

## EIGHTH ACQUISITION BY FRUTAROM IN 2015

# FRUTAROM ACQUIRES US FLAVORS COMPANY FOOTE & JENKS

### Herzliya, Israel

Frutarom Industries Ltd. ("**Frutarom**"), one of the world's 10 largest companies in the field of flavors and specialty fine ingredients, continues implementing its rapid growth strategy and announces today that it has acquired 100% of the share capital of the US flavors company Foote & Jenks (hereinafter "**F&J**") for approximately US\$ 4 million. The transaction was completed upon the signing of the agreement and financed through bank debt.

Founded in the early 1980s, F&J develops, manufactures and markets flavor extracts for the pharma, food and beverages industries. The company has 10 employees, a site in New Jersey for its production, R&D and marketing activities, and a broad customer base in North America. Sales turnover for F&J in 2014 amounted to approximately US\$ 2.9 million.

Frutarom will work towards fully capitalizing on the many cross-selling opportunities arising from the acquisition and expanding the product portfolio offered to the company's existing customer base. Frutarom will also work towards achieving maximum commercial and operational efficiencies at F&J in cooperation with other Frutarom USA production sites.

**Ori Yehudai, President and CEO of Frutarom Group**, said: "This is an acquisition of growing and profitable flavor activity, Frutarom's most profitable core field. A major part of F&J sales is to customers in the pharma industry who demand advanced solutions for masking the aftertaste of active ingredients contained in their products, as well as high quality, and conformance with strict regulatory requirements. Frutarom already operates in this area and views it as an attractive field of endeavor for itself which also provides a good fit with the activity of its specialty fine ingredients division that includes activity in active ingredients with added health value for the pharma and nutraceutical industries. We see significant synergies between F&J activity and Frutarom's flavors activity in the US, and we intend to leverage the cross-selling possibilities that this acquisition generates both by expanding the product portfolio and by broadening the customer base."

**Mr. Yehudai** concluded in saying that: "We are continuing to implement our rapid and profitable growth strategy combining internal growth and strategic acquisitions. The acquisition of F&J is the eighth acquisition we are completing this year and marks the continuation of carrying out our plan to expand our activity in the US market. We are working towards identifying and executing further strategic acquisitions of companies and operations in our fields of activity, with special focus on fast-growing markets and activities."

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### About Frutarom:

Frutarom (LSE: **FRUT**, TASE: **FRUT**) is a multinational company operating in the global flavors and fine ingredients markets. Frutarom has significant production and development centers on four continents and markets and sells the over 31,000 products it produces to over 16,000 customers in more than 150 countries. Frutarom's products are intended mainly for the food and beverages, flavor and fragrance extracts, pharmaceutical, nutraceutical, health food, functional food, food additives and cosmetics industries.

Frutarom, which employs approximately 3,300 people worldwide, has 2 main core activities:

- The Flavors Activity which develops, produces and markets flavor compounds and food systems
- The Specialty Fine Ingredients Activity, which develops, produces and markets natural flavor extracts, natural functional food ingredients, natural pharma/nutraceutical extracts, natural food colors, natural algae based biotechnical products, natural antioxidants used in natural food protection systems, aroma compounds, essential oils, unique citrus products, natural gums and resins. The Specialty Fine Ingredients products are sold primarily to the food and beverages, flavor and fragrance, pharmaceutical/nutraceutical, cosmetics and personal care industries.

Frutarom's products are produced at its plants in the US, Canada, the UK, Switzerland, Germany, Spain, Italy, Slovenia, Russia, Turkey, Israel, South Africa, China, India, Guatemala, Peru, Chile and Brazil. The Company's global marketing organization encompasses branches in Israel, the US, Canada, the UK, Switzerland, Germany, Slovenia, Belgium, the Netherlands, Denmark, France, Italy, Spain, Hungary, Romania, Russia, the Ukraine, Poland, Kazakhstan, Belarus, Turkey, Brazil, Mexico, Guatemala, Costa Rica, Peru, Chile, South Africa, China, Japan, Hong Kong, India and Indonesia. The Company also works through local agents and distributors throughout the world. For further information, please visit our website at: [www.frutarom.com](http://www.frutarom.com).

