profits remaining after reservation and after dividends have been distributed on the Preference Shares, shall be at the disposal of the General Meeting for distribution to holders of Ordinary Shares, either in full or in part, in proportion to their ownership of Ordinary Shares, or added to the reserves, provided that if possible out of the amount remaining after the reservations and distributions referred to in the previous paragraph at least an amount equal to 5% of the nominal amount of the Ordinary Shares is distributed to the holders of these Ordinary Shares.

Profits are distributed after the adoption by the General Meeting of (i) the annual accounts from which it appears that said distributions are permitted and (ii) a resolution to resolve upon such distribution. Pursuant to the Articles, dividends to shareholders will be payable within 14 days of the corresponding resolution of the General Meeting.

It is here noted that at 3 April 2015 the Company repurchased all of the 260,000 outstanding Cumulative Preference Shares A and on the same date the cancellation of such shares was initiated which was completed in the beginning of June 2015.

Dividend Policy Ordinary Shares

Taking into account the Company's growth objectives and the financial resources this requires, the Company's dividend policy in principle involves distribution of 40-55% of the profit placed at the shareholders' disposal. This is based on a Capital Base of at least 40% of the Group's balance sheet total. Under certain circumstances, the Company may be willing to distribute a higher percentage. The policy allows for distribution of dividend either in cash or in Ordinary Shares or DRs.

The Company and the Offeror have agreed in the Merger Agreement that, subject to the Company's dividend policy, the Company is entitled to declare a dividend in respect of the financial year 2015 which may be proposed and approved at the 2016 General Meeting as described in the annual report of 2014. As the Consideration includes any (interim) dividend and other distribution that may be declared or paid by the Company in the period between the date of the Merger Agreement and the date on which Settlement of the Public Offer occurs, the Consideration will be reduced with any dividend or distribution that will be declared or paid before the date of Settlement of the Public Offer. The Company and the Offeror have agreed that for a period of three years following Settlement of the Public Offer, the Company shall not pay any dividend or make any other distributions except to the extent at least one Independent Supervisory Board Member has voted in favor of deviation of such prohibition. This agreement that the Company shall not pay any dividend or make any other distribution shall be subject to and without prejudice to the transactions contemplated by the Merger Agreement and the terms and conditions of the Group's debt financing arrangements from time to time. See "Risk Factors – Following Settlement of the Public Offer, if this occurs, the Offeror may push down all or part of the Debt Financing that will be drawn down by the Offeror (being up to €37,125,000) to members of the Group either by settlement against the distribution of the Company's freely available reserves or by way of an upstream loan by members of the Group to the Offeror, in which latter case the minority holders of DRs may be prejudiced due to a lower amount of freely distributable reserves available for distribution by the Company by way of dividend" and "Risk Factors – Following Settlement of the Public Offer, if this occurs, the Group is likely to dedicate more of its cash flow from operations to service the Group's debt or to fund the service by the Offeror of the Offeror's debt under the Amended

Financing Facility. This could adversely affect the value of the DRs and the Group’s business, results of operations, financial condition and prospects” and “Operating and Financial Review – Capital Resources – Facilities”.

Dividends for Holders of DRs

STAAR shall collect the net dividends and other distributions payable on the Ordinary Shares which it receives in its capacity as shareholder. Upon receipt, STAAR shall pay out these dividends and distributions to the holders of DRs without any deductions.

Dividend History

The General Meeting resolved on 20 May 2015 that the dividend for 2014 was set at €3.50 per Ordinary Share, to be paid either in cash or in Ordinary Shares (to existing holders of Ordinary Shares) or DRs (to existing holders of DRs through STAAR). Based on the conversion ratio, the total number of outstanding Ordinary Shares increased by 9,351.

The following table sets forth the Company’s distribution of dividends relating to the financial years indicated.

Ordinary Shares and DRs

Financial year	Number of (registered) Ordinary Shares and DRs	Dividend in cash (€ per Ordinary Share/DR)
2012	775,691	€-
2013	1,189,686	€2.50
2014	1,247,559	€3.50 (or stock dividend as mentioned above)

Cumulative Preference Shares A

Financial year	Number of Cumulative Preference Shares A	Dividend in cash (€ per Cumulative Preference Share A)
2012	260,000	€-
2013	260,000	€0.36
2014	260,000	€0.18

Cumulative Preference Shares B

Financial year	Number of Cumulative Preference Shares B	Dividend in cash (€ per Cumulative Preference Share B)
2012	-	€-
2013	-	€-
2014	-	€-

Taxation on Dividends

Dividend payments made to holders of Ordinary Shares (excluding STAAR) are generally subject to withholding tax in the Netherlands. The Company is responsible for the withholding of dividend withholding tax at source; the dividend withholding tax is for the account of the holder of the Ordinary Shares.

Dividend payments made to holders of DRs are generally subject to withholding tax in the Netherlands. The Company is responsible for the withholding of dividend withholding tax at source; the dividend withholding tax is for the account of the holder of the DRs. See “Taxation – Taxation in the Netherlands – Withholding tax”.

Uncollected Dividends

A claim for any declared dividend lapses five years and one day after the date those dividends were released for payment. For a shareholder or holder of DRs whose place of residence is not in the Netherlands, this period will be increased by the period during which it is unable to collect a dividend to which it is entitled because of war, the immediate danger of war, revolution or comparable extraordinary circumstances. In respect of holders of DRs any dividend that is not collected within this period reverts to STAAR. In respect of shareholders any dividend that is not collected within this period reverts to the Company.

Financing Facility and Loan Agreement

According to the Financing Facility, the Company is only allowed to pay any dividend or other distributions if it provides evidence under the Financing Facility that it complies with certain set ratios for a certain period of time.

The Loan Agreement (for a description see "Operating and Financial Review – Capital Resources") does not prohibit the Company to directly or indirectly make any cash dividend or other distributions. However, the payment of an extraordinary dividend being any cash dividend or other distributions in excess of an amount which, combined with other dividends paid relating to the same financial year, exceeds 5.5% of the average closing price of DRs on "Alternext Amsterdam", as defined in the Loan Agreement, during a period of 20 business days immediately preceding the date by reference to which an entitlement to dividend for such financial year has occurred, will lead to an adjustment of the conversion price according to the Loan Agreement.

OPERATING AND FINANCIAL REVIEW

The following discussion and analysis should be read in conjunction with the rest of this Prospectus, including the information set forth in "Selected Historical Financial Information" and the Group's audited consolidated financial statements and the accompanying notes, and the Group's unaudited consolidated condensed interim financial information, which are incorporated by reference in this Prospectus.

For a discussion of the presentation of the Group's historical financial information included or incorporated by reference in this Prospectus, see "Important Information – Presentation of Financial and Other Information". Except as otherwise stated, this Operating and Financial Review is based on the consolidated financial statements and unaudited consolidated condensed interim financial information of the Group prepared in accordance with Dutch GAAP.

The unaudited consolidated condensed interim financial information of the Group for the six-month periods ended 30 June 2015 and 30 June 2014 as well as the Group's audited consolidated financial statements for each of the years ended 31 December 2014, 31 December 2013 and 31 December 2012 are included in this Prospectus by reference, see "Documents Incorporated by Reference".

Overview

The Group believes within its equipment segment it is a leading distributor of strong brands and strong concepts in the equipment industry in the Netherlands, Belgium, Kazakhstan and parts of Germany and the Group is furthermore active as an equipment distributor in Turkey. The Group Distributors are involved in the distribution of equipment and/or the delivery of concepts for agriculture and turf care, landscape maintenance, material handling, construction including earth-moving and civil engineering. The products and services are supplied either directly, through dealers in which the Group holds an equity interest or through independent dealers to farmers, contractors, green area companies, golf courses, municipalities, government bodies, water boards, foresters and logistics customers operating in the food, non-food, industrial, transfer (harbors), agricultural and civil engineering sectors. To a lesser extent, the Group distributes cleaning equipment.

The Group promotes cross-selling between its different divisions as the equipment divisions are adjacent. For instance, a customer interested in agricultural equipment might also be interested in earth-moving equipment or forklift trucks. As part of its strategy, the Group sees potential for organic growth through cross-selling. The Group conducts promotional and marketing activities on international, national, regional and local levels.

The Group has rental concepts for construction and material handling equipment and in a minor extent for green equipment.

In recent years, many of the Group's customers have experienced difficulties with traditional sources of funding. To address this problem, as part of its strategy the Group organizes funding options (vendor leasing, stock financing) in cooperation with leasing companies for both long and short term lease and provides long and short term rent.

Within its industries segment the Group believes it has a sizeable presence as a distributor in the hydraulics components and systems markets in the Netherlands, Belgium and Germany, which includes engineering and the assembling and production of hydraulic solutions for machinery. The Group believes it has a minor presence with strong concepts in the Dutch steel products industries. In its steel business, the Group believes it differentiates itself by adding value to and processing the steel products it distributes with a view to becoming an integrated part of its end-users' production processes. Furthermore, the Group distributes personal protective products in the Netherlands and to a minor extent, at the date of this Prospectus mainly intercompany within the Group, offers other products and services in the field of safety, ranging from e-learning to safety scans, consultancy and safety equipment. The Group distributes its hydraulic components and systems, (processed) steel, personal protection items and its services either directly to end-users or, in the case of the personal protective products, through an extensive network of independent wholesalers. With its industrial products and services the Group supplies mainly building companies, installation production companies, technical wholesalers, the offshore and shipping industry, original equipment manufacturers and system integrators and the agricultural industry.

The Group believes a distributor has to be the essential link in the chain, both for the customer and for the principal. Technology is developing fast and the Group believes its business model has to be flexible enough to anticipate this. At Reesink Industries, the Group therefore is increasingly concentrating on being a system integrator and co-makership partner. The strategy adopted at Reesink Industries, whereby additional emphasis is placed on engineering (system integrator) and offering processing and semi-finished products (co-makership), will be continued unabated.

In addition to the activities described above, the Group provides a full range of (after-sales) services to its customers in all markets mentioned above.

The Group's annual revenues over 2014 were €473 million (2013: €237 million, 2012: €185 million), and over the first half year of 2015 €261 million (unaudited) (first half year of 2014: €249 million (unaudited)).

The Group mainly operates in the Netherlands, Belgium, Germany and Kazakhstan. Since end of June 2015 it entered into operations in Turkey. In 2014 approximately €249 million, or 53% of the Group's revenues, were generated in the Netherlands (2013: €164 million respectively 69%; 2012: €141 million respectively 76%), €98 million, or 21% in Belgium (2013: €51 million respectively 22%; 2012: €36 million respectively 19%), €80 million, or 17% in Germany (2013: €19 million respectively 8%; 2012: €8 million respectively 4%) and €40 million, or 8% in Kazakhstan (2013 and 2012 not applicable).

The Group's operations are divided among two functional segments:

- *Reesink Equipment* – In this segment, the relevant Group Distributors operate as a distributor of equipment for agriculture and turf care, landscape maintenance, material handling, construction including earth-moving and civil engineering. To a lesser extent they also distribute cleaning equipment. The Group is within this segment also active as supplier of hardware, firmware and software for GPS technology and precision agriculture and related services thereto. The Group sources new equipment from original equipment manufacturers. Where the Group operates without dealers, it generally sources used equipment from its end-users and occasionally from third parties. The Group also obtains used equipment in the context of trade-ins of leased equipment. The Group's products and services are mainly supplied to farmers, agricultural contractors, landscape contractors, green area companies, golf courses, municipalities, government bodies, water boards, foresters and logistics customers operating in the food, non-food, industrial, transfer (harbors) and a wide variety of companies all of which operate some sort of warehouse or other logistical facilities. The Group nearly exclusively focuses on the distribution of strong brands and strong concepts. According to the Group's annual revenues over 2014, approximately €422 million, or 89% of the Group's revenues was generated in the Reesink Equipment segment (2013: €198 million respectively 84%; 2012: €137 million respectively 74%), and over the first half year of 2015 €235 million, or 90% (unaudited) (first half year of 2014: €221 million respectively 89% (unaudited)). Reesink Equipment consists of three different divisions:

    - *Reesink Green Equipment*: Kamps de Wild, Reesink Technische Handel, Stierman De Leeuw, Packo, Jean Heybroek, CT Agro, CT Agro Kazakhstan and Kuhn Center Turkey operate as Group Distributors and the Group dealers operate as dealers of products related to agricultural, turf care and landscape maintenance. Jean Heybroek also has a minor position in the cleaning equipment industries. Reesink Green Equipment carries brands such as Claas, Toro, Kuhn, Amazone, Kaweco and Rauch. Agrometius and Agrometius Belgium also operate as Group Distributors. They mainly carry the brand Trimble and serve the entire agricultural and related market with their GPS technology and precision farming products and services and, as such, operate across this market within the Group.

    - *Reesink Construction Equipment*: The Kemp Group and Hans van Driel operate as distributors of construction equipment, including earth-moving, transshipment, industrial and railroad equipment. The Reesink Construction Equipment division has a rental concept "Huur & Stuur" that allows customers to rent construction equipment for a short period of time. Reesink Construction Equipment carries brands such as Atlas, Terex, Kobelco, IHI and Bergmann. Furthermore, the Reesink Construction Equipment division distributes underground construction products of the Ditch Witch brand from the locations in De Meern (the Netherlands) and Hamme (Belgium).

    - *Reesink Material Handling Equipment*: This division focuses on an installed base model (*i.e.*, machinery for which the Group can provide services and components apart from just distributing equipment). Motrac Intern Transport, Motrac Handling & Cleaning, and Pelzer Fördertechnik operate as distributors of material handling equipment. The demand for and therefore the trade in used equipment in this industry tends to become more and more of importance. For that reason Motrac Intern Transport in the fall of 2015 opened a used equipment center in Apeldoorn, the Netherlands. The Reesink Material Handling Equipment focus industries are food retail, non-food retail, logistics, chemicals, cold store, food production and waste and recycling. Motrac Handling & Cleaning and Pelzer Fördertechnik (opportunistically) also operate as distributors of cleaning equipment. The Reesink Material Handling Equipment division carries brands such as Linde and Tennant.

- *Reesink Industries* – Within the Reesink Industries segment the Group is active in the (engineering of) hydraulics components and systems industry through Motrac Hydraulics (Motrac Hydrauliek for the Netherlands and Belgium and Motrac Hydraulik for Germany). Reesink Staal and Safety Centre International operate as supplier of (processed) steel products, respectively as distributor of personal protective products related to the construction industry, equipment manufacturers, system manufacturers, technical wholesalers and the agricultural industry. The Group focuses on the distribution of strong brands in the hydraulics components and systems industry and in the personal protective products industry and on carrying strong concepts in the steel products industry. In 2015 the Group started expanding the activities in the field of safety, through which a wide range of activities and products is offered ranging from e-learning to safety scans, consultancy and safety equipment. Those activities are conducted by Reesink Safety. According to the Group's annual revenues over 2014, approximately €51 million, or 11% of the Group's revenues was generated in the Reesink Industries segment (2013: €38 million respectively 16%; 2012: €47 million respectively 26%) and for the first half year of 2015 €26 million, or 10% (unaudited) (first half year of 2014: €27 million respectively 11% (unaudited)).

The Company acts as a holding company and focuses on the management of the Group. The Group's headquarters are located in Apeldoorn (the Netherlands). From 1 January 2015 the daily management of the Group is in the hands of the Executive Committee. The basic Group-strategy is set out by the Management Board. The Operating Companies are largely responsible for developing and implementing their own derived strategy, incentivized by and with the support of the Company. The Operating Companies are all managed independently from the Group in respect of their business, which means that the respective division directors and/or local management are responsible for the day-to-day business.

Material Factors Affecting Results of Operations

The Company believes that the following factors have contributed significantly to the development of its business and results of operations. It believes that they will continue to have a significant effect thereon in the future.

Acquisitions and divestments

Over the past years, the Group has expanded its business through organic growth and through acquisitions. The Group intends to continue its acquisition activities. Acquisitions and divestments influence the Group's results of operations. Furthermore, acquisitions increase the Group's finance expenses to the extent they are financed through debt.

In 2012, the acquisition of the Kemp Group influenced the results of operations as of the effective date of the transaction (8 May 2012). The results of operations in 2013 were affected by the acquisition of Hans van Driel on 28 January 2013. As from 16 October 2013 the Acquisition of PMH-E, consisting of all issued and outstanding shares in the share capital of Pon Material Handling Europe B.V. and its 100% subsidiaries Motrac Hydrauliek, Q-Lion B.V. (dormant), Motrac Intern Transport, Motrac Handling & Cleaning and Motrac Hydraulik and 75.04% of the issued and outstanding shares in the share capital of Pelzer Fördertechnik, influenced considerably the results of operations. Since 18 October 2013 the results of operations were to a minor extent influenced by the acquisition through Landtech Zuid of certain assets and liabilities of a local dealer. In 2014, the acquisition of certain assets and liabilities of CT Agro GmbH including all shares in CT Agro TOO influenced markedly the results on operations as of the effective date of the transaction (15 January 2014) and the acquisition of O. de Leeuw Groentechniek B.V. influenced the results of operations as of 7 October 2014. The results of operations in the first half year of 2015 were affected by the acquisition of activities of IMAV-Hydraulik GmbH as of 23 April 2015.

The joint venture in Turkey (completed on 25 June 2015) and the acquisition of 95% of the share capital of Agrometius B.V. (on 7 September 2015) are included in the results of operations as from the second half year of 2015.

Since the Group's results of operations are affected by several acquisitions and a divestment in its steel business, the (financial) information mentioned in the comparisons below also include organic figures which are calculated as stated above and combined figures over the financial years 2012 and 2013, see "Important Information – Presentation of Financial and Other Information". Organic figures and combined figures are unaudited.

Commodity and agricultural products price and weather conditions

The Group distributes, among other activities, equipment and (processed) steel products either to end-users through (independent) dealers or to end-users directly and it provides a variety of related (after-sales) services. Many of the end-users of the products distributed by the Group are directly or indirectly affected by fluctuations in agricultural products prices (*e.g.*, grain, milk and corn), often as a result of weather conditions, and commodity prices (*e.g.*, steel). Consequently, the demand for the Group's products is also indirectly or directly affected by fluctuations in those prices and weather conditions.

The Group believes that 2012 was a good year for crop farmers, who according to estimates from the Dutch Agricultural Economics Institute (LEI Wageningen UR) saw their average income rise in 2012 to the same record levels as in 2010. Prices of all vegetable raw materials on the global market increased sharply due to the extreme drought in the United States. Dairy farmers saw their income decline in 2012 after two years of increases. The Group believes 2013 was a reasonably good year for farmers. According to data provided by the Dutch Agricultural Economics Institute (LEI Wageningen UR) the income of the average farmer fell by 2.5% in 2013. Trends varied depending on the sector. The average income of Dutch crop farmers was in 2013 less than in the record year 2012. The effects of the long winter and bad spring were noticeable at the start of the year. Due to the drought at the end of the season, per-hectare sugar production (for sugar beets) remained somewhat lower. For dairy farmers 2013 was a good year with an average income that was approximately twice as high as in 2012. In view of the elimination of the dairy produce quota in 2015, dairy farmers were investing mainly in expanding their stables. The Group believes that 2014 was a bad year for crop farmers in the Netherlands, who according to estimates from the Dutch Agricultural Economics Institute (LEI Wageningen UR) saw their average income decline in 2014 to a level that was the lowest since 2004 and was approximately 25% of the average income in 2012. Dutch dairy farmers saw their income decline slightly in 2014 due to lower milk prices in mainly the last months of the year.

In Kazakhstan the Group in 2014 got off to a slow start (not for reasons of product prices or weather conditions but because of a devaluation of the Kazakh tenge) but favorable weather conditions led to bumper harvests, which in turn led to additional investments by Kazakh customers in the summer.

Also Operating Companies within the Reesink Industries segment are being affected by changes in commodity and agricultural products price and weather conditions. In 2012, despite significantly lower sales volumes, the steel prices remained high but over the years 2013 and 2014 the steel prices dropped sharply, resulting in even lower gross margins for Reesink Industries. The steel prices decreased due to a lower demand for raw materials used in steelmaking in emerging markets. Furthermore Motrac Hydraulics (Motrac Hydrauliek for the Netherlands and Belgium and Motrac Hydraulik for Germany) is – indirectly – affected by changes in agricultural products prices and weather conditions, since it supplies its products and services to original equipment manufacturers in the agricultural equipment industry. A decline in demand within this industry leads to a decrease in net revenues and results of the Group. Developments of the latter kind had no substantial impact in the last months of 2013 (Motrac Hydraulics belongs to the Group since the Acquisition of PMH-E in October 2013) or 2014.

Change in financing, demand for flexibility, increasing demand for service

In recent years, many of the Group's customers have experienced difficulties with traditional sources of funding and/or are more focused on optimizing their capital employed. To address these trends, as part of its strategy the Group organizes funding options in cooperation with leasing companies for both long and short term lease. Therefore the 'customer' is more often a finance institution. The Group also provides long and short term rent.

In addition the demand for (short term) rent possibilities increases within the markets the Group operates, also due to the fact that end-users of equipment are more-and-more confronted with short term contracts themselves, *e.g.* in the logistics business. The Group has rental concepts for construction and material handling equipment and in a minor extent for green equipment. The Group also introduced capacity contracts within its material handling division, which means that a Group Distributor considers together with the customer the need for equipment for his daily works and during peak times. The Group Distributor then supplies additional machines on demand by the customer on a (very) temporary basis. The acquisition of Huur & Stuur B.V. (a Kemp Group business) in May 2012 increased the portion of rentals in net revenues. The Acquisition of PMH-E in October 2013 further enhanced this effect. Of the net revenues for 2014 of the Reesink Equipment segment, a total of 6% was generated by rentals (2012: 3%). Due to the acquisition of CT Agro and CT Agro Kazakhstan in 2014 the share of rental-revenues in percentage declined. Another significant change in the composition of net revenues is the growing interest of service (including parts). In 2014 service within the Reesink Equipment segment accounted for 25% of net revenues, versus 14% in 2012. The Group believes that both trends will continue in the next years.

The higher share in net revenues of rentals and service (including parts) also translates into a higher gross operating income in percentage of the Group's total net revenues which came at 15.3% in 2014 (2013: 14.2% of net revenues; 2012: 12.2% of net revenues).

Changes in regulations, economic crisis and cuts in government spending

Changes in European, national and local governmental policies, such as import restrictions, the discontinuation of tax benefits related to red diesel and the abolition of the milk quota, have affected the net revenues and results of the Group, in particular of the Operating Companies within the Reesink Green Equipment division. Future changes may have a material adverse effect on the Group's profitability.

The credit crisis that began in the summer of 2008 and the until 2012 ensuing economic recession have, among other things, negatively affected the Group's revenues and margins and the value of its real estate during the years. In an economic downturn, the customers of the Group spend less on the Group's products and services. This applies to a certain extent to all of the sectors and countries in which the Group is active.

The poor economic conditions have impacted, and continue to affect, government budgets, which may also be a threat to the continuation of certain public investments that have historically benefited the Group's business, in particular in the Dutch construction, agriculture, turf care and landscaping markets. Continued reductions in government budgets are likely to have an adverse impact on the Group's business, as the Group generates revenues from the ability to sell and rent equipment to governmental entities.

The economic downturn, which generally negatively affected all industries, has especially negatively affected the building industry and thereby the related construction and industrial industry. Although the economic conditions are considered to improve, local authorities in the Netherlands decide to delay or even cancel the developments of building plans due to demographic developments and a high vacancy rate in commercial buildings. The building industry is experiencing a prolonged economic down cycle as a result of these macro-economic circumstances, which negatively impacts sales of steel products and construction equipment. The effect of the economic turmoil between 2008 and 2012 on the Group's markets may lead to a continued delay in or a cancellation of orders. Unemployment, the lack of consumer trust and the (reduced) availability of residential mortgage financing, due also to stricter conditions, or credit and funds in general, has impaired and may continue to impair consumers to purchase homes. The low sales volume of homes in the Netherlands has lead, and may continue to lead, to development projects – and more important related infrastructure projects – being postponed or cancelled.

During periods of economic downturn, the Group has also experienced additional difficulties maintaining favorable pricing and payment terms and certain customers are taking longer to pay the Group's invoices. A decreased demand for the products sold by the Group has led to competitors competing more heavily to provide their own products to the same customers, which has put additional pressure on prices.

The economic crisis also has had an adverse effect on the valuation of real estate over the years 2012, 2013 and 2014. Especially the Group's investment property has been influenced negatively by fair value adjustments and a downwards adjustment of the rent of the Ecofactorij 20 in Apeldoorn (the Netherlands) as agreed with THR. Those fair value adjustments have a direct impact on the Group's profit and loss account ('non-realized fair value adjustments of investment property'). Land and buildings for the Group's own use were also negatively influenced by the poor economic conditions, but to a lesser extent. The fair value adjustments related to land and buildings used by the Group do not influence the Group's profit and loss account unless there is no relevant revaluation reserve (in equity) or the relevant revaluation reserve (in equity) has been fully utilized in the past.

Seasonality

The Group's net revenues and operating income are subject to seasonal fluctuations as a result of weather conditions and crop season. Seasonal fluctuations primarily influence the Reesink Equipment segment, normally resulting in weaker results in the second half of the year compared to the first half year of the same year. Due to the diversification of the Group's activities during the past years the impact of seasonal fluctuations decreased.

Exceptional items

The Group's performance over 2012 is influenced by exceptional items. The Group's results were in 2012 positively impacted by €0.2 million (settlement of two minor lawsuits) and negatively impacted as a result of costs associated with the restructuring of the steel business (€0.4 million).

Organizational Structure and Segmentation

The Company is a holding company and focuses on the management of the Group. The Group has a functional organizational structure with two segments, being Reesink Equipment and Reesink Industries. The Reesink Equipment segment is subdivided into the three divisions: being Reesink Green Equipment, Reesink Construction Equipment and Reesink Material Handling Equipment.

The Operating Companies may all be found within the functional organizational structure. In addition, several Group Companies provide additional (supporting) services within the Group (*e.g.*, Reesink Support B.V. provides shared services to certain Group Companies such as administration, human resources, IT, personnel, control and finance).

The Group's segments are accounted for in a manner consistent with Dutch GAAP. Segment information under Dutch GAAP is limited to net revenues. Accordingly, the comparative discussions in this chapter Operating and Financial Review consider the contribution to Group net revenue by Reesink Equipment and Reesink Industries and by the various geographical areas in which the Group is active. In addition the contribution to Group net revenue by the three divisions within Reesink Equipment are also discussed.

Description of Line Items

Set forth below is a brief description of the composition of the line items of the Group's consolidated income statement. This description must be read in conjunction with the significant accounting policies elsewhere in this chapter and in the annual accounts of the financial years 2014, 2013 and 2012.

Net revenues: This line item includes net revenues derived from the sale of goods and service (*i.e.*, sale of equipment and parts, sale of steel (processing), servicing and rental income) taking into account payment discounts, trade discounts and volume discounts.

Cost of sales: This line item includes the cost of sales related to the cost of goods and services sold and also includes the cost of personnel and other direct costs related to the purchase, servicing and warehousing of the goods and services sold.

Gross operating income: This line item consists of net revenues minus cost of sales.

Selling expenses: This line item includes expenses related to the selling function and represents the cost of *e.g.*, sales employees, account management, company cars and cost of the related back office.

General and administrative expenses: This line item includes expenses relates to general and administrative expenses.

Exceptional items: This line item includes income or expenses that arise from the restructuring of activities or the settlement of claims. These events or transactions are clearly distinguishable from the ordinary operating activities of the Group and have a highly incidental character and are therefore not expected to recur frequently or regularly.

Total expenses: This line item represents selling and general and administrative costs as well as exceptional items as mentioned above.

Net operating income: This line item consists of gross operating income minus total expenses as mentioned above.

Other operating income: This line item mainly represents income generated from the rent of Ecofactorij 20 in Apeldoorn (the Netherlands) to THR.

Operating results: This line item consists of net operating income and other operating income as mentioned above.

Revenues from receivables included in fixed assets and from securities: This line item includes revenues related to receivables as included in fixed assets and from securities such as dividend income derived from the Group's participating interest in VIBA (which was sold in 2014).

Interest and similar income: This line item includes interest income and mainly represents interest income from current receivables.

Changes in the value of receivables included in fixed assets and of securities: This line item includes impairments of receivables and of securities such as the impairment of the loans provided to THR.

Expenses relating to financing activities and similar charges: This line item includes interest charges related to financing facilities. This line item also includes the amortization costs of the financing facilities' related transaction costs.

(Non-) realized fair value adjustments of investment property: This line item includes the fair value adjustments of investment property owned by the Group.

Taxation of results from ordinary activities: This line item includes taxes on results from ordinary activities in a particular year and comprises current and deferred taxes.

Share in results from participating interests: This line item represents the Group's share in the profits or losses of its participating interests in THR (including impairment), De Kruyf Mechanisatie, De Vries Mechanisatie and Outlet-DHZ-Valkenswaard B.V.

Results after taxation: This line item consists of results from ordinary activities before taxation minus taxation of results from ordinary activities minus share in results from participating interests as mentioned above.

Minority interest in profit: This line item represents the third-party minority interest of 25% in the net results of Bruggeman Mechanisatie.

Net results: This line item consists of the results after taxation minus the minority interest in profit as mentioned above.

Consolidated income statement *(x €1,000, except for weighted average number of Ordinary Shares and net income per Ordinary Share)*

	1st Half year 2015 unaudited	% of net revenues	1st Half year 2014 unaudited	% of net revenues	2014 audited	% of net revenues	2013 audited	% of net revenues	2012 audited	% of revenues
Net revenues	261,414	100.0	248,502	100.0	473,211	100.0	236,558	100.0	185,222	100.0
Cost of sales	-220,174	-84.2	-211,675	-85.2	-400,899	-84.7	-203,042	-85.8	-162,595	-87.8
Gross operating income	**41,240**	**15.8**	**36,827**	**14.8**	**72,312**	**15.3**	**33,516**	**14.2**	**22,627**	**12.2**
Selling expenses	13,849	5.3	13,852	5.6	26,959	5.7	13,424	5.7	9,292	5.0
General and administrative expenses	15,131	5.8	13,741	5.5	29,326	6.2	12,923	5.5	8,717	4.7
Exceptional items	-	-	-	-	-	-	-		229	0.1
Total expenses	**28,980**	**11.1**	**27,593**	**11.1**	**56,285**	**11.9**	**26,347**	**11.1**	**18,238**	**9.8**
Net operating income	**12,260**	**4.7**	**9,234**	**3.7**	**16,027**	**3.4**	**7,169**	**3.0**	**4,389**	**2.4**
Other operating income	707	0.3	750	0.3	1,500	0.3	3,252	1.4	2,315	1.2
Operating results	**12,967**	**5.0**	**9,984**	**4.0**	**17,527**	**3.7**	**10,421**	**4.4**	**6,704**	**3.6**
Revenues from receivables included in fixed assets, and from securities	-	-	-	-	658	0.1	-	-	182	0.1
Interest and similar income	109	0.0	106	0.0	307	0.1	130	0.1	343	0.2
Changes in the value of receivables included in fixed assets and of securities	-	-	-	-	-	-	-	-	-3,215	-1.7
Expenses relating to financing activities and similar charges	-1,743	-0.7	-1,696	-0.7	-3,357	-0.7	-2,235	-0.9	-905	-0.5
(Non-) realized fair value adjustments of investment property	103	-	-	-	-2,439	-0.5	-1,804	-0.8	-2,878	-1.6
Results from ordinary activities before taxation	**11,436**	**4.3**	**8,394**	**3.4**	**12,696**	**2.7**	**6,512**	**2.8**	**231**	**0.1**
Taxation of results from ordinary activities	-3,254	-1.3	-2,362	-1.0	-3,856	-0.8	-1,998	-0.8	-626	-0.3
Share in results from participating interests	-	-	12	0.0	8	0.0	19	0.0	-3,922	-2.1
Results after taxation	**8,182**	**3.1**	**6,044**	**2.4**	**8,848**	**1.9**	**4,533**	**1.9**	**-4,317**	**-2.3**
Minority interest in profit	-50	0.0	-23	-	57	0.0	-24	-0.0	-14	-0.0
Net results	**8,132**	**3.1**	**6,021**	**2.4**	**8,905**	**1.9**	**4,509**	**1.9**	**-4,331**	**-2.3**
Weighted average number of Ordinary Shares:										
Basic	1,249,014		1,247,559		1,247,559		909,756		704,022	
Fully diluted	1,249,014		1,247,559		1,247,559		922,185		714,842	
Net income per Ordinary Share:										
Basic (in €)	6.51		4.81		7.10		4.85		-6.22	
Fully diluted (in €)	6.51		4.81		7.10		4.79		-6.12	

Comparison Results of Operations for the Six-Month Periods Ended 30 June 2015 and 30 June 2014 (unaudited)

The Group's consolidated results of operations in the six-month period ended 30 June 2015 compared to the six month period ended 30 June 2014 are discussed below.

Organic figures are determined as described in the paragraph "Important Information – Presentation of Financial and Other Information – Organic Figures". To determine organic figures for the comparison of results of operations for the first half year of 2015 and the first half year of 2014, the IMAV-activities were eliminated for the first half year of 2015 and the figures of CT Agro, CT Agro Kazakhstan and De Leeuw Groentechniek over 2014 are presented as if the operations were incorporated at 1 January 2014. With the partnership with APH in Turkey having been concluded shortly before 30 June 2015 the impact of this acquisition on the figures was nil during the first half year of 2015. The organic figures are unaudited.

