8th Annual General Meeting of TAKKT AG
on 4 May 2007 in Ludwigsburg

Speech of Georg Gayer,
CEO of TAKKT AG

Only the spoken word applies

Dear shareholders,
Dear shareholder representatives and members of the press,
Ladies and Gentlemen,

On behalf of the Management Board, I take great pleasure in welcoming you today to the 8th Annual General Meeting of TAKKT AG. First I would like to briefly summarise the topics I will be covering today. To start with, I would like to talk about how TAKKT AG has developed during 2006. Following that, I will explain what is on the agenda. Then I will present the figures for the first quarter of 2007, before outlining our forecast for 2007. There are two topics that I would like to go into in greater detail:

- Firstly, the contribution of our employees at TAKKT to the overall success of the group
- And secondly, the expansion of our logistics infrastructure

Those of you who were present at last year's Annual General Meeting may have already noticed that we have two new faces up here on stage. These are our new Board members: from Belgium Didier Nulens of Topdeq and our American colleague Thomas Loos of K + K America. Both were appointed by the Supervisory Board in 2006, after Alfred Milanello left us to go into well-deserved retirement in July 2006. The

Management Board now has five members, which also means that all group divisions are represented on the Board. This enables us to pool more responsibilities in this body and reflect the international orientation of the group better than before.

TAKKT 2006: still on growth track

Ladies and gentlemen,

I was able to report in the last two years that we had exceeded our expectations in the past financial year. I am pleased to be able to report the same this year: TAKKT continued to grow profitably in 2006. Three factors contributed to this growth: firstly, almost all our established companies grew at an above-average rate. Secondly, the new companies founded in 2005 and 2006 contributed around one percent to overall growth. And thirdly, the American National Business Furniture Group – NBF for short – which we acquired at the beginning of 2006 has also helped to improve our turnover figures significantly.

Thanks to the excellent overall work of the TAKKT team, the Management Board has been able to upgrade its turnover forecast twice: once in August from 18 to 20 percent and again in November by a further three percentage points to 23 percent. Our final turnover figures of 24.4 percent in currency-adjusted terms again surpassed our expectations by 1.5 percentage points.

Excluding the acquisition of NBF, TAKKT grew by 10.1 percent, in currency-adjusted terms. That means we are growing faster than the economies in which we operate. In other words, TAKKT gained market share in the past year.

But I would like to emphasise that this growth has not in any way had a negative impact on our profitability. Our operative margin in 2006 was above our long-term target corridor of 10 to 12 percent, despite founding new subsidiaries and purchasing NBF.

Cash flow also developed positively and reached a new record.

We were able to further boost our equity ratio. In fact, thanks to our high cash flow, we managed to almost completely compensate the purchase price for NBF within just one year. At 47.7 percent, our equity ratio is up by 1.6 percentage points on the previous year respectively the investment in NBF.

TAKKT 2006: highlights

Ladies and Gentlemen,

The figures show that TAKKT is extremely well-positioned in the market. This good news is also the result of a number of measures and events in the year under review. I would like to briefly present the highlights of 2006 from our perspective – both at group and division level.

Let me start by looking at KAISER + KRAFT EUROPA. Our largest division redesigned the KAISER + KRAFT brand catalogue in 2006, with great success. The division also continued to expand into new markets. One example of this was the launch of Gaerner in France. The results of the first months were well above our expectations. In 2005, KAISER + KRAFT EUROPA expanded into China. The first KAISER + KRAFT catalogues were mailed there last year. The figures for incoming orders and repeat sales have so far been better than expected.

Let's move on to the Topdeq division. Our specialist for high-quality designer furniture and accessories successfully managed a turnaround in the year under review and grew by around five percent. It also continued to expand. At the beginning of September Topdeq launched a subsidiary in Austria and sent out its first catalogue. This new company is now also developing highly satisfactorily.

The highlight of the year for the K + K America division was, without doubt, the acquisition of the NBF Group. The integration of this leading American B2B mail order company for office equipment is going according to plan. I am particularly impressed by how quickly TAKKT and NBF staff started to work as a team. As I already announced, I will be talking in more detail about how our employees have contributed to our business success later on.

