Spanish Integration Model
### Ranking Top Pig producers Spain 2015
(2,35 Million Sows)

<table>
<thead>
<tr>
<th>Ranking</th>
<th>Company</th>
<th>Nº Sows</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Vall Companys Group*</td>
<td>210,000</td>
</tr>
<tr>
<td>2</td>
<td>Piensos Costa SA*</td>
<td>110,000</td>
</tr>
<tr>
<td>3</td>
<td>Ingafood (Nutreco)</td>
<td>80,000</td>
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<tr>
<td>4</td>
<td>Jisap SA*</td>
<td>80,000</td>
</tr>
<tr>
<td>5</td>
<td>Cefu, SA* (El Pozo)</td>
<td>60,000</td>
</tr>
<tr>
<td>6</td>
<td>Pise, SA</td>
<td>40,000</td>
</tr>
<tr>
<td>7</td>
<td>Uve, SA</td>
<td>40,000</td>
</tr>
<tr>
<td>8</td>
<td>Cuarte, SA*</td>
<td>35,000</td>
</tr>
<tr>
<td>9</td>
<td>Leridana de Piensos SA*</td>
<td>35,000</td>
</tr>
<tr>
<td>10</td>
<td>SCL Coren*</td>
<td>30,000</td>
</tr>
<tr>
<td>11</td>
<td>SCL Guisona*</td>
<td>25,000</td>
</tr>
<tr>
<td>12</td>
<td>Casa Taradellas SL*</td>
<td>25,000</td>
</tr>
<tr>
<td>13</td>
<td>Mazana SL</td>
<td>20,000</td>
</tr>
<tr>
<td>14</td>
<td>Cereales Torremorel</td>
<td>20,000</td>
</tr>
<tr>
<td>15</td>
<td>SCL Alendi*</td>
<td>25,000</td>
</tr>
<tr>
<td>16</td>
<td>Cinca Porc SA*</td>
<td>25,000</td>
</tr>
<tr>
<td>17</td>
<td>Icpor SA*</td>
<td>25,000</td>
</tr>
<tr>
<td>18</td>
<td>Proinserga</td>
<td>15,000</td>
</tr>
<tr>
<td>19</td>
<td>Arpi, SA</td>
<td>12,000</td>
</tr>
<tr>
<td>20</td>
<td>Agrocat</td>
<td>12,000</td>
</tr>
</tbody>
</table>

**Top 20 Spain**  
924,000  39%

* With slaughterhouse (& processing)
History

• Feed sellers

• Business challenges
  - Market reasons
  - African Swine Fever

• Getting the money back
  - Next batch of pigs...

• Socio-economics in the rural areas
  - Profitability farming the land
  - Generation turn over
  - Fixing the people in the territory
Main concepts

• FARMER
  - Buildings
  - Personnel
  - Energy
  - Water
  - Waste Management

• INTEGRATOR
  - Animals
  - Feed
  - Medicines
  - Technical Service
  - Semen
  - Risk of the market
Contract

• Wean Pig Production 6 Kg
  - 11,88 €/pig plus a bonus based on production and cost up to 12,88 €/pig accepted

• Feeder Pig Production 18 kg
  - 14,66 €/pig out of the door plus bonus on production and cost up to 15,99 €/pig

• Isowean 6-18 kg
  - 2,85 €/pig plus bonus feed conversion and mortality up to 3,05 €/pig

• Finishers 18-market
  - 10,88 €/pig plus a bonus feed conversion and mortality up to 12 €/pig
Future of the pig industry

• Slow down on the Growth

• Environment regulations
  - High pig density areas
  - Waste management
    • Manure Handling
    • Alternative Manure treatments

• Distances between farms
  - 1 Km new farms
  - Existing ones more than 500 m

• Urbanistic legislation
  - 1 km around the high speed train
  - 1 km away from any single town
  - Minimum piece of land of 4 Ha to build

• Verticalization
  - Capture of added value from the chain (2016: 8 €/ pig for pig producer, 8 € per pork carcass for processor)
Total System Profitability
Better Breeding Today. Brighter Life Tomorrow.