Net revenues (unaudited)

Consolidated net revenues for the first half year of 2015 were €261.4 million (unaudited), an increase of €12.9 million (unaudited) or 5.2% (unaudited) compared to €248.5 million (unaudited) for the first half year of 2014. Organic net revenues increased by 3.8% (unaudited)

The following tables illustrate how net revenues of (the divisions within) the equipment and industrial segments and geographic areas contributed to the Group's total net revenue in the first half year of 2015 and the first half year of 2014.

Net revenues by segment and division (x €1,000)

	1st Half year 2015 unaudited	% of net revenues	1st Half year 2014 unaudited	% of net revenues
Reesink Equipment segment:				
- Reesink Green Equipment division	111,985	42.8	96,923	39.0
- Reesink Construction Equipment division	22,152	8.5	24,638	9.9
- Reesink Material Handling Equipment division	101,377	38.8	100,777	40.6
- Elimination intercompany revenues	-219	-0.1	-928	-0.4
Reesink Equipment segment total	235,295	90.0	221,410	89.1
Reesink Industries segment total	25,771	9.9	26,772	10.8
Other total	348	0.1	320	0.1
	261,414	100.0	248,502	100.0

Net revenues by geographic area (x €1,000)

	1st Half year 2015 unaudited	% of net revenues	1st Half year 2014 unaudited	% of net revenues
The Netherlands	145,276	55.6	137,511	55.3
Belgium	45,566	17.4	53,066	21.4
Germany	42,618	16.3	38,184	15.4
Kazakhstan	25,120	9.6	17,269	6.9
Other European Union	2,282	0.9	1,903	0.8
Non-European Union	551	0.2	569	0.2
	261,414	100.0	248,502	100.0

In the first half year of 2015 the Reesink Equipment segment increased its net revenues by 6.3% (unaudited) to €235.3 million (unaudited) (first half year of 2014: €221.4 million (unaudited)). Organic net revenues increased by 5.3% (unaudited).

Reesink Green Equipment's net revenues increased in the first half year of 2015 to €112.0 million (unaudited) (first half year of 2014: €96.9 million (unaudited)), representing an increase of more than 15% (unaudited). Organic net revenues increased 13% (unaudited). Within Reesink Green Equipment net revenues were up sharply in landscape maintenance, forests, and gardens and parks, driven mainly by strong sales of machines for the maintenance of golf courses and public parks and gardens. Sales to the agricultural market in the Benelux countries grew slightly. Sales of tractors and, to a lesser extent, of larger harvesting machines, were higher than during the first half year of 2014. Sales in Kazakhstan even grew substantially. Sales of tractors, seeders and tillage machines, parts, and the provision of services were all very strong in the first half year of 2015.

Net revenues at Reesink Construction Equipment fell by 10% (unaudited) to €22.2 million (unaudited) (first half year of 2014: €24.6 million (unaudited)). Within Reesink Construction Equipment net revenues increased markedly in the Netherlands, while Reesink Construction Equipment in Belgium was faced with a sharp fall in sales, although it should be noted that a substantial order for a controlled drilling system boosted sales during the first months of 2014.

Reesink Material Handling posted net revenues of €101.4 million (unaudited) during the first half year of 2015, bringing it up to virtually the same level as in the first half year of 2014 (€100.8 million (unaudited)). Within Reesink Material Handling Equipment sales of new machines, used machines and parts remained just below the 2014 level, while sales from service increased marginally. Net revenues from rentals increased sharply, although there were some differences in this growth based on geographic region. Net revenues in Germany increased significantly, while net revenues in the Netherlands were markedly lower owing to the lower sales of new machines. Net revenues in Belgium were in line with the first half year of 2014.

The Reesink Industries segment posted net revenues over the first half year of 2015 of €25.8 million (unaudited), which is €1 million lower (unaudited) than in the first half year of 2014. Motrac Hydraulik was boosted by the acquisition of the IMAV business, which accounted for €1.3 million (unaudited) of total net revenues. The net revenues of Motrac Hydraulics (Motrac Hydrauliek for the Netherlands and Belgium and Motrac Hydraulik for Germany) were equal to the first half year of 2014. The market for the agricultural original equipment manufacturers, in particular, struggled, which is one of the reasons for the significantly lower net revenues in Germany. At Reesink Staal, net revenues were virtually equal to the first half year of 2014, although the level remained too low. Sales of personal protection items were markedly lower because Safety Centre International and its main supplier Bata, are both struggling in the market.

During the first half year of 2015 gross operating income increased by €4.4 million (unaudited) or +11.9% (unaudited) compared to the same period in 2014 to €41.2 million (unaudited) (first half year of 2014: €36.8 million (unaudited)). Gross operating income in the first half year of 2015 was 15.8% (unaudited) of net revenues, versus 14.8% (unaudited) for the same period in 2014. Reesink Equipment's gross operating income increased by 11.5%, (unaudited) from €33.8 million (unaudited) over the first half year of 2014 to €37.7 million (unaudited) over the first half year of 2015. The organic increase was 10.4% (unaudited). The gross operating income of Reesink Industries increased by €0.5 million (unaudited) to €3.5 million (first half year of 2014: €3.0 million (unaudited)); of this increase €0.3 million (unaudited) was organic.

Selling and general and administrative expenses (unaudited)

Total selling and general and administrative expenses increased in the first half year of 2015 by 4.8% (unaudited) to €28.9 million (unaudited) (first half year of 2014: €27.6 million (unaudited)). Organically these costs increased by €0.9 million (unaudited). Of this increase, a total of €0.4 million (unaudited) was related to changes in the composition of the management of Reesink Material Handling Equipment and the sales organization of Reesink Green Equipment. Furthermore, costs increased by €0.2 million (unaudited) on account of costs for setting up an internal international communications platform and start-up costs for (advice on) the prospectus and IFRS. The remainder arises from the previously initiated change in the organizational structure in relation to the growth of the Group and internationalization.

Other operating income (unaudited)

The other operating income in the first half year of 2015, amounting to €0.7 million (unaudited), concerned external rental income (first half year of 2014: €0.8 million (unaudited)).

Operating results (unaudited)

Operating results before depreciation and amortization (EBITDA) increased by almost 18% (unaudited), from €15.7 million (unaudited) in the first half year of 2014 to €18.5 million (unaudited) in the first half year of 2015. Expenses related to depreciation and amortization for the first half year of 2015 amounted to €5.5 million (unaudited) (first half year of 2014: €5.7 million (unaudited)). The amortization of the capitalized intangible fixed assets (i.e. service contracts) in the first half year of 2015 amounted to €0.3 million (unaudited). Operating results (EBIT) increased by 30% (unaudited) to €13.0 million (unaudited) (first half year of 2014: €10.0 million (unaudited)).

Revenues from receivables included in financial fixed assets and from securities (unaudited)

In the first half year of 2015 as well as in the first half year of 2014 the Group did not receive any dividend or other income from financial fixed assets or from securities.

Interest and similar income and charges (unaudited)

During the first half year of 2015 the balance of financing income and expenses and similar income and charges remained unchanged compared to the first half year of 2014 at -€1.6 million (unaudited).

(Non-) realized fair value adjustments of investment property (unaudited)

Investment property is, in accordance with Dutch GAAP as applied, appraised on an annual basis only. Therefore, no non-realized fair value adjustments are recognized during the first half year of 2015 and 2014. In the first half year of 2015 the fair value of 175,005 m2 of land at De Kar in Apeldoorn, the Netherlands, which were held as investment property was adjusted upwards with €0.1 million (unaudited). The land was sold on 29 June 2015.

Taxation of results from ordinary activities (unaudited)

The weighted average applicable tax rate in the first half year of 2015 was 28.1% (unaudited) versus 28.6% (unaudited) in the first half year of 2014. The decrease was a result of a change in the proportional impact on the results from ordinary activities before taxation from Group Companies based outside the Netherlands.

Share in results from participating interests (unaudited)

The share in results from participating interests in the first half year of 2015, as well as in the first half year of 2014, was (rounded) €0.0 million (unaudited).

Minority interest in profit (unaudited)

The minority interest in profit represents the third-party minority interest of 25% in the net results of Bruggeman Mechanisatie. The net results of Bruggeman Mechanisatie in the first half year of 2015 amounted to €0.2 million (unaudited) which is €0.1 million (unaudited) higher than was realized in the first half year of 2014.

Net result (unaudited)

Overall net results in the first half year of 2015 were €8.1 million (unaudited), an increase of €2.1 million (unaudited) compared to the first half year of 2014 (+35% (unaudited)).

Comparison Results of Operations for the Years Ended 31 December 2014 and 31 December 2013

The Group's consolidated results of operations for the year ended 31 December 2014 compared to the year ended 31 December 2013 are discussed below.

Organic figures are determined as described in the paragraph "Important Information – Presentation of Financial and Other Information – Organic Figures". To determine organic figures for the comparison of results of operations for 2014 and 2013, CT Agro, CT Agro Kazakhstan and De Leeuw Groentechniek were eliminated for 2014 and the entities acquired through the Acquisition of PMH-E and Hans van Driel were taken into account as if the related acquisitions took place on 1 January 2013. The organic figures are unaudited.

Net revenues

Net revenues for 2014 amounted to €473.2 million, which is double the net revenues reported for 2013 of €236.6 million. Organic net revenues increased by 7.3% (unaudited).

The following tables illustrate how net revenues of (the divisions within) the equipment and industrial segments and geographic areas contributed to the Group's total net revenue in 2014 and 2013.

Net revenues by segment and division (x €1,000)

	2014	**% of net revenues**	**2013**	**% of net revenues**
Reesink Equipment segment:				
- Reesink Green Equipment division (unaudited)	170.377	36.0	115,461	48.8
- Reesink Construction Equipment division (unaudited)	45,518	9.6	43,230	18.3
- Reesink Material Handling division (unaudited)	207,019	43.7	39,785	16.8
- Elimination intercompany revenues (unaudited)	-1.176	-0.2	-478	-0.2
Reesink Equipment segment total (audited)	421,738	89.1	197,998	83.7
Reesink Industries segment total (audited)	50,737	10.7	37,839	16.0
Other total (audited)	736	0.2	721	0.3
	473,211	100.0	236,558	100.0

Net revenues by geographic area (x €1,000)

	2014 audited	**% of net revenues**	**2013 audited**	**% of net revenues**
The Netherlands	248,673	52.6	164,072	69.4
Belgium	98,482	20.8	51,062	21.6
Germany	80,110	16.9	18,803	7.9
Kazakhstan	40,070	8.5	-	-
Other European Union	4,687	1.0	1,959	0.8
Non-European Union	1,189	0.2	662	0.3
	473,211	100.0	236,558	100.0

Reesink Equipment's net revenues increased from €198.0 million in 2013 to €421.7 million in 2014. The companies added to the group in 2014 accounted for more than €41 million of this increase (mainly CT Agro and CT Agro Kazakhstan). Reesink Equipment's organic net revenues increased by almost 9% (unaudited).

Reesink Green Equipment posted an increase in net revenues of almost 48%. Reesink Green Equipment's organic net revenues increased by 11.6% (unaudited). Early 2014 CT Agro was confronted with a devaluation of the Kazakh tenge, prompting its customers to temporarily hold back somewhat on purchases.

Reesink Construction Equipment posted net revenues in 2014 of €45.5 million (2013: €43.2 million).

Reesink Material Handling Equipment closed the year 2014 with net revenues of €207.0 million. Reesink Material Handling Equipment became part of the Group on 16 October 2013 through the Acquisition of PMH-E and generated net revenues of €39.8 million during the last two and a half months of 2013.

Net revenues of the Reesink Industries segment increased from €37.8 million in 2013 to €50.7 million in 2014. Organic net revenues at Reesink Industries were down 4% (unaudited). The net revenues in personal protection items and steel, due to lower steel prices, were clearly down, while the net revenues increased slightly at Motrac Hydraulics (Motrac Hydrauliek for the Netherlands and Belgium and Motrac Hydraulik for Germany).

Gross operating income

Consolidated gross operating income came to €72.3 million in 2014 (2013: €33.5 million), being 15.3% of net revenues (2013: 14.2%). Consolidated gross operating income was adversely affected by pressure on Reesink Material Handling Equipment's margins and higher expenses which are attributable to the cost of sales. The Group mainly invested in the organization for service.

Selling and general and administrative expenses

In 2014 the Group grew substantially, also thanks to acquisitions and further expansion of international business. Maintaining internal control and the goal of further growth over coming years led to adjustments in the organizational structure and associated investments in the organization. Moreover, a few services, including ICT, were insourced within the scope of the carve out of PMH-E at Pon Holdings. The total amount in selling and general and administrative expenses increased from €26.3 million in 2013 to €56.3 million in 2014. Total organic expenses increased by €2.7 million (unaudited), of which expenses €0.7 million (unaudited) were non-recurring.

Other operating income

In 2014 the Group generated €1.5 million in other operating income (2013: €3.3 million). External rental income in 2014 came to €1.5 million (2013: €1.8 million), representing a fall of €0.3 million due to the change in the lease with THR in relation to the premises at the Ecofactorij in Apeldoorn. Other operating income in 2013 was driven by a €1.5 million provision received for assisting the former owner of CT Agro GmbH with the sale of machines and the management in Kazakhstan.

Operating results

Operating results before depreciation and amortization (EBITDA) increased by almost 88% (unaudited) to €28.0 million (unaudited) (2013: €14.9 million (unaudited)). The total amount in depreciation and amortization came to €10.5 million (2013: €4.5 million). Operating results increased from €10.4 million in 2013 to €17.5 million in 2014, an increase of more than 68%.

Revenues from receivables included in financial fixed assets and from securities

The depositary receipts for VIBA N.V. shares held by the Group were sold in 2014 for almost €1.4 million. The book profit on those depositary receipts for shares came to €0.7 million.

Interest and similar income and charges

The balance of financing income and expenses charged to the result in 2014 was €3.1 million (2013: €2.1 million). The expansion of the Group resulted in higher funding requirements, which were partially met with a subordinated convertible loan and a subordinated loan, both from the Pon Holdings-organization.

Taxation of results from ordinary activities

The weighted average applicable tax rate in 2014 was 30.4% versus 30.7% in 2013.The impact of the foreign Group Companies on the weighted average tax rate in 2014 was 5.2%.

(Non-) realized fair value adjustments of investment property

Valuations of property led in 2014 to a write-down of €2.4 million (2013: write-down of €1.8 million). The property used for the conduct of the business was written down by €0.4 million via the profit and loss account.

Share in results from participating interests

The share in the result from participating interest in 2014 was (rounded) nil, as was the case in 2013.

Minority interest in profit

The minority interest in profit represents the third-party minority interest of 25% in the net results of Bruggeman Mechanisatie. The net results of Bruggeman Mechanisatie went from €0.1 million in 2013 to negative €0.2 million in 2014.

Net results

Net results for 2014 were €8.9 million, which was 97% higher than in 2013 (€4.5 million).

Comparison Results of Operations for the Years Ended 31 December 2013 and 31 December 2012

The results of the Group's consolidated results of operations for the year ended 31 December 2013 compared with the year ended 31 December 2012 are discussed below.

Organic figures are determined as described in the paragraph "Important Information – Presentation of Financial and Other Information – Organic Figures". To determine organic figures for the comparison of results of operations for 2013 and 2012, the entities acquired through the Acquisition of PMH-E and Hans van Driel were eliminated for 2013 and the Kemp Group was taken into account as if this acquisition occurred at 1 January 2012.

The Acquisition of PMH-E on 16 October 2013 led to a doubling in size of the Group. In light of the impact of this acquisition, combined income statements over 2013 and 2012 and explanatory notes thereto are included at the end of this paragraph, showing the combined figures of the Group and the concerning acquired entities as if their acquisition took place on 1 January 2012. The combined income statements are based on the Group figures over 2012 and 2013 and the figures of the entities acquired through this acquisition over 2012 and the period 1 January – 16 October 2013. They do however not purport to present a fully accurate indication what the Group's results from operation or financial condition over 2012 and 2013 would have been if this acquisition had taken place on 1 January 2012, since adjustments related to the acquisition have been made to reflect the situation as if the acquisition took place on 1 January 2012 as accurately as possible. The combined income statements therefore are just presented for illustrative purposes.

The organic figures and the combined financial figures and adjustments are unaudited.

Net revenues

Net revenues in 2013 amounted to €236.6 million (2012: €185.2 million) representing an increase of almost 28%. The in 2013 newly-acquired companies generated net revenues of €56.6 million. Organic net revenues fell by €15.8 million (unaudited), a decline of 8% (unaudited), largely due to €12 million lower net revenues from the steel operations as a result of the reorganization and closure of (the loss-making) Nederlandse Staal Unie and the difficult market conditions.

The following tables illustrate how net revenues of (the divisions within) the equipment and industrial segments and geographic areas contributed to the Group's total net revenue in 2013 and 2012.

Net revenues by segment and division (x €1,000)

	2013	**% of net revenues**	**2012**	**% of net revenues**
Reesink Equipment segment:				
- Reesink Green Equipment division (unaudited)	115,461	48.8	118,389	63.9
- Reesink Construction Equipment division (unaudited)	43,230	18.3	18,784	10.2
- Reesink Material Handling Equipment division (unaudited)	39,785	16.8	-	-
- Elimination intercompany revenues (unaudited)	-478	-0.2	-	-
Reesink Equipment segment total (audited)	197,998	83.7	137,173	74.1
Reesink Industries segment total (audited)	37,839	16.0	47,487	25.6
Other total (audited)	721	0.3	562	0.3
	236,558	100.0	185,222	100.0

Net revenues by geographic area (x €1,000)

	2013 audited	**% of net revenues**	**2012 audited**	**% of net revenues**
The Netherlands	164,072	69.4	140,667	75.9
Belgium	51,062	21.6	36,073	19.5
Germany	18,803	7.9	7,708	4.2
Other European Union	1,959	0.8	564	0.3
Non-European Union	662	0.3	210	0.1
	236,558	100.0	185,222	100.0

Reesink Equipment's net revenues increased by €60.8 million to €198.0 million, €53.2 million of which was generated by entities acquired through the Acquisition of PMH-E and Hans van Driel. Reesink Equipment's organic net revenues fell slightly by 2.5% (unaudited). The acquisition of Huur & Stuur B.V. (a Kemp Group business) in May 2012 increased the portion of rentals in net revenues. The integration of the entities acquired through the Acquisition of PMH-E further enhanced this effect. Another significant change in the composition of the net revenues was the growing interest of service (including parts).

In 2013, Reesink Green Equipment generated net revenues of €115.5 million (2012: €118.4 million). Trends varied depending on the sector and country. Sales in Belgium were lower as expected because of a less significant 'Agribex effect'. Agribex is a biannual agricultural fair held in Belgium (in December during uneven years), which typically generates substantial sales the following spring. There was an upward trend again in the agricultural sector in the second half of 2013, supported by rising milk prices and higher crop prices. This trend was somewhat levelled off in Belgium due to the lower liquidity in the market. Government cuts also continued to have an impact on trends relating to landscape maintenance as well as forest, park and garden management; however, this was offset by a stronger position in the other markets, particularly golf course maintenance.

Reesink Construction Equipment was expanded in January 2013 with the addition of Hans van Driel, and posted net revenues of €43.2 million (2012: €18.8 million). Organic net revenues were marginally higher (unaudited). There were some differences in the geographic markets. The Belgian market for the sale of earth-moving equipment, as in 2012, was significantly better than its Dutch counterpart. Contractors, which were already faced with a lack of work due to an absence of new projects, were also burdened with additional expenses following the discontinuation of red diesel. However, this caused the net revenues of Huur & Stuur B.V. in the Netherlands to increase by more than 17%.

Reesink Material Handling Equipment became (through the Acquisition of PMH-E) part of the Group on 16 October 2013 and generated net revenues of €39.8 million during the last 2.5 months of that year. Reesink Material Handling Equipment's business model is, unlike the other Operating Companies within the Equipment segment, not primarily aimed on the sale of machinery but is aimed at generating income from service and parts. Service and parts accounted in 2013 for a slightly greater share of the net revenues in Germany (North Rhine-Westphalia) than in the Netherlands and Belgium, while rental made up a more significant portion of the revenues in the Netherlands.

During 2013 the Reesink Industries segment generated net revenues of €37.8 million (2012: €47.5 million), of which €3.4 million was generated by sales of hydraulic systems and components that Motrac Hydraulics (Motrac Hydrauliek for the Netherlands and Belgium and Motrac Hydraulik for Germany) delivered to the customers from 16 October 2013 onwards. Of the sharp fall in organic net revenues €12.0 million (unaudited) was attributed to lower net revenues from the steel business following the restructuring and closure of the (loss-making) Nederlandse Staal Unie and the difficult market conditions. Demands for steel continued to decline further in 2013, causing market overcapacity to increase accordingly.

Gross operating income

Gross operating income increased to €33.5 million (2012: €22.6 million). The 8% (unaudited) decline in organic growth was reflected in a 3% (unaudited) fall in organic gross operating income. The increased contributions of service (including parts) and rentals in net revenues were reflected in an increase in gross operating income as a percentage of net revenues to 14.2% (2012: 12.2%).

Selling and general and administrative expenses

The total selling and general and administrative expenses increased due to the addition of operations to €26.3 million (2012: €18.2 million). The total organic expenses fell by €0.4 million (unaudited).

Exceptional items

In 2013 no exceptional item was recognized (2012: - €0.2 million). In 2012, two minor lawsuits were settled which led to €0.2 million in compensation for the Group from its counterparties and costs associated with the restructuring of the steel business (€0.4 million) were recognized as an exceptional item in 2012.

Other operating income

Other operating income of €3.3 million in 2013 (2012: €2.3 million) was favorably influenced by a commission of €1.5 million received for sales efforts in Kazakhstan. The external rental income and management fees in relation to THR fell by €0.5 million compared to 2012.

Operating results

The operating results excluding depreciation and amortization (EBITDA) increased by more than 65% (unaudited) to €14.9 million (unaudited) (2012: €9.0 million (unaudited), including negative €0.2 million from exceptional items). Organic EBITDA increased by 6.9% (unaudited). Total depreciation and amortization increased from €2.3 million in 2012 to €4.5 million in 2013 due to the depreciation on the rental fleet of Reesink Material Handling and Huur & Stuur (Kemp Group). The operating results (EBIT) increased in 2013 by more than 55% to €10.4 million (2012: €6.7 million, including negative €0.2 million from exceptional items). The organic operating results increased by 8.1% (unaudited).

Revenues from receivables included in fixed assets and from securities

The VIBA shares held by the Group did not generate any dividend payments in 2013 (2012: €0.2 million).

Interest and similar income and charges

On balance, financing income and expenses and similar income expenses amounting to €2.1 million were in 2013 charged to the result (2012: €0.6 million). An amount of €0.5 million of the increase was related to (non-recurrent) fees paid to the banks in connection with drawing under an acquisition facility (including a commitment fee) and €0.1 million to the preparation of the bank documentation.

Changes in the value of receivables included in fixed assets and of securities

The balance of movements for 2013 in claims included in fixed assets was nil, while in 2012 this was negative €3.2 million. Claims against THR relating to loans or guarantees totaled €3.4 million as at 31 December 2012 and were fully written down on account of uncertainty regarding future free cash flows.

Non-realized fair value adjustments of investment property

The valuations of the real estate resulted in 2013 in a write-down of €1.8 million (2012: write-down of €2.9 million). The impact of general negative market trends in real estate and the economic and technical obsolescence was most significant for the distribution center at Ecofactorij in Apeldoorn (which is leased to THR): a write-down of €1.3 million. The property assets used for business operations were written down at an amount of €0.2 million through the profit and loss account.

Taxation of results from ordinary activities

The weighted average applicable tax rate in 2013 was 30.7% (2012: 269.8%), 5.7% higher than the nominal burden applicable to the Netherlands. The impact of the foreign companies on the tax burden in 2013 was 5.3%. The high applicable tax rate in 2012 was mainly due to the fact that a portion of the impairment and guarantee by THR were treated as non-deductible costs.

Share in results from participating interests

The share in the profit of companies in which the Group participated in 2013 was (rounded) nil (2012: negative €3.9 million). The loss from participations in 2012 was due almost entirely to the share in the loss for 2012 of THR and the impairment of the participation value of THR to nil.

Minority interest in profit

The minority interest in profit represents the third-party minority interest of 25% in the net results of Bruggeman Mechanisatie.

Net results

Net results for 2013 were €4.5 million (2012: negative €4.3 million).

Combined income statements over 2013 and 2012 (unaudited)

The Acquisition of PMH-E on 16 October 2013 led to a doubling in size of the Group. In light of the impact of this acquisition, combined income statements over 2013 and 2012 and explanatory notes thereto are included below, showing the combined figures of the Group and the concerning acquired entities as if their acquisition took place on 1 January 2012. The combined income statements are based on the Group figures over 2012 and 2013 and the figures of the entities acquired through this acquisition over 2012 and the period 1 January – 16 October 2013. They do however not purport to present a fully accurate indication what the Group's results from operation or financial condition over 2012 and 2013 would have been if this acquisition had taken place on 1 January 2012, since adjustments related to the acquisition have been made to reflect the situation as if the acquisition took place on 1 January 2012 as accurately as possible. The combined income statements therefore are just presented for illustrative purposes. The combined figures and adjustments are unaudited.

Combined income statement for the year ended 31 December 2013 (unaudited)

The following table contains the unaudited combined income statement of the Group for the year 2013. This table reflects the situation as if the Acquisition of PMH-E, that took place on 16 October 2013, had been taken place on 1 January 2012.

Combined income statement 2013 ***(x €1,000)***

	A	B	C	D	E (B+C+D)		F (A+E)	
	Group 2013 audited	**Acquired entities through the Acquisition of PMH-E period 1-1 to 16-10- 2013 unaudited***	**Acquisition related adjustments (excl. financing) unaudited**	**Acquisition related financing unaudited**	**Total combined adjustments unaudited**	**Reference notes**	**Combined 2013 unaudited**	**Combined 2013 as % of revenues unaudited**
Net revenues	236,558	165,702	-	-	165,702		402,260	100.0
Cost of sales	-203,042	-138,512	-310	-	-138,822	I, II	-341,864	-85.0
Gross operating income	**33,516**	**27,190**	-310	-	**26,880**		**60,396**	**15.0**
Selling expenses	13,424	11,478	-10	-	11,468	II	24,892	6.2
General and administrative expenses	12,923	9,957	-89	-	9,868	II	22,791	5.7
Total expenses	**26,347**	**21,435**	-99	-	**21,336**		**47,683**	**11.9**
Net operating income	**7,169**	**5.755**	**-211**	**-**	**5,544**		**12,713**	**3.2**
Other operating income	3,252	-45	-211	-	-45		3,207	0.8
Operating results	**10,421**	**5,710**	**-211**	**-**	**5,499**		**15,920**	**4.0**
Revenues from receivables included in fixed assets, and from securities	-	-	-	-	-		-	
Interest and similar income	130	-	-	-	-		130	0.0
Changes in the value of receivables included in fixed assets, and of securities	-	-	-	-	-		-	-
Expenses relating to financing activities and similar charges	-2,235	-709	-	-578	-1,287	IV	-3,522	-0.9
(Non-) realized fair value adjustments of investment property	-1,804	–	-298	–	-298	II	-2,102	0.5
Results from ordinary activities before taxation	**6,512**	**5,001**	**--509**	**-578**	**3,914**		**10,426**	**2.6**
Taxation of results from ordinary activities	-1,998	-1,498	149	145	-1,204	V	-3,202	-0.8
Share in results from participating interests	19	-	-	-	-		19	0.0
Results after taxation	**4,533**	**3,503**	**360**	**-433**	**2,710**		**7,243**	**1.8**
Minority interest in profit	-24	-	-	-	-		-24	0.0
Net results	**4,509**	**3,503**	**360**	**-433**	**2,710**		**7,219**	**1.8**

* The Acquisition of PMH-E took place on 16 October 2013. No audited figures are available for the period 1 January to 16 October 2013.

The reference notes are further explained in the paragraph "Combined adjustments and underlying assumptions" below.

Combined income statement for the year ended 31 December 2012 (unaudited)

The following table contains the unaudited combined income statement of the Group for the year 2012. This table reflects the situation as if the Acquisition of PMH-E, that took place on 16 October 2013, has been taken place on 1 January 2012.

Combined income statement 2012 *(x €1,000)*

	A	B	C	D	E (B+C+D)		F (A+E)	
	Group - 2012 audited	**Acquired entities through the Acquisition of PMH-E 2012 unaudited***	**Acquisition related adjustments (excl. financing) unaudited**	**Acquisition related financing unaudited**	**Total combined adjustments unaudited**	**Reference notes**	**Combined 2012 unaudited**	**Combined 2012 as % of revenues unaudited**
Net revenues	185,222	217,568	-	-	217,568		402,790	100.0
Cost of sales	-162,595	-184,137	-386	-	-184,523	I, II	-347,118	-86.2
Gross operating income	**22,627**	**33,431**	**-386**	**-**	**33,045**		**55,672**	**13.8**
Selling expenses	9,292	14,691	-13	-	14,678	II	23,970	5.9
General and administrative expenses	8,717	13,679	-151	-	13,528	II, III	22,245	5.5
Exceptional items	229	-	-	-	-		229	0.1
Total expenses	**18,238**	**28,370**	**-164**	**-**	**28,206**		**46,444**	**11.5**
Net operating income	**4,389**	**5,061**	**-222**	**-**	**4,839**		**9,228**	**2.3**
Other operating income	2,315	-	-	-	–		2,315	0.6
Operating results	**6,704**	**5,061**	**-222**	**-**	**4,839**		**11,543**	**2.7**
Revenues from receivables included in fixed assets, and from securities	182	-	-	-	-		182	0.0
Interest and similar income	343	-	-	-	-		343	0.1
Changes in the value of receivables included in fixed assets, and of securities	-3,215	-	-	-	-		-3,215	-0.8
Expenses relating to financing activities and similar charges	-905	-1,046	-	-1,661	-2,707	IV	-3,612	-0.9
(Non-)realized fair value adjustments of investment property	-2,878	-	-20	-	-20	II	-2,898	-0.7
Results from ordinary activities before taxation	**231**	**4,015**	**-242**	**-1,661**	**2,112**		**2,343**	**0.6**
Taxation of results from ordinary activities	-626	1,004	62	415	1,481	V	855	0.2
Share in results from participating interests	-3,922	-	-	-	-		-3.922	1.0
Results after taxation	**-4,317**	**5,019**	**-180**	**-1,246**	**3,593**		**-724**	**-0.2**
Minority interest in profit	-14	-	-	-	-		-14	0.0
Net results	**-4,331**	**5,019**	**-180**	**-1,246**	**3,593**		**-738**	**-0.2**

* To emphasize that the financial statements 2012 of the through the Acquisition of PMH-E acquired entities are audited for consolidation purposes only, based on the materiality levels as applied by the auditor of Pon Holdings in connection with their audit of the consolidated financial statements of Pon Holdings, unaudited is stated here.

The reference notes are further explained in the paragraph "Combined adjustments and underlying assumptions" below.

Combined Adjustments and Underlying Assumptions of the Combined Income Statements

The combined adjustments in respect of the income statement illustrate the effects of the Acquisition of PMH-E as if this acquisition was completed as of 1 January 2012. The combined adjustments consist, next to the inclusion of the acquired entities, of acquisition related adjustments (excluding financing) on the one hand and adjustments for the financing necessary to complete the acquisition on the other hand and comprise of the following:

Note I: Acquisition – related intangible fixed assets

Service contracts with customers are recognized as intangible fixed assets in an amount of €4.0 million given that they meet the contractual criterion for identification as intangible fixed assets, because the acquired entities only deliver maintenance services on contracts after signing multi-year service contracts with their customers.

The combined amortization charge for the recognized service contracts amounts to €0.6 million in 2012 and 2013, assuming a remaining useful life of the service contracts of seven years. The combined amortization charge of the Acquisition of PMH-E related intangible fixed assets has been included under cost of sales in the unaudited combined income statement.

Note II: Property, plant and equipment

The acquired entities value land and buildings for own use at costs less accumulated depreciation in the balance sheet. As part of the concerning purchase price allocation (an application of goodwill accounting whereby an acquirer, when purchasing a target company, allocates the purchase price into various assets and liabilities acquired from the transaction), these land and buildings are revalued to fair value. Consequently, the depreciation costs recognized by the acquired entities on the land and buildings for own use are reversed in the unaudited combined income statement as if the Acquisition had occurred as of 1 January 2012. The reversal of these costs is included in the unaudited combined income statements in cost of sales, selling expenses and general expenses depending on departmental use of the land and buildings. The change in the fair value is charged to the income statement on the non-realized fair value adjustment line.

Note III: Jubilee benefits

With respect to future jubilee benefits liabilities a provision for jubilee benefits is recognized as of 1 January 2012. The change of the provisioned amount between 1 January 2012 and 1 January 2013 is presented as general expenses in the full year 2012 unaudited combined income statement.

Note IV: Finance expenses

Finance expenses in the unaudited combined income statement have been adjusted to reflect the changes in the financing structure resulting from the Acquisition as if the Acquisition was completed as of 1 January 2012. The combined adjustment related to finance expenses in 2012 included an acquisition facility fee of €0.4 million which is non-recurring. Furthermore, the refund of the Company's escrow account with the proceeds of the Offering is considered as if that repayment had occurred as of 1 January 2012.

Note V: Taxation

The combined adjustment in the income tax line item of the income statement represents the income tax effect of the combined adjustments and relates mainly to the tax effect resulting from the finance expenses and the amortization of service contracts that are recorded as part of the PPA.

