

On track.

## Deutsches Eigenkapitalforum 2011

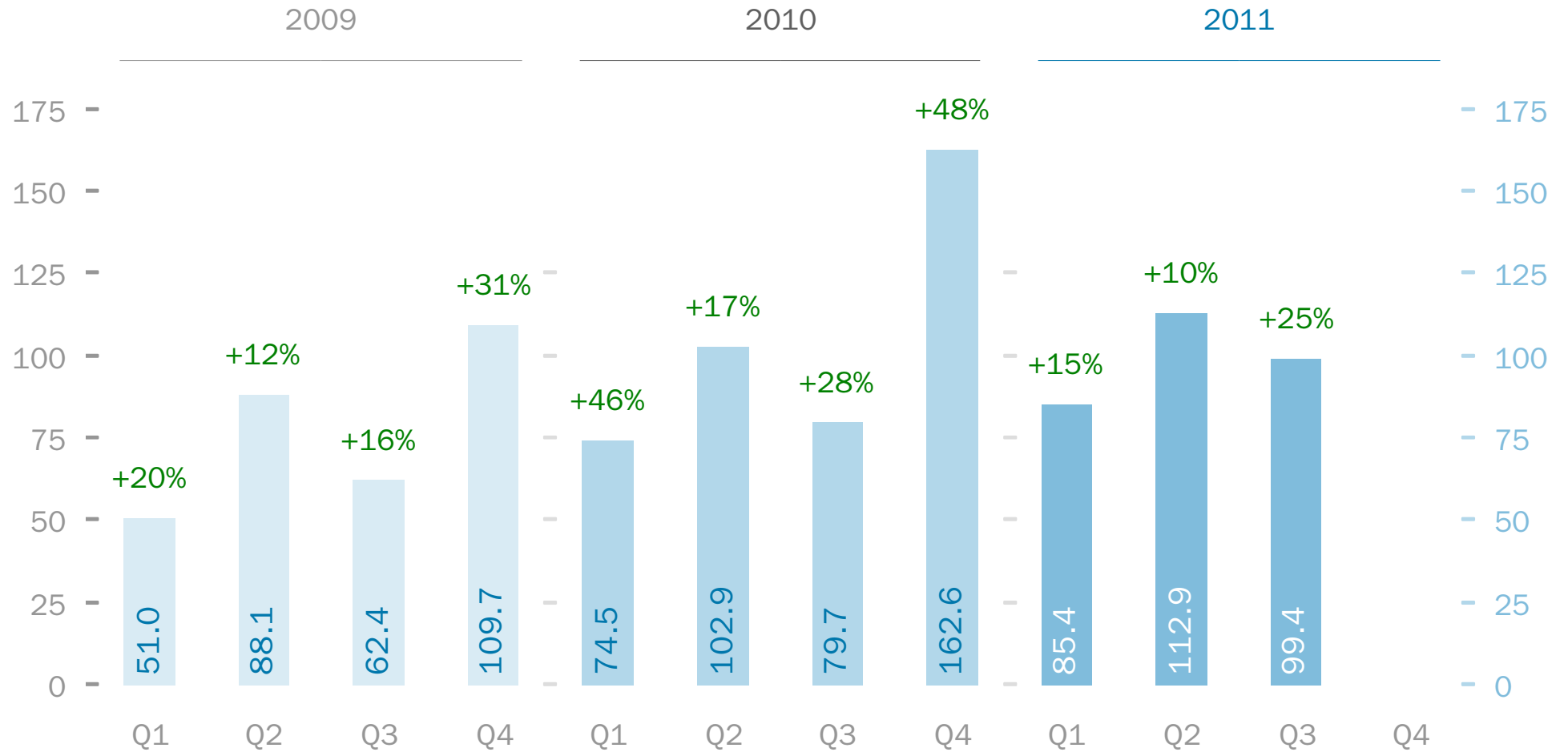
Frankfurt, 22. November 2011



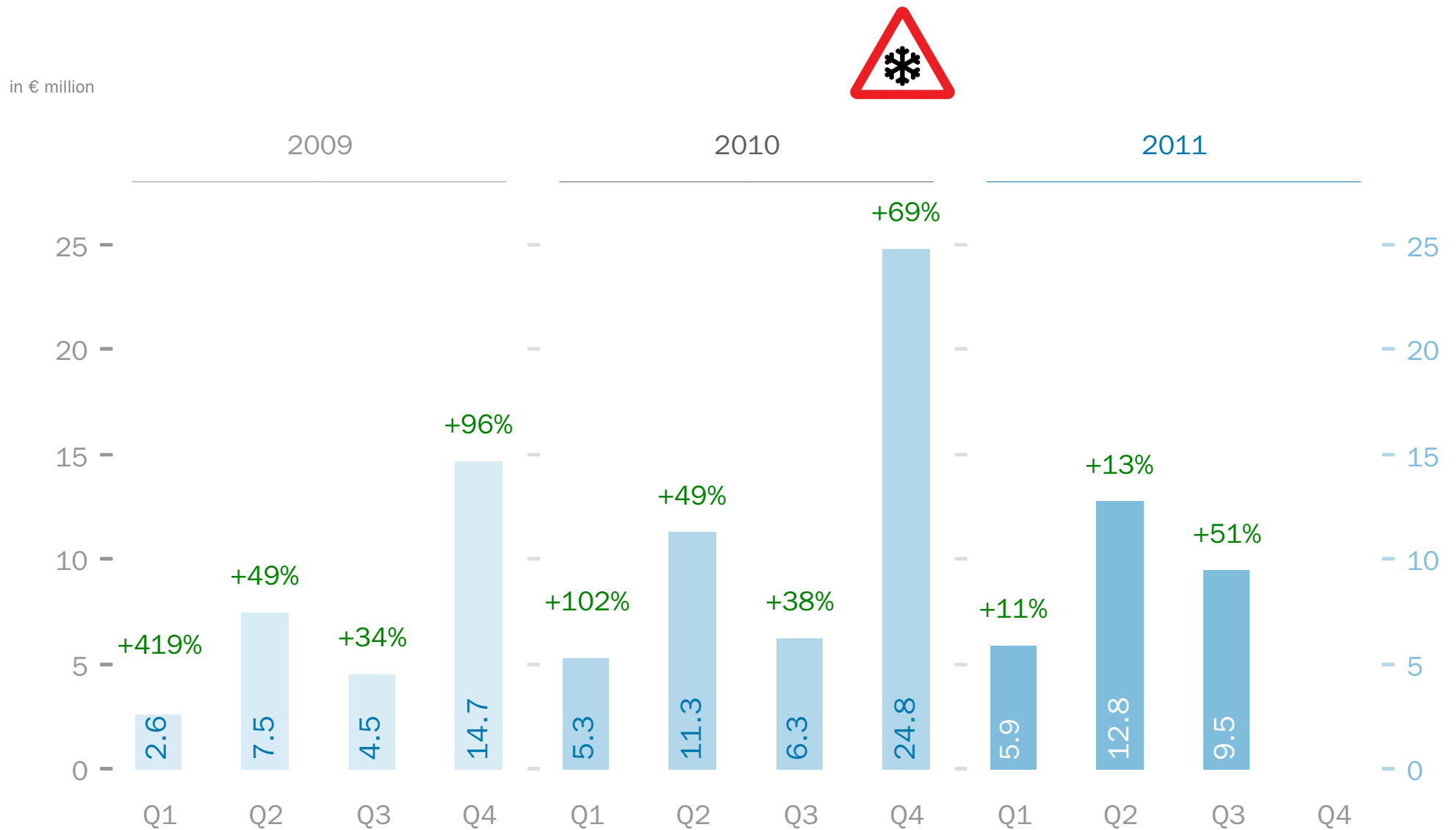


# Quarterly Revenues

in € million



# Quarterly EBIT



# A Football Field (of scarce products)





# Yield Management



