



Media Release 31 January 2018, 07.00 a.m.: Sales 2017

Past the trough thanks to positive sales dynamics

- Sales 2017 with CHF 384.0 million at previous year's level
- Positive currency effect since August 2017
- Temporary dent in cyclical key account business overcome

Sales 2017	in million CHF	Change to previous year	
		in CHF	organic
Food Service	159.9	+0.9%	-1.0%
Customer Solutions	139.0	0.0%	-0.9%
Consumer Brands	53.9	-6.2%	-7.8%
Food Ingredients	30.8	+3.6%	+3.3%
Other	0.4		
Group total	384.0	-0.3%	-1.7%
Germany	222.3	-1.1%	-3.0%
Switzerland/Western Europe	129.6	-0.4%	-0.1%
Eastern Europe	32.1	+5.9%	+1.8%
Group total	384.0	-0.3%	-1.7%

Key account business with curbing effect, market trough bottomed out

The organic sales development in 2017 was substantially affected by temporarily lower sales to several key account customers that picked up again in the autumn of 2017. Quarterly sales in local currencies indicate the positive sales dynamics in the financial year 2017 that were further strengthened by the recuperated key account business: Q1: -3.7%, Q2: -3.2%, Q3: -1.3%, Q4: +1.6%. They resulted in an overall organic sales decline of -1.7% in 2017.

The good operational development was supported by a positive currency effect, which was mostly influenced by the EUR/CHF exchange rate. While the weighted currency impact was negative in the first half of the year (H1), it swung back into the positive range in H2 and thus influenced the financial year 2017 with a total +1.4%.

By that the -5.5% sales deficit stated in the first half of the year was nearly compensated in H2, resulting in sales 2017 of CHF 384.0 million, which stand at the previous year's level (CHF 385.2 million).

German market depressed, Holland and Eastern Europe expanding

In the largest country segment Germany, the sales development in 2017 turned out to be overall weak with a decline of -3.0% in local currencies. The positive trend and the recuperated key account business indicated a continuing positive drive particularly in this segment with the sales decline of -5.4% in H1 2017 recovering to -0.6% in H2 2017. Depressing effects mainly stemmed from the considerable sales decreases sustained by the Consumer Brands division particularly in the German natural food market. The sales to German retailers were also subject to a volatile development.

Within the country segment Switzerland/Rest of Western Europe with its unchanged sales (organic -0.1%), Holland presented a continuously good sales growth while sales in Spain and Austria resulted in a plus, too. The Food Service business in Switzerland, however, diminished sales results again, causing country sales to come in below the previous year's figure.



The segment Eastern Europe (EAST: Czech Republic, Slovakia, Poland, Hungary) continued to develop favourably in 2017 with +1.8%, having undergone a consolidation after two years of very good organic sales growth (+7.3% in 2016, and +4.5% in 2015).

Consumer Brands slowed down, Food Ingredients on growth path

The new sales structure initiated in 2017 with the aim to strengthen the cooperation of sales divisions continues to prove itself. The Customer Solutions division, which was created by consolidating the European key account business for consumer packs (Brand Owners, Food Manufacturers, Private Label retail, overall around 36% of the Hügli Group), succeeded in strengthening its market presence in 2017 by launching innovative products. The division was nevertheless faced with a decrease of -0.9% in organic sales in 2017 due to temporarily fewer orders from Brand Owners. The Food Service division (out of home market), comprising Hügli's largest division with a 42% sales contribution, also stands slightly below the previous year's value with an organic -1.0%, being depressed mainly by Switzerland's country contribution and a part of Germany's sales organisation. The East countries continued their favourable development, particularly the Czech Republic and Poland.

With its sale of Hügli's own brands, the Consumer Brands division has made organisational and structural progress, which the sales figures will reflect with some delay. After the sales drop of -9.7% in H1 2017, the decline was reduced to -5.8% in H2 2017.

This decrease stems only from the trade goods line – deriving both from strategic planning as well as difficult market conditions – while own products achieved a slight increase. The higher deliveries to the food processing industry by the Food Ingredients division raised division sales by +3.3% in 2017 based on production orders in new product groups as well as Snack Seasonings.

Financial calendar

26 February 2018	Expected publication of the takeover prospectus by Bell Food Group (www.bellfoodgroup.com)
13 March until 25 April 2018	Expected offer period for the offering of bearer shares at CHF 915 per share to Bell Food Group
10 April 2018	7.00 a.m.: Publication of Annual Report 2017 There will be no Media / Analyst's Conference.
3 May to 17 May 2018	Queries can be directed to CFO Andreas Seibold (contact see below)
16 May 2018	Expected extension period for the offering of bearer shares 4.30 p.m.: Annual General Meeting , Seeparksaal, Arbon All shareholders, which have already offered their share, are entitled to participate in the Annual General Meeting and exercise their voting rights . The basis for an admission card is a bank account statement showing the offered Hügli shares with the new security number. The share price of CHF 915 includes the dividend. No dividend payment will be proposed.
End of May 2018	Execution of the transaction Subsequent delisting of the shares from the SIX Swiss Exchange.

Financial details, information on corporate governance and Hügli shares listed on the SIX Swiss Exchange (SIX Swiss Exchange: (HUE / security no. 464795) can be retrieved from our Investor Relations website: <http://www.huegli.com/en/investor-relations>

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Hügli – Culinary expertise. Creativity. Speed.

Hügli, which is part of Bell Food Group since 2018, was founded in Switzerland in 1935. Today, it is one of the leading European food companies for the development, production and marketing of dry blends in the convenience segment such as soups, sauces, bouillons, ready to serve meals, desserts, functional food as well as delicatessen. Hügli caters to the kitchens of the professional out of home market (Food Service) and manufactures products for brand companies (Brand Solutions), as well as for food retailers (Private Label retail). With its flavour-adding semi-finished products, Hügli partners with food manufacturers (Food Industry) and sells own brands, mostly of organic quality, to consumers (Consumer Brands). More than 1'500 employees in 11 countries link Hügli directly with its customers, and generate annual sales of around CHF 380 million (EUR 340 million).