



Presentation on the Occasion of the Release of the
Half-Year Results 2007

August 22nd, 2007

Agenda

I H1 2007 at a Glance

II Business Model

III Seasonalities in Tyre Trading

IV Financials

V Key Investment Highlights



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Delticom Profile

- **Business model:** Sale of car tyres over the Internet
- **79 online shops in 30 countries**, operating on established web domains with high awareness
- **Broad product range** with more than 100 tyre brands and 25,000 tyre types
- More than **1.5m customers**
- Global network with more than **17,700 service partners** (fitting stations), e.g.  DE 4565  US 4854  FR 1367  UK 1225
- **Customer benefits:** Top quality tyres at low prices can be ordered 24 / 7, high transparency thanks to comprehensive offering, short lead times (1-4 working days), not location-dependent, free test results, service and advice from call center.

▶ **Delticom is Europe's leading Internet tyre sales company**



H1 2007 at a Glance

1 Redesign of the Tyre Distribution Chain

▶ Sales **102.0 mio €**
(+ 35 % yoy)

2 International Growth Story

▶ EU, USA, Japan – ↑
+ 43 % yoy

3 Operational Excellence at Low Costs

▶ EBIT-Margin: **5.3 %**
(vs. 4.9% % in H1'06)

4 Excellent Growth Opportunities

▶ Market share in Europe
is **> 1.5 %**

5 Sustainable and Profitable Business Model

▶ Paid dividend of
1.20 € (+20 % yoy)



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II **Business Model**

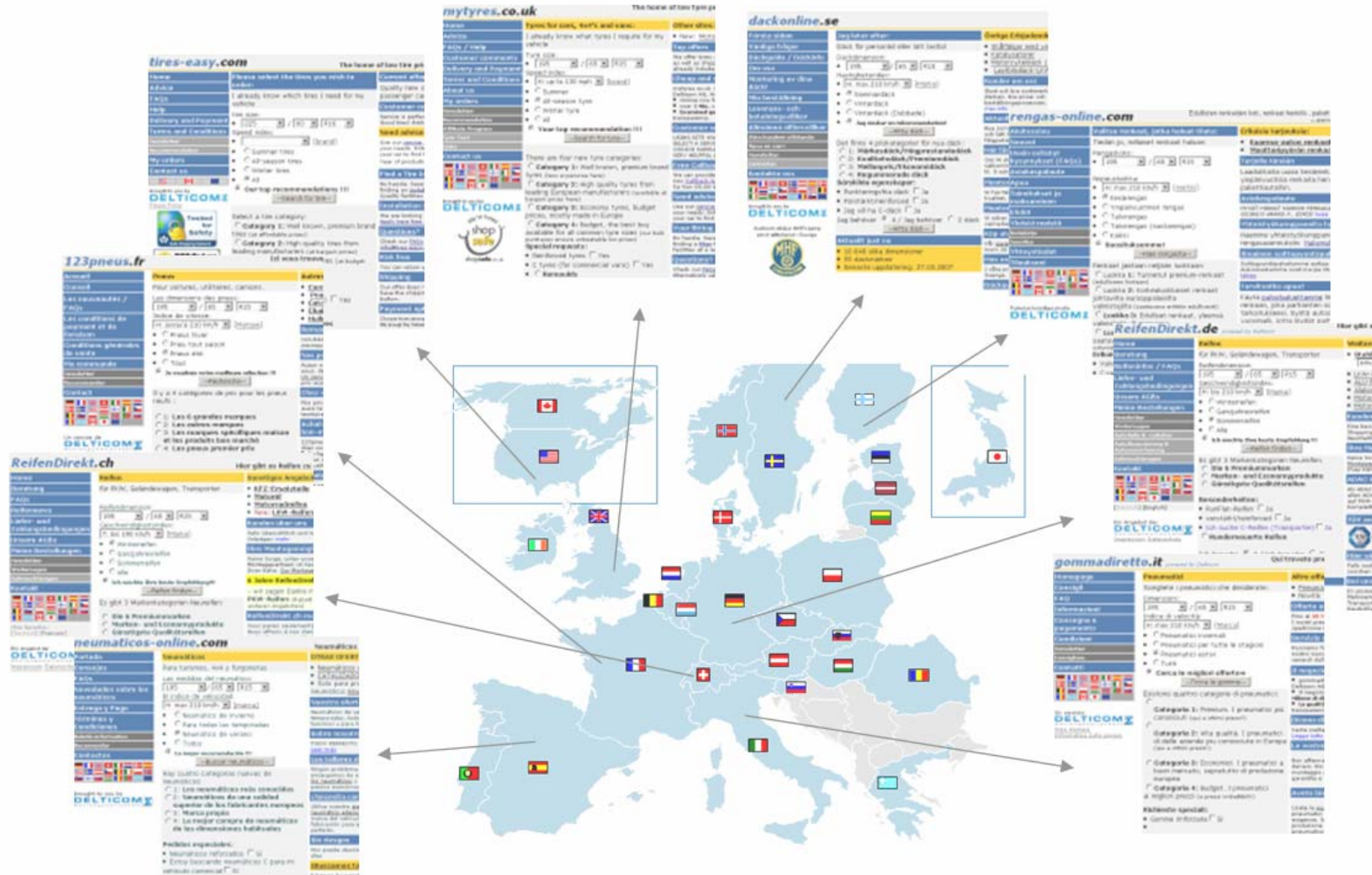
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Delticom is European Market Leader