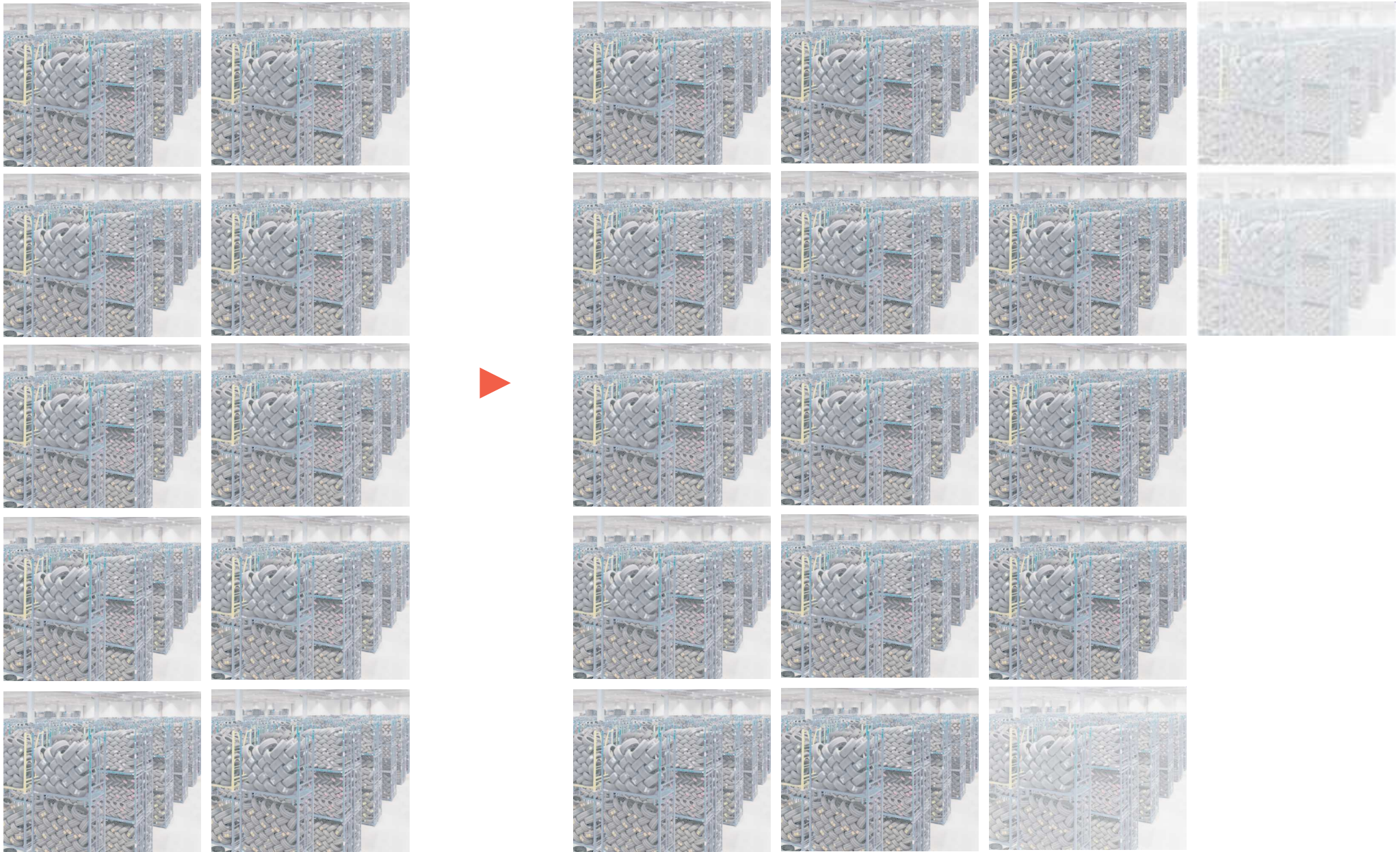
# Delticom at a Glance

- **#1 European online tyre dealer**
- > 100 online shops in **41 countries**
- founded 1999, IPO Oct 2006, SDAX Dec 2008
- more than **5 million customers**
- **focus on replacement tyres:** > 100 tyre brands, > 25,000 models
- other products:
  - motorcycle tyres, bicycle tyres
  - truck tyres, industrial tyres
  - complete wheels and rims
  - motor oil, car parts, accessories
- **111 employees**, mainly in the Hanover head office
- global network with more than **30,000 fitting partners**, e.g.

