

Press Release

Hamburg, 14. January 2019

OTTO exclusively snaps up MACHALKE

The leather and upholstery furniture of the brand MACHALKE will be exclusively available on otto.de in future. The premium sofa specialist is giving up its retail store and is moving into online retail together with OTTO.

OTTO, Germany's leading online furniture retailer is expanding its premium furniture segment as part of its business model shift on the platform and from now on will exclusively sell the models from the upholstery specialist MACHALKE. So OTTO is the first and only supplier for all furniture from the traditional brand. On otto.de the customer will be able to find the whole segment in stages, starting shortly with the 'Diego' and 'Luna' models.

"We are pleased to be finding our way in E-commerce together with OTTO. Both brands stand for the optimal combination of tradition and innovation with the client's wishes always taking priority," says Hubertus Kläs, who is responsible for MACHALKE's fate as the Managing Director of Neofacture Furniture, part of the Prevent Group company in Wolfsburg.

"The stationary furniture industry mainly revolves around itself - the needs of the customer appear to play no role at all any more," he adds - explaining the reasons behind the MACHALKE retreat from the stationary store in an interview with the OTTO newsroom.

"With MACHALKE's high quality leather and upholstery furniture, we are strengthening our premium furniture segment and our aspiration to develop our position as a market leader in online furniture retail. We are pleased that MACHALKE has not only chosen online retail, but also us as their partner," says <u>Dr. Michael Heller, Divisional Director of OTTO Categories</u>.

local court of Hamburg, HR A 62 024, General Partner: Verwaltungsgesellschaft Otto mbH, Hamburg, local court of Hamburg, HR B 13 762 represented by: Alexander Birken (Chairman) • Dr Rainer Hillebrand (Vice Chairman) • Dr Marcus Ackermann • Petra Scharner-Wolff • Kay Schiebur • Sven Seidel

Members of the OTTO Management Board: Marc Opelt (Chairman) • Dr Michael Heller (Vice Chairman) • Dr Michael Müller-Wünsch • Katy Roewer (special proxy holders)

For further information please visit www.otto.de/unternehmen/en.

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