



PRESS RELEASE

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Berner Group grows for the third year in a row and shows further gains in Q1 2018/19

- Adjusted sales grow 2.4% in FY 17/18
- Sales force improves productivity by more than 3.0%
- 4.0% increase in sales in the first quarter

The Berner Group has grown for the third year in a row. In the past financial year 2017/2018, the family-run company increased sales, adjusted for consolidation effects, by 2.4% compared to the previous year. Based on working days, Group sales grew by 4.6%. Overall, the B2B trading company generated revenues of approx. €1.042 billion from the sale of products across Europe to professional craftsmen, industry and craft enterprises (previous year: €1.018 billion). Sales force productivity increased by about 3.0% at Berner and by 3.3% at BTI. The positive trend in sales was also confirmed in the first quarter of 2018/19. The Berner Group recorded a plus of 4.0% for the first three months.

Berner core brand grows by 3.6%

With revenues of around €786 million, Berner was the Group's strongest-selling brand in 2017/2018. The increase in revenue for Berner, which operates in 25 European countries, was 3.6%. Based on a working day comparison, Berner grew by 5.4% compared to the previous year.

"We are closer to our customers, recognize changes in the market early on and continue to flexibly develop our business model," said COO Carsten Rumpf. One example: fifteen years ago, sales in Berner's Automotive segment were dominated by small, independent auto repair shops. But the company recognized early on that a fundamental change is taking place.

An increasing number of repairs for key components, e.g. new generations of engines and assistance systems, require special diagnostic technology, repair guidelines, and training. The repairs are mainly carried out by authorized workshops, and automakers focus on a few very large workshops in their networks. This generally only leaves work on older vehicles, easier maintenance measures, and body repairs for independent workshops, limiting their growth potential. Even though Berner as a B2B partner comprehensively supports these workshops, other growth areas needed to be found.

France is the country in which Berner is currently succeeding with this strategy the most. The strongest sales are now produced by the Automotive segment, which includes trucks, construction machinery, and agricultural vehicles. In France, Berner delivers products directly to locations in which the machines are used (grain fields, highways, etc.) so that repairs can be carried out without a workshop visit. This reduces expensive downtimes for customers.

Berner's South Region, which includes France, is the strongest sales region in the Group at €360 million. In 2017/18, sales here grew by around 7.0%. The Eastern Region generated sales of €140 million (+8.5%), while Berner Central Region (€148 million) remained virtually unchanged at the previous year's level.



Caramba Group maintains level of record year

In the record year 2016/2017, the Caramba Chemicals Group (CCG) achieved double-digit growth (+11.5%) as a result of structural successes, as well as unplanned one-time transactions. In 2017/18, the Group was able to nearly compensate for the effect of these revenues (-2.0%) and to maintain a level of approx. €137 million. At the same time, CCG consistently continued its investment course with a purchase of land in Duisburg, new product development and a staff increase of approx. 60 to about 1,000 full-time employees.

BTI boosts adjusted sales by 3.2%

BTI asserted its position as one of the leading suppliers to German craft trades in 2017/18. With an increase of 0.3% over the previous year, sales of approx. €118 million were generated (previous year: approx. €118 million). Based on a pure comparison of working days, the increase was 3.2%. Against the backdrop of seven fewer working days in Germany last year, BTI's productivity gain of 3.3% by its external sales force of 500 is especially impressive. "As a result, BTI was able to expand and solidify customer relationships and is well positioned for future growth," said Managing Director Andreas Krebs.

Sales support pays off

In the 2017/2018 financial year, the Berner Group implemented a series of sales support measures for its direct sales subsidiaries Berner and BTI, thereby further expanding their productivity. The cumulative increase of the two companies was more than 3.0%. The expansion of e-commerce business within Berner and BTI has progressed according to plan.

"The Berner Group achieved sales growth of 2.4% in 2017/2018 with significantly fewer working days. At the same time, the operating result rose disproportionately to the sales increase, enabling us to further expand the scope of investment in the transformation," said CFO Jürgen Schulte-Laggenbeck.

Good start to the first quarter

The companies of the Berner Group got off to a good start in the first quarter of the new financial year 2018/2019. Currently, sales at Berner, BTI and Caramba Group are about 4.0% higher than for the same quarter of the previous year. The Berner Group currently benefits from good demand in the construction, automotive, and industrial sectors. In addition, more and more of the changes that the company initiated as part of the transformation are taking hold. "We have made good progress in our transformation over the past year. We are systematically pursuing this course, as the good economic situation will not necessarily last in the long term. The sooner we do our homework, the better we will be prepared to face future challenges," said Christian Berner.

Key figures*

	€2017/18*	€2016/17*	+/- in%*	+/- in %**
Sales Berner Group	1.042 bn	1.018 bn	+2.4%	+4.6%
Sales Berner	786 m	759 m	+3.6%	+5.4%
Sales Caramba Group	137 m	140 m	-2.0%	+0.4%
Sales BTI	118 m	118 m	+0.3%	+3.2%
Group sales force	5,350	5,395	-0.8%	-

* Sales and employees adjusted for consolidation effects. ** Adjusted on a purely working day basis



The Berner Group

The Berner Group is a family-run commercial enterprise with approximately 8,500 employees and 60 years of corporate history. From tools and equipment for garages, materials and fire protection for construction projects to specialty chemicals for industrial plants and commercial cleaning – we supply B2B customers in 25 European countries with our products and solutions. As a reliable business partner, we are always there for our customers: personally on site with some 5,500 field service experts, in mobile and digital fashion with the online shop, for over-the-counter trade as well as via our call center.