Media Release 13 April 2016, 7.30 a.m.

Excellent sale and earnings growth in local currency in 2015 compensates for high exchange rate losses

- **Sales in local currencies up +10.8% (+3.4% organic)**
- **Sales up +0.4% to CHF 378.3 million despite exchange rate losses**
- **EBIT down slightly to CHF 30.6 million due to exchange rates (margin: 8.1%)**
- **2015 profits of CHF 23.3 million at previous year's level (CHF 23.4 million)**
- **Profit margin of 6.2% unchanged year-on-year**
- **Solid balance sheet and good profitability only marginally impacted by exchange rates**
- **2016 outlook: Moderate organic sale growth, increase of EBIT margin**
- **Unchanged dividend of CHF 16.00 per bearer share proposed**
- **Change in Board of Directors: Fritz Höchner retires due to his age**

Increase in value of the Swiss franc destroys sale growth in local currencies

Hügli recorded organic sale growth of +3.4% in 2015. This increase is mostly based on the higher quantities of goods sold (price impact: +0.4%). In view of the developments on the food markets served in Europe, some of which are falling, we believe that this is a good result. Our acquisitions of granoVita/EDEN on 1 January 2015 also resulted in additional sales of CHF 25 million or +6.7% year-on-year. We have now finished integrating the distribution of these newly acquired natural food brands in Germany and the new sites in the UK and Spain, and the synergies as well as the depth of added value of the own production are already bearing fruit.

However, the dramatic increase in the value of the Swiss franc in the middle of January had a massive impact in 2015. The CHF/EUR exchange rate fell by -12% in financial year 2015. As the Hügli Group records more than 80% of its sales and costs in currencies other than Swiss francs, these low exchange rates had a major impact on both the sales recorded and also on earnings. This is due to the fact that the foreign companies' financial statements are translated to CHF, and also to the economic consequences of the increase in the value of the Swiss franc for our business in Switzerland (lower sales and margins). We were able to increase our consolidated sales in 2015 by +0.4% to CHF 378 million despite these extraordinarily high exchange rate losses.

Germany continues to enjoy highly dynamic growth, Switzerland under pressure from appreciation of the Swiss franc, successful turnaround in Italy

Germany is the largest geographic segment, and once again recorded convincing performance with high organic growth of +6.1% after already recording +7.3% and +4.9% in the two previous years. However, EBIT fell as a result of the lower gross margin (product mix, acquired trading goods) and higher operating costs. Switzerland/Other Western Europe recorded an organic downturn of -1.6%. This was exclusively due to the economic consequences of the appreciation of the Swiss franc. Sales in Italy, the United Kingdom and Austria were higher than in the previous year. A downturn in EBIT was recorded in Switzerland, despite strict cost management. The United Kingdom continued to enjoy positive growth, and the increased sales and a lower-than-average increase in operating costs caused EBIT to improve further. We were particularly pleased with the turnaround in Italy, where we recorded a double-digit increase in sales and a substantial improvement in

EBIT. We recorded a sound increase in sales in Eastern Europe (CZ, SK, PL, HU), up +4.5% in local currency, thanks to our excellent performance in our Food Service division. As a result of this, and also the higher sales with group companies and the resulting higher capacity uptake, we were able to lift EBIT substantially.

Private Label Retail/Brand Solutions growing, Food Industry in the slipstream of key accounts

Our Private Label Retail division enjoyed particularly dynamic growth of +14.5%. Our Brand Solutions division (products for branded goods companies) once again increased its sales by a substantial +8.0% after three very convincing years with average growth of +10%. There was particularly strong demand for organic products. The Food Industry division was characterised by changes in some of its larger key accounts (production insourcing, downturns in the customers' sales quantities). Coupled with an adjustment to the product range these effects led to sales falling by -10.5%. The largest division, Food Service, recorded total organic sale growth of +2.7% with above average growth in Germany and Eastern Europe. In contrast, sales fell substantially in Switzerland. Sales in the Consumer Brands division were governed by pressure from competition and the resulting downturn in the range of trading goods, which led to an organic sale downturn of -5.9% for this division. However, the integration of the newly acquired brands granoVita and EDEN boosted sales substantially.

Currency translation losses exceed EBIT growth in local currencies, group profits at previous year's level

We were able to keep our organic gross margin at the previous year's level, despite the negative impact from the product mix, but thanks to lower prices for raw materials and individual price increases. However, sales from the newly acquired trading goods diluted the consolidated margin overall. Operating costs in local currencies increased at a lower pace compared to sales. In 2015 staff levels increased by +58 (+4%) to a total of 1'436 full time equivalents at the end of the year, mostly due to the acquisitions. Wage and salary expenses (adjusted for currency translation) increased by +7%, mostly due to the increase in staff numbers, salary increases due to collective agreements in Germany, and certain one-off reorganisation expenses. Other, partially project-related increases in operating costs resulted in business development, marketing, IT and logistics.

