

# 9-Monthly Report 2009



## Profile

Delticom is Europe's leading online tyre retailer. Founded in 1999, the Hanover-based company has more than 100 online shops in 35 countries, among others the ReifenDirekt domains in Germany, Switzerland and Austria, as well as [www.mytyres.co.uk](http://www.mytyres.co.uk) and [www.123pneus.fr](http://www.123pneus.fr). Delticom offers a wide range of products for its private and business customers: more than 25,000 models from over 100 tyre brands for cars, motorcycles, commercial vehicles and buses, but also special tyres, complete wheels, motor oils, replacement parts and accessories.

Delticom's customers enjoy all the advantages of modern E-Commerce: convenience in order placing, quick, efficient delivery, clear cost information and, last but not least, low prices. The products are delivered in two business days to any address the customers chooses. Alternatively, Delticom delivers the tyres to one of the far more than 20,000 service partners (6,500 in Germany alone) for professional fitting directly on to the customer's vehicle at reasonable prices.

## 9M 2009 at a Glance

		01.01.2009 - 30.09.2009	01.01.2008 - 30.09.2008	yoy %
Revenues	€ million	201.6	175.2	+15.1
New customers	thousand	546	485	+12.7
Repeat customers	thousand	224	170	+32.3
Customer base	thousand	3,172	2,415	+31.3
Total income	€ million	204.1	177.2	+15.2
Gross profit	€ million	56.4	45.0	+25.4
Gross profit margin	(1) %	27.6	25.4	+2.3
EBIT	€ million	14.7	8.9	+64.6
EBIT margin	(2) %	7.3	5.1	+2.2
Net income	€ million	10.0	6.6	+52.7
Earnings per share	(3) €	0.85	0.56	+52.7
Employees	(4)	86	80	+7.5
Revenues per employee	€ thousand	2,344	2,190	+7.0
Total assets	€ million	112.2	94.5	+18.8
Equity	€ million	48.6	45.1	+7.8
Equity ratio	%	43.3	47.7	-4.4
Return on equity	%	20.7	14.6	+6.1
Liquidity position	(5) € million	30.7	30.2	+1.9
Investments	(6) € million	3.9	1.0	+296.5
Investment quota	(7) %	2.0	0.6	+1.4
Operating cash flow	€ million	2.8	3.5	-19.7
Free cash flow	(8) € million	-1.1	2.5	-143.0

(1) Gross profit to total income

(2) Consolidated earnings before interest and taxes (EBIT) to revenues

(3) Undiluted

(4) Average in reporting period

(5) Liquidity position = cash and cash equivalents + liquidity reserve

(6) Investments in tangible and intangible assets

(7) Ratio of investments to revenues

(8) Free cash flow = Operating cash flow – investments

# Management Report

## General Conditions

### Overall Economic Situation

Although the most severe recession for decades is nearing its end, and there are first detectable signs of an upturn in the economy, a sustained recovery is a long time coming. In many parts of Europe, a rise in the number of unemployed persons weighed down on the economy. Eurozone retail sales declined further over recent months. The E-Commerce sales channel, by contrast, registered relatively robust growth on a cross-sector basis. According to a recent poll published by the Allensbach Institut für Demoskopie (IfD), 66% of German Internet users shop online (2008: 63%). Other European countries show a similar trend.

### Sector Situation

The scrappage schemes introduced by some European governments had a positive impact on new car registrations. Especially in Germany this economic measure has developed into a model of success over the course of the year. Consumers rushed to scrap their old cars and buy new ones, often switching to compact cars. As a result, experts generally forecast new car registrations to rise year-on-year in Germany, offsetting the negative economic climate.

Although less cyclical, the European tyre sector has failed to return to a stable growth path over the course of the first nine months of the year. Following a somewhat unsatisfactory summer tyre business in the major European markets, many tyre dealers now hope for a rise in sales of winter tyres.