🇩🇪 DE 8139 🇺🇸 US 2301 🇬🇧 UK 1796 🇫🇷 FR 3559 🇨🇭 CH 1525

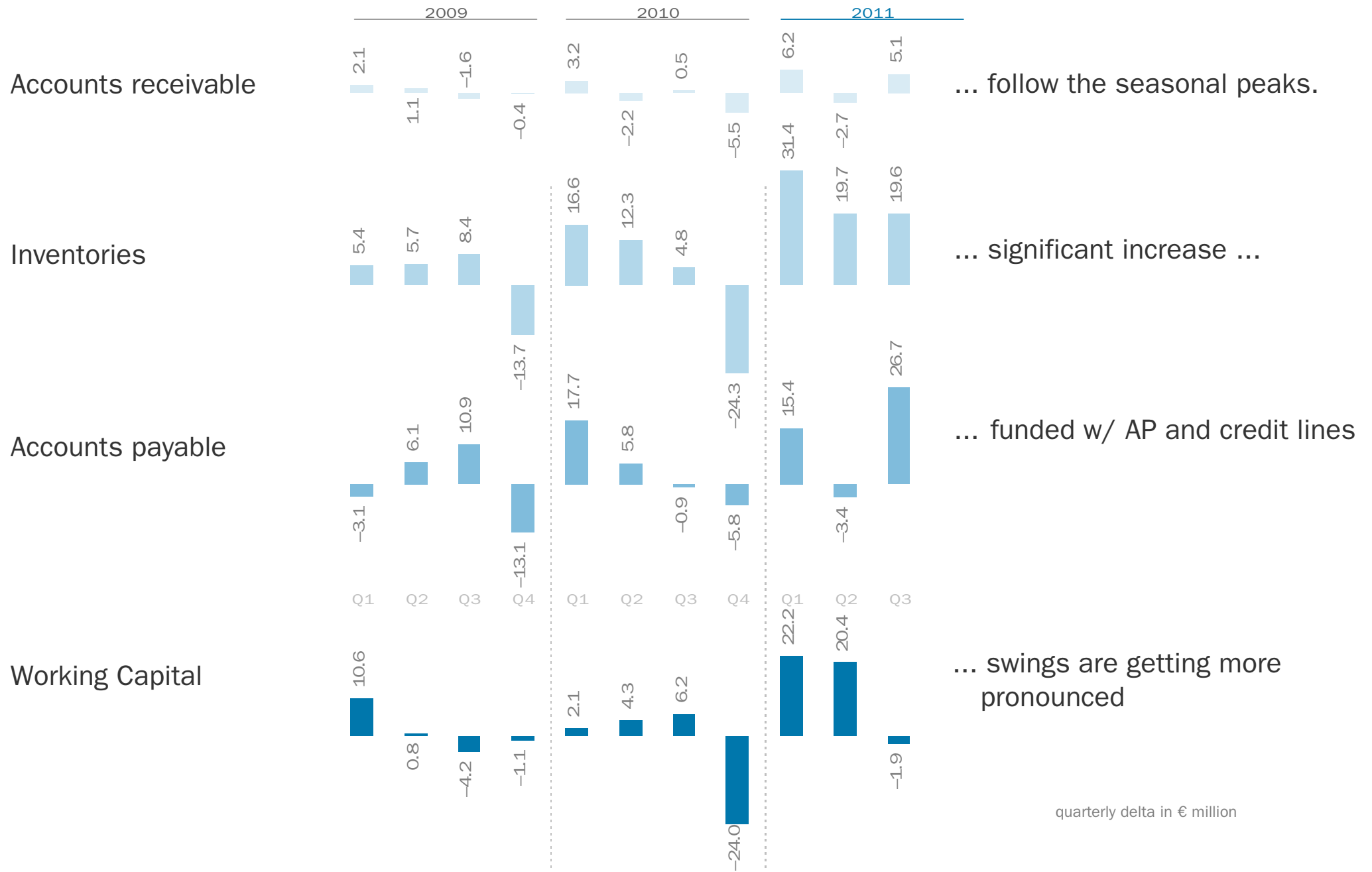


