

Shareholder information 1/2009

Dear shareholders,

TAKKT has been preparing its financial statements in accordance with the International Financial Reporting Standards (IFRS) since 2002. These standards are amended, supplemented or substantiated over the course of time by the International Accounting Standards Board (IASB). In mid-2008 the IASB adopted an amendment to the accounting standard IAS 38.69, which will bring about a change in the accounting policy for TAKKT's catalogue expenses.

Our intention with this special shareholder information is to explain the main differences, which will result from this change. To ensure that all shareholders are treated equally, we are providing you with this information exclusively on our website www.takkt.de. This is a part of our transparent and continuous reporting, which we shall be maintaining in the future. The most important technical terms are explained in the glossary on page 5.

Explanatory notes on the change in the accounting policy for catalogue expenses in the TAKKT Group

The following explanations are given to show the differences which will arise for the TAKKT Group as a result of the change in the catalogue expense accounting policy pursuant to IAS 38.69/69A. Changes not described have no material impact on the true and fair presentation of the Group's assets, financial and earnings position.

The new accounting standards IAS 38.69/69A must be applied as from the financial year 2009. This means that the quarterly financial report 1/2009 will be prepared in accordance with the new IFRS rules.

In order to make the figures for 2009 comparable with those from the previous year, the figures for the financial year 2008 are being revised retrospectively as if the new IFRS standard had already been applied in 2008. In upcoming reports, TAKKT will show a comparative period for 2008 in the income statement and two comparative balance sheets (01.01.2008 and 31.12.2008).

The changes in the income statement in detail

Catalogue expenses and key figures from the income statement

Until now, catalogue expenses were capitalised under other assets upon shipment and expensed over the life of respective catalogues. In this way, the catalogue expenses were apportioned using the straight-line method over the months or quarters in which they generated the corresponding revenue (so called "matching principle").

In future, catalogue expenses will be recognised as an expense as soon as a company “has the right of access to the catalogues”. The cost of services connected with catalogues (e.g. catalogue postal charges) will be recognised as an expense “as soon as the company receives the service” (e.g. the catalogues are dispatched to customers). Apportioning the expenses using the straight-line method is no longer permissible.

Catalogue expenses are shown under other operating expenses in the income statement. As a result, all key income statement figures from EBITDA (inclusive) onwards will change. This will lead primarily to a shift in profits within the year, which should even out to a large extent over the course of the year.

Taxes

As the pre-tax result under IFRS changes, the associated IFRS tax expense for the respective period will also change. Generally, deferred tax will be accounted for on the difference between the IFRS accounting for catalogue expenses and their value under the applicable local tax rules.

The changes to the balance sheet in detail:

Other receivables and assets

As catalogue costs will have to be recognised as an expense as soon as a company has a “right of access” to the catalogues, both the dispatched and not yet dispatched catalogues for the subsequent year will no longer be capitalised. This means that the balance sheet position catalogue expenses for the following period within the position other receivables and assets will in future contain only costs and/or advance payments for services not yet received in connection with catalogues (e.g. prepaid postal charges for catalogue shipments in the following period).

Deferred taxes

Deferred tax assets and liabilities must, as before, be disclosed on the differences between the accounting of catalogue expenses under IFRS and under local tax law. As the IFRS rule is being changed, the deferred tax will also change.

Equity

The change in the accounting policy for catalogue expenses will lead to a one-off adjustment in this balance sheet position. The retrospective change in the previous years’ profits will lead to an adjustment in both the general reserves and the currency reserves. In addition, the change in the profit for the current period will also lead to a change in the general reserves.

The changes for the revised financial year 2008 are illustrated below. The column “2008 revised” contains the revised figures for the year 2008 according to the new IFRS catalogue cost accounting. The column “2008 reported” contains the reported figures for the year 2008 following the matching principle:

Consolidated income statement of TAKKT Group (in EUR million)

	2008 revised	2008 reported	△
Turnover	932.1	932.1	0.0
Gross profit	386.3	386.3	0.0
Other income	7.9	7.9	0.0
Personnel expenses	103.1	103.1	0.0
Other operating expenses	158.0	155.1	2.9
EBITDA	133.1	136.0	-2.9
Depreciation of property, plant and equipment and other intangible assets	15.8	15.8	0.0
Amortisation of goodwill	0.0	0.0	0.0
EBIT	117.3	120.2	-2.9
Finance result	-6.3	-6.3	0.0
Profit before tax	111.0	113.9	-2.9
Taxes			
- Income taxes	29.7	29.7	0.0
- Deferred tax	6.2	7.1	-0.9
Profit	75.1	77.1	-2.0
attributable to TAKKT AG shareholders	73.9	75.9	-2.0
attributable to minority interest	1.2	1.2	0.0
Earnings per share	1.01	1.04	-0.03