## Results of Operations

### Revenues

Delticom benefited from the relative strength of the high-growth e-commerce business this year and has been left comparatively unscathed by the economic downturn so far. This is evidenced by the development of the customer numbers: In the first nine months of the year the company acquired a total of 546 thousand new customers (9M 08: 485 thousand, +13%), while 224 thousand customers made a repeat purchase in one or more of Delticom's online shops (9M 08: 170 thousand, +32%). Overall, the customer base (customers who have made at least one purchase in 2009 or in previous years) increased to more than 3.1 million.

In total, the company's revenues grew by 15.1% from € 175.2 million to € 201.6 million in the reporting period. Revenues in the E-Commerce division were boosted by 19.6% year-on-year, from € 158.7 million to € 189.8 million. The Wholesale division reported revenues of € 11.8 million (-28.3% on previous-year divisional revenues of € 16.5 million).

In the first quarter, revenues went up by 19.8%, from € 42.6 million to € 51.0 million. A positive trend was also reported in the second quarter, with revenues coming in at € 88.1 million (Q2 08: € 78.9 million). In the third quarter revenues totalled € 62.4 million, up 16.3% year-on-year. The E-Commerce division posted a growth of 28.8% and recorded quarterly revenues of € 59.0 million (Q3 08: € 45.8 million). The Wholesale division was hurt by the recession, with revenues dropping 56.1% down to € 3.5 million (Q3 08: € 7.9 million).

In some European countries, weak local currencies made it increasingly difficult for Delticom to grow its business. Thanks to the company's stringent strategy of internationalization, Delticom was able to compensate for weaker sales in some individual markets with good growth in other markets. Consequently, in almost all 102 online shops in 35 countries the Group recorded rising volume figures and further market penetration during the reporting period. Overall in the EU countries a total of € 165.8 million was generated (+10.3% year-on-year) and in the remaining other countries € 35.8 million (+43.5%).

## Key Expense Positions

The cost of sales is the largest expense item. It increased by 11.7% from € 132.2 million to € 147.7 million (73.3% of revenues), due to higher revenues.

Despite higher transaction volumes in 2009, Delticom was able to keep staff levels low, thanks to efficient business processes. As of 30 September 2009, the company had 85 employees (30 September 2008: 82). Compared with the prior-year period, the personnel expenses ratio (staff expenditures as percentage of revenues) was flat at 2.1% (9M 08: 2.1%).

Tyres sold online are picked up at the delivery points by parcel services which then transport the tyres to the customers or fitting stations. Transportation costs developed in agreement with the expanding business in the reporting period (+24.5%). The share of transportation costs against revenues rose from 8.2% in 2008 to 8.9% in 2009, mainly due to more shipments to customers in non-domestic destinations.

Stocking costs went up in line with the growth in sales by 22.0% to 1.0% of revenues. The reason for the slight year-on-year deterioration of this expense position is that the share of revenues from stock-and-ship business slightly grew in comparison to drop-ship business.

In the reporting period, marketing expenses totalled € 5.3 million (9M 08: € 5.0 million), equating to a ratio of 2.6% of revenues, after 2.8% in the corresponding period of the previous year.

## Earnings Position

The gross profit advanced 2009 by 25.4% year-on-year, from € 45.0 million to € 56.4 million. The gross profit margin (gross profit in relation to total income) progressed from 25.4% to 27.6%, as a result of further improvements in purchasing conditions and optimised end-customer prices. 2009 more tyres have been delivered from company warehouses than last year. This resulted in a further hike in gross profit margin.

The two divisions – E-Commerce and Wholesale – operate at different gross profit margins. As usual, E-Commerce was able to achieve a better margin (9M 09: 27.6%, 9M 08: 26.2%) than Wholesale (9M 09: 15.7%, 9M 08: 11.7%). This had an additional positive contribution to the gross margin of the group, even more so because the growth in revenues in the E-Commerce division came in significantly higher than in Wholesale.

