

# PRESS RELEASE

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## FRUTAROM CONTINUES TO EXPAND GLOBAL SPREAD AND DEEPENS ITS PRESENCE IN EMERGING MARKETS

### FRUTAROM ACQUIRES SOUTH AFRICAN FLAVOR COMPANY JANNDEREE

#### JANNDEREE'S SALES IN 2012 : US\$5 MILLION

Frutarom Industries Ltd. ("**Frutarom**") today announced that it has signed an agreement for the acquisition of the South African JannDeRee (Pty) Limited company ("**JannDeRee**") for the sum of US\$5.2 M. JannDeRee's sales turnover in 2012 came to approximately US\$5 M. The transaction was completed at the time of signing.

JannDeRee, founded in 1993, develops, manufactures, and markets flavors with an emphasis on savory flavors and sweet flavor solutions. JannDeRee, which has been growing rapidly over the last few years, has an R&D, production and marketing site in Johannesburg, South Africa, located adjacent to Frutarom's South African site, and a wide customer base in South Africa and in other important emerging countries in the sub-Saharan region such as Malawi, Zimbabwe and Mozambique. JannDeRee's activities are synergetic with Frutarom's activities in South Africa in the field of flavors, which have grown at rates higher than the rate of market growth over the past few years. Frutarom has recently further strengthened its presence in African markets by adding additional sales personnel in key countries such as Nigeria.

Frutarom will take immediate actions to integrate activities, including integration of R&D, marketing and sales infrastructures, purchase, production and supply. JannDeRee's management, headed by its Managing Director, will become part of Frutarom's management in Africa, and they will act jointly to accelerate Frutarom's growth in the region.

According to Frutarom's **President and Chief Executive Officer, Ori Yehudai**: "The acquisition of JannDeRee continues the implementation of Frutarom's rapid and profitable growth strategy and the realization of its vision '**To be the preferred partner for tasty and healthy success**'. The acquisition will substantially strengthen Frutarom's positioning in these fast growing regions of Africa. The acquisition contributes to the expansion of our product portfolio for countries in Africa, to the strengthening of our management, research and development, manufacturing, marketing and sales capacities in the area of savory flavors (an area where Frutarom has not yet been active in Africa).

**Yehudai** concluded by stating: "We continue to seek out strategic acquisitions and to implement our rapid growth strategy combining profitable internal growth and acquisitions. Frutarom continues to accelerate its growth in both developed and emerging markets. We will continue to invest in the fast growing regions of Asia, Central and South America, Central and Eastern Europe and Africa, following a market share in emerging markets which has grown from 27% in 2010 to 36% in 2012".



#### **About Frutarom**

**Frutarom** is a global company operating in the global flavor and fine ingredients markets. Frutarom has significant production and development centers in three continents and it markets and sells over 30,000 products in five continents to over 14,000 customers in more than 140 countries. Frutarom's products are intended mainly for the food, beverage, flavor, fragrance, pharmaceutical, nutraceutical, health food, functional food, food additives and cosmetic industries.

Frutarom, which employs approximately 2,020 people worldwide, has 2 main activities:

- The Flavors Segment, which develops, produces and markets flavor compounds and food systems.
- The Fine Ingredients Segment, which develops, produces and markets natural flavor extracts, natural functional food ingredients, natural pharma/nutraceutical extracts, specialty essential oils, citrus products and aroma chemicals.

Frutarom's products are produced in its plants in the US, UK, Switzerland, Germany, Slovenia, Italy, Israel, China and Turkey. The Company's global marketing organization includes branches in Israel, the US, UK, Switzerland, Germany, Belgium, the Netherlands, Denmark, France, Italy, Hungary, Romania, Russia, Ukraine, Poland, Kazakhstan, Belarus, Turkey, Brazil, Mexico, Costa Rica, China, Japan, Hong Kong, India, and Indonesia. The Company also works through local agents and distributors worldwide.

For further information, visit our website: [www.frutarom.com](http://www.frutarom.com).

