

Agreement in principle for the acquisition of Lely Turfcare

9 February 2016 by Lely

On February 1st Royal Reesink N.V. ('Royal Reesink') and Lely Holding S.à.r.l ('Lely') have reached agreement in principle with regarding the acquisition of the turf care activities of Lely in the United Kingdom, Ireland and Denmark. These activities mainly concern the distribution of Toro machines for the maintenance of golf courses and public green spaces and TYM compact tractors. Revenue from these activities amounted to approximately € 60 million in 2015, with around 125 employees. With this acquisition, Lely and Royal Reesink intend to achieve accelerated growth of these distribution activities. Lely's has chosen for its strategy to entirely focus on solutions in relation to cows.

Through its subsidiaries Jean Heybroek and Packo, Royal Reesink already distributes Toro machines in the Benelux countries. The proposed acquisition represents a further strengthening of Royal Reesink's activities in the area of landscape maintenance and turf care in countries with large turf care markets.

The due diligence will commence in early February 2016 and the transaction is expected to be completed at the start of the second quarter of 2016.

Source: AGCO Feucht GmbH