Consolidated earnings before interest and taxes (EBIT) improved during the reporting period to € 14.7 million (9M 08: € 8.9 million). The return on sales (EBIT margin) was 7.3% (9M 08: 5.1%). As expected, the sharp decline in Euro money market rates resulted in a significantly lower financial result of € 185 thousand (9M 08: € 729 thousand).

Consolidated net income for 2009 grew from € 6.6 million to € 10.0 million. This corresponds to earnings per share (EPS) of € 0.85 (undiluted, 9M 08: € 0.56). The tax rate in the third quarter worsened slightly to 33.2%. For the reporting period this equates to 32.6% (H1 09: 32.4%).

## Assets

The company's non-current assets amounted to € 6.8 million on 30 September 2009, or 6.1% (30 September 2008: 3.4%) of total assets. The increase follows investments into additional warehousing capacity. In the reporting period, capital expenditures totalled € 3.9 million (9M 08: € 1.0 million). The bulk of these were investments into warehousing equipment for the facilities rented by Delticom, in close coordination with logistics service providers.

Among current assets, inventories of € 56.6 million comprise approximately 50.4% of total assets (30 September 2008: € 43.6 million or 46.2%). The inventories went up by € 8.4 million since the last quarterly reporting date (30 June 2009: € 48.2 million). The reason for this is that a greater number of tyres can be stocked due to the latest warehouse capacity expansions.

To the end of the reporting period, accounts receivable stood at € 10.3 million. Bad debt losses were € 1,424 thousand, down from over the € 1,536 thousand recorded in 9M 08. On a quarterly basis,

the situation worsened: receivables losses in Q3 09 increased by 13.5%, from € 522 thousand (0.6% of revenues) to € 593 thousand (0.9% of revenues). Consumers' payment behaviour might continue to deteriorate over coming months in the wake of the recession. Delticom reacts to these developments with tightened customer credit management and receivables collection processes.

## Financial Position

In the period under review, the company has financed its business activities mostly with current income, additions to accounts payable and own capital resources. As of 30 September 2009 the equity ratio was 43.3% (30 September 2008: 47.7%).

Liabilities at the end of the reporting period stood at € 63.7 million, 99.1% of which were current. The preponderant element here was accounts payable. In line with the course of business, this position increased over the year by € 15.9 million from € 40.0 million (31 December 2008) to € 52.1 million.

The non-current liabilities to the end of the reporting period totalled € 552 thousand (30 September 2008: € 398 thousand), mainly from deferred tax liabilities.

Due to the higher level of capital tied up within the warehouses, cash flow from operating activities was lower than in the prior-year period (9M 09: € 2.8 million, 9M 08: € 3.5 million).

The available liquidity position including the liquidity reserve (money market funds) at the end of the period under review was € 30.7 million (30 September 2008: € 30.2 million, 31 December 2008: € 42.9 million).

## Report on Key Events after the End of the Reporting Period

There were no events of particular importance after the end of the period under review.

## Risk Report

The risk situation has not changed materially since the beginning of the fiscal year. Individual risks endangering the company do not exist, and considered together, the aggregate risk does not pose any danger to Delticom's going concern.

## Outlook

Following the steep decline in the global economy at the start of the year, several leading economic indicators are now pointing towards an improvement in the economic situation. However, it remains unclear as to how rapid and sustained the recovery will be. For instance, European unemployment rates have risen in recent months, in line with labor market experts' forecasts. As a consequence it must be feared that the downward trend will accelerate. Aftershocks of the recession are going to progressively burden private consumption.

Despite a bleak outlook on retail in general, the winter tyre business in particular had a very good start into the fourth quarter, especially for tyre trading in Germany. This was mainly due to early snowfalls in mid-October. Replacement demand for winter tyres resulting from the Europe-wide scrappage schemes has provided additional growth to the business in some tyre sizes. Delticom had stocked up in advance for the winter season.

On the other hand, temperatures at the end of October were untypically mild for the time of year. Consequently, at this point in time (mid-November) it is still too early to derive a conclusive view for the current quarter, as the winter tyre business is heavily weather-dependent. Still, following the positive trend to date in 2009 business, we are confident to achieve our full-year forecast of a 10% rise in revenues and an EBIT margin of 7%. We will review our guidance at the end of the winter tyre season and might adjust it if necessary.

