



FOR IMMEDIATE RELEASE

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FOR MORE INFORMATION:

Rebecca Leinenbach
314-771-4407 Ext. 211
rleinenbach@prairiefarms.com

Prairie Farms Dairy and Swiss Valley Farms Announce Merger Agreement

CARLINVILLE, Ill., (December 16, 2016) – Prairie Farms Dairy and Swiss Valley Farms, today announced the two companies have entered into a merger agreement. Both companies are farmer-owned dairy cooperatives and recognized leaders within the dairy industry. The combined entity will bring together two well-known brands and will expand sales opportunities for both cooperatives.

Under the terms of the agreement, Prairie Farms will merge the assets of Swiss Valley Farms into Prairie Farms Dairy, Inc. Assets include five manufacturing plants that produce cheese and whey powder located in: Luana, Iowa; Shullsburg and Mindoro in Wisconsin; Rochester and Faribault in Minnesota. Swiss Valley Farms CEO Chris Hoeger will continue to oversee the operation of the plants. The combined company will operate under the name Prairie Farms Dairy, Inc. The terms of the merger agreement must be approved by cooperative members from both companies.

“The merger with Swiss Valley was driven by our commitment to build value for our cooperative members and is consistent with our growth strategy. Swiss Valley’s contributions will allow us to diversify our product portfolio and expand into new markets,” said Ed Mullins, Executive Vice President and CEO of Prairie Farms.

Chris Hoeger, Swiss Valley's CEO, stated, "We are very excited to be joining forces with Prairie Farms. This merger offers numerous benefits for our cooperative members and is an ideal opportunity to bring together two industry leaders. We will leverage the strengths of both companies to offer a broader range of products and to enhance and expand relationships with customers.”

As Prairie Farms and Swiss Valley collaborate on pre-merger integration activities, their employees and customers can expect a business-as-usual environment. If approved, the deal is expected to close mid-2017.



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Prairie Farms Dairy, Inc. is one of the largest and most successful dairy cooperatives in the Midwest, with over 600 farm families, 5700 employees, 35 manufacturing plants, over 100 distribution facilities and annual sales of over \$3 billion. Prairie Farms is a nationally recognized leader in the dairy industry and is known for setting the standard for milk flavor innovations and producing award winning milk and dairy products. With headquarters in Carlinville, Ill., Prairie Farms distribution footprint covers over 30 percent of the United States; products are available in grocery chains, mass merchandiser stores, club stores, convenience stores, dollar stores, drug stores, schools, food service outlets and warehouse distribution centers. Prairie Farms charitable giving program, [Our Caps, Your Cause](#), supports a variety of non-profit organizations. Prairiefarms.com

Swiss Valley Farms is a dairy cooperative, headquartered in Davenport, Iowa, with five cheese production facilities that manufacture award-winning Swiss, Baby Swiss, Blue, Gorgonzola, Cream Cheese, Neufchatel, Gouda and Sweet Whey. Swiss Valley also produces pasteurized process cheeses, cold pack club blends, enzyme-modified cheeses and cheese analogs. Swiss Valley operates two subsidiary companies - Rochester Cheese and Caves of Faribault. In a joint venture with Emmi-Roth, Swiss Valley Farms also co-operates White Hill Cheese Co., LLC in Shullsburg, WI. Swiss Valley Farms has 400 dairy producer members in Iowa, Wisconsin, Northern Illinois and Southern Minnesota.



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