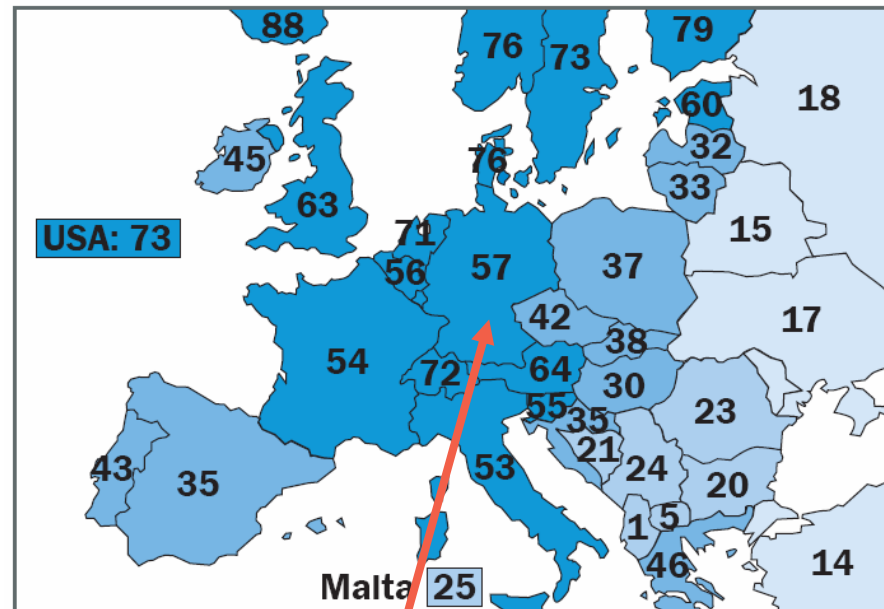


Internet

- BITKOM (Association of the German IT and Telecom Industry)
 - Germany 2006: 6% more citizens online than 2 years ago
 - **expected to increase to >70% in 2010 (2007: 57%)**
- BVH: German End-customers spent 10,0 bn € in the Internet in 2006, expected to rise to 10,9 bn € in 2007
- Eurostat: 49% of all EU households are in the Internet
- Forrester Research: eCommerce Sales in Europe are expected to surpass 250 bn € in 2011

Internet users in Europe 2007

Adults in %



Desk research GfK Austria, Austria, April 2007

2010: >70%

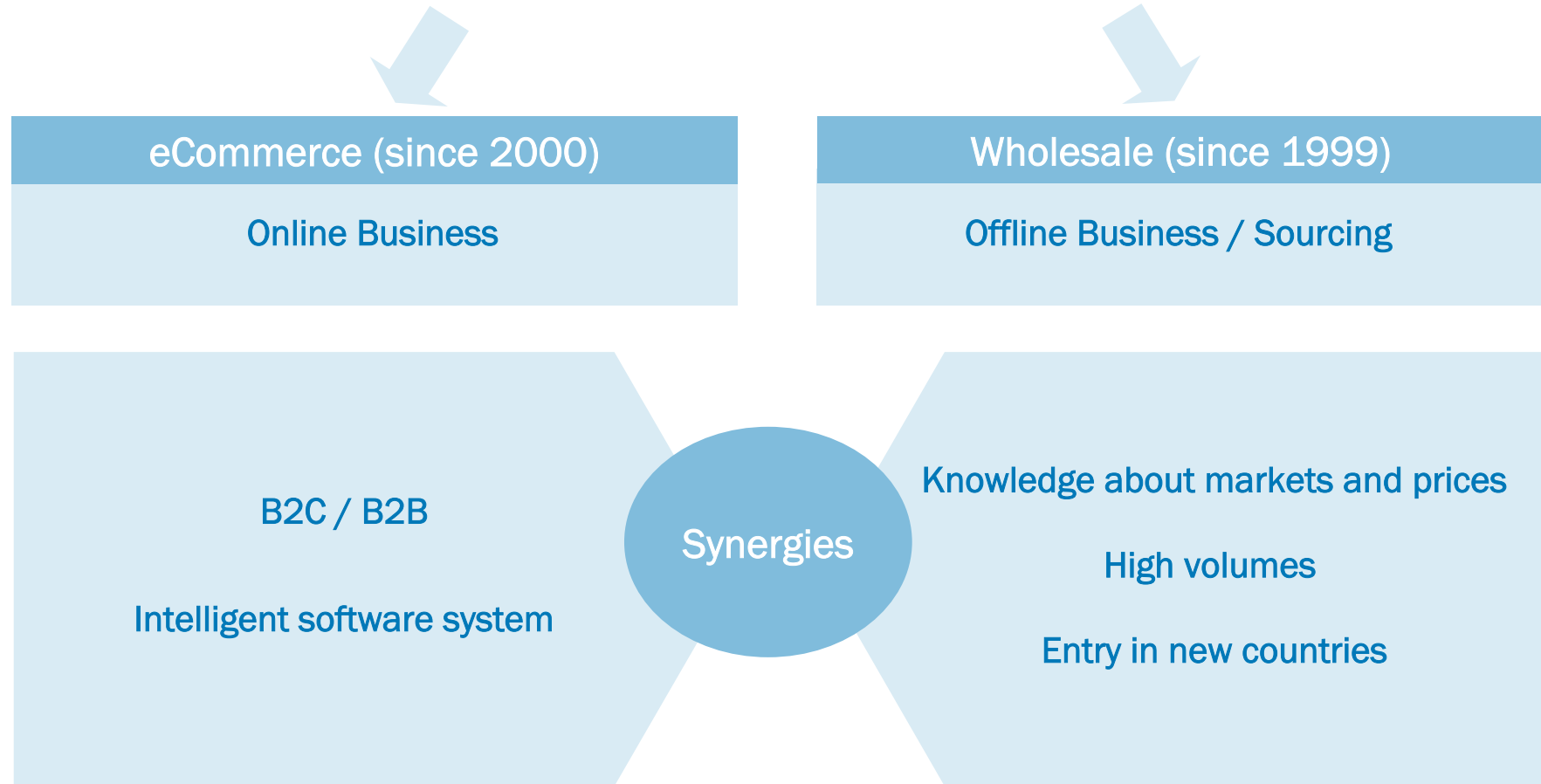
► Internet penetration is long-term driver of Delticom sales

