



Overview

The situation of the hardware and DIY industry

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Chairman Advisory Board

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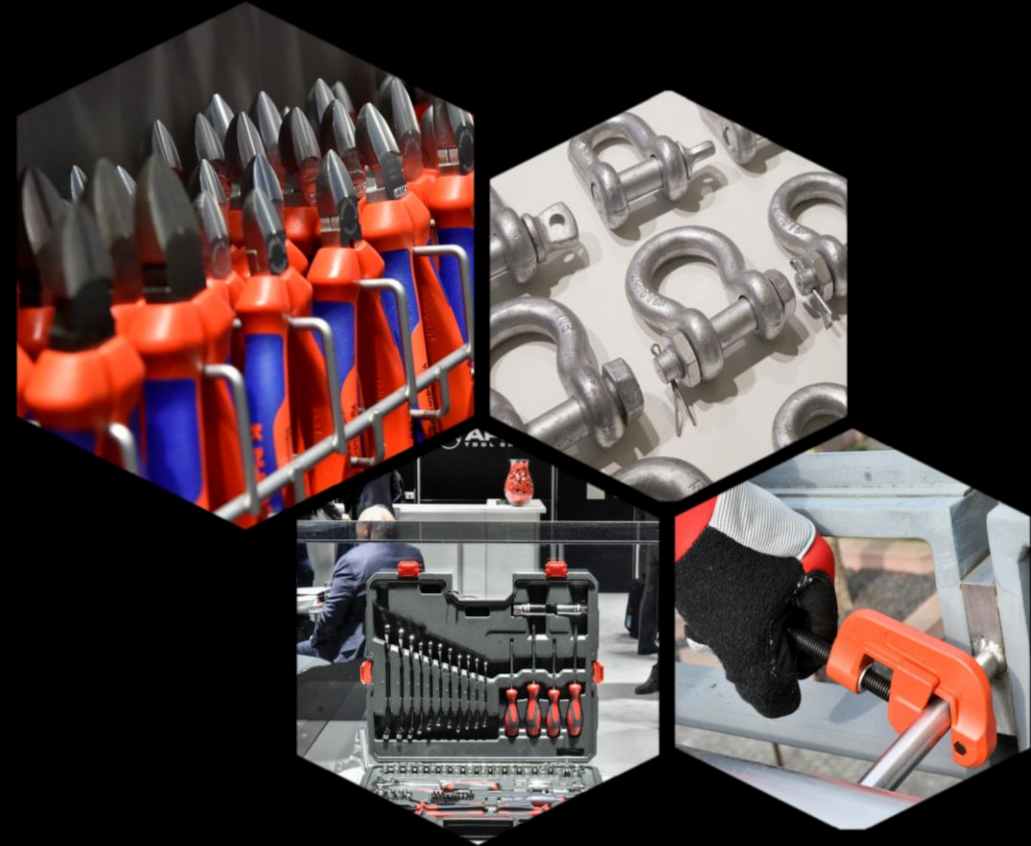
STATUS QUO

The good news:

- Despite the pandemic and temporary closures, most industries have developed positively so far - especially the DIY and home improvement sector

The bad news:

- The pandemic is still ongoing - and there is considerable uncertainty and insecurity
- The Association of German Tool Manufacturers reported significant losses in incoming orders and export business





DIY AND GARDEN

Record sales 2020 for the DIY retail and home improvement sector:

- Industry has successfully demonstrated its system relevance during the shutdown phase
- Customers appreciate reliability and high safety standards in DIY stores
- End consumers have increasingly recognised the importance of their homes during lockdown and invested more as a result





