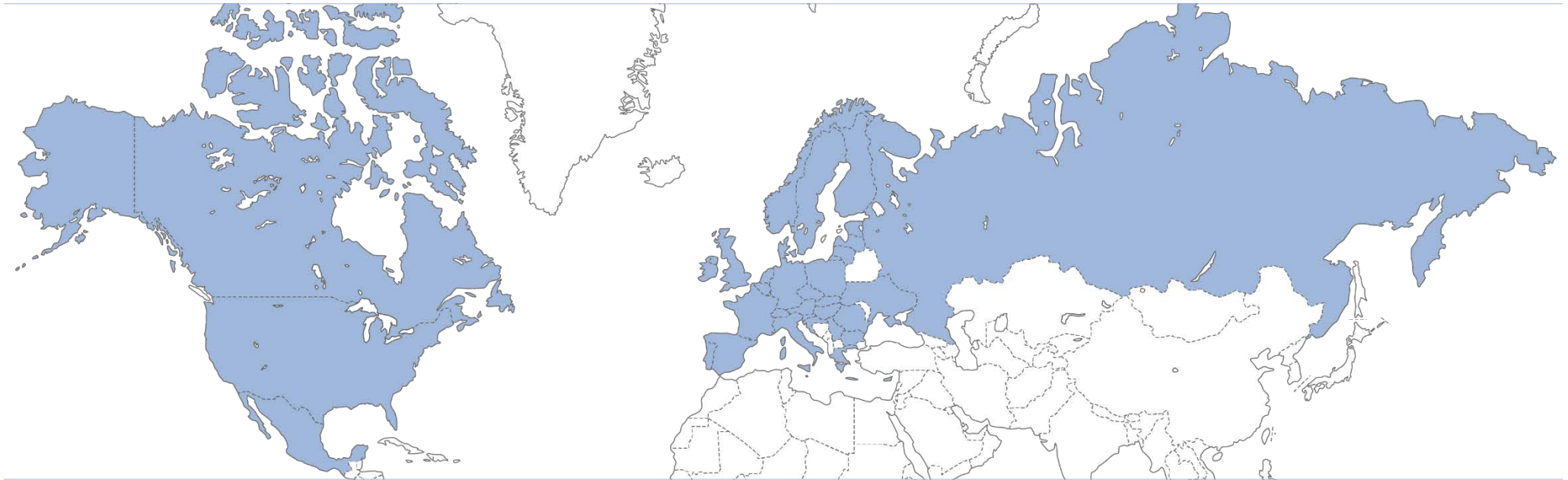


# Delticom AG: Company Presentation

Hanover, 13 August 2015



# Delticom – Europe's leading online tyre retailer



- ▶ 188 online shops in 45 countries across the globe (Europe & North America)
- ▶ Service partners: EU 36,000, Non-EU 6,000
- ▶ More than 25,000 models from over 100 tyre brands for cars, motorcycles, commercial vehicles and buses
- ▶ Complete wheels, motor oil, replacement parts and accessories
- ▶ Multi-brand strategy

# H1/2015: growth in a market environment of deflationary prices

## Macroeconomy

- ▶ Eurozone gains momentum, but still considerable differences between member states
- ▶ Consumer sentiment remains at low level
- ▶ Fears over Greece and weaker development outside Europe are pressuring consumer sentiment

## Revenues

- ▶ e-commerce revenues of 191 online shops +11.3 % growth y-o-y
- ▶ 78 % of revenues stem from EU countries, with stronger revenues growth (11.2 % compared to 8.7 % for Rest of World)

H1/2015

## Tyre market

- ▶ Weak start of the year, Q2 15 did not match the performance of the prior year
- ▶ Industry figures: car replacement tyre sales in Germany -1.6 % in H1 15 (summer tyres: -6.5 %)

## Customer base H1 15

- ▶ 492 thousand new customers
- ▶ 488 thousand repeat customers
- ▶ Customer base > 8.7 million

