

Delticom AG: Company Presentation

Hanover, 12 November 2015



Delticom – Europe's leading online tyre retailer



- ▶ ~200 online shops in 41 countries (Europe & North America)
- ▶ Service partners: EU 36,837, Non-EU 6,044
- ▶ 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 (> 300k)
- ▶ MultiShops

9M/2015: growth in a market environment of deflationary prices

Macroeconomy

- ▶ Further downturn in global economic outlook due to weak growth in China and emerging markets
- ▶ European consumer spending and unemployment figures vary heavily
- ▶ In Germany, private consumption is a key pillar to economic development

Revenues

- ▶ Group revenues of €m 354.2 (+12.7 % y-o-y)
- ▶ 77 % of revenues stem from EU countries, with stronger revenues growth (14.7 % compared to 6.7 % for Rest of World)
- ▶ e-commerce revenues of 202 online shops +13.2 % growth y-o-y

9M 15

Tyre market

- ▶ Negative trend observed in first half of year continued in the third quarter
- ▶ Industry figures for 9M 15: summer tyre sales down 9.3 %, winter tyre sales down 3.4 %

Customer base

- ▶ 717 thousand new customers
- ▶ 643 thousand repeat customers
- ▶ Customer base > 9.2 million

9M/2015: Key Financials Delticom Group

	Unit	9M 15	9M 14	-/+ (%, %p)	
New customers	k	717	670	+7.0	→ New methodology
Revenues	€m	354.2	314.1	+12.7	
Gross profit *)	€m	84.8	79.1	+7.3	
Gross margin *)	%	23.9	25.2	-1.2	→ Focus on volume growth
EBITDA	€m	8.6	8.0	+7.3	→ Volume-related costs compensated by reduced personnel costs
EBITDA margin	%	2.4	2.5	-0.1	→ Depreciation: further logistics optimization
EBIT	€m	1.6	1.8	-10.3	
EBIT margin	%	0.5	0.6	-0.1	
Net income	€m	0.6	-0.9		
Earnings per share (undiluted)	€	0.05	-0.08		

	Unit	30.09.15	30.09.14	-/+ (%, %p)	
Inventories	€m	99.5	117.4	-15.2	→ Optimized stocking
Equity	€m	48.2	46.5	+3.7	
Equity ratio	%	22.5	20.1	+2.4	

*) excl. other operating income

9M/2015: P+L statement

in €m	9M 15	9M 14	-/+ (%)	
Revenues	354.2	314.1	+12.7	
Other operating income	12.2	8.5	+43.3	
Total operating income	366.4	322.7	+13.6	
Cost of goods sold	-269.4	-235.1	+14.6	
Gross profit	97.0	87.6	+10.8	
Personnel expenses	-7.3	-11.4	-36.2	→ Reduced Tirendo workforce
Other operating expenses	-81.2	-68.2	+19.0	→ Volume-related costs up
EBITDA	8.6	8.0	+7.3	
Depreciation	-6.9	-6.2	+12.6	
EBIT	1.6	1.8	-10.3	
Financial expenses	-0.3	-0.7	-49.7	
Financial income	0.0	0.0	-41.4	
Net financial result	-0.3	-0.6		
EBT	1.3	1.2	+10.4	
Income taxes	-0.7	-2.1		→ Tax rate >55 % (one-off effect in 2015)
Consolidated net Income	0.6	-0.9		

9M/2015: Balance sheet – Assets

in €m	30.09.15	%	-/+ (%)	31.12.14	%	30.09.14	%	
Assets								
Non-current assets	53.5	25.0	-7.9	58.1	35.4	60.7	26.2	
Intangible assets	44.5	20.7	-7.3	47.9	29.2	49.3	21.3	
Property, plant and equipment	6.7	3.1	-25.2	9.0	5.5	9.4	4.1	
Financial assets	0.5	0.2		0.0	0.0	0.8	0.4	
Deferred taxes	1.3	0.6	+88.2	0.7	0.4	0.7	0.3	
Other receivables	0.5	0.2	+6.1	0.5	0.3	0.5	0.2	
Current assets	160.9	75.0	+51.9	105.9	64.6	171.0	73.8	
Inventories	99.5	46.4	+77.2	56.2	34.2	117.4	50.7	→ According to plan
Accounts receivable	25.4	11.8	+75.0	14.5	8.8	17.2	7.4	
Other current assets	11.0	5.1	+133.0	4.7	2.9	10.3	4.5	→ Mainly tax refund claims
Income tax receivables	1.9	0.9	+251.0	0.5	0.3	1.6	0.7	
Cash and cash equivalents	23.1	10.8	-23.0	30.0	18.3	24.5	10.6	
Assets	214.4	100.0	+30.7	164.0	100.0	231.7	100.0	

