

### **Delticom AG: Annual General Meeting approves dividend // preliminary figures for Q115**

**Hanover, 05 May 2015 – SDAX-listed Delticom AG (German Securities Code WKN 514680, ISIN DE0005146807, stock market symbol DEX), Europe's leading Internet tyre retailer, is distributing a dividend of € 0.25 per share for the 2014 financial year (previous year: € 0.50).**

73.52 % of the share capital was present at the General Meeting of Europe's leading Internet tyre retailer. Shareholders approved all the items on the agenda with a large majority. In the financial year elapsed, Delticom focused on the complete integration of Tirendo into the Delticom Group. For the closed financial year 2014 the shareholders will receive a dividend of € 0.25 per share. In 2014, the consolidated net profit amounted to € 2.9 million or € 0.24 € per share. The decline by 75 % compared to the previous year 2013 was mainly due to the higher cost base after the Tirendo acquisition. On the AGM the Management reconfirmed the objective to reach break-even with Tirendo over the course of the current fiscal year.

#### **Business in the first quarter 2015**

The cost reductions at Tirendo will help Delticom to gain new customers and to grow through attractive prices. According to the forecast for the current fiscal year provided in the annual report 2014, Delticom aims to increase sales volume in 2015 compared to the previous year and to reinforce its market-leading position. The initial results of this strategy can be found in the first quarter of 2015:

- According to preliminary figures, quarterly revenues of € 111 million are 18 % higher than in Q114
- The number of new customers increased by 5 % to 207 thousand (Q114: 197 thousand, new calculation methodology)
- In Q115, 238 thousand existing customers (+19 %) made a repeat purchase at Delticom Group (Q114: 200 thousand, new calculation methodology)
- Personnel costs came down by 40 % compared to the first three months of 2014

– Marketing expenses rose moderately in Q115

Despite this positive development in Q115, it is in the view of the management too early for large euphoria. The first quarter only has a comparatively small importance relative to the whole year and in particular with regard to profitability. Due to the increase in the number of tyres sold, the volume-related costs - such as transport and storage handling costs - increased in Q1 more than revenues, in line with expectations. The pricing strategy shows its effects not only in revenues but also in profit:

– The gross profit margin including other operating income for Q115 was 24.9 %, after 26.8 % in Q114

– At €760 thousand, the EBITDA is 68 % lower compared to the previous year quarter

– Earnings before taxes in Q115 were with €-1.4 million negative

For this reason, it is all the more important that Delticom will continue to tenaciously strive for cost optimization in 2015. At the current time, there is still major uncertainty when it comes to market and price development in the European replacement tyre business in 2015. For Germany, the German tyre association BRV (Bundesverband Reifenhandel und Vulkaniseurhandwerk) cautiously estimates that there will be no widespread improvement in the situation in 2015 compared to the previous year.

### **Full-year guidance confirmed**

The management of Delticom is planning on increasing sales volume in 2015 to exceed that of the previous year. In the case of a deflationary price climate Delticom considers it conceivable that this increase in sales will not necessarily result in a corresponding increase in revenues. For fiscal year 2015, the management continues to aim for revenues and EBITDA in absolute terms at least on par with fiscal year 2014.

**The full report for the first quarter 2015 will be published on 13 May 2015 within the "Investor Relations" section of the website [www.delti.com](http://www.delti.com).**

**Company profile:**

Delticom is Europe's leading online tyre retailer. Founded in 1999, the Hanover-based company has more than 160 online shops in 42 countries, among others ReifenDirekt, [www.mytyres.co.uk](http://www.mytyres.co.uk) in UK and [www.123pneus.fr](http://www.123pneus.fr) in France, as well as the Tirendo shops which enjoy a high level of recognition, not least due to its brand ambassador, Sebastian Vettel. 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 complete wheels. More than 200,000 car parts, including motor oil, replacement parts and accessories, complement the product portfolio.

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 customer chooses. Alternatively, Delticom delivers the tyres to one of more than 40,000 service partners (9,500 in Germany alone) for professional fitting directly on to the customer's vehicle at a reasonable price.

On the Internet at: [www.delti.com](http://www.delti.com)

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