Capital Expenditures

The following table tracks the Group's historical level of net capital expenditures (investments in tangible fixed assets minus disposals of tangible fixed assets).

Net capital expenditures (x €1,000)

	1st Half year 2015 unaudited	1st Half year 2014 unaudited	2014 audited	2013 audited	2012 audited
Investments:					
- Land and buildings	985	59	69	778	118
- Equipment	652	372	1,784	1,286	945
- Rental equipment	4.930	6,180	8,599	4,202	1,428
- Vehicles	243	519	976	649	329
	6,810	**7,130**	**11,428**	**6,915**	**2,820**

	1st Half year 2015 unaudited	1st Half year 2014 unaudited	2014 audited	2013 audited	2012 audited
Disposals:					
- Land and buildings	-1.053	-	-	-	-
- Equipment	-27	-	-	-	-74
- Rental equipment	-805	-2,308	-1,693	-839	-41
- Vehicles	-81	-139	-203	-167	-31
	-1.966	**-2,447**	**-1,896**	**-1,006**	**-146**
Net capital expenditures:					
- Land and buildings	-68	59	69	778	118
- Equipment	625	372	1,784	1,286	871
- Rental equipment	4.125	3,872	6,906	3,363	1,387
- Vehicles	162	380	773	482	298
	4,844	**4,683**	**9,532**	**5,909**	**2,674**

Land and buildings: This category represents land and buildings for the Group's own use.

Equipment: Equipment includes office and warehouse equipment, machines and equipment, and non-motorized vehicles.

Rental equipment: Rental equipment includes a full range of (mechanical) road building equipment and accessories and, to a lesser extent, agriculture equipment such as tractors.

Vehicles: Vehicles include trucks, cars and motorized vehicles used for internal transport.

Investments and Divestments

The significant acquisitions and divestments during the period covered by this Operating and Financial Review up to the date of this Prospectus are the following:

Investments

- **Acquisition of 95% of the share capital of Agrometius B.V. – 2015** On 7 September 2015 the acquisition of Agrometius was completed. The Company holds 95% of the issued share capital of Agrometius B.V. The other five per cent of the shares remain in the hands of Mr. D.G. Nijland, director of the company, who continues in this role. The fixed purchase price came to €5.3 million and was financed out of (part of) the funds generated through the issue of Ordinary Shares on 3 September 2015. Agrometius is a technical trading company and service provider that specializes fully in GPS technology and precision farming. Agrometius supplies and develops hardware and software, and also has a full after-sales service. This includes taking equipment into operation, RTK GPS service providing (AgroSPIN), support, maintenance, repairs, training and rental. It acts as a consultant in the field of productivity enhancement and increasing yields for all businesses related to agriculture that see opportunities and possibilities in precision farming. These may be end-users, such as arable farmers and contractors, or manufacturers looking for solutions for their machinery and/or software. Besides the distribution of leading brands such as Trimble, Agrometius has its own development team for hardware and software. Based on in-depth knowledge and expertise in precision farming, this team develops custom solutions for medium-sized European machinery producers such as Kaweco. Agrometius is also a distributor of AgCam, Farmworks, Greenseeker and Weedseeker. The market in Belgium is served by Agrometius BVBA, a 100%-owned subsidiary of Agrometius B.V. The Group believes the acquisition of Agrometius offers a good opportunity to become active in the field of precision farming.

- **Joint venture Turkey – 2015** On 25 June 2015 the Company and APH Group from Heerenveen, the Netherlands, reached agreement regarding a joint venture for the distribution of machinery for soil tillage, silage and feed processing machines in Turkey. APH Group operates since many years in Turkey through its subsidiary APH Group Turkey. In 2012, APH Group expanded its operations in Turkey with an organization for the distribution of machinery as mentioned above. The Group has extensive experience with such agricultural machines and is, in concert with APH Group, further expanding these activities. This led to the incorporation of Reesink Turkey, in which the Company holds 75 percent of the shares. The new company in turn holds all the shares in Kuhn Center Turkey and will cooperate closely with APH Group Turkey, an important player in potato and vegetable mechanization. The organization is located in Nevşehir and consists of a relatively small number of employees who are responsible for sales and service and for expanding the dealer network. The Group believes this joint venture gave a good opportunity to commence operations in Turkey, a country where the agricultural sector has huge potential. The total purchase price for the assets involved (mainly inventory) was €2.2 million and was financed through debts to credit institutions.

- **Acquisition of activities of IMAV-Hydraulik GmbH – 2015** On 23 April 2015 Motrac Hydraulik GmbH reached agreement regarding the acquisition of the activities of IMAV-Hydraulik GmbH in Willich, Germany. The closing date was 30 April 2015. The IMAV-activities were integrated in Motrac Hydraulik and are included in the scope of consolidation as from 1 May 2014. IMAV-Hydraulik GmbH trades in and produces operating systems for hydraulic components. The Group believes these systems complement the existing product range of the Group and that the combination of the activities of Motrac Hydraulik and IMAV-Hydraulik GmbH will create a stronger organization in Germany for hydraulic components and systems. All of Motrac Hydraulik's activities are at the date of this Prospectus located in Willich, Germany. The total purchase price for the activities involved amounted to €1.5 million, of which the remainder (€0.2) was paid in the second half year of 2015. The total purchase consideration was financed through debts to credit institutions.

- **Acquisition of O. De Leeuw Groentechniek B.V. – 2014** The transfer of 100% of the issued share capital of O. de Leeuw Groentechniek B.V. took place on 7 October 2014. The company was included in the scope of consolidation from that date onwards. The returns belonged to the Company as of 1 September 2014. The fixed purchase price (including interest-bearing debt) came to €0.9 million. A variable purchase price was also agreed with the seller of up to €0.3 million related to net revenues of specific products until 2020. A limited amount of badwill was realized in this acquisition. The fixed purchase price for the shares plus the costs of the acquisition was financed out of the proceeds of the sale of the depositary receipts for shares of VIBA. At year-end 2014 O. de Leeuw Groentechniek B.V. was merged with Stierman B.V. into Stierman De Leeuw B.V.

- **Acquisition of certain assets and liabilities of CT Agro GmbH and all shares in CT Agro TOO – 2014**. On 15 January 2014, Reesink GmbH & Co KG (an indirect subsidiary of the Company) entered into an agreement relating to the acquisition of (i) certain assets (including the name of CT Agro GmbH) and liabilities, and (ii) all issued and outstanding shares in the share capital of CT Agro TOO. After completion Reesink Agricultural Equipment GmbH was renamed CT Agro GmbH. CT Agro GmbH is mainly involved in the sale of agricultural equipment in Kazakhstan, supported by a representative office in Astana, Kazakhstan. The principal suppliers involved are Claas, MacDon, Horsch, Summers, Morris and Amazone. CT Agro TOO, a Kazakh based company, is responsible for the after-sales of the afore mentioned brands and in some cases the sale of (used) equipment. It also provides parts and services for some other equipment brands with identical, mainly Cummins, engines. The contact between the former owner of CT Agro GmbH and the Company was initiated by Claas. The companies were included in the scope of consolidation from15 January 2014 onwards. The sum paid for the assets was €11.9 million. It was agreed with the vendor that no goodwill would be payable on completion of the transaction. It was however also agreed that an additional purchase price of up to €1.5 million would be payable in the event that a basic return was exceeded. Due to the good results by CT Agro in 2014, this sum became payable in 2015. As a result of this earn-out/variable purchase price, the costs of the transaction and the fair value adjustments to the assets, the goodwill came to €2.0 million. An amount of €6.0 million was financed by private placements in former years. The remainder was financed from the bank facilities.

- **Establishment of Landtech Zuid – 2013**. On 18 October 2013, the Group's newly incorporated dealer Landtech Zuid B.V. reached final agreement with the shareholders of a local dealer on the acquisition of certain assets and liabilities of that dealer. The acquisition of the operations complemented and strengthened the Group's dealer network of Claas equipment. The total value of the assets and liabilities acquired was nil, the goodwill on the acquisition was €0.3 million. The acquisition was financed by the issue of the 11,223 depositary receipts for ordinary shares remaining under the Private Placement Equity Facility.

- **Acquisition of PMH-E – 2013**. On 16 October 2013 the Acquisition of PMH-E was completed. The acquisition involved the businesses Motrac Intern Transport, Motrac Handling & Cleaning and Pelzer Fördertechnik. These companies are distributors for Linde Material Handling in the Netherlands, Belgium and Germany. The distribution in Belgium includes the cleaning machines of Tennant as well. Motrac Hydrauliek and Motrac Hydraulik were also part of the transaction. These companies are specialists in the field of hydraulic components and systems from Linde Hydraulics and Bucher, technologies that are extensively used in agricultural and earth-moving equipment. The acquired companies were included in the scope of consolidation from 16 October 2013 onwards. However, any returns after 1 January 2013 were for the account of the Company. Profit until the time of the delivery of the shares was adjusted for goodwill. The Group believes this acquisition fits with the business model, in which sales of high-quality equipment with top-quality service has the highest priority. The Group believes the acquired companies will generate synergy benefits that can be used, including cross-selling, cross-renting and the offering of various funding concepts (in collaboration with finance companies). The fixed purchase price (including interest-bearing debts) was €62.5 million. The variable purchase price depended on the 2013 EBITA (operating results before amortization) for the acquired companies and reached €17.0 million, excluding interest. The total purchase price was €79.5 million. As at 1 January 2013, the balance sheet totals reached €79.1 million, with shareholders' equity of €46.6 million. Total goodwill (including acquisition costs, earn-out fee and interest payments) amounted to €22.9 million and was taken to equity. The fixed purchase price of the shares, including the acquisition costs and interest payments, were financed through the following means:

- a private placement of 203,603 depositary receipts for ordinary shares at an issue price of €63.85 with qualified investors within the meaning of section 1:1 of the FMSA ("**Qualified Investors**") and with proceeds of €13.0 million.
- a private placement of 150,756 depositary receipts for ordinary shares at an issue price of €63.85 at Pon Holdings, with proceeds of €9.6 million.
- a public rights issue of 46,986 depositary receipts for ordinary shares at an issue price of €63.85 for retail, with proceeds of €3.0 million.
- a €10.3 million convertible subordinated loan provided by Pon Onroerend Goed (as defined below)
- a €26.6 million withdrawal under the (acquisition) facility agreed with ABN AMRO and Rabobank.

The variable purchase price of the shares (the "**Earn-Out**"), including interest, was €18.2 million. After settlement of the €0.7 million in fees payable under the contractual provisions as agreed with Pon Holdings, an amount of €17.5 million was financed in early April 2014. This was done by increasing the subordinated convertible loan from Pon Onroerend Goed by €7.5 million to €17.8 million, a €4.8 million subordinated loan from PVL (as defined below) and €5.2 million from the available bank facility.

- **Acquisition of Hans van Driel – 2013**. The Company reached final agreement on 28 January 2013 with the shareholder of Hans van Driel on the acquisition of 100% of the shares in Hans van Driel B.V. The company was included in the scope of consolidation from 28 January 2013 onwards. Returns after 1 January 2013 however were for the account of the Company. Profit until the time of the delivery of the shares was adjusted for goodwill. The Group believes that the acquisition of Hans van Driel complements and strengthens the Group's earth-moving activities, strengthens the Dutch and Belgian organization for the Atlas and Terex brands, expands cross-selling opportunities within the Group due to the wider product range and contributes the earth-moving activities. As at 1 January 2013, Hans van Driel's balance sheet total was €6.7 million, with shareholders' equity of €2.1 million. The purchase price of the shares was €1.6 million. A €2.6 million interest-bearing loan was acquired in addition to the company. On account of the transaction costs and the changes made to management structure, the amount in goodwill was €0.3 million. The Company used the Private Placement Equity Facility to finance the acquisition on the basis of which the Company issued 59,300 DRs. The proceeds of the private placement were €4.4 million. The settlement of the private placement took place on 23 January 2013.

- **Acquisition of the Kemp Group – 2012**. The Group acquired the Kemp Group on 8 May 2012. The benefits and risks of the shares in Ben Kemp Holding B.V., and with that the benefits and risks of the Kemp Group, have been for the account of the Group since 1 January 2012. The figures of the Kemp Group have been included in the consolidation since 8 May 2012. As of 1 January 2012, the balance sheet total of Ben Kemp Holding B.V. was €22.8 million, with shareholders' equity of €15.0 million. The purchase price of €17.6 million was financed by the issuance of Ordinary Shares (€2.8 million) and the remainder was paid in cash. The goodwill paid on the acquisition was €2.8 million.

Divestments

- **Sale of land – 2015** On 29 June 2015 175.005 m2 of land at De Kar in Apeldoorn, the Netherlands, was sold to local farmers for a total price of €1.142 million.

- **Sale of Viba equity interest – 2014** A non-strategic 16% equity interest which the Group held in the share capital of VIBA was in 2014 sold to Atlantic Capital for €1.4 million.

- **Restructuring of steel business – 2012** On 29 June 2012, the sale of the operations of Stalutech Benelux B.V. was completed. The assets were sold for a total of €0.2 million, equal to the book value. For 2012, this business still generated €0.7 million in revenue. The steel operations have been relocated to Zutphen since the third quarter of 2012 and clients are serviced by Reesink Staal. The Stampersgat site was closed and a total of 27 positions were eliminated. The €0.4 million in restructuring costs was recognized as an exceptional item.

Off-Balance Sheet

Tax entity

All Group companies located in the Netherlands, with the exception of Bruggeman Mechanisatie, constitute a tax entity for corporation tax along with the Company. There is also a tax entity for V.A.T. for the majority of the Group companies based in the Netherlands. The companies included in the tax entities are accordingly jointly and severally liable for the tax debt of the tax entity as a whole.

Liability and guarantees

The Company has filed a declaration in accordance with section 403, Book 2 of the DCC at the offices of the Chamber of Commerce for certain of its Group Companies. On this basis, the Company is jointly and severally liable for the debts arising from the legal acts of these Group Companies.

The Company has issued guarantees on behalf of Claas for the obligations arising from the deliveries to CT Agro and to CT Agro Kazakhstan to a maximum of €2 million each, on behalf of Kuhn for the obligations arising from the deliveries to Kuhn Center Turkey to a maximum of €3 million and to a maximum of €1 million on behalf of Slimline Buildings B.V. for a cash prepayment related to stock production of processed steel by Reesink Staal to be delivered in (the remaining part of) 2016.

The Company has issued a guarantee in favor of ABN AMRO bank with respect to the temporary extension of the credit facility of THR of up to €1.9 million.

Conditional commitments

The Company issued repurchase commitments on 30 June 2015 for contractors' financiers in relation to trading goods delivered, up to an amount of €0.1 million (30 June 2014: €0.1 million).

The share purchase agreement relating to the acquisition of Jean Heybroek

In 2010, the Company acquired all the shares of Jean Heybroek. Up to 2016, the former owner will receive an additional payment for the shares sold, which will be related to the profit earned by Jean Heybroek, based on the condition that annual profit must be sufficient in order to offer the Company, as a shareholder, a reasonable basic return.

The purchase agreement relating to the operations of CT Agro and the shares of CT Agro Kazakhstan

In 2014, the Company completed the acquisition of the operations of CT Agro, including 100% of the issued share capital of the Kazakh company CT Agro TOO. Until year-end 2018, the former owner could receive additional payments on the operations and shares delivered that are related to the overall operations, based on an agreement that CT Agro must earn sufficient profit each year to provide Royal Reesink, as a shareholder, with a reasonable basic return. These additional payments were maximized at €1.5 million. Already in 2014 all conditions were fulfilled and the final additional payment is fully settled.

The share purchase agreement relating to the acquisition of De Leeuw Groentechniek

In 2014, the Company acquired all the shares in O. de Leeuw Groentechniek B.V. A variable purchase price as a subsequent payment for the delivered shares has been agreed with the vendor of up to €0.3 million in total over a period of five years.

The agreement relating to the joint venture in Turkey

In 2015, the Company entered into the joint venture with regard to the operations in Turkey. The Company holds 75 percent of the shares of Reesink Turkey which company holds all the shares in Kuhn Center Turkey. The other shareholder in Reesink Turkey has until 2020 an additional conditional right to net results of 24% which is being paid yearly, provided that cumulative net results are positive.

The share purchase agreement relating to the acquisition of 95% of the shares of Agrometius

In 2015, the Company acquired 95% of the shares in the capital of Agrometius. The former owners will receive a one-off additional payment for the shares sold, which will be related to the EBITDA (operating results before depreciation and amortization) of Agrometius over the financial year 2015.

The Private Placement Equity Facility

The Company and PHD agreed on the Private Placement Equity Facility on 5 November 2012. The Company had the option, at times to be determined by the Company, to issue a maximum of 70,523 DRs for a single Ordinary Share to PHD for the financing of acquisitions or mergers. On 18 January 2013, the Company drew down funds from the Private Placement Equity Facility in order to fund the acquisition of Hans van Driel. Finally, on 14 October 2013 the Company drew down the remaining available funds from the Private Placement Equity Facility, to finance the acquisition of the activities of a local dealer as announced on 18 October 2013. At the date of this Prospectus the Company no longer holds any rights related to the Private Placement Equity Facility.

Claims

The Company and its consolidated participations are involved in several lawsuits. The outcome of these lawsuits is not expected to result in any material adverse effects on the Group's financial position as presented in these financial statements.

Multi-year financial commitments

Commitments relating to leases and operational lease agreements totals €78.4 million (unaudited) as of 30 June 2015 (30 June 2014: €68.7 million (unaudited)), of which €23.9 million (unaudited) (30 June 2014: €22.0 million (unaudited)) is short-term and €8.5 million (unaudited) (30 June 2014: €3.8 million (unaudited)) is longer than five years.

Multi-year financial rights

The Group and THR signed a 10-year lease in 2011 for the building at Ecofactorij 20 in Apeldoorn (the Netherlands). The lease was changed in 2014. The annual rent, effective 1 January 2014, amounts to €1.5 million and the term has been extended to 1 January 2025. The rent is indexed on 1 January each year.

The guaranteed cash flow from rental equipment and service contracts entered into totals €120.4 million (unaudited) as per 30 June 2015 (30 June 2014: €110.1 million (unaudited)), of which €36.1 million (unaudited) (30 June 2014: €33.3 million) relates to the upcoming 12 months.

Liquidity

Cash flow table

The following table sets forth the Group's cash flow for the six-months ended 30 June 2015 and 2014 and the years ended 31 December 2014, 2013 and 2012.

Consolidated cash flow statement *(x €1,000)*

	1st Half year 2015 unaudited	**1st Half year 2014 unaudited**	**2014 audited**	**2013 audited**	**2012 audited**
Operating results	**12,967**	**9,984**	**17,527**	**10,421**	**6,704**
Adjustments for:					
- Depreciation and amortization	5,477	5,687	10,473	4,481	2,276
- Changes in provision	732	616	260	-338	-805
- Changes in working capital [1)]	-3,106	-7,198	-2,328	1,397	1,657
Cash flow from business operations	16,070	9,089	25,932	15,961	9,832
- Income received from financing activities	109	106	307	130	155
- Dividend received	-	-	-	-	182
- Expenses relating to financing activities	-1,956	-1,689	-2,509	-2,084	-978
- Income tax paid	-2,609	-2,238	-1,410	-1,407	-637
Net cash flow from operating activities	**11,614**	**5,268**	**22,320**	**12,600**	**8,554**
Acquisition/disposal of Group Companies [1)]	-1,320	-10,852	-13,433	-37,844	-14,864
Investments in:					
- Intangible fixed assets	-247	-237	-1,104	-367	-
- Tangible fixed assets	-6,810	-7,130	-11,428	-6,915	-2,820
- Financial fixed assets	4	-171	-171	-1,307	-920
Disposals:					
- Intangible fixed assets	-	-	4	-	-
- Tangible fixed assets	1,966	2,447	1,896	1,009	146
- Financial fixed assets	102	-	1,317	151	405
Net cash flow from investing activities	**-6,305**	**-15,943**	**-22,919**	**-45,273**	**-18,053**
Changes in debts to credit institutions [2)]	2,205	14,806	4,041	-8,650	-1,566
Purchase of cumulative preference shares	-1,040	-	-	-	-
Income from non-current liabilities	-	-	39	23,716	14,936
Repayment of non-current liabilities	-1,859	-2,156	-4,035	-755	-308
Revenues from the issue of Shares/DRs	-	-	-	20,210	4,936
Changes in own Shares and DRs	-	-	-	-	-
Dividend paid	-3,666	-3,196	-3,196	-	-4,243
Net cash flow from financing activities	**-4,360**	**9,454**	**-3,151**	**34,521**	**13,755**
Increase/decrease in net cash position	**949**	**-1,221**	**-3,750**	**1,848**	**4,256**
Net cash position at beginning of the year	2,666	6,479	6,479	4,631	375
Exchange rate and conversion differences on cash	-44	-	-63	-	-
Net cash position at period-end	3,571	5,258	2,666	6,479	4,631
Increase/decrease in net cash position	**949**	**-1,221**	**-3,750**	**1,848**	**4,256**

1) In the cash flow statement over the first half year of 2014 an amount of €5.2 million has been shifted from 'Acquisition/disposal of Group Companies' to 'Changes in working capital' as compared to the published unaudited consolidated cash flow statement which is part of the unaudited consolidated interim financial information for the six-months period ended 30 June 2014 as published 27 August 2014.

2) In the cash flow statement over the first half year of 2015 an amount of €2.1 million has been added to the 'Changes in debts to credit institutions' as compared to the published unaudited consolidated cash flow statement which is part of the unaudited consolidated interim financial information for the six-months period ended 30 June 2015 as published 25 August 2015.

Further notes to cash flows:

- The earn-out fee established with Pon Holdings in relation to the Acquisition of PMH-E in 2013 was settled in 2014. As a result, the convertible subordinated loan was increased and a subordinated loan was provided amounting to €12.2 million. This is not recognized in the cash flow statement, in which only cash payments are shown.
- The cash balances acquired on the acquisitions over the years have been deducted from the purchase price.

General remarks on cash, cash equivalents and cash flows

The Group holds cash and cash equivalents in euro, US dollar, Canadian dollar, Kazakh tenge and Turkish lira. The impact on total cash and cash equivalents is shown in the table as shown under "Capital resources".

The Group believes there are no material legal or economic restrictions, such as exchange controls and taxation consequences, on the ability of the Group Companies to transfer funds to the Company in the form of cash dividends, loans or advances.

Borrowing requirements and therefore net debt fluctuations are, to a large extent, correlated to seasonal patterns of the Group's working capital. *E.g.*, Operating Companies in the Reesink green equipment division make prepayments towards the end of a year on equipment to be delivered in the next year because of better purchase conditions (pre-sale). By giving better purchase conditions on these pre-sales Main Original Equipment Manufacturers try to accomplish a more reliable production planning. They do on the other hand provide bank guarantees for the prepaid amounts.

Liquidity for the six-month periods ended 30 June 2015 and 30 June 2014

Cash flows from operating activities

Cash flows from operating activities increased by €6.3 million (unaudited) to €11.6 million (unaudited) in the first half year of 2015. The increase was primarily the resultant of €2.8 (unaudited) higher EBITDA, €4.1 million (unaudited) less investment in working capital, €0.3 (unaudited) higher expenses relating to financing activities and €0.4 (unaudited) more income tax paid.

Cash flows from investing activities

Cash flows from investing activities changed by €9.6 million (unaudited) from negative €15.9 million (unaudited) in the first half year of 2014 to negative €6.3 million (unaudited) in the first half year of 2015 mainly due to acquisitions. In the first half year of 2014 €10.9 million (unaudited) related to the acquisition of (the operations of) CT Agro and CT Agro Kazakhstan and the earn-out of Pon Holdings. In the first half year of 2015 €1.3 million (unaudited) was paid in relation to the acquisition of the operations of IMAV. On balance net investments in fixed assets over the first half years of 2015 and 2014 were almost equal.

Cash flows from financing activities

Cash flows from financing activities decreased from positive €9.4 million (unaudited) in the first half year of 2014 to negative €4.4 million (unaudited) in the first half year of 2015. The decrease of €13.8 million (unaudited) was mainly due to the changes in debts to credit institutions from €14.8 million (unaudited) to €2.2 million (unaudited), meaning a decrease of €12.6 million (unaudited) as opposed to the first half year of 2014, and the repurchase of the cumulative preference shares A for the amount of €1.0 million.

Liquidity in the years ended 31 December 2014, 31 December 2013 and 31 December 2012

Cash flows from operating activities

2014 – 2013. Cash flow from operating activities rose by €9.7 million. EBITDA was up €13.1 million and investment in working capital increased by €3.7 million. Income received from financing activities and expenses relating to financing activities were on balance up by €0.2 million. Cash flow from operating activities rose on balance from €12.6 million in 2013 to €22.3 million in 2014.

2013 – 2012. Cash flow from operating activities increased by €4.0 million to €12.6 million in 2013. The €5.9 million increase in EBITDA together with some minor changes resulted in a €6.1 million increase in cash flow from business operations. No dividend was received in 2013 as opposed to €0.2 million in 2012. Expenses relating to financing activities and income tax paid were €1.9 million higher

Cash flows from investing activities

2014 – 2013. Cash flow from investing activities was in 2014 negative €22.9 million (2013: negative €45.3 million). Investments in acquisitions (CT Agro, CT Agro Kazakhstan, and earn-out Pon Holdings) in 2014 came to €13.4 million, compared to €37.8 million in 2013 (PHM-E). The net investment in fixed assets was in 2014 up by €2.1 million, mainly due to investment in the rental fleets.

2013 -2012. Cash flow from investing activities totaled negative €45.3 million in 2013 (2012: negative €18.1 million), of which €37.8 million related to the acquisitions in 2013 of Hans van Driel, PHM-E and the operations of a local dealer through Landtech Zuid (2012: €14.9 million, Kemp Group). Net investment in fixed assets was €4.2 million higher, particularly due to investments in rental fleets.

Cash flows from financing activities

2014 – 2013. Cash flow from financing activities was negative €3.2 million in 2014. Repayment of non-current liabilities came in 2014 to €4.0 million and dividend of €3.2 million was distributed. Debts to credit institutions increased by €4.0 million. Cash flow from financing activities was €34.5 million in 2013 as a result of expansion of the share capital, receiving a subordinated convertible loan from Pon Onroerend Goed and use of bank facilities.

2013 – 2012. Cash flow from financing facilities totaled in 2013 €34.5 million (2012: €13.8 million) and was related to the financing of the Acquisition of PHM-E through an increase in the share capital, entering into a subordinated convertible loan with Pon Onroerend Goed and using bank facilities.

Capital Resources

The following table provides an overview of the capital resources utilized by the Group as of 30 June 2015.

Capital resources as of 30 June 2015 (x €1,000)

	Maturity < 1 year	**Maturity ≥ 1 year – ≤ 5 years**	**Maturity > 5 years**	**Balance at 30-06-2015**
Subordinated convertible loan	-	-	17,825	17,825
Subordinated loans	-	-	5,023	5,023
Mortgage bank loan (Financing Facility)	3,500	30,625	-	34,125
Mortgage bank loan (Kemp BVBA)	79	268	142	489
Financial lease obligations	62	30	-	92
Capitalized costs	-84	-534	-	-618
Total non-current debt (A)	**3,557**	**30,389**	**22,990**	**56,936**

	Limit	**Headroom**	**Balance at 30-06-2015**
Revolving facility	75,000	35,000	40,000
Ancillaries	31,250	32,554	-1,304
Cash and cash equivalent denominated in EUR		1,086	-1,086
Cash and cash equivalent denominated in USD		1,598	-1,598
Cash and cash equivalent denominated in CAD		23	-23
Cash and cash equivalent denominated in KZT		536	-536
Cash and cash equivalent denominated in TRY		328	-328
Total current debt (B)	**106,250**	**71,125**	**35,125**
Total debt (A) + (B)			**92,061**

Mortgage bank loan Kemp BVBA. This loan divided into two tranches, both with a 15 year term, was attracted by the Group in 2003 and 2007 respectively to finance the premises of Kemp BVBA in Kemp (Belgium). The interest rate on these tranches is 4.92% and 5.2%, respectively, and the remaining term is 3.1 years and 7.8 years, respectively as per 30 June 2015. An amount of €0.1 million is repaid on the mortgage bank loan each year.

Subordinated convertible loan. On 16 October 2013 a subordinated convertible loan was agreed upon between Pon Holdings, Pon Holdings' subsidiary Pon Onroerend Goed Leusden B.V. ("**Pon Onroerend Goed**") and the Company, to finance part of the purchase price is relation to the acquisition of PMH-E, to a maximum of €17.8 million (the "**Loan Agreement**"). At this date €10.3 million was provided by Pon Onroerend Goed to the Company. The subordinated convertible loan bears a 5.25% interest rate and has a maturity of five years. The Company has the option to extend the maturity by one year. Pon Onroerend Goed may convert all or part of the outstanding principal amount into Ordinary Shares, under the obligation to immediately transfer such Ordinary Shares to STAAR in exchange for DRs, after three years at a conversion price of €81.41 per DR (equal to the average price of the DRs during the thirty trading days up to and including 12 June 2013 plus 27.5%). In the Loan Agreement Pon Holdings assigned and transferred the right to subscribe for Ordinary shares upon conversion to Pon Onroerend Goed. Certain events such as possible future issues of DRs or payment of an extraordinary dividend or other distributions under specific circumstances may lead to an adjustment of the conversion price. The Company has a soft call, implicating that Pon Onroerend Goed is obliged to exercise its conversion right if during a period of six months the average current market price of the DRs has exceeded an amount equal to 150%

of the conversion price. The obligation of the Company to repay the subordinated convertible loan is subordinated to the repayment obligations arising out of the Company's existing or future financing arrangements, but shall rank equally (*pari passu*) to all other debts of the Company. On 7 April 2014, as a result of the settlement of the earn-out fee established with Pon Holdings in relation to the Acquisition of PMH-E in 2013, another €7.5 million was provided by Pon Onroerend Goed to the Company which additional amount automatically became part of the Loan Agreement and became subject to all the terms and conditions of this agreement, including those relating to the conversion. The subordinated convertible loan will be repaid by the Company if the Public Offer results in an Offer Change of Control. See "Business – Recent developments – Public Offer – Financing of the Public Offer".

Subordinated loans. A subordinated loan of €0.2 was in 2011 provided by the minority shareholder in Bruggeman Mechanisatie. Interest on this loan is based on the interest for current-account facilities plus a spread of 150 basis points. The loan is being repaid in quarterly installments starting on 1 April 2013, provided that the solvency ratio of Bruggeman Mechanisatie is at least 30%. On 7 April 2014, as a result of the settlement of the earn-out fee established with Pon Holdings in relation to the acquisition in 2013 of PMH-E, a €4.8 million subordinated loan was provided by Pon Holdings' subsidiary PVL B.V. ("**PVL**") to the Company. The subordinated loan from PVL, which had a maturity of five years and an interest rate of 5.25% plus a in the course of time growing spread with a minimum of 150 basis points, was repaid in full in September 2015 out of the funds arising from the issuing of 125,627 Ordinary Shares on 3 September 2015. See "Description of share capital – History of share capital".

Financial lease obligations. Financial lease obligations relate to the financing of company cars by the Belgian based Operating Company Packo. Average interest on these loans is 1.74% and the remaining term is 1.0 years.

Capitalized costs. The refinancing costs related to the Financing Facility are capitalized and amortized over the five year term of the Financing Facility starting at 12 May 2015.

Debt to credit institutions. Debt to credit institutions consists of the outstanding debt under the credit facilities that form part of the Financing Facility and of credit facilities related to the financing of Bruggeman Mechanisatie on a separate (local) basis as described below under "Financing Facility" and "Other Financing Facilities", respectively.

Facilities

Financing Facility. On 12 May 2015, the Company and certain Group Companies (obligors) have entered into a credit facility with ABN AMRO, Rabobank, Commerzbank and BNP Paribas for five years (the "**Financing Facility**"). This new financing facility replaced the 3-year facility from ABN AMRO, Rabobank and Commerzbank, which was amended on 16 October 2013 after the Acquisition of PMH-E, and would have come to an end in October 2015. The Financing Facility amounts in total to €140 million, split between a long-term loan of €35 million (with redemption of 2.5% per quarter) and a revolving credit facility for general corporate and working capital purposes (the "**Revolving Credit Facility**") of €105 million.

The Financing Facility takes account of the Group's growth strategy, both organically and through acquisitions. The Financing Facility also provides for repayment of the loan from Pon Onroerend Goed under the Loan Agreement on the maturity date of this loan.

Interest is for the long-term loan based on 3-month EURIBOR, set at 0% if EURIBOR should be negative, plus a margin of between 1.7% and 2.3%. For the Revolving Credit Facility the interest is based on 1-month EURIBOR, set at 0% if EURIBOR should be negative, plus a margin of between 1.5% and 2.1%. The applicable margin depends on the Senior Net Debt-EBITDA ratio (leverage).

The Company and the Group Companies that are party to the Financing Facility have granted a guarantee to the Lenders for the punctual performance by each of them of all their obligations under the Financing Facility. In addition, the Company and the Group Companies that are party to the Financing Facility have granted a first ranking right of mortgage on all real estate with the exception of the real estate of Kemp BVBA, the land at Estlandsestraat 4 in Zutphen and the commercial real estate (being the properties owned by the Group in the Netherlands De Hoge Veste in Valkenswaard, Amperestraat in Zevenaar, Contrescarp in Zutphen, Fabriekstraat in Stampersgat and Ecofactorij in Apeldoorn and, if any, other real estate owned by the Group for investment purposes) and a first ranking right of pledge of bank accounts, shares of certain Dutch Group Companies, moveable assets and receivables (including intercompany and insurance receivables), both for the benefit of the Lenders. Upon an event of default which is continuing each Group Company is required to grant security over its commercial real estate on the first request of the facility agent under the Financing Facility.

