
TAKKT AG



GMCC
Company Presentation

November 21, 2000

Contents

| Business Overview

| Acquisition Hubert

| Key Financial Data and Nine Months Results 2000

| E-Commerce: New Business Potential

| TAKKT Strategy

Business Overview

Business Activity

- Supply of durable and specialty appliances and equipment for offices, warehouses, plants and the foodservice industry via mail order for B2B usage

Geographic Balance

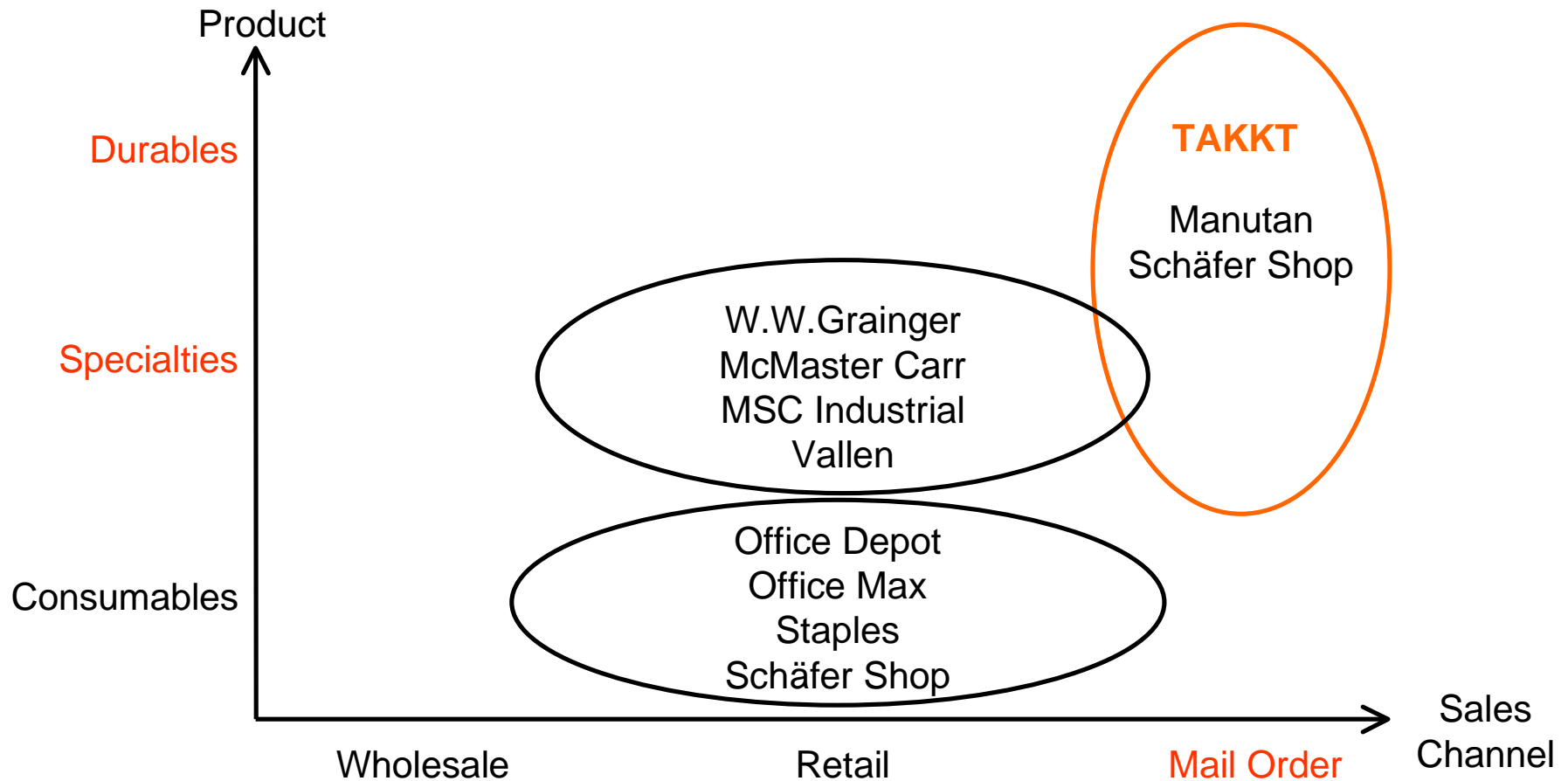
- Present in 18 countries worldwide
- Almost equal shares of revenues derived from Europe and North America

Key Facts

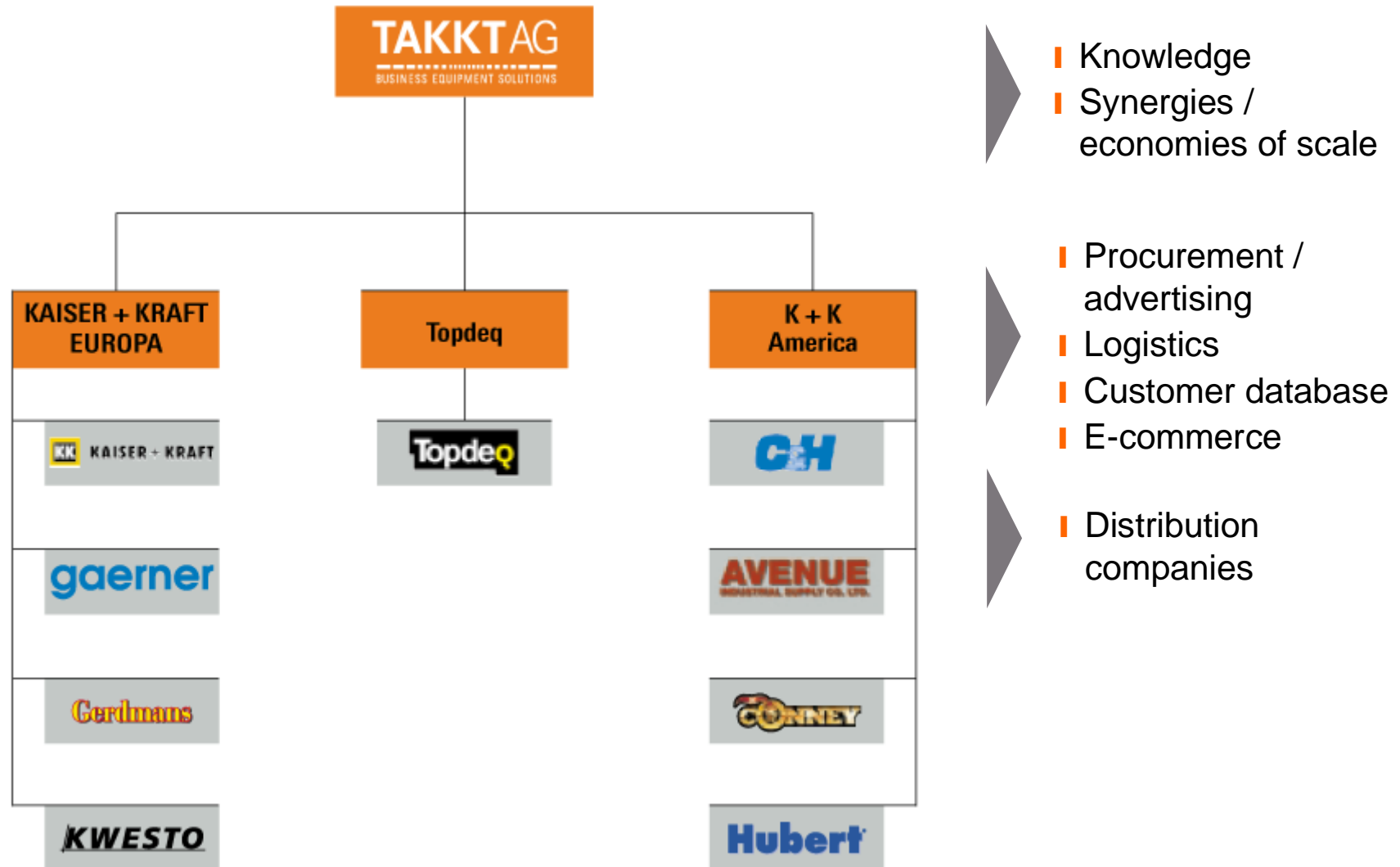
- Sales 2000e: € 745m
- Number of customers: > 1.9m
- Advertising media sent out per year: > 45m
- Number of employees: ~ 1,800