Ladies and Gentlemen,

In order to be able to further expand its strong market position, a successful company like TAKKT has to support the interests of different groups: customers, business partners, employees and, above all, shareholders. Your interests, ladies and gentlemen, are the standard by which we measure ourselves. The decision by the Management and Supervisory Boards to increase the dividend this year by around 67 percent to 25 cents per share is a demonstration of this. And yet TAKKT AG still has ample capital to finance further growth. An important element of our corporate policy is that our shareholders have an adequate stake in the success of our business. We also place great importance on informing our shareholders quickly and professionally about ongoing developments. The high quality of our investor relations work was again confirmed by independent experts in 2006: as in 2005, TAKKT came third in the SDAX segment in the renowned Investor Relations Awards presented by the German business magazine “Capital”. In the overall ranking of all 196 German and European companies from the EUROSTOXX 50, DAX, MDAX, TecDAX and SDAX TAKKT is among the top ten. We see this award as a recognition of our hard work, but much more as an incentive to perform better. Our goal is to be market leader in this area too.

TAKKT 2006: corporate social responsibility

We are dedicated to continue enhancing our market position. But in all that we do, we do not forget to live up to our social responsibility. As far as we are concerned, commercial success and social responsibility are mutually dependent. We are therefore committed to socially and ecologically responsible corporate management and consider corporate social responsibility to be a fundamental part of our corporate culture.

In 2006, TAKKT defined the focus of Group-wide social activities on supporting projects to educate children and young people as well as creating new jobs. Thanks to this common objective, activities within TAKKT Group can be coordinated more easily to ensure that our help is more effective.

Turnover: currency-adjusted growth of 24.4 percent or 10.1 percent excluding NBF

Ladies and Gentlemen,
Let’s have a look at the how the pleasing development in the past year has affected various key figures of the TAKKT Group.

In 2006, TAKKT generated a turnover of EUR 958.5 million. If we exclude the currency effects, which have been relatively insignificant this year, this means that turnover is up by 24.4 percent compared to 2005.

This rise in group turnover was therefore above the trend of the past 20 years. During this period, TAKKT has had an average annual growth of around 12 percent a year.

This pleasing trend was of course boosted by the acquisition of NBF and above all the economic upswing in Europe. NBF alone accounts for 14 percentage points of our over 24 percent growth. Nevertheless, the remaining ten percent clearly indicates just how successful TAKKT has been and the opportunities B2B mail order has to offer.

Turnover: portfolio further diversified through the acquisition of NBF

Our success also has a structural background. The TAKKT Group benefits from the fact that it is relatively diverse. Our three divisions serve customers in different sectors. Furthermore, TAKKT operates in over 25 countries on three continents. This means that we can absorb economic fluctuations in the individual markets more easily.

How is the turnover spread among the divisions? In 2006, KAISER + KRAFT EUROPA continued to be the division with the highest turnover at around 47 percent. However, the division accounted for less than 50 percent of the turnover of the TAKKT Group. K + K America improved its share of turnover to 44 percent. Both of these developments can be put down to the acquisition of NBF. Topdeq’s share of sales dropped slightly to 8.9 percent.

TAKKT generated 21 percent of group turnover in its domestic market of Germany in 2006. Other European markets accounted for 33 percent. The share from subsidiaries in North America rose to 45.6 percent as a result of the acquisition of NBF. In comparison, the subsidiaries in Mexico, Japan and China – grouped under “Others” on the chart – contributed little in 2006 with a combined share of 0.4 percent. However, we must bear in mind that these countries are achieving annual growth rates in high double-digit or triple-digit percentage range.

Let me explain an apparent phenomenon of B2B mail order: on the one hand, new subsidiaries are growth drivers in the long term and end up being highly profitable units of the TAKKT Group. That has been proven year after year. On the other hand, it takes a relatively long time for a new subsidiary to generate substantial figures. This is nothing new and not worth shouting about. But it does have one major advantage: it pushes up the entry barriers for competitors.

We still have a lot to do. But we are currently on, or even ahead of, target, and expect TAKKT growth to remain disproportionately strong in Asia and Central America.

E-business at TAKKT: constantly increasing importance

Dear shareholders,

For years now, electronic media have accounted for a growing share of our turnover. The online business is developing at around 40 percent a year on average. This trend continued in 2006. For the first time, our electronic media sales surpassed the EUR 100 million milestone. Apart from this, the acquisition of NBF has added two new brands to our portfolio that sell office equipment exclusively online: OfficeFurniture.com and OfficeChairs.com.

We offer customers in our key markets a variety of options in the field of electronic media. By choosing the most efficient procurement system for their purposes, customers can reduce their procurement costs considerably.

First of all, there is our website, with services and resources that are available to anybody. Frequent users can obtain a password enabling them to access additional features such as order tracking or order histories.

Customers who wish to browse our catalogues can do so online, by utilizing our second channel, PDF catalogues. And thirdly, in addition to our Web-based offer, customers can make use of a wide range of e-procurement options.

Our fourth and most recent service is “eprocZONE”, a simplified solution of e-procurement for us and our customers. For those of you who are interested in learning more, our staff await your questions in the internet café situated in the foyer.