To finance the operations of Kuhn Center Turkey the Company has allocated an amount of €3 million of the Financing Facility by escrowing the same amount as collateral subject to a guarantee by Rabobank to Rabobank AŞ in Turkey. Interest in Turkey is based on 3-month EURIBOR plus a spread of 225 basis points.

Other Financing Facilities. The operations of Bruggeman Mechanisatie are financed on a separate (local) basis. Bruggeman Mechanisatie makes use of a short term credit facility of €1.25 million. Bruggeman has provided security in the form of pledges on inventories, machinery and equipment, and receivables. Interest is based on 1-month EURIBOR plus a spread of 115 basis points.

Funding following Settlement of the Public Offer

Amendment to Financing Facility and debt push down

The Offeror has entered into binding debt commitment documentation with ABN AMRO Bank N.V., Commerzbank Aktiengesellschaft, Filiale Luxembourg, Coöperatieve Rabobank U.A. and ING Bank N.V. (the "**Binding Debt Commitment Documentation**"). It is envisaged in the Binding Debt Commitment Documentation that on or shortly after Settlement of the Public Offer, if Settlement of the Public Offer occurs, the Debt Financing will be rolled into the Group's existing Financing Facility, to be effected by way of an amendment and restatement of the Company's existing Financing Facility into an amended and restated financing facility (the "**Amended Financing Facility**").

The Binding Debt Commitment Documentation envisages that the Company and other borrowers under the existing Financing Facility will continue to be borrowers under the Amended Financing Facility; that the Amended Financing Facility will be guaranteed by the Offeror and the Offeror's direct parent and will continue to be guaranteed by the Company and certain other members of the Company's Group; that the Amended Financing Facility will be secured by an additional security package including pledges of shares in the Offeror and the shares in the Company held by the Offeror and, subject to applicable financial assistance limitations, second-ranking security (ranking behind the existing security package granted by the Company and certain other members of the Group). The Company and the other parties to the Amended Financing Facility will continue to be bound by qualitative and quantitative covenants. It is envisaged that, under the Amended Financing Facility, the Offeror and the Group will be part of the same group of companies and the Amended Financing Facility will be a group financing under a single facilities agreement. The Offeror and the members of the Group are likely to dedicate more of their cash flow from operations to service the Group's debt under the Amended Financing Facility or to fund (whether by way of upstream loans from members of the Group or dividend from the Company) the service by the Offeror of the Offeror's debt (to the extent not pushed down into the Group) under the Amended Financing Facility, as the aggregate amount under the Amended Financing Facility will exceed the Group's currently drawn debt financing facilities. See "Risk Factors - Following Settlement of the Public Offer, if this occurs, the Offeror may push down all or part of the Debt Financing that will be drawn down by the Offeror (being up to €37,125,000) to members of the Group either by way of a settlement against the distribution of the Company's freely available reserves or by way of an upstream loan by members of the Group to the Offeror, in which latter case the minority holders of DRs may be prejudiced due to a lower amount of freely distributable reserves available for distribution by the Company by way of dividend" and "Risk Factors - Following Settlement of the Public Offer, if this occurs, the Group is likely to dedicate more of its cash flow from operations to service the Group's debt or to fund the service by the Offeror of the Offeror's debt under the Amended Financing Facility. This could adversely affect the value of the DRs and the Group's business, results of operations, financial condition and prospects".

Covenants

The Group is bound by qualitative and quantitative covenants, including financial ratios, under its Financing Facility which are in line with what it believes to be customary in the industry. The covenants are based on the performance of the Group taken as a whole. The most important ratios under the Financing Facility are a leverage ratio, an interest coverage ratio and obligor covers. These covenants place restrictions on, among other things, the amount of interest costs incurred and distributions made relative to cash flow, the amount of credit relative to earnings, the amount of capital investment. In addition the covenants restrict the ability of the Company and its Group Companies to encumber or dispose of assets, to acquire companies or businesses or merge as from a certain amount specified, to substantially change the general nature of the business, to attract additional financial indebtedness, to provide guarantees or indemnities and to pay out dividends or other distributions. The Group may, as a consequence of these covenants, be restricted in responding to changing market conditions or in pursuing favorable business opportunities. In addition, the Group will have to dedicate a substantial share of its cash flow from operations to service debt, which in turn will reduce the amount of cash flow it will have available for dividend distributions, capital investment, working capital and other general corporate purposes.

The transition to IFRS is not expected to have any material adverse effects on the current covenants.

The Group complied with all ratios as of 30 June 2015. All ratios are calculated on a bi-annual basis with the test dates being 30 June and 31 December of each year. The balance sheet items in the ratios are half year and year-end figures. The items derived from the profit and loss account are 12-month rolling figures taking into account like-for-like adjustments driven by acquisitions and divestments and one-offs (if any).

The financial ratios as described above are as follows:

Covenant reporting as of 30 June 2015

	Calculation	**Norm**	**30-06-2015**
Leverage	net senior debt/EBITDA*	≤3.0	2.2
Interest coverage	EBITDA*/net financial charges	≥4.0	10.1
Obligor cover - assets	assets obligors/assets Group	≥80%	88%
Obligor cover – EBITDA*	EBITDA* obligors/EBIDTA* Group	≥80%	94%

* Unaudited, see "Important Information – Presentation of Financial and Other Information – Non-Dutch GAAP information" for a description of EBITDA.

The above table contains the ratios as of 30 June 2015. The leverage ratio fluctuates during the year predominantly as a result of net debt fluctuations. Net debt fluctuations are, to a large extent, correlated to seasonal patterns of the Group's working capital. During the life of the Financing Facility it is permitted to exceed the leverage ratio to a maximum of 3.25 on three test dates.

Capitalization and Indebtedness

The tables below set forth the Group's consolidated capitalization and indebtedness as at 30 September 2015. They therefore include the effects of the private placement of Ordinary Shares on 3 September 2015 (see "Description of Share Capital – Share Capital – History of share capital"). All information has been derived from non-published consolidated figures and is unaudited.

The following table shows the Group's capitalization as of 30 September 2015**.**

Capitalization as of 30 September 2015 (x €1,000) (unaudited)

	30-09-2015
Total current debt	**68,230**
Of which:	
- guaranteed	-
- secured	*68,230*
- unguaranteed/unsecured	-
Total non-current debt (excluding current portion of long-term debt)	**47,478**
Of which:	
- guaranteed	-
- secured	*29,476*
- unguaranteed/unsecured	*18,002*
Shareholders' equity:	
Share capital	55
Share premium reserve	48,814
Revaluation reserve	11,615
Reserve for own shares	-171
Other reserves	27,370
	87,683
Total capitalization	**203,391**

There has been no material change in the capitalization of the Group since 30 September 2015.

The following table shows the Group's indebtedness as of 30 September 2015.

Indebtedness as of 30 September 2015** (x €1,000)* ***(unaudited)

	30-09-2015
Cash	1,799
Cash equivalents	-
Liquidity	**1,799**
Current financial receivables	**520**
Current bank debt	-64,699
Current portion of non-current debt	-3,531
Other current financial debt	-
Current financial debt	**-68,230**
Net current financial indebtedness	**-65,911**
Subordinated (convertible) loans	-18,002
Non-current bank loans	-29,476
Bonds issued	-
Other non-current loans	-
Non-current financial indebtedness	**-47,478**
Net financial indebtedness	**-113,389**

Indirect and contingent indebtedness

The Group has as of 30 September 2015 indirect indebtedness through guarantees (*borgstellingen*) provided to ABN AMRO Bank N.V. by the Company relating to THR amounting to €1.9 million.

The contingent indebtedness relates to multi-year financial commitments regarding leases and operational lease agreements which totals to €78.4 million (unaudited, as of 30 June 2015). The amount of these financial commitments did not change significantly between 30 June 2015 and the date of this Prospectus.

Financial Risk Management

The Executive Committee meets on a periodic basis to discuss the execution of the Group's strategy, the risks involved and the materialization of synergies. The CEO and CFO meet on a periodic basis with the separate division directors and division controllers to discuss financial results, forecasts, working capital, investments, the organization and risks within the respective division.

The Company recognizes financial risks with regard to credit risk, liquidity risk, market risk, interest-rate risk, currency risk and capital management. These risks are not exceptional or different in nature from those that are customary in the industry. The Company believes that the Group's internal risk management and monitoring system is adequate and effective and that the financial reports are free of material misstatement. Despite the Group's day-to-day involvement in risk management, there is no absolute certainty that material misstatement, errors, fraud, losses or unlawful acts can be prevented.

Credit risk

Credit risk represents the risk of financial loss for the Group if a customer fails to comply with the contractual obligations entered into. The Group's exposure to credit risk is determined primarily by customers' individual characteristics. Close contact with customers, either as part of the dealer organization or otherwise, is important in reducing credit risk. This risk is further reduced through the Group's credit checks of (new) customers based on factors such as external reports, annual reports and payment history or by insuring credit risk. Internal credit limits, which are determined based on the Group's own research, are reviewed at least once per year. Customers for whom no credit limit was issued (either within the Group or by the insurer) can only conduct business with the Group based on guaranteed payment. Credit insurance was taken out on behalf of Kamps de Wild and Reesink Staal. Goods are delivered under retention of title, which ensures that, in the event of default, the Group usually has a preferred debt, provided the goods are still available. In the Reesink Equipment division, there is some concentration of credit risk with debtors, which is mitigated in part by credit insurance.

Liquidity risk

Liquidity risk represents the risk that the Group is (temporarily) unable to meet its financial obligations. The Group maintains credit facilities with several banks in order to facilitate capital expenditures, as well as for the day-to-day management of working capital and liabilities (*i.e.*, letters of credit). These represent short-term financing facilities. The Group believes that a minimum solvency rate (Capital Base as a % of the balance sheet total) of 40% is a requisite to reduce this risk and to be able to raise additional capital if necessary (on a temporary basis).

Market risk

Market risk represents the risk that the Group's income or the value of the financial instruments held by the Group is adversely affected by shifts in market prices, such as interest rates and exchange rates. The market value of the financial instruments recognized in the balance sheet, including liabilities, cash and cash equivalents, non-current liabilities and current liabilities is close to the book value of these instruments.

Interest-rate risk

The interest-bearing debts consist mainly of (convertible) subordinated loans with a fixed interest rate, and non-current liabilities and debts to credit institutions, which have a floating interest rate consisting of (mostly) one-month or three-month EURIBOR plus a fixed interest premium. In consultation with the Supervisory Board, the risk of an interest rate increase is not hedged. The remaining interest-rate risk is limited to any changes in the market value of loans issued. The majority of these loans have floating interest rates plus a fixed interest premium. Since the loans are held until maturity, it is the Group's policy not to use any derivative financial instruments to manage (interim) interest rate fluctuations.

Currency risk

Currency risk is the risk that the Group is exposed to in the event of fair value adjustments to financial instruments or transaction risk as a result of purchases and sales in foreign currencies. The Group believes the purchase of goods in foreign currencies such as US dollars and Canadian dollars is limited in light of total Group's purchases. Since at CT Agro corresponding sales are also denominated in US dollars and Canadian dollars, there is a natural hedge. In the absence of a natural hedge, the company's policy is to hedge the currency risk incurred as per individual purchase. The Group believes the remaining currency risk is therefore limited.

Currency fluctuations can, however, affect the Group's results, due to the translation of local results outside the Eurozone into the Group's reporting currency, being the euro. Furthermore, translation risk exists due to conversion differences on net investments in a Group Company located outside the Eurozone. These conversion differences are recognized directly in shareholders' equity in the statutory reserve for conversion differences. The Company does not hedge the afore mentioned translation risk.

Capital management

The Group's capital management policy is aimed at maintaining a strong capital position. The financial norm is to achieve a return of 12.5% on capital employed.

Factoring in the Group's growth targets, between 40 and 55% of the profits at the disposal of the shareholders will generally be distributed. This ensures that the trust of investors, creditors and the market is preserved and that there will continue to be room for acquisitions. 'Capital' is here defined as the portion of shareholders' equity allocated to the shareholders. The Company has hired SNS Securities N.V. as a liquidity provider in order to increase liquidity in the trading of its DRs. In this capacity, SNS Securities acts as a permanent liquidity provider. This means that SNS Securities N.V. shall issue a continuous quote in the order book, as from 15 minutes prior to the opening auction, up to and including the closing auction. The terms under which SNS Securities N.V. does so include amongst others a certain spread between the bid and the ask quotes, a certain euro size of the bid and ask quotes and a maximum position held by SNS Securities N.V. in the DRs.

Significant Accounting Policies

For the financial years up to and including 2015 the consolidated financial statements of the Group are stated under Dutch GAAP. For a description of the Group's accounting policies, see the section "Accounting Principles" of the Group's audited financial statements for the year 2014. In addition to these accounting principles, certain critical accounting policies that the Group applies are discussed below.

Critical accounting policies

General. In applying accounting policies, the Group makes estimates and assumptions that affect the application of principles and the reported value of assets and liabilities, and of income and expenses. The actual outcome may vary from these estimates. The estimates and underlying assumptions are evaluated on a continuous basis. Revised estimates are recognized for the period for which the estimate is being revised and during future periods affected by the revision.

Intangible fixed assets. The intangible fixed assets of the Group consist of service contracts and software. The fair value of service contracts, acquired upon the Acquisition of PMH-E in 2013, is initially determined based on the 'multi-period excess earnings' method, which involved recognizing the underlying asset after deducting a reasonable return from the other assets contributing to the associated cash flow. The historical cost of service contracts thus calculated is amortized over a term of seven years, less any adjustment for impairment if applicable. The software is recognized at the amount of the expenses incurred, less the cumulative amortization and any adjustment for impairment if applicable. The annual amortization amounts to a fixed percentage (20%) of the expenses incurred. The economic life and the amortization method are reassessed at the end of each financial year.

Land and buildings. Land and buildings used by the Group are under Dutch GAAP valued in accordance with the Fair Value Resolution (*Besluit Actuele Waarde*) at replacement cost or a lower enterprise value or (in the event of a decision to sell) realizable value. Due to changes in market conditions the replacement cost of an asset by asset basis may vary from year to year resulting in fair value changes impacting the revaluation reserve through equity (taking into account deferred taxation) or directly impacting results when no revaluation reserve is present or the revaluation reserve had been fully utilized in the past.

Investment property. Land and buildings not used for business operations but held for the purpose of generating rental income or value increases, or both, qualify as investment property. Properties are under Dutch GAAP valued at market value, in accordance with the Fair Value Resolution (*Besluit Actuele Waarde*). The market value is the amount for which an asset may be traded between parties that possess sufficient relevant information regarding the transaction, that are willing to enter into a transaction and are independent from one another. Due to changes in market conditions or the underlying rental agreement, the market value on an asset by asset basis may vary from year to year resulting in fair value changes. Any adjustments to appraisals are taken directly to the profit and loss account ('non-realized changes in the value of investments').

Inventory valuation. Rolled steel products are under Dutch GAAP valued at replacement cost. The value of these products is highly sensitive to fluctuations in the prices of basic materials. Changes in replacement cost are added to or deducted from the reserve for price differences on inventories, taking into account the necessary addition to/withdrawal from the provision for deferred tax liabilities. By applying this accounting policy the price volatility does not impact the profit and loss account in a direct manner.

Goodwill. The residual goodwill that arises from acquisitions is under Dutch GAAP deducted from equity and therefore does not have an impact on the profit and loss account through amortization or impairment adjustments, or both.

Provisions. The Group under Dutch GAAP accounts for provisions mainly related to obsolete inventory, bad debt, warranty cost, jubilee expenses and deferred taxes. These provisions are calculated based on a number of estimates and assumptions. Estimates will, by definition, seldom be identical to the actual results. The actual results may therefore lead to extra income and expenses in the consolidated financials. Estimates are based on historical experience and other factors, including expectations of future events that may occur based on the current situation. Estimates and judgments are continuously evaluated.

SUPPLEMENTAL FINANCIAL INFORMATION

Pursuant to Regulation (EC) 1606/2002 of the European Parliament and of the Council, and amendments thereto (the "**IAS Regulation**"), the Company will, after the Listing, have to apply IFRS as adopted by the European Union for the financial year 2016. The first time adoption of IFRS will be applied as per 1 January 2015, to enable comparative figures. Under IFRS Part 9 of Book 2 of the DCC will continue to be applicable. The next published Company's financial statements for the financial year 2015 will be prepared in accordance with Dutch GAAP.

The financial reporting regime to apply in a prospectus depends on the timing of the listing on a regulated market. Since the Listing will take place before publication of the financial statements for the financial year 2015 the historical financial information in this Prospectus can, pursuant to the Prospective Directive, be reported under Dutch GAAP.

In the context of transparency and comparability however, the Company presents below supplemental financial information, highlighting the principal differences between Dutch GAAP and IFRS which impact the Group's consolidated financial statements, which information can be considered as being relevant to investors.

The supplemental financial information contains:

- a reconciliation of the Group's consolidated balance sheet reported in accordance with Dutch GAAP as per 31 December 2014 (audited) to its consolidated opening balance sheet in accordance with IFRS as per 1 January 2015 (unaudited), including notes thereto;
- a reconciliation of the Group's equity reported in accordance with Dutch GAAP as per 31 December 2014 (audited) to its equity in accordance with IFRS as per 1 January 2015 (unaudited), including notes thereto;
- a qualitative description of the impact of the transition from Dutch GAAP to IFRS on the Company's consolidated income statement and consolidated cash flow statement.

The following summary of principal differences between IFRS and Dutch GAAP does not include all differences that exist between IFRS and Dutch GAAP and is not intended to provide a comprehensive listing of all such differences. Differences that are not included relate to differences without impact and differences with a non-material impact. No attempt has been made to identify future differences between IFRS and Dutch GAAP that may be the result of prescribed changes in accounting standards, transactions or events that may occur in the future which could have a significant impact on the Company. Regulatory bodies that promulgate IFRS and Dutch GAAP have significant ongoing projects that could affect future comparisons between IFRS and Dutch GAAP. Future developments or changes in IFRS may give rise to additional differences between IFRS and Dutch GAAP.

The supplemental financial information has been prepared by the Company to the best of its knowledge at the date of this Prospectus, is unaudited and may be subject to change when audited. The Company can provide no assurance that the identified differences below represent all principal differences between IFRS and Dutch GAAP which may be material to a(n) (potential) investor.

Reconciliation of the consolidated opening balance sheet as of 1 January 2015 *(x €1,000)*

	Notes	Dutch GAAP as at 31-12-2014 audited	Reconciliations Reclassifications unaudited	Remeasurements unaudited	IFRS as at 01-01-2015 unaudited
Assets					
Non-current assets					
Intangible assets		5,300	-	-	5,300
Property, plant and equipment	A	66,267	-1,850	-6,915	57,502
Investment properties	B	20,940	-2,790	-	18,150
Associates and joint ventures	C	546	-	-82	464
Other non-current financial assets		1,854	-20	-	1,834
Deferred tax assets	H	90	477	-27	540
		94,997	**-4,183**	**-7,024**	**83,790**
Current assets					
Inventories	D	107,471	-8,557	-182	98,732
Trade and other receivables	D	68,812	8,557	-	77,369
Other current financial assets		-	20	-	20
Cash and cash equivalents		2,666	-	-	2,666
Assets classified as held for sale	E	-	4,640	-	4,640
		178,949	**4,660**	**-182**	**183,427**
Total assets		**273,946**	**477**	**-7,206**	**267,217**

	Notes	Dutch GAAP as at 31-12-2014 audited	Reconciliations Reclassifications unaudited	Remeasurements unaudited	IFRS as at 01-01- 2015 unaudited
Equity and liabilities					
Equity [1]					
Shareholders' equity	F	88,066	-1,040	-6,038	80,988
Non-controlling interests		-83	-	-	-83
		87,983	**-1,040**	**-6,038**	**80,905**
Non-current liabilities					
Interest-bearing loans and borrowings [1]		49,800	-	-	49,800
Provisions	G	3,144	-1,368	916	2,692
Deferred tax liabilities	H	10,590	477	-2,131	8,936
		63,534	**-891**	**-1,215**	**61,428**
Current liabilities					
Interest-bearing loans, borrowings and bank overdraft		45,514	-	-	45,514
Provisions	G	-	1,368	-	1,368
Tax liabilities		15,305	-	-	15,305
Trade payables		37,142	-	-	37,142
Other current liabilities	F	24,468	1,040	47	25,555
		122,429	**2,408**	47	**124,884**
Total liabilities		**185,963**	**1,517**	**-1,168**	**186,312**
Total equity and liabilities		**273,946**	**477**	**-7,206**	**267,217**
[1] Capital Base		110,654	-1,040	-6,038	103,576

Explanation of the transition to IFRS

Until 2006 the Company was listed on Euronext Amsterdam. IFRS became mandatory for Euronext Amsterdam listed companies as from 1 January 2005. To enable comparative figures the Company applied IFRS as a 'first time adopter' with transition date 1 January 2004. Former management believed that full application of segment reporting and changes in valuation of certain inventory would negatively influence the competitive position of the Company and quality of earnings, respectively. Therefore, it was decided by the General Meeting in 2006 to transit from Euronext Amsterdam to Alternext Amsterdam and consequently revert to applying Dutch GAAP instead of IFRS.

Renewed listing on Euronext Amsterdam requires adopting IFRS. Although the Company has applied IFRS in the past, the Company elected to carry out the adoption in accordance with IFRS 1 (First Time Adoption of International Financial Reporting Standards), using 1 January 2015 as the transition date. IFRS 1 requires that all IFRS standards and interpretations as adopted by the European Union that are effective for the first IFRS consolidated financial statements as per 31 December 2016, be applied consistently and retrospectively for all periods presented in those financial statements. These requirements also apply to the first IFRS consolidated interim financial statements as per 30 June 2016 which are subject to compliance with IAS 34 (Interim Financial Reporting) as well.

The Company applied the following exemptions granted by IFRS 1 when preparing its preliminary opening balance sheet.

Business combinations

IFRS 3 Business Combinations has not been applied to acquisitions of subsidiaries, which are considered businesses for IFRS, or of interests in associates and joint ventures that occurred before 1 January 2015. Use of this exemption means that the Dutch GAAP carrying amounts of assets and liabilities, that are required to be recognized under IFRS, is their deemed cost at the date of the transition. After the date of the transition, measurement is in accordance with IFRS. Assets and liabilities that do not qualify for recognition under IFRS are excluded from the opening IFRS balance sheet. The Group did not recognize or exclude any previously recognized amounts as a result of IFRS recognition requirements.

The Group recognized goodwill in accordance with Dutch GAAP as a deduction from equity. IFRS 1 requires that this goodwill is not recognized in the opening IFRS statement of financial position apart from adjustments resulting from subsequent resolution of a contingency affecting purchase considerations. As at transition date these adjustments amounts to €0.3 million and are presented as provision (note G).

Currency translation differences

Cumulative translation differences as of 1 January 2015, arising from translation into euro of the financial statements of foreign operations whose functional currency is other than euro were reset to zero. Accordingly, the cumulative translation differences were included in retained earnings in the preliminary IFRS opening balance sheet. In the case of subsequent disposal of an entity concerned, no amount of currency translation difference relating to the time prior to the transition date will be included in the determination of the gain or loss on disposal of such entity.

Other exemptions

Other exemptions as granted by IFRS 1 are disclosed in the notes to the reconciliations, if applied.

Changes in presentation of the balance sheet

In accordance with the requirements of IAS 1 (Presentation of Financial Statements) the Company presents current and non-current assets and current and non-current liabilities, each as a separate classification in the balance sheet. In comparison with the condensed balance sheet as presented in accordance with Dutch GAAP, the IFRS balance sheet contains more details on the face of the balance sheet for which amounts have been reclassified. Balance sheet reclassifications resulting from specific IFRS requirements are presented in the column reclassifications and further explained in the notes thereto.

Segment reporting

Previously reported segments (Reesink Equipment and Reesink Industries) will remain unchanged when transitioning to IFRS as per 1 January 2015. Segment information will be reported in accordance with the Group's business and geographical segments. The Group's primary segment reporting form, business segments, is based on the Group's current internal organizational structure and internal financial reporting. The operating segments are based on the internal reports that are viewed and used by the Management Board, who is identified as the "Chief Operating Decision Maker", in assessing performance and in determining the allocation of resources. To form the reporting segment Reesink Equipment, operating segments have been aggregated on the basis that they share similar economic characteristics and have similar products and services, customers and distribution channels. The markets they operate in are considered to be adjacent. Equipment distributors and dealers operate strong integrated businesses designed to meet end-users' needs throughout the equipment lifecycle. The reportable segments are further described below:

- Reesink Equipment – In this segment, the relevant Group Distributors operate as a distributor of equipment for agriculture and turf care, landscape maintenance, material handling, construction including earth-moving and civil engineering.
- Reesink Industries – In this segment the Group is active in the (engineering of) hydraulics components and systems industry, operates as supplier of (processed) steel products and as distributor of personal protective products related to the construction industry, equipment manufacturers, system manufacturers, technical wholesalers and the agricultural industry.

The geographical segments are the Netherlands, Belgium, Germany, Other EU member states, Kazakhstan and Other countries.

Estimates

The judgments, estimates and assumptions management made in preparing the Dutch GAAP Historical Financial Information as at 31 December 2014 are consistent with those made in preparing the IFRS opening balance sheet as at 1 January 2015 (after adjustments to reflect any differences in accounting policies), except for the provision related to the future indexation of pension contributions and the disclosure of the non-current part of provisions where Dutch GAAP did not require estimation (note G).

Notes to the reconciliations

A. Property, plant and equipment

The Group chose to apply the deemed cost exemption for its land and buildings for own use. Under Dutch GAAP and the Fair Value Resolution ('*Besluit Actuele Waarde*') land and buildings for own use are carried at replacement value (or the value in use if lower), less any accumulated depreciation and subsequent accumulated impairment losses. Under IFRS, the fair value is based on market value as at revaluation date less any subsequent accumulated depreciation and subsequent accumulated impairment losses. At transition date the change in accounting resulted in a downward adjustment of the carrying value in an amount of €6.9 million. Furthermore, one building is classified as held for sale under IFRS and therefore reclassified from property, plant and equipment to assets classified as held for sale (€1.9 million).

Other plant, equipment, vehicles and rental equipment are valued at cost less depreciation and impairment, if applicable. For these assets the carrying amount (book value) is used as deemed cost.

B. Investment properties

In accordance with Dutch GAAP and the Fair Value Resolution ('*Besluit Actuele Waarde'*) the Group already values its investment property at fair value which is in accordance with IFRS. Although from a measurement perspective the valuation under IFRS will not change, with respect to three investment properties a reclassification is introduced from investment property to assets classified as held for sale for an amount of €2.8 million which represents fair value less costs to sell.

C. Associates and joint ventures

Under Dutch GAAP, the minority participations were classified as associates and valued at net asset value, using the equity accounting method. Under IFRS the participations are classified as joint ventures, as the Group is of the opinion the entities are under joint control. Joint ventures are accounted for under the equity method, similar to associates. IFRS requires that the application of the equity method is based on financial information provided by associates and joint ventures that is in compliance with IFRS. Consequently the carrying value of the joint ventures was remeasured with €0.1 million negative.

D. Inventories

In accordance with Dutch GAAP, prepayments to suppliers were accounted for under inventories. Under IFRS these prepayments are reclassified to other receivables (€8.6 million).

Under Dutch GAAP, inventories are valued at the acquisition price or market value if lower, with the exception of the rolled steel products, which are carried at replacement cost. Under IFRS, these rolled steel products have been revalued to cost price, which resulted in a remeasurement of €0.2 million negative.

E. Assets classified as held for sale and liabilities directly associated with the assets classified as held for sale

Of the presented assets classified as held for sale, €4.6 million relates to land and buildings and investment property for which a reference is made to the notes A and B.

F. Equity

IAS 32 requires cumulative preferred shares to be classified as debt instead of equity, as the payment of the dividend is not at the discretion of the company. In substance, the dividend is a fixed interest rate payment and the holders of the instruments can enforce payment. Dividends on those shares are classified as interest expenses under IAS 32. As a result of the transition, the nominal value and related premium reserve of €1.0 million of the Company's Cumulative Preference Shares A are recognized as liability instead of equity. On 3 April 2015 the Cumulative Preference Shares A were repurchased (and subsequently cancelled) by the Company and therefore the liability is, together with the dividend 2014 relating to this instrument, presented as current liability (totaling to €1.1 million) in the preliminary IFRS opening balance sheet.

G. Provisions

Under IFRS the pension provision has been recalculated on an actuarial basis. This resulted in a remeasurement of €0.1 million of the pension provision as presented under Dutch GAAP which related to early retirements schemes for which, subject to various conditions, members can become eligible for benefits for periods in the past during which they accrued fewer pension entitlements than permitted. In addition, the Company has an obligation to contribute a decreasing percentage of the future indexation of pension contributions during the years 2015 up to and including 2019 which was, in accordance with Dutch GAAP, previously not recognized. Under IFRS, the obligation is provided for, which resulted in an addition to pension provisions in an amount of €0.7 million.

Furthermore, contingent considerations relating to acquisitions which occurred before the transition date were recorded off-balance as contingent liabilities in accordance with Dutch GAAP. These considerations are provided for under IFRS for €0.3 million.

IFRS requires disclosure of the non-current and current part of the provisions to distinct between the expected outflow of resources within one year and beyond. The Company estimated that the current provision will preliminary amount to €1.4 million and therefore reclassified this amount from non-current provisions to current provisions. The reclassification relates for €1.0 to warranty provisions while the remainder (€0.4 million) relates to pension provisions and jubilee benefits combined.

H. Deferred tax assets and liabilities

The adjustments as presented above resulted in additional differences between the carrying amount of assets and liabilities in the balance sheet and their tax basis. Deferred taxes were recognized on temporary differences, with the difference in valuation of land and buildings between Dutch GAAP and IFRS having the most significant impact.

Furthermore, deferred tax liabilities have been reclassified for €0.5 million to deferred tax assets because under IFRS, assets and liabilities can only be offset if they relate to the same taxable entity and the same tax authority and if the entity has a legal enforceable right to set off current tax assets against liabilities.

Reconciliation of equity as of 1 January 2015 *(x €1,000)*

	Notes	Shareholders' equity	Non-controlling interests	Equity
Equity under Dutch GAAP as at 31 December 2014, audited		**88,066**	**-83**	**87,983**
Remeasurement of land and buildings previously valued at replacement cost	A	-6,915	–	-6,915
Remeasurement of associates and joint ventures	C	-82	–	-82
Remeasurement of inventories previously valued at replacement cost	D	-182	–	-182
Reclassification and remeasurement of Cumulative Preference Shares A	F	-1,087	–	-1,087
Remeasurement of pensions and post-retirement benefits	G	-651	–	-651
Remeasurement of contingent considerations	G	-265	–	-265
Net tax effect regarding the reconciliations as presented above	H	2,104	–	2,104
Total reclassifications and remeasurements, unaudited		**-7,078**	–	**-7,078**
Equity under IFRS as at 1 January 2015, unaudited		**80,988**	**-83**	**80,905**

Qualitative description of the impact of the transition from Dutch GAAP to IFRS on the Company's consolidated income statement and consolidated cash flow statement

Consolidated income statement

The IFRS transition will have a limited impact on the consolidated income statement. The main consequence will be an increase of the depreciation costs resulting from depreciation of land and buildings (estimated additional costs between €0.4 and €0.7 million). Under Dutch GAAP, changes in the replacement cost (or the value in use if lower) of land and buildings were recognized directly in shareholders' equity in a revaluation reserve until the revaluation reserve has been fully used for the asset concerned.

Moreover, IFRS requires that transaction costs attributable to business combinations are charged to the consolidated income statement as from 1 January 2015(estimated costs for the year 2015 between €0.2 and €0.3 million), while under Dutch GAAP, the Group included these transaction costs in the purchase price of the acquisition. Also, resulting from future business combinations identifiable assets acquired and liabilities assumed will be recognized resulting in higher amortization costs in the income statement in the future. The residual goodwill arising from future business combinations will be measured at the (residual) goodwill amount recognized at the acquisition date less any accumulated impairment losses. Should any recognized residual goodwill be impaired in the future, this impairment will have a negative impact on the income statement. Both amortization costs and impairment losses will have a negative impact on the income statement compared to the through equity treatment of full goodwill as currently allowed under Dutch GAAP and applied by the Group. The effect on the income statement cannot be quantified as these costs are dependent on future business combinations. Furthermore, the pension provision as recognized under IFRS will have a positive effect on the consolidated income statement 2015 (estimated at €0.2 million) and in upcoming years since it has been provided for in the IFRS opening balance sheet.

Finally, the influence of reclassification of the Cumulative Preference Shares A to liabilities and consequently recognizing the related dividend as interest payment in the consolidated income statement is marginal (only €0.01 million) due to the repurchase of the outstanding cumulative shares in 2015 with which the interest payment ends.

Consolidated cash flow statement

The impact of the transition to IFRS on the consolidated statement of cash flow will be only on the allocation of cash flows between operating, investing and financing activities. The effect is expected to be marginal as the allocation of cash flows between operating, investing and financing activities under Dutch GAAP is similar to IFRS. There is no impact on the net change in cash and cash equivalents.

