

Waste recycling company makes a turnaround

Strong growth in results for Van Gansewinkel

Van Gansewinkel delivered a strong improvement in its EBITDAE for 2016. This performance was achieved, on almost identical volumes to the prior year and in an almost stable market. The waste recycling company and supplier of high-value secondary raw materials had a slightly increased turnover, but EBITDAE grew by 26.9%, succeeding in delivering EBITDAE of €91.1 million for the year. This strong result comes following an intensive period of transition, during which Van Gansewinkel has refocused its activities to deliver profitable growth.

CEO Marc Zwaaneveld says: *"We've shown our resilience and adaptability to best advantage over the past two years. At the start of 2015, our finance arrangements were still quite complex and our turnover and profit had both been shrinking for some years. We've now made a clear turnaround in our business, with a successful refinancing exercise, an overhauled strategy, an improved organisational structure with an enthusiastic workforce and major investments in equipment and recycling systems. This is now paying off in terms of these strong financial results."*

Results for 2016

On a going concern basis, turnover increased 2% to €879 million (2015: €864 million). EBITDAE improved 26.9% and amounted to €91.1 million (2015: €71.8 million)¹. The main driver behind this growth was an improved and more efficient commercial operation, accompanied by an improvement in the quality of the turnover. At the same time, in a stable market with almost identical volumes, the company had to face up with low raw material prices.

Combining strengths to become a leading European waste recycler

On 29 September 2016, Van Gansewinkel announced that it had signed a merger agreement with Shanks Group plc to allow for the two businesses to be combined. The proposed combination of their strengths has now reached an advanced stage, after the shareholders of both parties formally approved the merger in October. The deal's finalisation is now only dependent on approval from the competition authorities. The companies are working hard towards finalising the merger process.

Marc Zwaaneveld comments: *"Creating value from waste materials is a tremendous job. Van Gansewinkel and Shanks are highly complementary to each other in this work. The new combined group will have much greater scale and financial traction. With a broader package of services and a more varied client portfolio, this creates an outstanding basis for further potential growth. We have great confidence in our plan to mould these two powerful businesses into a new, leading European waste recycler."*

¹ Based on unaudited accounts for the year ended 31 December 2016. The going concern basis excludes the results of specialty and one-off businesses disposed of during 2015 which were included in the statutory financial statements of VGG for the year ended 31 December 2015. This statement has been prepared under VGG accounting policies, which differ to those which have been applied by Shanks Group plc and have been communicated with the shareholders of Shanks Group plc in relation to VGG financial information.

About Van Gansewinkel

Van Gansewinkel provides waste services and is a recycler and supplier of high-value secondary raw materials. Two-thirds of the waste it collects find a second life as raw materials via recycling. Van Gansewinkel generates a turnover of almost 1 billion euros through its operations. Van Gansewinkel is a market leader in the Benelux countries (its domestic market) and also operates in Germany, France, Portugal and Hungary. At the heart of operations lies the company's vision to reclaim the raw materials for tomorrow's products from the waste products of today: **Waste no more.** www.vangansewinkel.com

Eindhoven, Tuesday 7 February 2017

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