

PRESS INFORMATION

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Stadtlohn, 16.1.2009. In 2008, as in the previous year, the furniture sector shows differing developments in the various product and price segments. Furthermore and especially in the second half-year, there is a definite trend towards a reluctance to buy valuable long-lasting products by the end user.

1. Turnover development hülsta

The two brands hülsta and now! by hülsta achieved a total turnover of 267.5 million EUR in 2008. In comparison to the previous year, this is a decrease of 5,8% (Value of previous year: 284.0 Mio. EUR).

This development has mainly been caused by the turnover in the German-speaking markets. At the end of 2008, the brand manufacturer employs approximately 1,300 staff.

2. Marketing budget and level of awareness

In 2008, hülsta invested 6.8% of its turnover in advertising and sales promotion, approximately the same as last year. The brand presence in the most important markets is highly interlinked. hülsta TV-advertising, adverts and inserts in print, interactive internet marketing as well as regional communication of selected hülsta partners are strongly connected.

For many years, hülsta has been Germany's best known and preferred furniture brand. The level of awareness is approximately 60% (80% in the premium segment) (Source: Institute for opinion polls, Allensbach). According to the GfK Nürnberg in 2007, hülsta has by far the highest level of awareness across Europe.

This excellent brand position is the result of a consistent and continuous end user oriented communication within the last three decades.

3. Production sites and investments

hülsta product ranges are manufactured in Germany in the Western Münsterland. At the beginning of 2008, the company has formulated its economic and sustainable aim to retain the production site Germany in the future.

The hülsta headquarters and marketing centre are located in Stadtlohn. The hülsta brand collection is continuously presented on more than 6000 m² or showroom space, providing trade partners, media representatives and consumers with comprehensive information about the latest interior design trends. In Germany and abroad, hülsta products are sold by competent furniture retail partners.

In 2008, the investment in tangible assets by the company amounted to approximately 3.5 million EUR.

4. Brand highlights

As an example, we will review three subjects more closely.

The anniversary of a hülsta-classic: 25 years of SPECTRUM

SPECTRUM is a highly individual product that can be used in the sectors LIVING, DINING und HOMEOFFICE. In 2009, the product will have been on the market for 25 years. SPECTRUM still occupies one of the top positions regarding the product-oriented turnover of the brand manufacturer. More than 200,000 houses worldwide have been furnished with SEPCTRUM. For 2009, hülsta has planned comprehensive communicative measures in conjunction with the hülsta trade partners.

The creative marketing campaign HOLZ HAT HERZ (WOOD HAS A HEART)

hülsta has always been highly committed to use genuine wood to meticulously craft beautiful furniture. This is particularly important in view of the current consumer trends towards "Sustainability" and "Authenticity".

In cooperation with a leading German publishing house, hülsta has developed an exceptional campaign with the title WOOD HAS A HEART. It is currently dedicated to furniture and interiors made from genuine wood. A special website for the campaign has been created (www.holz-hat-herz.de). It is supported by four well-known magazines from the sectors interior design and family, thereby reaching an estimated 10 million readers.

hülsta involvement in cultural sponsoring

hülsta's traditional involvement in cultural sponsoring continued in 2008. In conjunction with the Gesellschaft zur Förderung der Westfälischen Kulturarbeit e.V., GWK Münster (Initiative for the promotion of Westphalian cultural work), hülsta held an international competition for young highly-talented woodwind players (www.woodwinds-competition.com). The competition was advertised worldwide and had an overwhelming response. The awards were presented in Münster and Stadtlohn in autumn 2008.

5. Furniture trends 2009: The brand collections hülsta and now! by hülsta

During the SALES FAIR in September 2008, the current hülsta and now! by hülsta brand collections were presented. During the 3-week event, trade partners and journalists from all over the world were able to gather information on future living trends, new material and technical innovations.

With **ENCADO II**, hülsta launches a new system range for living and dining. Its wide choice of surfaces will cover many requirements. The **DINING** sector will be complemented by solid wood dining tables in walnut, oak and beech. Classic steel tube free-swinging chairs with knitted covers and elegant upholstered chairs with movable back rests round off the range.

hülsta presents two new ranges for the bedroom sector: the design-oriented product **MIOLETTO** with sophisticated shapes, handle-less single units, innovative lighting systems and functional wardrobes. Walnut, oak and lacquered finishes can be combined with each other. The second product will be marketed under the name **CEPOSI**. It offers a more compact choice of units. The consumer can choose the mix of wood and lacquer. CEPOSI will be offered at an extraordinarily attractive price.

NOW NO. 12 is the latest addition to the now! by hülsta cash-and-carry range, offering design-oriented single units for LIVING, DINING and HOME OFFICE. New oak finishes can be combined with high-gloss surfaces to create new living styles.

Apart from these innovations, hülsta also presented numerous further developments of successful products as well as technical innovations during the SALES FAIR. Within the last couple of months, the company's engineers developed an entirely new, hard-wearing high-gloss surface that will be launched within the next week with **ENCADO II**. New ambient LED lighting for bed and drawers will be marketed with the new bedroom range **MIOLETTO**.

In 2009, the hülsta brand collection will be geared to satisfy the different current requirements of the consumers in the international markets and the trends towards material mix and natural characteristics. Designs will be timeless. High quality will again be the main focus in 2009.

From 19th to 25th January 2009, hülsta will be presenting its cash-and-carry collection now! by hülsta at the international furniture fair imm cologne The fair will be open to the public on 24. and 25.01 2009.

hülsta-Management
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