Market Overview and Business Model

Focus on durables and specialties via mail order



The TAKKT Group – Centralised management and market proximity



Business Segments

KAISER+KRAFT
E U R O P A

- | Over 30,000 articles: transport, warehouse, business, environmental and office applications
- | No. of employees (full time): 804

Topdeq

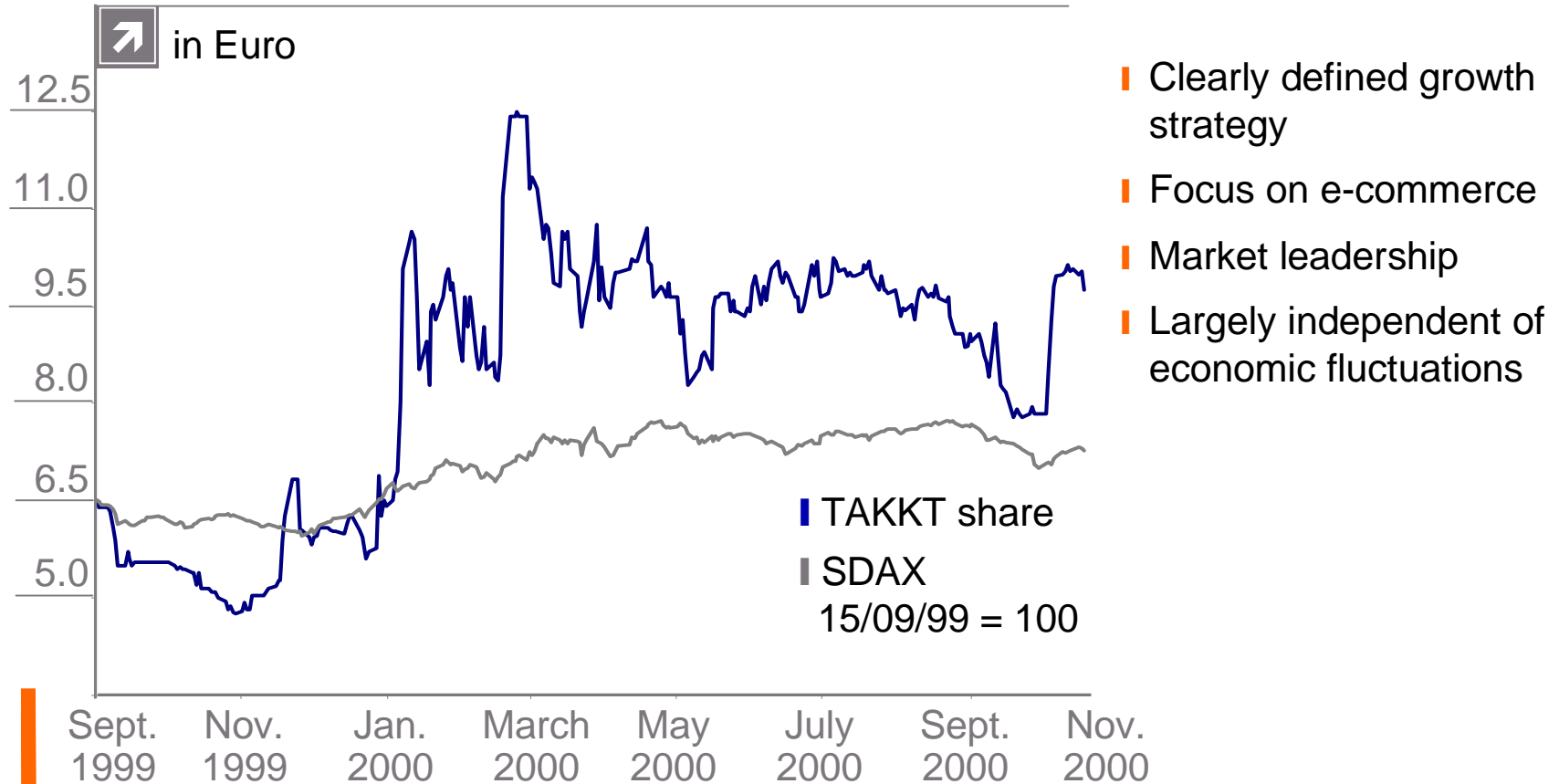
- | Over 2,000 articles: design-oriented office equipment and accessories
- | No. of employees (full time): 183

K+K America
Corporation

- | Over 68,000 articles: transport, warehouse, work safety, business and packaging applications, foodservice equipment and supply
- | No. of employees (full time): 858