Tyres

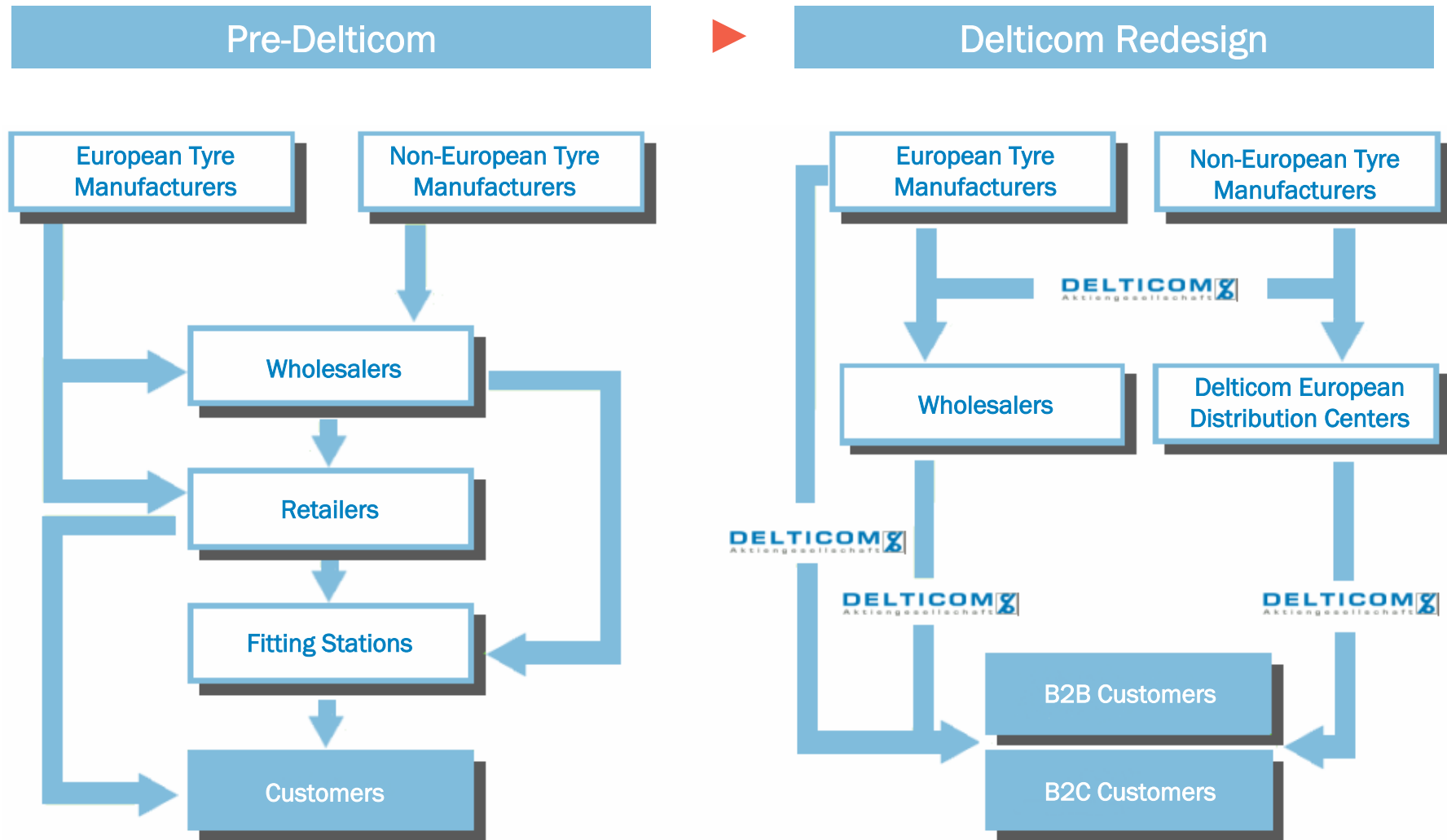
- Relevant: **Passenger Car Tyre Replacement Market**
 - Europe 10-12 Mrd. € / year
 - USA 12-15 Mrd. € / year
 - Tyre Sales 2006 in Germany, according to BRV (Association of the German Tyre Industry)
 - Passenger Car Tyres total: 47,4 mil unchanged vs. 2005
 - Winter tyres: 24,7 mil
 - Forecast for 2007: + 2,1% increase in sales
 - **EuPD Research**: proportion of German online retailers active in the „car and accessories“ segment totaled just 2,8%
 - **ADAC „Reifenmonitor“ 2007**
 - 2,5% have bought their last set of tyres via the Internet (2006: 1,8%)
 - 18-29 bracket: 4,8% (2006: 3,3%)
 - 15% indicated interest to buy online in the future (2006: 14%)
- ▶ **Big, mature market**