POSITIVE NEWS FROM THE DIY INDUSTRY

+15.6 %

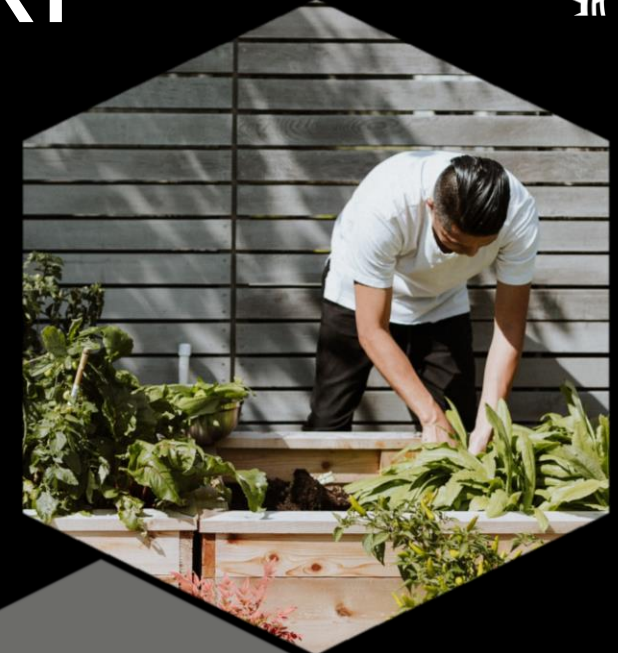
Source: BHB

Increase of turnover
in retail in GER (first
half of 2020)

**Slight
losses**

Source: HHG

In the export sector
(Europe) compared to
previous year





HARDWARE RETAIL

The year 2020 is marked by the pandemic and a temporary closure of many retail stores.

The hardware sector was able to pull through the crisis better than expected:

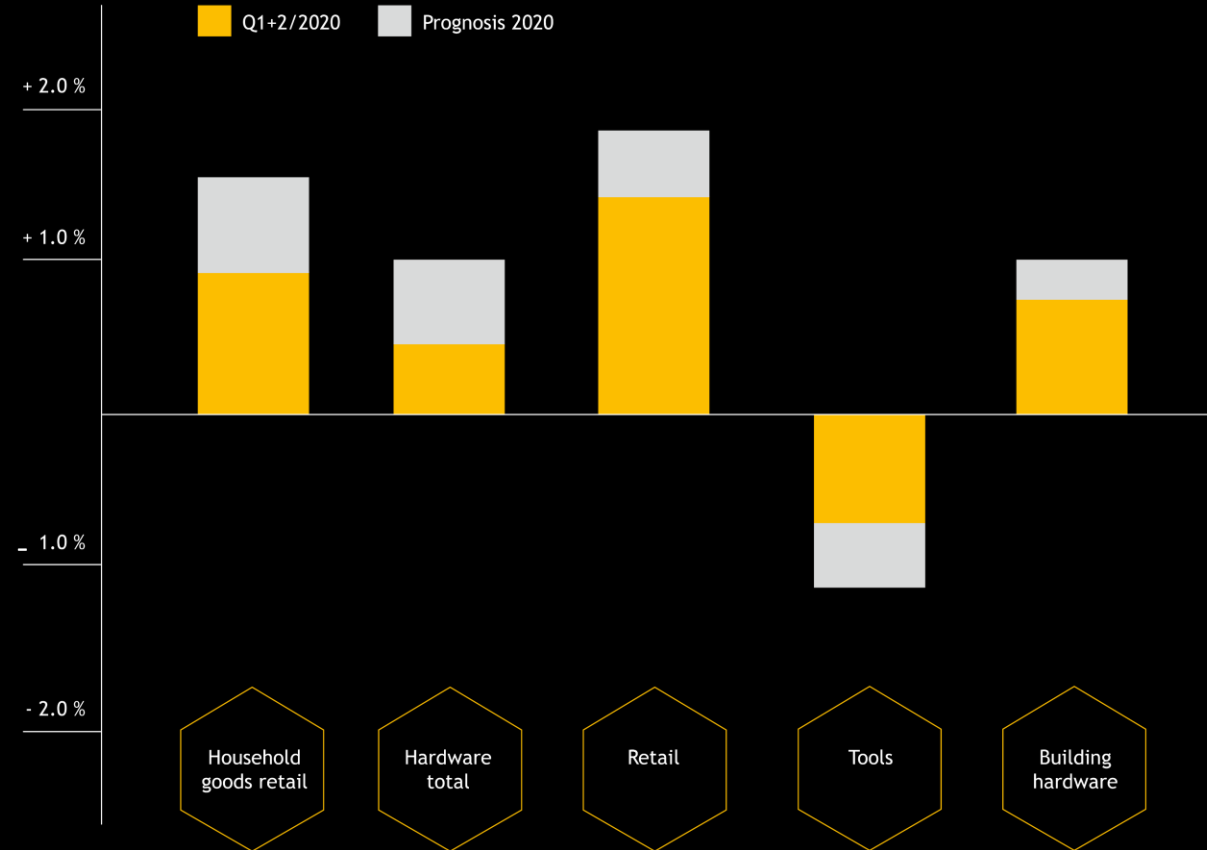
- Strong demand for products for home and garden
- Existing growth in the construction industry and skilled crafts and trade

