

Following a successful Business Year 2017:

Eckes-Granini on track for growth

Volume sales: 858 million litres (+ 2.1 %) / Net sales revenue: € 974 million (+ 9.0 %) / EBIT: € 87 million / Turnover expected to exceed one billion euros in 2018 / Ultra-modern production facilities / Investments in innovative concepts and marketing activities

Nieder-Olm, 3 May 2018. The Eckes-Granini Group GmbH, the international corporate group for non-alcoholic fruit beverages under the umbrella of Eckes AG, met its objectives in Business Year 2017 and set the stage for further growth in the years to come. "We are firmly convinced that we will surpass the one-billion euro mark in turnover during Business Year 2018", says Thomas Hinderer, CEO and Chairman of the Executive Board.

Gains in volume sales and turnover, EBIT stable at last year's level

In the face of difficult market conditions, the Eckes-Granini Group held its leading market position in 2017 and recorded gains in both turnover and volume sales (the figures include the consolidated results for Rynkeby, the new Danish subsidiary, for the period beginning in July 2016). Numerous innovations in the Group's core business segments, a promising concept for the chilled segments in the Nordic markets, new growth impulses for Die Limo and novel advertising campaigns contributed to solid success in Business Year 2017. Group volume sales rose by 2.1% to 858 million litres (2016: 840 million litres). Turnover increased by 9.0% to € 974 million (2016: € 893 million). Earnings before interest and taxes (EBIT) remained close to those of the previous year at € 87 million (2016: € 86.1 million).

The most important development of the year 2017 was the demanding process of integrating Rynkeby into the Group. "We have succeeded once

again in integrating a large company into our group – procedurally, strategically and, above all, culturally”, notes Thomas Hinderer.

The overall European market: rising turnover, slightly declining volume sales

Fruit-beverage consumption continues to decline in many European countries (data for the retail food trade in twelve core countries¹). The trend led to minor volume losses in the European market as a whole (-1.3 %). Sales of chilled beverages grew again in 2017 (+5.8 %). Average consumer prices rose due to higher volume sales of chilled beverages and smoothies (+16.3 %), resulting in an overall gain in market value (+ 2.6 %).

Eckes-Granini held its leading position with a value-based market share of 12.1 % (2016: 12.6 %). “We defended our leading market position and now hold the lead in the fruit beverage markets in seven European countries”, says Thomas Hinderer.

The growing fresh chilled juice segment

The decision to move the freshly-squeezed production operations from Brämhults’ Swedish facility to Ringe in Denmark was the signal for the launch of a new and promising product portfolio for the chilled segment in the Nordic markets. “Demand for fresh chilled juices will continue to rise and is expected to become increasingly important for our Group”, Thomas Hinderer explains. The acquisition of 35-percent interest in true fruits GmbH of Bonn will enable Eckes-Granini to participate in the success of true fruits in this growth market.

¹ Austria, Belgium, Denmark, Finland, France, Germany, Hungary, Lithuania, Romania, Sweden, Spain and Switzerland (market figures for Belgium and Finland are estimates)

Within the framework of its innovation offensive, Eckes-Granini is now in the process of implementing a series of new concepts, initiatives and ideas in all business segments. “We are developing tailor-made solutions for consumers and playing an instrumental role in shaping trends in the various countries”, says the CEO. These innovations will impact a number of different growth segments, such as products with special health benefits (e.g. the hohes C PLUS Range) and those containing primarily pure, natural ingredients (e.g. the God Morgon Eco-Range and Joker Le Bio). The new “Selection” premium range from granini promises to offer especially appealing and enjoyable beverage experiences. The on-the-go segment will be supported by a number of measures, including new packaging concepts for small packaging units. The Group is also expanding its portfolio in the out-of-home market – the most recent addition is the new granini range of cocktail premixes.

These innovation offensive is accompanied by extraordinary communication activities. Initiatives in support of specific brands, including hohes C, granini, Die Limo and Joker, are just a few examples from the past business year. They were developed by Eckes-Granini with considerable creativity and a strong sense of the wants and needs of the respective target groups.

Investments in state-of-the art production lines

The Eckes-Granini Group made important strides in support of future growth with investments in new technologies, filling systems and packaging lines in 2017. “We have invested heavily in our production sites in recent years in order to meet state-of-the-art production standards in all of our countries. And we have set new standards in terms of technology, filling and packaging capabilities”, adds Thomas Hinderer. The new PET lines in Ringe and

Mâcon are two examples. Altogether, Eckes-Granini has invested nearly 100 million euros in its various production sites in recent years.

Outlook for 2018: Eckes-Granini expects to generate more than one billion euros in turnover for the first time this year.

Eckes-Granini expects turnover growth in the overall fruit-beverage market in spite of declining volume sales in 2018. The current business year will be marked by the effects of strong competition as well as price and cost pressure. Raw material prices for apples have risen to a record high due to failed harvests in 2017, but the price of orange-juice concentrate is expected to remain stable. “In spite of persistently difficult market conditions, we will continue to focus on profitable and sustainable growth as we generate more than one million euros in turnover for the first time ever”, explains Thomas Hinderer. The Group also plans to step up investments in the market and to introduce a number of new product and packaging concepts. The various activities will be supported by attractive advertising campaigns in the relevant markets.

The Eckes-Granini Group GmbH is the international corporate group specialized in non-alcoholic fruit beverages under the umbrella of Eckes AG. With the international premium brands granini and Pago as well as strong local brands, including Brämhults, Elmenhorster, hohes C, Joker, Marli, Rynkeby and God Morgon as well as SIO and YO, the Group holds a leading position in the European fruit beverage market. The Eckes-Granini Group operates (through fully-owned subsidiaries in many cases) in Austria, Belgium, Croatia, Denmark, Finland, France, Germany, Hungary, Italy, Lithuania, Romania and Bulgaria, the Czech and Slovak Republics, Spain, Sweden and Switzerland, and employs roughly 1,750 people. Eckes-Granini markets its products in both the retail food trade and the out-of-home sector in over 80 different countries.



the best of fruit

New website: www.eckes-granini.com

For further information please contact:

Sybille Geitel
Engel & Zimmermann AG
Unternehmensberatung für Kommunikation
Am Schlosspark 15, 82131 Gauting
presse@eckes-granini.com
Telephone: 0 89 / 89 35 633