The TAKKT share – Good performance and further growth potential

SHARE PRICE PERFORMANCE



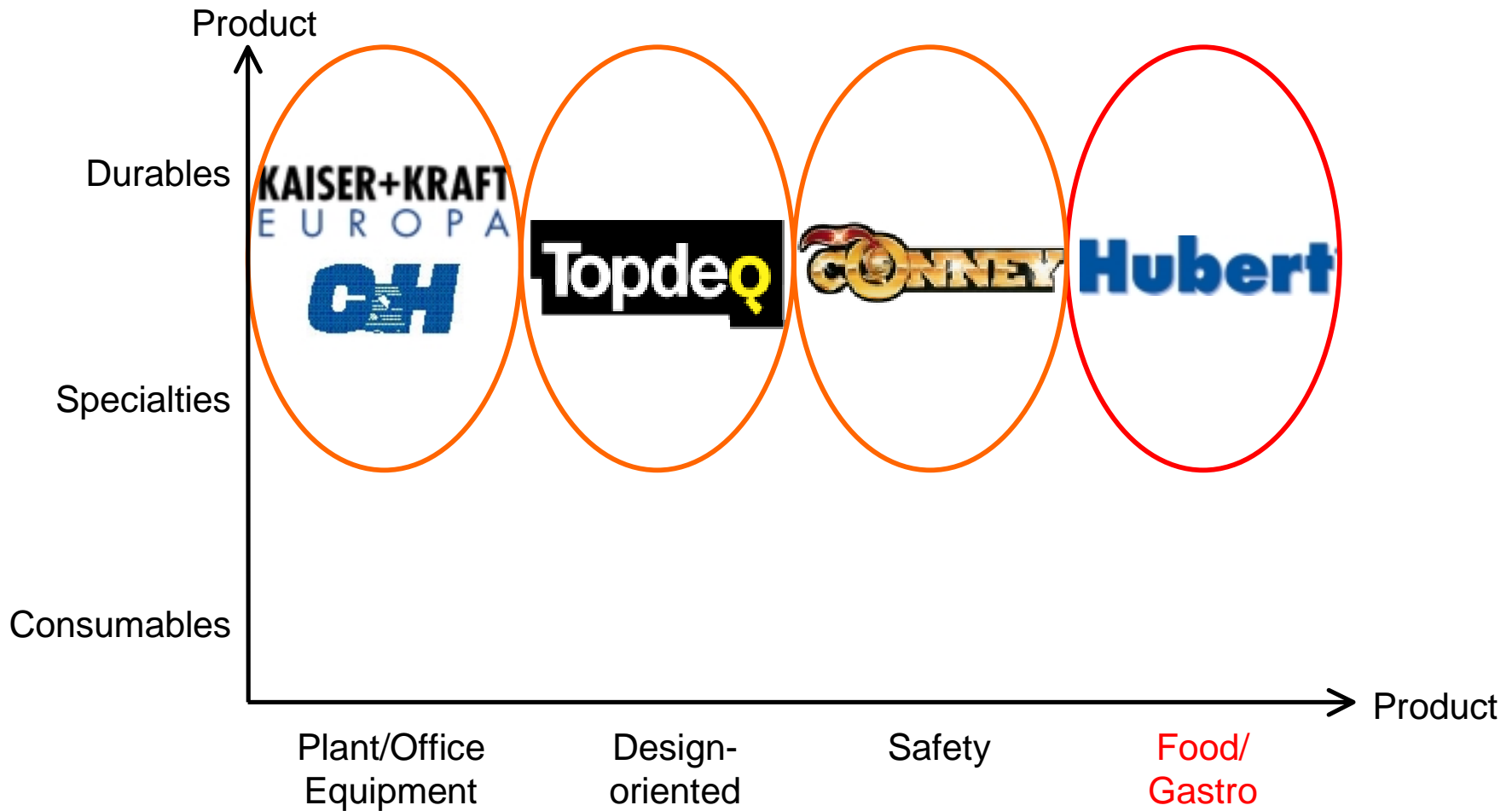
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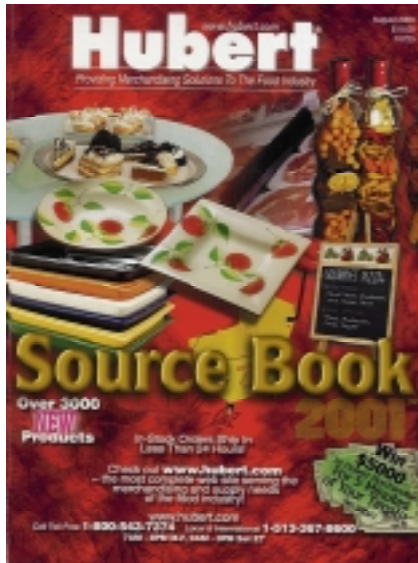
Acquisition Hubert

Market Overview

Focus on durables and specialties for different customer groups



Business activity: pure mail order



- US market leading mail order company for equipment and supplies for the food service industry
- headquarters in Harrison, Ohio
- founded in 1946; retirement of the Hubert family in 1985
- 95% of all items are shipped from the central warehouse in Harrison/Ohio
- modern buildings and fixtures
- 7% CAGR in terms of sales over the past five years

Key Facts

- Sales in 2000: USD 88m
- EBITDA margin 2000: > 11%
- Number of products: 23,000
- Number of employees: 323

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**Financial Data 1996 - 1999
and Nine Months Results 2000**

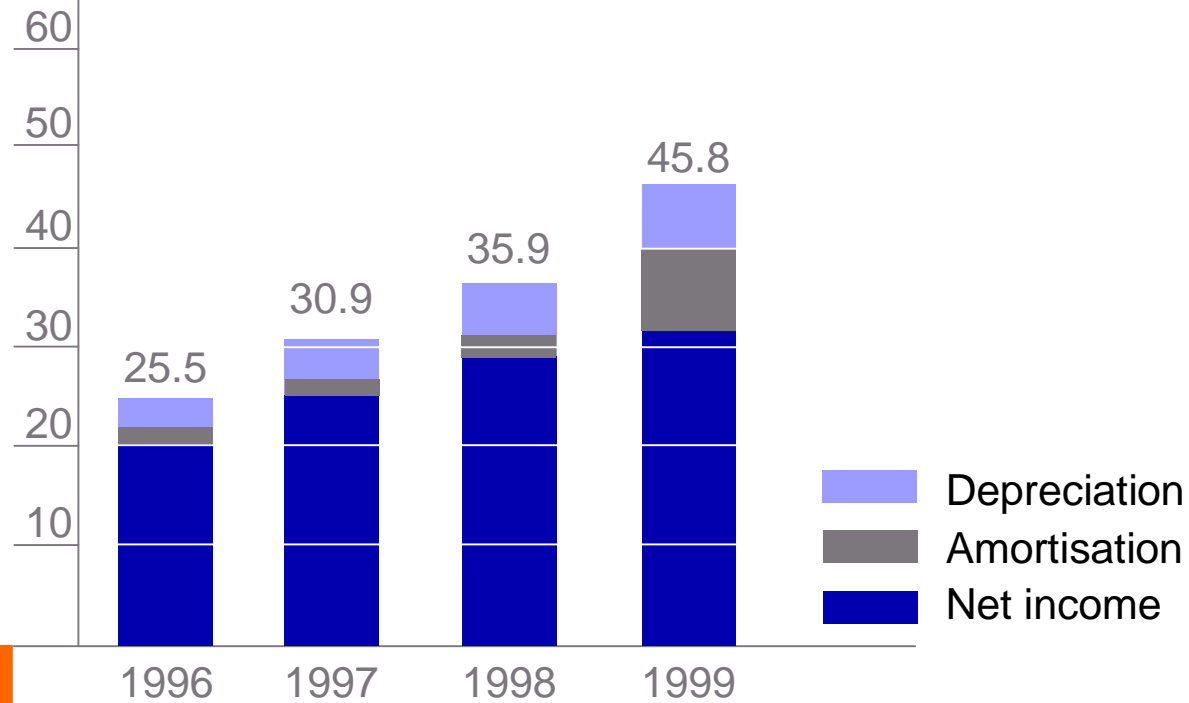
Key Financial Data: Profit & Loss Account

(in million Euro)	1997	1998	1999	CAGR (%)
Net Sales	470	539	628	+ 16%
Gross Profit	179	208	242	+ 16%
<i>Gross Margin (%)</i>	38%	39%	39%	
EBITDA	52	65	71	+ 17%
<i>EBITDA Margin (%)</i>	11%	12%	11%	
EBIT	46	59	57	+ 11%
<i>EBIT Margin (%)</i>	10%	11%	9%	
Pre-tax Profit	46	58	51	+ 5%
<i>Pre-tax Profit Margin (%)</i>	10%	11%	8%	
Net Income	25	30	32	+ 13%
<i>Net Income Margin (%)</i>	5%	6%	5%	