# Warehouse Capacity 2010 and 2011



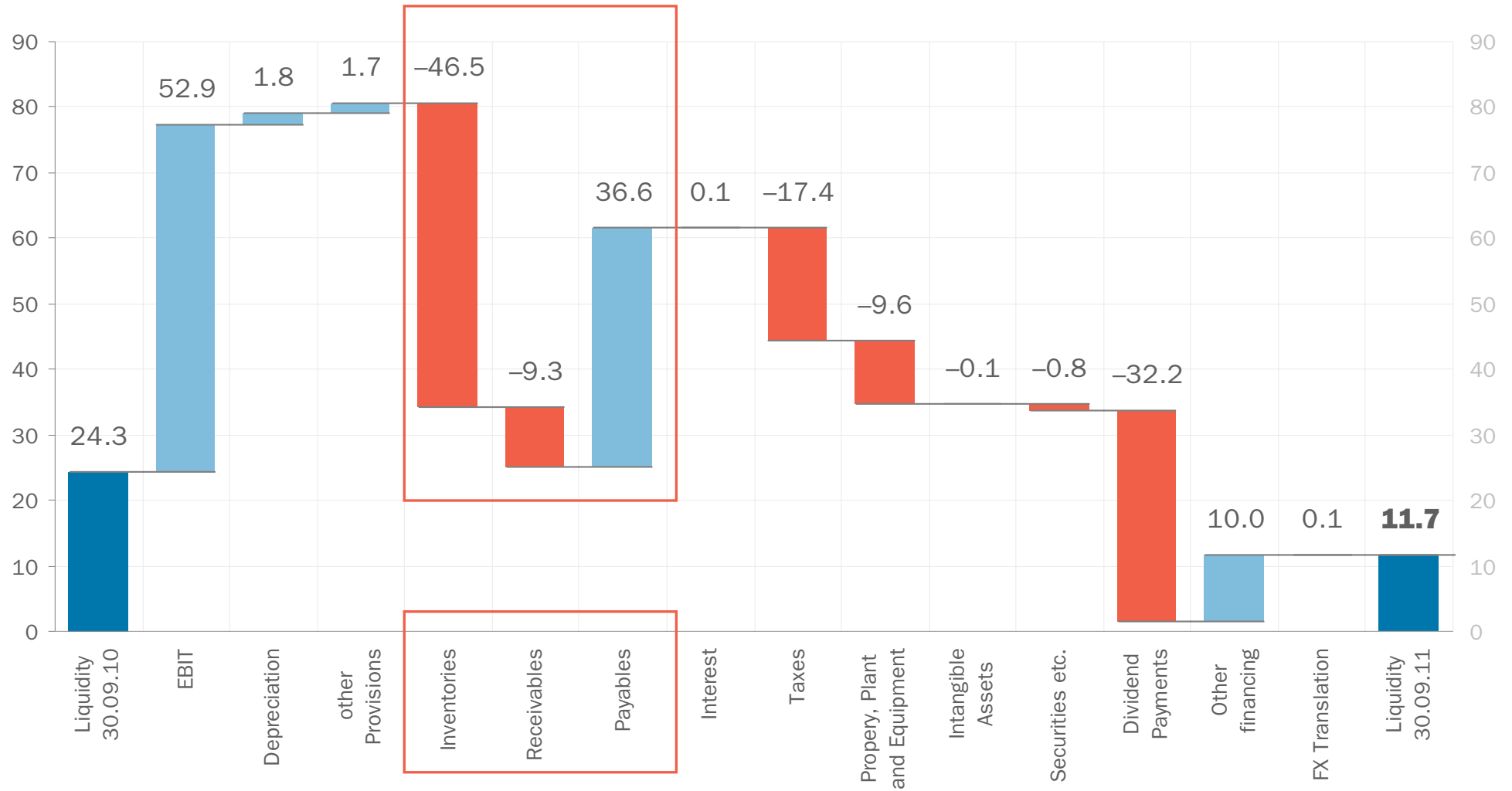


