

HOCHDORF Group Press Release: Sales and Turnover Figures for 2015

HOCHDORF breaks the 500 million Swiss franc barrier

Hochdorf, 27 January 2016 – The HOCHDORF Group achieved a gross sales revenue of CHF 551.1 million in the past business year. This takes the figure over the half billion franc mark for the first time in the company's history. In its plants, HOCHDORF processed 761.2 million kg of milk, whey and permeate (+50.2%; previous year 507.0 million kg). The volume of products sold increased to 242,821 tonnes (+144.9%; previous year 99,155 tonnes). Operational results are expected to remain at the same level as the previous year in spite of the strong Swiss franc and the difficult circumstances for commodity products on the international markets.

In its plants the HOCHDORF Group processed 761.2 million kg of milk, whey and permeate in the past year (+50.2% compared to previous year). This figure is significantly higher than the amount processed in 2014, but has to be seen in the context of the acquisition of Uckermärker Milch GmbH. A total of 388.9 million kg of milk, whey and permeate was processed in the Swiss plants (-5.35% compared to previous year's 410.9 million kg). The plants in Germany and Lithuania also saw a fall in milk production in 2015 compared to 2014.

Gross sales revenue and sales quantity increased

The HOCHDORF Group's gross sales revenue was increased by 28.5% to CHF 551.1 million compared to the previous year, breaking the CHF 500 million threshold for the first time. The increased turnover can be explained by the acquisitions of Uckermärker Milch GmbH in Prenzlau and Marbacher Ölmühle GmbH in Marbach. "We were not able to achieve the gross sales revenue of CHF 580 – 620 million that we were aiming for. This was mainly on account of the low milk prices, which also impacted upon lower sales prices in the Daily Ingredients business area," says CEO Thomas Eisenring. The CEO also highlighted currency changes arising from the abolition of the minimum exchange for the euro in January 2015 as having an adverse effect on turnover. Lower sales from the milk plant in Prenzlau provide a further explanation. Skimmed milk powder production in the Uckermark region was cut back on account of the volatile market in Germany.

The quantity of products sold by the HOCHDORF Group increased by +144.9% to 242,821 tonnes. This greatly increased amount is a result of the tonnages sold in Prenzlau. Over 135,000 tonnes of product (butter, curd, butter milk and milk powder) were sold from this plant alone.

Resignation of Urs Renggli from the Board of Directors

Urs Renggli, who has been a member of the Board of Directors for a number of years, has announced his intention to resign at the forthcoming AGM. Mr Renggli was elected to the Board of Directors of HOCHDORF Holding Ltd at the 2008 AGM and led the audit committee since his election. The nomination for his replacement will be announced at a later date.

The HOCHDORF Group, based in Hochdorf, achieved a consolidated gross sales revenue of CHF 551.1 million in 2015. It is one of the leading foodstuff companies in Switzerland, employing 625 staff as of 31.12.2015. Made from natural ingredients such as milk, wheat germ and oil seeds, HOCHDORF products have been contributing to our health and wellbeing since 1895 – from babies to senior citizens. Its customers include the food industry and the wholesale and retail sectors. Its products are sold in over 90 countries. The shares are traded on the SIX Swiss Exchange in Zurich (ISIN CH0024666528).

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Revenue figures unchanged from previous year

Despite the strong Swiss franc and still greater competition on the (international) milk market, the HOCHDORF Group anticipates revenue figures at the same level as last year. "Thanks to the measures we introduced in 2013 and 2014, we expect to reach the percentage EBIT of between 3.2% and 3.8% announced in the half-yearly report," says Eisenring.

The complete company results for 2015 will be published on 7 April 2016.

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