Gross profit: margin exceeds 40 percent, even after NBF acquisition

In spite of prevailing economic conditions, TAKKT continues to generate high, stable gross profit margins that provide us with a solid basis for long-term growth. In 2006, our gross profit margin dropped from 41.4 percent to 40.6 percent, the decrease being attributable to the acquisition of NBF: NBF’s gross profit margin is currently below the average of the TAKKT Group. Without NBF, our gross profit margin would have increased to 41.6 percent – a result of a streamlined product range, more favourable purchasing terms and better service.

EBITDA: margin exceeds target corridor of 10 to 12 percent

Ladies and Gentlemen,

Let’s move on to look at our EBITDA, our earnings before interest, tax, depreciation and amortization. In 2006, this figure reached a new record at EUR 120 million. The current EBITDA margin is 12.5 percent. It exceeds our long-term target corridor of 10 to 12 percent. This is due to the high and stable gross profit margin mentioned above.

As I said, we had fixed the target corridor for the EBITDA margin at between 10 and 12 percent. Having exceeded this figure for two consecutive years now, we have decided to move it up one percentage point from 2007. The corridor is now between eleven and 13 percent. The decision also takes into account the promising profit situation at KAISER + KRAFT EUROPA. In addition, we are planning a number of projects to further improve profitability at Topdeq and K + K America.

Profit: maintained at a high level

The group's profit has improved and reached a new record. The margin has remained unchanged to the previous year.

Tax ratio: successful reduction

Pleasing is the lowering of the tax ratio by 3.3 percent. Note that the tax ratio has nothing to do with a drop in tax rates – neither does it mean that we have received a tax rebate or that we have used some kind of tax trick.

One reason for the lower tax ratio is that the new subsidiaries have developed better than expected. As a result, we have been able to use accumulated tax losses earlier than planned.

The second reason is of a structural nature: our profits have grown disproportionally in countries where the lower tax rates apply. A stroke of luck for us – we are very glad of this favourable development. And I suppose that you, our shareholders will feel just the same.

Let us get back to our key figures.

Cash flow: new record confirms our profitability and financial strength

Three is the charm: after two record-breaking performance figures, turnover and EBITDA, I am proud to present yet another one. Last year, our cash flow was EUR 81.7 million. We have successfully used it to invest in further growth, to finance planned initial losses from new companies, which we have set up, and to reduce our debts.

Consolidated balance sheet: increase in total assets and liabilities as a result of NBF acquisition

Ladies and Gentlemen,

I would now like to briefly explain our consolidated balance sheet. As a result of the acquisition of the NBF Group, our goodwill, other assets and debts increased. But thanks to our strong internal financial strenght, we have even slightly improved our balance sheet structure by the end of the year compared to 2005.

On the reporting date, 31 December 2006, the balance sheet total stood at EUR 573.1 million. Non-current assets amounted to EUR 352.5 million. Goodwill continues to be the largest position with EUR 250.4 million. Changes over the previous year can mainly be attributed to the acquisition of NBF and the effect of currency changes.

Inventory levels also rose slightly, as adjusted for currency changes, due to the increase in business volume.

Current receivables and assets and especially trade receivables also increased. The rise in business volume was again responsible for this, in addition to the purchase of NBF. Customers' payment patterns remained generally stable.

Consolidated balance sheet: higher equity ratio of 47.7 percent

We are also very pleased with the figures on the liabilities side. We significantly increased our equity thanks to our good profits. Borrowings rose at the beginning of the year as expected due to the purchase of NBF. On the other hand, the weak US dollar caused a devaluation of borrowings in general. We repaid a net total of EUR 52.9 million out of our cash flow in 2006, so that our financial obligations only went up by EUR 6.5 million.

TAKKT: our employees

Ladies and Gentlemen,

I think you will agree that 2006 was a very successful year for TAKKT AG. I have already named a number of reasons why our key figures have developed so positively. But at this point I would like to talk about the most important reason for this development in more detail: our staff. TAKKT's business model is highly successful – that's beyond question. But in order to achieve above-average profitability in the long term and gain and maintain market share at the same time, you need dedicated employees. Our growth and our result show that our employees are indeed excellent.

We owe our success to their expertise, their dedication and their motivation. I would like to take this opportunity to give my sincere thanks to our entire staff.

At the end of 2006, for the first time in its history TAKKT employed over 2,000 full-time equivalent staff members. This strong increase compared to the previous year can be attributed to the acquisition of NBF.

TAKKT employees: key figures

But who are our employees? They can't be described in general terms. They are as varied as the TAKKT Group itself. At the end of 2006, 1.054 women and 973 men worked in the company. This goes to show that TAKKT is a company that offers equal opportunities. Our colleagues work in 57 companies in 26 countries and speak a total of 20 languages.