# Working Capital Management



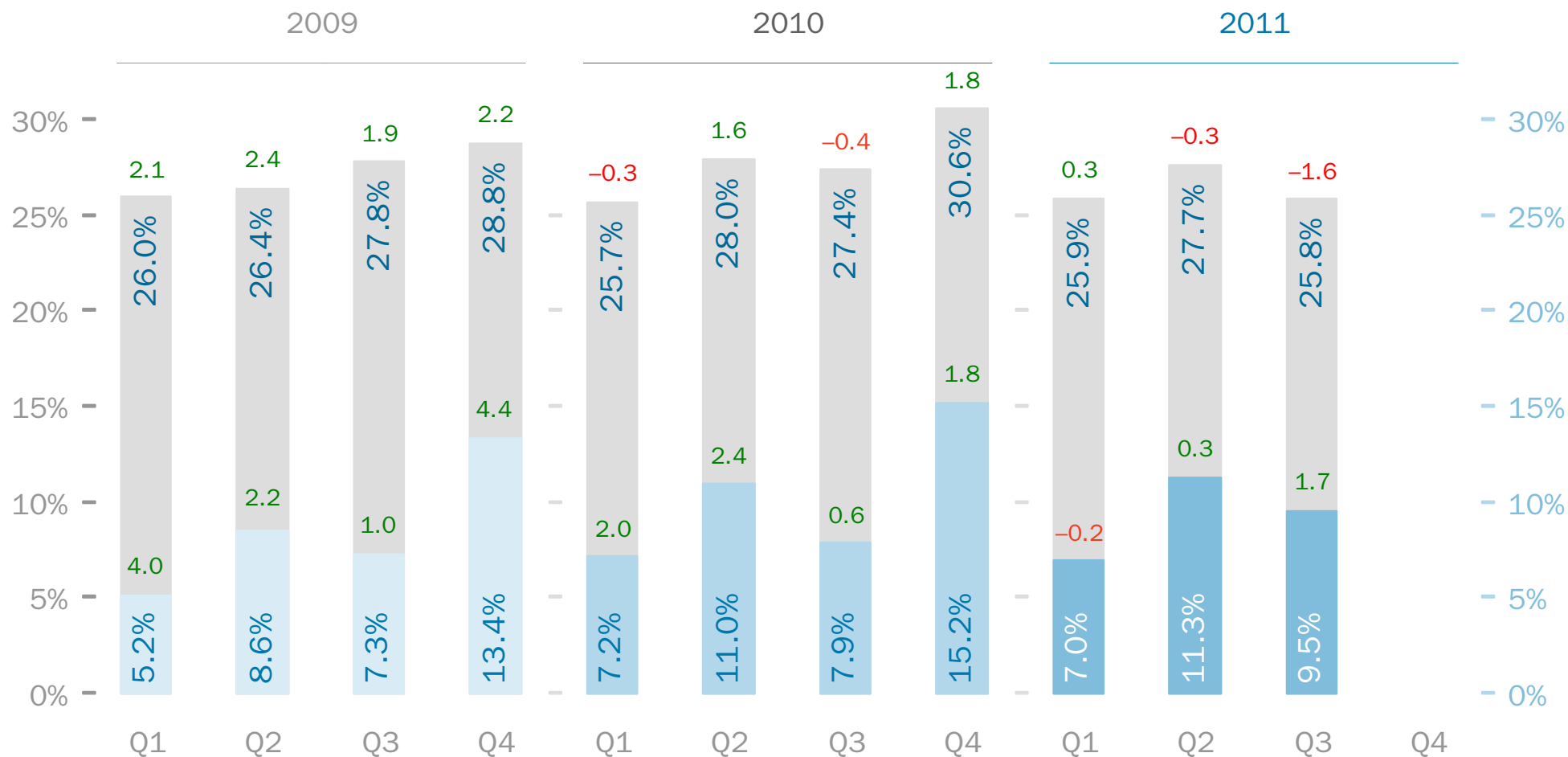
# Liquidity Bridge (ttm)