Consolidated balance sheet of TAKKT Group (in EUR million)

Assets	2008 revised	2008 reported	△
Non-current assets			
Deferred tax	6.6	4.7	1.9
Other non-current assets	347.3	347.3	0.0
	353.9	352.0	1.9
Current assets			
Other receivables and assets	13.4	36.9	-23.5
Other current assets	163.5	163.5	0.0
	176.9	200.4	-23.5
Total assets	530.8	552.4	-21.6
Equity and liabilities			
Total equity			
Shareholders' equity	324.3	340.5	-16.2
Minority interest	3.4	3.5	-0.1
	327.7	344.0	-16.3
Non-current liabilities			
Deferred tax	18.7	24.0	-5.3
Other non-current liabilities	68.4	68.4	0.0
	87.1	92.4	-5.3
Current liabilities	116.0	116.0	0.0
Total equity and liabilities	530.8	552.4	-21.6

As the companies in the TAKKT Group usually send out three main catalogues each year (the catalogue periods are four months each), there will be a shift of profits during the course of the year. The following tables show the most significant effects on the quarterly key earnings figures for both the TAKKT Group and its three divisions:

Effects on key earnings figures of TAKKT Group in 2008

(in EUR million)

	EBITDA revised	EBITDA reported	EBITDA % revised	EBITDA % reported	EPS revised	EPS reported
Q1	43.1	37.8	17.9 %	15.7 %	0.35	0.31
Q2	33.2	33.8	14.3 %	14.5 %	0.26	0.26
1st half year	76.3	71.6	16.1 %	15.1 %	0.61	0.57
Q3	32.0	31.8	13.9 %	13.8 %	0.23	0.23
9 months	108.3	103.4	15.4 %	14.7 %	0.84	0.80
Q4	24.8	32.6	10.8 %	14.2 %	0.17	0.24
Full year	133.1	136.0	14.3 %	14.6 %	1.01	1.04

Effects on key earnings figures of the divisions in 2008

KAISER + KRAFT EUROPA (in EUR million)

	EBITDA revised	EBITDA reported	EBITDA % revised	EBITDA % reported
Q1	33.7	31.1	23.6 %	21.8 %
Q2	30.1	29.3	21.4 %	20.8 %
1st half year	63.8	60.4	22.5 %	21.3 %
Q3	21.4	22.7	17.1 %	18.2 %
9 months	85.2	83.1	20.9 %	20.4 %
Q4	24.6	28.4	18.8 %	21.6 %
Full year	109.8	111.5	20.4 %	20.7 %

Topdeq (in EUR million)

	EBITDA revised	EBITDA reported	EBITDA % revised	EBITDA % reported
Q1	1.5	1.7	6.7 %	7.6 %
Q2	1.4	1.5	7.0 %	7.5 %
1st half year	2.9	3.2	6.8 %	7.5 %
Q3	2.6	1.5	12.9 %	7.4 %
9 months	5.5	4.7	8.8 %	7.5 %
Q4	0.7	1.6	3.5 %	8.0 %
Full year	6.2	6.3	7.5 %	7.6 %

K + K America (in USD million)

	EBITDA revised	EBITDA reported	EBITDA % revised	EBITDA % reported
Q1	15.0	10.7	13.2 %	9.4 %
Q2	7.6	9.5	6.7 %	8.4 %
1st half year	22.6	20.2	10.0 %	8.9 %
Q3	15.5	14.9	12.1 %	11.6 %
9 months	38.1	35.1	10.8 %	9.9 %
Q4	-0.8	3.8	-0.8 %	3.8 %
Full year	37.3	38.9	8.2 %	8.6 %

Glossary

EBIT

Earnings before interest and tax

EBITDA

Earnings before interest, taxes, depreciation of property, plant and equipment, amortisation of goodwill and other intangible assets

IAS

International Accounting Standards

IFRS

International Financial Reporting Standards

Deferred tax

Differences between the tax accounting rules and the IAS/IFRS accounting rules for the determination of profits result in different tax charges. These differences are shown as a deferred tax asset or liability in the balance sheet