A look at age distribution shows that we have nor succumbed to the much-cited obsession with youth neither we are a gang of senior workers. We think that it is not the age of our employees that counts, but their know-how and their dedication.

As you can see, we employ the majority of our staff in Europe. Of these, most work in Germany. Proportionate to the sales figures, 46 percent of our staff work in North America and 1 percent in Mexico, Japan and China.

Employees: growth in 2006

If we want to continue to grow steadily, we will need even more motivated employees in future. That is why KAISER + KRAFT EUROPA and K + K America have begun to hire new staff in 2006. K + K America's growth was boosted as a result of purchasing NBF. Topdeq on the other hand cut back jobs, despite an increase in turnover and founding new companies in Belgium in 2005 and in Austria in 2006. This was largely due to the fact that the company repositioned its catalogue offer, which led to fewer orders – but with a higher average order value. The second reason was that the organisation was restructured to conform to our successful system of company affiliation.

Employees: vocational and specialist training

Qualified employees are our key to success. That is why TAKKT assumes responsibility for young people, for example by giving them a better chance on the job market. At present, in Germany alone, 38 young men and women are receiving a first-class vocational training at TAKKT. Nine of them are also studying part-time.

Staff training is also rated highly. We provide a training model for our employees comprising three modules:

Firstly: Regular internal training sessions in which employees pass on their know-how to colleagues, according to the principle of "staff training staff".

Secondly: External seminars, for example in sales and IT.

And thirdly: Courses for specialist staff and management at Haniel Academy. It is also important that our management and specialist staff have the opportunity to exchange their experience and know-how at an international level within the Haniel Group.

The knowledge conveyed in seminars, training courses and other events is highly work-related and not only intended for the personal development of our employees. TAKKT encourages all staff to use this knowledge in their daily work, for example by offering suggestions on how to improve operational processes. In the past year, the number of suggestions for improvement rose by eight percent.

Employees: performance-related payment and bonus system
An interesting working environment and training opportunities are certainly two ways to encourage employees to be loyal to the company. But of course salary also plays an important role.

TAKKT remunerates employees according to their position and performance. We also try to motivate our staff by offering bonus payments. This applies to all colleagues who do not have a special bonus provision in their contract. Whether a bonus is paid at the end of the year depends on the performance of the subsidiary. This premium is graduated according to each employee’s monthly salary. In 2006, staff at Gaerner in Germany, for example, received a bonus of 30 percent of their monthly salary.

But to be successful and earn a bonus, you have to accomplish something. And you can only accomplish this if you are healthy. Which is why TAKKT actively promotes the health of all its employees. Together with health insurers, we offer for example courses to stop smoking and sports activities.

It should now be clear that TAKKT looks after its employees and endeavours to create a working environment that is conducive to work. The formula “low fluctuation = experience = success” is a vital component of our corporate philosophy. The following figures reflect our success in this aspect, showing just how our employees identify with their company: this year, almost ten percent of our staff in Germany will be celebrating their tenth year in the company.

TAKKT: Divisions

Ladies and Gentlemen,

Next we will look at how our three group divisions have developed. With this chart, I would like to remind you of the key features and strengths of the group divisions KAISER + KRAFT EUROPA, Topdeq and K + K America.

KAISER + KRAFT EUROPA: main turnover contributor with high profitability

Let me start with KAISER + KRAFT EUROPA. Our largest division increased its turnover by 12.5 percent to EUR 451.2 million – a new record.

The subsidiaries in Scandinavia, Southern and Eastern Europe, Benelux, Switzerland and Germany developed particularly well. All achieved double-digit growth rates in 2006.

Despite the cost of starting up the large number of new subsidiaries in the past two years, KAISER + KRAFT EUROPA continues to be highly profitable. EBITDA rose by 20.6 percent to EUR 84.9 million. It also increased its margin by 1.3 percentage points to 18.8 percent. This can be attributed to four factors: improved purchasing terms, better capacity utilization, better service – in other words a lower margin of error – and more efficient advertising media.

Topdeq: repositioning taking effect

Topdeq, too, is on growth track. It has become clear that the strategic decision to reposition Topdeq as a premium brand was the right one. In 2006, the division increased its turnover by 4.9 percent adjusted for currency fluctuations.

But what does strategic repositioning mean exactly? Let me explain. Since the end of 2006, Topdeq has turned its focus to high-quality, design-driven equipment with a high utility value. This also means that the product range no longer addresses some of the less profitable customer groups – but this was anticipated. Ultimately, the idea was that boosting the average order value would overcompensate for the drop in the number of orders.