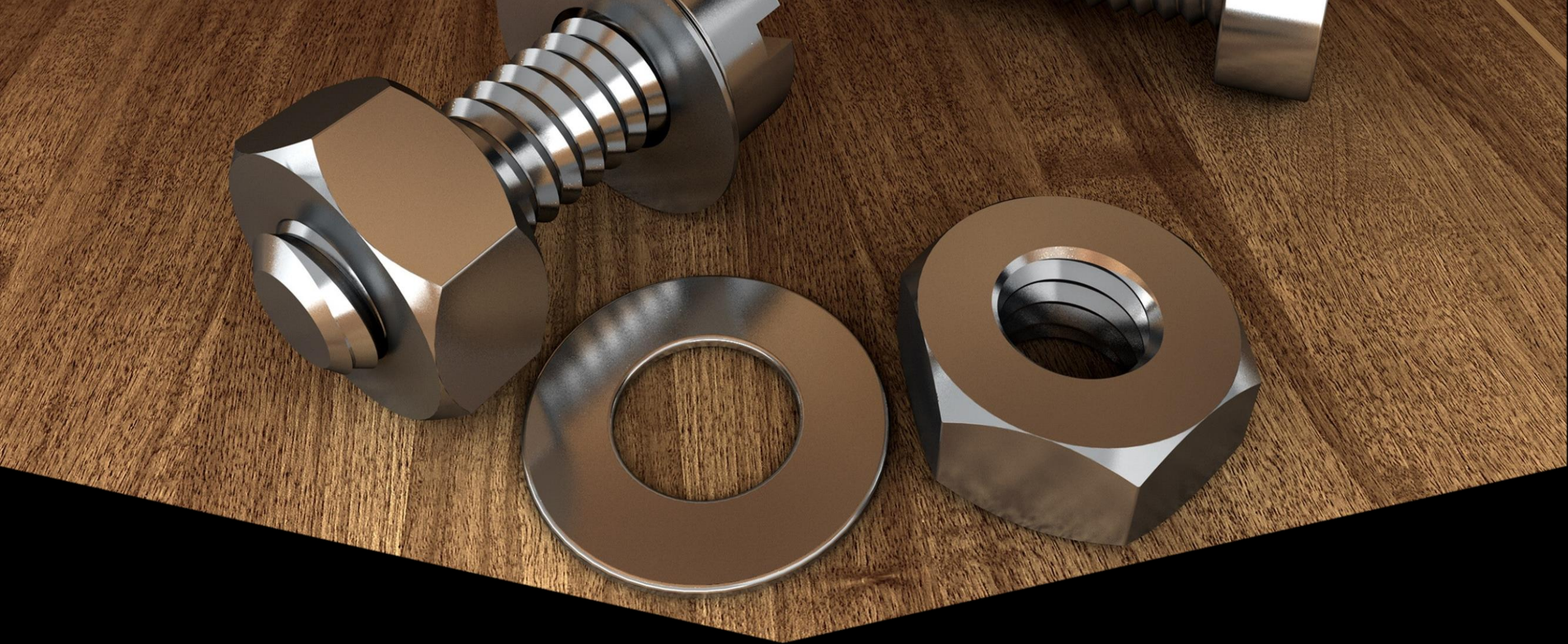




HARDWARE RETAIL

- Hardware and household goods retail trade: increase in willingness to invest
- PVH: stable and satisfactory development compared to previous year
- Two different trends in the specialist tool trade:
 - Decreasing sales in the metal and machine construction industries
 - Growing sales in the construction and finishing trades





