

Matth. Hohner AG
Andreas-Koch-Straße 9
78647 Trossingen
Telefon: +49 7425-20-222
Telefax: +49 7425-20-444
E -mail: info@hohner.de
www.hohner.de



Matth. Hohner AG informs:

Improved customer orientation and new market development leads to announcement of positive results for the Hohner Group !

Stable business development

While the Hohner Group was unable to escape the effects of the financial and economic crisis, it was able to undertake early countermeasures to solidify its performance. Consolidated sales of the Hohner Group of € 58.0 million could nearly be maintained on previous year's level (€ 61.0 million).

The difficult market situation in the USA and Europe weakened demand for the company's high-price product offerings in these regions. The Company compensated for this by implementing successful marketing and sales initiatives in the growth markets of Latin America and Asia while also maintaining strict cost management controls. As a result of these efforts, the Hohner Group reported a consolidated net income of 0.8 million € (previous year 2.4 million €).

The company anticipates the difficult market environment to continue, but remains cautiously optimistic for the current business year. The Hohner Group feels confident that its customer oriented marketing and sales development initiatives together with strong cost management will optimize resource management, and will continue to produce positive results despite such market challenges.

The Hohner Group strengthens its customer orientation

The companies of the Hohner Group have focused on an improved customer orientation. In order to build direct customer contacts, numerous events were organized and sponsored. For example, Hohner presented the "World Harmonica Festival" in Trossingen, the world's biggest harmonica event with 3,000 visitors from more than 30 countries. The first SONOR Days took place in Bad-Berleburg-Aue. This event was the highlight of the international drum scene with more than 5,000 visitors.

Proximity to customers was also extended through expanded internet development initiatives. SONOR widened its unique drum configurator (SQ² Drum System) by three more languages, and, with this, takes new paths of a customer specific production. Social networks were used more intensively for the marketing work. Particularly the Youtube-channels of Hohner and SONOR enjoy high popularity with series like "Masters of the Harmonica", and were already accessed a quarter of a million times.

One of the pillar's in the success of the Hohner Group is the development of musical education. Besides the proven activities in the areas of Orff, accordion and harmonica, new learning concepts were established. The Hohner Conservatory developed special courses for senior citizens over 50 and for the early childhood education with melodica. They are now prepared to expand these efforts internationally to extend the company's customer orientation and new markets.

97th Shareholder Meeting of Matth. Hohner AG

The 97th Shareholder Meeting of Matth. Hohner AG took place on 16 November 2010 in the Dr.-Ernst-Hohner Concert Hall in Trossingen.

For further information, please see the annual report 2009/2010 (end of fiscal year 31.03.2010) and the websites www.hohner.de and www.sonor.com.

Matth. Hohner AG
The Management Board

About Matth. Hohner AG

Enjoy Music – Play Hohner. Since 1857 pleasure and fascination for music are the focus of one of the worldwide leading manufacturers of musical instruments. Today, the Hohner Group employs about 340 employees in the German production and development plants of Hohner Musikinstrumente GmbH & Co. KG in Trossingen and SONOR GmbH & Co. KG in Bad Berleburg as well as in the distribution companies in the USA, France and Switzerland. In more than 85 countries the Group distributes the product segments harmonicas, accordions, recorders, melodicas, guitars, ukuleles, drums, percussion instruments, Concert & Marching drums and Orff instruments. The company has a portfolio of brands namely Hohner, Sonor, Lanikai, Kohala, Hohner Kids, Hoodoo. With a turnover of nearly 60 million Euro the Hohner portfolio of brands are world leaders in their market segments.