

PRESS RELEASE

Seed potato company HZPC publishes results and dividend financial year 2015/16

HZPC achieves growth and remains to be on track for ambitious plans

European market recovery and increased licence volumes result in € 7.0 million profit.

Joure (NL), 7 October 2016 – HZPC, world leader in potato breeding, announces that the shareholders meeting of 6 October has established the consolidated net turnover for financial year 2015/16 at € 289.5 million. The gross margin is € 48.1 million and the net result is € 7.0 million. The dividend for HZPC-certificates is set at € 5.75, well above the five year average of € 4.60. With these results, HZPC achieves its growth targets, while maintaining the net result.

The record levels of turnover and margin and above average profit indicate a good trade year. CEO Gerard Backx comments: "HZPC aims for gross margin amongst other indicators. Our longer term growth target is to develop to € 50 million gross margin for 2017/18. We do this to be able to continuously invest in research and market expansion outside Europe, in order to fortify our market leadership position as innovative seed company."

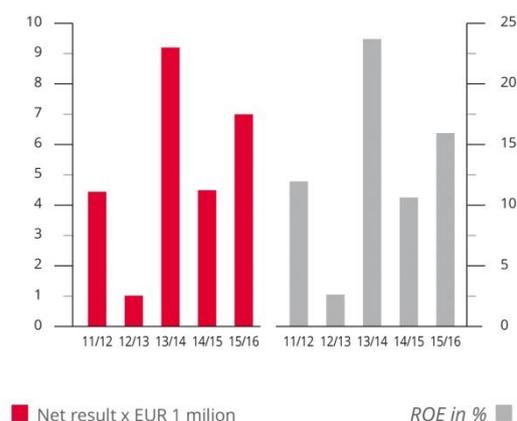
Also a good return on equity (ROE) and paying a competitive price to their seed potato growers, are important objectives for HZPC.

Backx: "We are proud as a company to have achieved our goals with our international team."

Review and outlook

After a challenging season 2014/15, the European market recovered in financial year 2015/16 as expected. Gerard Backx: "HZPC benefited from the European market recovery, but also from our efforts on the international markets which resulted in increased licence income at other continents. In the current season 2016/17 we see lower yields in The Netherlands, but not throughout Europe. Demand is expected to be similar to season 2015/16. The trade with the Middle East remains to be challenging and uncertain because of political and economical uncertainties."

Net result and ROE (Return On Equity)



Dividend return 4.2%

On 6 October 2016 the shareholders, the HZPC Association ('Vereniging HZPC') and the Supervisory Board discussed and determined the financial statement, and put at disposal an amount of € 4.5 million for dividend. This results in a payment of dividend of € 5.75 per certificate of share, which means a dividend return of 4.2% at a certificate value of € 136.90 (May 2016). The next stock trade day will be on 18 November 2016.

Essential data	2011/12	2012/13	2013/14	2014/15	2015/16
x 1 million euro					
Results					
Net turnover	229.2	280.0	282.7	241.6	289.5
Gross margin	39.1	45.8	47.5	41.3	48.1
Result after tax	4.4	1.0	9.2	4.5	7.0
Depreciation tangible fixed assets	2.2	2.4	2.6	2.7	2.9
Investments in tangible fixed assets	2.9	2.1	2.8	3.4	3.0
Balance sheet					
Group equity	38.6	38.8	42.3	44.0	46.3
Cash flow from operating activities	0.5	12.3	18.6	5.8	5.8
Cash and cash equivalents	12.4	17.8	32.9	27.6	19.7
Growers depositis	16.6	20.8	23.8	20.9	20.7
Total assets	82.9	91.1	96.4	94.1	106.5
Group equity as % of total assets	46.6%	42.6%	43.9%	46.8%	43.5%

About HZPC

HZPC is the innovative world leader in potato breeding and the seed potato trade. The breeders of HZPC develop seed potato varieties that optimally match local growing conditions. With HZPC, local potato growers are able to respond dynamically to the needs of their market and market segments such as processing industry, retail chains and fresh market channels.

HZPC operates worldwide with 300 employees in more than 10 countries, and is owned by 800 of its international seed potato growers and employees. By using HZPC varieties and seed potatoes, potato growers worldwide can realise a sustainable and healthy crop growth, while taking responsibility for people and the environment into account.

More media information

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*** Note for editor ***

HZPC will publish its annual report on www.hzpc.com end October 2016.