



European Marketing Distribution

Press Release

20 December 2016

GLOBUS INCORPORATES INTERNATIONAL BRANDED CONSUMER GOODS BUSINESS COMPLETELY IN THE EMD BY THE YEAR 2017

- **Industrial partners benefit from a higher market penetration**
- **Russia and Czech Republic included**
- **EMD expands impressively also in Germany its top position as a Europe-wide leading associated group**

German hypermarket specialist Globus optimises its commodities trading: With effect from 1 January 2017 the trading company will incorporate the total volume for the eastern European locations in Russia and Czech Republic into the European Marketing Distribution (EMD) agreements. Simultaneously, various contracts relating to purchase and marketing volumes in German Globus hypermarket sites will be integrated in EMD agreements with branded product manufacturers. The current decision made by Globus offers important advantages to all concerned actors: while the trading company Globus with its rich tradition is thusly able to further increase its market penetration in Russia, Czech Republic and Germany by cooperating with branded product manufacturers, EMD can expand consistently its top position as a leading group association in the European retail sector thanks to the additional pooled resources and its first-time entry in Russian market.



Member of the Globus board Armin Gärtner: "The integration in the EMD of our branded product volumes in Russia and Czech Republic constitutes a further strengthening of our market presence in those countries." Photo: Globus/EMD

In the national markets of Germany, Russia and Czech Republic, Globus SB-Warenhaus Holding GmbH & Co. KG with its headquarters in St. Wendel/Saarland belongs to the foremost players in retail sector. The family company owns a total of 171 locations, including also DIY and consumer electronics stores (only in Germany and in Luxembourg). A key element of the newly signed contracts with the European Marketing Distribution AG are the international Globus megastores in Russia (11) and in the Czech Republic (15). At the start of the year 2017, the total procurement volume for branded products in both countries will be transferred to EMD. The cooperation will be further tightened by the transition of various agreements regarding purchasing and sales marketing – which were developed for German hypermarket – to EMD.

In Germany alone, the Globus Group is currently represented by 47 hypermarket locations – the company obtained in the last fiscal year a total turnover of more than 7 billion euro.

Armin Gärtner, a member of the board responsible at Globus for purchasing declares: "We are really happy about the newly established cooperation with EMD. We know and appreciate this group association, which is active throughout Europe as an especially powerful alliance. The decision to integrate in EMD our purchasing and marketing volumes for Globus, enhances additionally our already strong market presence. This close connection with EMD also in German market will be profitable for our partners in branded product manufacturing as well." EMD Managing Director Philippe Gruyters speaking about the Globus participation: "The Europe-wide integration of procurement volumes in high demand and customer-oriented marketing activities brings considerable benefits for both the trading and the manufacturing sector. This applies all the more so, because the European Marketing Distribution, thanks to the Globus presence in Russia, will be able to expand its distribution network represented by its member companies to more than 20 countries."

The leading role assumed by EMD among the European purchasing and marketing alliances has been particularly highlighted during this year: just at the beginning of 2016, one of the most prominent trade company in the United Kingdom, the Wal-Mart subsidiary Asda, joined the EMD Group. A short time later EMD announced together with the Kaufland Group that all the Kaufland hyperstores in in the Czech Republic, Slovakia, Poland, Croatia, Romania and Bulgaria would manage their branded product purchasing also through EMD. The bottom line is that meanwhile EMD stands for a Europe-wide total turnover of more than 178 billion euros. The group association is by now operating in 20 European countries and represents about 400 trading companies and over 150,000 point of sales in every type of distribution, mainly in grocery retail.

Since 1989 EMD is recognised by the industry as a performing an efficient partner in sourcing and developing business together.

About EMD

Present now in 20 European countries, EMD is the leading buying group for the food retail sector and, pertaining FMCG activities (Fast Moving Consumer Goods), is considered a crucial partner for customer-oriented market and marketing coverage. At the EMD headquarters located in Pfäffikon, Switzerland, Managing Director Philippe Gruyters is responsible for pooling the interests of renowned retail companies from all over Europe and coordinating them to common benefit. With a potential turnover of 178 billion euro, the buying group is currently further consolidating its contracts with the producers of branded products and the sourcing and the development of successful private label products.

The following member companies of European Marketing Distribution highlight in the best possible way the benefits of a European collaboration for commercial customers in 20 countries:

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| United Kingdom: ASDA | Finland: Tuko Logistics |
| Netherlands: Superunie | Sweden: Axfood |
| Germany: MARKANT AG | Denmark: Dagrofa |
| France: Groupe Casino | Czech Republic: MARKANT/Kaufland Cesko, Globus |
| Switzerland: MARKANT Syntrade | Slovakia: MARKANT/Kaufland Slovensko |
| Spain: Euromadi Iberica | Poland: Kaufland |
| Portugal: EuromadiPort | Croatia: Kaufland |
| Austria: MARKANT Österreich | Romania: Kaufland |
| Italy: ESD Italia | Bulgaria: Kaufland |
| Norway: Unil/Norges Gruppen | Russia: Globus |

For further information, please contact:

Rosmanith & Rosmanith
The Art of Communication
Uwe Rosmanith
Tel.: + 49/611/716 547 920
uwe@rosmanith.de