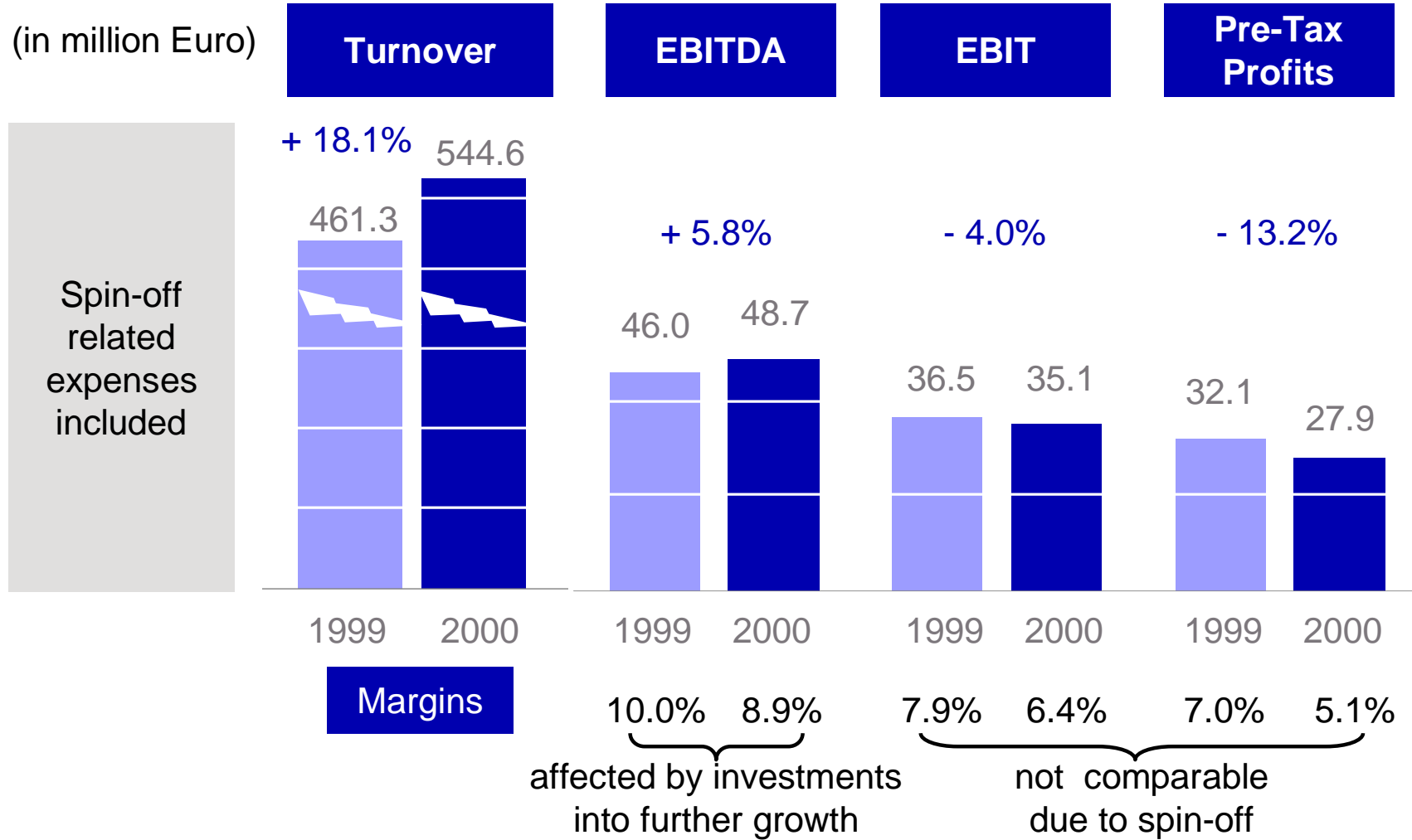
Cash flow – Increase of more than 25% compared to 1998

