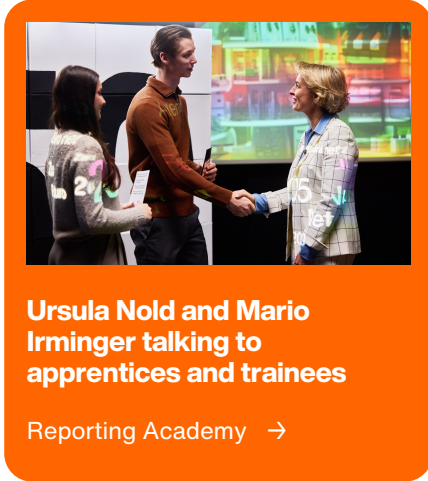


# Migros Group consolidates leading position in the Swiss retail sector



Ursula Nold, Chairwoman FMC, and Mario Irminger, CEO FMC

**With sales of CHF 32.0 billion, the Migros Group set a new record in 2023 and further increased its market share in the core business.**



**Ursula Nold and Mario Irminger talking to apprentices and trainees**

Reporting Academy →

In the 2023 financial year, Migros demonstrated its strength and flexibility in a challenging market environment. As with so many other companies, it was faced with rising costs for raw materials, energy and packaging. The Migros Group performed well in 2023 and consolidated its leading position in the Swiss retail sector in both the in-store and online markets. Strong growth was also recorded in financial services and the health business.

With Group sales of CHF 32 billion (+6.0 %) in the reporting year, Migros exceeded its previous sales record set in 2022. This was made possible thanks to the tremendous dedication of all employees and the trust placed in Migros by its customers.

**Retail sales and online retailing**

Retail sales in Switzerland increased to CHF 25.7 billion (+4.1 %). In the e-commerce business, Migros continued the strong growth of recent years with sales of CHF 4.1 billion (+10.2 %). One of the main contributors to this achievement was the Galaxus Group. Its success highlights the growing trend among customers of buying non-food products online. This shift in turn puts pressure on Migros' specialist markets. Migros Online closed the year at CHF 344 million (+4.7 %). Migros thus managed to defend its leading position in the Swiss market.

**Cooperative Retailing**

In Cooperative Retailing, Migros managed to improve on the previous year's result. Consolidated sales increased to CHF 17.3 billion (+3.0 %). The ten regional Cooperatives, including subsidiaries, generated sales of CHF 16.3 billion (+2.5 %). This growth was largely attributable to the freshness and regionality of the product range and to Migros' own brands, which are popular with customers. However, it was also driven to a lesser extent by price increases related to inflation.

In the reporting year, Cooperative Retailing was shaped by two trends in particular: although sales in the in-store supermarket business (+3.6 %) and Migros Gastronomy (+10.2 %) increased due to factors such as higher customer footfall, sales in Migros specialist markets fell again (-7.7 %). This decline is a consequence of the continued strong growth of online retailing in the non-food segment. Unlike the supermarket business, the specialist markets Bike World, Do it + Garden, Melectronics, SportX, Micasa and OBI do not hold leading positions in their segments. The specialist market formats must be realigned in response to evolving customer needs. The planned sale of Melectronics and SportX marks the next step in this process.

**Commerce**

The retail companies made an important contribution to the growth of the Migros Group, with total sales increasing to CHF 8.7 billion (+1.5 %). The Galaxus Group (+11.6 %) and Denner (+4.0 %) both continued to perform well. In contrast, Migrol's sales were hit by declining volumes and oil prices (-15.0 %).

**17.3 billion**

consolidated sales in  
Cooperative Retailing (in CHF)

**The retail companies made an important contribution to the growth of the Migros Group.**

# 313 million

annual profit of Migros Bank (in CHF)

**In 2023, Migros' health services again saw a significant increase in market share across all segments.**

### Hotelplan Group

The sales of Hotelplan Group increased to CHF 1.7 billion (+20.6 %). Migros believes that the greatest growth potential for sustainable long-term success lies outside the Migros Group. The reason is the continued shift in the travel business towards international providers of booking platforms.

### Migros Industrie

The Migros Industrie companies increased their sales to CHF 6.0 billion (+3.9 %). The growth was mainly attributable to inflation-related price changes, which affected foreign business in particular. This trend was particularly evident at the Mibelle Group, which generated 70 % of its sales outside Switzerland. To improve the company's development prospects, a search for a new owner has been initiated.

