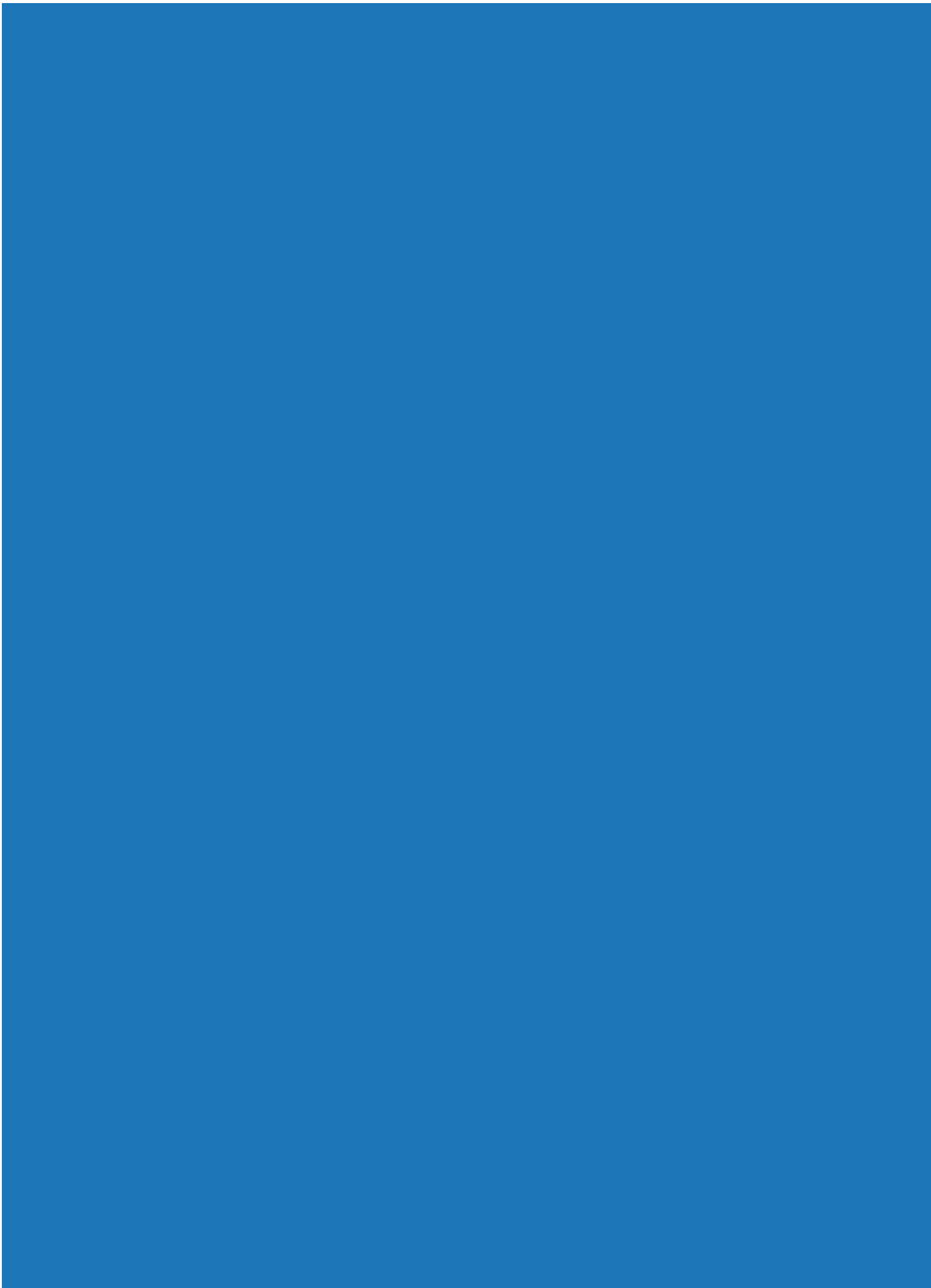




On the right track.

ABOUT US.

DELTICOM 
Aktiengesellschaft



“Where do you buy your tyres?”

In the beginning selling tyres online was just an idea. Delticom has proven that it's an idea that works. No matter where you are, whether it's after store hours, on the weekend or a holiday. Our product range includes an extensive list of brands and models. And most deliveries take place within a few business days – to the address of the customer's choice whether that's their home, one of our fitting partners or elsewhere. With all this under the roof of more than 100 online shops in 35 countries, it's easy to see why Delticom is Europe's leading online tyre retailer.