# Consolidated Income Statement

€ thousand	01.01.2009 - 30.09.2009	01.01.2008 - 30.09.2008	01.07.2009 - 30.09.2009	01.07.2008 - 30.09.2008
<b>Revenues</b>	<b>201,597</b>	<b>175,221</b>	<b>62,441</b>	<b>53,688</b>
Other operating income	2,541	1,979	605	634
<b>Total operating revenue</b>	<b>204,139</b>	<b>177,200</b>	<b>63,047</b>	<b>54,322</b>
Cost of goods sold	-147,724	-132,229	-45,084	-39,803
<b>Gross profit</b>	<b>56,415</b>	<b>44,971</b>	<b>17,963</b>	<b>14,519</b>
Personnel expenses	-4,149	-3,692	-1,320	-1,191
Depreciation and amortization of intangible assets and depreciation of property, plant and equipment	-580	-359	-226	-125
Other operating expenses	-36,968	-31,977	-11,888	-9,831
<b>Earnings before interest and taxes (EBIT)</b>	<b>14,718</b>	<b>8,943</b>	<b>4,528</b>	<b>3,372</b>
Financial expenses	-28	-34	-15	-14
Financial income	213	764	21	258
<b>Net financial result</b>	<b>185</b>	<b>729</b>	<b>5</b>	<b>244</b>
<b>Earnings before taxes (EBT)</b>	<b>14,903</b>	<b>9,672</b>	<b>4,533</b>	<b>3,616</b>
Income taxes	-4,862	-3,097	-1,505	-1,143
<b>Consolidated net income</b>	<b>10,041</b>	<b>6,575</b>	<b>3,029</b>	<b>2,472</b>
Thereof allocable to:				
Shareholders of Delticom AG	10,041	6,575		
Earnings per share (basic)	0.85	0.56		
Earnings per share (diluted)	0.84	0.55		

# Consolidated Balance Sheet

## Assets

€ thousand	30.09.2009	31.12.2008
<b>Non-current assets</b>	<b>6,793</b>	<b>3,387</b>
Intangible assets	1,176	1,166
Property, plant and equipment	5,486	2,136
Other receivables	131	85
<b>Current assets</b>	<b>105,418</b>	<b>92,250</b>
Inventories	56,600	37,134
Accounts receivable	10,317	8,468
Other current assets	7,713	3,688
Securities	3,038	13,620
Cash and cash equivalents	27,751	29,339
<b>Assets</b>	<b>112,211</b>	<b>95,637</b>

## Shareholders' Equity and Liabilities

€ thousand	30.09.2009	31.12.2008
<b>Equity</b>	<b>48,559</b>	<b>50,224</b>
Subscribed capital	11,839	3,946
Share premium	24,065	31,809
Retained earnings	200	200
Other components of equity	-102	-86
Net retained profits	12,557	14,355
<b>Liabilities</b>	<b>63,652</b>	<b>45,414</b>
<b>Non-current liabilities</b>	<b>552</b>	<b>478</b>
Non-current provisions	42	34
Deferred tax liabilities	510	443
<b>Current liabilities</b>	<b>63,100</b>	<b>44,936</b>
Provisions for taxes	3,157	2,053
Other current provisions	41	28
Accounts payable	52,062	36,192
Other current liabilities	7,839	6,664
<b>Shareholders' equity and liabilities</b>	<b>112,211</b>	<b>95,637</b>

