

Media report on the half-yearly results 2008 of the HOCHDORF Group

Broadly based profitable growth

Hochdorf, 28. August 2008 – The food group HOCHDORF increased its sales during the first half-year 2008 by 14.3% to CHF 199.6 million, earnings before interest and tax (EBIT) by 50% to CHF 5.9 million and corporate profit (adjusted to take into account the sale of Multiforsa AG) by 53% to CHF 4.4 million. All corporate divisions participated in the growth of the HOCHDORF Group. The HOCHDORF share (Berne eXchange: HOCN) also developed pleasingly well after the successful implementation of the capital increase. Judging by different indicators, the company assumes the year-end results will be pleasing.

The statistics for the food group HOCHDORF show a positive development. Adjusted to take into account the profit from the sale of Multiforsa AG, all relevant statistics are in the positive range; for example, corporate profit rose by 53% from CHF 2.9 million to CHF 4.4 million. This result was generated by gross sales revenue of CHF 199.6 million (+14.3%). The clearly higher corporate profit also occurred as a result of different cost-reducing strategies currently in place.

High full use of capacities in milk processing

The HOCHDORF Group processed just under 200 million kg of milk during the first six months of this year, which corresponds to an increase of 13.5%; this is despite the “milk strike” at the end of May / beginning of June. HOCHDORF is reaching its limits with this quantity processed. In order to be able to forge ahead with further expansion, including but not limited to in the baby food division, various different investment is in the pipeline over the next one and a half years for expanding production capacities. Investment was also made during the first half year 2008: investments in tangible fixed assets have practically doubled (2008: CHF 10.5 million; 2007: CHF 5.4 million).

Growth thanks to innovative products

The broad-based growth also occurred thanks to innovative new products and product marketing. For example, HOCHDORF successfully launched Nutribake in January, a new moul-bie product (Pane Maggia). Before and during the EM 2008 the “football” bread with “Panini illustrations” was a big seller in many bakeries.

In the baby food division the increase in volume per end of June amounted to an impressive +65% and per end of July even amounted to +77%. This increase was achieved thanks to a variety of new customers and different product innovations.

Successful in competition

“We were able to generate record half-yearly results despite the highly competitive milieu and massive cost increases in every respect”, stated Damian Henzi, Executive Director of the HOCHDORF Group. “Thanks to the right strategy, significant additional sales and additional milk we have been able to survive in this unpleasant milieu”. Damian Henzi is confident that 2008 will be a successful financial year“. The prognoses are very promising with regard to milk receipts and orders for the second half of the year”, he stated.

Contact: Christoph Hug, Corporate Communication HOCHDORF Group,
Tel: 041 914 65 62 / 079 859 19 23, christoph.hug@hochdorf.com

The HOCHDORF Group with its registered office in Hochdorf has three production sites and achieved consolidated gross sales in 2007 of CHF 328.0 million with over 435 employees. It is one of the leading food corporations in Switzerland. Extracted from natural raw materials like milk and wheat germ, HOCHDORF products have been contributing since 1895 to the health and well-being of the population, from babies through to senior citizens. Their customers include the food industry, retail trade, bakeries and the restaurant trade. The products are sold in over 40 countries. This year HOCHDORF is celebrating 100 years of baby food; the company was already producing the first baby milk in 1908 and hence is one of the pioneers in this sensitive food area.

HOCHDORF Holding AG
Siedereistrasse 9
Postfach 691
CH-6281 Hochdorf
Tel. +41 41 914 65 65
Fax +41 41 914 66 66
hochdorf@hochdorf.com
www.hochdorf.com