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PRESS RELEASE

The Schörghuber Corporate Group focuses its strategy on the Construction & Real Estate sector and boosts its overall results

The Munich-based family-owned business and its approx. 6,500 employees celebrate the Group's anniversary year with a positive 2014 balance sheet.

Munich, July 14, 2015. In the financial year 2014, the Schörghuber Corporate Group generated sales of 842.9 million euros (previous year: 659.1 million euros) in the three business sectors of Construction & Real Estate, Hotel and Seafood. The fourth business sector, Beverages, is included in the consolidated financial statement at equity and has therefore not been added to the revenue. The Group's EBITDA amounted to 159.4 million euros (previous year: 145.0 million euros), the EBIT to 170.3 million euros (previous year: 148.5 million euros) and the overall profit to 97.7 million euros (previous year: 84.8 million euros). The equity ratio was 38.2 percent (previous year: 39.3 percent).

Striking the balance between lasting stability and calculable risk

The range of products and services offered by each of the four business sectors differs greatly. With investment property as its largest asset, the Construction & Real Estate business sector forms the backbone of the Group, generating high revenues together with the property development business. As a consumer goods market, the Beverages sector is subject to different business cycles, providing a relatively stable cash flow. The Hotel business sector is essentially to be regarded as a management company for operator-run properties in its own portfolio, while Seafood is a growth area targeted at tapping into additional earnings potential in higher risk areas in the medium term. This combination of earnings opportunities and calculated risks is not just reflected by the results achieved in the financial year 2014, but also forms the basis of the family-owned business' flexibility and independence. "We generally only invest in companies which allow us to be involved in their business policy," says Dr. Klaus N. Naeve, presiding officer of the management board at the Schörghuber Corporate Group. "We



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only take business risks if we are sure that they can increase the value of the company, whilst ensuring that any potential negative effects are manageable.”

Construction & Real Estate – over 2,000 new apartments for Munich

Founded in 1954, Bayerische Hausbau, the leading company in the Construction & Real Estate business sector, constitutes the foundation of the Schörghuber Corporate Group with a property portfolio worth 2.5 billion euros. The portfolio contains office buildings, retail spaces, hotels, gastronomy properties and housing developments. The company has decided to focus on investment property and property development in its main market, Munich, as well as in Hamburg, which prompted it to sell its subsidiary Hanse Haus, manufacturer of prefabricated homes, at the end of 2014.

In 2014, the Construction & Real Estate sector generated sales of 468.5 million euros (previous year: 292.5 million euros). The EBITDA amounted to 174.3 million euros (previous year: 115.2 million euros), the EBIT to 210.0 million euros (previous year: 154.7 million euros) and the overall profit to 134.0 million euros (previous year: 99.7 million euros).

Over 35,000 square meters of offices, retail spaces and gastronomy properties were newly let, while existing rental contracts for some 30,000 square meters were renewed. The sale of residential properties *Am Mühlbach* and *Olympia Wohn Park* started in 2014. 204 of the 349 residential units that were under construction or completed in 2014 had already been sold at the end of the year, with a further 259 residential units from different projects expected to come on the market this year. Furthermore, Bayerische Hausbau is planning to build around 1,400 new apartments on Nockherberg alone. The company is also constructing a new hotel on Bayerstraße, Munich, and renovating the traditional Hacker-Pschorr beer joint Donisl on Marienplatz. New constructions are also taking place in Stuttgart, where a Bayerische Hausbau project company is building the Milaneo complex together with ECE and STRABAG Real Estate. Last but not least, April 2014 marked the opening of a novel renovation and construction project in the form of the Concept Mall Bikini Berlin in the district of Charlottenburg, with the last of the three sections of the building, which was completed in 2013, going into operation.



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Beverages – close to six million hectoliters of beer sold worldwide

Under the management of Brau Holding International GmbH & Co. KGaA (a joint venture with Heineken B.V.), the Beverages business sector comprises the Paulaner Brauerei Group, a majority share in the Kulmbacher Group, the Fürstlich Fürstenbergische Brauerei and the microbrewery Privatbrauerei Hoepfner.

In 2014, subgroup Brau Holding International GmbH & Co. KGaA achieved sales of 619.2 million euros (previous year: 593.4 million euros). The EBITDA adjusted for depreciation not taken into account for beer deliveries amounted to 166.5 million euros (previous year: 81.1 million euros). The EBIT totaled 117.1 million euros (previous year: 35.8 million euros), however this increase is primarily attributed to the sale of the Nockherberg site, which is included in this amount. If this sale were to be deducted, the EBIT would be reduced to 35.3 million euros, placing it slightly below that of the previous year. Finally, the group enjoyed total profits of 83.9 million euros (previous year: 22.3 million euros).

