

Information  
for the business press  
from **Einhell Germany AG**, Landau an der Isar,

- Einhell group is slightly behind the turnover of the previous year but still very profitable
- High equity ratio
- Dividend
- New product lines
- Further expansion

Landau an der Isar, 07 April 2009

**The Einhell group is slightly behind the turnover of the previous year but still very profitable**

In spite of the difficult worldwide economic situation and despite of a slight drop in turnover the Einhell group has reached a very positive result in the year 2008.

The group turnover for the financial year 2008 amounts to EUR 358.5 million compared to the previous year of EUR 385.7 million.

The turnover of 2007 could not be reached in Germany, in the European Union and Asia.

The main cause for the drop in turnover was the implementation of an anti-dumping-duty against Chinese compressors as well as the general decline in the economic development in the fourth quarter of 2008.

In contrast the turnover increased in the growth markets primarily in Eastern Europe.

Top selling countries are amongst others e. g. Croatia, Poland and Romania.

In 2008, 65% of the group turnover was realised outside Germany.

In the financial year 2008 the Einhell group reached a profit before taxes of EUR 18.4 million (last year EUR 24.6 million).

The profit margin before tax amounts to 5,1% (previous year 6,4%).

The group's profit before minority's interests amounts to EUR 14.2 million compared to the previous year EUR 16.7 million.

The profit per share according DVFA amounts EUR 3.8 (previous year EUR 4.4)

### **Equity ratio**

Einhell group continues to show up a solid balance sheet structure with a distinguished equity-ratio of around 50%. Also the net debt of Einhell group has been further reduced.

So the Einhell group is best prepared for further expansion strategy.

### **Dividend**

In spite of the difficult worldwide economic situation the management wants to continue to retain the same dividend-strategy as in the past.

The board of directors suggests the annual shareholders meeting a dividend of EUR 0.60 per preference stock and EUR 0.54 per common stock.

### **New product lines**

End of 2008 new product lines were launched to the market. The "Blue" line stands for the high entrance price level and the "Red" line for the medium price range. The positioning of Red Powertools is unique, as these products can keep up with the top brand products regarding design and quality but regarding the price, the products are more competitive than the top brands in the do-it-yourself market. Beside of the revised recognition value the new product lines also the efficiency of logistics and distribution was improved.

### **Further expansion**

An important topic in the long term strategy is the increase in turnover with constantly good return. The Einhell group has reached in the German market and also in the markets of some neighbouring

countries a very high penetration of the market. As these markets stagnate so the Einhell group concentrates on new markets in foreign countries.

In 2008 new subsidiaries in Greece, Chile, the United Arab Emirates, France, Denmark, Slovakia and Australia could be established and integrated in the group structure.

For the business year 2009 the Einhell group has planned to establish one further company in Brasil and also to realise a partnership with companies in India and South America to enhance the possibilities of the distribution.

In spite of the difficult worldwide economic conditions the Einhell group reached to the year end of 2008 also a good result. This confirmed the sustainable profitability.

In consideration of the difficult worldwide economic situation the business trend 2009 comes up to the expectation of the Einhell group.

Landau a. d. Isar, den 07 April 2009

Board of Directors

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