

Refresco takes first step into North America by acquiring Whitlock Packaging

- **First acquisition in North America by Refresco creates second growth platform in the largest soft drinks market globally.**
- **Continued execution of buy & build strategy adding 900 million liters to Refresco Group volume of 6 billion liters, while increasing co-packing volumes from 25% to 34% of group total.**
- **More than 80% overlap in co-packing customer base of Whitlock Packaging and Refresco.**

Rotterdam, the Netherlands, July 26, 2016 – Refresco Group N.V. (Euronext Amsterdam: RFRG), the leading European bottler of soft drinks and fruit juices for A-brands and retailers, today announced it has agreed to acquire US-based bottler Whitlock Packaging. The purchase price is USD 129 million, equal to EUR 117 million¹, on a debt and cash free basis. This represents an EV/adjusted EBITDA multiple of 7.3x and is in line with the average multiple paid by Refresco on previous transactions. The acquisition is expected to be earnings accretive in the first full year of consolidation.

Refresco has established its leading position in Europe over the past 16 years through the successful execution of its buy & build strategy. The acquisition of Whitlock Packaging represents a new chapter in Refresco's growth strategy as it enters the North American market for the first time. The acquisition of a large scale US bottler is Refresco's first step towards expansion beyond Europe and creates a strong second platform for further growth in North America.

Strategic rationale

The acquisition of Whitlock Packaging significantly expands Refresco's addressable market and substantially grows its co-packing to 34% of total group volume. Whitlock Packaging has long-standing relationships with leading A-brands in the US soft drinks market and more than 80% of Whitlock Packaging volumes relate to customers currently being served by Refresco in Europe. Refresco will now be able to provide A-brands and retail customers with reliable supply chain solutions in Europe and North America.

Refresco has developed a successful private label business in Europe and intends to leverage its experience to further develop Whitlock Packaging's private label capabilities. It will contribute to Whitlock Packaging's expansion with a focus on innovation, procurement, operational excellence and industry best practices.

Refresco intends to continue executing its buy & build strategy both in Europe and North America by making selective investments and acquisitions, and targeting value-creating opportunities. The acquisition of Whitlock Packaging is the first step towards establishing a similar market position in North America as Refresco has achieved in Europe, with comparable returns.

CEO Refresco, Hans Roelofs: "For some time we have been carefully exploring opportunities to enter the North American market and create a second platform for growth. Whitlock Packaging provides a perfect strategic fit, as it is a market-leading player focused primarily on co-packing – an area of our business that we actively want to grow. Whitlock Packaging adds a new and exciting platform for growth for Refresco in North America. About 80% of the customers of Whitlock Packaging are already customers of Refresco in Europe. As such, Whitlock Packaging offers the opportunity to grow in a new market alongside existing customers, while offering them similar and reliable supply chain solutions as we do in Europe. I am delighted to welcome Whitlock Packaging to the Refresco Group and look forward to further developing our North American business together."

¹ At USD/EUR rate of 1.098. Subject to final adjustments at closing.



Whitlock Packaging

Whitlock Packaging is a leading bottler in co-packing services in the US. Founded in 1980 and headquartered in Tulsa, Oklahoma, it employs circa 550 people in three strategically positioned production facilities in Oklahoma, Florida and New Jersey. The company operates in the soft drink categories of juices, RTD teas, sports, energy and still drinks. In 2015 Whitlock Packaging's volume amounted to approximately 900 million liters, split between Co-Packing (98%) and Private Label (2%). The company's annual revenue, mainly related to filling fees, amounted to approximately USD 127.3 million². Whitlock Packaging can produce all major packaging formats and was one of the first US bottlers to produce aseptic beverage cartons. Today its hot-fill and aseptic production capacities are among the largest in the North American market. Whitlock Packaging continues to lead and innovate by investing in new formats and capabilities, often in close cooperation with major soft drink A-brands in the US.

Founder and Chairman of the Board Whitlock Packaging, Jerry Whitlock: "Whitlock is a great company with an extensive customer base, the ideal opportunity for Refresco to enter the US market. In Refresco we have found a long term strategic partner that shares the same vision for the future as we do. In handing over to Refresco, I see benefits for all stakeholders and I have every confidence that the business will continue to grow."

CEO Whitlock Packaging, David Moller: "We are very excited to become part of the Refresco Group. Joining an international independent bottler like Refresco fits our company ambitions well and substantially increases our scale and innovation power. Together we can pursue opportunities in the fragmented US market and offer customers high quality beverages and the widest range of possibilities in both North America and Europe. From a business culture perspective, it also feels like a very good fit. We look forward to contributing to Refresco's ambitions and the future growth of the newly enlarged business."

Group structure and leadership

Whitlock Packaging has a strong and experienced leadership team with longstanding customer relationships in the beverage industry. After completion of the transaction Whitlock Packaging will be rebranded to Refresco US, reporting directly into the Executive Board of Refresco Group.

Other information

The transaction will be subject to US regulatory approval and customary closing conditions. Closing is expected to occur in the second half of this year. The acquisition of Whitlock Packaging is expected to be earnings accretive in the first full year of consolidation. It will be financed through the refinanced unsecured syndicated term loan facility.

Rabobank Securities has acted as exclusive transaction advisor to Refresco. Houlihan Lokey served as advisor for Whitlock Packaging.

Conference call

Refresco will host an analyst call today, July 26, at 10:00 a.m. CET, to discuss the acquisition, which can be accessed as follows:

Netherlands: +31 (0)20 703 8261
International: +44 (0)20 7026 5967
Conference ID: 2952414

A copy of the slide presentation that will be used on the call will be available through Refresco's website at <http://www.refresco.com/investors/>. The conference call will be a live audio webcast available via http://player.companywebcast.com/refresco/20160726_1/en/Player and it will be recorded and archived for playback following the call.

² Based on US GAAP.



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About Refresco Group N.V.

Refresco (Euronext: RFRG) is the leading European bottler of soft drinks and fruit juices for retailers and A-brands with production in the Benelux, France, Germany, Spain, Italy, the UK, Poland and Finland. The company realized in 2015 full year volumes and revenue of circa 6.1 billion liters and circa EUR 2.0 billion, respectively. Refresco offers an extensive range of product and packaging combinations from 100% fruit juices to carbonated soft drinks and mineral waters in carton, PET, Aseptic PET, cans and glass. Focused on innovation, Refresco continuously searches for new and alternative ways to improve the quality of its product and packaging combinations in line with consumer and customer demand, environmental responsibilities and market demand. Refresco is headquartered in Rotterdam, the Netherlands and has about 4,500 employees.

About Whitlock Packaging

Whitlock Packaging was founded in 1980 and is headquartered in Tulsa, Oklahoma. It is privately-held and wholly-owned by Jerry Whitlock, founder and Chairman of the Board. It operates three production facilities across three states (Oklahoma, Florida and New Jersey). Whitlock Packaging is a leading contract manufacturer of liquid refreshment beverages including fruit drinks, juices, isotonic beverages (sports drinks), iced teas, energy drinks and other product types. Its basic operating principle is a commitment to the highest quality product while striving to meet every need of its customers. Currently Whitlock Packaging produces approximately 900 million liters per year and has about 550 employees.