There are more than one billion Internet users worldwide, and more than 218 million cars on European roads. At present, it is estimated that less than 5% of consumers make their tyre purchases online. It's a large market - with considerable growth potential.

Power. The potential is exceptional. An international market. Millions of drivers who regularly need new tyres for their vehicles. Delticom is led by a group of experts with extensive experience in the international tyre trade. Their model for challenging traditional branch retailers? Online tyre sales – an approach which offers customers greater convenience and low prices.



An idea with drive.

It's the end of the 1990s and winter is in the air. With snowy roads just around the corner, thousands of drivers are out searching for winter tyres. Out into the cold and damp to tyre retailers and garages during their regular business hours.

Summer 1999. A new way to buy tyres: Delticom is founded on July 2, 1999 in Hanover. Soon after, the first online orders are on their way to customers. Delticom is an insider tip, but not for long.

A decade later making purchases online is part of everyday life for millions of Internet users. For them, buying tyres online is no different than ordering a book or reserving a flight. Technology has fundamentally transformed people's expectations regarding access to information, communication and commerce. It's in this context that Delticom – a highly profitable company listed on Germany's SDAX – continues to build on its position as Europe's market leader.





Strength. As a first mover in the online tyre trade, Delticom has enjoyed long-standing, stable business relationships with leading manufacturers and wholesalers worldwide. Based on Internet sales revenues, Delticom is significantly larger than its competitors, and active in the entire European market. The basis of Delticom's success is clear: a strong bottom line, zero debt, the ability to self-finance future growth and its team of experienced market experts.



Founded in 1999, Delticom has years of international experience. In our more than 100 online shops in 35 countries, we offer customers an unbeaten selection of products. From car, motorcycle, truck and bus tyres, through to special tyres including rim-mounted complete wheels and an extensive line of car replacement parts and accessories, motor oil and batteries. To date our product line has won over 3.4 million customers.

Products.

WITH SELECTION IN THE PASSING LANE.

The selection in our online shops simply can't be matched. We offer car, motorcycle, truck and bus tyres as well as rim-mounted complete wheels and an extensive line of car replacement parts, accessories and top quality motor oils. All at excellent prices. Our selection of more than 100 tyre brands and 25,000 different models includes premium, budget and low-priced brands.

Delticom responds to the demands of the market place. With our products, we satisfy consumers who place a premium on comfort and safety. In recent years, we've expanded our product range to meet growing demand for Ultra High Performance, Run-Flat and environmentally-sustainable models.





Customers.

3.4 MILLION AND MORE EVERY DAY.

Delticom customers and investors both have reason to be happy. For the former, the reason is our attractive, extensive product range, while for the latter it's our sustainable business model.


At the heart of Delticom's success is the continued growth of our customer base. In the 2009 fiscal year, 805,000 new customers made a purchase in one of our shops.

The number of repeat customers continues to grow as well. In 2009, 287,000 previous customers returned to one of Delticom's online shops to make a purchase. To date, 3.4 million customers have shopped with Delticom, and the trend continues to point upwards.

Customer loyalty is of great importance. One example of how Delticom works to achieve this is our arrangement with ADAC, Germany's largest automobile club, to give club members an additional three-percent discount on their purchases. A regular newsletter which includes topics of interest and special offers helps strengthen the link to our customers. Also, Delticom's online shops offer customers opportunities to rate products and communicate their experiences, something which helps create customer confidence and loyalty. Last, but definitely not least, Delticom delivers excellent customer service.

www.tyretest.com offers customers important help in making their tyre purchasing decision. This independent, international website offers test reports on tyres by drivers for drivers.





Performance. Enormous selection. Quick delivery. Competent, professional service. At Delticom our commitment to providing quality products and service at exceptional prices guides everything we do. And maintaining and building on these high standards provides us with motivation to be better every day.

100 tyre brands, more than 25,000 models at excellent prices – on average 20–25% below those found in traditional tyre retailers – make the choice clear. Delivery can usually be made within a few business days and our large network of fitting stations offer professional installation service. Customer hotlines in all relevant languages help guarantee quality service.

Shops and ordering.

QUICK AND EASY.