# Consolidated Cash Flow Statement

€ thousand	01.01.2009 - 30.09.2009	01.01.2008 - 30.09.2008
<b>Earnings before interest and taxes (EBIT)</b>	<b>14,718</b>	<b>8,943</b>
Depreciation and amortization of intangible assets and depreciation of property, plant and equipment	580	359
Changes in other provisions	21	-317
Net gain on the disposal of assets	-2	0
Changes in inventories	-20,224	-8,017
Changes in receivables and other assets not allocated to investing or financing activity	-5,939	-3,764
Changes in payables and other liabilities not allocated to investing or financing activity	17,195	9,227
Interest received	213	764
Interest paid	-28	-34
Income tax paid	-3,691	-3,618
<b>Cash flow from operating activities</b>	<b>2,845</b>	<b>3,541</b>
Proceeds from the disposal of property, plant and equipment	2	0
Payments for investments in property, plant and equipment	-3,060	-892
Payments for investments in intangible assets	-123	-101
Proceeds from the disposal of financial assets	0	1,000
Changes in liquidity reserve	10,583	0
<b>Cash flow from investing activities</b>	<b>7,403</b>	<b>6</b>
Dividends paid by Delticom AG	-11,839	-7,893
<b>Cash flow from financing activities</b>	<b>-11,839</b>	<b>-7,893</b>
Changes in cash and cash equivalents due to currency translation	5	-28
Cash and cash equivalents at the start of the period	29,339	34,540
Changes in cash and cash equivalents	-1,587	-4,375
<b>Cash and cash equivalents - end of period</b>	<b>27,751</b>	<b>30,166</b>
For information only:		
<b>Liquidity - start of period</b>	<b>42,918</b>	<b>34,540</b>
Changes in cash and cash equivalents	-1,587	-4,375
Changes in liquidity reserve	-10,583	0
<b>Liquidity - end of period</b>	<b>30,748</b>	<b>30,166</b>



## Statement of Changes in Shareholders' Equity

€ thousand	Subscribed capital	Share premium	Reserve from currency translation	Revaluation Reserve	Accumulated profits / losses			Total equity
					Retained earnings	Net retained profits	total	
<b>as of 1 January 2008</b>	3,946	31,706	-27	0	200	10,518	10,717	46,342
Increase in share premium due to stock options		68						68
Dividends paid						-7,893	-7,893	-7,893
Total comprehensive income for the period			-28			6,575	6,575	6,547
<b>as of 30 September 2008</b>	3,946	31,773	-55	0	200	9,200	9,399	45,064
<b>as of 1 January 2009</b>	3,946	31,809	-128	41	200	14,355	14,555	50,224
Capital increase from company funds	7,893	-7,893						
Increase in share premium due to stock options		149						149
Dividends paid						-11,839	-11,839	-11,839
Total comprehensive income for the period			5	-20		10,041	10,041	10,026
<b>as of 30 September 2009</b>	11,839	24,065	-123	21	200	12,557	12,756	48,559

## Statement of Recognised Income and Expenses

€ thousand	01.01.2009 - 30.09.2009	01.01.2008 - 30.09.2008	01.07.2009 - 30.09.2009	01.07.2008 - 30.09.2008
<b>Consolidated Net Income</b>	<b>10,041</b>	<b>6,575</b>	<b>3,029</b>	<b>2,472</b>
Changes in the financial year recorded directly in equity				
Changes in currency translation	5	-28	-15	0
Changes in value of financial assets in the "available-for-sale assets" category				
Changes in current value recorded directly in equity	31	0	2	0
Recognition of settled hedging transactions with effect on income	-60	0	0	0
Deferred tax on current changes without effect on income	9	0	-1	0
<b>Other comprehensive income for the period</b>	<b>-15</b>	<b>-28</b>	<b>-14</b>	<b>0</b>
<b>Total comprehensive income for the period</b>	<b>10,026</b>	<b>6,547</b>	<b>3,015</b>	<b>0</b>

# Notes to the Consolidated Interim Financial Statements

## Reporting Companies

The Delticom group primarily sells tyres on the Internet. Delticom has two divisions: Wholesale and E-Commerce. In the E-Commerce division, tyres are sold to consumers and business customers via 102 online shops in 35 countries (Europe and USA). In the Wholesale division, tyres procured from manufacturers (including private brands) are sold to other wholesalers.

