



Facts about Tönnies

Tönnies is a multi-level company with business activities in the food industry around the world. The six business sectors are Meat, Convenience, Sausages, Ingredients, Logistics and International. The core business of the family company founded in 1971 is the slaughter, butchering, and processing of pigs, sows, and cattle.

Sales (worldwide)

2017: 6.90 billion EUR

2016: 6.35 billion EUR

2015: 6.30 billion EUR

Slaughter figures for pigs (worldwide)

2017: 20.6 (+ 1 %)

2016: 20.4 million

2015: 20.0 million

2010: 11.0 million

Slaughter figures for pigs (Germany)

2017: 16.6 million (+ 2.5 %)

2016: 16.2 million

2015: 16.2 million

Slaughter figures for cattle (incl. cutting)

2017: 432,000 (+ 2 %)

2016: 424,000

2015: 424,000

Export rate: over 50 percent (by weight)

Direct consumer contacts: 2,000,000 daily

Number of international offices: 16

Employees: 16,500

Founded in: 1971



Business Areas

As a multi-level company with business activities in the food industry, Tönnies is a global market leader. The six business areas are Meat, Convenience, Sausages, Ingredients, Logistics and International.

The core business of the family company founded in 1971 is the slaughtering, butchering, and processing of pigs, sows, and cattle.

Meat

The Tönnies success story started with its unique quality and freshness concept. With the sustainable "Biological Unit" of slaughtering, butchering, and packaging all under one roof, this philosophy ensures the highest level of product freshness. The basis for the downstream processing steps and consumption phases is the quality meat which is produced "inline" by the Tönnies group, and is a recognised concept both domestically and internationally.

The key to freshness and quality assurance is the integrated and seamless documented inline production all under one roof. During the production processes, from slaughtering to the finished product at a single location cooling and hygiene are not interrupted at any stage.

With more than forty years of experience and technological high performance, Tönnies meat has made a quantum leap in quality meat production with the introduction of fully automated butchering. Cutting, processing, and packaging to meet customer's demands is a challenge we are glad to accept and one which we can handle better than almost anyone else. Our specific services and abilities are in demand around the world.

Convenience & Sausages

The Convenience & Sausages business divisions are handled by our subsidiaries, Tillman's Convenience GmbH and zur Mühlen ApS & Co. KG. To meet the requirements of the various markets and the requests and demands of our customers and trade partners, the locations for Convenience and Sausages are highly specialised and individualised.

We are the European specialists for fresh self-service packaged meat. We offer both our domestic and international customers a wide range of products, which includes fast-moving basic items as well as specialty and seasonal items. In the area of frozen food the diverse and innovative product line of strong selling frozen products is based on high-quality raw ingredients that can be prepared easily and are sure to turn out well. Fresh Convenience is one of the growth product lines of the future. Health, variety, easy handling, and top quality all play an important role for consumers.



From traditional sausage specialties and boiled cured products based on proven recipes to tasty innovative trend products, we offer our customers a very diverse product line. Flexible, high-performance, and based exclusively on the best ingredients.

Ingredients

The Division Ingredients produces and markets the valuable by-products resulting from food production. These rigorously inspected animal and vegetable raw ingredients are used to create end products with high added value, best quality, and versatile functionality.

Innovative technologies and production processes at all companies in the "Ingredients" division form the basis for manufacturing end products such as protein, fat, and meal that we also develop and produce on the basis of customer-specific specifications and requirements. They are used in a variety of applications in the areas of pharmaceuticals, foods, and animal feeds.

Logistics

TEVEX Logistics GmbH, with headquarters in the East Westphalian town of Rheda-Wiedenbrück, is an international cross-industry transport and logistics service provider. The transport company belonging to the Tönnies Group employs 580 employees and specializes in the field of temperature-controlled transport and warehouse logistics. Tevex offers its customers a closed cold chain for temperature control from -30 to +25 °C.

Tevex' areas of expertise include the design of custom logistics solutions as well as the complete organisation of the entire logistics chain from commissioning and labeling to the warehousing of cold and dry goods and international transport logistics. The latter includes combined transport by rail and ship.

The in-house vehicle fleet consists of more than 300 vehicles. In order to ensure that all goods reach their destination without any problems, Tevex uses modern telematics systems and satellite monitored temperature control.

With its own subsidiary, Tevex Logistics GmbH is represented at three locations in Germany, one location in Poland, and an additional location in Austria.

International

The international activities of the Tönnies group are managed and implemented from the corporate headquarters in Rheda-Wiedenbrück as well as from the current total of 16 international offices. As part of Tönnies' stepwise internationalisation strategy, various targeted activities are planned and implemented in different countries.



With key production locations in Germany, Denmark, Great Britain, France, and Poland, Tönnies distributes quality meat around the world. Tönnies is also establishing facilities in other countries for preliminary production stages such as feedlots in order to build up a basis in those country's to increase production in the future. These countries offer promising export markets and strategic locations for the future.

Producing quality meat

The production locations in Germany and Denmark play an important role in our overall business activities. At the German locations in Rheda-Wiedenbrück, Sögel, Weissenfels, and Kellinghusen as well as in Badbergen, Kempten, Wilhelmshaven, Legden, and Beckum, Tönnies operates state-of-the-art facilities for slaughtering and butchering pigs and beef cattle to produce quality meats according to the principle of inline production. In addition, the Tönnies group has formed a joint partnership in France together with its corporate partner Avril in order to establish a new production facility for the French market.

