



Presentation on the Occasion of the Release of the
Results for the First 9 Months of the Fiscal Year 2007

Hanover, 21th November 2007

Agenda

I Delticom at a Glance

II Business Model

III Seasonalities in Tyre Trading

IV Financials

V Key Investment Highlights



Agenda

I Delticom at a Glance

II Business Model





III Seasonalities in Tyre Trading

IV Financials

V Key Investment Highlights



Delticom Profile

- **Business model:** Sale of car and motorcycle tyres over the Internet
- More than **1.7 mio customers** ①
- **81 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
- Global network with more than **20,000 service partners** (fitting stations), e.g. ①  DE 4903  US 6416  FR 1486  UK 1241
- **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**

① as of November 20



Delticom at a Glance

1 Redesign of the Tyre Distribution Chain

▶ Sales **146.0 mio €**
(+ 34 % yoy)

2 International Growth Story

▶ EU, USA, Japan – ↑
+ 47 % yoy

3 Operational Excellence at Low Costs

▶ EBIT-Margin: **4.7 %**
(vs. 3.7 % in prev year)

4 Excellent Growth Opportunities

▶ Market share in Europe
is **> 1.6 %**

5 Sustainable and Profitable Business Model

▶ Paid dividend for 2006
of **1.20 €** (+ 20 % yoy)



