

### Dear shareholders,

As of the first quarter 2002, TAKKT AG will report its financial data in accordance with International Accounting Standards (IAS, soon to be IFRS, or International Financial Reporting Standards). This change has become necessary because of further developments of accounting principles and the expectations of the capital mar-

kets. At the same time, the group is following the SMAX rules which stipulate that international accounting standards must be used. There will be no fundamental changes due to the new reporting method. This special shareholder information is intended to present and explain the main differences resulting from the changeover. In

order to treat all shareholders equally, this additional information is provided exclusively on our website at [www.takkt.de](http://www.takkt.de). This service is part of our open and comprehensive information policy, which we will continue to follow in future.

### Changeover from German accounting principles to reporting under International Accounting Standards (IAS)

The following explanations are given to show the impact of the changeover from German commercial code (HGB) to International Accounting Standards (IAS, in future; International Financial Reporting Standard; IFRS) on the TAKKT consolidated statements. Changes not described have no material impact on the overall true and fair view of the consolidated net assets, financial position and results of the group.

The International Accounting Standards have been applied retrospectively, as if these accounting and valuation policies have always been applied. Differences at the conversion date resulting from the changeover have been posted direct to retained earnings. This is in accordance with IAS regulations upon their first-time application.

The consolidated financial statements to 31st December 2000 were compiled "bottom up". Therefore for all companies, included in the consolidation of the TAKKT group, individual financial statements were first prepared in accordance with applicable national accounting policies. To the extent that these differed from the International Accounting Standards, addi-

tional adjustments were made. Based on these the consolidated financial statements were prepared. The proforma consolidated statements for the years 1998 and 1999 have been prepared using the "top-down" method.

To improve one's understanding of the adjustments, group consolidated equity at 31 December 2001 under HGB has been reconciled to equity as calculated under International Accounting Standards.

Explanations to the main changes:

#### Goodwill on consolidation

Goodwill arising on the initial consolidation of subsidiaries is no longer set off against general reserves without affecting profits, but amortised over a period of 20 years via the profit and loss account. For this the historical net book values were recalculated at each balance-sheet date.

#### Goodwill

Goodwill arising in the companies' individual financial statements, which had under HGB been amortised over

15 years, is now amortised over 20 years. The net book values were recalculated at each balance-sheet date. For tax purposes the amortisation period remains at 15 years, deferred taxes being calculated on the timing differences.

#### Leasing

Contrary to HGB leased assets have been capitalised if the leasing contracts are classified as finance leases. Operating lease contracts were not capitalised. Leasing instalments for leased items have been capitalised according to the duration of the lease agreement and treated as fixed assets. The related financial liability has been included accordingly. Lease instalments previously treated as operating expenses were reclassified to interest charges and repayments. The additions to tangible assets relate mainly to the Central Warehouse in Kamp-Lintfort and a smaller regional warehouse.

**Catalogue costs**

Catalogues not yet mailed by subsidiaries which were according to HGB previously treated as consumables under Stocks, have now been treated initially as prepaid expenses. Catalogues mailed to customers are expensed over the lifetime of each catalogue, and treated as prepaid expenses as necessary. These prepaid expenses are subsequently transferred to the profit and loss account over the duration of the catalogue.

**Trade debtors**

Contrary to HGB, no general provision has been calculated. Based on the past experience adequate provision has been made to cover identifiable risks included in trade debtors. Due to the low value of individual trade debtors, the company has chosen a more general approach, this is considered to be appropriate.

**Deferred taxes**

Deferred taxes have been calculated on realisable tax losses, using the appropriate tax rate of the respective country. In the case of temporary differences between the respective local balance sheet and the balance sheet according to IAS, deferred taxes were calculated if these differences have a temporary character. These deferred taxes were calculated with the tax rate specific for every country and then netted in the individual company's financial statements. Contrary to HGB no general netting of deferred taxes in the consolidated financial statements has been carried out, netting only taking place where the same tax authority could be identified.

**Minorities**

Minority interests in reserves and retained earnings are not shown under equity or liabilities, but separately.

**Pension obligations**

Provisions for pensions and similar obligations were not calculated on the basis of the unit cost method in accordance with § 6a of the German Income Tax Act (EstG), but according to IAS with the discounted value of the future pension obligation (projected unit credit method). This takes into account the future salary and pension increases.

**Other provisions**

If a high percentage of security could be determined while calculating future obligations, these future financial burdens were classified as liability. It came thus essentially only to a reclassification of other provisions according to HGB to trade creditors or other liabilities.

Regarding the valuation no substantial adjustments were necessary

**Derivative financial instruments**

Interest- and currency-risks arising out of operational business are reduced in their possible effect by using derivative financial instruments. In the TAKKT group only such derivative financial instruments are used, which can be matched to future cash-flows. In accordance with the International Accounting Standards the appropriate market values were disclosed. This does not significantly affect the profit and loss account, values have been recognised neutral in equity.

