



ORIOR GROUP PRESS RELEASE

ORIOR grows in a stagnant overall market and achieves a clear increase in profit

Further improvement in profitability - Cautiously optimistic outlook - Smooth transition in senior management

Zurich, 22 February 2011

ORIOR AG, one of Switzerland's leading producers of meat products and fresh convenience foods, achieved record revenues and a further improvement in profits in the 2010 financial year. In a largely stagnant food sector, revenues were 1 percent higher than in the previous year at CHF 505.5 million. The rise was exclusively due to organic growth. Despite continuing price pressure, ORIOR increased its EBITDA by 3.8 percent to CHF 54.2 million, which pushed the EBITDA margin up to 10.7 percent. Profit for the year went up 12.4 percent to CHF 26.9 million. The Board of Directors is proposing to the forthcoming Annual General Meeting that it approve a dividend of CHF 1.90 per share, representing a distribution ratio of approximately 42 percent. Thanks to the inflow of funds from earnings and last year's IPO, ORIOR was also able to strengthen its balance sheet significantly. Current liabilities were cut from CHF 103.7 million to CHF 88.6 million, while equity rose substantially from CHF 69.0 million to CHF 170.3 million, giving an equity ratio of 43.8 percent. CEO Rolf U. Sutter (56), who over the last twelve years has built ORIOR AG into one of the most successful food companies in Switzerland, and who led it to an IPO in April 2010, is handing over operational management to Remo Hansen (49), on 1 May 2011. Remo Hansen is currently in charge of the Pastinella and Fredag competence centres and is a longstanding member of ORIOR Group's Management Board. Rolf U. Sutter is due to be elected Chairman at the constituting meeting of the Board of Directors that takes place after this year's AGM.

ORIOR's positive revenues performance was dragged back not only by a stagnant overall market, but also by a negative real inflation rate and the weak euro. "The results we have achieved mark another stage in the company's development and reflect very impressively on our employees," is CEO Rolf U. Sutter's comment on the first annual results since the IPO. "I'm pleased that we were able to improve our earnings again despite the considerable extra costs caused by the IPO and the higher price of raw materials in the second half of the year. Our strategy of selling innovative products in attractive niche markets was successful once again." The increase in earnings was also due in part to the company's highly developed cost awareness and the ongoing efficiency measures that form part of its various value enhancement initiatives.

Positive performance in all segments

In a shrinking market for meat products, the Refinement Segment (meat processing) maintained revenues around the previous year's level at CHF 300.5 million, gaining further

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market share in the process. The segment's profitability was also good, with EBITDA rising by 3 percent to CHF 25.6 million, leading to an improvement in the EBITDA margin from 8.3 to 8.5 percent. In line with the general trend in eating habits, the Convenience Segment performed well, with revenues increasing by 1.4 percent to CHF 202.3 million. EBITDA rose 6.7 percent to CHF 31.6 million, giving ORIOR an EBITDA margin of 15.6 percent in this segment. The Corporate, Export and Logistics Segment achieved a 10.3 percent rise in revenues to CHF 29.4 million. Its EBITDA of CHF -3.0 million can be attributed principally to the cost of the IPO and the weakness of the euro. Export revenues again accounted for a small proportion of overall revenues, though in 2010 they did increase by 15 percent (or by an even more impressive 25 percent in local currency terms).

ORIOR's success is driven by innovation. All of the brands in its portfolio continued to bring numerous new developments and innovative twists on popular products to the market last year. These products generate significant added value with regard to both revenues potential and their contribution to value creation. ORIOR's innovative products and concepts also help greatly with the positioning of the brand in both the retail market and the steadily expanding food service sector. Over recent years this sector has developed extremely well and continues to offer high growth potential.

Balance sheet made even stronger

The funds raised by the company in its IPO and the good results for 2010 allowed a significant reduction in current liabilities on the balance sheet date to CHF 88.6 million (previous year CHF 103.7 million). While total liabilities were cut from CHF 322.9 million to CHF 218.9 million, equity went up to CHF 170.3 million. This resulted in a much better equity ratio – 43.8 percent – than a year previously. The significant strengthening of the balance sheet is also seen in the ratio of net debt to EBITDA, which is 1.3x. Current assets increased from CHF 133.4 million to CHF 151.1 million. This change mainly reflects the higher accounts receivable that have resulted from a change in payment terms by certain major customers. This has had an influence on cash flow from operating activities, which fell from CHF 44.9 million to CHF 35.8 million.

Attractive dividend

Based on the profit for the year of CHF 26.9 million, the Board of Directors will propose to the 2011 AGM that it approve payment of a dividend of CHF 1.90 per share. The payment will be made from capital reserves and so will not be subject to deduction of withholding tax. This distribution of around 42% is in line with the defined dividend policy, which aims for a distribution of around 40% of profit for the year.