## Basis of Presentation

This consolidated interim report as of 30 September 2009 has been prepared according to International Financial Reporting Standards. The accounting and valuation methods for the interim financial statements are in line with IAS 34, GAS 6 and Section 63 of the Börsenordnung der Frankfurter Wertpapierbörse (Frankfurt Stock Exchange Rules).

The Delticom Group's interim report comprises consolidated interim financial statements and a group interim management report, as well as notes to selected line items.

The mandatory notes to the financial statements are intended to provide a clarification of results and transactions that are of significance for an understanding of the changes to financial positions and the company's performance since the last set of annual financial statements.

The following new standards and amended standards must be applied from 1 January 2009:

- IAS 1 (Revised), "Presentation of Financial Statements". The new version of the standard introduces new terminology for the components of the financial statements. In addition, an explicit separation is made between owner changes in equity and non-owner changes in equity. As a consequence, income and expenses reported in equity must be presented in a so-called statement of total comprehensive income. The mandatory presentation of income and expenses reported in equity within the statement of total comprehensive income is presented in two accounts (in the income statement, as well as in the changes in the financial year recorded directly in equity applied to consolidated net income). The amended standard has an impact on the presentation of the financial statements, but does not have an effect on assets, financing position and results of operations in the consolidated financial statements.
- The Delticom Group applies IFRS 8 "Operating Segments" from 2009 on. IFRS 8 replaces IAS 14 "Segment Reporting". The new standard applies the so-called "management approach", whereby segmental reporting is adapted both structurally and in terms of content to the reports regularly presented to internal decision-makers. This has no effect on the breakdown of the segments; only the presentation of segmental information has changed.

The following new standards and amended standards or interpretations must be applied for the first time from 1 January 2009, but are not relevant to the Delticom Group:

IAS 23	Borrowing costs
IAS 32	Amendment: Puttable instruments and obligations arising on liquidation
IFRS 2	Amendment: Share-based payment (vesting conditions and cancellations)
IFRIC 13	Customer loyalty programmes
IFRIC 14	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
IFRIC 15	Agreements for the construction of real estate
IFRIC 16	Hedges of a net investment in a foreign operation

During preparation of the interim financial statements and the identification of comparable figures for the previous year, as a rule the same principles of consolidation and accounting and valuation methods were applied as in the 2008 consolidated financial statements, with the exception of the changes noted above.

## Group of Consolidated Companies

The Group of consolidated companies comprises Delticom AG, with its registered office in Hanover, registered at Hanover local court under the number HRB 58026, as well as the German subsidiary Reifendirekt GmbH, Hanover, Pnebo Gesellschaft für Reifengroßhandel und Logistik mbH, Hanover, as well as the foreign subsidiaries Delticom Ltd., Oxford (United Kingdom), NETIX S.R.L., Timisoara (Romania) and Delticom North America Inc., Wilmington (Delaware, USA). Delticom AG holds a 100% interest in all subsidiaries.

## Capital Increase

In accordance with a resolution of the Annual General Meeting of 19 May 2009, an increase in the issued share capital from € 3,946,480.00 by € 7,892,960.00 to € 11,839,440.00 was effected from company funds through the conversion of € 7,892,960.00 of the capital reserves reported in the annual balance sheet as of 31 December 2008 into issued share capital. The capital increase was performed by issuing 7,892,960 new registered ordinary shares to the company's shareholders. There is no change in shareholding relationships for existing shareholders as a result of the stock split.

## Other operating expenses

€ thousand	01.01.09 - 30.09.09	01.01.08 - 30.09.08	01.07.09 - 30.09.09	01.07.08 - 30.09.08
Transportation costs	17,942	14,410	5,574	4,035
Warehousing costs	2,104	1,725	759	558
Credit card fees	1,461	1,201	496	371
Bad debt losses and individual write-downs	1,424	1,536	593	654
Marketing costs	5,329	4,986	1,676	1,700
Operations centre costs	2,631	2,727	840	832
Rents and overheads	1,292	1,091	518	378
Financial and legal costs	1,361	1,597	389	625
IT and telecommunications	393	350	129	118
Expenses from exchange rate differences	2,196	1,352	648	269
Other	835	1,002	267	291
<b>Total</b>	<b>36,968</b>	<b>31,977</b>	<b>11,888</b>	<b>9,831</b>

## Calculation of Earnings per Share

Basic earnings per share totalled € 0.85 (previous year: € 0.56). The diluted earnings per share totalled € 0.84 (previous year: € 0.55).