### Migros Bank

The earnings of Migros Bank increased to CHF 828 million (+17.7 %) in 2023. After taking into account depreciation and provisions, operating income amounted to CHF 383 million (+31.3 %). This resulted in an annual profit of CHF 313 million after taxes (+30.3 %). One of the main drivers of this growth was income from interest-related operations, which benefited from the interest rate reversal by the Swiss National Bank.

Overall, net interest income increased to CHF 641 million (+25.0 %). In addition, the bank grew its customer base to 1.1 million customers (+10.9 %), thanks in part to the sustained growth of the Cumulus credit card business. Migros thereby defended its position as Switzerland's seventh-largest bank measured by balance sheet total.

### Health

In 2023, Migros' health services again saw a significant increase in market share across all segments. Sales amounted to CHF 1.3 billion (+74.4 %). Strong growth was recorded by the Medbase Group in particular: due to the successful integration of the online pharmacy Zur Rose it generated sales of CHF 1'029 million (+95.9 %). To exploit further growth potential in the health business, Migros will systematically develop this business unit.

### Financial performance

Earnings before interest and taxes (EBIT) were CHF 286 million in the reporting year (previous year: CHF 628 million). Group profit amounted to CHF 175 million (previous year: CHF 459 million). The result for the period was affected by rising costs along the value chain, as well as a necessary impairment of around CHF 500 million related to logistics properties, IT projects and various other assets. These have a lower balance sheet value due to changed market conditions.

Despite the slightly disappointing operating result, Migros remains a financially robust company. The equity of Migros' retail and industry businesses amounted to CHF 17.5 billion (previous year: CHF -184 million), which corresponds to 72.8 % of the balance sheet total (previous year: 72.5 %). Thanks to its strong financial position, Migros can continue to invest in a varied and attractive shopping experience and make a considerable contribution to society and to Switzerland as a centre of industry. In the reporting year, it invested a total of CHF 1.5 billion, of which CHF 299 million – CHF 67 million more than in the previous year – was invested by Migros Industrie, particularly in Switzerland as a centre of industry.

**As part of its social commitment, Migros will continue to support culture, education and intergenerational cooperation.**

**99'175**

employees on average in around 90 companies

**By merging the supermarket business into Migros Supermarkt AG, Migros has restructured its core business to the benefit of its customers.**

#### **Social commitment**

Alongside its role as a major driving force in the country's economy, Migros continued its social commitment in 2023. It channelled a total of CHF 140 million into the support initiatives Migros Culture Percentage, the Pioneer Fund and the Migros Support Fund. The second volunteer initiative on the theme of friendship, in which various projects were supported with funding from the Migros Culture Percentage, proved very popular. As part of its social commitment, Migros will continue to support culture, education and intergenerational cooperation.

#### **Migros as an employer**

With an average of 99'175 employees in around 90 companies, the workforce grew by 1'448 positions compared with the previous year (+1.5 %). The number of full-time positions also increased in the reporting year (+1'643). The Migros Group thereby remained the largest private employer in Switzerland. It demonstrated its commitment to fair remuneration for its employees in various ways, including increasing wages by 2.1 % in nominal terms – slightly more than the average for the Swiss retail sector as a whole (+2.0 %). With 3'670 trainees in more than 60 different occupations, Migros also confirmed its position as the largest private employer in Switzerland.

#### **Sustainability**

The Migros Group aims to reduce its greenhouse gas emissions by 70 % by 2030 in comparison with 2019 – an important milestone on the road to net zero by 2050. In the reporting year, it came a good deal closer to achieving this ambitious target: by the end of 2023, the Migros Group's direct emissions had been cut by 57.5 % compared with 2019. A large proportion of the reduction was achieved through making buildings more energy-efficient. The Migros Group will continue to resolutely pursue its sustainability goals with great vigour over the coming years.

#### **Outlook**

In the 2023 financial year, the Migros Group defended its leading position in the Swiss retail sector. The company's market leadership in both the in-store and online channels is unparalleled in Europe – and it is the benchmark against which Migros will continue to measure itself. By merging the supermarket business into Migros Supermarkt AG, Migros has restructured its core business to the benefit of its customers. The efficiency gains from the reorganisation will result in lower prices. Migros is thereby underscoring its claim to be the most successful and popular supermarket in all regions. As a pioneer in the area of social corporate responsibility, it will continue to contribute towards the welfare and cohesion of society.

We would like to thank all employees throughout the Migros Group for their hard work and their daily commitment to our customers.



Ursula Nold  
Chairwoman FMC



Mario Irmingier  
Chief Executive Officer FMC