The largest location in Denmark (Thisted) was acquired through the takeover of Tican A/S. This is the largest acquisition to date in the history of the Tönnies corporation. After SB Pork in Brørup, this is now the second production location.

Strategic investments in future production and distribution

Tönnies has distribution facilities in all relevant target markets in order to position and distribute products from the Tönnies and Tillman's brands. Sales offices are located around the world, including China, South Korea, and Japan.



Company development

Almost a century has passed since Klemens Tönnies Sr. founded a butcher's shop in Rheda's old town. Since then, Tönnies has evolved into an international corporation with its core business in the slaughtering, butchering, and processing of pigs, sows, and beef cattle. The corporation has some of the most state-of-the-art slaughtering and butchering operations in the world, and exports more than 50 per cent of its products (by weight) to other countries. For some time now, Tönnies has consistently pursued a strategy for growth and internationalisation in order to tap into specific key international markets.

Milestones in corporate development

Origin: Butcher Klemens Tönnies Sr. opens a small butcher's shop in Rheda's old town where he slaughters and butchers seven to ten pigs per week. His sons Bernd and Clemens Tönnies follow in his footsteps and also train as butchers.

1971: Bernd Tönnies founds the current family business as a wholesaler for meat and sausages. A short time later, Clemens joins the company, by which time it employs about 20 people.

1974: The fledgling company is able to adapt the division of labour used in other industries for the meat industry. As a result, the company continues to grow, which leads the company to relocate to Herzebrock. The number of employees increases to 60.

1977: The new location in Herzebrock's industrial area begins production. The company continues to grow rapidly.

1990: The Tönnies group takes over the pig slaughterhouse in Weissenfels, Saxony-Anhalt. Since the acquisition, more than 200 million euros have been invested in the location. Today, the company employs about 2,200 workers here and produces around 2,300 tons of quality meat.

1992: The Tönnies brothers commission construction of a new, state-of-the-art butchering facility in their home town. According to the concept of a "biological unit", Tönnies plans and establishes a continuous, uninterrupted production chain for producing quality meat.

1997: The state-of-the-art butchering facility is completed. Slaughtering and butchering take place in one single biological unit for the first time. In addition, inline production is implemented (i.e. the concept of a continuous and uninterrupted production chain). At the same time, about 400 jobs are created.

1999: The Tillman's brand is launched. Frozen products are initially marketed under this label. This is followed by the development and marketing of fresh self-service meat products as well as the convenience products with which Tillman's has established itself in the market.

1999: In Sögel, a pig slaughtering and butchering facility is opened. The products manufactured here are sold under the brand name Weidemark Fleischwaren. About 600 employees currently work at this location.

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TÖNNIES

2000: In Rheda, the company now employs 1,950 workers and has 50,000 m² of roofed production space.

2001: In Rheda, a newly erected meat market is opened. All sales areas (beef, pork, sow meat, convenience meat, export goods) are brought together within the sales department for short distances and communications channels. The information exchange is the basis for successful customer service and marketing.

2003: With the start of fully automated butchering, the Tönnies group is more than just the most modern slaughterhouse in Europe: computer-controlled butchering units carry out the necessary cutting and prepare the required cuts for further processing. The company thus also makes a quantum leap in quality enhancement.

2004: In January, use of the "TAZB System" begins. This is the first animal welfare automatic conveying and anaesthetising system, and enables maximum animal welfare with the highest possible meat quality.

2004: During the inaugural German Butchery Championship in September 2004, the Aktion Kinderträume e. V. association is founded to help children in need.

2005: The slaughtering of pigs begins at the Brørup location in Denmark.

2005: The completion of Europe's most modern frozen terminal in Rheda marks another step forward toward quality assurance for meat.

2006: The company celebrates its 35th anniversary and now employs 4,900 workers. The current slaughter output is 8 million pigs per year. The group is present in Europe with sales offices and subsidiaries. The export share is around 33 per cent.

2007: Tillman's presents the Tillman's Toasty, the world's first meat snack for toasting, at the German food industry trade show Anuga and is awarded the 2007 Innovation Prize for Taste. A short time later, Tillman's Toasty is also available for purchase at retailers.

2009: With the construction of the factory outlet and the adjoining restaurant at the operating facility in Rheda, the company opens up to the public. The restaurant and factory outlet are visited daily by several hundred people from across the region.

2011: The new social and administration building in Rheda is completed and inaugurated. Covering approximately 17,000 m², the complex features a day care centre and fitness studio.

2012: The newly opened Tönnies Arena at the headquarters in Rheda can seat about 4,000 spectators. The around 20 factory teams and other football clubs from the local region can train and play here.

2014: The Tönnies group employs about 10,000 workers. 17 million pigs are slaughtered annually.

2016: With the integration of the Danish pig slaughtering and butchering operations at Tican, the Tönnies group continues to grow. The acquisition represents an additional step in the



internationalisation of the Tönnies group. 12,000 employees now work for the Tönnies group. The share of exports is more than 50 per cent.

2017: Shareholders Clemens and Robert Tönnies agree on a new organisational structure. Maximilian Tönnies, the son of Clemens Tönnies, is appointed as a shareholder. The current total of six company divisions are Meat, Convenience, Sausages, Ingredients, Logistics and International.