Agenda

I Delticom at a Glance

II **Business Model**

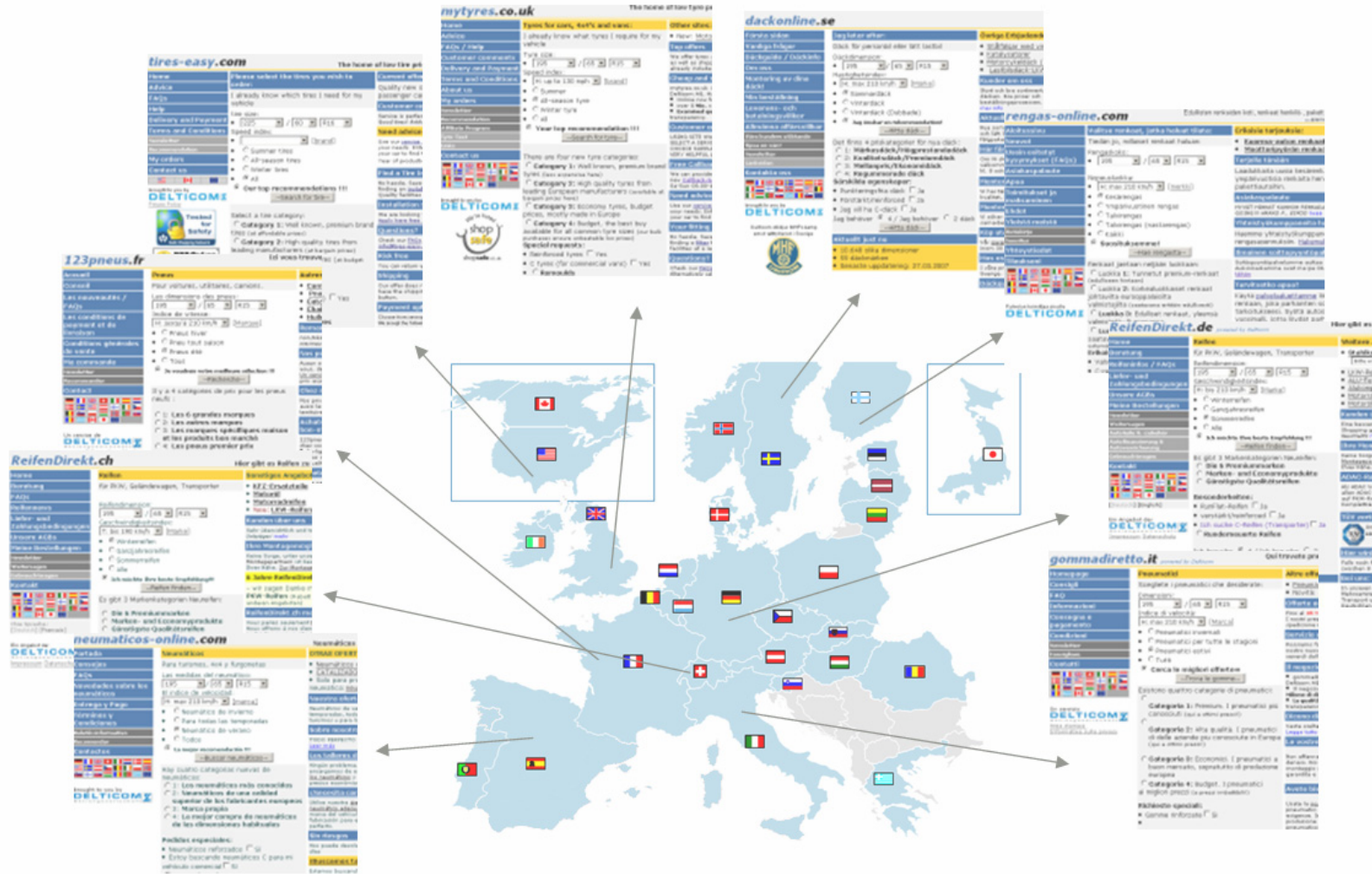
III Seasonalities in Tyre Trading

IV Financials

V Key Investment Highlights



Delticom is European Market Leader

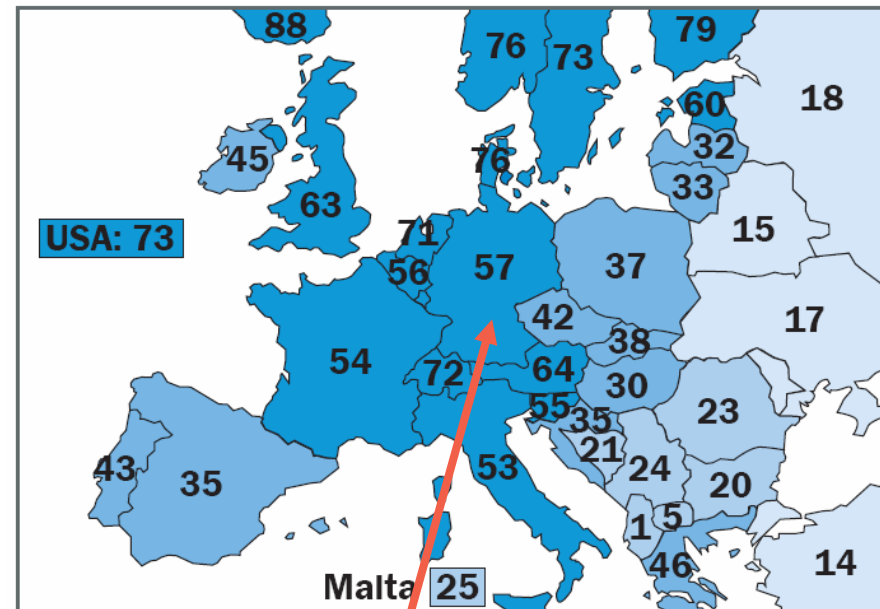


Internet

- 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 B2C 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%

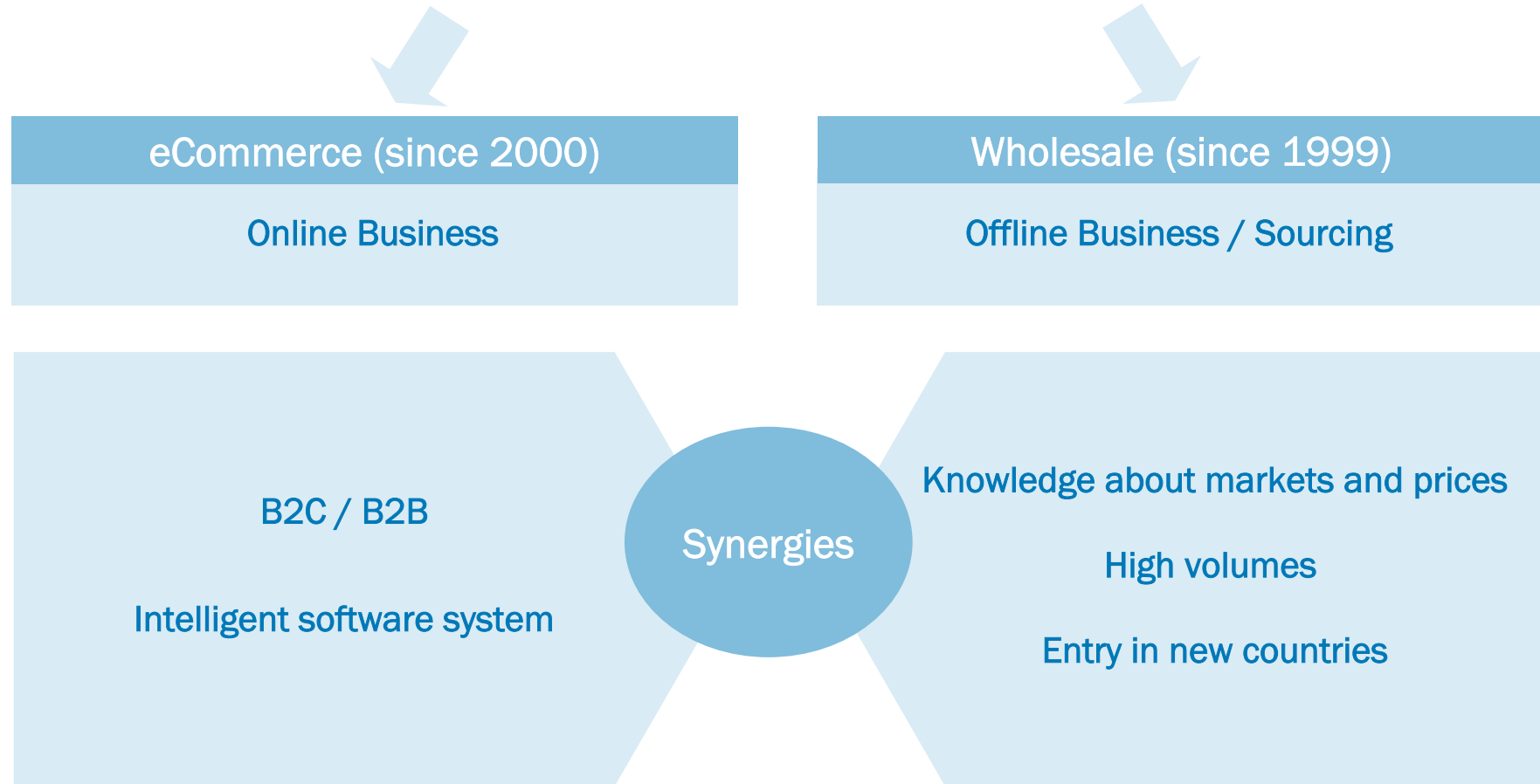
▶ Internet penetration is long-term driver of Delticom sales