Earnings per share are calculated according to IAS 33. During the period under review, there were 15,810 potential shares (financial instruments and other agreements which entitle their holders to subscribe to ordinary shares) from the tranche dated 22 November 2007, 37,500 potential shares from the tranche dated 08 May 2008, 37,500 potential shares from the tranche dated 25 November 2008 and 15,000 potential shares from the tranche dated 30 March 2009.

As the exercise price for the tranche dated 22 November 2007 was higher than the average share price since the option were on, this tranche was not included in the diluted earnings per share. The exercise prices for the tranches 08 May 2008, 25 November 2008 and 30 March 2009 were below the average share prices since the options were issued. As a result these tranches are included in the diluted earnings per share.

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The calculation of the earnings per share was based on net income after taxes of € 10,041,065.38 (previous year: € 6,575,018.55) and the weighted average number of shares outstanding including the potential shares from the issues options, thus 11,839,440 shares (undiluted, previous year: 11,839,440 shares) resp. 11,924,587 shares (diluted, previous year: 11,859,431). Both earnings per share and the number of shares from 2008 were adjusted for the stock split.

#### Remarks concerning the Dividend Payment

On 20 May 2009 a dividend of € 3.00 per share was paid out to shareholders for the 2008 financial year (corresponds to a dividend of € 1.00 per share on the basis of 11,839,440 after the stock split).

## Segment Information

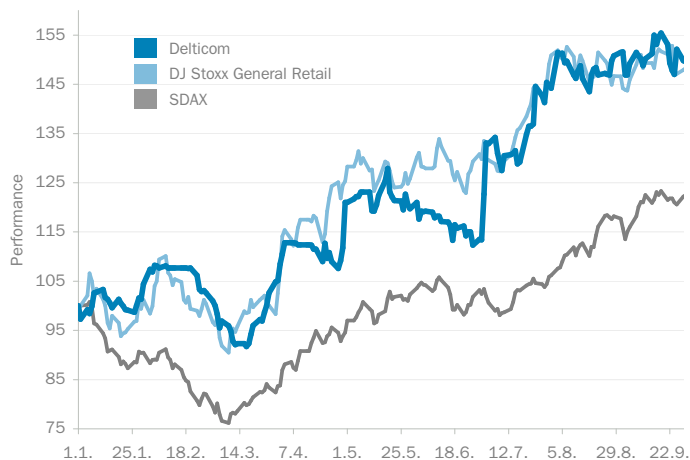
of Delticom AG, for the period from 1 January 2009 to 30 September 2009

€ thousand	E-Commerce	Wholesale	not allocated	Group
<b>Revenues</b>	<b>189,776</b>	<b>11,822</b>	<b>0</b>	<b>201,597</b>
Other operating income	526	62	1,954	2,541
Cost of goods sold	-137,706	-10,018	0	-147,724
<b>Gross profit</b>	<b>52,595</b>	<b>1,866</b>	<b>1,954</b>	<b>56,415</b>
Personnel expenses	-1,652	-303	-2,193	-4,149
Depreciation and amortization	-442	0	-138	-580
thereof property, plant and equipment	-360	0	-107	-468
thereof intangible assets	-81	0	-31	-112
Other operating expenses	-32,066	-1,163	-3,739	-36,968
thereof bad debt losses and individual write-downs	-936	-488	0	-1,424
<b>Segment result</b>	<b>18,435</b>	<b>400</b>	<b>-4,117</b>	<b>14,718</b>
Net financial result				185
Income taxes				-4,862
<b>Consolidated net income</b>				<b>10,041</b>