And this strategy has worked like a charm: the orders have gone up in value and the number of complaints has gone down. This has boosted efficiency and as a result, Topdeq has become more profitable. The EBITDA margin rose from 3.4 percent to 5.0 percent.

Topdeq grew its operating result by more than 50 percent. Without the new company founded in Austria, the result would have been even higher.

K + K America: a huge leap – thanks to the acquisition of NBF

There is good news from K + K America too. Our third division grew its turnover significantly by around 47 percent to USD 528.8 million. Translated into euros, that amounts to 421.5 million. This success is of course due to the acquisition of NBF. But even without NBF, K + K America grew organically by 8.6 percent.

The first-time consolidation of the NBF Group meant that EBITDA grew by around 20 percent to USD 49.3 million. As expected, the EBITDA margin dropped at the same time. This is because NBF currently generates margins that are still below the average of K + K America. Without the NBF Group, the EBITDA margin would have been at 10.2 percent.

This slight drop in the EBITDA margin compared to 2005 is mainly due the cost of launching the division’s new IT platform. However, we are convinced that the positive effects from the new platform will be reflected in the figures from 2008.

Key figures per share: sharp increase in earnings and dividend

These positive figures also have an impact on the key figures per share. Earnings and cash flow per share increased. At EUR 1.12, the cash flow per share topped EUR 1 for the first time.

The group's growth rate over the past five years has been impressive. We were able to grow earnings per share by more than 150 percent during this period.

Naturally, these figures have an impact on dividends. Up to and including 2003, we distributed 10 cents per share. In 2004 and 2005 we raised the dividend by 50 percent to 15 cents. Today, the Management and Supervisory Boards propose raising the dividend by around 67 percent to 25 cents per share.

This puts the payout ratio at 30 percent, which will allow you, the shareholders, to have an adequate share in the success of the company. At the same time, the company will still have sufficient funds to finance future growth.

TAKKT share: yet another good year for investors

For the investor the dividend in only part of the yield expectation. The other part is the growth in the share value. This chart shows that the TAKKT share has developed better than the benchmark index SDAX in the past year. Between 1 January and 31 December 2006, the share increased by 37 percent, while the SDAX only grew by 29.9 percent.

The total number of shares remains unchanged at 72.9 million. On 31 December 2006 this corresponded to a market capitalisation of around EUR 959 million. The shareholder structure is also unchanged. Franz Haniel & Cie. GmbH continues to hold 72.7 percent of shares. The remaining 27.3 percent are spread among institutional and private investors.

Ladies and Gentlemen,

Corporate governance is a core element of our corporate culture. It is evident at various levels. For example, we inform our Supervisory Board and shareholders quickly and professionally about ongoing developments in the Group. In this way we protect your interests, dear shareholders, at all times.

The group also practices active risk management to guarantee success in the long term. Our management structures are clearly organized with direct reporting lines. We endeavour to communicate transparently with our employees and with the press.

To underline just how important we consider corporate governance to be and to communicate this externally, the Management and Supervisory Boards have again committed themselves to the recommendations of the governmental commission German Corporate Governance Code. With two justifiable exceptions, we fully comply with the rules of this codex.

The first exception is that TAKKT does not publish details on the compensation of individual members of the Management and Supervisory Boards. I refer to the motion put forward at the Annual General Meeting in the previous year. According to this motion, individual earnings will not be disclosed for the next 5 years.

The second exception refers to the work of the Supervisory Board. TAKKT has not installed an audit committee for the board. In our opinion, the Supervisory Board with its nine members is relatively small. And with just 6 members, it is most definitely so.

Dear Shareholders,
Let me elaborate a bit on the agenda for today’s meeting.

Point 1 on the agenda – presentation of the annual financial statements – I have already dealt with.

Point 2 on the agenda now deals with how the retained earnings are to be used.
I have also just explained the reasoning behind our proposal to distribute a 25 cent dividend per share.

If you agree to this proposal, the dividend will be deducted from the retained earnings, EUR 36.5 million leaving EUR 18,253,436.93 to be carried forward.

Next we have agenda points 3 and 4 – the formal approval of the actions of the Management and Supervisory Boards. I would just like to make one remark about this: the figures presented, along with the market position of TAKKT, speak for themselves as well as for the actions taken by the TAKKT boards.

Agenda point 5 – the motion of the Supervisory Board to reappoint Dr Ebner, Dr Stolz & Partner to audit the company's financial statements and the group financial statements in the financial year 2007 – is fully supported by the Management Board.