Tyres

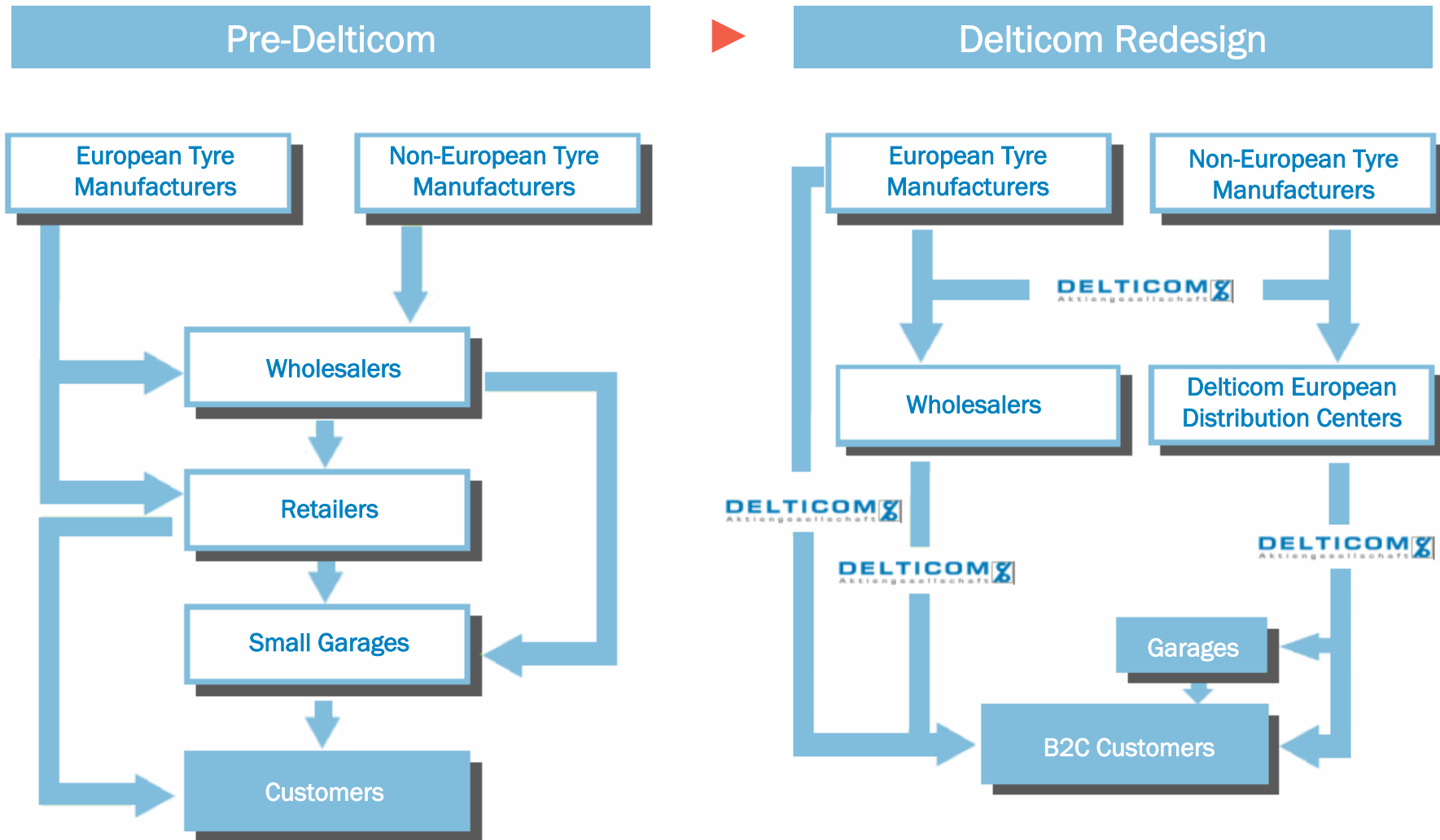
- Relevant: **Passenger Car Tyre Replacement Market**
 - Europe 10-12 Mrd. € / year
 - USA 12-15 Mrd. € / year
- Tyre Sales 2006 in Germany, according to BRV (Association of the German Tyre Industry)
 - Passenger Car Tyres total: 47.4 mio unchanged vs. 2005
 - Winter tyres: 24.7 mio
- Forecast for 2007: + 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 operations lean through attention to further **outsourcing potential** and continued **automation**

