

Refinancing volume secured in significant parts

- **Praktiker obtains funds in the amount of 40 million euros and a binding commitment over further 20 million euros**
- **Negotiations about a further loan with a volume of 15 million euros are expected to be concluded shortly**
- **Principal banks extend credit line for operational business**
- **Commercial credit insurances prepared to support operative restructuring by insurance commitment**

Kirkel / Hamburg – 2 October 2012. Today, the negotiations about the debt financing of the restructuring and realignment of Praktiker AG have been concluded in significant parts. In particular, the agreement about a secured loan with a volume of 40 million euros between the company and an investor group advised by the Austrian private bank Semper Constantia has been closed successfully. In addition, Praktiker obtained a binding commitment of a credit institution to grant further funds in the amount of 20 million euros after completion of the capital increase resolved by the shareholders' meeting on 4 July 2012. As these moves helped secure a significant volume of financial funds, the existing credit line has under the leadership of Commerzbank been extended for three years in the amount of 40 million euros. Moreover, the commercial credit insurances of the company are willing to support the restructuring process through respective commitments against suppliers. The last element of the debt financing package is a further loan with a volume of 15 million euros. The company expects to conclude the corresponding negotiations shortly as well.

"With this package deal we have achieved the breakthrough for the financing of our restructuring programme", stressed Dr. Kay Hafner, Chairman of the Management Board of Praktiker AG. "As the need for coordination among the different financing parties was quite complex, it took us a little longer than originally expected. But now all parties involved have confirmed their willingness to cooperate in the negotiations. For us this is a clear sign that they believe in the company's turnaround, fully back our restructuring programme and will continue to support it also in the future. This gives us security and stability. We are confident to conclude the agreements about the further funds in the amount of 15 million euros shortly and can then fully focus on the realignment of our business model and drive it forward without delay".

The loan which was originally to be provided by an international investment company is the cornerstone of the overall concept to finance the restructuring of the Group. With the investor

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funding supported by Semper Constantia, it was possible to design a much more favourable financing scheme for Praktiker. CFO Markus Schürholz, speaking about the agreement concluded with the Austrian investors: "Although the volume of the loan is slightly lower than what we had originally planned, the conditions which we were able to agree with Semper Constantia are more favourable overall than what we would have had to remit to the international investment company."

The loan from the investor group of Semper Constantia is made available today. Further funds in the amount of 15 million euro are expected to be realised shortly. Further funds of 20 million euros will be provided after the successful completion of the capital increase. "I am confident that we will be able to successfully manage the upcoming capital increase", said Schürholz, "it will allow us to continue implementing the restructuring programme as planned."

Meanwhile the operative execution of the realignment of Praktiker group is well underway. The first wave of conversion of Praktiker sites into profitable Max Bahr brand is currently ongoing; the first seven stores were re-opened on 27 September. The second wave, also comprising seven store conversions, will follow in a few weeks. At the same time work on the prototype of a new Praktiker store is intensified, the roll-out of new service elements of Max Bahr is continued and necessary negotiations in order to include suppliers in the development of concepts are entered into. Finally, the establishment of the new group headquarters in Hamburg will be completed in October.