



Press Release

Hochland publishes Annual Report 2021: German brand business grows stronger than the market

[26.04.2022, Heimenkirch in the Allgäu] **At its annual press conference, Hochland presents a satisfactory balance sheet in a difficult environment. Although the past year was marked by the Corona pandemic, cost increases in all central areas and countries as well as strained supply chains, the company achieved pleasing growth rates in both the brand and the food service business. Substantial investments in capacities and infrastructure accompany the future orientation.**

In the past financial year, the Hochland Group approved a comprehensive investment offensive of more than 200 million euros in the expansion and raw material management of the dairy plants. The company is investing a high double-digit million amount in the expansion of its pioneering role in the topics of sustainability and animal welfare and has increased its advertising expenditure. Hubert Staub, CFO of Hochland SE, takes stock: "Despite a difficult environment, we achieved a 4% increase in cheese sales to now 410,000 tonnes, as well as an increase in turnover across the group to around 1.7 billion euros." The German brand business again grew faster than the market and the food service business reached pre-Corona levels. The turnover development and the expansion of market shares in the Eastern European subsidiaries Hochland Romania, Hochland Polska and Hochland Russia were also positive. On the other hand, the mechanical engineering subsidiary Hochland Natec looks back on a weak year with low profitability as a classic plant manufacturer. In the US, labour availability became a major challenge and led to shortages.

With a view to the current business year and the global political situation, unprecedented cost increases dominate for manufacturers and milk producers. It is inevitable to pass on the rising costs to the market via the retail business, also due to continuously increasing demands on the raw material milk.

Information about Hochland activities in Russia

Hochland condemns the war against the people of Ukraine, which cannot be justified by anything. To send a signal, we have imposed an advertising and investment freeze in Russia in March. The Hochland Group operates three plants in Russia with a total of 1,600 employees. In addition, Ukrainian employees are employed in various national Hochland companies. The company bears responsibility for these people and their families, as well as for partners who have been with us for decades. CEO Peter Stahl points out: „We share the view of the German government that the necessary international sanctions should hit those responsible for this war hard, but not the people in Russia. That is why we are currently maintaining food production at our Russian sites.“

Significant investments in capacity, infrastructure and sustainability

As part of a modernisation offensive, investments are currently being made in the infrastructure at the Heimenkirch site and a fully automated high-bay warehouse with two climate zones is being built at the Schongau site. At the same time, construction work is underway at the French site in Dieue-sur-Meuse for a flexible production facility for processing a wide variety of milk types. The factory is the Hochland Group's pilot in terms of sustainability.

Hochland also reduced the environmental footprint of its dairy products in 2021. „By joining the Science Based Targets (SBT) initiative in 2020, we have committed to reducing our carbon footprint by 2030 in line with the Paris Agreement on Climate Change so that we make a demonstrable contribution to limiting global warming to below two degrees Celsius.“, emphasizes COO Josef Stitzl the sustainable course.

Press photos

Board of Management of Hochland SE



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Picture left:
(f.l.t.r.): Josef Stitzl, Hubert Staub, Sebastian Schaeffer, Peter Stahl

Picture right:
Row top: Hubert Staub, Peter Stahl
Row below: Josef Stitzl, Sebastian Schaeffer

Headquarter of Hochland SE in Heimenkirch



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