In local currency, this resulted in EBIT which was higher than the previous year's figure. However, currency translation losses caused the disclosed EBIT for 2015 to be down -5% to CHF 30.6 million. As a result of the lower tax expenses during the fiscal year, group profits stands with CHF 23.3 million at the previous year's level (2014: CHF 23.4 million). The profit margin is an unchanged 6.2% of sales.

Balance sheet and key financial indicators continue to be solid, profitability stays at a good level

Although all of the figures on the balance sheet are lower as a result of currency translation the key financial ratios have not changed to a material extent. The strong capital expenditure for property, plant and equipment is of particular note. This was driven in particular to building the new blending factory in Radolfzell (Germany), and also many other investments in a state-of-the-art production infrastructure. In addition, investments were also made in new brands and business areas via acquisitions. We financed the majority of our extraordinarily strong capital expenditure of CHF 46 million from our excellent cash flow

from operating activities, causing liabilities to banks to increase by just CHF 12 million. The resulting net debt of CHF 67 million accounts for a Net debt to EBITDA ratio of 1.5x, compared to 1.2x in the previous year. Despite the high differences from currency translation, the equity ratio only fell slightly from 56.8% in the previous year to 54.1% at the end of 2015. The return on invested capital (ROIC) dropped slightly to 10.8% in 2015. Measured against a weighted average cost of capital (WACC) of 7.0%, still a good value added of +3.8% was created.

2016 outlook

The first quarter Q1 2016 shows with CHF 101.8 million sales that stands as expected only on the previous year's level (CHF 101.9 million). The reason for this is the extraordinary strong previous year Q1 2015 in which a non-periodical organic sales growth of +9.2% was reached. This sales growth decreased on the whole financial year to +3.4%.

We believe that the economic climate will continue to be demanding in 2016, and that moderate sale growth should be possible if we make the requisite efforts coupled with business development projects. In terms of raw materials we are not expecting a material change on the whole, even though the prices of some raw materials will fluctuate. We are expecting the increase in EBIT to be slightly higher compared to sales as a result of our consistent cost management, thus increasing the EBIT margin.

Proposals by the Board of Directors to the General Meeting

The Board of Directors will propose an unchanged dividend of CHF 16.00 per bearer share to shareholders at the ordinary General Meeting on 25 May 2016. There will be a change to the board's composition due to the retirement of Mr. Fritz Höchner. Mr. Höchner will no longer be standing for re-election after 25 years of highly dedicated and valuable service in Hügli Holding AG's Board of Directors. The Board of Directors will thus comprise 6 members again. The number of members was increased temporarily to 7 last year as a result of the election of Dr Andreas Binder.

Key financial indicators *in CHF million*	**2015**	**2014**	**Change**
Sales	378.3	377.0	+0.4%
EBITDA	44.0	45.9	-4.1%
as % of sales	11.6%	12.2%	
EBIT	30.6	32.3	-5.4%
as % of sales	8.1%	8.6%	
Net Group profit	23.3	23.4	-0.3%
as % of sales	6.2%	6.2%	
Cash flow from operations	41.2	31.9	+29.1%
Cash flow from investments	-46.0	-16.1	+185.5%
	31 Dec.2015	**31 Dec.2014**	
Net operating assets	240.1	228.6	+5.0%
Equity	151.7	150.2	+1.0%
as % of total assets	54.1%	56.8%	
Net debt	67.0	56.4	+18.6%
Gearing	0.44	0.38	
Return of invest. capital ROIC	10.8%	10.9%	
Earnings per share (in CHF)	48.49	48.79	-0.6%
Gross dividend (in CHF)	16.00	16.00	0.0%

Agenda

13 April 2016	7.30 a.m.	Media Release: 2015 Annual Report, Sales Q1 2016
	10.30 a.m.	Media/Analysts' Conference, Widder Hotel, Zurich
25 May 2016	4.30 p.m.	Shareholders' Meeting, Seeparksaal, Arbon
27 May 2016		Ex-dividend date
31 May 2016		Dividend payment (coupon no. 21)
19 August 2016	7.30 a.m.	Media Release: 2016 Half-Year Report

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Hügli published its 2015 Annual Report at 7.30 a.m. today online at:
http://www.huegli.com/en/investor-relations/results-reports/
Additional financial details, information on corporate governance and Hügli shares which are listed on the Swiss Stock Exchange (SIX Swiss Exchange: HUE / Securities Number 464795) can be found at our Investor Relations website: http://www.huegli.com/en/investor-relations/

Hügli – Culinary expertise. Creativity. Speed.
Hügli 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, instant meals, desserts, functional food as well as liquid ready to eat specialties. Hügli caters to the kitchens of the professional out of home market (Food Service), manufactures products for brand companies (Brand Solutions) as well as for food retailers (Private Label). 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 1'400 employees in 10 countries link Hügli directly with its customers, and generate annual sales of more than CHF 370 million (EUR 350 million).

Translation: The original of this Media Release is written in German. In the case of any inconsistencies between the German original and this English translation, the German version shall prevail.