**Differences arising from consolidation**

The differences arising from consolidation of the inter company debts and liabilities are now posted to profit and loss account, deviating from past practise under HGB accounting rules.

**RECONCILIATION OF EQUITY**

<b>Equity under HGB at 31 December 2001 in million EUR (including minorities)</b>	<b>139.5</b>
Changes arising on application of different accounting rules (amounts shown gross, tax effect netted):	
Goodwill	16.4
Stocks	1.1
Trade debtors	1.4
Deferred taxes	2.0
Catalogue costs	1.8
Derivative financial instruments	- 8.8
Pension obligations	- 1.1
Other provisions	2.4
Financial leasing	- 2.5
Other	0.2
Minorities	- 4.0
<b>Equity under IAS at 31 Dezember 2001 in million EUR (excluding minorities)</b>	<b>148.4</b>

### TAKKT CONSOLIDATED BALANCE SHEET ACCORDING TO IAS IN MILLION EUR

	1998	1999	2000	2001
Goodwill	93.2	200.0	332.4	324.4
Tangible assets	45.7	54.6	75.3	90.2
Current assets	117.5	143.4	193.0	185.0
<b>Total assets</b>	<b>256.4</b>	<b>398.0</b>	<b>600.7</b>	<b>599.6</b>
Equity (without minorities)	107.2	105.3	135.9	148.4
Minorities	4.2	4.6	4.3	4.0
Interest bearing liabilities	98.0	224.3	380.1	365.4
Other liabilities and provisions	47.0	63.8	80.4	81.8
<b>Total equity and liabilities</b>	<b>256.4</b>	<b>398.0</b>	<b>600.7</b>	<b>599.6</b>

### CHANGES TO TAKKT CONSOLIDATED BALANCE SHEET ACCORDING TO HGB IN MILLION EUR

	1998	1999	2000	2001
Goodwill	3.2	5.8	10.0	16.4
Tangible assets	11.8	11.5	11.0	26.5
Current assets	5.7	9.8	10.4	12.1
<b>Total assets</b>	<b>20.7</b>	<b>27.1</b>	<b>31.4</b>	<b>55.0</b>
Equity (without minorities)	6.9	10.8	12.1	12.8
Minorities	0.0	0.0	0.0	0.1
Interest bearing liabilities	13.2	13.2	13.0	28.8
Other liabilities and provisions	0.6	3.1	6.3	13.3
<b>Total equity and liabilities</b>	<b>20.7</b>	<b>27.1</b>	<b>31.4</b>	<b>55.0</b>

**CONSOLIDATED PROFIT AND LOSS ACCOUNT UNDER IAS IN MILLION EUR**

	1998	1999	2000	2001
Turnover	539.2	627.6	762.8	824.1
EBITDA	67.5	72.6	90.2	86.2
Amortisation of goodwill	3.1	8.0	12.7	18.6
Depreciation of other intangible and tangible assets	6.0	7.5	8.9	10.3
EBIT	58.4	57.1	68.6	57.3
Net financial result	- 1.9	- 6.9	- 13.1	- 21.8
Profit before tax	56.5	50.2	55.5	35.5
Income taxes	28.3	19.0	22.1	16.1
<b>Net income before minorities</b>	<b>28.2</b>	<b>31.2</b>	<b>33.4</b>	<b>19.4</b>

Note: The expenditure for the going public, amounting to 2.0 mio EUR are included in 1999.

**CHANGES TO PROFIT AND LOSS ACCOUNT UNDER HGB IN MILLION EUR**

	1998	1999	2000	2001
Turnover	0.0	0.0	0.0	0.0
EBITDA	2.3	2.1	2.7	2.2
Amortisation of goodwill	2.1	0.8	- 0.6	- 2.6
Depreciation of other intangible and tangible assets	0.6	0.7	0.8	1.3
EBIT	- 0.4	0.6	2.5	3.5
Net financial result	- 0.9	- 0.9	- 0.8	- 1.4
Profit before tax	- 1.3	- 0.3	1.7	2.1
Income taxes	0.0	0.4	1.8	1.6
<b>Net income before minorities</b>	<b>- 1.3</b>	<b>- 0.7</b>	<b>- 0.1</b>	<b>0.5</b>

**DISTRIBUTION OF PROFIT THROUGHOUT THE YEAR IN MILLION EUR**

	I. Quarter	II. Quarter	III. Quarter	IV. Quarter	Full year
<b>Distribution of EBITDA</b>					
in 2001 under HGB	12.9	21.4	17.6	32.1	84.0
in 2001 under IAS	29.3	19.0	18.8	19.1	86.2

More detailed figures will be published in the 2002 annual report in March 2003.

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