MANAGEMENT, EMPLOYEES AND CORPORATE GOVERNANCE

This chapter summarizes certain information concerning the Management Board, the Supervisory Board and the Group's employees, as well as certain provisions of the Articles in respect of the Management Board and Supervisory Board. This summary of the above-mentioned provisions of the Articles is based on, and qualified in its entirety by reference to, the full text of the Articles, which are incorporated by reference herein.

Management Structure and Structure Regime

The Company has a two-tier board structure consisting of a Management Board and a Supervisory Board. The Management Board is the statutory executive body (*bestuur*) and is responsible for the day-to-day management of the Company, which includes, among other things, formulating the Company's strategies and policies and setting and achieving the Company's objectives. The Management Board currently consists of one member, Mr. G. van der Scheer. See "Management Board and Executive Committee". The Supervisory Board (*raad van commissarissen*) supervises and advises the Management Board.

The Company is subject to the provisions in the DCC referred to as 'structure regime' (*structuurregime*). Under Dutch law, a 'structure company' (*structuurvennootschap*) is a public company with limited liability (*naamloze vennootschap*) that meets the following criteria: (i) according to the balance sheet with explanatory notes the sum of the issued share capital of the company and its reserves amounts to at least €16,000,000; (ii) the company or a dependent company has, pursuant to a legal obligation, established a works council and; (iii) the company and its dependent companies together normally employ at least 100 employees in the Netherlands. As a result of the Company qualifying as a structure company, the members of its Management Board are appointed, suspended and dismissed by the Supervisory Board. The members of the Supervisory Board are appointed according to a special procedure (see "Supervisory Board – Appointment, term and removal") in which not only the Supervisory Board and the General Meeting, but also the Company's central works council (*centrale ondernemingsraad*; the "**Works Council**") plays an important role. A number of important resolutions of the Management Board are mandatorily subject to the approval of the Supervisory Board (*e.g.*, resolutions related to: (i) the issuance or acquisition of equity or debt instruments, (ii) the cooperation in the issue of DRs; (iii) the application for the admission of trading of instruments; (iv) the entering into or terminating of a material alliance; (v) the acquisition, increase or decrease of an interest in a major (*i.e.*, value of at least 25% of the issued share capital plus reserves of the Company) participation; (vi) major investments; (vii) a proposal for an amendment of the Articles; (viii) a proposal for the dissolution of the Company; (ix) the filing of a bankruptcy or suspension of payments petition; (x) the termination of the employment contracts of a substantial number of employees at once or within a short period of time; (xi) a substantial amendment of employment conditions of a substantial number of employees; and (xii) a proposal for reduction of the issued capital).

From 1 January 2015 the daily management of the Group is in the hands of an Executive Committee chaired by the CEO, Mr. Van der Scheer. The Executive Committee also includes the CFO, the division directors and the officers responsible for human resources and legal affairs.

Management Board and Executive Committee

Powers and function

The Management Board is responsible for the management of the Company, the general affairs of the business of the Company, under the supervision of the Supervisory Board. The Management Board is ultimately responsible for determining the Company's strategy and long-term planning in particular, as well as its internal control systems. The Management Board annually notifies the Supervisory Board in writing of the strategic policy, the general and financial risks and the internal management and control systems. In addition, the Management Board periodically provides the Supervisory Board with a report setting out detailed information on, *inter alia*, finance, marketing, business developments, ongoing projects, investments and human resources accompanied by an explanation of, and comments on, the aforementioned subjects as well as information concerning its policies. The Management Board may perform all acts necessary or useful for achieving the Company's corporate purposes, except for those expressly attributed to the General Meeting or the Supervisory Board as a matter of Dutch law or pursuant to the Articles.

The Management Board submits all relevant information to the Supervisory Board in good time and is accountable to the Supervisory Board and the General Meeting. In accordance with the Articles and Dutch law certain resolutions of the Management Board are subject to the approval of the Supervisory Board or the General Meeting. See "Management Structure and Structure Regime" and "Management Board and Executive Committee – Board meetings and decisions". The lack of such approval, however, does not affect the authority of the Management Board to represent the Company.

The Management Board as a whole, as well as each member of the Management Board is independently authorized to represent the Company. Pursuant to the Articles, the Management Board may, subject to the approval of the Supervisory Board, divide its duties among its members, if more than two members of the

Management Board are in function. As there is currently only one member of the Management Board in function, no such division has been made.

Management Board and Executive Committee regulations

As per the date of this Prospectus, neither the Management Board nor the Executive Committee has adopted by-laws governing its internal proceedings.

Appointment, term and removal

The Management Board must consist of one or more members, with the total number to be determined by the Supervisory Board. Currently, the number of Management Board members is one. The members of the Management Board are appointed by the Supervisory Board, with an absolute majority of the votes cast, unless determined otherwise by the Articles or the Supervisory Board Regulations (as defined below). The Supervisory Board must notify the General Meeting of an intended appointment of a member of the Management Board.

The Supervisory Board may suspend and dismiss a member of the Management Board, with an absolute majority of the votes cast, provided that it may not dismiss a member of the Management Board before it has consulted the General Meeting about the intended dismissal. A member of the Management Board shall be afforded the opportunity to justify himself or herself at the General Meeting, which is consulted about the intended dismissal, and to be assisted by a legal adviser. A member of the Management Board must resign at the end of the month in which, after reaching the age of 65, the annual General Meeting is held, except where his or her appointment is extended by virtue of an agreement with the Supervisory Board on the grounds of special circumstances.

Qualifications

Dutch legislation that took effect on 1 January 2013 requires a Dutch public limited liability company which meets at least two of the three criteria referred to in section 2:397 subsection 1 DCC (which criteria are: (i) the value of the company's assets according to its balance sheet is, on the basis of the purchase price or manufacturing costs more than €17,500,000; (ii) the net turnover is more than €35,000,000; and (iii) the average number of employees is 250 or more) (such a company a "**Large Company**"), to pursue a policy of having at least 30% of the seats on the management board held by men and at least 30% of the seats on the management board held by women to the extent these seats are held by natural persons. Based on the Company's assets and turnover, this rule also applies to the Company. Pursuant to this new legislation, the Company will be required to take this allocation of seats into account in connection with the (nomination for the) appointment of members of the Management Board. In addition, if the Company does not comply with these gender diversity rules, it must explain in its annual report (i) why the seats are not allocated in accordance with this ratio, (ii) how the Company has attempted to achieve a well-balanced allocation; and (iii) how the Company aims to achieve a well-balanced allocation in the future.[1)] Currently, there are no women on the Management Board.

[1)] These rules automatically lapsed on 1 January 2016. The Dutch minister of Education, Culture and Science (*Minister van Onderwijs, Cultuur en Wetenschap*) however has proposed extension of the term, which would require new legislation. This proposal has already been approved by the Council of Ministers (*Ministerraad).*

In addition Dutch legislation provides for restrictions with respect to the overall number of members of the management board (including one tier board) positions and supervisory board positions that a member of the management board of a Dutch public limited liability company or a Dutch private company with limited liability may hold. Based on the Company's assets and turnover, this rule also applies to the Company. Pursuant to this new legislation, a person may not be a member of the Management Board if (i) he or she holds more than two supervisory positions with a Large Company, or (ii) if he or she acts as chairman of the supervisory board or, in the case of a one-tier board, serves as chairman of the board of a Large Company. The term 'supervisory position' refers to the position of supervisory director, non-executive director in case of a one-tier board, or member of a supervisory body established by the articles of association. The new legislation does not apply to members of the management board who were appointed prior to 1 January 2013. As the sole member of the Management Board was appointed prior to 1 January 2013, the Company currently complies with this legislation.

Board meetings and decisions

Pursuant to Dutch law and the Articles, the Management Board may adopt resolutions by an absolute majority of the votes cast. In the event of a tie vote, the Supervisory Board will decide. The Management Board may also adopt resolutions without holding a meeting.

Pursuant to Dutch law and the Articles, the Management Board must obtain the approval of the General Meeting and the Supervisory Board for resolutions regarding an important change of identity or character of the Company or its business. This includes in any event: (i) the transfer of its business or nearly its entire business to a third party; (ii) entering into or terminating the long-term collaboration of the Company or a subsidiary with another legal person or company or as a fully liable partner in a limited partnership or general partnership if such collaboration or the termination has far reaching implications for the Company; (iii) assuming or disposing of a participation interest in the capital of a company amounting to at least one-third of the amount of the assets according to the consolidated balance sheet with explanatory notes according to the most recently adopted financial statements of the Company, either by the Company or a subsidiary.

Pursuant to the Articles, in addition to the resolutions which require the approval of the Supervisory Board as a consequence of the applicability of the structure regime, see "Management Structure and Structure Regime", certain (other) important resolutions of the Management Board are subject to the approval of the Supervisory Board (*e.g.*, resolutions to (i) take out money loans divided into bonds and other long-term loans; (ii) bind the Company as surety; (iii) acquire, alienate or encumber immovable property and encumber or transfer the ownership of movable property by way of security; (iv) establish or otherwise acquire or participate in undertakings and companies and alienate or encumber such undertakings and companies; (v) perform legal acts as referred to in section 2:94 DCC; and (vi) make individual pension provisions or collective ones at the discretion of the Company.

The Management Board shall, at least four times a year, hold joint meetings with the Supervisory Board.

Conflict of interest

Pursuant to Dutch legislation that took effect on 1 January 2013, Dutch law no longer contains restrictions on the powers of members of the management board of a Dutch public limited liability company or a Dutch private company with limited liability to represent such company in case of a conflict of interest, but provides that a member of the management board may not participate in the adoption of resolutions (including deliberations in respect of these) if he or she has a direct or indirect personal conflict of interest. This rule applies to the Company. As a consequence a member of the Management Board shall not participate in the discussions or decision-making process in relation to a topic or transaction with respect to which he or she has a direct or indirect personal conflict of interest with the Company. If no resolution can be adopted by the Management Board as a consequence hereof, the resolution concerned will be adopted by the Supervisory Board. In addition, if a member of the Management Board does not comply with the provisions on conflicts of interest, the resolution concerned is subject to nullification (*vernietigbaar*) and this member may be held liable towards the Company.

Members of the Management Board

At the date of this Prospectus, the Management Board is composed of the following member:

Name	Date of birth	Position	Appointed	Term
Mr. G. van der Scheer	24 March 1960	CEO of the Company	9 May 2009	Indefinite

The Company's registered address serves as the business address for the member of the Management Board. See "Description of Share Capital – General".

Mr. G. van der Scheer

Profession/main position:	CEO of the Company
Significant (former) positions/other positions:	Member of the board of Stichting Administratiekantoor THR, board member (chairman) of the StaalFederatie Nederland

Following Settlement of the Public Offer, if this occurs, the composition of the Management Board is not expected to change.

Members of the Executive Committee

At the date of this Prospectus, the Executive Committee is composed of the following members:

Name	Date of birth	Position	Appointed	Term
Mr. G.T.M. Linnenbank	1 July 1974	CFO of the Company	18 March 2008[1)]	Indefinite
Mr. B. Kemp	14 March 1961	Division Director Reesink Construction Equipment	16 October 2013[1)]	Indefinite
Mr. H.M. Hylkema	26 September 1954	Division Director Green Equipment	1 January 2015	31 December 2020
Mr. E.J. Ros	18 April 1966	Division Director Kamps de Wild Holding	1 January 2015	Indefinite
Mr. C.A. Huisman	5 February 1974	Division Director Reesink Industries	1 January 2015	Indefinite
Mrs. M.L.C.H. Mans	23 January 1968	Group HR Director	1 January 2015	Indefinite
Mrs. M.S. Janssen	16 April 1973	General Counsel and Company Secretary	1 January 2015	Indefinite

[1)] Mr. Linnenbank and Mr. Kemp were until 1 January 2015 members of the former Management Team.

The Company's registered address serves as the business address for all members of the Executive Committee. See "Description of Share Capital – General".

Mr. G.T.M. Linnenbank:

Main positions:	CFO and compliance officer. Managing director of Reesink GmbH & Co. KG, managing director of Reesink Duitsland B.V., managing director Reesink Germany GmbH

Mr. B. Kemp:

Main positions:	Managing director of Ben Kemp Holding B.V., managing director of Barend Kemp B.V., managing director of Hans van Driel B.V., managing director of Kemp BVBA, managing director of Huur & Stuur B.V.
Member of the board of directors of:	Gepak Holding BV., Bebricks Nederland B.V., Bebricks Beleggingen B.V., Stichting Administratiekantoor Gepak Holding

Mr. H.M. Hylkema:

Main positions:	(In person or via his management company) Managing director of Packo N.V., managing director of Jean Heybroek B.V.
Member of the board of directors of:	(Via his management company) Geotex Holding B.V., Bart Holding B.V.

Mr. E.J. Ros:

Main position:	Managing director of Kamps de Wild Holding B.V.

Mr. C.A. Huisman:

Main positions:	Managing director of Reesink Staal B.V., managing director of Motrac Hydrauliek B.V., managing director of Motrac Hydraulik GmbH.

Mrs. M.L.C.H Mans and Mrs. M.S. Janssen do not hold any statutory positions.

As compliance officer Mr. G.T.M. Linnenbank ensures compliance with the legislation and regulation relating to inside information. Mr. Linnenbank also is registered with the Trade Register as proxy holder of the Company and as such authorized to represent the Company within the limits of the power of attorney.

Following Settlement of the Public Offer, if this occurs, the composition of the Executive Committee is not expected to change.

Potential conflicts of interest

The Company is not aware of any potential conflict between any duties of the Management Board members to the Company or of the Executive Committee to the Company and their respective private interest or other duties. There is no family relationship between any member of the Management Board, Executive Committee or Supervisory Board.

During the last five years, the member of the Management Board and the members of the Executive Committee have not: (i) been convicted of fraudulent offenses, (ii) served as a director or officer of any entity subject to bankruptcy proceedings, receivership or liquidation, or (iii) been subject to any official public incrimination or sanctions by statutory or regulatory authorities (including designated professional bodies), or disqualification by a court from acting as a member of the administrative, management or supervisory body of an issuer, or from acting in the management or conduct of the affairs of any issuer.

The Company is not aware of any arrangement or understanding with major shareholders, customers, equipment manufacturers or others pursuant to which any member of the Management Board or Executive Committee was selected as a member of the administrative or management bodies, or as a member of senior management.

In order to avoid the perception of a conflict of interest, Mr. G. van der Scheer, sole managing director, and Mr. G.T.M. Linnenbank, did not participate in the final discussions of the steering committee with the Offeror on the Consideration, as the Offeror had at that stage initiated discussions regarding possible participation by management in the Offeror after Settlement of the Public Offer. The steering committee (without their involvement) then finalized the Merger Agreement. Subsequently, Mr. G. van der Scheer, following consultation with the chairman of the Supervisory Board, declared that he considered himself able to resolve on resolutions regarding the Public Offer without a conflict of interest.

Supervisory Board

Powers and function

The Supervisory Board is responsible for supervising the policy pursued by the Management Board, the general course of affairs of the Company and the Company's business. The Supervisory Board will also provide the Management Board with advice. In performing their duties, the members of the Supervisory Board must serve the interests of the Company and its business as a whole. The Management Board must provide the Supervisory Board with the information necessary for the performance of its duties at a regular basis. At least once a year the Management Board informs the Supervisory Board in writing of the main features of the strategic policy, the general and financial risks and the Company's management and control systems. In addition, the Management Board periodically provides the Supervisory Board with a report setting out detailed information on, *inter alia*, finance, marketing, business developments, ongoing projects, investments and human resources accompanied by an explanation of, and comments on, the aforementioned subjects as well as information concerning its policies.

The Supervisory Board must appoint a chairman and a vice-chairman from among its members. The Supervisory Board may appoint a secretary from among its members or elsewhere.

Supervisory Board regulations

On 8 November 2013, the Supervisory Board has adopted its current by-laws governing its internal organization (the "**Supervisory Board Regulations**"). The Supervisory Board Regulations may be amended from time to time by resolution of the Supervisory Board to that effect. The Supervisory Board Regulations are published on and can be downloaded from the Company's website (www.royalreesink.com).

Appointment, term and removal

The Supervisory Board must consist of at least three members. Only natural persons (not legal entities) may be appointed as members of the Supervisory Board.

A member of the Supervisory Board is appointed for a maximum period of four years, and unless a member of the Supervisory Board resigns earlier, his appointment shall end on the day of the first annual General Meeting, which will be held four years after his appointment. A retiring member of the Supervisory Board may be reappointed. Unless the General Meeting resolves otherwise, a member of the Supervisory Board shall resign no later than the date on which the annual General Meeting is held in the financial year in which he or she held that position for twelve years. The members of the Supervisory Board retire periodically in accordance with a rotation plan prepared by the Supervisory Board.

The members of the Supervisory Board are appointed by the General Meeting on the nomination of the Supervisory Board. The General Meeting and the Works Council may recommend to the Supervisory Board persons to be nominated for appointment as members.

For one-third of the number of members of the Supervisory Board, a person recommended by the Works Council shall be put on the nomination list by the Supervisory Board, unless the Supervisory Board raises objections against the recommendation, based on the expectation that the person recommended will be unsuitable for the duties of a Supervisory Board member, or that the appointment in accordance with the recommendation will result in an unacceptable composition of the Supervisory Board. If the number of members of the Supervisory Board cannot be divided by three, the next lower figure which can be divided by three shall be taken into account, in order to establish the number of members to whom such right of recommendation applies. If the Supervisory Board raises objections against a person recommended by the Works Council, the Supervisory Board shall notify the Works Council of its objections, stating its reasons. The Supervisory Board shall at the same time enter into consultation with the Works Council in view of achieving agreement concerning the nomination. If the Supervisory Board finds that no agreement can be achieved, a representative of the Supervisory Board appointed to this effect shall request the Enterprise Chamber to uphold the objections. The request shall not be filed earlier than after expiration of four weeks after the commencement of the consultation with the Works Council. The Supervisory Board shall put the person recommended on the nomination list, if the Enterprise Chamber declares the objections unfounded. If the Enterprise Chamber upholds the objections, the Works Council may submit a new recommendation.

The General Meeting may reject the nomination by an absolute majority of votes cast, representing at least one-third of the issued share capital. If the General Meeting rejects the nomination with an absolute majority of the votes cast, but this majority does not represent at least one-third of the issued share capital, a new General Meeting can be convened, in which meeting the nomination can be rejected by an absolute majority of the votes cast (regardless of the issued capital represented at this second meeting). If the nomination is rejected, the Supervisory Board shall submit a new nomination. If the General Meeting does not appoint the person nominated and does not resolve to reject the nomination, the Supervisory Board appoints the person nominated.

The Supervisory Board has adopted a profile of its size and composition, taking into account the character of the business, its activities and the desired expertise and background of the members of the Supervisory Board. With each appointment of a member of the Supervisory Board, the profile must be taken into account.

The Enterprise Chamber may, following a request to this effect, dismiss a Supervisory Board member for neglecting his duties, for other serious reasons, or for major changes of the circumstances on which grounds maintaining him or her as a Supervisory Board member cannot reasonably be required of the Company. The request may be submitted by the Company, in this matter represented by the Supervisory Board, as well as by a representative of the General Meeting or of the Works Council appointed to this effect.

A Supervisory Board member may be suspended by the Supervisory Board; the suspension will terminate by operation of law, if the Company has not, within one month after the commencement of the suspension, submitted a request to the Enterprise Chamber.

With an absolute majority of the votes cast representing not less than one-third of the issued capital the General Meeting may pass a motion of no confidence in the Supervisory Board. The resolution resulting in the dismissal of the Supervisory Board shall state the reasons, and such a resolution shall not be passed before the Management Board has informed the Works Council about the proposal for the resolution and the reasons for it. Notification shall be effected at least 30 days before the General Meeting dealing with the proposal. If the Works Council defines a position about the proposal, to which it is entitled according to Dutch law, the Management Board shall inform the Supervisory Board and the General Meeting about it. The Works Council may have its position explained in the General Meeting.

Subject to Settlement of the Public Offer taking place, the Supervisory Board is expected to be composed of five members. Mr. C.P. Veerman and Mrs. R.M. Bergkamp will continue as Independent Supervisory Board Members. Mr. C.P. Veerman will remain chairman of the Supervisory Board. Three new members of the Supervisory Board are expected to be nominated by the Offeror. The two continuing members of the Supervisory Board will need to remain 'independent' as meant in the Code. The Company and the Offeror have agreed in the Merger Agreement that an Independent Supervisory Board Member needs to resign from the Supervisory Board, as soon as such Independent Supervisory Board Member ceases to be independent or, directly or indirectly, acquires any equity or similar interest in the Company. See "Business – Recent Developments – Public Offer".

The Company and the Offeror have agreed that the General Meeting will be requested to vote for the appointment of the Supervisory Board members to be identified as described above subject to Settlement of the Public Offer having taken place. If the General Meeting does not appoint such members of the General Meeting ahead of Settlement of the Public Offer, the Offeror is not obliged to declare the Public Offer unconditional (*gestand doen*).

Qualifications

Similar to the gender diversity rules for the composition of the Management Board described above (see "Management Board and Executive Committee – Qualifications"), Dutch legislation that took effect on 1 January 2013 requires Large Companies to pursue a policy of having at least 30% of the seats on the Supervisory Board held by men and at least 30% of the seats on the Supervisory Board held by women. This rule also applies to the Company because it qualifies as a Large Company. Pursuant to this new legislation, the Company is required to take this allocation of seats into account in connection with the following actions: (i) the (nomination for the) appointment of members of the Supervisory Board; (ii) drafting the criteria for the size and composition of the Supervisory Board, as well as the designation, the appointment, the recommendation and the nomination for appointment of members of the Supervisory Board; and (iii) drafting a profile for the members of the Supervisory Board. In addition, if the Company does not comply with the gender diversity rules, it is required to explain in the annual report (i) why the seats are not allocated in accordance with this ratio, (ii) how the Company has attempted to achieve a well-balanced allocation; and (iii) how the Company aims to achieve a well-balanced allocation in the future.[1)] Per 20 May 2015 Mrs. R.M. Bergkamp is appointed as member of the Supervisory Board.

[1)] These rules automatically lapsed on 1 January 2016. The Dutch minister of Education, Culture and Science (*Minister van Onderwijs, Cultuur en Wetenschap*) however has proposed extension of the term, which would require new legislation. This proposal has already been approved by the Council of Ministers (*Ministerraad).*

Similar to the rules for the composition of the Management Board described above (see "Management Board and Executive Committee – Qualifications"), restrictions apply as to the overall number of management board positions and supervisory board positions that a member of the supervisory board of a Dutch public limited liability company may hold. This rule also applies to the Company. Pursuant to this legislation, a person may not be a member of the Supervisory Board if he or she holds more than five supervisory positions with Large Companies. Acting as a chairman of the supervisory board or a supervisory body established by the articles of association or, in case of a one-tier board, chairman of the management board, of a Large Company will count twice. The term 'supervisory position' refers to the position of supervisory director, non-executive director in case of a one-tier board or member of a supervisory body established by the articles of association. The new legislation does not apply to members of the Supervisory Board who were appointed prior to 1 January 2013. All members of the Supervisory Board appointed after 1 January 2013 comply with the legislation.

Meetings and decisions

The Supervisory Board holds at least four meetings per year, and additionally the Supervisory Board shall meet as often as the chairman decides or in case two members of the Supervisory Board so require. Meetings of the Supervisory Board are attended by the members of the Management Board, unless the Supervisory Board decides otherwise.

If no larger majority is stipulated by Dutch law or pursuant to the Articles or the Supervisory Board Regulations, the Supervisory Board may adopt resolutions with an absolute majority of the votes cast. In the event of a tied vote, the chairman of the Supervisory Board has a casting vote.

The Supervisory Board may also adopt resolutions without having a meeting, provided such resolutions are adopted in writing, by fax, or by other written electronic means of communication that can be reproduced on paper and provided all members of the Supervisory Board have expressed themselves in favor of the proposal concerned. The Supervisory Board shall hold joint meetings with the Management Board at least four times a year.

Conflicts of interest

Any conflict of interest or apparent conflict of interest between the Company and members of the Supervisory Board shall be avoided. Decisions to enter into transactions under which members of the Supervisory Board would have conflicts of interest that are of material significance to the Company, its subsidiaries or to the relevant member of the Supervisory Board require the approval of the Supervisory Board. A Supervisory Board member shall not participate in the discussions or decision-making process in relation to such topic or transaction with respect to which he or she has a conflict of interest with the Company. Such transaction must be concluded on terms that are customary in the sector concerned and shall be subject to the approval of the Supervisory Board.

Similar to the rules for the composition of the Management Board described above (see "Management Board and Executive Committee – Conflict of interest"), Dutch legislation that took effect on 1 January 2013 provides that a member of the supervisory board (including a one tier board) of a Dutch public limited liability or a Dutch private company with limited liability may not participate in the adoption of resolutions (including deliberations in respect of these) if he or she has a direct or indirect personal conflict of interest. This rule also applies to the Company. Pursuant to this new legislation, if no resolution can be adopted as a consequence hereof, the resolution concerned will be adopted by the General Meeting. If a member of the Supervisory Board does not comply with the provisions on conflicts of interest, the resolution concerned is subject to nullification (*vernietigbaar*) and this member may be held liable towards the Company.

Members of the Supervisory Board

At the date of this Prospectus, the Supervisory Board was composed of the following members:

Name	**Date of birth**	**Position**	**Appointed**	**Term until**
Mr. C.P. Veerman	8 March 1949	Chairman	8 May 2008	2016
Mr. F.L.H. van Delft	3 February 1946	Member	11 May 2014	2016
Mr. L.H. Lievens	6 June 1957	Member	24 May 2012	2016
Mrs. R.M. Bergkamp	17 October 1959	Member	20 May 2015	2019

The Company's registered address serves as the business address for all members of the Supervisory Board. See "Description of Share Capital – General".

Mr. C.P. Veerman:

Profession/former profession/main position:	Professor Tilburg University and Wageningen University, former CEO Bracamonte B.V., former Minister of Agriculture and Fisheries and former chairman of Wageningen University and Research Centre.
Significant positions/other positions:	Project Authority Noord/Zuidlijn (chairman), VEWIN (chairman), NWO - Netherlands Organisation for Scientific Research (board member), Trust office Administratiekantoor KDS (board member), Nationaal Groenfonds (board member).
Other supervisory board memberships:	USG People (chairman), Holding Nationale Goede Doelen Loterij N.V. (chairman), Fagoed (chairman) and Ikazia Rotterdam hospital (chairman).

Mr. F.L.H. van Delft:

Profession/former profession/main position:	Former CFO/shareholder Commit Beheer B.V., director/ shareholder Bibiana Beheer B.V. and director/shareholder Delon Air B.V.
Significant positions/other positions:	Board member Stichting Administratiekantoor Aandelen Recopart.

Mr. L.H. Lievens:

Profession/main position:	Partner/chairman Lievens & Co (Accountant/Tax consultant, M&A Consultancy Firm).
Significant positions/other positions:	Lecturer Brugge Business School (K.U.L), lecturer Foundation of Financial & Estate Planning, member of the Flemish School of Higher Education in Economics (VLEKHO).
Member of the board of directors of:	VOKA (Vlaams Netwerk van Ondernemingen - Flemish Business Network), International Club of Flanders, APZI (Association Port of Zeebrugge Interests) and Lievens Invest Group NV.
Member of the advisory board of:	Ardo Holding N.V., Fun Belgium N.V., Stroke Fund CVBA, De Speyebeek NV.

Mrs. R.M. Bergkamp:

Profession/former profession/main position:	Director Vewin, former chairman of the arable product boards, former Director-General of Enterprise and Innovation at the Ministry of Economic Affairs, Agriculture and Innovation, former Director-General of the Ministry of Agriculture, Nature and Food Quality, former Director for Immigration at the Ministry of Justice, former director of Enforcement at the Ministry of Justice.
Significant positions/other positions:	Board member trust office Stichting Administratiekantoor Aandelen Reesink, member Audit Committee of the Ministry of Finance, member National Board Veilig Verkeer Nederland, member (non-scientific) Royal Holland Society of Sience and Humanities.
Member of the supervisory board of:	Parnassia Groep, Wellant College, Netherlands Nutrition Centre.
Member of the advisory board of:	Animal Sciences Group (WUR).

Potential conflicts of interest

Except for Mr. Van Delft's indirect holding of DRs through Bibiana Beheer B.V., the Company is not aware of any potential conflict between any duties of the members of the Supervisory Board to the Company and their private interest or other duties. There is no family relationship between any member of the Management Board, Executive Committee or Supervisory Board.

During the last five years, none of the members of the Supervisory Board (i) have been convicted of fraudulent offenses, (ii) have served as a director or officer of any entity subject to bankruptcy proceedings, receivership or liquidation, or (iii) have been subject to any official public incrimination or sanctions by statutory or regulatory authorities (including designated professional bodies), or disqualification by a court from acting as a member of the administrative, management or supervisory body of an issuer, or from acting in the management or conduct of the affairs of any issuer.

The Company is not aware of any arrangement or understanding with major shareholders, customers, equipment manufacturers or others pursuant to which any member of the Supervisory Board was selected as a member of the supervisory body.

To avoid the perception of a conflict of interest, Mr. F.L.H. van Delft, member of the Supervisory Board, was upon his request not involved in the deliberations and the decision-making with respect to the Public Offer as he holds an interest in the Company through Bibiana Beheer B.V. See also "Major Shareholders and Related Party Transactions".

Supervisory Board Committees

Audit committee, remuneration committee, selection and appointment committee

The Dutch Corporate Governance Code (the "**Code**") formally applied to the Company until the switch to Alternext Amsterdam in 2006. As part of an agreement with the shareholders, the Company still applies the Code as the Company believes it is important to include the main features of its corporate governance structure on its website. The Code provides that if the Supervisory Board consists of more than four members, it shall appoint from among its members an audit committee, a remuneration committee and a selection and appointment committee. At the date of this Prospectus, the Company does not have the committees referred to in this section in place (*i.e.*, audit committee, remuneration committee, selection and appointment committee). The provisions of the Code that are relevant will be complied with in case the size of the Supervisory Board is expanded to more than four members.

Remuneration

Management Board remuneration and benefits

The table below provides the remuneration of the Management Board paid in the financial year ended 31 December 2015.

Name	Fixed salary (gross)	Variable remuneration [1)]	Pension	Other	Total
Mr. G. van der Scheer	€454,500	€100,000	€103,658	-	€658,158

The member of the Management Board, Mr. Van der Scheer, is entitled to an annual bonus (variable remuneration), to be determined at the discretion of the Supervisory Board. This bonus is in practice at least 30% of the current fixed gross salary.

1) The variable remuneration concerns the variable remuneration paid for the financial year 2014.

Executive Committee remuneration and benefits

The table below provides the aggregate amount of remuneration of the Executive Committee paid in the financial year ended 31 December 2015.

Aggregate fixed salary (gross)	Aggregate variable remuneration [1)]	Aggregate pension	Aggregate other	Total
€1,120,974	€192,650	€86,457	-	€1,400,081

1) The aggregate variable remuneration concerns the aggregate variable remuneration paid for the financial year 2014.

Supervisory Board remuneration and benefits

The table below provides the remuneration of each member of the Supervisory Board for the financial year ended 31 December 2015. The total remuneration of the Supervisory Board for the financial year 2015 (including Mr. Vos, who retired from the Supervisory Board on 20 May 2015) was €141,179 and in total €4,000 expenses were paid. The Company has not provided any personal loans, advances or guarantees to Supervisory Board members. The remuneration of the current members of the Supervisory Board for the financial year 2015 was as follows:

Name		Fixed remuneration (gross)	Expenses paid
Mr. C.P. Veerman		€46,500	€1,000
Mr. F.L.H. van Delft		€31,500	€1,000
Mr. L.H. Lievens		€31,500	€1,000
Mr. B. Vos	(up to 20 May 2015)	€12,304	€375
Mrs. R.M. Bergkamp	(as of 20 May 2015)	€19,375	€625

Pursuant to the Articles, the General Meeting determines the remuneration of the members of the Supervisory Board. According to the Supervisory Board Regulations, the Supervisory Board will submit proposals to the General Meeting in respect of the remuneration of the individual members of the Supervisory Board.

Pursuant to the Code, the remuneration of the Supervisory Board may not be made dependent on the Company's performance. Also, none of the members of the Supervisory Board may receive Ordinary Shares or DRs, options for Ordinary Shares or DRs or similar rights to acquire Ordinary Shares or DRs as part of their remuneration. None of the members of the Supervisory Board may hold Ordinary Shares or DRs, options for Ordinary Shares or DRs (or similar securities) other than as a long-term investment. The members of the Supervisory Board may also not hold such securities other than in accordance with the rules on holding/transactions in the Company's securities. Members of the Supervisory Board may not accept personal loans or guarantees from the Company, other than in the normal course of business and subject to the prior approval of the Supervisory Board.

Pensions for the Supervisory Board

At the date of this Prospectus, there are no amounts reserved or accrued by the Company or its subsidiaries to provide pension, benefit, retirement or similar benefits in relation to 2015 for current members of the Supervisory Board.

Equity holdings

The number of Shares and DRs owned by members of the Management Board and the Executive Committee at the date of this Prospectus is set forth in the table below.

