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Innophos Acquires NutraGenesis To Complement Its Branded Food, Health And Nutrition Portfolio

Advances Vision 2022 Growth Strategy and Builds on Momentum from Recent Novel Ingredients Acquisition

Expands Innophos' Proprietary, Branded, Science-Backed Offering in High-Growth Nutrition End-Markets

CRANBURY, N.J., Nov. 6, 2017 /PRNewswire/ -- Innophos Holdings, Inc. (NASDAQ: IPHS) announced today that it has acquired NutraGenesis, a Vermont-based marketer of proprietary, branded and science-backed nutraceutical ingredients.

Under the terms of the purchase agreement, Innophos has acquired all of the outstanding equity interests of NutraGenesis LLC, Icon Group LLC and Tradeworks Group, Inc., together referred to as NutraGenesis, for a total purchase price of \$28 million in cash. Innophos has funded the acquisition with borrowings under its existing credit facility. The acquisition is expected to be accretive to Innophos' earnings per share in the first year following the close of the transaction.

"The addition of NutraGenesis' innovative, science-backed branded ingredients to our Food, Health and Nutrition portfolio more closely aligns Innophos with consumer mega-trends such as health and wellness, energized aging and clean labels," said Kim Ann Mink, Ph.D., Chairman, President and Chief Executive Officer of Innophos Holdings, Inc. "This transaction builds on the recent acquisition of Novel Ingredients, and further strengthens our position as a leading specialty ingredient solutions provider to attractive end-markets. In addition, NutraGenesis' asset-lite business model, complementary capabilities and established presence in high-growth nutraceutical markets make this a high-value addition for Innophos ."

NutraGenesis, A Science-Based, Proprietary, Branded Ingredients Solutions Provider

- | Strong and established portfolio of branded ingredients supplying leading U.S. and international developers of branded nutritional ingredients
- | Highly complementary to recent Novel Ingredients acquisition and Innophos' branded ingredients portfolio
- | Proven track record of partnering with clients to transform ingredients into marketable brands backed by scientific data that supports product efficacy and performance claims
- | Serving attractive high-growth end-markets, including stress reduction, weight management, joint health, brain health and metabolic wellness, that are driven by health and wellness consumer trends

Acquisition Delivers Strong Shareholder Value

- | All-cash transaction consideration of \$28 million financed by existing credit facility
- | LTM sales of ~\$12m, and accretive adjusted EBITDA margin of 22%
- | Strong double-digit historical growth trajectory and outlook
- | Asset-lite business model
- | Accretive to earnings per share within the first year of combined operations
- | Minimal impact on leverage
- | Continued strong cash conversion cycle supports current dividend and strategic growth ambition

"Bringing NutraGenesis into our branded ingredients portfolio provides an immediate opportunity to combine their branding and marketing expertise with our sourcing, manufacturing and technology capabilities, to offer more differentiated ingredients solutions to our customers," Mink commented.

"We are confident that the acquisition of NutraGenesis will strengthen our growth profile and create sustainable value for our customers and shareholders," Mink said. "We remain focused on building out our Food, Health and Nutrition platform, driving sustainable growth and advancing toward our Vision 2022 goals."

Lazard acted as financial advisor to Innophos on the transaction and Baker Botts LLP served as Innophos' legal advisor.

Alantra acted as financial advisor to NutraGenesis and Downs Rachlin Martin PLLC acted as NutraGenesis' legal advisor.

About the Company

Innophos is a leading international producer of specialty ingredient solutions that deliver far-reaching, versatile benefits for the food, health, nutrition and industrial markets. We leverage our expertise in the science and technology of blending and formulating phosphate, mineral and botanical based ingredients to help our customers offer products that are tasty, healthy, nutritious and economical. Headquartered in Cranbury, New Jersey, Innophos has manufacturing operations across the United States, in Canada, Mexico and China. For more information, please visit www.innophos.com. 'IPHS-G'

Safe Harbor for Forward-Looking and Cautionary Statements

This press release contains or may contain forward-looking statements within the meaning of Section 27a of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The Company intends these forward-looking statements to be covered by the safe harbor provisions for such statements. Statements made in this press release that relate to our future performance or future financial results or other future events (which may be identified by such terms as "expect", "estimate", "anticipate", "assume", "believe", "plan", "intend", "may", "will", "should", "outlook", "guidance", "target", "opportunity", "potential" or similar terms and variations or the negative thereof) are forward-looking statements, including the Company's expectations regarding the business environment and the Company's overall guidance regarding future performance and growth. These statements are based on our current beliefs and expectations and are subject to significant risks and uncertainties. Actual results may materially differ from the expectations expressed in or implied by these forward-looking statements. Factors that could cause the Company's actual results to differ materially include, but are not limited to: (1) global macroeconomic conditions and trends; (2) the behavior of financial markets, including fluctuations in foreign currencies, interest rates and turmoil in capital markets; (3) changes in regulatory controls regarding tariffs, duties, taxes and income tax rates; (4) the Company's ability to implement and refine its Vision 2022; (5) the Company's ability to successfully identify and complete acquisitions in line with its Vision 2022 and effectively operate and integrate acquired businesses to realize the anticipated benefits of those acquisitions; (6) the Company's ability to realize expected cost savings and efficiencies from its performance improvement and other optimization initiatives; (7) the Company's ability to effectively compete in its markets, and to successfully develop new and competitive products that appeal to its customers; (8) changes in consumer preferences and demand for the Company's products or a decline in consumer confidence and spending; (9) the Company's ability to benefit from its investments in assets and human capital and the ability to complete projects successfully and on budget; (10) economic, regulatory and political risks associated with the Company's international operations, most notably Mexico and China; (11) volatility and increases in the price of raw materials, energy and transportation, and fluctuations in the quality and availability of raw materials and process aids; (12) the impact of a disruption in the Company's supply chain or its relationship with its suppliers; (13) the Company's ability to comply with, and the costs associated with compliance with, U.S. and foreign environmental protection laws and (14) the Company's ability to meet quality and regulatory standards in the various jurisdictions in which it has operations or conducts business. We caution you to consider the important risks and other factors as set forth in the forward-looking statements section and in Item 1A Risk Factors in our most recent Annual Report on Form 10-K, as amended by subsequent reports on Forms 10-Q and 8-K. We do not undertake to update the forward-looking statements to reflect the impact of circumstances or events that may arise after the date of the forward-looking statements.

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