

Press Release

FROSTA continues to grow with transparency In Germany branded fish products grow by 50 %

Bremerhaven, 22.3.2018

FROSTA AG increased its sales in 2017 by 7.5 % to EUR 501m compared to the prior year. The purchase of the Italian frozen food brand "La Valle degli Orti" on July 1 contributed with EUR 15m. In Germany, FROSTA's own brand grew by 13 % (source: IRI consumer sales, 2017), significantly faster than the market. The plus was double digits for the fourth time in a row. The highest brand growth was again achieved in the branded fish segment (+ 50.2 %) (source: IRI 2017). In December 2017 FROSTA was awarded the jubilee award of the German Sustainability Award.

The annual profit improved to EUR 23.4m (previous year: EUR 21.6m).

"Consumers are increasingly rewarding the fact that we say „no“ to food additives and that we write the countries of origin of the ingredients directly onto the packaging," says Board Member Hinnerk Ehlers. At the same time he appeals again to the legislature to revise the food law. FROSTA supports the petition "Honest Eats Better – Initiative for honest ingredient lists", which calls for a complete and understandable declaration of all food ingredients.

"We support this petition because current food law prevents consumers from distinguishing products of very different quality from each other. A look behind the scenes and thus essential information are currently only available to the manufacturers or the additive suppliers themselves," said Hinnerk Ehlers.

Positive development also in the other business areas

FROSTA is also satisfied with the other business areas. The foodservice sector has achieved an increase in sales of 17.4 %. Abroad, the market position in Eastern Europe was further expanded. The turnover development in the private label business was slightly below the previous year.

The annual profit after taxes increased by EUR 1.8m to EUR 23.4m in the reporting year.

The number of employees has increased by 2.6 % both domestically and abroad. In 2017 FROSTA AG employed 1,709 people on average (previous year: 1,665).

The investments increased again significantly to EUR 39.1m compared to 2016 (EUR 26.0m) With this sum, investments were made in future projects at all locations.

The equity ratio of FROSTA AG remains at a high level of 52 % and even increased to 56 % for the core business without acquisition.

Earnings per share increased from EUR 3.17 in 2016 to EUR 3.43 in 2017.

At the Annual General Meeting, the Executive Board will propose raising the dividend from EUR 1.50 to EUR 1.60 per share due to the good financial structure.

Outlook

In the first two months of 2018, FROSTA AG recorded a sales growth of 4.3 % compared to the prior year. A forecast for 2018 is associated with uncertainty due to volatile exchange rates and rising commodity prices. Overall, we aim to increase our annual profit in line with the trend of recent years, thus ensuring our independence in 2018 as well.

Bremerhaven, March 22, 2018

The Board

The annual financial statements will be available on the company's website from 29 March 2018 at www.frosta-ag.com

As of mid-April, our annual report for 2017 will be available again as an e-book on our website.

Pictures can be found here:

<https://frosta.brandsuite.com/share/open/frosta+bilanz+>

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