in € million



# Quarterly Gross/EBIT Margins

■ Gross Margin (simple)  
■ EBIT Margin



# P&L Drivers (9M)

	EUR		yoy	% of Revenues			
	9M11	9M10	%	9M11	9M10	chng	
<b>Revenues</b>	<b>297.7</b>	<b>257.0</b>	<b>15.8</b>	<b>100.0</b>	<b>100.0</b>	<b>0.0</b>	
Cost of sales	218.6	187.3	16.7	73.4	72.9	0.6	
<b>Gross Profit (ex ooi)</b>	<b>79.1</b>	<b>69.7</b>	<b>13.4</b>	<b>26.6</b>	<b>27.1</b>	<b>-0.6</b>	
Direct costs	<b>40.0</b>	<b>36.2</b>	<b>10.6</b>	<b>13.4</b>	<b>14.1</b>	<b>-0.6</b>	
Direct costs (dep. on volume)	31.1	27.9	11.4	10.4	10.9	-0.4	
Transportation costs	24.2	22.4	8.2	8.1	8.7	-0.6	
Warehousing costs	3.3	2.8	18.2	1.1	1.1	0.0	
Operations centre costs	3.6	2.8	30.6	1.2	1.1	0.1	← outlook: costs ↑
Direct costs (dep. on revenues)	8.9	8.3	8.0	3.0	3.2	-0.2	
Credit card fees	2.3	1.8	28.7	0.8	0.7	0.1	
Bad debt losses	0.8	1.1	-33.9	0.3	0.4	-0.2	
Marketing costs	5.8	5.3	9.9	2.0	2.1	-0.1	← outlook: costs ↑
<b>Contribution margin 1</b>	<b>39.0</b>	<b>33.6</b>	<b>16.3</b>	<b>13.1</b>	<b>13.1</b>	<b>0.1</b>	
Indirect costs	11.5	10.1	13.4	3.8	3.9	-0.1	
Personnel expenses	5.2	4.7	9.8	1.7	1.8	-0.1	
Rents and overheads	3.1	2.5	24.3	1.1	1.0	0.1	← outlook: used warehouse capacity ↑
Financial and legal costs	1.6	1.4	8.9	0.5	0.6	0.0	
IT and telecommunications	0.5	0.5	9.1	0.2	0.2	0.0	
Other	1.0	0.9	11.6	0.3	0.4	0.0	
<b>Contribution margin 2</b>	<b>27.6</b>	<b>23.5</b>	<b>17.6</b>	<b>9.3</b>	<b>9.1</b>	<b>0.1</b>	← In line with revenues growth
FX effects	0.7	-0.7		0.2	-0.3	0.5	← FX swings expected to wash out
Other operating profit (w/o FX gains)	1.4	1.1		0.5	0.4	0.0	
<b>EBITDA</b>	<b>29.6</b>	<b>23.8</b>	<b>24.4</b>	<b>10.0</b>	<b>9.3</b>	<b>0.7</b>	
Depreciation / Amortization	1.4	0.9	51.1	0.5	0.4	0.1	← low but increasing capital intensity
<b>EBIT</b>	<b>28.2</b>	<b>22.9</b>	<b>23.3</b>	<b>9.5</b>	<b>8.9</b>	<b>0.6</b>	
Net financial result	0.0	0.1	-88.7				← low liquidity, low/no interest rates
<b>EBT</b>	<b>28.2</b>	<b>22.9</b>	<b>23.0</b>	<b>9.5</b>	<b>8.9</b>	<b>0.6</b>	
Income taxes	9.2	7.6	21.2				
<b>Consolidated net income</b>	<b>19.0</b>	<b>15.3</b>	<b>23.9</b>	<b>6.4</b>	<b>6.0</b>	<b>0.4</b>	