CASH FLOW

↗ 1996 – 1999
in million Euro

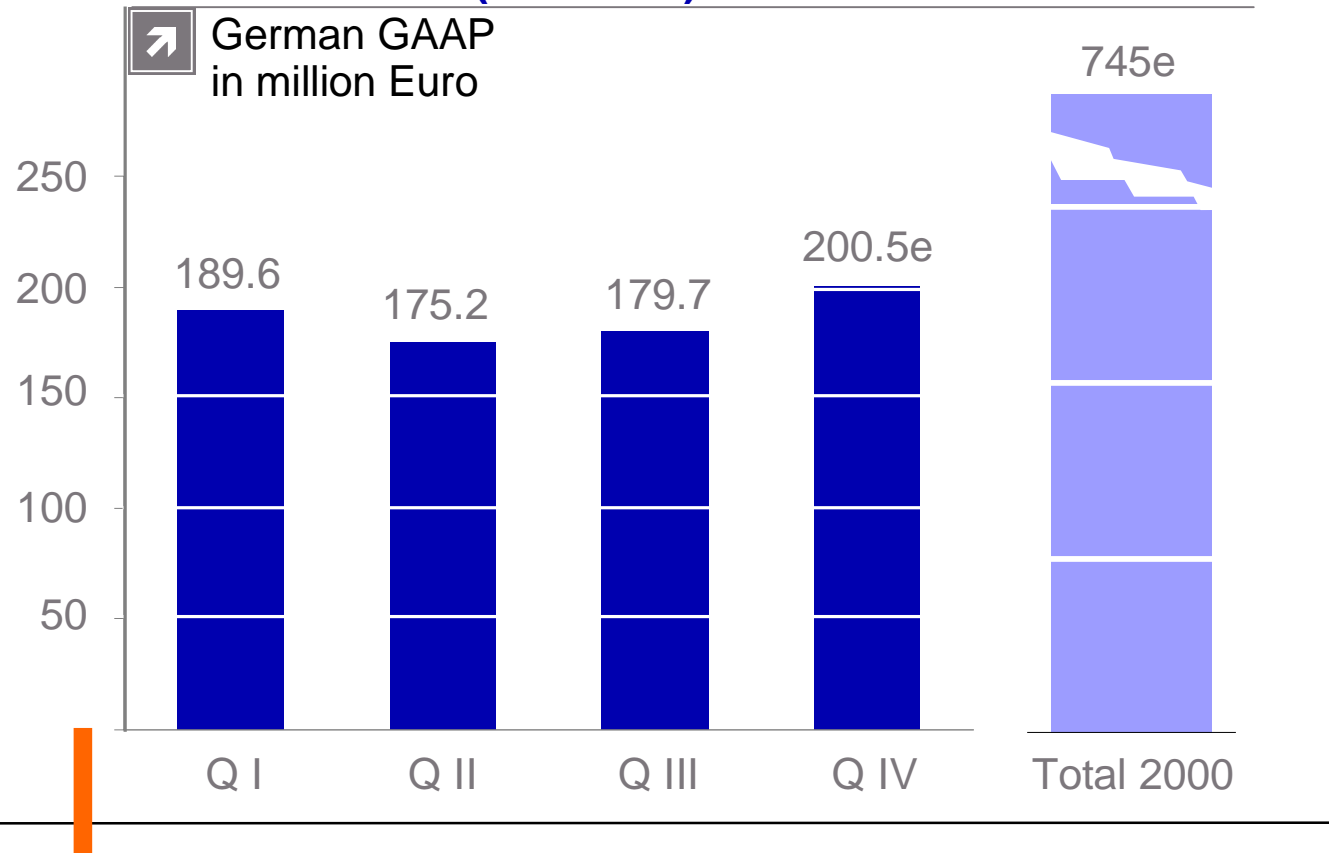


Nine Months Results of the TAKKT Group



Seasonality of Turnover

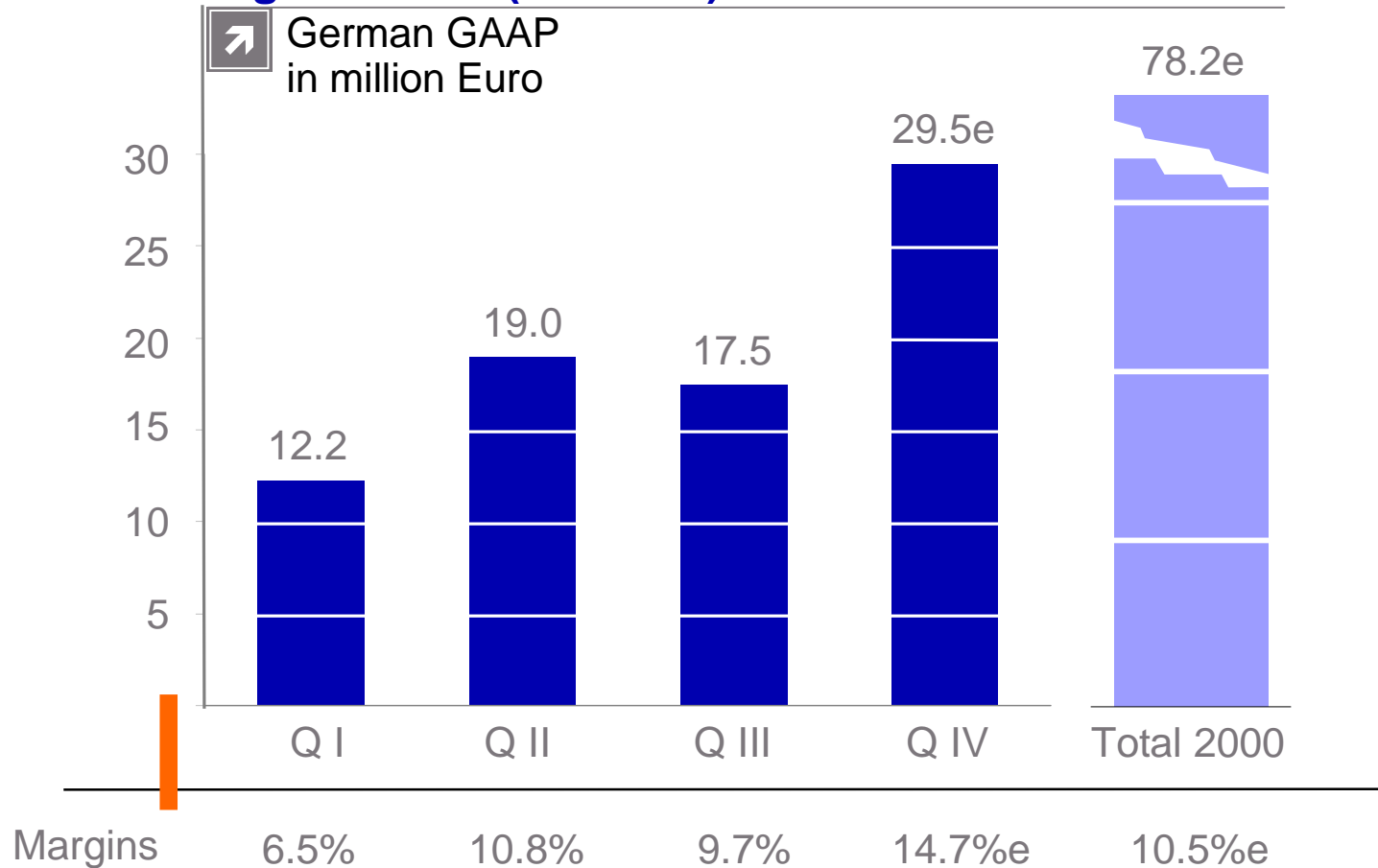
Turnover 2000 (estimate)



Distribution of EBITDA throughout the Year

Effect of accounting treatment of catalogue expenses on EBITDA

Figures 2000 (estimate)