Delticom – Business Units



Redesign of the Tyre Distribution Chain



Strategy

Customer Orientation

- **Secure sufficient supply** in peak times through closer co-operations with suppliers and inventory management
- **Improve customer value:**
 - Time and money saving purchase process
 - Broader product offering
 - Larger network of service partners
 - customer services

Cost Leadership

- **Lower purchase prices** through increased purchase volume and early ordering
- Pooling of EU transport volumes to **reduce transportation costs**
- Keep organizational structure lean through attention to further **automation** and **outsourcing potential**

Growth Focus

- Utilize **first-mover advantage** through fast geographic expansion into new markets
- Establish **new shops** in existing markets in Europe
- Attract new customers by **increased marketing efforts**
- **Exploit customer value** through cross-selling and repeat purchases

▶ Will be continued in 2007

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Late Winter, Early Summer

- **Mild winter** until 12'06 ► BRV: „Winter tyre sales in 2006 were below market expectations“
- But: Delticom can take advantage of supply surplus in a **counter-cyclical** manner
- Delticom revenues in Q1 were higher than expected on two counts:
 - Additional (high-margin) sales winter tyre sales in **January** (late onset of winter)
 - Atypically mild weather conditions in **March** ► early summer tyre sales
- Note: Customer which already bought their summer tyres in March (Q1) will not buy again in the traditional summer tyre season (Q2)
- 3-monthly report: *„It is not unlikely that the increase in revenues and earnings in the second quarter will be lower than in the first quarter (each compared to the corresponding prior-year period).“*

► **Growth (yoy) in Q2 lower than in Q1, H1-growth as expected**



Strong Delticom Q1'07



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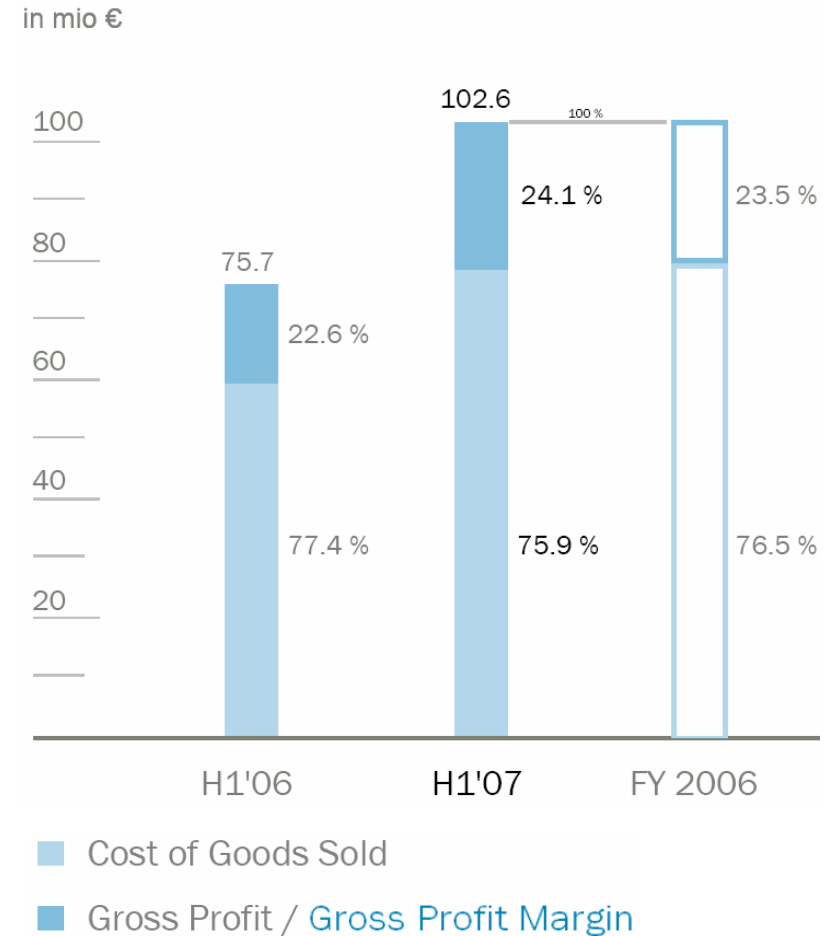
V Key Investment Highlights



Sourcing from Suppliers

- Global best price sourcing
- B2C forecasts disseminated to manufacturers (early production planning)
- Purchasing department is responsible for pricing (cost plus). Example:

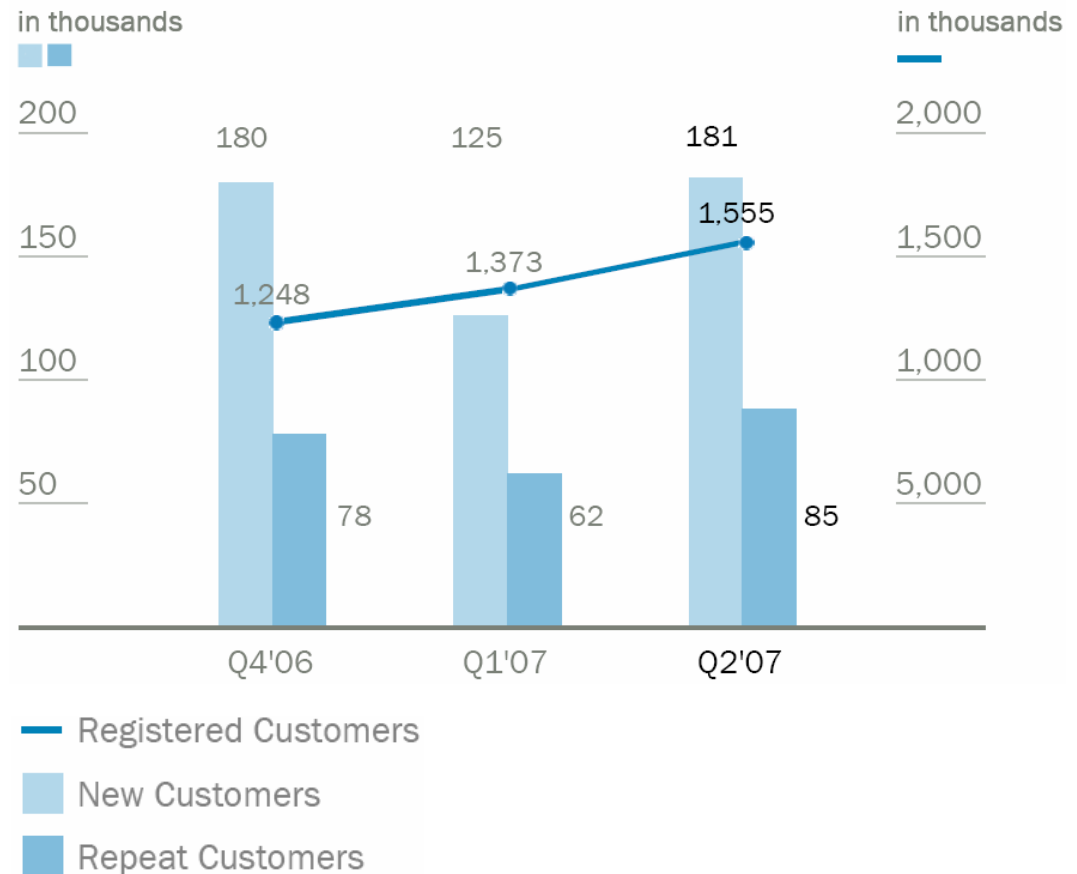
purchase price	50.00
direct costs: transportation, inventory management, credit card fees, provision for bad debts	6.00
<hr/>	
	56.00
preset margin (e.g. 25%)	14.00
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retail price	70.00
plus VAT (e.g. Germany 19%)	13.30
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gross retail price on shop website	83.30



► Strong supply-side network economics

Selling to Customers

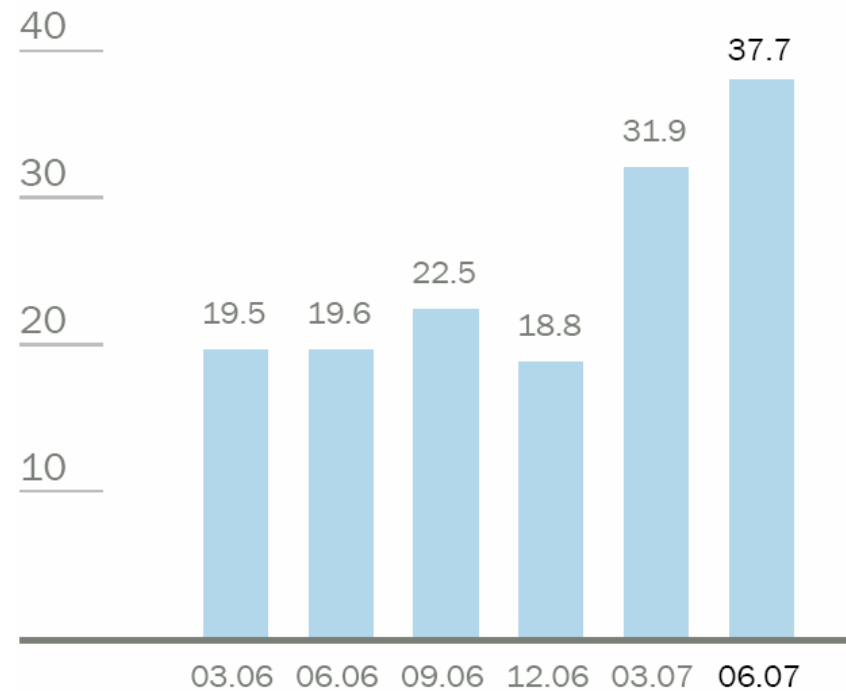
- Existing customers help to decrease seasonality in the topline
- Share of repurchasers increased
- Business still mainly driven by new customers
- Own survey show high customer satisfaction with price, offer and buying process