TOOLS INDUSTRY



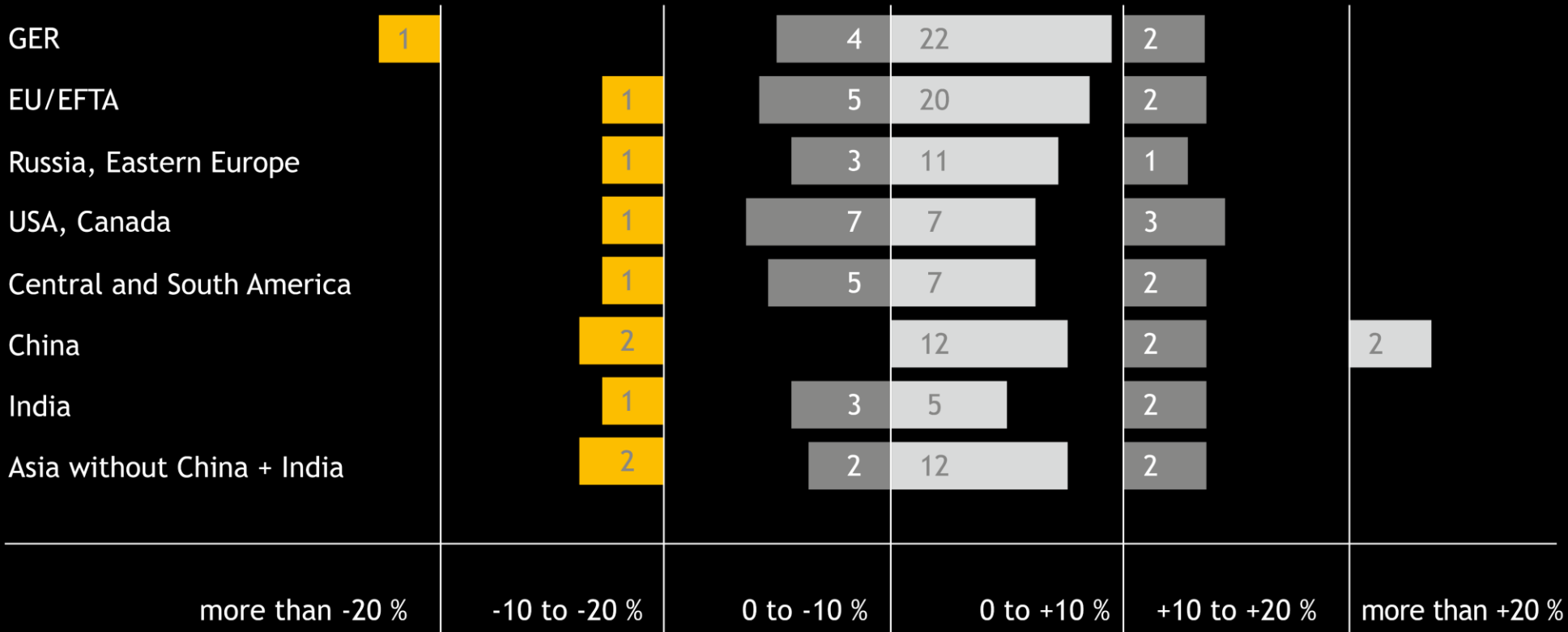
TOOLS INDUSTRY: DIFFICULT TIMES



- January to August 2020: significant decrease in incoming orders by more than 10 % (Germany)
- Losses in the export business are even more significant → cannot be compensated until the end of the year
- Improved business climate in the second half of the year:
 - August: only 26.8 % of companies rate the current situation as „unsatisfactory“
 - Share of tool manufacturers with short-time work has fallen to 52 %

FORECAST 2021

A recent FWI survey of member companies' plans for 2021 shows the following results (compared to 2020):





LET'S ROCK!