of Delticom AG, for the period from 1 January 2008 to 30 September 2008

€ thousand	E-Commerce	Wholesale	not allocated	Group
<b>Revenues</b>	<b>158,738</b>	<b>16,483</b>	<b>0</b>	<b>175,221</b>
Other operating income	600	128	1,252	1,979
Cost of goods sold	-117,557	-14,672	0	-132,229
<b>Gross profit</b>	<b>41,781</b>	<b>1,938</b>	<b>1,252</b>	<b>44,971</b>
Personnel expenses	-1,390	-273	-2,029	-3,692
Depreciation and amortization	-216	-1	-142	-359
thereof property, plant and equipment	-162	-1	-114	-277
thereof intangible assets	-54	0	-28	-82
Other operating expenses	-28,290	-597	-3,090	-31,977
thereof bad debt losses and individual write-downs	-1,484	-53	0	-1,536
<b>Segment result</b>	<b>11,884</b>	<b>1,068</b>	<b>-4,010</b>	<b>8,943</b>
Net financial result				729
Income taxes				-3,097
<b>Consolidated net income</b>				<b>6,575</b>

# Delticom Share



WKN 514680  
 ISIN DE0005146807  
 Reuters / Bloomberg DEXGn.DE / DEX GR  
 Designated Sponsors Equinet, HSBC Trinkaus  
 Index membership SDAX, CXPR, GEX, NISAX  
 Type of shares No-par value, registered  
 Transparency level Prime Standard

09 November 2009 German Equity Forum  
 10 November 2009 German Equity Forum

		01.01.2009 - 30.09.2009
Number of shares	shares	11,839,440
Market capitalisation	(1) € million	230.5
Average trading volume per day (XETRA)	shares	7,050
Share price on 2 January 2009	(2) €	13.03
Share price on 30 September 2009	(2) €	19.47
Share price high/low	(2) €	20.20/11.92
Share performance	(2) %	49.4
Equity per share	€	4.10
Dividend	(3) €	1.00
Operating cash flow per share	€	0.24
Free cash flow per share	(4) €	-0.09

- (1) Based on official closing price at end of quarter  
 (2) Based on closing prices  
 (3) Per share, paid for fiscal year 2008  
 (4) Free cash flow = Operating cash flow – investments

Broker	Analyst	Recommendation	Target price	Estimates for 2009				Estimates for 2010			
				Revenues (€m)	EBIT (€m)	EBIT (%)	EPS (€)	Revenues (€m)	EBIT (€m)	EBIT (%)	EPS (€)
NordLB	Frank Schwoppe	Hold	19.00	288.0	19.9	6.9	1.13	313.0	20.4	6.5	1.17
Metzler	Jürgen Pieper	Buy	24.80	295.0	20.7	7.0	1.27	333.0	24.4	7.3	1.52
Sal. Oppenheim	Marcus Sander	Buy	20.00	287.3	20.2	7.0	1.17	324.4	22.1	6.8	1.30
Exane	Andreas Inderst	Outperform	26.00	290.8	21.6	7.4	1.26	322.8	24.2	7.5	1.42
Berenberg	Lars Dannenberg	Buy	24.00	290.0	20.0	6.9	1.18	339.0	24.0	7.1	1.40
Nomura	Paul Diamond	Buy	16.00	286.7	16.5	5.8	0.98	318.9	18.5	5.8	1.10
BHF	Aleksej Wunrau	Strong Buy	29.50	295.0	24.0	8.1	1.39	308.0	25.0	8.1	1.48
Deutsche Bank	Katja Filzek	Buy	24.00	285.0	20.0	7.0	1.18	330.1	24.4	7.4	1.43
Merck Finck	Robert Heberger	Buy	22.00	287.0	20.0	7.0	1.19	319.0	22.0	6.9	1.27
		Average	22.81	289.4	20.3	7.0	1.19	323.1	22.8	7.0	1.34

as of 2 November 2009

## **Imprint**

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