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WMF Group increases growth and strengthens market position in the USA and Asia

Geislingen/Steige – The WMF Group increased its sales significantly in the 2015 financial year by +4 percent to EUR 1.061 billion, according to provisional results. This growth was mainly due to the strong increase in the international business and persistently high global demand for professional coffee machines. International sales reached 50 percent of total sales for the first time.

In its Global Coffee Machines division, the WMF Group increased its sales significantly by +13 percent to EUR 394 million in total. The Global Consumer Goods division, which was realigned last year and underwent the biggest reorganization in the Group's history, nevertheless enjoyed a stable performance and, adjusted to allow for special effects such as the sale of alfi, registered an increase in sales of +1 percent to EUR 591 million. The reorganization included the modernization of (so far) 20 percent of the company's own stores and the concentration of its logistics activities at two main sites in the future. The aim of these measures, which will continue into 2016, is to significantly increase supply capability and focus far more heavily on the end consumer. A further 40 stores are to be modernized this year. The logistics project is expected to be concluded in the summer. The company also successfully sharpened its brand image in 2015, by bringing all of its individual consumer brands under the umbrella of the WMF Group. This was particularly beneficial to the WMF brand, which enjoyed sales growth of +13 percent. In addition, the online business continued to grow successfully in the Global Consumer Goods division, with sales in that area increasing by well over +20 percent. In the third of the WMF Group's divisions, the Global Hotel Business, the company made sales of EUR 75 million in 2015.

As part of its international growth strategy, the WMF Group will in future continue to reinforce its leading position in the market for professional coffee machines not only on the Asian market, but also on the US market, where the company has been represented for over two decades by Schaerer USA. The WMF Group has now acquired the remaining 24.5 percent share in Schaerer USA, making it the sole owner of the company. "On the way to becoming a global brand company, the USA, alongside Asia and Europe, is a further important sales market. As the full owner of the US business we will be able to



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make even better use of the great growth potential in that region in the future," said Peter Feld, CEO of the WMF Group.

From a global perspective, the WMF Group achieved its highest growth rates in China in the last financial year. The Group significantly increased its sales in this market in the past year by +34 percent. After adjusting for currency effects, the consumer business there increased by +40 percent. Furthermore, in 2015 the WMF Group managed to complete a further successful step in the internationalization of its business: Thanks to its joint venture with Coffee Day, India's largest chain of coffee shops, the company has secured an early foothold in the rapidly growing coffee markets of India and South-East Asia. "Our foreign business is a cornerstone of our success. By consistently expanding into Asia, the foreign share of our total sales has now reached 50 percent for the first time in the company's history. We shall continue to follow the growth strategy that we have started and will focus on investing in the internationalization of our business," said Mr. Feld.

About the WMF Group

For more than 160 years, the brands that make up the WMF Group have stood for the best in cooking, drinking and dining. Every day, hundreds of millions of people around the world use WMF, Silit and Kaiser products to prepare food, cook, bake, eat and drink in the comfort of their own home. And when they are not doing that, they are enjoying coffee specialities and foods prepared by the hotel and catering industry using WMF, Schaerer or Hepp products. Our employees are passionate about bringing people together, whether at home, on the move or at high-end restaurants, in order to give them shared moments that are both precious and delicious. This is all possible thanks to our products, whose exceptional design, perfect functionality and highest quality provide wonderful culinary experiences. Our company has a proud tradition, and was founded in Geislingen an der Steige in Germany back in 1853. Almost 6,000 employees provide culinary pleasure at over 40 locations worldwide.

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