Agenda point 6 concerns the appointment of the entire Supervisory Board for TAKKT AG.
The amended Articles of Association call for the Supervisory Board to be made up of six members who are to be appointed by those attending the Shareholders' Meeting. The Supervisory Board recommends the following for reappointment to the Supervisory Board:

1. Dr Klaus Trützschler
2. Dr Eckhard Cordes
3. Mr Michael Klein
4. Mr Thomas Kniehl
5. Prof Dr Dres h. c. Arnold Picot

And as a new candidate for appointment to the Supervisory Board

6. Mr Alexander von Witzleben

Mr von Witzleben is the Chairman of the Management Board at JENOPTIK AG, and will join the Management Board of our principal shareholder, Franz Haniel & Cie. GmbH, in July 2007.

The Management Board supports the Supervisory Board's nominations and requests your approval.

Ladies and Gentlemen,
I would like to take this opportunity to thank the gentlemen who are leaving the Supervisory Board: Dr Schadt, Mr Kämmerer, Mr Flammer and Mr Matzke.

I owe a special thanks to Dr Schadt and Mr Kämmerer. It was they who acted with determination and strategic foresight when they acquired KAISER + KRAFT at a difficult time in 1984 and 1985, when acting in their capacity on the Management Board of what was then GEHE AG, now Celesio AG. The purchase was one matter; their positive influence quite another and more difficult. They were the masterminds behind the acquisition and managed to successfully push the project through. As long as our proposals were good – and they often were – we got clear instructions to “go ahead”. Working with them was not always easy, but we always learned something new and grew with the challenges. One particular piece of advice has stuck in my mind: “Remain true to your goals and to the business model and build trust. Success is only possible when there is mutual trust – and only then.” I would like to thank them on behalf of the entire Management Board of TAKKT AG. Without them, we would not be what we are today – the most successful B2B mail order group for business equipment in Europe and North America.

Thank you.

Dear Shareholders,
The Management and Supervisory Boards also ask for your approval of point 7 on the agenda – the repurchasing of our own shares in accordance with section 71, paragraph 1, no. 8 of the German Stock Corporation Act.

The repurchasing of our own shares is principally intended to facilitate possible purchases of companies, or shares or interests in other companies. It provides us with greater financial flexibility – and this spares us having to take more expensive approaches. We still do not intend to use the programme to withdraw shares, and it also does not serve as a stock option programme.

We would like to pass this resolution to extend the expiring authorisation by another 18 months; the elements of the authorisation are to all intents and purposes the same as in last year's resolution.

And finally, to agenda point 8: Amendment of the Articles of Incorporation.
The resolution and the reasons for the amendment are contained in the invitation.
The transmission of information using data transfer helps us to inform you, the shareholders, more quickly and efficiently.

Here again, the Supervisory and Management Boards request your approval.

Outlook: the strategic agenda

Ladies and Gentlemen,
I would like to present you now with an overview of our strategic agenda.

As you have seen, TAKKT was extremely successful in 2006. And that is not all: for 20 years now, TAKKT has increased its turnover by an average of 12 percent per year. In doing so, about half of our growth on average is organic, and the rest comes through acquisitions. Our goal is to stay on this growth path for the intermediate- and long-term. We are firmly convinced that we can succeed in this.

TAKKT will continue to develop new markets in the future as well. To be specific, this means that we want to set up or acquire at least one new company every year.

We are also confident about our goals regarding returns on investment. The best evidence of this is the increase in our long-term target corridor for the EBITDA margin. Up to now, as has already been discussed, this margin has been between 10 and 12 percent. From 2007 onwards, the standard is set at 11 to 13 percent.

We have set ambitious but realistic goals for the Topdeq division and the NBF company: by 2010 at the latest, both should be displaying double-digit EBITDA margins. Both Topdeq and NBF are currently well on the way to achieving this.

Outlook: expansion of the logistics infrastructure

Ladies and Gentlemen,

French writer Antoine de Saint-Exupéry once said: “As for the future, your task is not to foresee but to create it.”

However, it would be quite irresponsible not to prepare the best we can for the challenges the future holds – if we did not work to “create” our future. And indeed, like every company that enjoys sustained success, we plan with a view to the future. This particularly applies to the expansion of the logistics infrastructure, which is my second main topic for today.

Expansion of the logistics infrastructure: investment in the future

Why do we want to optimise our logistics capacity? The reason is as simple as it is pleasing: due to our very success, we have reached in many areas the limits of our capacity.

If we do not act on this situation, we run the risk over the intermediate-term of losing two of our main competitive advantages: short delivery times and reliable delivery.

A total of about EUR 50 million will therefore be spent on our warehouse infrastructure in 2007.