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

► Incremental improvements mitigate execution risks

Agenda

I Delticom at a Glance

II Business Model

III Seasonalities in Tyre Trading

IV Financials

V Key Investment Highlights



Strong Quarterly Topline Growth



Agenda

I Delticom at a Glance

II Business Model

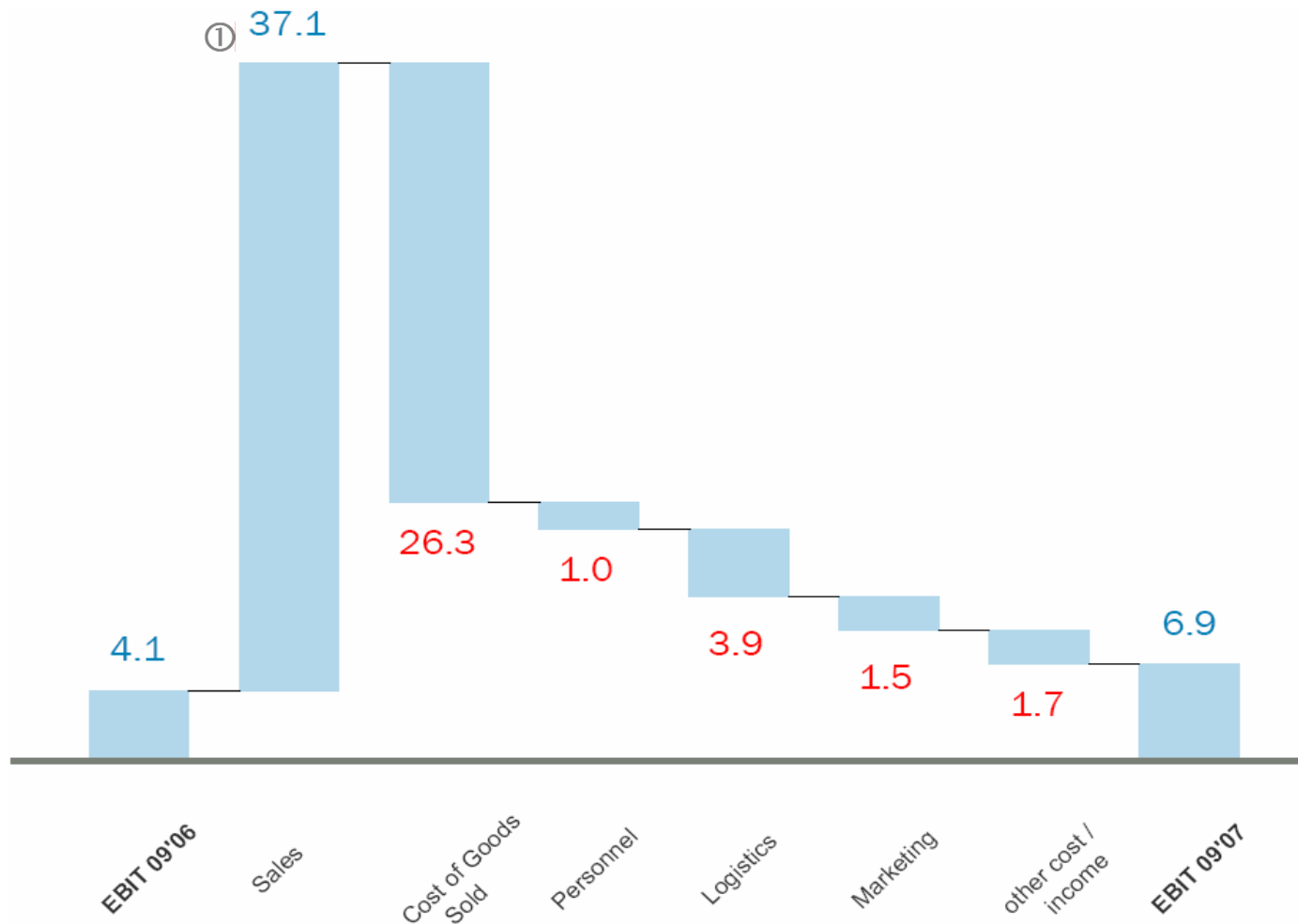
III Seasonalities in Tyre Trading

IV **Financials**

V Key Investment Highlights



EBIT-Bridge January – September 2007



► Low costs, good operating leverage

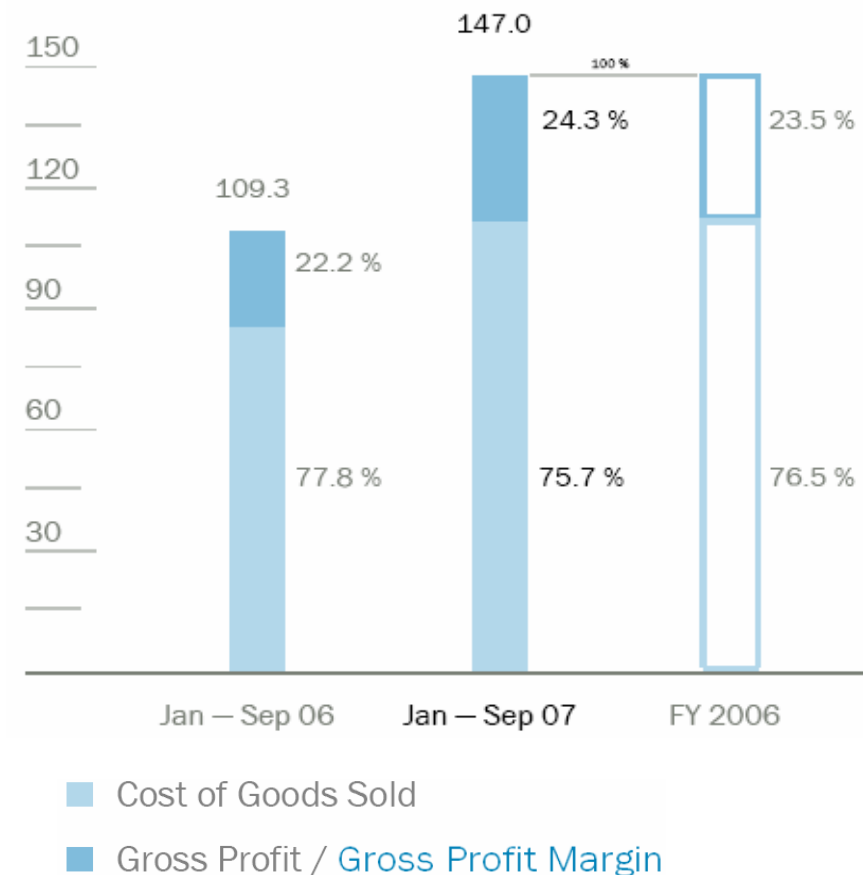
① Δ 9mo 07 vs. 9mo 06 (in € million)

