

ENABLING THE NEXT GENERATION OF CLEAN LABEL FOODS

Introducing Kerr Concentrates, Inc., the newest Ingredion company

Ingredion is acquiring Kerr Concentrates, Inc. (Kerr), a privately held producer of naturally derived fruit and vegetable concentrates, purees and essences based in Oregon. Extending Ingredion's clean label ingredients beyond corn, tapioca, potato and rice, the move into fruit- and vegetable-based ingredients represents a first for Ingredion as it innovates to meet the emerging **eat clean, eat simple** trend.

In combination with Ingredion's formulation and technology knowhow, the fruit and vegetable ingredients deliver inherent texture, color, flavor and nutrition to help food companies develop great-tasting products that consumers want.

Through our **Ingredion Idea Labs™** innovation centers, we help customers advance the trends. This acquisition builds on Ingredion's long-standing position as a clean label pioneer. Ingredion introduced **NOVATION® functional native starches** two decades ago, fueling the clean label movement. Since then, Ingredion has expanded its clean label portfolio with numerous innovations in NOVATION® starches as well as flours, pulses and sweeteners, including non-GMO and organic options.

KERR AT A GLANCE



Based in Oregon, Kerr operates **two production facilities** in Salem, Oregon, and Oxnard, California, to ensure consistent quality, efficiency and safety through process design, automation and innovation.

DIVERSE PRODUCT PORTFOLIO RANGING FROM JUICES AND CONCENTRATES TO PUREES AND ESSENCES DERIVED FROM:

32 **fruits**, including strawberry, blueberry, cranberry, raspberry and peach

12 **vegetables**, including pumpkin, red beet, carrot and celery



300+

suppliers, most based in the U.S.A. with additional sourcing globally

90+

years of experience

50+

major food and beverage companies as customers

What this means for customers

- Addressing trends with consumer-winning products made from some of the **most naturally based and loved food ingredients**, from strawberries and raspberries to beets, carrots and celery.
- Using multi-functional ingredients to provide color, flavor, rich texture and nutritional content all from one ingredient—**replacing the need for multiple additives**.
- Partnering with a complete **concept-to-launch ally** to create value-added fruit- and vegetable-based foods and beverages.
- Combining the expertise of Ingredion's technology toolkit with Kerr's 90+ years of experience in simple ingredients.
- Benefiting from the **proven track record** of Ingredion's 20 years of clean label formulating and ongoing technical support through the 25-center global Ingredion Idea Labs™ network.

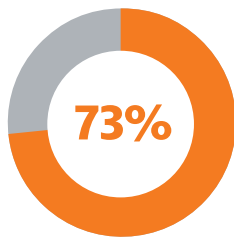


Ingredion™

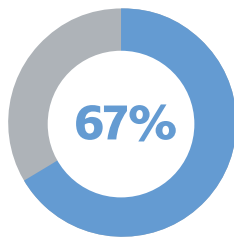
Increasing consumer demand for simple food ingredients



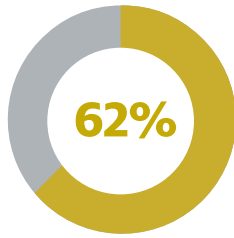
The global clean label trend continues to grow, as consumers increasingly want to **eat clean, eat simple** with wholesome, familiar ingredients simply prepared in their foods and beverages.



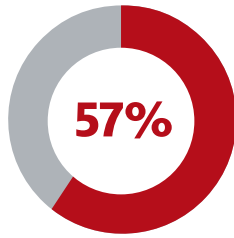
73% of consumers find it important that they recognize a product's ingredients.¹



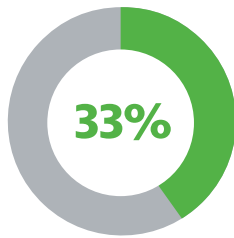
67% of consumers say a short and simple ingredient list is important.¹



62% of shoppers say they seek foods that are minimally processed.²



57% of shoppers search for foods made with "natural" ingredients.³



33% of shoppers want products made with local/seasonal ingredients.³



With 58% of Americans considering switching brands to get a "no artificial ingredients" positioning,¹ major food companies have been developing and reformulating products at a brisk pace.

58%

% of new clean label products among all launches in North America⁴



It's clear food and beverage companies need help to deliver simplicity and familiarity—along with the ever-present delicious and convenient. **That's where Ingridion and its announced new acquisition, Kerr, come in.**

Ingridion
idea labs[™] i2s
IDEAS TO SOLUTIONS

Ingridion Idea Labs[™] science-based problem solving in clean label

At Ingridion, we make it our business to help customers stay on top of trends in clean label. Now our support extends to the rapidly growing demand for food ingredients naturally derived from fruits and vegetables.

The Ingridion Idea Labs[™] network enables success with consumer insights, applied research, applications knowhow and process technology. Each one of our 25 labs fosters science-based ideas, innovations and solutions to help customers differentiate their products, optimize costs and get to market faster with greater success and profitability.



Ingridion[™]

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¹ Ingridion proprietary research, MMR, Consumer Study, 309 consumers USA, April 2015
² Natural Marketing Institute, April 8, 2015
³ Hartman. 2013a. Health + wellness: a culture of wellness. Winter
⁴ Mintel GNPD, new products launched, February 2015, U.S./Canada Food