



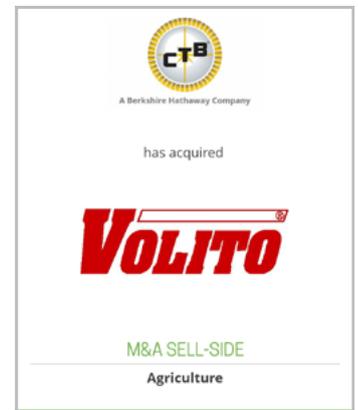
AGRICULTURE

Deal flash, December 2016

ACCELERATING GLOBAL EXPANSION IN THE POULTRY HOUSING INDUSTRY

Deal snapshot

- The private shareholders of Volito have sold the company to CTB, Inc., a subsidiary of Berkshire Hathaway Inc.
- Volito designs and manufactures animal-friendly poultry housing systems for the production of consumption eggs, hatching eggs and rearing hens. Founded in 1989, Volito is one of the few companies worldwide that has developed the expertise and capabilities to produce high quality cage-free poultry housing systems. The company's products include nesting systems, slatted floors, aviary systems and egg handling systems. Volito is based in Veenendaal, the Netherlands and sells its products worldwide.
- CTB is a designer, manufacturer and marketer of agricultural systems and solutions for the poultry, hog, egg production and grain industries. Founded in 1952 and headquartered in Milford, USA, CTB has been a subsidiary of Berkshire Hathaway since 2002.



Client's transaction rationale

- Volito has long been a leading producer of advanced animal-friendly poultry housing systems and has benefited considerably from the regulation-driven shift towards animal-friendly housing in Europe over the past decade.
- Although Volito already had a significant international presence both within and outside Europe, the company lacked the infrastructure and marketing power to fully benefit from the rapid growth of the animal-friendly poultry housing market in the USA.
- In CTB, Volito has found a strong strategic partner that can leverage the company's capabilities on a global basis and further accelerate growth.

Our role in the transaction

- Oaklins' team in the Netherlands acted as the exclusive M&A advisor to the seller in this transaction.
- The Dutch team carried out a comprehensive analysis of industry trends and market potential in the USA, which was a key contributor to the transaction's favorable valuation.
- This transaction demonstrates the added value of Oaklins' industry expertise and its extensive knowledge of local and global market trends.



Market trends and deal drivers

- A key trend in the global poultry housing industry is the shift from battery cages towards animal-friendly, cage-free systems.
- In the EU, this transition is almost fully completed, driven primarily by an EU-wide ban on battery cages. As a result, companies with the capabilities to design and manufacture cage-free poultry housing systems, which take several years to develop, are almost exclusively based in Europe.
- In the USA, demand for cage-free systems is currently expanding rapidly, driven by increasing levels of consumer consciousness and related changes in consumption patterns.
- This transaction will allow CTB to capitalize on the growing demand for cage-free poultry housing systems in the USA by combining its own distribution power with Volito’s advanced product range.

M&A valuation aspects

- An extensive analysis of the market potential of Volito’s products in the USA demonstrated the significant value of the company to a buyer with the ability to facilitate an international rollout.
- Supported by this analysis, the shareholders have been able to secure highly favorable terms for the sale of the company.

Oaklins industry specialists



✉ **Frederik van der Schoot**, Partner, Oaklins, The Netherlands

“We are very pleased to announce Oaklins’ twelfth agritech transaction in the Netherlands in the past five years, reflecting both the strong appetite for Dutch agritech companies with unique intellectual property and the momentum of the global industry consolidation trend. We look forward to further applying our valuable industry expertise in future agritech transactions.”



✉ **Doug Kravet**, Principal, Agriculture Specialist, Oaklins, USA

Doug has advised numerous clients in the agriculture industry. He has closed transactions with Carlstedt in the floral distribution sector and Atlantic Quality Parts in the agricultural equipment sector, among others.

OAKLINS HAS CLOSED 37 DEALS IN AGRICULTURE IN THE LAST FIVE YEARS

Oaklins is the world’s most experienced mid-market M&A advisor, with 700 professionals globally and dedicated industry teams in 40 countries worldwide. We have closed over 1,500 transactions in the past five years.