Across all breweries, alcohol-free beer, new product launches and international business were the main contributing factors to these sales. Outside of Germany, around 1.1 million hectoliters of beer were sold under the heading of alcoholic beverages, which corresponds to an increase of almost ten percent. The sales volume of alcohol-free and alcoholic beverages combined was 6.5 million hectoliters (previous year: 6.3 million liters), including 5.7 million hectoliters (previous year: 5.5 million hectoliters) of self-brewed beer. To ensure the business sector's continued success, significant investments will be made, especially in Paulaner Brauerei's new brewery plant in Langwied, Munich. The foundation stone was laid in June 2014.

Hotel – slight increase in sales and improvement in operating result

The Hotel business sector saw an increase in sales in the financial year 2014. Excellent results were obtained particularly by the Arabellapark development with the Westin Grand Munich and Sheraton München Arabellapark Hotel as well as by the St. Regis Mardavall Mallorca Resort. With the opening of the Sheraton Zurich Hotel in January 2014, and the two hotels of the aloft brand being built in Munich and Stuttgart, the business sector does and will continue to enjoy a strong presence in its key markets.



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The Hotel business sector generated sales of 228.0 million euros (previous year: 210.3 million euros), slightly exceeding forecasts. The EBITDA amounted to 13.3 million euros (previous year: 6.1 million euros), and the EBIT showed a loss of -0.4 million euros (previous year: -6.8 million euros). At -3.8 million euros (previous year: -10.1 million euros), the overall profits (before third-party shares and profit and loss transfer) also turned negative.

Seafood – sluggish year caused by sinking prices and slow sales

2014 was dedicated to the consolidation of the Seafood business sector, which was completed following the integration of Glaciares Pacificos S.A., taken over in 2013, into operating company Productos del Mar Ventisqueros S.A.. The strategic milestone of farming Atlantic salmon all year round was achieved in August 2014, which means that Atlantic salmon now constitutes around 60 percent of the overall production volume. Price drops in the world market affected the business sector much more than organizational changes. Devaluation of the yen and Brazilian real led to purchasing restraint in those countries, while Norwegian exports benefitted from the depreciation of the Norwegian krone. As a result of these two developments, Ventisqueros experienced sluggish sales that fell far below expectations, generating a considerably negative overall result in comparison to the previous year.

Compared with the previous year, sales in the Seafood business sector fell to 162.6 million euros (previous year: 173.5 million euros). The EBITDA including fair-value assessment represented a loss of -8.8 million euros (previous year: 13.8 million euros). Likewise, the EBIT including fair-value assessment amounted to -16.6 million euros (previous year: 3.3 million euros) and the overall profit to -15.2 million euros (previous year: 5.6 million euros).

The business sector in Chile is strategically set for further growth and intends to take part in the industry's ongoing consolidation process. To this end, negotiations recently started with salmon company Granja Marina Tornagaleones S.A., which belongs to entrepreneur Ramón Eblen's group. The aim of the negotiations is a joint venture with equal shares in a Chilean intermediate holding company for all shares to Granja Marina Tornagaleones and Ventisqueros. If it were to go ahead, the joint venture would rank among the five largest salmon producers in Chile. The parties have agreed not to release details of the negotiations.



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About the Schörghuber Corporate Group

The family-run Schörghuber Corporate Group, which was founded in 1954 and has its headquarters in Munich, is successfully involved in the four business sectors real estate and construction, beverages, hotels and seafood, in both the national and international arenas. Bayerische Hausbau, which bundles all the real estate and property development activities of the Schörghuber Corporate Group, is one of the largest full-service real estate companies in Germany. Brau Holding International, a joint venture with Heineken, is one of Germany's largest brewery groups and comprises the Paulaner Brewery Group, the Kulmbacher Group and the Südwest Group. The Hotels division, with the management company Arabella Hospitality, performs asset management for the 20 hotels owned and leased in Germany, Switzerland and on the Balearic island of Mallorca and thus represents the interests of the Schörghuber Corporate Group vis-à-vis Starwood Hotels & Resorts, which is responsible for managing the majority of the hotels. The salmon farming and processing activities in Chile are bundled under the roof of Productos del Mar Ventisqueros and became the Schörghuber Corporate Group's fourth business division in 2011. Common values – diversity, quality and growth – forge a bond between the four business divisions. The group's approximately 6,500 employees ensure that customers enjoy the benefits provided by these shared values every single day. www.sug-munich.com.

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