Name	Ordinary Shares	Preference Shares	DRs
Mr. G. van der Scheer	0	0	779
Mr. G.T.M. Linnenbank	0	0	347
Mr. B. Kemp	0	0	35,770
Mr. H.M. Hylkema	0	0	0
Mr. E.J. Ros	0	0	0
Mr. C.A. Huisman	0	0	0
Mrs. M.L.H.C. Mans	0	0	0
Mrs. M.S. Janssen	0	0	0

The number of Shares and DRs owned by members of the Supervisory Board at the date of this Prospectus is set forth in the table below.

Name	Ordinary Shares	Preference Shares	DRs
Mr. C.P. Veerman	0	0	0
Mr. F.L.H. van Delft	0	0	87,878
Mr. L. Lievens	0	0	0
Mrs. R.M. Bergkamp	0	0	0

Members of the Management Board, the Executive Committee and Supervisory Board do not have any options for DRs or Shares.

The Company has been informed by the Offeror that Mr. F.L.H. van Delft through Bibiana Beheer B.V. has agreed with the Offeror that he will tender his DRs in the Public Offer. Also Mr. G. van der Scheer, Mr. G.T.M. Linnenbank and Mr. B. Kemp have agreed with the Offeror that they will tender their DRs in the Public Offer subject to the Management Board and the Supervisory Board not revoking their recommendation of the Public Offer in accordance with the terms of the Merger Agreement.

The Company has been informed by the Offeror that the CEO has had discussions with the Offeror regarding participation in the Offeror by the CEO after Settlement of the Public Offer and that the Offeror has extended an invitation to other members of management of the Company to participate in the Offeror after Settlement of the Public Offer. See “Business – Recent Developments – Public Offer”.

Employment agreements and severance agreements

Management Board and Executive Committee employment and management contracts are governed by Dutch law, and are generally entered into for an indefinite period of time. Mr. Van der Scheer’s employment contract contains severance provisions which provide for a compensation for the loss of income resulting from a non-voluntary termination of employment. The amount of severance is limited to two years’ salary for severance, unless this termination is due to misconduct or resignation of Mr. Van der Scheer. The full terms and conditions of employment or management contracts of the members of the Management Board and Executive Committee are recorded in individual contracts. The members of the Supervisory Board do not have an employment or service contract with the Company.

Indemnification and Insurance

Under Dutch law, members of the Management Board, Supervisory Board and certain other officers may be held liable for damages in the event of improper or negligent performance of their duties. They may be held jointly and severally liable for damages of the Company and of third parties for infringement of the Articles or of certain provisions of the DCC. In certain circumstances, they may also incur additional specific civil and criminal liabilities. Members of the Management Board, Supervisory Board and certain other officers are insured under an insurance policy taken out by the Company against damages resulting from their conduct when acting in their capacities as members of the Management Board, Executive Committee or Supervisory Board. There shall, however, be no entitlement to reimbursement if and to the extent that the act or failure to act of the person concerned may be characterized as willful misconduct (*opzet*), or gross negligence (*grove schuld*).

Employees

At 31 December of the years 2012, 2013, 2014 and 2015 the Group employed the following FTEs.

	31 December 2012	**31 December 2013**	**31 December 2014**	**31 December 2015**
Actual number of FTEs	291	1,012	1,165	1,314

The average number of FTEs employed over the years as mentioned before was as follows.

	2012	**2013**	**2014**	**2015**
Average number of FTEs	293	467	1,121	1,199

The average FTEs breakdown is as follows based on the geographical distribution:

	2012	**2013**	**2014**	**2015**
The Netherlands	253	340	593	619
Belgium	39	77	191	190
Germany	1	50	236	268
Kazakhstan	-	-	101	116
Turkey	-	-	-	6
	293	**467**	**1,121**	**1,199**

Since 31 December 2015 up to the date of this Prospectus there was no significant change in the number of employees employed by the Group measured in FTEs.

Pension Schemes

The Company offers a number of pension schemes. The Dutch schemes are financed with payments to pension providers, *i.e.*, insurance companies and industry pension funds. The foreign pension schemes are comparable to the structure and operation of the Dutch pension schemes. The pension commitments from both the Dutch and the foreign schemes are valued in accordance with the 'obligation to the pension provider' approach. This approach means the premium paid to the pension provider is accounted for as a charge in the profit and loss account.

Corporate Governance

In 2003, the Dutch Corporate Governance Committee, also known as the Tabaksblat Committee, issued the Code. The Code applies to all companies whose registered offices are in the Netherlands and whose shares or depositary receipts for shares have been admitted to listing on a stock exchange, or more specifically to trading on a regulated market or a comparable system, and to all large companies whose registered offices are in the Netherlands (with a balance sheet value exceeding €500 million) and whose shares or depositary receipts for shares have been admitted to trading on a multilateral trading facility or a comparable system. The Code therefore formally applied to the Company until the transfer to Alternext Amsterdam in 2006. As part of an agreement with its shareholders, the Company still applies the Code as the Company believes it is important to include the main features of its corporate governance structure on its website. The Code contains a number of principles and best practice provisions for Dutch listed companies in respect of their managing boards, supervisory boards, shareholders and general meetings of shareholders, financial reporting, auditors, disclosure, compliance and enforcement standards.

The Company is required to disclose in its annual report whether or not it applies the provisions of the Code and, if it does not apply those provisions, to explain the reasons why it does not apply those provisions. The Code states that a company is also in compliance with the Code if its general meeting of shareholders has approved the corporate governance structure and the deviations from the Code's principles.

Compliance with the Code

The Company fully endorses the underlying principles of the Code, and is committed to adhering to the best practices of the Code as much as possible. The Company has concluded that it satisfies the principles and best practice provisions of the Code, with the exceptions listed below. The Company provides an explanation for all deviations which it believes are in the best interest of its stakeholders.

Best practice provision II.1.1 (appointment of Management Board members for four years)

"A management board member is appointed for a maximum period of four years. A member may be reappointed for a term of not more than four years at a time."

In deviation from best practice provision II.1.1, the Company entered into an open-ended contract with Mr. Van der Scheer in May 2009, which means he was not appointed for a maximum period of four years. The member of the Management Board and the General Meeting have agreed that the former will resign if the latter so requests based on his performance, in a situation where there is no dominant shareholder but a wish that is widely supported. If the member of the Management Board were to resign in this manner, this will be deemed to be a dismissal by the Company.

Best practice provision IV.2.2 (board member trust office)

"The managers of the trust office shall be appointed by the management of the trust office. The meeting of holders of depositary receipts may make recommendations to the management of the trust office for the appointment of persons to the position of manager. No management board members or former management board members, supervisory board members or former supervisory board members, employees or permanent advisers of the company should be part of the management of the trust office."

The Company deviates from best practice provision IV.2.2. The Company believes that as long as the personal expertise of a potential board member makes such candidate an interesting candidate to take place on the board of STAAR, and there are no other objections from holders of DRs, one board member of the Company may possible be appointed as a board member of STAAR.

Best practice provision IV.2.5 (voting guided by interests of holders of DRs)

"In exercising its voting rights, the trust office shall be guided primarily by the interests of the depositary receipt holders, taking the interests of the company and its affiliated enterprise into account."

STAAR deviates from best practice provision IV.2.5, as the management of STAAR believes it is more advisable to maintain its current objects clause in the articles of association of STAAR. This objects clause provides that the voting rights on the Shares must be exercised such that 'the interests of the Company and the companies maintained by the Company and its affiliates are being represented in order to ensure that the independence or individual identities of the Company and the above-mentioned companies are continued to maximum capacity, provided that this does not conflict with the interests of any other parties involved'.

Best practice provision II.2.8 (maximum severance pay)

"The remuneration in the event of dismissal may not exceed one year's salary (the 'fixed' remuneration component). If the maximum of one year's salary would be manifestly unreasonable for a management board member who is dismissed during his first term of office, such board member shall be eligible for severance pay not exceeding twice the annual salary."

In deviation from this best practice provision II.2.8, the severance payment for Mr. Van der Scheer in case of his dismissal, will be fixed based on all relevant circumstances at that time and will be limited to twice his annual salary.

Best practice provision III.2.1. (independence of the Supervisory Board Members)

Following Settlement of the Public Offer, the Offeror will have the right to nominate three members of the Supervisory Board pursuant to the Merger Agreement. See "Business – Recent Developments – Public Offer" and "Management, Employees and Corporate Governance – Supervisory Board". It is expected that these members of the Supervisory Board will not satisfy all independence criteria of the Code, which is not in accordance with this best-practice provision.

Following Settlement of the Public Offer, if this occurs, no other changes are expected.

DESCRIPTION OF SHARE CAPITAL

Set forth below is a summary of certain relevant information concerning the Company's share capital and of certain material provisions of the Articles and applicable Dutch law.

This summary does not purport to give a complete overview and should be read in conjunction with, and is qualified in its entirety by reference to, the Articles and the relevant provisions of Dutch law as in force on the date of this Prospectus. This summary does not constitute legal advice regarding those matters and should not be regarded as such. The full text of the Articles is incorporated by reference into this Prospectus and is available, in Dutch and English, on the Company's website (www.royalreesink.com). See also "Management, Employees and Corporate Governance" for a summary of certain material provisions of the Articles and Dutch law relating to the Management Board and the Supervisory Board.

General

Royal Reesink N.V., or the Company, is a public company with limited liability (*naamloze vennootschap*). The Group mainly operates under the trade name Royal Reesink. The Company was incorporated under the laws of the Netherlands on 30 April 1930. The statutory seat of the Company is in Apeldoorn, the Netherlands, and its registered office is at 7325 WC Apeldoorn, the Netherlands, Ecofactorij 20. Its telephone number is: +31 (0)575 599 301.

The Company is registered in the Trade Register of the Chamber of Commerce for East Netherlands (*handelsregister van de Kamer van Koophandel en Fabrieken voor Oost-Nederland*) (the "**Trade Register**"), under number 08005560.

The Company is subject to the 'structure regime'. See "Management, Employees and Corporate Governance – Management Structure and Structure Regime".

Corporate Purpose

Pursuant to clause 1 paragraph 2 of the Articles, the corporate objects of the Company are to: (i) participate in and conduct the management of businesses, in particular businesses that have as their object the trade in metals and plastics and products (including half-finished products) thereof, in addition the trade in machines, equipment, tools, as well as technical components and systems and ancillary items and devices, and acquire, exploit and alienate registered property and make investments in such property; (ii) finance other businesses and provide security for debts of Group Companies; and (iii) perform anything related to the foregoing or which may be conductive thereto, all this in the broadest sense of the word.

Share Capital

Authorized and issued share capital of the Company

On 25 October 2013 the Articles were changed through which the authorized share capital of the Company was increased to €24.000.000 by raising the number of Ordinary Shares with a nominal value of €4,00 each from 1,840,000 to 2,540,000 and the number of Cumulative Preference Shares B with a nominal value of €4,00 each from 2,300,000 to 3,000,000.

On 15 September 2014 the Articles were changed through which the nominal value of all Shares was reduced from €4.00 to €0.04 each. The amount of the capital reduction was added to the Company's premium reserve and therefore remained part of shareholders' equity.

On the date of this Prospectus, the authorized share capital of the Company amounts to €240,000 and is divided into:

- 2,540,000 Ordinary Shares, each with a nominal value of €0.04
- 460,000 Cumulative Preference Shares A, each with a nominal value of €0.04
- 3,000,000 Cumulative Preference Shares B, each with a nominal value of €0.04.

On the date of this Prospectus a total of 1,382,537 Shares are issued and outstanding, all of which are Ordinary Shares. The Shares are issued in accordance with Dutch law.

As of the date of the Prospectus, a total of 3,603 Ordinary Shares and 2,634 DRs are held by the Group against historical purchase price, with a total book value of €171,246. Shares that are outstanding on the date of this Prospectus are fully paid up. On the date of this Prospectus no Cumulative Preference Shares A and no Cumulative Preference Shares B are issued.

History of share capital

The following table sets forth the issued share capital of the Company as per the date of this Prospectus, on 31 December 2014, on 31 December 2013 and on December 2012.

	31 December 2012		**31 December 2013**		**31 December 2014**		**As per the date of the Prospectus**	
	Number of Shares outstanding	Amount of Shares outstanding (in €)	Number of Shares outstanding	Amount of Shares outstanding (in €)	Number of Shares outstanding	Amount of Shares outstanding (in €)	Number of Shares outstanding	Amount of Shares outstanding (in €)
Ordinary Shares	775,691	3,102,764	1,247,559	4,990,236	1,247,559	49,902	1,382,537	55,301
Cumulative Preference Shares A	260,000	1,040,000	260,000	1,040,000	260,000	10,400	0	0
Cumulative Preference Shares B	0	0	0	0	0	0	0	0
Total	1,035,691	4,142,764	1,507,559	6,030,236	1,507,559	60,302	1,382,537	55,301

In 2012, the issued capital changed with €418,972 following the issue of a total of 104,743 Ordinary Shares at a price of €4.00. For all these Ordinary Shares DRs were granted by STAAR. On 8 May 2012, a total of 34,290 Ordinary Shares were issued in order to finance the acquisition of the Kemp Group. The issue price per Ordinary Share was set at €80.52. On 5 November 2012, a total of 70,453 Ordinary Shares were issued to STAAR as part of a private placement transaction – this comprised 9.99% of the Ordinary Shares outstanding at that time. For these 70,453 Ordinary Shares 70,453 DRs were offered to certain Qualified Investors at an issue price of €74.00. Net proceeds from these issues and offerings were €7,697,000.

The Company and Project Holland Deelnemingen B.V. ("**PHD**") agreed an equity facility on 5 November 2012 on the basis of which the Company had the option, at times to be determined by the Company, to grant – via STAAR – a maximum of 70,523 DRs for a single Ordinary Share to PHD for the financing of acquisitions or mergers ("**Private Placement Equity Facility**"). Statutory preferential rights in relation to this facility were excluded. During the term of the equity facility, PHD was granted the exclusive right to finance acquisitions or mergers in exchange for shareholders' equity. The issue price of a DR under the Private Placement Equity Facility was €74.00. On 23 January 2013, the Company drew down funds under the Private Placement Equity Facility in order to fund the acquisition of Hans van Driel. A total of 59,300 DRs were transferred to PHD. Finally, on 16 October 2013 the Company drew down the remaining available funds from the Private Placement Equity Facility, to finance the acquisition of the activities of a local dealer. A total of 11,223 DRs were transferred to PHD.

On 14 October 2013, a total of 203,603 Ordinary Shares were issued to STAAR as part of a private placement, at a share price of €63.85 to finance part of the Acquisition of PMH-E. For all these Ordinary Shares, DRs were granted by STAAR to certain existing shareholders that qualify as Qualified Investors. On 16 October 2013, a total of 150,756 Ordinary Shares were issued to Pon Holdings at a share price of €63.85 as part of the consideration for the Acquisition of PMH-E, which Ordinary Shares were directly transferred by Pon Holdings to STAAR in exchange for DRs.

On 26 November 2013, a total of 46,986 Ordinary Shares were issued to STAAR as part of a public placement, at a share price of €63.85. The proceeds were used to repay the financing facility used by the Company to finance part of the Acquisition of PMH-E. For all of these Ordinary Shares, DRs were granted by STAAR to a number of (new) shareholders.

On 3 April 2015 the Company repurchased all of the 260,000 outstanding Cumulative Preference Shares A and on the same date the cancellation of such shares was initiated which was completed in the beginning of June 2015.

In 2015 shareholders were offered the choice of taking the dividend due to them for the 2014 financial year in cash or shares charged to the premium reserve. The number of dividend rights giving entitlement to one new Ordinary Share or DRs for one Ordinary Share in the Company was set at 23.1635. The conversion ratio was calculated on the basis of the volume-weighted average price of all DRs traded on the Alternext segment of Euronext Amsterdam in the period from 26 May to 2 June 2015. The value of the dividend in shares represented a premium of 4% compared to the value of the corresponding cash dividend of €3.50 per Ordinary Share or DRs. A percentage of 17.36% of the shareholders of the total ordinary share capital outstanding decided to take their dividend in stock. Based on the conversion ratio, the total number of outstanding Ordinary Shares after delivery of the Ordinary Shares and DRs arising from the exchange of dividend rights increased by 9,351 to 1,256,910. Delivery of the Ordinary Shares and DRs as a result of the conversion of dividend rights was made on 3 June 2015.

On 3 September 2015, a total of 125,627 Ordinary Shares were issued to STAAR as part of a private placement transaction – this comprised 9.99% of the Ordinary Shares outstanding at that time. For these 125,627 Ordinary Shares 125,627 DRs were offered to certain Qualified Investors at an issue price of €76.05. Net proceeds from these issues and offerings were €9,553,933.The proceeds were credited to the general funds which funds were used to finance the acquisition of Agrometius and to repay the subordinated loan of PVL, a Pon Holdings subsidiary.

Shareholders register

The Shares are in registered form (*op naam*) and are only available in the form of an entry in the Company's shareholders register. No share certificates (*aandeelbewijzen*) are issued. The shareholders register is kept by the Management Board.

The Company's shareholders register records the names and addresses of the shareholders, the number of Shares held, the amount paid on each Share and the date of registration in the shareholders register. In addition, each transfer or passing of ownership and every discharge from liability for non-payment is registered in the shareholders register. The shareholders register also includes the names and addresses of persons and legal entities with a right of pledge (*pandrecht*) or a right of usufruct (*vruchtgebruik*) on those Shares.

Issuance of Shares

Subject to the approval of the Supervisory Board, the General Meeting, or the Management Board if authorized by the General Meeting, as the case may be, may resolve upon the issue of Shares. As long as the Management Board is authorized to resolve to issue Shares, the General Meeting may not adopt a resolution to issue further Shares.

A resolution of the General Meeting to issue Shares or to designate the Management Board as being authorized to issue Shares, shall be valid only if accompanied by a prior or simultaneous resolution of approval by each group of shareholders of the same class whose rights are prejudiced by the issue

If the Management Board has been designated as the body authorized to resolve upon further issues of Shares, the number and class of Shares must be specified in such designation. Upon such designation, the duration of the designation shall be set, which shall not exceed five years. The designation may be extended, from time to time, for periods not exceeding five years. Unless such designation provides otherwise, it may not be withdrawn. Although the duration of the designation as provided by law may be a maximum of five years, the Company adheres to the good practice of limiting this duration to 18 months. Ordinary Shares may be issued only against payment in full. Payment for Shares must be made in cash, unless another form of consideration has been agreed.

The rules described in this paragraph also apply to the granting of rights to subscribe for Shares, but do not apply to the issue of Shares upon the exercise of a right to subscribe for Shares.

During the annual General Meeting held on 20 May 2015, the General Meeting authorized the Management Board, subject to the approval of the Supervisory Board, for a period of 18 months, to issue Ordinary Shares up to 10% of the issued Ordinary Shares at the time of the issue and another 10% in the event of mergers, acquisitions or strategic alliances.

Pre-emption rights

Holders of Ordinary Shares have a pre-emptive right in the event of an issue of Ordinary Shares in proportion to the total amount of their Ordinary Shares. Holders of Ordinary Shares have no pre-emptive right in the event of an issue of Cumulative Preference Shares A and Cumulative Preference Shares B. Holders of Cumulative Preference Shares A and holders of Cumulative Preference Shares B have no pre-emptive right in the event of an issue of Shares. No pre-emptive right exists in respect of an issue of Shares for consideration other than in cash or in respect of Shares that are issued to employees of the Company or of the Group.

The General Meeting may resolve to restrict or exclude pre-emptive rights, which resolution requires a majority of at least two-thirds of the votes cast if less than one-half of the issued capital is represented at the General Meeting. If one-half or more of the issued capital is represented, the resolution can be adopted with an absolute majority of the votes cast. The General Meeting may authorize the Management Board to restrict or exclude pre-emptive rights if the Management Board is also authorized to issue Shares at that time. This authorization may be granted for a specific period of not more than five years and may be extended, from time to time, for no longer than five years and only applies as long as the authorization to issue Shares is in force. The Company adheres to the good practice of limiting this duration to 18 months. Once granted, the General Meeting cannot withdraw the authority of the Management Board, unless the initial resolution to authorize the Management Board provides expressly otherwise. A resolution of the Management Board to restrict or exclude pre-emptive rights is subject to the approval of the Supervisory Board.

The issue of Shares that is subject to pre-emptive rights and the period during which these rights can be exercised shall be announced in a national daily newspaper and the Netherlands Government Gazette

(*Nederlandsche Staatscourant*). The period during which pre-emptive rights may be exercised is determined by the General Meeting, or if authorized, the Management Board subject to the approval of the Supervisory Board. This period is at least two weeks following the day of the announcement.

The rules described in this paragraph also apply to the granting of rights to subscribe for Shares, but do not apply to the issue of Shares upon the exercise of a right to subscribe for Shares.

During the annual General Meeting held on 20 May 2015, the General Meeting authorized the Management Board, subject to the approval of the Supervisory Board, for a period of 18 months, to limit or exclude pre-emptive rights in connection with an issue of Ordinary Shares up to 10% of the issued Ordinary Shares at the time of the issue and another 10% in the event of an issue related to a merger or acquisition.

Capital reduction

The General Meeting may resolve to reduce the issued share capital of the Company by cancellation of Shares or by reducing the nominal value of Shares by amending the Articles. Under Dutch law, the resolution to reduce the issued share capital must specifically state the shares concerned and lay down rules for the implementation of the resolution. The resolution to cancel Shares may only concern Shares which are held by the Company or Shares for which the Company holds DRs.

Under Dutch law, a resolution to reduce the issued share capital requires a majority of at least two-thirds of the votes cast in the General Meeting if less than one-half of the issued share capital is represented at that General Meeting. A resolution to reduce the issued share capital in addition requires the prior simultaneous approval by each group of shareholders of the same class whose rights are prejudiced.

Acquisition by the Company of its own Shares

The Company may acquire fully paid-up Shares for no consideration or if: (i) the Company's shareholders' equity less the payment required to make the acquisition does not fall below the sum of the called-up and paid-up part of the share capital and any statutory reserves; and (ii) the nominal value of the Shares which the Company acquires, holds or holds as pledgee or which are held by a subsidiary does not exceed half of the issued share capital. The Management Board requires the authorization by the General Meeting for the repurchase of Shares for consideration. The Company adheres to the good practice of limiting this duration to 18 months. As part of the authorization, the General Meeting specifies the number of Shares that may be repurchased, the manner in which the Shares may be acquired and the price range within which the Shares may be acquired. The authorization is not required for the acquisition of Shares for employees of the Company or another member of its Group, under a scheme applicable to such employees. The Management Board may resolve, subject to the approval of the Supervisory Board, to dispose of Shares acquired by the Company in its own capital.

Shares held by the Company in its own share capital shall be taken into account for the computation of the amount of profit to be distributed on each Share. No voting rights may be exercised at the General Meeting for Shares that belong to the Company or its subsidiaries or for Shares for which they hold DRs. Holders of a right of usufruct or a right of pledge to Shares belonging to the Company or its subsidiaries may, however, exercise their voting rights if the right of usufruct or right of pledge was established before the Share belonged to the Company or its subsidiaries. The Company or its subsidiaries may not exercise voting rights for Shares on which it holds a right of usufruct or right of pledge. In determining to what extent the shareholders vote, are present or represented, or to what extent the share capital is provided or represented, no account is to be taken of Shares regarding which no voting rights may be exercised by law.

During the annual General Meeting held on 20 May 2015, the General Meeting authorized the Management Board, subject to the approval of the Supervisory Board, for a period of 18 months, to repurchase (i) Ordinary Shares up to no more than 10% of the issued share capital of the Company at the time of the repurchase for a price per Ordinary Share that is between €0.01 and 110% of the average price of a DR on Alternext Amsterdam during the five trading days prior to the day of the repurchase. The authorization also includes DRs.

Form and Transfer of Shares

All Shares are in registered form. A transfer of Shares or of a restricted right thereto requires a deed of transfer drawn up for that purpose.

Pursuant to the Articles, natural persons or legal entities may not hold, or be allocated, more than 1% of the issued Ordinary Shares in his or her name. If this does occur, the shareholder in question is required to dispose of its excess Ordinary Shares, either by selling them or by exchanging them for DRs. A natural person or legal person may not have or have registered in his name more than 1% of the issued Ordinary Shares, taking account of his entitlement to undivided interests (*onverdeeldheden*); the determination of the said limit of 1% includes the Ordinary Shares of the companies in whose capital such shareholder participates either directly or indirectly for 50% or more, or in respect of which company such shareholder is to a considerable extent in a position to determine the profit appropriation. Holders of Ordinary Shares cannot be legal persons other than companies with share capital, unless the Management Board, subject to the Supervisory Board's approval, grants an exemption.

If a shareholder acquires Ordinary Shares in breach of the above requirements, such shareholder must alienate, within a month of such a situation arising, as many Ordinary Shares as necessary to comply with the requirement, either by exchanging them into DRs, to be issued by STAAR, or by sale, or by any other means. The shareholder may exercise all the rights ensuing from his shareholding. If a shareholder fails to comply with the foregoing, and, after having been notified of such failure by the Management Board by means of a registered letter or a process server's writ, continues to be in default of the foregoing for 14 days following the delivery of the registered letter by post or the service of the process server's writ, the Company is irrevocably authorized to transfer as many Ordinary Shares as necessary to STAAR, against the grant of DRs for such Ordinary Shares by STAAR, to comply with this requirement and to do everything necessary to do so, provided the shareholder concerned agrees to it. If the shareholder concerned does not agree to it, the Company is irrevocably authorized to alienate as many Ordinary Shares as necessary to comply with the foregoing requirement and to do everything necessary to do so. If the Company has not availed itself of this authorization within six months, the shareholder concerned will be deemed to have been irrevocably granted dispensation, provided that the percentage of Ordinary Shares that he or she owns at that point may not be increased. The price at which those Ordinary Shares are alienated will be determined in consultation with the shareholder concerned. If no agreement on the price is reached within four weeks, it will be determined by an expert appointed by the District Court of Gelderland, hearing location Zutphen, on the request of either party.

The foregoing requirements do not apply to (i) shareholders who owned over 1% of the issued Ordinary Shares on 23 April 1976 (upon the conclusion of the amendment to the Articles effectuated in that calendar year) provided that the percentage of Ordinary Shares that they owned at that time may not be increased; these shareholders may acquire new Ordinary Shares upon the issue of Ordinary Shares, in order to may maintain their holding percentage at the percentage prior to such issue, to be calculated at that time with regard to the newly increased issued share capital; (ii) natural persons or legal persons permitted to own a higher percentage of Ordinary Shares by resolutions of the Management Board, subject to the Supervisory Board's approval, all this however solely where the Company issues Ordinary Shares to these natural persons or legal persons to acquire shares in other companies or to acquire other businesses; (iii) natural persons or legal persons permitted to own a higher percentage of Ordinary Shares by a resolution of the General Meeting, subject to the prior nomination by the Management Board and the Supervisory Board's approval; (iv) STAAR; and (v) the Company.

No title may be transferred in breach of the foregoing requirements.

A shareholder may only transfer its Preference Shares to a third party if it has first offered its Preference Shares to the Company. A shareholder must offer all its Preference Shares to the Company in case of (i) a holder of Preference Shares deceases; (ii) the spouse of a holder of Preference Shares with whom the deceased was married under a community of property regime, of which those Preference Shares formed part, deceases ; (iii) the marriage of a holder of Preference Shares, who was married under a community of property regime of which those Preference Shares formed part, is dissolved by divorce or if a legal separation is pronounced or if the community is dissolved; (iv) bankruptcy/insolvency or a moratorium of a holder of Preference Shares; or (v) dissolution of a holder of Preference Shares (legal person), unless it coincides with the introduction of its business into a new or existing legal person that continues its business.

The Company and the Offeror have agreed that the General Meeting will be requested to provide a waiver in respect of the rule that a legal person may not have or have registered in his name more than 1% of the issued Ordinary Shares subject to Settlement of the Public Offer having taken place. If the General Meeting does not provide such waiver, the Offeror is not obliged to declare the Public Offer unconditional (*gestand doen*).

Exchange Controls and Other Provisions Relating to Non-Dutch Shareholders

Under Dutch law, there are no exchange control restrictions on investments in, or payments on, Shares. There are no special restrictions in the Articles or Dutch law that limit the right of shareholders who are not citizens or residents of the Netherlands to hold or vote on Shares.

Dividends and Other Distributions

The Company may make distributions to the holders of Shares and other persons entitled to distributable profits only to the extent that its equity exceeds the sum of the amount of the paid-in and called up share capital plus the reserves which must be maintained under Dutch law or the Articles. Profits are distributed after the adoption by the General Meeting of the annual accounts from which it appears that said distributions are permitted. Pursuant to the Articles, dividends to shareholders will be payable within 14 days of the corresponding resolution of the General Meeting.

Pursuant to the Articles, the Management Board, with the approval of the Supervisory Board, decides how much of the profit will be reserved. After reservation by the Management Board, any remaining profits must first be applied to pay a dividend on the Preference Shares, before distribution of any remaining distributable profits to the other shareholders. If the profit made in any financial year is not sufficient to distribute a dividend on the Preference Shares, distributions in following years may only be made provided that such shortfall has been redressed. There are no Cumulative Preference Shares A or Cumulative Preference Shares B outstanding at the date of this Prospectus. Any profits remaining after such reservation and dividend payment on the Preference Shares will be at the disposal of the General Meeting. The General Meeting may, upon the proposal of the Management Board, such proposal having been approved by the Supervisory Board, resolve that payment of dividend may be made wholly or partly in Ordinary Shares. Subject to Dutch law and the Articles, the General Meeting may resolve to distribute an interim dividend upon the proposal of the Management Board. Any entitlement to a dividend distribution by a holder of Shares expires five years after the date those dividends were released for payment. See also "Dividends and Dividend Policy".

See for the consequences of the Public Offer on the Company's dividends and other distributions, "Dividends and Dividend Policy – Dividend Policy Ordinary Shares".

Dissolution and Liquidation

The General Meeting may resolve to dissolve the Company by an absolute majority of votes at the proposal of the Management Board thereto with the approval of the Supervisory Board. If no such proposal has been made by the Management Board, the General Meeting may adopt a resolution to dissolve the Company by a two-third majority of the votes cast in a General Meeting in which at least three-fourth of the issued share capital is represented.

In the event of the dissolution of the Company, the Company will be liquidated in accordance with statutory provisions. During liquidation, the provisions of the Articles will remain in full force as far as possible. The balance of the Company's assets remaining after all liabilities have been paid shall, if possible, (i) first, the entitled holders of Preference Shares will receive the nominal amount paid up on their shareholdings or a lesser amount in accordance with the available balance; (ii) secondly, following this payment, holders of Preference Shares will receive the shortfall in cumulative preferred dividend enjoyed by them in the period between the issue of these Preference Shares and redemption of the nominal amount of these Preference Shares in relation to the percentage of the paid-up nominal amount of their Preference Shares agreed with these holders prior to the issue, or a lesser amount in accordance with the available balance; and (iii) any amount remaining after this will be paid out to holders of Ordinary Shares in proportion to the nominal value of their shareholdings.

The Offeror may, after Settlement of the Public Offer, acquire the entire business of the Company at the same price and for the same consideration as the Consideration pursuant to an asset sale, followed by a liquidation of the Company, to deliver such consideration to holders of DRs and holders of Registered Shares. See for the arrangements regarding the Company and the Offeror with respect to post-closing restructuring measures, "Risk Factors – Following Settlement of the Public Offer, if this occurs, minority holders of DRs who have decided not to tender their DRs, may not be able to sell their DRs or may be forced to relinquish their DRs as a result of a possible implementation of a squeeze-out or post-Settlement of the Public Offer restructuring measure, such as an asset sale followed by a liquidation" and "Business – Recent Developments – Public Offer".

General Meetings and Voting Rights

The annual General Meeting must be held within six months after the start of each financial year. Typical agenda items are: the report of the Management Board concerning the Company's affairs and the management as conducted during the previous financial year, the report of the Supervisory Board and its committees, the adoption of the Company's annual accounts, the allocation of profits in so far as this is at the disposal of the General Meeting and if applicable, the proposal to pay dividend, delegation of authority to issue shares, delegation of authority to restrict or exclude pre-emption rights, the discharge of members of the Management Board and Supervisory Board, the (re)appointment of the external auditor, the delegation of authority to purchase own Shares and the composition of the Supervisory Board and the Management Board.

Extraordinary General Meetings can be held whenever the Management Board or the Supervisory Board deem desirable. In addition, shareholders and holders of DRs (alone or acting in concert) holding at least 10% of the outstanding share capital of the Company may request the Management Board or the Supervisory Board in writing to convene an extraordinary General Meeting, which request should include a clear and detailed agenda. The Management Board may set further conditions in respect of such a request.

General Meetings must be convened by the Management Board or the Supervisory Board by sending a convening notice, which must be given no later than the 15^{th} day before the date of the General Meeting. Such notice must include the location and the time of the meeting, an agenda indicating the items for discussion and any proposals for the agenda. General Meetings must be held in the municipality of Apeldoorn, Houten, Zutphen, Amsterdam or Utrecht, the Netherlands. The notice of a General Meeting is given in such manner as shall be authorized by Dutch law including, but not limited to, a written notice, a legible and reproducible message by electronic means and an announcement published by electronic means as well as an announcement in a daily newspaper.

Proposals of shareholders and other persons entitled to attend the General Meetings will only be included in the agenda, if such proposal is made in writing to the Management Board no later than 60 days before the

General Meeting and the shareholders or other persons entitled to attend General Meetings, solely or jointly holding Shares representing at least 3% of the issued share capital.

Each holder of Shares is entitled to attend the General Meeting, to address the General Meeting and to exercise voting rights pro rata to its shareholding, either in person or by proxy, provided he or she has signed the attendance list in advance.

