



# ANNUAL PRESS CONFERENCE - OUTLOOK 2025

## NORDWEST sets the focus on its growth strategy and future projects

**Dortmund 08/05/2025 – The industrial business-to-business association NORDWEST currently expects a business volume of 4.8 billion euros at the Group level for 2025 with a variability of +/- 9%, primarily dependent on the development in the Construction and Steel divisions. In consideration of NORDWEST's planned future investments, a decline in earnings is expected, above all due to the impact of the restructuring of the logistics processes. The Group therefore expects earnings before the financial result and taxes**

**(EBIT) to come in below the level reported the previous year. In terms of the earnings before the financial result and taxes (EBIT), a value of 15.0 million euros is anticipated with a margin of fluctuation of +/- 0.9 million euros.**

Despite persistently difficult general conditions in 2025, NORDWEST is rigorously implementing major projects over the coming years in order to prepare itself for future economic recovery and ensure its continued sustainability. This includes the rebranding of the exclusive PROMAT brand, which will gradually change over to TECWERK during the year, the marketing of the exclusive Building Services brand delphis, the consistent advancement of the financial products in Factoring and Central Payment both nationally and internationally, the digitalisation of the business processes as well as improving efficiency in the association by introducing the AI tool Microsoft Copilot. These future projects are focussed on the major investment in the new, state-of-the-art NORDWEST logistics centre in Alsfeld, Hesse. This will be recognised as an expense and therefore have an impact on earnings performance in the short-term, but will ultimately secure NORDWEST's future success.

As one aspect of the growth strategy, this year NORDWEST is also focussed on acquiring new specialist trade partners and suppliers. Overall, in 2025 the Group expects the acquisition of new partners and the associated new sales opportunities as well as an anticipated recovery in the second half to lead to a slight increase in business volume compared to the previous year.

## **Forward-looking strategic planning**

As an ingrained part of NORDWEST's identity, actively and resolutely shaping the business with necessary and prudent optimisations remains absolutely critical. With a view towards the long-term objectives, the trade association has used the record-breaking financial years in 2022 and 2023 to advance the Group's ongoing development in terms of integrated efficiency, and consistently pressed on with this commitment in the weaker 2024 financial year. NORDWEST remains focussed on providing specialist trade partners and suppliers with the greatest possible added value through the services it offers. The support measures put in place to maintain stability will act as the foundation for new growth in the coming years.

## The first quarter of 2025

In the first three months of the current financial year, the NORDWEST Group generated a business volume of 1,210.5 million euros. The trade association had a positive start to the 2025 financial year and exceeded the previous year's figure by 3.8% in the first quarter. Business development differed across the individual business areas. While the central payment and drop shipment business continued to slowly recover in the first quarter (+4.2%) as a result of the positive development in all product areas, the warehouse business reported a decline of -3.5% from the previous year's figure. Beyond this, the development of the number of affiliated specialist trade partners was clearly positive. In the first quarter, 24 new companies were able to be acquired in net terms, growing to 1,276 NORDWEST specialist trade partners at the end of the quarter.

## Performance in the individual divisions to date

Pleasingly, the business volume across all divisions in the first quarter of 2025 was above the level posted the previous year. The Steel and Building Services divisions deserve particular mention in this respect.

The **Steel** division grew strongly by 7.9% compared to the previous year, with business volume of 393.6 million euros. This development was due to a higher price level as well as an increase in the tonnage sold. Despite the contracting construction industry, the import volume was able to be increased significantly and the acquisition of new specialist trade partners and suppliers proceeded as planned. Besides this, the astedis cooperation reinforced the focus on the networking concept as a European steel purchasing organisation. But, as the construction sector remains under pressure, 2025 is expected to once again be a difficult year for steel trade.

The **Building Services** division was also able to impress with a significant 17.8% increase in business volume year-on-year, coming in at 92.6 million euros. In the central payment and drop shipment business (+18.7%), this development was primarily due to the acquisition of new specialist trade partners. The warehouse business, too, significantly exceeded the previous year's figure, increasing by 5.7%. Business volumes in the Building Services division are

therefore forecast to increase by +25% to +50% year-on-year in the 2025 financial year in consideration of the influencing factors stated above.

The development of the **Construction** (+5.2%) and **Trade/Industry** (+3.4%) divisions also impressed in the first quarter. The positive overall development in the **Trade/Industry** division was reflected by the central payment and drop shipment business with a volume of 249.5 million euros (+5.3%), while the warehouse remained below the level posted the previous year (-4.7%) with a volume of 51.0 million euros. In the **Construction** division, both the central payment and drop shipment business impressed with a volume of 109.7 million euros (+5.5%) together with the warehouse business with 7.1 million euros (+0.8%).