# H1/2015: Key Financials Delticom Group

	Unit	H1 15	H1 14	-/+ (% , %p)	
New customers	k	492	469	+4.8	→ New methodology in Q1 15
Revenues	€m	250.2	226.1	+10.7	
Gross profit *)	€m	57.8	56.1	+3.1	
Gross margin *)	%	23.1	24.8	-1.7	→ Focus on volume growth
EBITDA	€m	6.6	6.2	+6.4	→ Volume-related costs compensated by reduced marketing and personnel costs
EBITDA margin	%	2.6	2.7	-0.1	→ Depreciation: further logistics optimization
EBIT	€m	1.4	2.1	-32.3	
EBIT margin	%	0.6	0.9	-0.4	
Net income	€m	0.7	-0.2		→ Increase of € 905.3 thousand
Earnings per share (undiluted)	€	0.06	-0.02		

	Unit	30.06.15	30.06.14	-/+ (% , %p)	
Inventories	€m	74.9	109.2	-31.4	→ Optimized stocking
Equity	€m	48.3	46.8	+3.1	
Equity ratio	%	26.7	22.6	+4.1	

\*) excl. other operating income

# H1/2015: P+L statement

in €m	H1 15	H1 14	-/+ (%)	
<b>Revenues</b>	<b>250.2</b>	<b>226.1</b>	<b>+10.7</b>	
Other operating income	8.7	6.1	+42.4	
<b>Total operating income</b>	<b>258.9</b>	<b>232.2</b>	<b>+11.5</b>	
Cost of goods sold	-192.3	-170.0	+13.2	
<b>Gross profit</b>	<b>66.5</b>	<b>62.2</b>	<b>+6.9</b>	
Personnel expenses	-4.5	-7.7	-41.4	→ Reduced Tirendo workforce
Other operating expenses	-55.4	-48.3	+14.7	→ Volume-related costs up
<b>EBITDA</b>	<b>6.6</b>	<b>6.2</b>	<b>+6.4</b>	
Depreciation	-5.2	-4.1	+25.8	
<b>EBIT</b>	<b>1.4</b>	<b>2.1</b>	<b>-32.4</b>	
Financial expenses	-0.2	-0.4	-51.8	
Financial income	0.0	0.0	-40.9	
Net financial result	-0.2	-0.4	-52.3	
<b>EBT</b>	<b>1.2</b>	<b>1.6</b>	<b>-27.2</b>	
Income taxes	-0.5	-1.8	-74.4	→ Tax rate 39 %
<b>Consolidated net Income</b>	<b>0.7</b>	<b>-0.2</b>	<b>-507.4</b>	

# H1/2015: Balance sheet – Assets

in €m	30.06.15	%	-/+ (%)	31.12.14	%	30.06.14	%	
<b>Assets</b>								
Non-current assets	54.4	30.1	-6.5	58.1	35.4	61.9	29.9	
Intangible assets	45.4	25.1	-5.3	47.9	29.2	50.1	24.2	
Property, plant and equipment	7.1	3.9	-21.2	9.0	5.5	9.8	4.7	
Financial assets	0.1	0.1	+304.0	0.0	0.0	0.8	0.4	
Deferred taxes	1.3	0.7	+81.7	0.7	0.4	0.7	0.4	
Other receivables	0.5	0.3	+10.7	0.5	0.3	0.5	0.2	
Current assets	126.4	69.9	+19.4	105.9	64.6	145.3	70.1	
Inventories	74.9	41.5	+33.5	56.2	34.2	109.2	52.7	→ According to plan
Accounts receivable	19.9	11.0	+37.3	14.5	8.8	13.5	6.5	
Other current assets	13.9	7.7	+195.4	4.7	2.9	14.2	6.8	→ Mainly tax refund claims
Income tax receivables	1.3	0.7	+135.3	0.5	0.3	1.5	0.7	
Cash and cash equivalents	15.9	8.8	-46.8	30.0	18.3	7.0	3.4	
Financial assets held for sale	0.4	0.2	/	0	0	0	0	→ Deinvestment Tyrepac
<b>Assets</b>	<b>180.8</b>	<b>100.0</b>	<b>+10.2</b>	<b>164.0</b>	<b>100.0</b>	<b>207.2</b>	<b>100.0</b>	