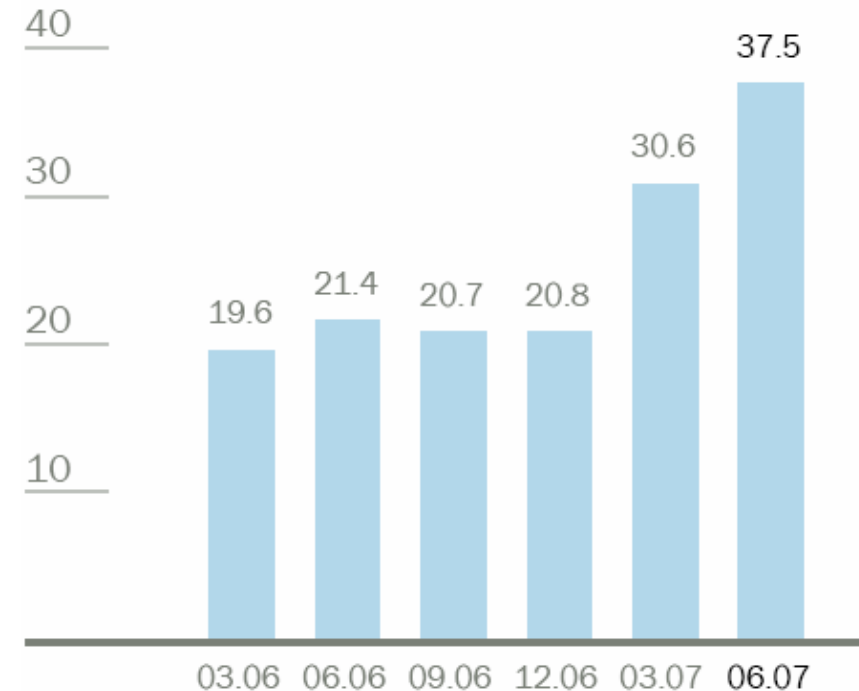
▶ Repurchases constitute important growth potential

Financing the Inventories

Trade Payables (in mio €)



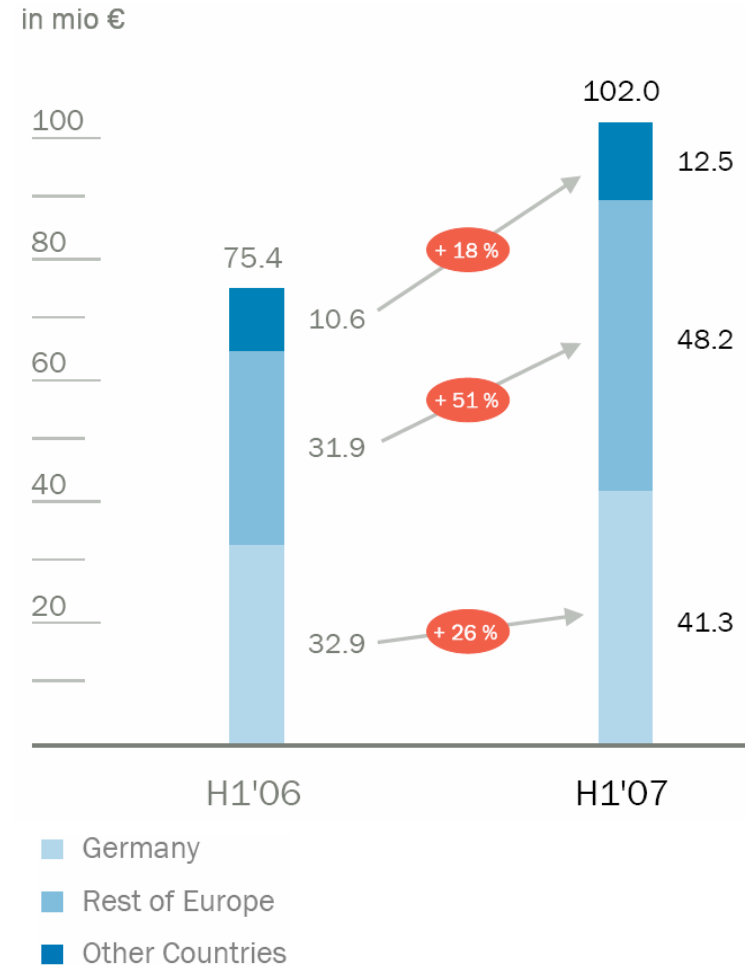
Inventories (in mio €)



► Prepared for winter tyre season; stable operating cashflow

Strong Non-Domestic Sales in Q1'07

- **Home market** remains the most important region
 - more than 40% of total sales
 - still growing
- **European Countries** are increasing in importance
 - big EU markets (F, I, UK) contribute to topline and decrease seasonality risks
 - smaller special markets (CH, S, SU) are completely developed and generate strong profits
- ramp-up in **USA** in H1 2007: increased sales, strengthened margin
- International expansion helps to flatten seasonal curves
- first shops in CAN and J



► Share of non-domestic sales > 50%

Strong and Robust Growth Continues

	H1'06	H1'07	
Gross Profit Margin (Gross Profit in % of Total Income)	22.6%	24.1%	
Gross Margin (in % of Revenues)	22.6%	24.2%	1.6
Direct Costs	9.7%	10.4%	0.7
Transportation	7.4%	7.8%	0.4
Inventory Management	0.9%	1.1%	0.2
Credit Card Fees	0.8%	0.9%	0.1
Provisions for Bad Debts	0.6%	0.6%	0.0
Contribution Margin	12.9%	13.8%	0.9
Indirect Costs	8.1%	8.5%	0.4
Marketing	1.4%	2.2%	0.8
Personnel	1.8%	2.0%	0.2
Operation-Center	1.2%	1.3%	0.1
IPO	0.5%	0.0%	0.5
Other	3.1%	2.9%	0.2
EBIT	4.9%	5.3%	0.5

► H1 provides good basis for FY07, but Q4 will be pivotal

Outlook on Sales and Margins

Continued sales growth

can be expected due to...

