

Production areas for future growth secured

Häcker Kitchens acquires two plots of land for construction of new factories, in the medium-term

Rödinghausen, 26 April 2017. Häcker Kitchens has recently purchased two plots of land. In the medium-term, the company intends to build new factories on these sites in order to expand its production capacities to the level necessary for the coming decades. The purchasing sum is the biggest investment in the history of the company so far and was made with the intention of promoting the ongoing positive business development. In keeping with the corporate motto "Häcker kitchen.german Made", the new plots of land are close to the company head office in Rödinghausen, eastern Westphalia.

More than 900 bespoke kitchens for customers from around the world leave the factory at the company's main production site in Rödinghausen every day. The high quality kitchens are produced and sold by the over 1,450 employees which the company

currently employs at its four factories and offices. Together, they generated a turnover of 512 million last year. The successful result is due to a growth strategy with a long-term focus: In the past two years, Häcker Kitchens grew its turnover by 100 million euros and increased its workforce by 300 employees, which has led to investments into production facility and office extensions. The final construction stage of an extension to the office and showroom building and the construction of adjacent parking spaces will be completed this year. On completion, the current company premises of around 260,000 square metres will have been fully utilised to capacity.

Positive development to be continued – through capacity expansion

The kitchen market continues to develop well – as the hub of the home, a kitchen "Made in Germany" is increasingly becoming a must all over the world, thereby providing a solid base for further growth at the company's sites in Germany. "We have already done extremely well over the past few years, and considerably better than the market average. This has been possible only due



to regular capacity expansion. We have some of the most state-of-the-art production facilities for kitchen furniture at our main site in Rödinghausen; however, once the current construction works have been completed, we will have used the last of the space available for extensions. Our immediate neighbourhood consists of residential areas or land that is unsuitable for our purposes, which limits further growth on the current premises," says Jochen Finkemeier, the owner and CEO of Häcker Kitchens.

Two plots offering around 38 hectares acquired

In the past 18 months, the company has therefore considered alternative land close by where new factories could be built in the medium term. In actual fact, it has recently purchased two plots offering potential that is now being explored further. The first plot with around 165,000 square metres is located to the south close to Hansastrasse (L557, Herford district, eastern Westphalia, North-Rhine Westphalia) between the company's current main site and the A30. Häcker Kitchens has managed to acquire around two thirds of the industrial park currently being planned there.

The second plot, which measures around 215,000 square metres, is located in a new industrial park in Venne (Osnabrück district, Lower Saxony) on the B218. "These two plots of land offer us the space we need for our further growth in the coming decades. We have invested an high amount into this land, which is also the highest investment our company has ever made. However, with this investment, we wanted to emphasise our commitment to a future in the local region and to our current and future employees, suppliers and customers," Jochen Finkemeier continues.

Planning application submissions for plots scheduled for 2017/2018

The acquisition is the first step towards actually planning the buildings the company intends to erect on these plots of land in the future. Häcker Kitchens will pursue this process in its usual meticulous way and in close communication with the municipal agencies, local residents and other stakeholders such as, for example, environmental protection organisations. The Hansastrasse plot, for instance, is currently classed as

agricultural land, and an application must be submitted to change its land use class to commercial. It is difficult to estimate how long this process will take and whether the change of use class application will be successful. As the plot in Venne is already classed as commercial land, Häcker Kitchens can start to draw up its actual plans for this plot in the next few months. "We are confident that in the medium-term, we will be able to construct new factories on both plots. The current plans include a kitchen furniture production facility and a new prefabrication factory. In both of these areas, we expect the production volumes to significantly increase over the next few years. We cannot meet these volumes simply through work process optimisation at the current Rödinghausen site. We will construct the world's most modern production facilities for fitted kitchens and will thereby continue to demonstrate our commitment to Germany as a production site," explains general manager Dirk Krupka, who is responsible for the technology department.

About Häcker Kitchens

Based in East Westphalia – the heart of the German kitchen furniture industry – the owner-run family company Häcker Kitchens has been producing modern fitted kitchens at its site in Rödinghausen since 1965. In 2016, more than 1,450 employees generated turnover of 512 million euros, with exports currently accounting for approx. 40 percent of sales. The company's development is characterised by continuous growth and forward-looking investments. It currently supplies more than 60 countries across all continents with kitchens "Made in Germany". Two product lines aimed at different market segments are available to the specialised trade: classic and classicArt in the entry-level segment and systemat and systematART in the mid and upper price categories. A wide range of built-in appliances from the Blaupunkt brand, to which Häcker Kitchens holds the sole rights, puts the finishing touches to the product offering.

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Shortcut

Continued growth strategy: Häcker Kitchens acquires two plots of land. In the medium-term, the company plans to use this land to construct new factories in order to expand its production capacities.

Image overview



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