

*This is a press release by Tennessee Acquisition B.V. (the "Offeror"), pursuant to the provisions of Section 4 paragraphs 1 and 3 and Section 15 paragraph 4 of the Netherlands Decree on Public Takeover Bids (Besluit openbare biedingen Wft, (the "Takeover Decree") in connection with the recommended public offer for all the issued ordinary shares in the capital of Koninklijke Ten Cate N.V. ("TenCate" or the "Company") (the "Shares"). This announcement does not constitute an offer, or any solicitation of any offer, to buy or subscribe for any securities in TenCate. The Offer is made solely pursuant to the offer memorandum, dated 20 October 2015 (the "Offer Memorandum"), approved by the Netherlands Authority for the Financial Markets (Autoriteit Financiële Markten). This announcement is not for release, publication or distribution, in whole or in part, in or into, directly or indirectly, Canada and the United States. Capitalised terms used but not defined herein have the meaning ascribed thereto in the Offer Memorandum.*

## **PRESS RELEASE**

Utrecht, 12 January 2016

### **OFFER UPDATE - INCREASED AND FINAL OFFER PRICE OF EUR 26.00 PER SHARE IN TENCATE; OFFER TO EXPIRE ON 21 JANUARY 2016**

- Offer Price increased to EUR 26.00 per Share (cum dividend) (the "Increased Offer Price"), representing an increase of EUR 1.40 to the initial Offer Price of EUR 24.60 per Share (cum dividend)
- Increased Offer Price represents a bid premium of 34.0% over the undisturbed closing price per Share on 17 July 2015, the last trading day before the initial announcement on 20 July 2015. The AEX- and AMX-index have declined with 16.8% and 11.1% respectively since 17 July 2015.
- Preliminary indication of 2015 operating results published by TenCate today are in line with expectations and broker consensus, while the Company's net debt position is higher than expectations and broker consensus
- TenCate 2015 operating result was helped significantly by a stronger US dollar
- The Increased Offer Price of EUR 26.00 constitutes the full and final offer by the Offeror
- The Offeror aims to achieve an Acceptance Level of at least 95% of TenCate's issued and outstanding share capital on a fully diluted basis (i.e. excluding treasury shares) and to terminate the listing of the Shares on Euronext
- As a consequence of the increase of the Offer Price, the Acceptance Period is extended by operation of law and will expire on 21 January 2016

**Utrecht, the Netherlands, 12 January 2016 – The Offeror hereby announces that, in connection with the recommended public offer by the Offeror for all the issued shares in the capital TenCate (the "Offer"), the Offeror increases the Offer Price from EUR 24.60 per Share (cum dividend) to EUR 26.00 per Share (cum dividend) (the "Increased Offer Price").**

The Increased Offer Price represents a premium of 34.0% to the undisturbed closing price per Share on 17 July 2015, the last trading day prior to the initial announcement of the Offer on 20 July 2015. Since 17 July 2015, the AEX-index and the AMX-index have declined with 16.8% and 11.1% respectively. The Increased Offer Price constitutes the full and final offer by the Offeror and it is being offered as a last attempt to bridge the valuation gap between the Offeror and those Shareholders who have not yet tendered their Shares under the Offer, with a view to achieving an Acceptance Level of at least 95% of TenCate's issued and outstanding share capital (*geplaatst kapitaal*) on a fully diluted basis as at the Acceptance Closing Date, i.e. excluding Shares held by the Company or any of its Group Companies for its own account. The Offeror aims to terminate the listing of the Shares on Euronext. The Increased Offer Price will not be increased further.

TenCate issued a press release today providing a preliminary indication of its operating results for 2015.

The preliminary operating results of TenCate for 2015 are in line with expectations and broker consensus, while the Company's net debt position is higher than expectations and broker consensus. The operating result of TenCate for 2015 was helped significantly by a stronger US dollar.

The obligation of the Offeror to declare the Offer unconditional is subject to the aggregate number of Shares tendered and the Shares directly or indirectly held by or committed to the Offeror subject only to the Offer being declared unconditional representing at least 95% of the Company's issued and outstanding share capital (*geplaatst kapitaal*) on a fully diluted basis as at the Acceptance Closing Date (i.e. excluding Shares held by the Company or any of its Group Companies for its own account) as well as the terms and restrictions contained in the Offer Memorandum, including satisfaction of the other Offer Conditions, to the extent not yet satisfied or waived by the Offeror.

### **Financing of the Offer**

With reference to the press release issued by the Offeror and TenCate on 20 July 2015, the Offer, with the Increased Offer Price, now values 100% of the issued Shares at approximately EUR 714 million. The additional amount of approximately EUR 38.4 million required as a consequence of the Increased Offer Price will be entirely financed through equity funded by certain entities managed, controlled and/or advised by Gilde Buy Out Partners. This additional equity funding is fully committed, subject to customary conditions (the "**Additional Shareholder Financing**"). The Offeror has no reason to believe that any such conditions to the Additional Shareholder Financing will not be fulfilled on or prior to the Settlement Date under the Offer.

### **Extension**

As a consequence of the increase of the Offer Price, the Acceptance Period is by operation of law extended to 17:40 hours CET on 21 January 2016 in accordance with Section 15, paragraph 9 of the Takeover Decree.