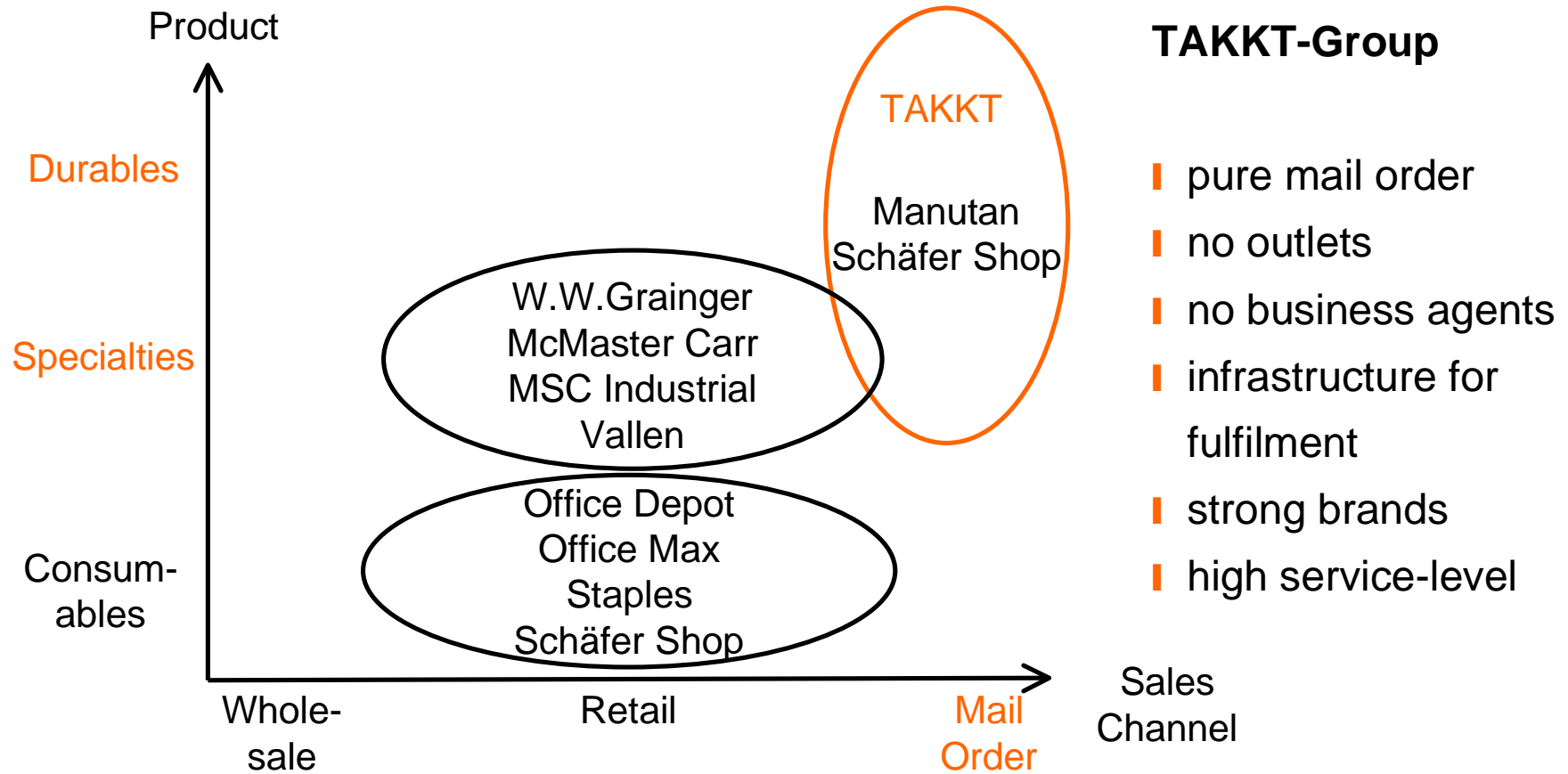


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**E-Commerce:
New Business Potential**

E-Commerce – The next logical step



TAKKT-Group

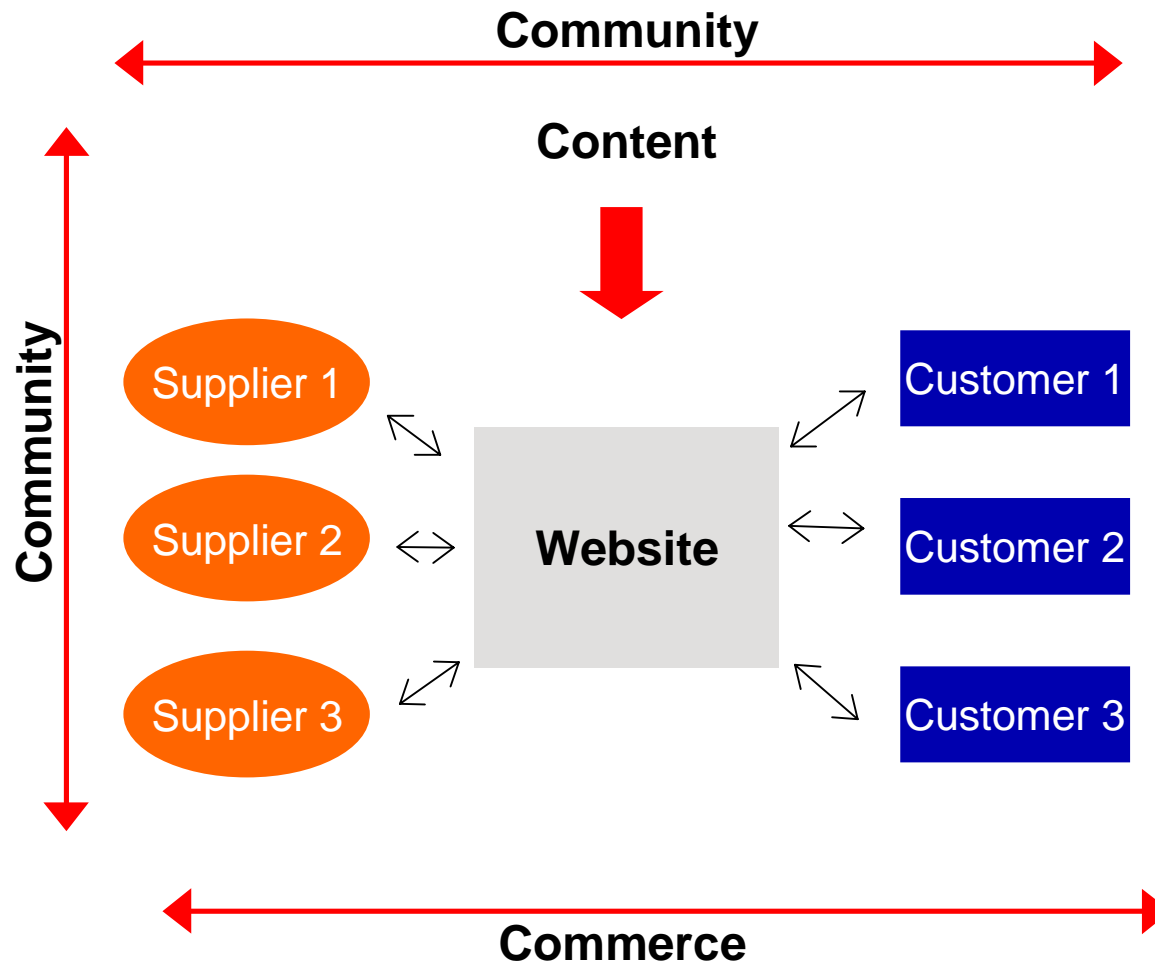
- pure mail order
- no outlets
- no business agents
- infrastructure for fulfilment
- strong brands
- high service-level

➔ no change of business model

How we see the market

Analysis

New value and growth drivers



Content

Market position is determined by content **quantity, quality and related service**

Commerce

Transaction-orientated business models are defined by technology

Community

Partnerships in all stages of the value chain

- We understand e-commerce via Internet as an additional sales channel for our existing catalogue business
- Upcoming e-commerce activities will enforce the competition between the distribution channels wholesale, retail, mail order and e-commerce
- The market for business equipment and specialties will not increase significantly because of e-commerce.
- **But:** The supplier with the most convenient distribution channel mix will win additional market share!
- Crucial factors for this competition:
 - content and service quality
 - potential for further reduction of process costs

Website

- Complete product range of each subsidiary online

E-Procurement

- Projects with large account customers

Market Places

- Establish own market places
- Participate in third-party market places

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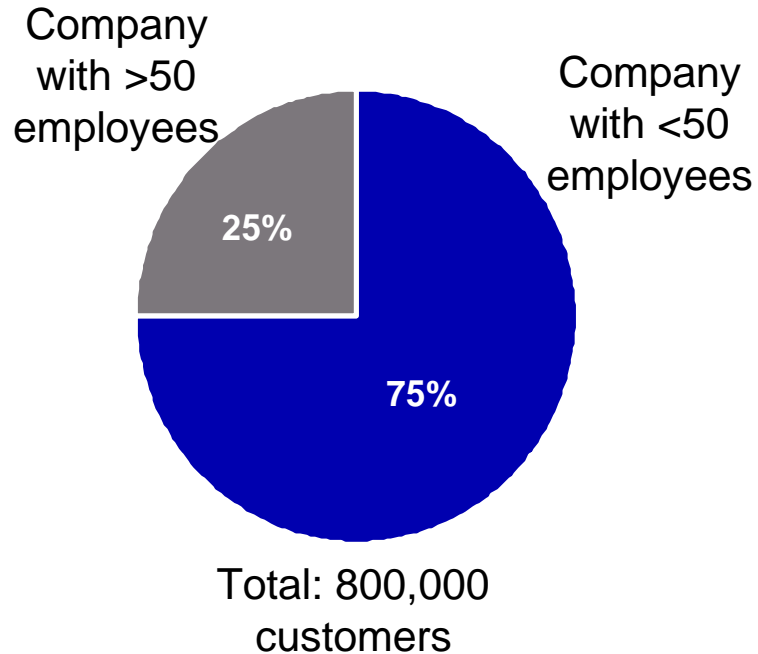


TAKKT Strategy

Optimal Portfolio of Customers and Suppliers . . .