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
<hr/>	
retail price	70.00
plus VAT (e.g. Germany 19%)	13.30
<hr/>	
gross retail price on shop website	83.30

in € million



► Strong supply-side network economics

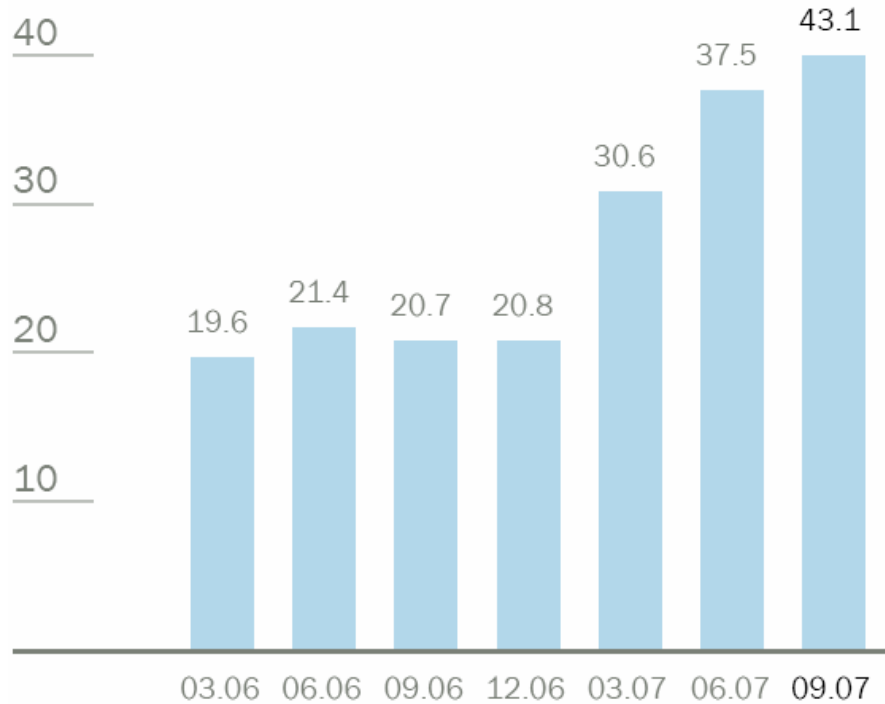
Strong and Robust Growth Continues

	01.01.2006 - 30.09.2006	01.01.2007 - 30.09.2007	Change (in% pts)
Gross Profit Margin (gross profit in % of total income)	22.2%	24.3%	
Gross profit margin (gross profit in % of sales)	22.2%	24.4%	2.2
Direct costs	10.1%	10.6%	0.6
transportation costs	7.8%	7.8%	0.1
costs of stocking tyres	0.9%	1.3%	0.4
credit card fees	0.8%	0.9%	0.1
receivable losses and individual write-downs	0.6%	0.6%	0.0
Contribution margin	12.2%	13.8%	1.6
Indirect costs	8.4%	9.1%	0.6
advertising costs	1.6%	2.2%	0.6
Personnel expenses	1.9%	2.1%	0.2
operation center costs	1.3%	1.5%	0.2
IPO costs	1.0%	0.0%	1.0
other costs	2.5%	3.3%	0.7
EBIT	3.7%	4.7%	1.0

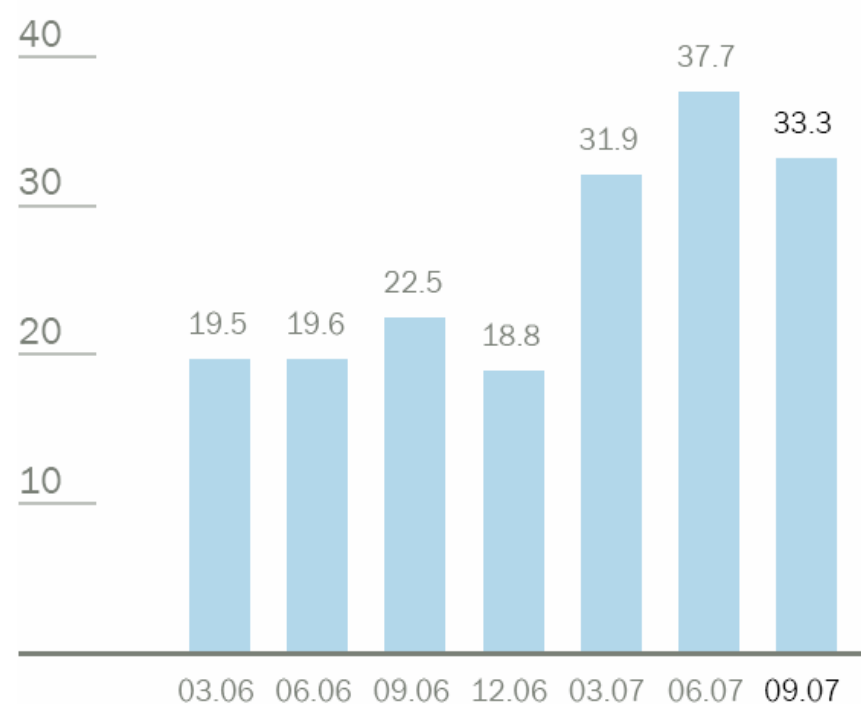
► Successful 9 months, Q4 will be pivotal