Each holder of DRs is entitled to attend the General Meeting and address the General Meeting. In addition, a holder of DRs is entitled to exercise voting rights insofar such DR holder has:

(i) been granted a power of attorney by STAAR (see below under "Stichting Administratiekantoor van Aandelen Reesink – Voting rights"); and
(ii) filed a written statement from an affiliated institution (*aangesloten instelling*) as referred to in the Act On Giro Transfer of Securities (*Wet giraal effectenverkeer*) with the Company's office. This statement must state that the number of DRs referred to in it:
    a) forms part of its collective deposit as referred to in the Act On Giro Transfer of Securities and that the person referred to in the statement is and will remain a joint owner of the stated number of DRs in its collective deposit (*verzameldepot*) until after the meeting; or
    b) the certificates for those DRs are in the custody of that affiliated institution and will remain in it until after the meeting has been held.

Members of the Management Board and members of the Supervisory Board may attend a General Meeting. In these General Meetings, they have an advisory vote. Each holder of Shares may cast one vote per Share held. Resolutions of the General Meeting are passed by an absolute majority of votes cast unless Dutch law or the Articles explicitly and mandatorily prescribe a larger majority.

Amendment of Articles

A resolution to amend the Articles may be adopted by the General Meeting by an absolute majority of votes, if a proposal to that extent has been made by the Management Board and approved by the Supervisory Board. If no such proposal has been made by the Management Board, the General Meeting may adopt a resolution to amend the Articles by a two-third majority of the votes cast in a meeting in which at least three-fourth of the issued share capital is represented.

Stichting Continuïteit Reesink

Stichting Continuïteit is a foundation (*stichting*) incorporated under Dutch law and was established on 23 September 1988. Stichting Continuïteit has its statutory seat (*statutaire zetel*) in Zutphen, the Netherlands, and its registered office at Ecofactorij 20, 7325 WC Apeldoorn, the Netherlands. Stichting Continuïteit is registered with the Trade Register, the Netherlands under the number 41040492.

Stichting Continuïteit's objects are to promote the interests of the Company and the businesses maintained by the Company and its Group Companies in a way that the interests of the Company and those businesses and all involved are as far as possible safeguarded. These objects include protection of the continuity or independence or own identity of the Company and its Group Companies insofar not contrary to the interest of all others involved, to the fullest extent possible.

Stichting Continuïteit endeavors to achieve these objects by acquiring Cumulative Preference Shares B and by exercising the rights attaching to those Shares. The possibility of issuing Cumulative Preference Shares B is an anti-takeover measure.

On 8 April 2014, the Company and Stichting Continuïteit entered into a new call option agreement which replaced all earlier agreements dated 21 September 1988, 23 October 1989 and 3 May 2012. Under the call option agreement, Stichting Continuïteit has the right to acquire up to a maximum of 3,000,000 Cumulative Preference Shares B. Stichting Continuïteit has a credit facility to enable it to pay the amount to be paid up on the Cumulative Preference Shares B. The Cumulative Preference Shares B must be paid up for 25% of the nominal value. The Company and Stichting Continuïteit agreed that the number of votes cast on Cumulative Preference Shares B will not exceed the number of Ordinary Shares outstanding at that time and the Cumulative Preference Shares A combined. Stichting Continuïteit will perform its role, and take all actions required, at its sole discretion. In the exercise of its functions it will however be guided by the interests of the Company and the business enterprises connected with it, and all other stakeholders, including shareholders and employees. The Company has committed itself to Stichting Continuïteit to compensate all reasonable expenses to be incurred.

Stichting Continuïteit is managed by a board, the composition of which is intended to ensure that an independent judgment may be made as to the interests of the Company. The board consists of a number of experienced and reputable former senior executives of multinational companies. To be kept informed about the business and interest of the Company, the Management Board is invited to attend the meetings of Stichting Continuïteit to address this. The board of Stichting Continuïteit consists of: Mr. H.A.A. Kienhuis (chairman), a former attorney and managing partner of KienhuisHoving N.V., Mr. J. Reesink a former managing director of

C.G. Sieben & Co B.V., Mr. C.R. Huiskes, attorney and partner of KienhuisHoving N.V. and Mr. J.W.S. Eyssen, partner Custom Management B.V.

Stichting Administratiekantoor van Aandelen Reesink

The following description summarizes certain provisions of the articles of association as most recently amended on 22 April 2013 and the terms and conditions of administration (*administratievoorwaarden*) of STAAR as most recently amended on 15 December 2011. This summary does not purport to be complete, and is subject to, and qualified in its entirety by reference to these documents (which are incorporated by reference herein), as well as to the applicable provisions of Dutch law.

Overview

STAAR is a foundation (*stichting*) incorporated under Dutch law and was established on 31 October 1983. STAAR has its statutory seat (*statutaire zetel*) in Apeldoorn, the Netherlands, and its registered office at Ecofactorij 20, 7325 WC Apeldoorn, the Netherlands. STAAR is registered with the Trade Register, the Netherlands under the number 41039553.

STAAR is governed by its articles of association and by the terms and conditions of administration (*administratievoorwaarden*) as these may read from time to time. The corporate purpose of STAAR includes, among others, acquiring and administering registered Shares in the share capital of the Company by way of fiducia cum amico (*ten titel van beheer*), in exchange for exchangeable DRs and also (if the case may be) to exercise voting rights and the right to of dividends which are attached to the Shares. The full corporate purpose can be found in clause 2 of the articles of association of STAAR. The DRs are negotiable instruments under Dutch law. Each of the DRs represents a financial interest in one Ordinary Share held by STAAR.

DRs

When first issued, the DRs shall be in bearer form. The DRs will be represented by a global certificate which will be deposited with a central institute as defined in the Act On Giro Transfer of Securities (the "**Central Institute**").

Holders of DRs are entitled to receive dividends or other distributions to shareholders. STAAR shall collect the net dividends and other distributions payable on the Ordinary Shares which it receives in its capacity as shareholder. Upon receipt, STAAR shall pay out these dividends and distributions to the holders of DRs without any deductions.

In the event of an option between a distribution in cash or other assets, STAAR shall inform the holders of DRs thereof in advance and it shall, to the extent possible, enable the holders of DRs to exercise their own option up to the second day prior to the day on which the foundation must have notified its chosen option. In the event that the holders of DRs wishes have not been notified to the foundation two days prior to the day on which the option should have been notified by STAAR, STAAR shall take a decision that shall deem to be in the interests of that of the holder of DRs. The entitlement to dividend lapses in case five years and one day have lapsed. For a holder of DRs whose place of residence is not in the Netherlands, this period will be increased by the period during which it is unable to collect a dividend to which it is entitled because of war, the immediate danger of war, revolution or comparable extraordinary circumstances. Any dividend that is not collected within this period reverts to STAAR.

Voting rights

Voting rights on the DRs are exercised by STAAR, unless the holders of DRs have been granted a power of attorney. STAAR shall consider the interests of the holders of DRs as well as the interests of the Company, taking into account its principles of continuation and maintenance of identity upon voting. Holders of DRs are not entitled to give binding instructions to STAAR concerning the exercise of voting rights on the Ordinary Shares underlying their DRs. Holders of DRs can obtain powers of attorney, which can be granted only for a particular General Meeting and expire upon close of that General Meeting. After obtaining a power of attorney, the holders of DRs may exercise its obtained voting right as it sees fit. In a limited number of cases STAAR can limit, exclude or renounce a power of attorney, which cases are included in clause 2.4 of the articles of association of STAAR.

Moreover, if it is proposed to alter the rights attached to the Ordinary Shares, STAAR shall announce this intention, if possible, 14 days prior to the General Meeting without having to indicate how STAAR shall vote. Under Dutch law, holders of DRs have a right to attend and speak at the General Meeting, to inspect the annual accounts and to obtain a copy of the annual accounts free of charge. In addition, STAAR is entitled to consult holders of DRs in respect of a particular matter whenever it believes it is appropriate to do so.

In the event that a pre-emptive right exists in connection with the issue of new Ordinary Shares, STAAR shall grant the holders of DRs a similar pre-emptive right in respect of DRs.

Management of STAAR

STAAR is managed by a board, the composition of which is intended to ensure that an independent judgment may be made as to the interests of the Company. The board consists of one board member A, and two or more board members B. The total number of board members B is determined by the managing board of STAAR. At the date of this Prospectus, the board of STAAR is comprised of three board members B, being board members who are not affiliated with the Company. These are Mr. W.G. van Hassel (chairman), Mr. H.A.D. van den Boogaard and Mr. A.D. Plaggemars.

Mrs. R.M. Bergkamp, who is affiliated to the Company as she is also a member of the Supervisory Board, is the only board member A and therefore the fourth member of the board of STAAR. Mrs. R.M. Bergkamp replaced as of 1 July 2015 Mr. B. Vos who resigned at 20 May 2015.

Below is an overview of the most relevant and significant positions of the board members of STAAR:

Mr. W.G. van Hassel:

Profession/main position:	Board member B and chairman of STAAR.
Other supervisory board memberships:	Chairman of Aan de Stegge Verenigde Bedrijven B.V., Box Consultants B.V., and Stichting HW Wonen, BrackCapital Properties N.V. (member), chairman of the board of Stichting Nationaal Register Commissarissen en toezichthouders.
Significant former positions/other positions:	Former attorney and chairman of the board of Trenité van Doorne, former general dean of the Netherlands Bar Association, former chairman of the board of Stichting Kunsthal Rotterdam and former chairman of the supervisory board of Eurocommercial Properties N.V., Holding AVR Bedrijven N.V., Ahoy Rotterdam N.V., Stichting Sint Franciscus Gasthuis and former board member of Stichting Woonstad Rotterdam.

Mr. H.A.D. van den Boogaard:

Profession/main position:	Board member B of STAAR.
Significant former positions/other positions:	Former board member and CFO of Stork N.V.

Mr. A.D. Plaggemars:

Profession/main position:	Board member B of STAAR.
Other supervisory board memberships:	PC Emerging Europe Equity Fund N.V., PC Russian Midcap Fund N.V., member Verantwoordingsorgaan SNPF (pension fund), board member of stichtingen Adm. Kantoor of F.G.M. Jonkman Holding B.V. and O. de Leeuw B.V.
Significant former positions/other positions:	Dutch Civil Law Notary and deputy justice at the court of appeals in The Hague, chairman of Koninklijke Notariële Beroepsorganisatie, board member Internationaal Juridisch Instituut and chairman of Stichting Regionaal Opleidingscentrum A12; board member Bureau Financieel Toezicht (PBO).

Mrs. R.M. Bergkamp:

Profession/main position:	Board member A of STAAR, Director Vewin, former chairman of the arable product boards, former Director-General of Enterprise and Innovation at the Ministry of Economic Affairs, Agriculture and Innovation, former Director-General of the Ministry of Agriculture, Nature and Food Quality, former Director for Immigration at the Ministry of Justice, former director of Enforcement at the Ministry of Justice.
Significant positions/other positions:	Member Audit Committee of the Ministry of Finance, member National Board Veilig Verkeer Nederland, member (non-scientific) Royal Holland Society of Sience and Humanities.
Member of the supervisory board of:	Parnassia Groep, Wellant College, Netherlands Nutrition Centre, Royal Reesink.
Member of the advisory board of:	Animal Sciences Group (WUR).

The board member A is appointed by the Management Board, subject to approval of the Supervisory Board. The board member A is a person who does not qualify as independent within the meaning of clause 4.2 of the articles of STAAR.

Board members B are appointed by the board of STAAR, subject to approval by the Management Board and the Supervisory Board. Board members of STAAR are appointed for a maximum term of four years, provided that, unless a member of the board resigns at an earlier date, his or her term of office lapses on the 30th of June following the fourth year after the year of his or her appointment. A retiring member of the board can be reappointed, with due observance of the foregoing. Unless the board of STAAR resolves otherwise, a board member cannot hold its position for more than twelve years. The board may draw up a retirement schedule for its members.

Board members may be suspended and dismissed by a unanimous decision by the board of STAAR. Suspended board members are not allowed to vote during suspension.

STAAR is represented vis-à-vis third parties by its board or by a board member A and a board member B acting jointly. In case no board member A is appointed, two board members B are entitled to represent STAAR. STAAR is allowed to grant a power of attorney in writing to a board member A or B solely, or to a third party so that such board member or third party is entitled to represent STAAR.

Amendment, dissolution and termination of administration

STAAR may amend the terms and conditions of administration. Resolutions for the amendment of the articles of association of STAAR or for the dissolution of STAAR are subject to the unanimous approval of the board of STAAR. Amendment of the articles of association or dissolution of the administration by STAAR requires prior approval of the Company. A notarial deed is required for amendment of the articles of association. Each member of the board is separately authorized to execute such deed.

STAAR cannot be dissolved until all Shares held by it have been transferred to the holders of the DRs or, alternatively, a successor has been appointed to whom the Shares have been transferred and who shall administer them subject to the same conditions.

Upon dissolution, STAAR shall be liquidated by the board. Any liquidation proceeds are destined for charitable or social cause, unless otherwise decided by the liquidators, all in accordance with the terms and conditions of administration of STAAR. After liquidation, the books and records of STAAR will be held by a person appointed for that purpose by the liquidators for the period prescribed by law.

The DRs are governed by Dutch law.

Exchange of DRs into Ordinary Shares

Upon written request by a holder of DRs, STAAR shall exchange (*royement*) his DRs for the underlying Ordinary Shares as follows:

(i) the holder of DRs requests STAAR to exchange (*royeren*) his DRs for the underlying Ordinary Shares;
(ii) all DRs are embodied in a global certificate (*verzamelbewijs*). The administration of the global certificate is assigned to the Central Institute;
(iii) upon request of STAAR, the Central Institute will reduce the total number of DRs embodied in the global with the corresponding number of DRs to be exchanged;
(iv) the underlying Ordinary Shares will be transferred by means of a private deed of transfer between STAAR and the respective holder of DRs and with the cooperation of the so-called third person in the meaning of clause 3 of the terms and conditions of administration; and
(v) the 1%-threshold (see "Share Capital – Form and transfer of Shares") shall be taken into account, meaning that the holder of DRs may not have or have registered in his name more than 1% of the issued Ordinary Shares.

In the context of the Public Offer, STAAR and the Company have confirmed to the Offeror ahead of the execution of the Merger Agreement that it will procure that, provided that (i) the Merger Agreement between the Offeror and the Company has been entered into and has not been terminated by either the Offeror or the Company, and (ii) the requirement as described in article 6.1 of the Articles, that a (legal) person may not have or have registered in his name more than 1% of the issued Ordinary Shares, has been waived by the General Meeting, at the written request of the Offeror to STAAR and the Company: (a) each DR held by the Offeror or any of its affiliates following Settlement of the Public Offer shall be cancelled without delay; and (b) each underlying Ordinary Share shall be transferred to the Offeror or any of its affiliates by STAAR without delay.

The Company has agreed with the Offeror that it will not cooperate with the cancellation of DRs without the Offeror's consent between the date of the Merger Agreement and the Settlement of the Public Offer.

Squeeze-out Proceedings

Pursuant to section 2:92a of the DCC, a shareholder who for his own account contributes at least 95% of a company's issued capital may institute proceedings against a company's minority shareholders jointly for the transfer of their shares to the claimant. The proceedings are held before the Enterprise Chamber and can be instituted by means of a writ of summons served upon each of the minority shareholders in accordance with the provisions of the Dutch Code of Civil Procedure (*Wetboek van Burgerlijke Rechtsvordering*). The Enterprise Chamber may grant the claim for squeeze-out in relation to all minority shareholders and will determine the price to be paid for the shares, if necessary after appointment of one or three experts who will offer an opinion to the Enterprise Chamber on the value to be paid for the shares of the minority shareholders. Once the order to transfer becomes final before the Enterprise Chamber, the person acquiring the shares shall give written notice of the date and place of payment and the price to the holders of the shares to be acquired whose addresses are known to him or her. Unless the addresses of all of them are known to him or her, he or she shall also publish the same in a daily newspaper with nationwide circulation.

See for the arrangements regarding the Company and the Offeror with respect to squeeze-out proceedings and/or any other post-closing restructuring measures, "Risk Factors – Following Settlement of the Public Offer, if this occurs, minority holders of DRs who have decided not to tender their DRs, may not be able to sell their DRs or may be forced to relinquish their DRs as a result of a possible implementation of a squeeze-out or post-Settlement of the Public Offer restructuring measure, such as an asset sale followed by a liquidation" and "Business – Recent Developments – Public Offer".

Obligations to Disclose Holdings

Holders of the Shares may be subject to notification obligations. Shareholders are advised to seek professional advice on these obligations.

Shareholders

Until the Listing the DRs are listed at Alternext Amsterdam. As Alternext Amsterdam does not qualify as a *regulated market,* the provisions of the FMSA in respect of notification obligations towards the AFM if, any person who, directly or indirectly, acquires or disposes of an interest in the capital or voting rights of a company, if, as a result of such acquisition or disposal, the percentage of capital interest or voting rights held by such person in a company reaches, exceeds or falls below any of the following thresholds: 3%, 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95% must notify the AFM of the voting rights or capital interests in the issued capital of such company, is not applicable to the Company until the Listing. However, the Company has included already an internal notification procedure for the holders of Shares and DRs in the capital of the Company in its Articles and the articles of association of STAAR, for which the thresholds are linked to those in the FMSA as described above. Once the DRs are listed at Euronext Amsterdam any person who, directly or indirectly, acquires or disposes of an interest in the capital or voting rights of the Company, if, as a result of such acquisition or disposal, the percentage of capital interest or voting rights held by such person in the Company reaches, exceeds or falls below the thresholds as mentioned above must notify the AFM immediately of the voting rights or capital interests in the issued capital of the Company.

Every holder of 3% or more of the Company's share capital or voting rights whose interest at 31 December at 12 midnight differs from a previous notification, as a result of certain acts (including but not limited to the exchange of Shares for DRs and the exercise of a right to acquire Shares) must notify the Company within four weeks.

Certain cash settled derivatives are also taken into account when calculating the capital interest. Disclosure of cash settled derivatives may be required under the rules if the instrument held falls within any of the following three categories:

- financial instruments of which the price increase is at least partially dependent on a price increase of shares or distributions and which do not entitle the holder to physical settlement;
- short positions in put options; and
- other contracts of similar economic effect to holding shares.

Controlled entities, within the meaning of the FMSA, do not have notification obligations, as their, direct and indirect, interests are attributed to their (ultimate) parent. Any person may qualify as a parent for purposes of the FMSA, including an individual. A person who has a 3% or larger interest in the Company's share capital or voting rights and who ceases to be a controlled entity for these purposes must immediately notify the Company. As of that moment, all notification obligations under the Articles will become applicable to the former controlled entity.

For the purpose of calculating the percentage of capital interest or voting rights, among other metrics, the following interests must be taken into account: (i) the Shares, DRs or voting rights on the Shares directly held (or acquired or disposed of) by a person, (ii) the Shares, DRs or voting rights on the Shares held (or acquired or disposed of) by such person's subsidiaries or by a third party for such person's account or by a third party with whom such person has concluded an oral or written voting agreement (including a discretionary power of attorney), and (iii) the Shares, DRs or voting rights on the Shares which such person, or any subsidiary or third party referred to above, may acquire pursuant to any option or other right held by such person (or acquired or disposed of, including, but not limited to, on the basis of convertible bonds).

Special rules apply with respect to the attribution of Shares, DRs or voting rights on the Shares which are part of the property of a partnership or other community of property. A holder of a pledge or right of usufruct (*vruchtgebruik*) in respect of the Shares can also be subject to the notification obligations under the Articles, if such person has, or can acquire, the right to vote on the Shares or, in the case of DRs, the underlying Shares. The acquisition of (conditional) voting rights by a pledgee or usufructuary may also trigger the notification obligations as if the pledgee or beneficial owner were the legal holder of the Shares or voting rights on the Shares.

Management

Pursuant to the FMSA, any member of the Management Board and any other person who has managerial or co-managerial responsibilities in respect of the Company or who has the authority to make decisions affecting future developments and business prospects of the Company and who may have regularly access to inside information relating, directly or indirectly, to the Company, must give written notice to the AFM by means of a standard form of any transactions conducted for his own account relating to the Shares, the DRs or in financial instruments the value of which is also based on the value of the Shares.

In addition, in accordance with the FMSA and the regulations promulgated thereunder, certain persons who are closely associated with members of the Management Board or any of the other persons as described above, are required to notify the AFM of any transactions conducted for their own account relating to the Shares, the DRs or in financial instruments the value of which is also based on the value of the Shares. The FMSA and the regulations promulgated thereunder cover the following categories of persons:

- the spouse or any partner considered by national law as equivalent to the spouse;
- dependent children;
- other relatives who have shared the same household for at least one year at the relevant transaction date; and
- any legal person, trust or partnership whose, among other things, managerial responsibilities are discharged by a person referred to under above or by the relevant member of the Management Board or other person with any authority in respect of the Company as described above.

The AFM must be notified no later than the fifth business day following the relevant transaction date. Under certain circumstances, notification may be postponed until the date the value of the transactions performed for that person's own account, together with transactions carried out by the persons closely associated with that person, amounts to €5,000 or more in the calendar year in question.

Non-compliance

Non-compliance with the notification obligations under the FMSA could lead to criminal fines, administrative fines, imprisonment or other sanctions. In addition, non-compliance with some of the notification obligations under the FMSA may lead to civil sanctions, including suspension of the voting rights relating to the Shares held by the offender for a period of not more than three years and a prohibition applicable to the offender to acquire the Shares, DRs or voting rights on the Shares for a period of up to five years.

Public registry

The AFM does not issue separate public announcements of these notifications. It does, however, keep a public register of all notifications under the FMSA on its website ww.afm.nl. Third parties can request to be notified automatically by e-mail of changes to the public register in relation to a particular company's shares or a particular notifying party.

MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

Major Shareholders and Holders of DRs

Pursuant to the Articles, shareholders and holders of DRs with a substantial interest (*substantiële deelneming*, a holding of at least 3% of the capital or voting rights as defined in the FMSA) are required to notify the Company by means of a form made available on the Company's website.

The following table sets forth the Company's shareholders and holders of DRs with a substantial interest in the Company as filed with the Company in September 2015.

Shareholder or holder of DRs	Percentage of Shares	Percentage of DRs
Project Holland Deelnemingen B.V.		16.67%
Delta Lloyd Deelnemingenfonds N.V.		12.37%
Todlin N.V.		11.33%
Pon Holdings B.V.		10.90%
Decico B.V.		6.66%
Bibiana Beheer B.V.[1)]		6.36%
Navitas B.V.		6.15%
Stichting Administratiekantoor van Aandelen Reesink	95.73%	

[1)] Mr. F.L.H. van Delft, a member of the Supervisory Board, holds this interest of DRs through Bibiana Beheer B.V. At the time of Mr. Van Delft's appointment as a member of the Supervisory Board, the Company and Mr. Van Delft agreed that he would refrain, up to 12 months after his retirement as a member of the Supervisory Board, from selling the interest held through Bibiana Beheer B.V. Mr. Van Delft will continue to indirectly hold this package of DRs until the aforementioned period of 12 months has expired.

No major shareholders have specific voting rights.

Pon Holdings may obtain an additional potential interest through its subsidiary Pon Onroerend Goed of 12.24% (based on a fully diluted number of DRs and subject to adjustment of the conversion price) through the Loan Agreement. See "Operating and Financial Review – Capital Resources – Subordinated convertible loan".

At the date of this Prospectus, the Group has no employee participation plan in place. The Group's former employee participation plan was structured through Recopart B.V. In the General Meetings of 24 May 2012 and thereafter, the Company explained its intention to withdraw the 260,000 Cumulative Preference Shares A that were held by Recopart B.V. and to eliminate them from the Company's authorized share capital. After reaching an agreement thereto, the remaining participant in the employee participation plan in February 2015 sold his 15% percent of the depositary shares in Recopart B.V. Subsequently the Company reached an agreement with Recopart B.V. concerning the Cumulative Preference Shares A. On 3 April 2015 the Company repurchased all of the 260,000 outstanding Cumulative Preference Shares A and on the same date the cancellation of such shares was initiated which was completed in the beginning of June 2015.

As indicated in the table above, STAAR holds a substantial interest in the Company, but STAAR is governed by a specific corporate purpose in its articles of association and rules regarding voting rights (as described in "Description of Share Capital – Stichting Administratiekantoor van Aandelen Reesink"). Therefore, the Company believes it is at the date of the Prospectus not directly or indirectly owned or controlled by another corporation or by any foreign government.

The major holders of DRs Decico B.V., Delta Lloyd Deelnemingenfonds N.V., Pon Holdings B.V., and Project Holland Deelnemingen B.V. have, subject to customary conditions, irrevocably undertaken to accept the Public Offer and to vote in favor of certain shareholder resolutions relating to the Public Offer. Mr. F.L.H. van Delft, member of the Supervisory Board and a major holder of DRs through Bibiana Beheer B.V., has entered in a similar irrevocable undertaking. A number of managers, including Mr. G. van der Scheer (CEO) and Mr. G.T.M. Linnenbank (CFO), have also entered into similar irrevocable commitments in respect of DRs held by them subject to the Management Board and the Supervisory Board not revoking their recommendation of the Public Offer in accordance with the terms of the Merger Agreement. The irrevocable commitments of major holders of DRs and management together represent approximately 55.9% of the Company's issued and outstanding share capital, for the avoidance of doubt excluding DRs and Registered Shares held by the Company and its subsidiaries. Taking into account DRs held by Navitas B.V. and Todlin N.V., 73.3% of the issued and outstanding share capital have been committed to the Public Offer, for the avoidance of doubt excluding DRs and Registered Shares held by the Company and its subsidiaries. This means that immediately after Settlement of the Public Offer, if the conditions therefor have been met, the Offeror will hold at least 73.3% and up to 100% of the issued and outstanding share capital, for the avoidance of doubt excluding DRs and Registered Shares held by the Company and its subsidiaries.

The Company has been informed by the Offeror that the CEO has had discussions with the Offeror regarding participation in the Offeror by the CEO after Settlement of the Public Offer and that the Offeror has extended an invitation to other members of management of the Company to participate in the Offeror after Settlement of the Public Offer.

Related Party Transactions

Except as disclosed below, no shareholder, holder of DRs or member of the Management Board, Supervisory Board or Executive Committee has any material interest in any transactions of the Company which are or were unusual in their nature or conditions or that are or were significant to the Company's business.

Mr. B. Kemp, holder of DRs and member of the Executive Committee, is the former sole shareholder of Ben Kemp Holding B.V. Mr. B. Kemp is also the director of and holder of depositary receipts issued by Stichting Administratiekantoor Gepak Holding (sole shareholder of Gepak Holding B.V., in its turn sole shareholder of Bebricks Nederland B.V.). On 8 May 2012, Ben Kemp Holding B.V. entered into a lease agreement for the period 1 January 2012 to 31 December 2021 with Bebricks Nederland B.V. for the rental of the Kemp Group's business premises on the Molensteijn 41, 47 and 48 in de Meern (the Netherlands). The annual rent amounts to €748,793.75. On 8 May 2012, Ben Kemp Holding B.V. also entered into a lease agreement for the period 1 January 2012 to 31 December 2016 from Bebricks Nederland B.V. for the rental of the Kemp Group's business premises and surrounding grounds on the Weg en Bos 111 in Bergschenhoek (the Netherlands). The annual rent amounts to €51,762.50. The Group believes both contracts have been entered into on commercial terms.

SELLING AND TRANSFER RESTRICTIONS

No action has been taken by the Company that would permit, other than pursuant to the Listing, an offer of the DRs or possession or distribution of this Prospectus or any other offering material in any jurisdiction where action for that purpose is required. The distribution of this Prospectus in certain jurisdictions may be restricted by law.

Persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions, including those in the paragraphs that follow. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions.

United States

The DRs have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any state of the United States for offer or sale as part of their Listing and may not be offered or sold within the United States except in certain transactions exempt from the registration requirements of the US Securities Act.

European Economic Area ("EEA")

In relation to each EEA State which has implemented the Prospectus Directive (a "**Relevant Member State**"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**"), no offer to the public of DRs which are the subject of Listing contemplated by this Prospectus has been made nor will it be made in that Relevant Member State.

Switzerland

The DRs may not be and will not be publicly offered, sold or advertised, directly or indirectly, in or from Switzerland. Neither this Prospectus nor any other offering or marketing material relating to the Listing of the DRs constitutes a prospectus as such term is understood pursuant to article 652a of the Swiss Federal Code of Obligations or a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange, and neither this Prospectus nor any other offering or marketing material relating to the Listing of the DRs may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the Listing, the Company or the DRs have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the Listing will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA (FINMA), and the Listing has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("**CISA**"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of DRs.

TAXATION

Taxation in the Netherlands

The following is intended as general information only and it does not seek to present any comprehensive or complete description of all aspects of Dutch tax law which could be of relevance to a holder of the DRs (a "**Holder**"). For Dutch tax purposes, a Holder may include an individual who or an entity that does not have the legal title of the DRs, but to whom nevertheless the DRs are attributed based either on such individual or entity holding a beneficial interest in the DRs or based on specific statutory provisions. These include statutory provisions pursuant to which DRs are attributed to an individual who is, or who has directly or indirectly inherited from a person who was, the settlor, grantor or similar originator of a trust, foundation or similar entity that holds the DRs.

Prospective Holders should consult their tax adviser regarding the tax consequences of any purchase, ownership or disposal of DRs.

This paragraph is based on Dutch tax law as applied and interpreted by Dutch tax courts and as published and in effect on the date hereof, without prejudice to any amendments introduced at a later date and implemented with or without retroactive effect.

For the purpose of this paragraph, "**Dutch Taxes**" shall mean taxes of whatever nature levied by or on behalf of the Netherlands or any of its subdivisions or taxing authorities. The Netherlands means the part of the Kingdom of the Netherlands located in Europe.

Any reference hereafter made to a treaty for the avoidance of double taxation concluded by the Netherlands includes the Tax Regulation for the Kingdom of the Netherlands (*Belastingregeling voor het Koninkrijk*), the Tax Regulation for the country of the Netherlands (*Belastingregeling voor het land Nederland*) and the Agreement between the Taipei Representative Office in the Netherlands and the Netherlands Trade and Investment Office in Taipei for the avoidance of double taxation.

Withholding tax

A Holder is generally subject to Dutch dividend withholding tax at a rate of 15% on dividends distributed by the Company via STAAR. The Company is responsible for the withholding of such dividend withholding tax at source; the dividend withholding tax is for the account of the Holder.

Dividends distributed by the Company include, but are not limited to:

(i) distributions of profits in cash or in kind, whatever they be named or in whatever form;
(ii) proceeds from the liquidation of the Company, or proceeds from the repurchase of shares by the Company, in excess of the average paid-in capital recognized for Dutch dividend withholding tax purposes;
(iii) the nominal value of shares issued to a shareholder, and indirectly to a Holder, or an increase in the nominal value of shares, to the extent that no related contribution, recognized for Dutch dividend withholding tax purposes, has been made or will be made; and
(iv) partial repayment of paid-in capital, that is
    - not recognized for Dutch dividend withholding tax purposes; or
    - recognized for Dutch dividend withholding tax purposes, to the extent that the Company has "net profits" (*zuivere winst*); unless
        - the General Meeting has resolved in advance to make such repayment; and
        - the nominal value of the shares concerned has been reduced with an equal amount by way of an amendment to the articles of association of the Company.

The term "net profits" includes anticipated profits that have yet to be realized.

Notwithstanding the above, no withholding is required in the event of a repurchase of shares, if certain conditions are fulfilled.

If a Holder is resident or deemed to be resident in the Netherlands, such Holder is generally entitled to an exemption or a full credit for any Dutch dividend withholding tax against his Dutch (corporate) income tax liability and to a refund of any residual Dutch dividend withholding tax.

If a Holder is resident in a country other than the Netherlands, under circumstances exemptions from, reduction in or refunds of, dividend withholding tax may be available pursuant to Dutch domestic law or treaties for avoidance of double taxation.

If a Holder is subject to Dutch corporate income tax and is entitled to the participation exemption (*deelnemingsvrijstelling*) or the participation credit (*deelnemingsverrekening*) in relation to the benefits derived from its DRs and such DRs are attributable to an enterprise carried out in the Netherlands, such Holder will generally be entitled to an exemption from or a full refund of Dutch dividend withholding tax on dividends distributed by the Company.

If a Holder:

(i) is resident in another member state of the European Union or an designated state of the European Economic Area, *i.e.*, Iceland, Liechtenstein and Norway, according to the tax laws of that state and, under the terms of any double taxation agreement concluded by that state with a third state, is not considered to be resident for tax purposes outside the European Union, Norway, Liechtenstein or Iceland; and
(ii) owns an interest in the Company to which the participation exemption is applicable if the Holder were resident in the Netherlands;

such Holder will generally be eligible for an exemption from or full refund of Dutch dividend withholding tax on dividends distributed by the Company, unless such Holder carries out duties or activities comparable to an investment institution (*beleggingsinstelling*) as described in article 6a or article 28 of the Dutch Corporate Income Tax Act 1969 ("**CITA**") respectively.

In addition, if a Holder:

a) is an entity which is resident for Dutch tax purposes in a member state of the European Union, in Iceland, Liechtenstein or Norway, or is a Qualifying Holder resident elsewhere (see below);
b) is not subject to a profit tax levied by that state; and in case the Holder is not resident in the Netherlands,
c) would not have been subject to Dutch corporate income tax had the Holder been resident in the Netherlands for Dutch tax purposes;

then generally such Holder will be eligible for a full refund of Dutch dividend withholding tax on dividends distributed by the Company, unless such Holder carries out duties or activities comparable to an investment institution as described in article 6a or article 28 CITA respectively.