Upgrading logistics naturally carries risks. If the volume of deliveries remain constant or temporarily decline, this creates overcapacities which are more difficult to resolve.
We are taking various measures, however, to minimise these risks. In addition, the typical risks associated with warehousing – perishable and price-sensitive goods – play a subordinate role at TAKKT.

In the following, I would like to outline for you some important individual projects through 2010 relating to logistics for the various business divisions.

At KAISER + KRAFT EUROPA and Topdeq, we will be using a major portion of the investment volume this year to improve logistics structures and to match warehouse capacities to the growing business volumes. More than 40 million euros, for example, will go towards the purchase and expansion of the mail order centre in Pfungstadt, which up until now has been rented. This centre will then serve as our European logistical centre for business equipment.

As a result of the additional capacity, the share of business processed through the warehouse at KAISER + KRAFT EUROPA will increase over the intermediate-term from 50 percent to about 60 percent. The advantages are clear: on the one hand, the division will be able to guarantee faster and more reliable delivery. And on the other, it will make it possible to exploit the advantages of volume purchasing discounts. In our experience, these advantages outweigh the additional warehouse costs.

The logistical infrastructure will also be optimised at Topdeq in the USA. With two additional storage locations in Atlanta and Reno, Topdeq will be able to deliver throughout the country within a maximum of two days.

Due to the very positive development at Hubert since purchase in 2000, the capacity of the Hubert warehouse has been exhausted. This results from servicing the Canadian subsidiary and increased international purchases. K + K America is therefore extending its warehouse capacity in Cincinnati, Ohio.

Warehouse capacity at Gerdmans in Sweden has also been exhausted – although more goods are being delivered direct from the mail order warehouse in Kamp-Lintfort to the Scandinavian customer.

The expansion of our catalogue and good economic conditions are behind the excellent development of turnover. Because expansion at the present site was not a realistic option, the building was sold and rented back. In addition, a new, 70,000 square metre lot was acquired. Planning has begun, and the property in Sweden should be up and running by early 2009 at the latest.

An additional project for expanding capacity and for rationalising is pending at our production plant in Haan, near Düsseldorf.

Here as well, the positive economic situation is a justification for the expansion. But aside from this, there are other reasons.

- The newly developed products have been very well received by the market.
- Thanks to the roll-out of the successful KAISER + KRAFT business model into new countries, the sales opportunities for self-manufactured products have increased.
- Thanks to continuous rationalisation and strict cost management, we are able to bring back components which had been allocated to Eastern European countries.
- The purchase of a new paint shop will allow us to reduce costs and improve quality.

All these measures help to promote future growth without affecting customer service.

TAKKT Q1/2007: continuation of positive development.

Dear Shareholders,

As you can see from the quarterly financial report of 26 April, the TAKKT Group has continued to develop positively during the first three months of 2007.

Currency-adjusted turnover grew by a healthy 6.7 percent. EBITDA, or earnings before interest, taxes, depreciation and amortisation, increased by 7.5 percent. The basis for the growing profitability was once again the high, stable gross profit margin. During the reporting period, the margin grew from 41.1 percent to 41.3 percent.

TAKKT Q1/2007: significantly higher margins

Cash flow development improved yet again, reaching a new record value of EUR 25.2 million. Compared with the previous quarter, this is an increase of 10.5 percent. This means that the financing for our many projects continues to enjoy a solid foundation. The TAKKT Group's balance sheet relationships have continued to improve. The equity ratio has risen since the end of 2006 from 47.7 percent to 49.1 percent.

TAKKT Q1/2007: mixed economic conditions

Dear Shahreholders,

Due to mixed economic conditions, the individual business divisions in Europe and North America have developed unevenly.

Whereas KAISER + KRAFT EUROPA has profited from the economic stability in Europe – especially that in Germany – conditions in the USA have become more difficult.

The KAISER + KRAFT EUROPA Group has increased its quarterly turnover in currency-adjusted terms by 15.0 percent. Growth of this magnitude has been rare in the group's history up to now. The higher gross profit volumes and improved capacity utilisation led to a jump in profits of 18.3 percent. With 21.3 percent, the EBIDTA margin reached a new record level.

Currency-adjusted turnover for the Topdeq Group grew by 7.3 percent. The effects of the repositioning continue to bear fruit in this area. Thanks to improved purchasing conditions and a lower level of returns, the gross profit margin continued to increase. Work is continuing on the optimisation of the organisational structure in order to continue improving both efficiency and utilisation.

The result: EBITDA increased by 50 percent. The margin is around 10 percent.