. . . e. g. KAISER + KRAFT EUROPA

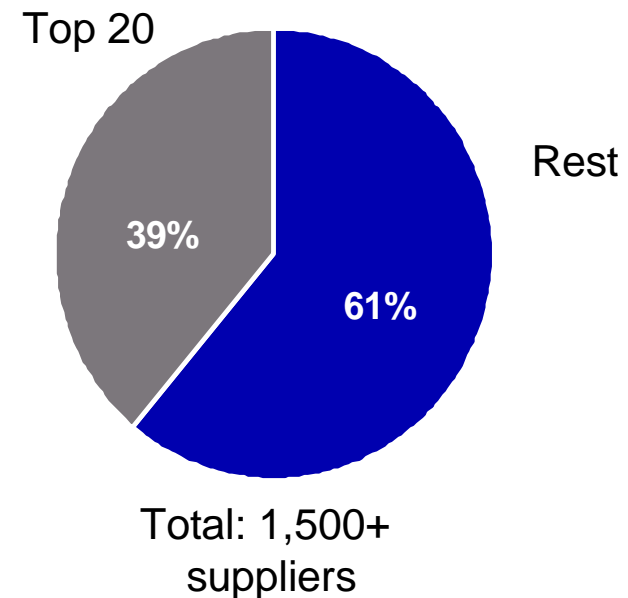
Structure of customers by size



- Target: low-risk customer portfolio

Independence from customers

Structure of suppliers by purchase volume

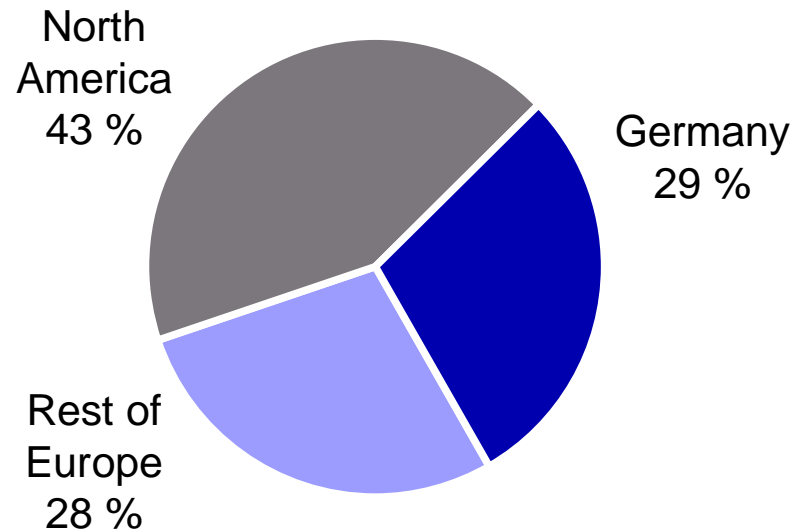


- Maintain optimal supplier structure

Independence from suppliers

Optimal Portfolio of Regions and Products

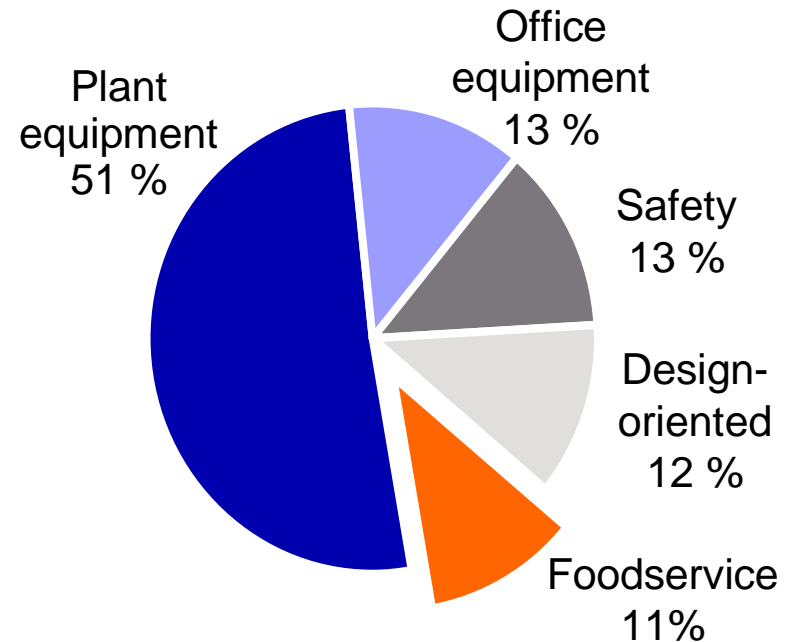
Sales by region (pro forma 2001)



- Market leadership in each of these regions

Regional independence, protection from regional downturns

Sales by products (pro forma 2001)