For purposes of the above, a Qualifying Holder is an entity that (i) is resident for Dutch tax purposes in a jurisdiction which has an arrangement for the exchange of tax information with the Netherlands and (ii) holds its DRs as an portfolio investment, *i.e.*, such DRs are not held with a view to establish or maintain lasting and direct economic links between the Holder and the Company and the DRs do not allow the Holder to participate effectively in the management or control of the Company.

According to Dutch domestic anti-dividend stripping rules, no credit against Dutch (corporate) income tax, exemption from, reduction in or refund of, Dutch dividend withholding tax will be granted if the recipient of the dividend paid by the Company is not considered to be the beneficial owner (*uiteindelijk gerechtigde*) of such dividends as meant in these rules.

Taxes on income and capital gains

Scope

This section does not describe the possible Dutch tax considerations or consequences that may be relevant to a Holder:

(i) who is an individual and for whom the income or capital gains derived via the DRs are attributable to employment activities, the income from which is taxable in the Netherlands;
(ii) who has a (fictitious) substantial interest ((*fictief*) *aanmerkelijk belang*) in the Company within the meaning of Chapter 4 of the Dutch Income Tax Act 2001 (*wet Inkomstenbelasting 2001*);
(iii) that is an entity which is not subject to Dutch corporate income tax or is in full or in part exempt from Dutch corporate income tax (such as pension funds);
(iv) that is an investment institution as defined in articles 6a and 28 CITA respectively; or
(v) that is entitled to the participation exemption or the participation credit with respect to the DRs (as defined in article 13 and 13aa CITA respectively).

Generally, a Holder has a substantial interest if such Holder, alone or together with his partner, directly or indirectly:

(i) owns, or holds certain rights on, shares representing five percent or more of the total issued and outstanding capital of the Company, or of the issued and outstanding capital of any class of shares of the Company;
(ii) holds rights to, directly or indirectly, acquire shares, whether or not already issued, representing five percent or more of the total issued and outstanding capital of the Company, or of the issued and outstanding capital of any class of shares of the Company; or
(iii) owns, or holds certain rights on, profit participating certificates that relate to five percent or more of the annual profit of the Company or to five percent or more of the liquidation proceeds of the

Company. A Holder will also have a substantial interest if his partner or one of certain relatives of the Holder or of his partner has a substantial interest.

For Dutch tax purposes, the ownership of the DRs is attributed to the Holder based either on the Holder owning a beneficial interest in the DRs or based on specific statutory provisions. These include statutory provisions pursuant to which DRs are attributed to an individual who is, or who has directly or indirectly inherited from a person who was, the settlor, grantor or similar originator of a trust, foundation or similar entity that holds the DRs, although the Holder does not have the legal title of the DRs.

Generally, a Holder has a fictitious substantial interest (*fictief aanmerkelijk belang)* if, without having an actual substantial interest in the Company:

(i) an enterprise has been contributed to the Company in exchange for shares or DRs on an elective non-recognition basis;
(ii) the shares or DRs have been obtained under gift law, inheritance law or matrimonial law, on a non-recognition basis, while the previous shareholder or holder of DRs had a substantial interest in the Company;
(iii) the shares or DRs have been acquired pursuant to a share merger, legal merger or legal demerger, on an elective non-recognition basis, while the Holder prior to this transaction had a substantial interest in an entity that was party thereto; or
(iv) the shares or DRs held by the Holder, prior to dilution, qualified as a substantial interest and, by election, no gain was recognized upon disqualification of these shares or DRs.

Residents in the Netherlands

The description of certain Dutch tax consequences in this paragraph is only intended for the following Holders:

(i) individuals who are resident or deemed to be resident in the Netherlands for Dutch income tax purposes ("**Dutch Individuals**"); and
(ii) entities that are subject to the CITA and are resident or deemed to be resident in the Netherlands for corporate income tax purpose ("**Dutch Corporate Entities**").

Dutch Individuals engaged or deemed to be engaged in an enterprise or in miscellaneous activities

Dutch Individuals are generally subject to income tax at statutory progressive rates with a maximum of 52% (2016) with respect to any benefits derived or deemed to be derived from Dutch Enterprise DRs (as defined below), including any capital gains realized on the disposal thereof.

"**Dutch Enterprise DRs**" are DRs or any right to derive benefits from DRs:

(i) which are attributable to an enterprise from which a Dutch Individual derives profits, whether as an entrepreneur or pursuant to a co-entitlement to the net worth of such enterprise (other than as an entrepreneur or a Holder); or
(ii) of which the benefits are taxable in the hands of a Dutch Individual as benefits from miscellaneous activities (*resultaat uit overige werkzaamheden)* including, without limitation, activities which are beyond the scope of active portfolio investment activities.

Dutch Individuals not engaged or deemed to be engaged in an enterprise or in miscellaneous activities

Generally, a Dutch Individual who owns DRs, excluding Dutch Enterprise DRs, will be subject annually to an income tax imposed on a fictitious yield on such DRs under the regime for savings and investments (*inkomen uit sparen en beleggen*). Irrespective of the actual income or capital gains realized, the annual taxable benefit of all the assets and liabilities of a Dutch Individual that are taxed under this regime, including the DRs, is set at a fixed return. This fixed return equals 4% of the fair market value of the assets reduced by the liabilities and measured, in general, exclusively at the beginning of every calendar year. The tax rate under the regime for savings and investments is a flat rate of 30% (2016). Taxation only occurs to the extent the fair market value of the net assets exceeds the "exempt net asset amount" (*heffingsvrij vermogen*).

Dutch Corporate Entities

Dutch Corporate Entities are generally subject to corporate income tax at statutory rates up to 25% (2016) with respect to any benefits derived or deemed to be derived (including any capital gains realized on the disposal) of DRs. A reduced rate applies to the first €200,000 of taxable profits.

Non-residents in the Netherlands

A Holder other than a Dutch Individual or Dutch Corporate Entity should not be subject to any Dutch Taxes on income or capital gains with respect to the ownership and disposal of the DRs, other than dividend withholding tax as described above, except if:

(i) the Holder, whether an individual or not, derives profits from an enterprise, whether as entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net worth of such enterprise other than as an entrepreneur or a shareholder/holder of depositary receipts, which enterprise is, in whole or in part, carried on through a permanent establishment (*vaste inrichting*) or a permanent representative (*vaste vertegenwoordiger*) in the Netherlands, to which the DRs are attributable;

(ii) the Holder is an individual and derives benefits from miscellaneous activities (*resultaat uit overige werkzaamheden*) carried out in the Netherlands in respect of the DRs, including (without limitation) activities which are beyond the scope of regular active portfolio investment activities;

(iii) the Holder is not an individual and is entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise, other than by way of the holding of securities, which is effectively managed in the Netherlands and to which enterprise the DRs are attributable; or

(iv) the Holder is an individual and is entitled to a share in the profits of an enterprise, other than by way of securities, that is effectively managed in the Netherlands, and to which enterprise the DRs are attributable.

Gift tax and inheritance tax

No Dutch gift or inheritance tax is due in respect of any gift of the DRs by, or inheritance of the DRs on the death of, a Holder, except if:

(i) at the time of the gift or death of the Holder, the Holder is resident, or is deemed to be resident, in the Netherlands;

(ii) the Holder passes away within 180 days after the date of the gift of the DRs and is not, or not deemed to be, at the time of the gift, but is, or deemed to be, at the time of his death, resident in the Netherlands; or

(iii) the gift of the DRs is made under a condition precedent and the Holder is resident, or is deemed to be resident, in the Netherlands at the time the condition is fulfilled.

Other taxes and duties

No other Dutch Taxes, including turnover tax and taxes of a documentary nature, such as capital tax, stamp or registration tax or duty, are payable by or on behalf of a Holder by reason only of the purchase, ownership and disposal of the DRs.

Residency

A Holder will not become resident, or deemed resident in the Netherlands for Dutch tax purposes by reason only of holding the DRs.

INDEPENDENT AUDITORS

Deloitte Accountants B.V. has audited the Group's consolidated financial statements as of and for the three years ended 31 December 2014, 31 December 2013 and 31 December 2012, and has issued unqualified auditor's reports thereon, which are incorporated by reference into this Prospectus.

Deloitte Accountants B.V. is an independent registered accounting firm. The address of Deloitte Accountants B.V. is Grote Voort 207, 8041 BK Zwolle, the Netherlands. The auditor signing the independent auditor's reports on behalf of Deloitte Accountants B.V. is a member of the Netherlands Institute of Chartered Accountants (*Nederlandse Beroepsorganisatie van Accountants*).

Deloitte Accountants B.V. has given, and has not withdrawn, its consent to the incorporation by reference of its reports in this Prospectus in the form and context in which they are included.

In connection with the mandatory auditor rotation requirement under Dutch and European law, and in anticipation of the intended Listing in 2016, the independent registered accounting firm Ernst & Young Accountants LLP has been appointed as independent auditor of the Group's consolidated financial statements for the financial year 2015. The address of Ernst & Young Accountants LLP is Zwartewaterallee 56, 8031 DX Zwolle, the Netherlands. The auditor that will be signing the independent auditor's reports on behalf of Ernst & Young Accountants LLP is a member of the Royal Netherlands Institute of Chartered Accountants (*Koninklijke Nederlandse Beroepsorganisatie van Accountants*).

Deloitte Accountants B.V. and Ernst & Young Accountants LLP have no interest in the Group.

The Company confirms that the information in the independent auditor's reports incorporated by reference in this Prospectus has been accurately reproduced and that as far as the Company is aware and able to ascertain from information published by the independent auditors, no facts have been omitted which would render the auditor's reports inaccurate or misleading.

The Group's consolidated condensed interim financial information for the six-month period ended 30 June 2015, for the six-month period ended 30 June 2014 and the supplemental financial information with regard to the conversion to IFRS, see "Supplemental Financial Information", have not been audited.

GENERAL INFORMATION

Significant Change in the Company's Financial or Trading Position

Except for the private placement of Ordinary Shares on 3 September 2015, as described in the "Description of Share Capital" chapter of which the net proceeds of €9,553,933 were credited to the general funds which funds were used to finance the acquisition of Agrometius and to repay the €4.8 million subordinated loan of Pon Holdings' subsidiary PVL, and the announcement of the Public Offer on 8 February 2016 no significant change in the financial or trading position of the Company has occurred since 30 June 2015.

Expenses of the Listing

The expenses related to the Listing are estimated at up to €330,000 and include, among other items, the fees due to AFM, the commission for the Listing Agent and legal and administrative expenses, as well as publication costs and applicable taxes, if any.

Availability of Documents

Subject to applicable laws, the following documents (or copies thereof) may be obtained free of charge from the Company's website (www.royalreesink.com):

- this Prospectus;
- the Articles as most recently amended on 15 September 2014;
- the articles of association as most recently amended on 22 April 2013 and the terms and conditions of administration (*administratievoorwaarden*) of STAAR as most recently amended on 15 December 2011;
- the Group's audited consolidated financial statements, including the notes thereto, as of and for the financial years ended 31 December 2014, 31 December 2013 and 31 December 2012;
- the Group's unaudited consolidated condensed interim financial information for the six-month periods ended 30 June 2015 and 2014;
- the Group's trading update dated 29 October 2015;
- the Joint Announcement dated 8 February 2016 and
- the Group's unaudited preliminary consolidated condensed results for the financial year ended 31 December 2015.

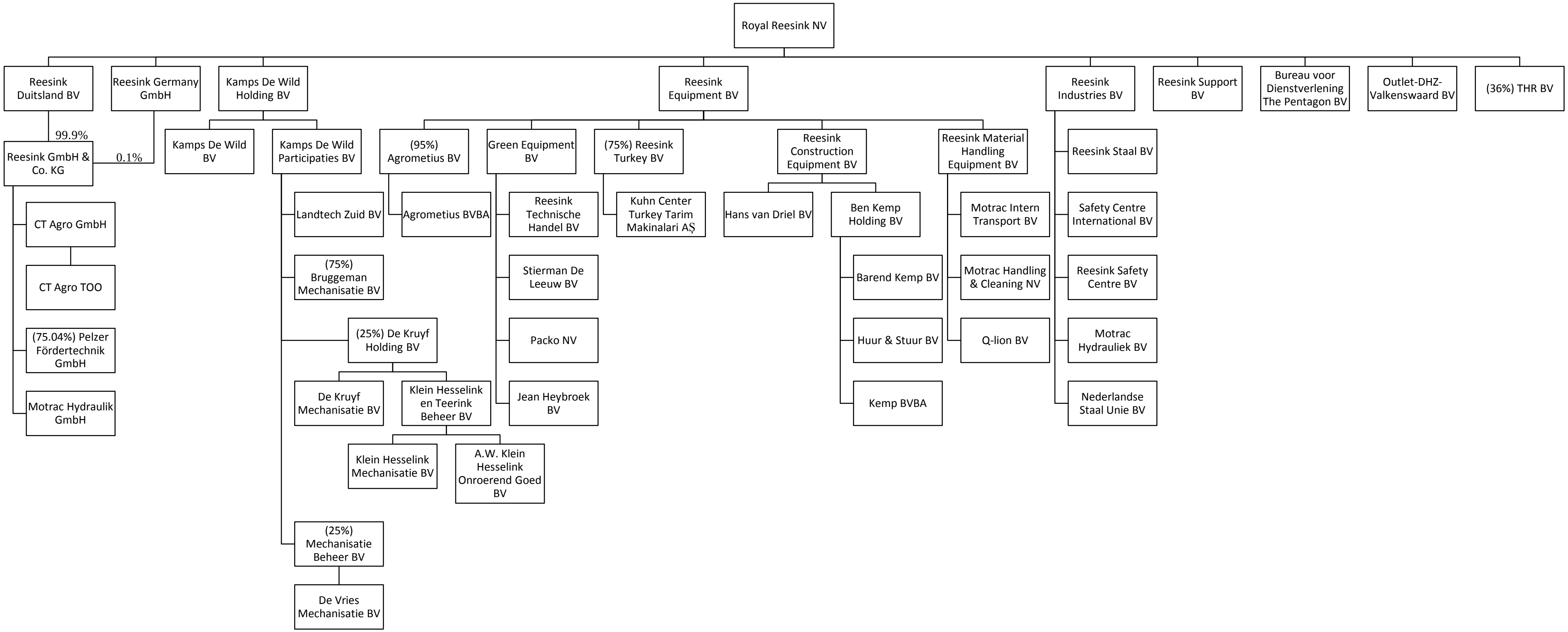
In addition, copies of the Group's audited consolidated financial statements including the notes thereto, for the financial years ended 31 December 2014, 31 December 2013, 31 December 2012, the unaudited consolidated condensed financial information for the six month periods ended 30 June 2015 and 30 June 2014, the Group's trading update dated 29 October 2015, the Joint Announcement of the Public Offer dated 8 February 2016, the Group's unaudited preliminary consolidated condensed results for the financial year ended 31 December 2015, the Articles, the articles of association of STAAR and the terms and conditions of administration (*administratievoorwaarden*) of STAAR, will be available free of charge at the Company's offices during normal business hours from the date of this Prospectus.

Legal Structure

At the end of 2013 the Group completed a legal and functional restructuring so that the legal organization structure became more in line with the Group's functional organizational structure. During 2014 some additional legal changes took place within the Group (see "Business – Legal Restructuring"). The legal structure of the Group as per the date of this Prospectus is shown below.

Legal Structure of the Group as per the date of this Prospectus

Below is the legal structure chart of the Group as per the date of this Prospectus. Unless otherwise indicated, all participations represent a 100% interest in the entire issued and outstanding share capital of each subsidiary.



DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published are incorporated in this Prospectus by reference and, as such, form part of this Prospectus. The incorporation by reference extends only to the pages indicated below. Non-incorporated parts of the documents listed below are either not relevant for the investor or covered elsewhere in the Prospectus.

- The Group's consolidated financial statements prepared in accordance with Dutch GAAP for the financial year ended 31 December 2014, and the independent auditor's report dated 10 April 2015, relating thereto, attached as pages 94 up to and including 144 to the Company's annual report 2014.
- The Group's consolidated financial statements prepared in accordance with Dutch GAAP for the financial year ended 31 December 2013, and the independent auditor's report dated 7 April 2014, relating thereto, attached as pages 90 up to and including 138 to the Company's annual report 2013.
- The Group's consolidated financial statements prepared in accordance with Dutch GAAP for the financial year ended 31 December 2012, and the independent auditor's report dated 4 April 2013, relating thereto, attached as pages 96 up to and including 143 to the Company's annual report 2012.
- The Group's unaudited consolidated condensed interim financial information for the six-month period ended 30 June 2015, attached to the Company's press release dated 25 August 2015.
- The Group's unaudited consolidated condensed interim financial information for the six-month period ended 30 June 2014, attached to the Company's press release dated 27 August 2014.
- The Articles.
- The articles of association as most recently amended on 22 April 2013 of STAAR.
- The terms and conditions of administration (*administratievoorwaarden*) as most recently amended on 15 December 2011 of STAAR.
- The Group's trading update dated 29 October 2015.
- The Joint Announcement dated 8 February 2016.
- The Group's unaudited preliminary consolidated condensed results for the financial year ended 31 December 2015, incorporated in the Company's press release dated 19 February 2016.

These documents (or copies thereof) may be obtained free of charge from the Company's website (www.royalreesink.com).

No Incorporation of Website

The contents of the Company's website, including any websites accessible from hyperlinks on the Company's website, do not form part of and are not incorporated by reference into, this Prospectus.

DEFINITIONS

The following definitions are used in this Prospectus.

ABN AMRO	ABN AMRO Bank N.V.
Acquisition of PMH-E	The acquisition in October 2013 of all issued and outstanding shares in the share capital of Pon Material Handling Europe and its 100% subsidiaries Motrac Hydrauliek, Q-Lion B.V. (dormant), Motrac Intern Transport, Motrac Handling & Cleaning and Motrac Hydraulik and 75.04% of the issued and outstanding shares in the share capital of Pelzer Fördertechnik.
AFM	The Netherlands Authority for the Financial Markets *(Stichting Autoriteit Financiële Markten*).
Agrometius	Agrometius B.V.
Agrometius Belgium	Agrometius BVBA.
Alternext Amsterdam	Alternext in Amsterdam, the multilateral trading facility of Euronext Amsterdam N.V.
Amazone	Amazonen-Werke H. Dreyer GmbH & Co. KG and its affiliated companies.
Amended Financing Facility	On or shortly after Settlement of the Public Offer, if Settlement of the Public Offers occurs, the Bridge Facility will be rolled into the Company's existing Financing Facility. This will be effected by way of an amendment and restatement of the Company's existing Financing Facility into an amended and restated financing facility.
Articles	The articles of association of the Company, as amended from time to time.
Alternext Amsterdam	Alternext in Amsterdam, the multilateral trading facility of Euronext Amsterdam N.V.
Atlas	Atlas Maschinen GmbH and its affiliated companies.
Bata	Bata Nederland B.V. and its affiliated companies.
Binding Debt Commitment Documentation	Binding debt commitment documentation between the Offeror and ABN AMRO Bank N.V., Commerzbank Aktiengesellschaft, Filiale Luxembourg, Coöperatieve Rabobank U.A. and ING Bank N.V.
BNP Paribas	BNP Paribas Fortis SA/NV Netherlands Branch.
Bridge Facility	The Binding Debt Commitment Documentation includes the terms and conditions of a €37,125,000 bridge facility to partially finance the Public Offer.
Bruggeman Mechanisatie	Bruggeman Mechanisatie B.V.
Canadian dollar, CAN$ or CAD	The lawful currency of Canada.
Capital Base	Group equity plus subordinated (convertible) loans.
Central Institute	Central institute as defined in the Act On Giro Transfer of Securities.
CISA	Swiss Federal Act on Collective Investment Schemes.
CITA	The Dutch Corporate Income Tax Act 1969.
Claas	CLAAS Kommanditgesellschaft auf Aktien MbH and its affiliated companies.
Closing Date	The date on which the Public Offer closes for acceptance.
Code	The Dutch Corporate Governance Code issued on 9 December 2003, as amended on 1 January 2009.

Commerzbank	Commerzbank Aktiengesellschaft, Filiale Luxembourg.
Company	Royal Reesink N.V.
Competing Offer	A written public offer by a bona fide third party.
Consideration	Cash payment in the amount of €101 (one hundred one euro) per tendered DR or Registered Share. It includes any (interim) dividend and other distribution that may be declared or paid by the Company in the period between the date of the Merger Agreement and the date on which Settlement takes place. In case of any dividend or distribution that will be declared or paid before the date on which Settlement of the Public Offer takes place, the Consideration will be reduced accordingly.
CT Agro	CT Agro GmbH.
CT Agro Kazakhstan	CT Agro TOO.
Cumulative Preference shares A	The cumulative preference shares A in the Company's share capital with a nominal value of €0.04 each.
Cumulative Preference shares B	The cumulative preference shares B in the Company's share capital with a nominal value of €0.04 each.
DCC	Dutch Civil Code.
De Kruyf Mechanisatie	De Kruyf Mechanisatie B.V.
De Leeuw Groentechniek	O. de Leeuw Groentechniek B.V.
De Vries Mechanisatie	De Vries Mechanisatie B.V.
Debt Financing	Facilities in an aggregated amount of €170,000,000 including an acquisition facility which is fully committed on a "certain funds" basis, subject to customary conditions, as set out in the Binding Debt Commitment Documentation.
DIY	Do-it-yourself.
DRs	Depository receipts of Ordinary Shares of the Company with a nominal value of €0.04 per Ordinary Share, a single depository receipt being a DR (including depositary receipts which have been cancelled by STAAR on or after the date on which Settlement of the Public Offer takes place and for which the underlying Ordinary Shares have been transferred to the Offeror by STAAR).
Dutch Corporate Entities	Entities that are subject to the CITA and are resident or deemed to be resident in the Netherlands for corporate income tax purposes, excluding entities that are not subject to Dutch corporate income tax or are in full or in part exempt from Dutch corporate income tax (such as pension funds) and investment institutions (*beleggingsinstellingen*) as defined in the CITA.
Dutch Enterprise DRs	DRs or any right to derive benefits from DRs which are attributable to an enterprise from which a Dutch Individual derives profits, whether as an entrepreneur or pursuant to a co-entitlement to the net worth of such enterprise (other than as an entrepreneur or a shareholder); or of which the benefits are taxable in the hands of a Dutch Individual as benefits from miscellaneous activities (*resultaat uit overige werkzaamheden*) including, without limitation, activities which are beyond the scope of active portfolio investment activities.
Dutch GAAP	Generally accepted accounting standards in the Netherlands.
Dutch Individuals	Individuals who are resident or deemed to be resident in the Netherlands for Dutch income tax purposes, and (ii) individuals who opt to be treated as if resident in the Netherlands for Dutch income tax purposes.

Dutch Taxes	Taxes of whatever nature levied by or on behalf of the Netherlands or any of its subdivisions or taxing authorities. The Netherlands means the part of the Kingdom of the Netherlands located in Europe
Earn-Out	The variable purchase price in relation to the Acquisition of PMH-E, based on the acquired entities achieving certain financial goals.
EBIT	Group operating results.
EBITDA	EBIT before depreciation of property, plant and equipment and before amortization of intangible assets (unaudited).
EEA	European Economic Area.
Enterprise Chamber	The enterprise chamber (*ondernemingskamer*) of the Amsterdam Court of Appeals.
"**EUR**", "**euro**" or "**€**"	The lawful currency of the European Economic and Monetary Union.
Euroclear Nederland	Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.
Euronext Amsterdam	The regulated market of Euronext Amsterdam N.V
Executive Committee	The Company's executive committee chaired by the CEO and also including the CFO, the division directors and the officers responsible for human resources and legal affairs.
Financing Facility	Credit facility with ABN AMRO, Rabobank, Commerzbank and BNP Paribas entered into on 12 May 2015 for in total €140 million.
FMSA	Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*).
FTEs	Full-time equivalents.
General Meeting	The general meeting of shareholders of the Company, being the corporate entity, or where the context so requires, the physical meeting of shareholders.
Group	The Company and its Group Companies.
Group Company	A legal entity as referred to in section 24b, Book 2, DCC, Group Companies being multiple legal entities as referred to in section 24b, Book 2, DCC.
Group Dealers	Bruggeman Mechanisatie and Landtech Zuid.
Group Distributor	Kamps de Wild, Reesink Technische Handel, CT Agro, CT Agro Kazakhstan, Kuhn Center Turkey, Packo, Agrometius, Agrometius Belgium, Stierman de Leeuw, Jean Heybroek, the Kemp Group, Hans van Driel, Safety Centre International, Motrac Hydrauliek, Motrac Hydraulik, Motrac Intern Transport, Motrac Handling & Cleaning and Pelzer Fördertechnik.
Hans van Driel	Hans van Driel B.V.
Holder	A holder of the DRs.
Horsch	Horsch Maschinen GmbH and its affiliated companies.
IAS Regulation	Regulation (EC) 1606/2002 and amendments thereto.
IFRS	International Financial Reporting Standards as adopted by the European Union.
IMAV	IMAV-Hydraulik GmbH.
Independent Supervisory Board Member	Mr. C.P. Veerman and Mrs. R.M. Bergkamp, each being a continuing member of the Supervisory Board who will need to remain independent as meant in the Code.

ISIN	International Securities Identification Number.
Jean Heybroek	Jean Heybroek B.V.
Joint Announcement	The joint press release issued by the Company and the Offeror announcing that the Company and the Offeror have reached conditional agreement on the Public Offer dated 8 February 2016.
Kamps de Wild	Kamps de Wild B.V.
Kemp Group	Ben Kemp Holding B.V. and its subsidiaries Barend Kemp B.V., Kemp BVBA and Huur & Stuur B.V.
Kobelco	Kobelco Construction Machinery Europe B.V. and its affiliated companies.
Kuhn	Kuhn S.A. and its affiliated companies.
Kuhn Center Turkey	Kuhn Center Turkey Tarim Makinalari A.Ş.
Landtech Zuid	Landtech Zuid B.V.
Large Company	Dutch public limited liability company which meets at least two of the three criteria referred to in section 2:397 subsection 1 DCC (which criteria are: (i) the value of the company's assets according to its balance sheet is, on the basis of the purchase price or manufacturing cost more than €17,500,000; (ii) the net turnover is more than €35,000,000; and (iii) the average number of employees is 250 or more.
Linde	Linde Material Handling GmbH and its affiliated companies.
Listing	The listing of the DRs on Euronext Amsterdam.
Listing Agent	SNS Securities N.V.
Listing Date	The date, if and when admission to trading is approved, that the Listing will become effective and that dealings in the DRs on Euronext Amsterdam will commence, being 9 March 2016.
Loan Agreement	The subordinated convertible loan agreement dated 16 October 2013 in connection with the Acquisition of PMH-E between Pon Holdings, Pon Onroerend Goed and the Company, amounting to €10.3 million, with an additional increase of €7.5 million under the same terms and conditions at the time of settlement of the Earn-Out.
MacDon	MacDon Industries Limited and its affiliated companies.
Main Original Equipment Manufacturers	Amazone, Atlas, Claas, Horsch, Kobelco, Kuhn, Linde, MacDon, Terex and Toro.
Management Board	The management board (*raad van bestuur*) of the Company.
Merger Agreement	Agreement dated 7 February 2016 between the Company and the Offeror setting out the terms and conditions for the Public Offer.
Minimum Acceptance Condition	One of the offer conditions agreed upon in the Merger Agreement: if the aggregate number of (a) tendered DRs and Registered Shares, and (b) DRs and Registered Shares directly or indirectly held by the Offeror or committed to the Offeror, but not tendered and subject only to the Public Offer being declared unconditional, does not represent at least 95% of the Company's issued share capital (*geplaatst kapitaal*) as at the closing date of the Public Offer, excluding DRs and Registered Shares held by the Company or any of its subsidiaries for their own account as at the Closing Date, the Offeror does not need to declare the Public Offer unconditional (*gestand doen*).
Motrac Handling & Cleaning	Motrac Handling and Cleaning N.V./S.A.
Motrac Hydrauliek	Motrac Hydrauliek B.V.

Motrac Hydraulik	Motrac Hydraulik GmbH.
Motrac Intern Transport	Motrac Intern Transport B.V.
Nederlandse Staal Unie	Nederlandse Staal Unie B.V.
Offer Change of Control	A change of control in respect of the Company as a result of the Public Offer.
Offer Memorandum	Offer memorandum (*biedingsbericht*) prepared by the Offeror and approved by the AFM, through which the Offeror launches the Public Offer. The offer memorandum is expected to be published and the Public Offer is expected to commence in April 2016.
Offeror	River Acquisition B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of The Netherlands, having its corporate seat (*statutaire zetel*) in Utrecht, the Netherlands, and its registered office at Herculesplein 104, 3584 AA Utrecht, the Netherlands, and registered with the Chamber of Commerce under number 63572451.
Operating Companies	Reesink Staal, Reesink Safety, the Group Dealers and the Group Distributors together.
Ordinary Shares	The ordinary shares in the Company's share capital with a nominal value of €0.04 each.
Packo	Packo N.V.
Paying and Depositary Agent	ABN AMRO Bank N.V.
Pelzer Fördertechnik	Pelzer Fördertechnik GmbH.
PHD	Project Holland Deelnemingen B.V.
PMH-E	Pon Material Handling Europe B.V.
Pon Holdings	Pon Holdings B.V.
Pon Onroerend Goed	Pon Onroerend Goed Leusden B.V.
Postponed Closing Date	The date on which the extended Public Offer closes for acceptance.
Preference Shares	The Cumulative Preference Shares A and the Cumulative Preference Shares B.
Private Placement Equity Facility	The agreement dated 5 November 2012 between PHD and the Company.
Prospectus	This prospectus dated 1 March 2016.
Prospectus Directive	Directive 2003/71/EC and amendments thereto.
Prospectus Regulation	Regulation (EU) No. 809/2004 and amendments thereto.
Public Offer	The intended public offer by the Offeror for all of the DRs and Registered Shares committing it to acquire each tendered DR and tendered Registered Share pursuant to the Public Offer in exchange for the Consideration subject to the terms and conditions of the Merger Agreement and to be made by means of the Offer Memorandum.
PVL	PVL B.V.
Qualified Investors	Qualified investors (*gekwalificeerde beleggers*) within the meaning of section 1:1 of the FMSA.
Rabobank	Coöperatieve Rabobank Noord- en Oost-Achterhoek U.A.
Reesink Safety	Reesink Safety Centre B.V.
Reesink Staal	Reesink Staal B.V.

Reesink Technische Handel	Reesink Technische Handel B.V.
Reesink Turkey	Reesink Turkey B.V.
Registered Shares	All Ordinary Shares which are not registered in the name of STAAR.
Relevant Implementation Date	In relation to a Relevant Member State, the date on which the Prospectus Directive was implemented in that Relevant Member State.
Relevant Member State	Each EEA state which has implemented the Prospectus Directive.
Revolving Credit Facility	A €105.0 million euro revolving credit facility for general corporate and working capital purposes under the Financing Facility.
RMHE	Reesink Material Handling Equipment B.V.
Safety Centre International	Safety Centre International B.V.
Settlement of the Public Offer	Settlement of the Public Offer takes place no later than on the fifth (5th) business day after the Closing Date, against payment of the Consideration if and when the Offeror declares the Public Offer unconditional (*het bod gestand doen*).
Shareholding Financing	Binding equity commitment letters received by the Offeror from amongst others entities managed, controlled and/or advised by each of Gilde Buy Out Partners, Navitas B.V. and Todlin N.V., for an aggregate amount of €109 million, which are fully committed, subject to customary conditions.
Shares	The Ordinary Shares and the Preference Shares.
STAAR	Stichting Administratiekantoor van Aandelen Reesink.
Stichting Continuïteit	Stichting Continuïteit Reesink.
Stierman De Leeuw	Stierman De Leeuw B.V.
Supervisory Board	The supervisory board (*raad van commissarissen*) of the Company.
Supervisory Board Regulations	The regulations adopted by the Supervisory Board regarding its functioning and internal organization dated 24 March 2006.
THR	THR B.V.
Terex	Terex Global GmbH and its affiliated companies.
Toro	Toro International Company and its affiliated companies.
Trade Register	Dutch Trade Register of the Chamber of Commerce (*handelsregister van de Kamer van Koophandel*).
United States	The United States of America.
US dollar, **US$**, or **$**	The lawful currency of the United States.
US Securities Act	The United States Securities Act of 1933, as amended.
V.A.T.	Value added tax.
Works Council	The central works council of the Company

COMPANY

ROYAL REESINK N.V.
Ecofactorij 20
7325 WC Apeldoorn
The Netherlands

LISTING AGENT

SNS Securities N.V.
Nieuwezijds Voorburgwal 162
P.O. Box 235, 1000 AE Amsterdam
The Netherlands

INDEPENDENT AUDITORS

For the financial years 2012, 2013 and 2014
Deloitte Accountants B.V.
Grote Voort 207
8041 BK Zwolle
The Netherlands

For the financial year 2015
Ernst & Young Accountants LLP
Zwartewaterallee 56
8031 DX Zwolle
The Netherlands

PAYING AND DEPOSITARY AGENT

ABN AMRO Bank N.V.
Gustav Mahlerlaan 10
1082 PP Amsterdam
The Netherlands