

Editorial





E/D/E is facing the upcoming economic challenges with strength, determination and foresight. Full of enthusiasm and confidence, we are heading into the future with a strong industrial B2B sector.

**Dear ladies and gentlemen,
Dear partners and friends of E/D/E,**

The year 2024 was characterised by economic challenges and uncertainties – yet as an alliance, we demonstrated strength, seized opportunities and created solutions together.

Germany's economic development remained tense. 2024 marked the second year of recession, particularly affecting the manufacturing industry. The mechanical engineering and automotive industries suffered from declining demand, while residential construction also fell sharply, putting additional pressure on the overall economic situation.

Market developments also left their mark on our business. Almost all product groups were affected, with the exception of personal protective equipment (PPE). While the trading volume in other European countries remained at the previous year's level, the financial year as a whole closed with a slightly lower trading volume of EUR 8.9 billion.

However, making smart strategic decisions is particularly important in difficult times. We aimed to guarantee stability, identify opportunities and continue to expand the innovative strength of our alliance.

To counter the assumed market developments and observed trends, we set the course for the successful implementation of our vision for the future at an early stage. By way of the development of dynamic supply concepts for industrial customers, we have been able to strategically further develop our service portfolio and, therefore, pave the way so as to successfully tap into new sectors within the alliance.

Initial discussions with customers have already confirmed the interest and potential in the market.

The ETRIS BANK once again proved to be a stabilising factor in 2024. In addition to the professional processing of central payment operations for E/D/E, the ETRIS BANK has confirmed its strategic importance for the alliance with a business volume of EUR 2.7 billion in third-party market business. The factoring business area, in particular, saw very dynamic development with business volume in excess of EUR 700 million and, contrary to the stagnating overall market in Germany, recorded extremely positive growth of almost 30 per cent when compared to the previous year. External rating agencies also confirmed an excellent rating with a stable outlook ("A+") for the fourth time in a row.

Toolineo also achieved important milestones: a technical redesign created the basis for future growth. This not only improves the user experience for customers, but also significantly increases convenience and efficiency for our distributors, as well as the performance of the digital marketplace. Interfaces have been modernised with a view to being the first port of call for craft supplies. Thanks to a scalable IT infrastructure, the attractiveness for providers is growing rapidly. This enables a continual expansion of the product range and ensures long-term competitiveness.

The EVOLUTION strategy and organisational development process was also a key success factor in 2024. Thanks to the targeted modernisation of the IT and optimisation of our end-to-end processes, we were able to overcome systemic, structural and conceptual limitations and exploit new opportunities. The reorganisation established within the framework of EVOLUTION has proven to be trend-setting, and will significantly shape E/D/E's future.

Our proven principle of "Professionalisation elevated by cooperation" shows that we are on the right track. This is characterised by close cooperation with our partners, a forward-looking strategy and a stable foundation for sustainable growth.

The economic environment will remain challenging in 2025. The GDP growth of 0.3 per cent as forecast by the Federal Ministry for Economic Affairs and Climate Protection for 2025 has now been significantly revised downwards by leading economic institutes. Positive external stimuli are, therefore, once again not to be expected. It remains to be seen whether or not the new federal government will be able to implement the necessary structural changes for a competitive business location supported by the measures and declarations of intent agreed in the coalition agreement.

The E/D/E alliance, therefore, continues to focus on our own economic activity. This includes the continual development of existing services, the exchange of experience within the alliance and the strategic exploitation of as yet unexploited sources of potential. At the same time, we are already actively preparing for a phase of economic recovery.

In the construction industry, in particular, we expect demand to develop positively in the medium term, supported by the recently approved "Special Infrastructure Fund." This investment package is aimed at gradually clearing the existing investment backlog in Germany, which is in the nine-digit range, in particular in respect of infrastructure and residential construction. The measures that have so far been postponed will increasingly be reflected in rising demand in the coming years. The first positive signals can already be seen in the planning offices – a trend that already gives cause for optimism.

There is no doubt that 2025 will be a challenging year. However, as an alliance, we are very well-positioned to meet the coming economic challenges with strength and determination. We rely on our core competencies, our network and our innovative strength not only to remain stable, but also to seize future growth opportunities in a targeted manner.

This makes it all the more important to take the reins ourselves, with a smart strategy, sustainable investments and in close collaboration with our members, contract suppliers and cooperation partners. Together, we will strengthen and further expand the industrial B2B sector.

We would like to extend our special gratitude to all our partners and employees. Your commitment and drive have enabled us to emerge from the past year 2024 as a strong alliance. Let us continue on this path with determination and seize the opportunities that lie ahead with energy and confidence.

Yours faithfully,



Dr Andreas Trautwein
Chairman of the Management Board



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