Besides our great selection and prices, Delticom also scores with a simple, straightforward order process.

Navigating the websites of Delticom's shops is quick and easy. You won't find flashy, unnecessary effects. Just the crucial information needed to help customers make their purchases including numerous tyre and product reviews from the leading car magazines.

An order has six easy steps

- 1. Choose the tyres:** Determine the size and speed index you need. Or, if you're unsure, our site helps you to find the information you need to make the right choice.
- 2. Get informed:** We offer in our online shops both independent reports by car drivers who've put tyres to the test in their daily lives as well as reviews from well-known car magazines.
- 3. Compare prices:** Our price calculators include taxes and shipping so costs are clear and there are no surprises.
- 4. Provide a delivery address:** Orders are delivered to the address of the customer's choice or to any one of our more than 25,000 service partners worldwide.
- 5. Proceed to checkout:** Credit card, direct debit, payment on invoice, PayPal or even payment systems specific to certain countries, we make sure customers can pay the way they want.
- 6. Access our service support:** Order confirmation and tracking along with customer hotlines to answer any questions are all part of our service after the sale.



Fitting partners.

WELL CONNECTED.

To help ensure the safe installation of the tyres we sell, Delticom has built a worldwide network of more than 25,000 service partners – including nearly 7,000 in Germany alone. When customers place their orders, they decide where they want their tyres delivered, whether it's to their home address or one of our conveniently located fitting partners.

Our service network is one-of-a-kind, surpassing the coverage that even large chains offer. Finding the closest service partner is easy using our postal and area code search system. In addition to the fitting partner's address, this system provides information on opening hours, installation prices and other services along with user reviews of the fitting service. Transparent and simple.

Installation partners benefit from their affiliation with Delticom as customers directed to them through the network are often unfamiliar with our partners and their services. Frequently partners end up providing these customers with services beyond installation such as tyre storage. And Delticom places no restrictions on service partners' pricing, so it's a classic win-win situation.



Business processes.

OUR TEAM KEEPS THINGS MOVING.


Decades of international purchasing experience. Close and stable cooperation with many European and international manufacturers. Lean, efficient warehouse and delivery systems. The fluid interplay of Delticom's business processes helps put the company in the best possible position at all times. For example, making our purchases well in advance of seasonal trends ensures our ability to deliver, even when demands spike.

Reliable service providers oversee our shipping and well-known courier companies deliver the tyres to our customers. Our order processing system is largely automated – and correspondingly quick with most orders delivered within a few business days. And if there are still questions to be answered, our service hotlines stand at the ready to provide whatever assistance is needed.



Delticom has 92 employees primarily at its Hanover head office. The company has an efficient organizational structure thanks to the automation of many processes and outsourcing. Sales are made solely through the Internet and targeted online advertising drives customers to Delticom's online shops.



A blurred photograph of a winter road scene. The road is dark and curved, with snow on either side. In the background, there are trees and a small house. The image is used as a background for the text.

Efficiency. Delticom runs like an efficient, well-oiled machine. Experience, professionalism and a business model thought through to the last detail are the hallmarks of company operations. The result? A lean cost structure and a profitable, growing enterprise.

Internationalization.

A DRIVING FORCE.

Which way to future success? Look abroad. Delticom is committed to a systematic internationalization of its operations, a diversified approach which guarantees the company's relative independence from developments in individual national markets.

With more than 100 shops in 35 countries, Delticom provides customers around the world with mobility and safety at fair prices. Today Delticom is already Europe's number one online tyre retailer.

Internationalization is the key to greater growth opportunities as the difference in Internet penetration, usage and available network speed vary considerably from country to country. However, the trend towards the standards of the leading „Internet nations“ is clear. And as the mobility of individuals will continue to be a basic need of people in the future as well, the potential for Delticom to continue achieving sustained growth is very good indeed.



Highlights 2009:

Revenues up **+20.2%** to € 311.3 million (previous year € 259.0 million). EBIT increased from € 16.4 million in the previous year to **€ 29.4 million** – an EBIT margin of 9.4%. Earnings per share up **+72.4%** from € 0.99 to € 1.71. Planned dividend of € 1.70 per share (previous year: € 1.00).

25,000 service partners worldwide, more than 7,000 in Germany alone. More than 800,000 new customers in 2009, customer basis grown to more than **3.4 million**.

