

Press release

Wuppertal, 09 December 2011



E/D/E founds subsidiary EDE International

Today the E/D/E association is launching its new subsidiary EDE International, which combines all of the international operations of the E/D/E Group.

Wuppertal – E/D/E is taking another important step in its growth strategy. The E/D/E Group's fully owned subsidiary EDE International AG is commencing its business activities today, 9th December 2011. The new company, which has its headquarters in Zurich, Switzerland, is taking on responsibility for all the business operations outside Germany that were previously conducted by E/D/E. The company's starting capital amounts to 2 million Swiss francs. "A clear separation of the parent company E/D/E's business operations in Germany from the international business activities of the subsidiary EDE International will result in huge advantages for the Group as a whole," says Hans-Jürgen Adorf, Chairman of the E/D/E Management Board. EDE International will now devote all of its efforts to its international markets, which are very diverse and require intense attention.

"Expansion into international markets is a key pillar of the E/D/E growth strategy for the next ten years," says Peter Baur, who previously headed the European business division at E/D/E and is now the CEO of the new company. Plans call for the E/D/E Group's international turnover to gradually increase to 25 percent of the total turnover by 2015.

The European market has been particularly important to E/D/E for more than a decade. Considerable proportions of the Group's total

turnover have come from the Benelux countries, Switzerland, Austria, Italy and France. In spite of economic difficulties, it was also possible to further develop the markets in Poland and Spain. In addition, E/D/E is achieving increasingly good results in Denmark. This is an important precondition for the anticipated business activities in the Scandinavian market. "In view of all these developments, the establishment of a subsidiary in which our European activities are combined is a logical measure," explains Dr. Andreas Trautwein, the E/D/E Management Board member who is responsible for the Group's international activities. One huge challenge in Europe will be the E/D/E Group's core business activities regarding the central regulation of del credere liability agreements. "We will take on this responsibility, strengthened by our German parent company's many years of experience," says Trautwein.

In line with its strategy of adapting successful concepts to local market conditions and developing customized growth concepts for local partners, E/D/E was already able to take some important steps toward internationalizing its business activities in recent months. In order to optimally serve the corresponding national markets through the existing cooperative arrangements, it is now considering the establishment of additional companies abroad. E/D/E now includes more than 200 member companies over Europe, as well as five cooperative arrangements or dealers' groups. This year the turnover of its international business activities will amount to approximately €600 million.

E/D/E

E/D/E (Einkaufsbüro Deutscher Eisenhändler GmbH — Purchasing Association of German Hardware Dealers) is Europe's largest purchasing and marketing association. Its members include more than 1,000 medium-sized trading companies in the area of industrial wholesale distribution, as well as 376 additional retail traders. These companies deal in tools, machines and company equipment, building fittings and building elements, sanitary and heating equipment, steel and mounting technology, welding and security systems, industrial technology and occupational safety products. Most of these member companies primarily supply commercial clients from industry, the skilled trades and municipalities.

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