... Large underlying European replacement tyre market

... Currently low tyre online penetration rate of >1.5% in Europe

... Growth from increasing penetration of existing and new geographies

Good operating margin development

can be expected due to...

... Favorable changes in product mix and lower purchase prices

... Cost degression effects

... Ongoing operating cost reductions



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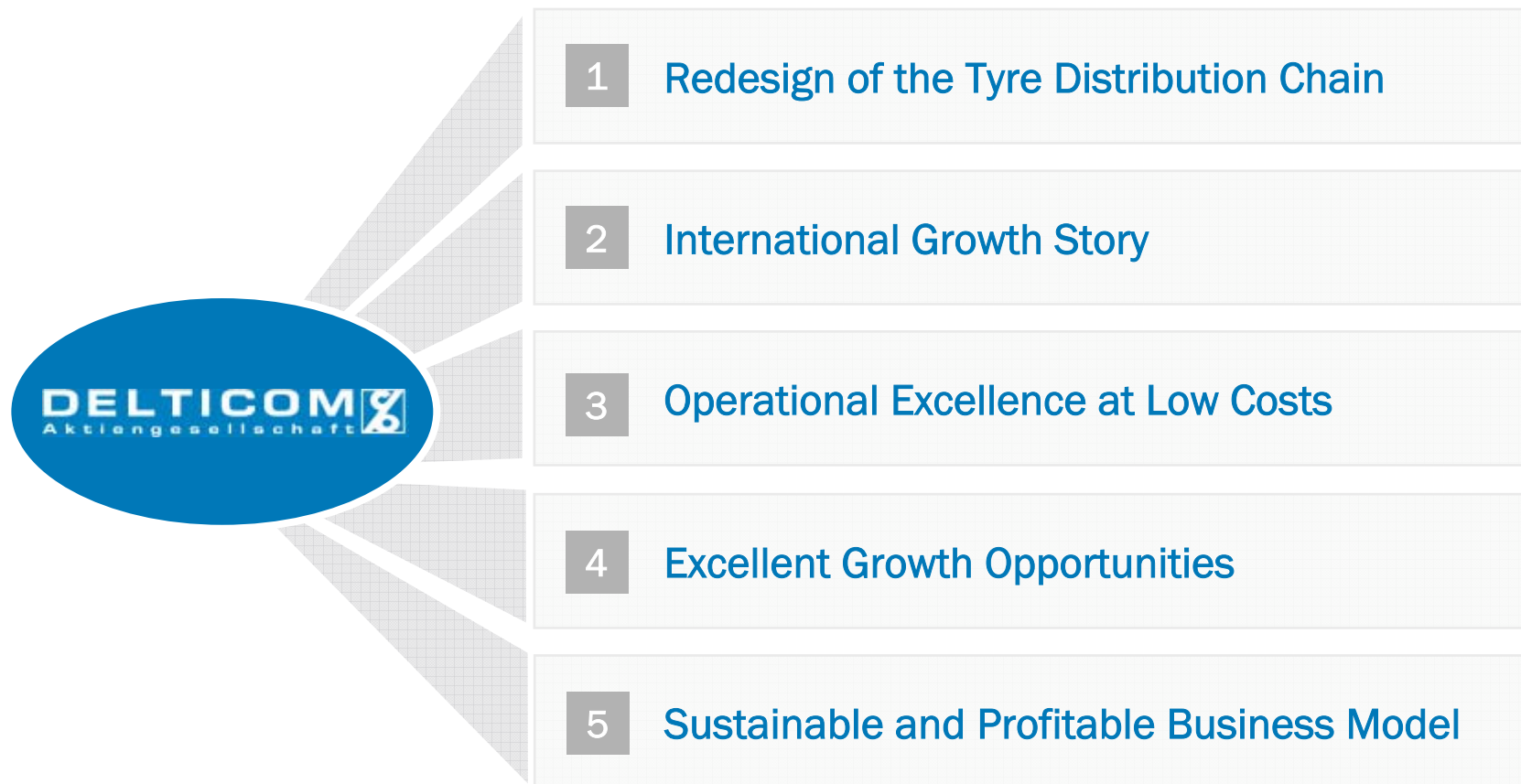
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Key Investment Highlights



Vielen Dank!



