

Uelzena Group with a turnover above €500m

Positive development in sales, turnover and milk price payments

- Growth in the strategic business fields of ingredients, instant beverages and health products
- Milk price payments remain competitive - as in previous years
- Core business in B2B: being a premium supplier to large branded companies
- Leading supplier of concentrated butter for German retailers and for butter and butter fats for the bakery trade
- 640 employees in six production and distribution sites; processing volume was 465m kg of milk raw materials

Uelzen, 27.06.2014 - At the general meeting of Uelzena eG in Uelzen, Germany, Claus-Peter Witt, Chairman of the Management Board, presented the encouraging positive results for the business year 2013. Due to the favorable market situation, the Uelzena Group was able to increase its sales by 24 percent to a new record high of €515m. The sales volume for the main product groups rose by more than 5 percent to above 150m kg. Sales and turnover in the strategic business fields of ingredients, instant beverages and health products experienced an extraordinary positive development. With a systematic expansion in these main areas, the Uelzena Group will continue to maintain its leading role in specific market segments.

The delivery of milk raw materials in 2013 rose by almost 6 percent to approximately 465m kg. The largest production area was fat processing with 40 percent followed by the drying business with 33 percent. Cheese production at the Altmark-Käserei Uelzena GmbH increased slightly and again made up 21 percent of total sales. Cheese sales were kept almost at the level of the previous year despite significantly higher prices.

The subsidiaries Hoche Butter GmbH, TRILACTIS GmbH Saarbruecken and TRILACTIS France, all active in the butter and butter fats business, were also able to increase their sales volumes despite the high price levels. The leading market position for concentrated butter in German retail and bakery trade should be maintained.

At the end of the year, the activity of the Grub Café Handelsgesellschaft, Neidenstein, Germany, was terminated. Their activities in the field of instant beverages will be continued by Schoppe & Schultz GmbH & Co. KG. Schoppe & Schultz is one of the most successful private label manufacturers in the instant beverage business for out-of-home markets and in specialty products for retailers.

Chairman of the management board, Claus-Peter Witt, reported that the milk price payments in 2013 could be raised by 5.27 ct/kg or 16.5% to 37.3 ct/kg.

In 2014, Uelzena will continue to secure and further extend the positive development of the added value chain. Considering the anticipated further consolidation of the European dairy industry, the Uelzena Group will focus increasingly on the production of high quality specialty products. For this purpose, further investments have been planned for the company sites. Cooperation is another important element for business development. In 2014, Uelzena eG together with its partner companies started one of the most advanced European milk powder plants in Neumuenster, Germany. The new site aims at processing 600m kg of milk into milk powder.

Uelzena Group 2013

Total turnover	€515m	(+ 24,4 %)
Main sales groups	151m kg	(+ 5,4 %)
Milk volume	465m kg	(+ 5,95 %)
Operating companies	8	
Employees	640	(+ 2,6 %)
- of that apprentices	41	(previous year 42)

For further information

Uelzena eG

Herr Uwe Radke

Tel: +49 581 806-0

Fax: +49 581 806-9473

Email: uwe.radke@uelzena.de

www.uelzena.de

www.ingredients.uelzena.com

www.nutrineo.com

www.schoppe-schultz.de

www.hoche-butter.de

www.trilactis.de