Working Capital Management

Inventories (in € million)

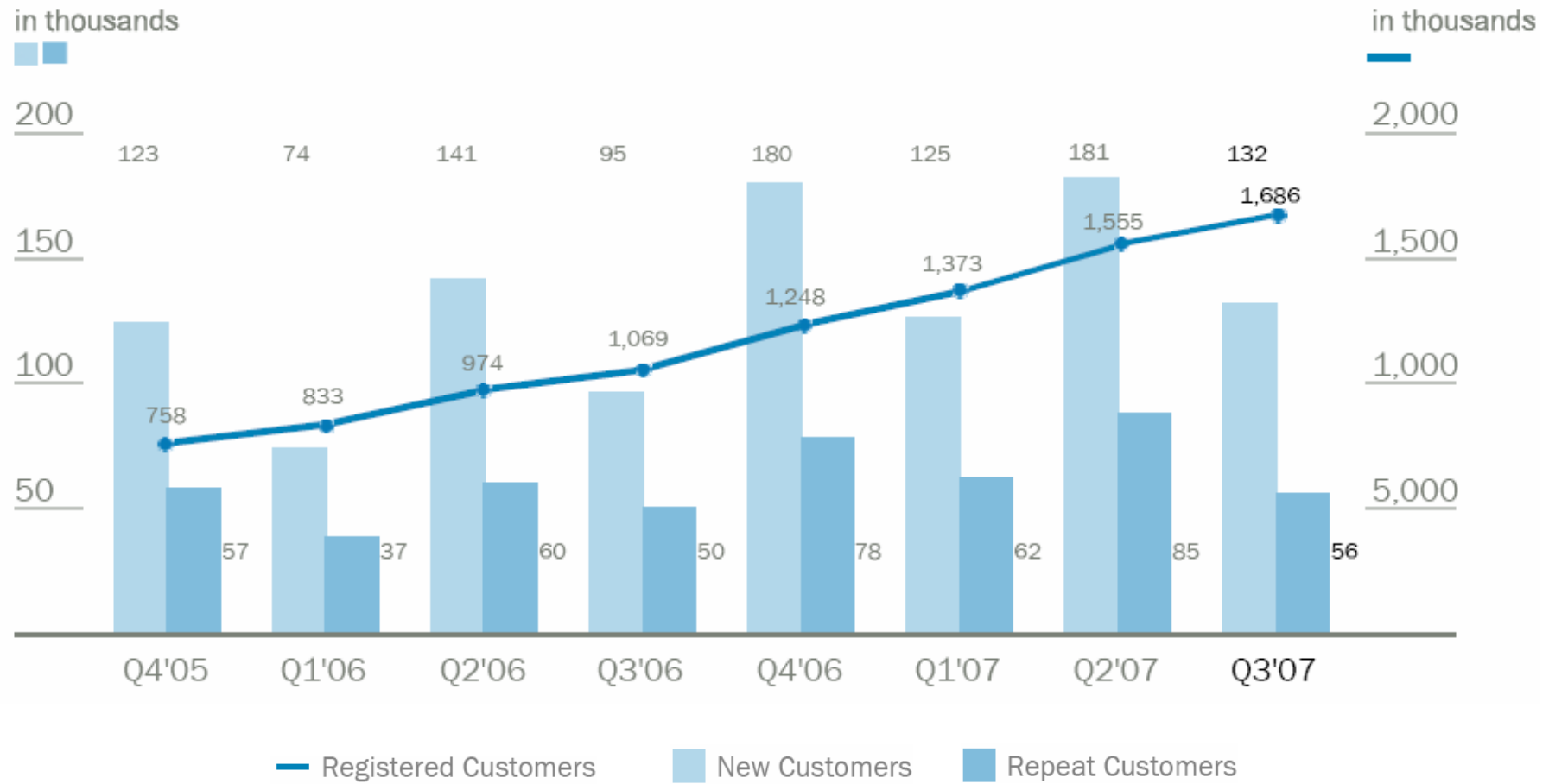


Trade Payables (in € million)