# Outlook FY 2011

## Current trading in Q4:



- good start into the winter tyre season
- higher demand in winter tyres across Europe (including GB, BE, NL, ...)

## Market for replacement tyres

- Germany: 2011 est (BRV, as of March 2011): summer  $\pm 0\%$ , winter  $\pm 0\%$

**OBSOLETE**  
new: winter -5%

## 2011 top- and bottom line drivers:

- shortages (possibly Q4)
- new central warehouse (Q3 onwards)
- Q4 volume up, at lower margins (needs normal winter weather)

**OBSOLETE**  
no snow – no normal winter  
...but more stock, more sales

## Other factors:

- seasonal effects
- customers are trading down
- Delticom is international
- Delticom is online

- ▶ summer/winter tyres
- ▶ online channel gains importance
- ▶ diversified country portfolio
- ▶ good prices, good sales, good margins

▶ Revenues FY11: +10% yoy

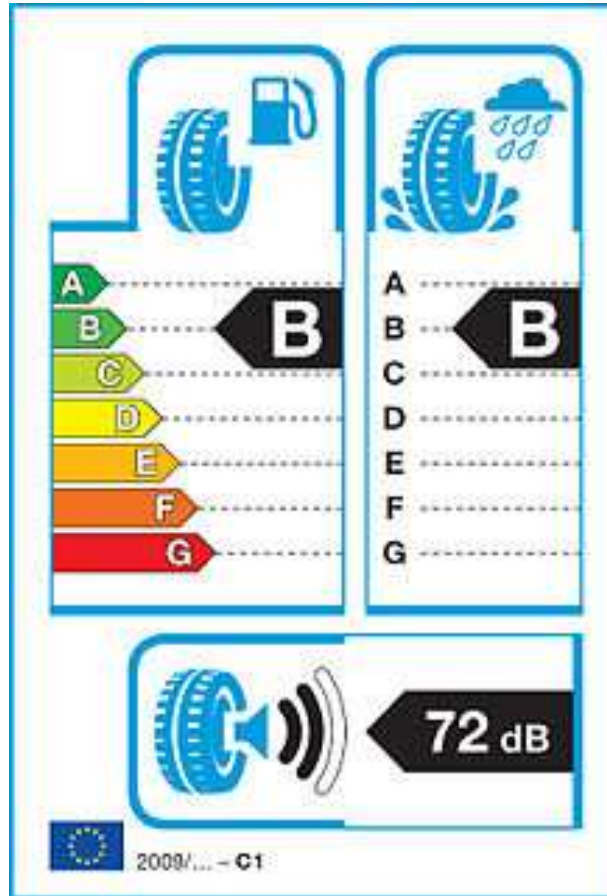
▶ EBIT-Margin FY11: -1%p yoy

consensus:

+13%

-0.6%p

# 2012: EU Tyre Labelling



- 1 #1 European online tyre retailer
- 2 Resilient and profitable business model
- 3 Strong cash flow, strong balance sheet
- 4 Redesign of the tyre distribution chain
- 5 Excellent growth opportunities