During this extension by operation of law, the Offeror is not permitted to further increase the Offer Price, whether directly or indirectly through Share acquisitions, pursuant to Section 15 paragraph 4 of the Takeover Decree.

During the extension of the Acceptance Period, any Shares previously tendered and not withdrawn will remain subject to the Offer. In accordance with Section 15, paragraph 3 of the Takeover Decree, Shares tendered on or prior to the original Acceptance Closing Time may be withdrawn during the Acceptance Period as extended. Any Shares tendered during the extended Acceptance Period may not be withdrawn. For the avoidance of doubt, all Shareholders that have tendered Shares under the Offer, whether tendered during the initial Acceptance Period or the extended Acceptance Period, will receive the Increased Offer Price for each Share so tendered if the Offer is declared unconditional, as set out in more detail in the Offer Memorandum.

### **Offer Memorandum, Position Statement and further information**

The Offeror is making the Offer on the terms and subject to the conditions and restrictions contained in the Offer Memorandum, dated 20 October 2015. In addition, TenCate has made available the Position Statement dated 21 October 2015, containing the information required by Section 18, paragraph 2 and Annex G of the Takeover Decree in connection with the Offer.

This announcement contains selected, condensed information regarding the Offer and does not replace

the Offer Memorandum and/or the Position Statement. The information in this announcement is not complete and additional information is contained in the Offer Memorandum and the Position Statement.

Shareholders are advised to review the Offer Memorandum and the Position Statement in detail and to seek independent advice where appropriate in order to reach a reasoned judgment in respect of the Offer and the content of the Offer Memorandum and the Position Statement. In addition, Shareholders may wish to consult with their tax advisors regarding the tax consequences of tendering their Shares under the Offer.

Digital copies of the Offer Memorandum are available on the website of TenCate ([www.tencate.com](http://www.tencate.com)). TenCate's website does not constitute a part of, and is not incorporated by reference into, the Offer Memorandum. Digital copies of the Position Statement are available on the website of TenCate ([www.tencate.com](http://www.tencate.com)).

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### **About Gilde**

With offices in the Benelux and DACH region, Gilde Buy Out Partners is a leading European private equity investor in mid-market transactions. Founded in 1982, Gilde has been supporting management teams in over 100 buy out transactions. Gilde manages funds in excess of €3 billion and has a controlling interest in companies such as CID Lines, Roompot, Axa Stenman, Comcave, Spandex, Riri, Teleplan, Powerlines and HG. For more information, visit [www.gilde.com](http://www.gilde.com).

### **About Parcom Capital**

Parcom Capital is a leading mid-market private equity firm in the Benelux with a mid- to long-term investment horizon focused on distinctive value creation strategies. It was founded in 1982 as one of the first buy-out and expansion capital providers in the Dutch market. Over the past 30 years, Parcom Capital invested directly in more than 75 (international) companies, was involved in numerous add-ons and helped multiple management teams in realizing their growth ambitions. For more information visit [www.parcomcapital.com](http://www.parcomcapital.com)

### **About ABN AMRO Participaties**

ABN AMRO Participaties ("AAPart") is the private equity firm of ABN AMRO Group, and invests in profitable companies in the Netherlands. AAPart has a mid- to long-term investment horizon, and supports entrepreneurial management teams in realizing their growth ambitions. Over the past 30 years, AAPart has invested in more than 100 companies in various industries, helping them to grow organically as well as through add-on acquisitions. For more information, visit [www.abnamroparticipaties.nl](http://www.abnamroparticipaties.nl)

### **General restrictions**

This announcement is for information purposes only and does not constitute an offer or an invitation to acquire or dispose of any securities or investment advice or an inducement to enter into investment activity. This announcement does not constitute an offer to sell or issue or the solicitation of an offer to

buy or acquire the securities of TenCate in any jurisdiction. The distribution of this press release may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this document should inform themselves of and observe these restrictions. To the fullest extent permitted by applicable law, the Offeror, each member of the Consortium and their respective advisors disclaim any responsibility or liability for the violation of any such restrictions by any person. Any failure to comply with these restrictions may constitute a violation of the securities laws of that jurisdiction. Neither the Offeror, nor any member of the Consortium, nor any of their advisors assumes any responsibility for any violation by any person of any of these restrictions. Any Shareholder who is in any doubt as to his position should consult an appropriate professional advisor without delay. This announcement is not to be published or distributed in or to Canada and the United States.

### **Forward-looking statements**

This press release may include "forward-looking statements", including statements regarding the transaction and anticipated consequences and benefits of the transaction, the targeted close date for the transaction, the intended financing, as well as language indicating trends, such as "anticipated" and "expected." These forward-looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those expressed or implied by these statements. These risks and uncertainties include the receipt and timing of necessary regulatory approvals. These forward looking statements speak only as of the date of this press release. The Offeror and each member of the Consortium expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein to reflect any change in the expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. Although the Offeror believes that the assumptions upon which their respective financial information and their respective forward-looking statements are based are reasonable, they can give no assurance that these assumptions will prove to be correct. Neither the Offeror, nor any member of the Consortium, nor any of their advisors accepts any responsibility for any financial information contained in this press release relating to the business or operations or results or financial condition of the other or their respective groups.