► Q4 07: Rebound of operating cashflow expected

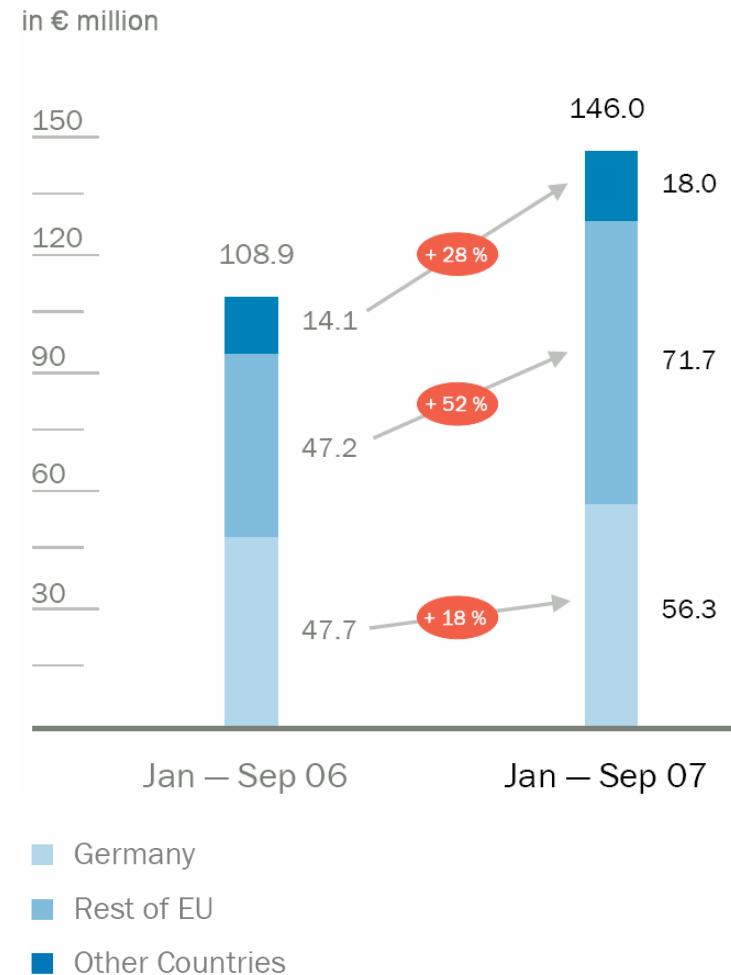
Customer Metrics



▶ Repurchases constitute important growth potential

Strong Non-Domestic Sales in H1 07

- **Home market** remains the most important region: more than 40% of total sales and still growing
- **European Countries** are increasing in importance
 - big EU markets (ES, FR, IT, UK) contribute to topline and decrease seasonality risks
 - smaller special markets (CH, SE, FI) are completely developed and generate strong profits
- ramp-up in **US** in 2007: increased sales, strengthened margin
- International expansion helps to flatten seasonal curves
- first shops in CA and JP



► Share of non-domestic sales > 50%

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 in Europe, Delticom's market share only 1.6%