Cautiously optimistic outlook

Looking at prospects for next year, ORIOR expects the relevant markets in Switzerland to at least remain stable, but also expects raw materials and energy to become more expensive, and the price competition in the retail sector to become even fiercer. Nevertheless, Rolf U. Sutter remains cautiously optimistic: "Our well positioned brand products, the growth initiatives we have started and a pipeline full of innovative products and concepts will once again support our growth. Meanwhile, our ongoing value enhancement initiatives continue to boost efficiency. Because of this, we are confident that we will be able to increase revenues and profits still further this year."

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Smooth management change

This year's AGM will see a smooth changing of the guard at the highest level of ORIOR's management. Rolf U. Sutter (56), longstanding CEO and Delegate of the Board of Directors, will be resigning as ORIOR's operational chief on 30 April 2011. "After twelve years at the top of ORIOR, after many years of positive revenues and earnings growth, and now that we have found such an excellent successor from within our own ranks, this is the right time to hand over the operational reins," says Rolf U. Sutter. "I will remain close to the company and will be focusing primarily on strategic themes and projects."

The Board of Directors of ORIOR AG has chosen Remo Hansen, currently the successful head of the Pastinella and Fredag competence centres and a longstanding Member of ORIOR's Management Board, to succeed Rolf U. Sutter as CEO. He starts the role on 1 May 2011. The Board of Directors intends to elect Rolf U. Sutter as its Chairman at the constituting meeting of the Board that takes place after this year's AGM. The current Chairman, Rolf Friedli, remains a Member of the Board of Directors and is slated to take over the Vice-Chairman's role. He says the following about the changes at the top of ORIOR's management structure: "The Board of Directors is pleased to have appointed Remo Hansen – a successful, skilled successor who knows ORIOR from the inside – to take over operational management of the Group. And with Rolf U. Sutter taking over as Chairman, the continuity of management and the further development of the company are assured."

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This press release and the annual results presentation, which is being discussed at the media and analysts conference today, Tuesday 22 February 2011 at 10 a.m., can be downloaded now from the following address: <http://investor.orior.ch/Finanzberichte>

Dates for investors:

AGM 2010: 6 April 2011

Half-yearly results 2011: 16 August 2011

2011 investors' day: 23 September 2011

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Key figures for ORIOR Group - Business Year 2010:

in CHF thousand

	2010	Δ in %	2009
Revenues	505'525	+1.0%	500'677
EBITDA	54'188	+3.8%	52'181
as % of revenues	10.7%		10.4%
EBIT	40'479	+4.2%	38'830
as % of revenues	8.0%		7.8%
Profit for the year	26'936	+12.4%	23'973
as % of revenues	5.3%		4.8%
Net debt, third parties	71'689	-40.8%	121'106
Net debt / EBITDA ratio	1.32x		2.32x
Shareholders' equity	170'307	+146.9%	68'985
Equity ratio	43.8%		17.6%
Balance sheet total	389'182		391'864
Earnings per share*	CHF 4.99		CHF 5.64
Dividend per share	CHF 1.90		-
Avg. Number of employees (FTE)	1'273		1'271

*Profit for the year / weighted Ø number of shares outstanding

About ORIOR:

ORIOR, a Swiss food group with a long tradition, achieved revenues of CHF 506 million in 2010 with around 1,300 employees. ORIOR specializes in the production and distribution of fresh convenience foods, including vegetarian delicatessen products and refined meats. With its innovative products and its brands Rapelli, Ticinella, Spiess, Le Patron, Pastinella and Natur Gourmet, it occupies significant positions in several fast-growing niches in the Swiss retail and food service markets, as well as in selected sales channels in neighbouring countries. www.orior.ch.

Forward-looking statement

Information in this release may involve guidance, expectations, beliefs, plans, intentions or strategies regarding the future. These forward-looking statements involve risks and uncertainties. All forward-looking statements included in this release are based on information available to ORIOR AG as of the date of this release, and we assume no duty to update any such forward-looking statements. The forward-looking statements in this release are not guarantees of future performance and actual results could differ materially from our current expectations. Numerous factors could cause or contribute to such differences. Factors that could affect the Company's forward-looking statements include, among other things: national and global GDP trends; changes in regulation relevant to the food business; intense competition in the markets in which the Company operates; integration of acquired companies; changes in the Company's ability to attract and retain qualified internal and external personnel or clients; the potential impact of disruptions related to IT; any adverse developments in existing commercial relationships, disputes or legal and tax proceedings.