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**Consolidated interim financial statements
as of June 30, 2007**

Balance Sheet– Assets

in €	June 30, 2007	December 31, 2006
Non-current assets		
Intangible assets	1,004,225.46	463,337.00
Property, plant and equipment	582,056.85	438,999.41
Financial assets	1,000,000.00	1,000,000.00
Other receivables	119,493.76	90,011.06
Total non-current assets	2,705,776.07	1,992,347.47
Current assets		
Securities	10,432.50	0.00
Inventories	37,514,319.64	20,790,724.95
Trade accounts receivable	8,897,109.66	7,543,893.49
Other receivables	4,993,570.40	3,223,431.88
Cash and cash equivalents	34,874,294.58	34,660,936.37
Total current assets	86,289,726.78	66,218,986.69
Total assets	88,995,502.85	68,211,334.16

Balance Sheets – Equity and Liabilities

in €	June 30, 2007	December 31, 2006
Equity		
Subscribed capital	3,946,480.00	3,946,480.00
Share premium	31,701,296.19	31,701,296.19
Adjustment item for currency conversion	4,460.96	5,122.59
Retained earnings	199,673.00	199,673.00
Net retained profits	5,912,091.67	6,904,932.41
Total equity	41,764,001.82	42,757,504.19
Non-current liabilities		
Non-current provisions for taxes	20,618.00	18,681.62
Deferred tax liabilities	346,638.12	227,450.02
Total non-current liabilities	367,256.12	246,131.64
Current liabilities		
Provisions for taxes	1,681,561.28	2,055,300.00
Other provisions	17,020.26	22,056.79
Trade accounts payable	37,681,798.20	18,814,689.39
Other current liabilities	7,483,865.17	4,315,652.15
Total current liabilities	46,864,244.91	25,207,698.33
Total liabilities	47,231,501.03	25,453,829.97
Total equity and liabilities	88,995,502.85	68,211,334.16

Income Statement

in €	January 1, 2007 – June 30, 2007	January 1, 2006 – June 30, 2006	April 1, 2007 – June 30, 2007	April 1, 2006 – June 30, 2006
Revenues	101,985,006.73	75,414,160.35	63,060,936.70	49,858,967.91
Other operating income	568,963.05	246,834.24	342,767.09	74,422.45
Total operating revenue	102,553,969.78	75,660,994.59	63,403,703.79	49,933,390.36
Cost of goods sold	-77,870,557.87	-58,597,364.72	-47,109,837.78	-38,234,905.97
Gross profit	24,683,411.91	17,063,629.87	16,293,866.01	11,698,484.39
Personnel expenses	-2,088,321.97	-1,377,137.89	-1,124,370.03	-763,850.55
Amortization of intangible assets and depreciation of property, plant and equipment	-129,591.80	-99,694.30	-69,698.32	-52,628.36
Other operating expenses	-17,016,430.35	-11,929,059.27	-9,905,170.51	-7,198,623.78
Earnings before interest and taxes (EBIT)	5,449,067.79	3,657,738.41	5,194,627.15	3,683,381.70
Financial expenses	-53,751.47	-109,814.85	-29,565.06	-44,644.97
Financial income	646,182.11	44,881.60	350,870.11	30,449.08
Net financial result	592,430.64	-64,933.25	321,305.05	-14,195.89
Pre-tax earnings (EBT)	6,041,498.43	3,592,805.16	5,515,932.20	3,669,185.81
Income taxes	-2,298,563.17	-1,414,395.04	-2,140,810.98	-1,446,738.07
Consolidated net income	3,742,935.26	2,178,410.12	3,375,121.22	2,222,447.74

Cash Flow Statement

in €	January 1, 2007 – June 30, 2007	January 1, 2006 – June 30, 2006
Earnings before interest and taxes (EBIT)	5,449,067.79	3,657,738.41
+/- Amortization of intangible assets and depreciation of property, plant and equipment	129,591.80	99,694.30
+/- Increase in other provisions	-3,100.15	1,107.70
+/- Balance of gains and losses from disposal of assets	0.00	970.00
+/- Change in inventories	-16,723,594.69	-9,470,124.22
+/- Change in trade receivables and other assets that are not to be allocated to investing or financing activities	-2,598,989.70	-2,690,960.05
+/- Change in trade payables and other liabilities that are not to be allocated to investing or financing activities	22,035,321.83	11,429,467.98
+ Interest received	81,901.92	44,881.60
- Interest paid	-53,751.47	-47,236.52
- Income tax paid	-2,553,113.79	-591,367.66
Cash flow from operating activities	5,763,333.54	2,434,171.54
Investing activities		
+/- Proceeds from the disposal of property, plant and equipment	0.00	0.00
+ Payments for investments in property, plant and equipment	-249,644.30	-137,721.57
+ Proceeds from the disposal of intangible assets	0.00	0.00
- Payments for investments in intangible assets	-563,893.40	-15,045.94
+ Proceeds from disposal of financial assets	0.00	0.00
- Payments for investments in financial assets	0.00	0.00
Cash flow from investing activities	-813,537.70	-152,767.51
Financing activities		
- Dividends paid by Delticom AG	-4,735,776.00	0.00
+/- Proceeds from capital increases	0.00	0.00
+/- Loans granted to the company	0.00	0.00
Cash flow from financing activities	-4,735,776.00	0.00
+/- Changes in cash and cash equivalents due to currency translation	-661.63	-2,486.10
+/- Cash and cash equivalents - start of period	34,660,936.37	2,104,823.60
+/- Net change in cash and cash equivalents	213,358.21	2,278,917.93
= Cash and cash equivalents – end of period	34,874,294.58	4,383,741.53