... 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

Agenda

I Delticom at a Glance

II Business Model

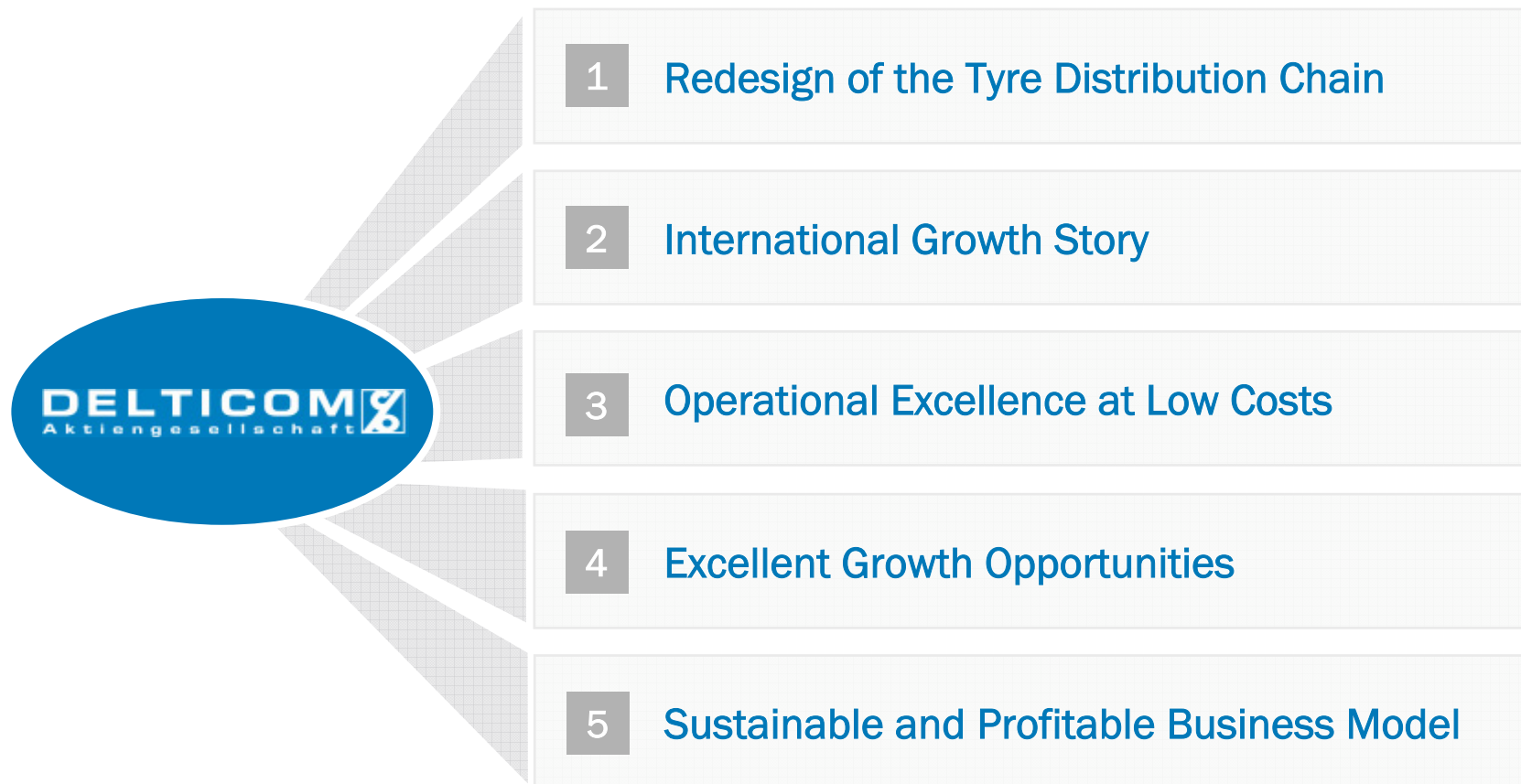
III Seasonalities in Tyre Trading

IV Financials

V **Key Investment Highlights**



Key Investment Highlights



Vielen Dank!



Andreas Prüfer, Co-CEO

Rainer Binder, Co-CEO



Frank Schuhardt, CFO

Philip v. Grolman, Logistics/USA

Investor Relations:

Melanie Gereke
Delticom AG
Brühlstr. 11
30169 Hannover
Germany

eMail: ir@delti.com
Telefon: +49-511-93634-8903

**Consolidated interim financial statements
as of 30 September 2007**

Consolidated Balance Sheet – Assets

€ thousand	30 September 2007	31 December 2006
Non-current assets		
Intangible assets	1,122	463
Property, plant and equipment	845	439
Financial assets	1,000	1,000
Other receivables	56	90
Total non-current assets	3,022	1,992
Current assets		
Securities	10	0
Inventories	43,077	20,791
Trade accounts receivables	12,664	7,544
Other receivables	4,199	3,223
Cash and cash equivalents	26,739	34,661
Total current assets	86,689	66,219
Total assets	89,711	68,211

Consolidate Balance Sheet – Equity & Liabilities

€ thousand	30 September 2007	31 December 2006
Equity		
Subscribed capital	3,946	3,946
Share premium	31,701	31,701
Adjustment item for currency conversion	-7	5
Retained earnings	200	200
Net retained profits	7,002	6,905
Total equity	42,842	42,758
Non-current liabilities		
Non-current provisions	27	19
Deferred tax liabilities	358	227
Non-current liabilities	385	246
Current liabilities		
Provisions for taxes	1,569	2,055
Current short-term liabilities	0	0
Other provisions	14	22
Trade accounts payable	33,255	18,815
Other current liabilities	11,646	4,316
Total current liabilities	46,484	25,208
Total liabilities	46,869	25,454
Shareholders' equity and liabilities	89,711	68,211

Consolidate Income Statement

€ thousand	01.01.2007 - 30.09.2007	01.01.2006 - 30.09.2006	01.07.2007 - 30.09.2007	01.07.2006 - 30.09.2006
Revenues	146,029	108,907	44,044	33,492
Other operating income	968	369	399	122
Total operating revenue	146,998	109,275	44,444	33,614
Cost of goods sold	-111,328	-85,051	-33,457	-26,453
Gross profit	35,670	24,224	10,986	7,161
Personnel expenses	-3,108	-2,104	-1,020	-727
Depreciation	-218	-154	-88	-55
Other operating expenses	-25,454	-17,892	-8,438	-5,963
Earnings before interest and taxes (EBIT)	6,889	4,074	1,440	416
Financial expenses	-87	-127	-33	-17
Financial income	913	184	267	139
Net financial result	826	58	234	122
Earnings before and taxes (EBT)	7,715	4,132	1,674	539
Income taxes	-2,883	-1,608	-584	-194
Consolidated net income	4,832	2,523	1,090	345

Consolidated Cash Flow Statement

€ thousand	30.09.2007	30.09.2006
Earnings before interest and taxes (EBIT)	6,889	4,074
Depreciation and amortization of intangible assets and depreciation of property, plant and equipment	-218	-154
Increase in other provisions	1	-9
Balance of gains and losses from disposal of assets	0	1
Change in inventories	-22,287	-8,816
Change in trade receivables and other assets that are not to be allocated to investing or financing activities	-5,277	-2,356
Change in trade payables and other liabilities that are not to be allocated to investing or financing activities	21,771	13,896
Interest received	119	184
Interest paid	-87	-127
Income tax paid	-3,239	-1,703
Cash flow from operating activities	-1,892	5,299
Investing activities		
Proceeds from the disposal of property, plant and equipment	0	0
Payments for investments in property, plant and equipment	-579	-207
Proceeds from the disposal of intangible assets	0	0
Payments for investments in intangible assets	-703	-21
Proceeds from the disposal of financial assets	0	0
Payments for investments in financial assets	0	0
Cash flow from investing activities	-1,282	-229
Financing activities		
Dividends paid by Delticom AG	-4,736	-3,096
Decrease of share premium due to IPO costs	0	-385
Proceeds from capital increases	0	0
Loans granted to to the company	0	0
Cash flow from financing activities	-4,736	-3,482
Changes in cash and cash equivalents due to currency translation	-13	-2
Cash and cash equivalents - start of period	34,661	2,105
Net change in cash and cash equivalents	-7,922	1,588
Cash and cash equivalents - end of period	26,739	3,693