- Diversified product portfolio

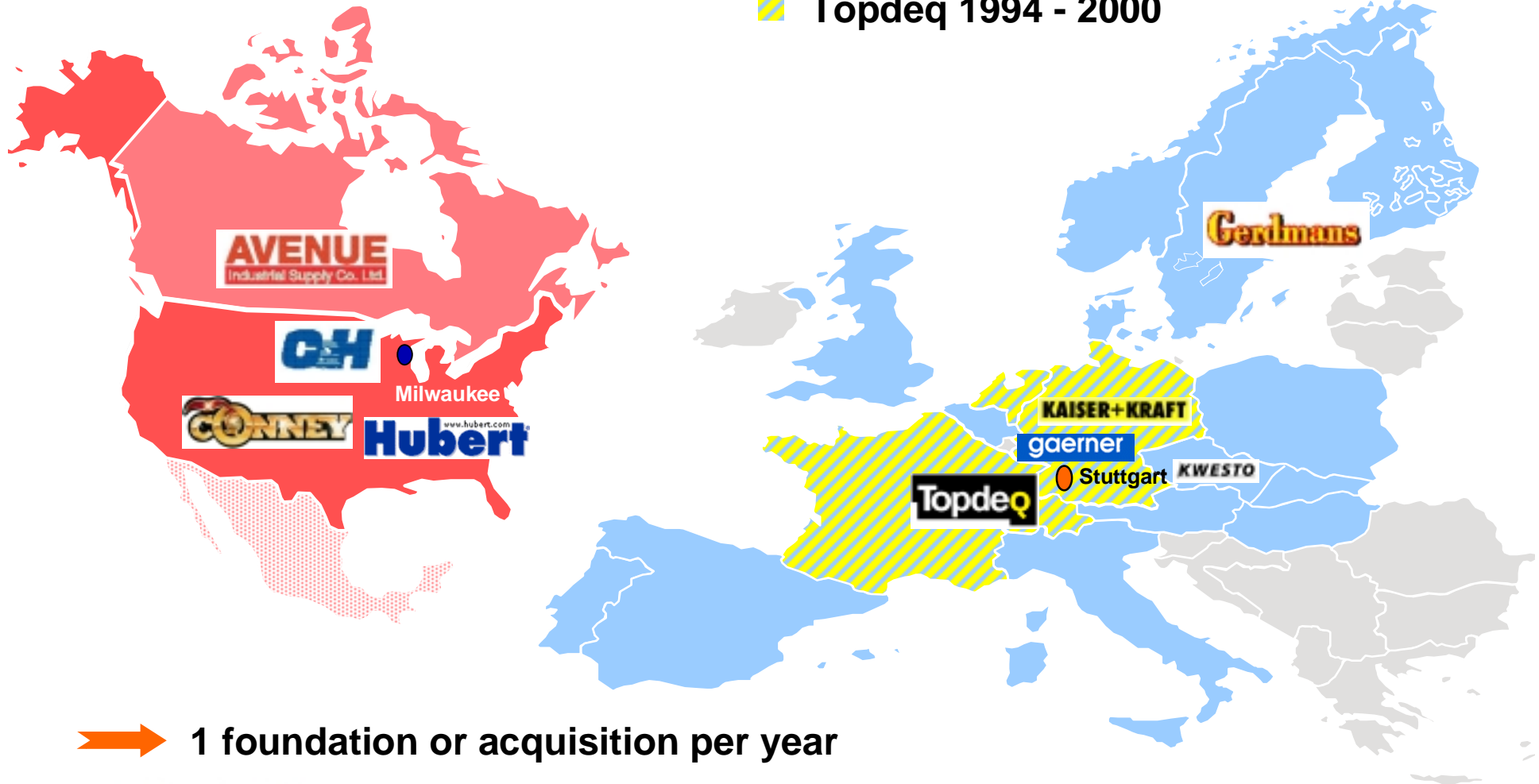
Independence from trends due to product variability

Consistent duplication of system business

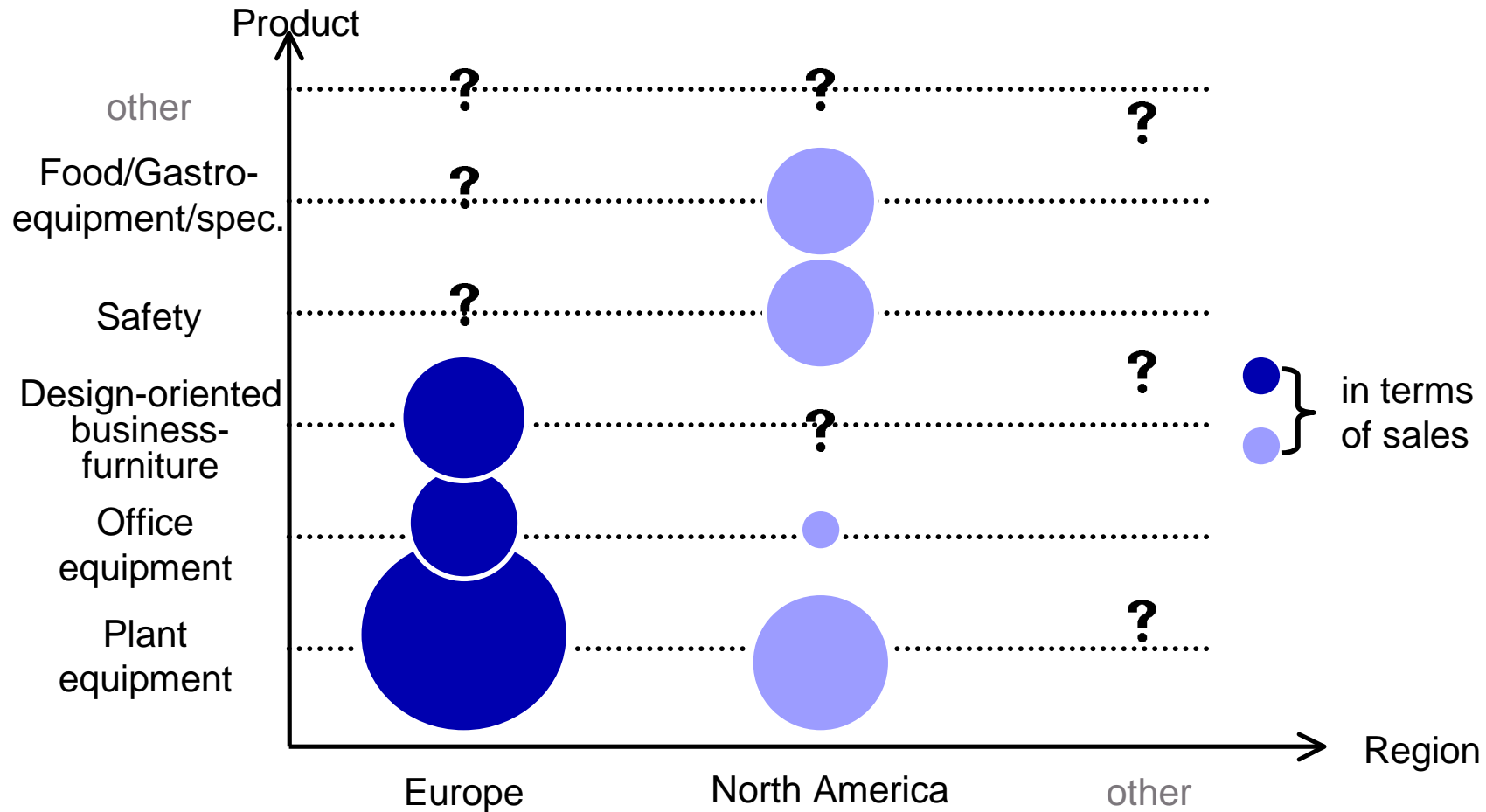
■ K + K America 1988 - 2000

■ KAISER + KRAFT Europa 1945 - 2000

▨ Topdeq 1994 - 2000



Growth potential for TAKKT's system business



Objective: diversified product portfolio via duplication of system business

Strategy

E-Commerce

- Be the market leader in B2B e-commerce for business equipment
- Service expansion

Geographic Expansion

- Countries with low level of mail order business and rising need for office warehouse equipment
- New subsidiaries or acquisitions

Targeted Acquisitions

- Geographic expansion in core markets
- Consolidating force in mature markets

Product Range

- Focus on equipment and specialties
- Expansion in other B2B markets

That's Why Invest in TAKKT

- 1 Optimal Portfolio of Businesses with low Risks**
- 2 B2B Mail Order is at the Beginning of a New Life Cycle**
- 3 E-commerce is the next logical Step for our Business**
- 4 Superior Growth and Consistently High Margins**

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BUSINESS EQUIPMENT SOLUTIONS

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