9M/2015: Balance sheet – Shareholder’s Equity and Liabilities

in €m	30.09.15	%	-/+ (%)	31.12.14	%	30.09.14	%	
Equity	48.2	22.5	-4.2	50.3	30.7	46.5	20.1	
attributable to Delticom AG shareholders	47.1	22.0	-4.4	49.3	30.1	46.1	19.9	
Subscribed capital	12.0	5.6	0.4	11.9	7.3	11.9	5.2	
Share premium	25.4	11.8	-0.0	25.4	15.5	25.5	11.0	
Other components of equity	0.5	0.2	+251.6	0.1	0.1	0.0	0.0	
Retained earnings	0.2	0.1	0	0.2	0.1	0.2	0.1	
Net retained profits	9.1	4.3	-21.7	11.7	7.1	8.5	3.7	
Non-controlling interests	1.0	0.5	+4.0	1.0	0.6	0.3	0.1	
Liabilities	166.2	77.5	46.2	113.7	69.3	185.3	79.9	
Non-current liabilities	13.6	6.3	-18.4	16.7	10.2	21.2	9.2	
Long-term borrowings	12.8	6.0	-16.6	15.4	9.4	19.1	8.2	
Non-current provisions	0.3	0.1	-10.3	0.4	0.2	0.3	0.1	
Deferred tax liabilities	0.5	0.2	-51.5	0.9	0.6	1.8	0.8	
Current liabilities	152.6	71.2	+57.2	97.1	59.2	164.0	70.8	
Provisions for taxes	1.2	0.6	+42.6	0.8	0.5	0.6	0.3	
Other current provisions	3.6	1.7	+138.3	1.5	0.9	1.2	0.5	
Accounts payable	109.5	51.1	+44.2	75.9	46.3	117.8	50.8	→ In line with Inventory buildup
Short-term borrowings	12.9	6.0	+192.2	4.4	2.7	27.7	12.0	
Other current liabilities	25.4	11.8	+76.6	14.4	8.8	16.6	7.2	→ Reporting date effects
Shareholder’s equity and liabilities	214.4	100.0	+30.7	164.0	100.0	231.7	100.0	

9M/2015: Abridged cash flow statement

in €m	9M 15	9M 14
Earnings before interest and taxes (EBIT)	1.6	1.8
Changes in inventories	-43.4	-44.5
Changes in receivables and other assets not allocated to investing or financing activity	-16.9	-3.7
Change in payables and other liabilities not allocated to investing or financing activity	44.4	45.4
Other items	5.8	5.6
Cash flow from operating activities	-8.4	4.6
Cash flow from investing activities	-2.0	-1.3
Cash flow from financing activities	2.8	9.6
Exchange rate-induced change in cash and cash equivalents	0.4	0.2
Cash and cash equivalents at the start of the period	30.0	11.3
Cash-relevant changes in cash and cash equivalents	-7.0	13.2
Changes in the scope of consolidation	0,1	0
Cash and cash equivalents at the end of period	23.1	24.5

Outlook 2015

Market

- ▶ Dampened global economic outlook, Eurozone expected to remain on moderate growth course
- ▶ No update from BRV for FY 15: Q4 is decisive
- ▶ Onset of colder temperatures in October rised hopes of increased sales in Q4 15

Delticom

- ▶ Revenue guidance revised at the beginning of November: €m 530 – 540
- ▶ EBITDA (abs.) at least flat y-o-y
- ▶ Increase in volume vs. 2014
- ▶ Over 1m new customers in 2015
- ▶ Expand market leadership

Investor Relations

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