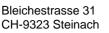
## Hügli Holding AG



Hügli

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Media Release January 25, 2008, 07.30 a.m.

## Steady sales growth in all segments Over-proportional increase of EBIT and profit expected

Hügli continued its dynamic growth in group sales in the financial year 2007. Sales grew to CHF 345.4 million by +13.2% (+8.6% in local currencies), whereof 6.0% in organic terms (5.5% sales volumes) and 2.6% acquisition related. All geographic segments and divisions contributed to these positive results. The Group expects an over-proportional increase of EBIT and profit for its financial statements 2007.

Sales development is structured into geographical segments and customer segments / divisions as follows:

Sales 2007	in million CHF	Growth in CHF	Growth in local currencies
Germany	199.3	+10.0%	+5.3%
Switzerland / Rest of Western Europ	be 100.5	+15.0%	+12.1%
Eastern Europe	45.5	+25.0%	+15.6%
<b>Group total</b>	<b>345.4</b>	<b>+13.2%</b>	<b>+8.6%</b>
Division Food Service	149.1	+17.0%	+12.4%
Division Private Label	71.4	+11.0%	+5.4%
Division Industrial Foods	49.7	+19.3%	+15.6%
Division Health and Natural Food	52.8	+11.9%	+7.3%
Other	22.3	-8.4%	-12.9%
Group total	345.4	+13.2%	+8.6%

As in previous years sales increased in all of Hügli's **geographic segments** and their growth substantially accelerated in the second semester. With +25.0% *Eastern Europe* achieved the highest rate of increase, and meanwhile contributes considerably to group sales with 13%. In certain market segments, however, this geographic area failed to comply with our in-house objectives. Considering the saturation of markets, we assess the additional sales realized by our geographical segments *Germany* and *Switzerland / Rest of Western Europe* as good. The acquisition of Ali-Big in Italy is comprised with CHF 8.5 million (for 6 months) in the segment *Switzerland / Rest of Western Europe*.

Within the breakdown in cross-national **customer segments** the *Food Service Division* – sales to hotels, restaurants, caterers, hospitals and other institutions – once again grew strongly by +17.0% (+10.7% without acquisition). It owes this increase mainly to the good development in Germany and the successful opening of new markets in Eastern Europe. The *Private Label Division* – supplying big retailers under their own

labels – was faced with a difficult year due to rising prices in the raw material markets in western, as well as in eastern Europe. It nevertheless yielded additional sales of 11.0%. The *Health and Natural Food Division* – sales to the European natural and health food retailers – continued to capitalize on the trend towards organic food, and, based on its growth of +11.9%, to expand its market leadership in its product sector within the European organic foods trade. The *Industrial Foods Division* – supplying semi-finished and finished products to the food industry – a segment specifically advanced by the Hügli Group, achieved the highest growth rate of +19.3% (+18.2% without acquisition). The decrease in sales in *Other* is based on the focus on core business and the subsequent termination of the mail order trade in Switzerland (CHF 2.6 million in 2006).

We expect the Group's **earnings** to profit considerably from relevant preparatory efforts in the interim year 2006, such as the opening of new markets and the reinforcement of infrastructure. In the financial year 2007, EBIT and profit are forecasted to have over-proportionally exceeded the increase in sales growth.

Owing to the high qualification of our employees and our successful strategic position in the market, we consider the further **outlook** – for 2008 and subsequent years – to be sound and promising, even though the decline of economic conditions and the constantly high raw material prices constitute additional challenges.

Detailed information on the financial year 2007 and the outlook for 2008 will be made public at the media and analysts' conference on April 11, 2008.

For further inquiries, please refer to: Andreas Seibold, CFO, Tel. +41 71 447 22 50, andreas.seibold@huegli.com

## Agenda

07.30 a.m.	Media Release: Annual Report 2007
10.30 a.m.	Media/Analysts' Conference, Hotel Widder, Zurich
16.30 a.m.	Annual Meeting, Seeparksaal, Arbon
	Reduction in par value
07.30 a.m.	Media Release: Half-Year Report 2008
	10.30 a.m. 16.30 a.m.

## www.huegli.com

The Hügli Group is one of the leading European groups that operate in development, production, and marketing of dry blends such as soups, sauces, stocks, prepared dishes and desserts. More than 1'100 employees in 9 countries connect Hügli directly with the customers, and achieve annual sales of over CHF 345 million.