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Hartmann establishes production in the US

Hartmann invests at the level of USD 30 million in setting up a factory in the US Midwest with a view to continuing the positive sales development in North America. The factory is expected to contribute to Hartmann's results from 2017.

The establishment of the factory in the US Midwest is initiated as a consequence of Hartmann having increased capacity utilisation as planned at the group's current factory in Brantford, Canada. The US expansion is part of the strategy 'Unpacking our potential', focusing on growth and efficiency in the period towards the end of 2017.

"Our current activities in North America have contributed significantly to Hartmann's growth and profitability in recent years, and with the new factory in the US we want to ensure a continuation of the positive development. With increased production capacity and presence in both Canada and the US, we will gain access to a larger share of the market and have a solid foundation for expanding the business," says CEO Ulrik Kolding Hartvig.

The US factory will produce moulded-fibre egg packaging and serve both existing and new customers on the North American market. The investment amounts to a level of USD 30 million, and the factory is expected to be operational in early 2017, contributing to the realisation of Hartmann's long-term financial targets of increasing revenue to DKK 2.2-2.4 billion and the profit margin before special items to 12-14% in 2017.

"We have been driving the development in the North American market for a number of years and have created positive results for customers, consumers and Hartmann. We now invest in expanding our strong position in order to exploit the growth in North America driven by conversion to moulded-fibre packaging as well as demographic developments," says Ulrik Kolding Hartvig.

Hartmann has entered into constructive dialogue with state and local authorities concerning the framework conditions for establishing the factory.

Hartmann maintains expectations for 2015 for revenue of DKK 2.0-2.1 billion and a profit margin of 10-11.5% before special items.

Hartmann's outlook for 2016 will be presented in connection with the disclosure of the annual report for 2015 on 8 March 2016.

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