# H1/2015: Balance sheet – Shareholder's Equity and Liabilities

in €m	30.06.15	%	-/+ (%)	31.12.14	%	30.06.14	%
<b>Equity</b>	<b>48.3</b>	<b>26.7</b>	<b>-4.0</b>	<b>50.3</b>	<b>30.7</b>	<b>46.8</b>	<b>22.6</b>
attributable to Delticom AG shareholders	47.3	26.2	-4.0	49.3	30.1	46.8	22.6
Subscribed capital	11.9	6.6	0	11.9	7.3	11.9	5.8
Share premium	25.4	14.0	0	25.4	15.5	25.6	12.3
Other components of equity	0.5	0.3	+315.6	0.1	0.1	-0.1	0.0
Retained earnings	0.2	0.1	0	0.2	0.1	0.2	0.1
Net retained profits	9.3	5.1	-20.5	11.7	7.1	9.2	4.4
Non-controlling interests	1.0	0.5	-0.6	1.0	0.6	0.0	0.0
<b>Liabilities</b>	<b>132.5</b>	<b>73.3</b>	<b>+16.5</b>	<b>113.7</b>	<b>69.3</b>	<b>160.3</b>	<b>77.4</b>
Non-current liabilities	14.2	7.9	-14.7	16.7	10.2	21.5	10.4
Long-term borrowings	13.4	7.4	-12.6	15.4	9.4	19.6	9.4
Non-current provisions	0.3	0.2	-14.5	0.4	0.2	0.3	0.1
Deferred tax liabilities	0.5	0.3	-49.3	0.9	0.6	1.6	0.8
Current liabilities	118.3	65.4	+21.8	97.1	59.2	138.8	67.0
Provisions for taxes	1.3	0.7	+48.4	0.8	0.5	0.7	0.3
Other current provisions	1.7	0.9	+8.5	1.5	0.9	1.5	0.7
Accounts payable	82.1	45.4	+8.1	75.9	46.3	101.5	49.0
Short-term borrowings	17.6	9.7	+297.9	4.4	2.7	23.4	11.3
Other current liabilities	15.1	8.4	+5.4	14.4	8.8	11.7	5.7
Current liabilities for financial assets	0.5	0.3	/	0	0	0	0
<b>Shareholder's equity and liabilities</b>	<b>180.8</b>	<b>100.0</b>	<b>+10.2</b>	<b>164.0</b>	<b>100.0</b>	<b>207.2</b>	<b>100.0</b>

→ In line with inventory buildup

# H1/2015: Abridged cash flow statement

in €m	H1 15	H1 14
<b>Earnings before interest and taxes (EBIT)</b>	<b>1.4</b>	<b>2.1</b>
Changes in inventories	-18.8	-36.3
Changes in receivables and other assets not allocated to investing or financing activity	-14.7	-3.8
Change in payables and other liabilities not allocated to investing or financing activity	7.0	24.5
Other items	3.2	4.0
<b>Cash flow from operating activities</b>	<b>-21.9</b>	<b>-9.5</b>
<b>Cash flow from investing activities</b>	<b>-1.2</b>	<b>-0.4</b>
<b>Cash flow from financing activities</b>	<b>8.3</b>	<b>5.5</b>
Exchange rate-induced change in cash and cash equivalents	0.4	0.1
Cash and cash equivalents at the start of the period	30.0	11.3
Cash-relevant changes in cash and cash equivalents	-14.4	-4.4
Changes in the scope of consolidation	0	0
<b>Cash and cash equivalents at the end of period</b>	<b>15.9</b>	<b>7.0</b>



# Outlook 2015

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## Market

- ▶ Moderate growth forecasts for eurozone
- ▶ BRV forecast: no lasting industry improvement
- ▶ For winter business in Q4 15, excess inventories cannot be ruled out at the current time

## Delticom

- ▶ Guidance unchanged
- ▶ Turnover + EBITDA (abs.) at least flat y-o-y
- ▶ Increase in volume vs. 2014
- ▶ Over 1m new customers in 2015
- ▶ Expand market leadership

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## Investor Relations

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