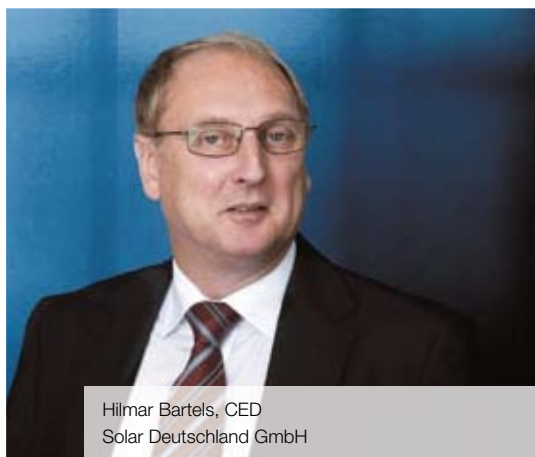


# Group enterprises

## Solar Deutschland GmbH



### Solar Deutschland GmbH

Amount in € million	2007	2006	2005
Revenue	143.0	134.8	124.5
Organic growth	6.1%	8.3%	1.5%
EBITA	1.3	1.6	1.2
Equity	49.3	48.1	46.6
Return on invested capital (ROIC) before amortisation	2.5%	2.7%	2.2%
Employees (FTE)	348	329	328
Number of branches	21	16	16

### Events in 2007



In its endeavours to strengthen customer focus, Solar Deutschland has identified and analysed a group of medium-sized customers. As a result, a number of targets focusing on covering a larger share of the customer's procurement needs and expanding relations by providing a broader product portfolio have been set. A further strategic effort has been made in respect of suppliers where a range of marketing activities have focused on increasing sales from selected suppliers. To support these strategic initiatives, a central project team has been set up to work with the regional project teams.



The company has implemented an electronic bidding system (ELAB via GAEB), to make work processes and follow-up on offers more efficient. Response times and "hit-rate" improvements will be recorded on an ongoing basis.

The centralisation of the product functions – the market and purchasing organisation – in the new premises in Lanken has had a positive impact. The stock turnover ratio is now significantly higher than the average for German electrical wholesalers. Improved use of resources will help create even more efficient work processes.



By the end of 2007, eight out of ten employees across the organisation had taken part in team spirit courses. As for the management group, the management development programme is proceeding as planned focusing on basic management skills such as motivation and staff dialogue. The results are now becoming visible in day-to-day operations.

### The market in 2007

The German economy experienced a strong upturn during the first half year of 2007. Although the trend was more moderate in the second half year, the year as a whole saw a positive market development and a strengthening of the company's market position. The expected advance in the company's 2007 results did not materialise owing to a loss incurred by a major debtor in Q3.

### Expectations for the future

The upturn in the German economy is expected to continue in 2008, albeit at a slightly lower rate than in 2007. The company expects to further strengthen its market position and focus on new products and greater geographical coverage. Earnings are expected to be at a slightly higher level in 2008.