Coming in at a business volume of 307.0 million euros, only the **TeamFaktor/Services** division fell below the previous year's figure by 4.5% due to a fall in sales in existing business, which was not able to be completely compensated by new business. However, this division is expected to return to growth in 2025. This development will be sustained, in particular, by the expansion of the customer base in the past financial year as well as planned additional acquisitions.

## **Expected development of the business types**

The warehouse business is expected to grow or at least maintain its business volume in 2025. A key point here is that the use of the NORDWEST warehouse, with its short delivery times and direct delivery to end customers, allows affiliated specialist trade partners to free-up their own liquidity and reduce inventory at the point-of-sale. Particularly in light of the current macroeconomic development, the utilisation of NORDWEST's own warehouse is therefore expected to increase.

## **The new central warehouse in Alsfeld is taking shape**

An important component of the future of the warehouse business is investments in the restructuring of the logistics processes. This includes the construction of an efficient, state-of-the-art central warehouse with optimised logistics processes in Alsfeld, in the Weißer Weg industrial zone (Hesse).

NORDWEST currently expects the manual processes, that is to say the first storage of articles, to go-live in the first quarter of 2026. From then on, the trade association will gradually relocate all goods from all locations to Alsfeld and also promptly start shipping goods from the new location. The hazardous goods handling will also be fully integrated right from the beginning. Due to the extended implementation phase of the planned automation (automatic small parts warehouse together with conveyor connection and integrated fully-automatic packaging machine), "manual" processing with shelving systems and pallet shelving units will take place for around one year. At the same time, the highly-automated small parts warehouse with its roughly 170,000 spaces, 210 shuttle and 6 double-lift systems will be installed beyond 2026.

Once the internal relocation from manual processing to the automatic small parts warehouse has been completed, in all likelihood, specialist trade partners will be able to profit from all the benefits of the NORDWEST central warehouse from the first quarter of 2027. Besides the cost benefits and a high product availability, this will also include more efficient logistics as well as longer order acceptance times, shorter order processing times and same-day shipping throughout Germany. All of these advantages will help our retail partners succeed in an increasingly competitive market environment and therefore also help to support NORDWEST's pan-European growth strategy. The trade association is also planning to successively expand its customer-specific logistics by offering professional logistics services to B2B wholesalers, suppliers and other interested parties based on the additional capacities that will have been created.

## **PROMAT becomes TECWERK – rebranding the exclusive brand**

The rebranding from PROMAT to TECWERK will take place in stages throughout the year with a view towards inventory management and encompasses all of the roughly 10,000 articles. The first articles are already available from the central warehouse. The marketing campaign with new brand faces launched in April and will further define and enhance the brand image. The rebranding is focussed on creating a modern and distinctive appearance and makes use of comprehensive marketing activities to further and more successfully increase the profile of the exclusive brand in the European market. This not only opens up new marketing opportunities on social media and through sponsoring



activities, but also clearly sets the brand apart from its competitors. TECWERK dealers will be able to fully capitalise on the added value of the exclusive brand – through a diversified assortment, professional quality at a very good price-performance ratio, high product availability, marketing support, greater sustainability and the overall boost brought about by the rebranding. Just like PROMAT before, as the successor, TECWERK will also combine reliable premium product quality with excellent value for money. TECWERK targets professional users in construction, trade, industry and municipalities as well as ambitious DIYers.

## **Über die NORDWEST Handel AG:**

Die NORDWEST Handel AG mit Sitz in Dortmund gehört seit 1919 zu den leistungsstärksten Verbundunternehmen des Produktionsverbindungshandels (PVH) mit einem Geschäftsvolumen in Höhe von 4.801 Mio. Euro gesamt per 2023. Die Kernaufgaben des Verbandes zur Unterstützung der rund 1.255 Fachhandelspartner aus den Bereichen Stahl, Bau-Handwerk-Industrie und Sanitär- und Heizungstechnik (Haustechnik) liegen in der Bündelung der Einkaufsvolumina, der Zentralregulierung, einem starken Zentrallager sowie in umfangreichen Dienstleistungen. NORDWEST ist auch in Europa, insbesondere in den Schwerpunktländern Österreich, Schweiz, Frankreich, Polen sowie Benelux aktiv.

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