

Nordzucker looks back on a successful 2025/2026 campaign: stable processing with above-average yields, market under pressure – clear strategy for the future

Nordzucker looks back on a successful 2025/2026 beet campaign with stable processing. Investments in the company-wide GoGreen programme are showing significant progress in energy efficiency and CO₂ reduction. At the same time, low prices and overcapacity are weighing on the market. Nordzucker is responding to the challenging market environment with measures introduced at an early stage and an additional immediate contingency programme.

Braunschweig, 15 January 2026 – At the start of the year, Nordzucker can look back on a stable 2025/2026 campaign. While the sugar beet campaign in Finland and Lithuania ended in December, the German sites will complete their campaign in the second half of January, followed by the sugar factories in Sweden, Slovakia, Denmark and Poland. Harvest conditions were good overall throughout the campaign. Beet diseases and the continuing spread of the SBR complex had a limited regional impact but did not have any exceptional effects on beet yields and quality overall.

"The stable processing in our factories, the efficiency of our logistics and the excellent cooperation along the entire value chain are key factors in enabling us to complete the campaign safely and efficiently," emphasises Lars Gorissen, Chief Executive Officer of Nordzucker AG. "Consistent investment in our factories and a special focus on cooperation and process optimisation are paying off and motivate us to continue implementing our strategy consistently under challenging market conditions."

2025/2026 campaign: above-average yields and stable processing

Once again, significantly above-average beet yields were recorded across the Group. Favourable weather conditions and a sugar content well above the five-year average, which varied greatly from region to region, ranging from below 16 to over 18 per cent, increased the amount of sugar produced.

Until the end of 2025, advantageous weather conditions ensured smooth storage and transport of the beet, while slippery conditions and snow in January posed challenges for beet logistics in Germany at the end of the campaign.

Successful crush in Australia with technological improvements

The crush, harvesting and processing of sugar cane in Australia was also successfully completed in December. Nordzucker subsidiary Mackay Sugar processed a total of 4.8 million tonnes of sugar cane and implemented important technological innovations at its three plant locations in Marian, Racecourse and Farleigh.

Decarbonisation: energy indicators improved and CO₂ emissions significantly reduced

As part of the company-wide GoGreen programme to decarbonise sugar production, energy performance indicators at the factories were improved and CO₂ emissions were further reduced significantly. Contributing factors included efficiency gains in the process steps, the use of biogas from our own beet pulp and the increased use of energy recovery from steam. "The consistent investments in energy efficiency over the last few years are now having a clear impact in practice: we are working in a more stable, efficient and resource-saving manner. We are therefore well on the way to achieving our CO₂ reduction targets for 2030, while at the same time increasing our operational performance," emphasises Alexander Godow, Chief Operating Officer.

Market environment: global market prices at a low, EU sugar market under pressure

Since May 2025, world market prices for sugar have fallen significantly – to their lowest level since 2021. High harvest yields in Brazil, India and the EU, as well as uncertainties due to tariffs and exchange rate fluctuations, are increasing price pressure in the EU sugar market. In addition, a decline in consumption can be observed, which is reducing sugar sales. "The significantly lower price level combined with large quantities available has been shaping the market for months. Due to these developments, no substantial price recovery is to be expected for the time being," says Alexander Godow, describing the market situation.

Financial situation and measures: Loss expected, countermeasures taken at an early stage – further steps being implemented

Against the backdrop of these market conditions, Nordzucker expects an operating loss in the high double-digit million range for the current financial year, which is significantly worse than expected. "The extreme market dynamics with two above-average harvests in Europe in a row are having a considerable impact on our business," explains Alexander Bott, Chief Financial Officer of Nordzucker AG. "We know our market and can deal with its volatility. Accordingly, we launched a package of cost optimisation measures early on at the beginning of 2025 and will not only continue to implement these consistently in 2026, but also expand them."

The measures already initiated include the intensification of excellence programmes, the adjustment of the investment budget, the reduction of administrative costs and the optimisation of beet price models. Thanks to a high equity ratio, Nordzucker is solidly financed and remains a reliable partner for beet growers and customers even in a challenging environment.

"Against the backdrop of the current market cycle, we are consistently aligning our processes and cost structures with efficiency and resilience. However, a significant price recovery is not expected in the short term; we therefore currently anticipate a loss for 2026/2027 as well. Our goal is to return to profitability in the 2027/2028 financial year on our own – even with low sales prices," CFO Alexander Bott continued.

Strategic orientation: ensuring stability, enabling opportunities

"We have a clear strategy for regaining the profitability of our business on our own – even if sales prices remain low in the long term," emphasises Lars Gorissen. "In addition to further internal cost reductions, this also includes reducing beet prices in the current market situation and after several years of very good beet prices. What distinguishes our industry is that all partners along the value chain contribute to ensuring that sugar beet and sugar production remain attractive and offer good long-term economic prospects."

To ensure stability, the package of measures launched in spring 2025 will be significantly intensified and supplemented by an additional programme with further savings over the next two years. The exact details of this programme are currently being finalised. The planned steps relate in particular to administrative cost adjustments and structural optimisations.

At the same time, decarbonisation and digitalisation remain key priorities of the corporate strategy; growth outside Europe in sugar cane and diversification in the area of alternative proteins are essential elements for medium and long-term development.

Background

Campaign / Crush

The sugar beet campaign, or campaign for short, refers to the period of the year during which sugar beets are processed in sugar factories. The campaign usually lasts from mid-September to January. The crush is the period during which sugar cane is processed in the sugar mills of Mackay Sugar Ltd. in Australia. It lasts from June to December.

SBR complex

Pentastiridius leporinus (Schilf-Glasflügelzikade) transmit the syndrome basses richesses (SBR) to sugar beet, the syndrome of low sugar content. SBR is caused by a bacterium and manifests itself externally in the form of yellow-coloured leaves and lanceolate heart leaves. As a result, the sugar beet produces significantly less sugar.

In addition, *Pentastiridius leporinus* also transmits phytoplasma, a cell wall-free bacterium that causes Stolbur disease, also known as "rubber beet". This causes the beet leaves to wilt and die, and the beet body to become rubbery, shrink and become more difficult to process. Stolbur is also associated with high sugar yield losses. These two diseases are collectively referred to as the SBR complex.

Nordzucker

Nordzucker is one of the world's leading producers of sugar from sugar beet and sugar cane. The Group extracts sugar products in various forms, such as white sugar, raw sugar, refined sugar, organic sugar, speciality sugars and liquid sugars. Nordzucker also produces animal feed, molasses, fertilisers and fuels, as well as electricity. In the 2024/2025 financial year, the company generated revenue of 2.8 billion Euro.

With its revised Fields for Growth strategy, Nordzucker is focusing on two areas: Firstly, strengthening the profitability of its existing business by investing in sustainability and optimising its cost structure. Second, Nordzucker is aiming for further diversification as part of its planned growth outside the EU sugar market.

Nordzucker is committed to sustainability, from farmer to consumer, and makes sustainability an integral part of the company. Nordzucker attaches great importance to regional cultivation in its processing and value chain, with short transport distances, the highest quality and social standards, and complete utilisation of the crops. The aim is for all production to be CO₂ -neutral by 2050 at the latest.

High-quality products and services, growth prospects and continuous improvements are the driving force behind a dedicated and international team of around 4,100 employees at 19 European and Australian locations.

www.nordzucker.com