Our third business division, K + K America, is suffering under the economic situation in the USA. Experts are meanwhile predicting a decline in the rate of growth to only 1.8 percent for the American gross domestic product in 2007. In the previous year, the US economy still managed to grow by about 3.5 percent. The worsened economic situation has led to declining orders at K + K America. Turnover sank on a US dollar basis by 2.4 percent, to USD 126.7 million.

Additional reasons for the decline in turnover are lower efficiency of promotional media as well as additional expense for the introduction of the new IT platform. The EBITDA margin sank from 10.5 percent to 8.8 percent.

The figures for the first quarter at the K + K America Group are not good. But profitability will improve, because:

- The additional expense for the new IT platform will no longer be included in 2008 and the first improvements in efficiency will be seen.
- We have learned from experience that it is easier to introduce more efficient structures during recessions and to place our business on an even better foundation.
  Following all previous weak phases, the business division has displayed a better market position than it previously had.

Therefore we are convinced that this will be the case again here.

All in all, the first quarter of 2007 makes us optimistic about the future.

Outlook for 2007: economic conditions

Ladies and Gentlemen,

You can rest assured that TAKKT is doing its homework, and making sure that everything that needs to be done in order to maintain our dynamic growth, is done. But of course, we cannot control the economic situation. We are, at the very least, to a certain extent dependent on economic developments. For this reason, I would like to describe how according to experts – the economy is likely to develop during this year and the next.

Generally speaking, no strong economic momentum is expected for our business in 2007. This forecast applies especially to North America.

Experts predict that the European economy will slow slightly this year, growing only 2 percent. Predictions for Germany vary widely: they range from 1.6 to 2.5 percent growth. If you will recall, during the past year, the German gross domestic product increased by 2.7 percent. Rising interest rates, the increase in the value-added tax and a stronger euro are all cited as reasons for a possible decline.

If you will allow me, I would like to take this opportunity to express my personal assessment of the situation: I believe that we will be in better shape at the end of the year in Germany than the majority of the experts predict. Our figures for the first quarter certainly hint strongly at that.

The toughest case is likely to be the economic situation in North America. Experts expect growth there of only 1.8 to 2.2 percent. This would be a reduction of more than 1.3 percentage points compared to 2006. The experts are most concerned by the interest level that has been reached and risks within the real estate market.

For 2008, TAKKT assumes that a slightly improving economic trend continues to be a possibility.

Our aim remains: to grow more strongly than the economies where TAKKT is active.

Outlook 2007: growth initiatives

I have just explained that the economic forecasts for 2007 mean that we cannot expect noticeable momentum in all areas of our business. But this in no way influences our initiatives for growth for the current year. Listed individually, these are:

Firstly, all business divisions continuously adapt their product range and services to customer requirements and new market demands.

Secondly, KAISER + KRAFT will be starting up in Slovakia in May. Because KWESTO is already represented in Slovakia, the tried-and-tested two-brand strategy will be employed there. This means that the Slovakian KAISER + KRAFT company can profit from the experience already gained by KWESTO.

Thirdly, TAKKT is preparing to expand the Hubert business in Europe. Up until now, Hubert has been active exclusively in the USA and Canada selling equipment for retail and catering businesses. Having completed an extensive market study, putting together the new catalogue will be a critical point of focus.

And fourthly, TAKKT will further expand newly founded companies such as KAISER + KRAFT in China or Topdeq in Belgium and Austria, and establish them within their markets.

Outlook 2007: key figures for TAKKT

Ladies and Gentlemen,

Now I come to the last part of my speech. You already know what kind of economic growth we expect during this year. You have also heard how TAKKT is planning to maintain this growth. Now the question is, how can both of these things be expected to affect the figures for the TAKKT Group?

Overall, the Management Board is cautiously optimistic for 2007. Cautious, because the cooling economic situation in the USA is influencing business developments: optimistic, because the Group will continue to fully exploit the potential of the B2B mail order business.

Based on our planning and assumptions, turnover and earnings will continue to increase in 2007. In particular, KAISER + KRAFT EUROPA and the Topdeq Group will continue to be major contributors.

In 2007, we expect that TAKKT without acquisitions will grow by a currency-adjusted rate of at least 4 percent. With this prognosis, we remain true to our goal to grow at least two percentage points more than the economy within which we are active.

Thanks to our efficient cost management, TAKKT is capable of achieving an EBITDA margin within the increased 11 to 13 percent target corridor, even during weak economic phases. For this year, we expect a margin in the upper half of the corridor, which means 12,x percent.

Overall, we are convinced that the combination of our successful business model with a relatively good economic situation in Europe, along with the measures and initiatives we are implementing, will guarantee that 2007 and 2008 will be successful years for TAKKT. Rest assured: we will work very hard to make sure that this will be the case.

Ladies and Gentlemen,

Thank you very much for your attention.