

Praktiker

A big name in Germany – A market leader in Europe



**Q3 2008 –
Presentation of results**

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Kirkel, October 23, 2008



International business:

- Sales growth continued, even slightly accelerated in Q3
- Underlying EBITA increase in line with sales
- Continued strong growth in Poland, Bulgaria and Romania
- like-for-like sales decline in Greece

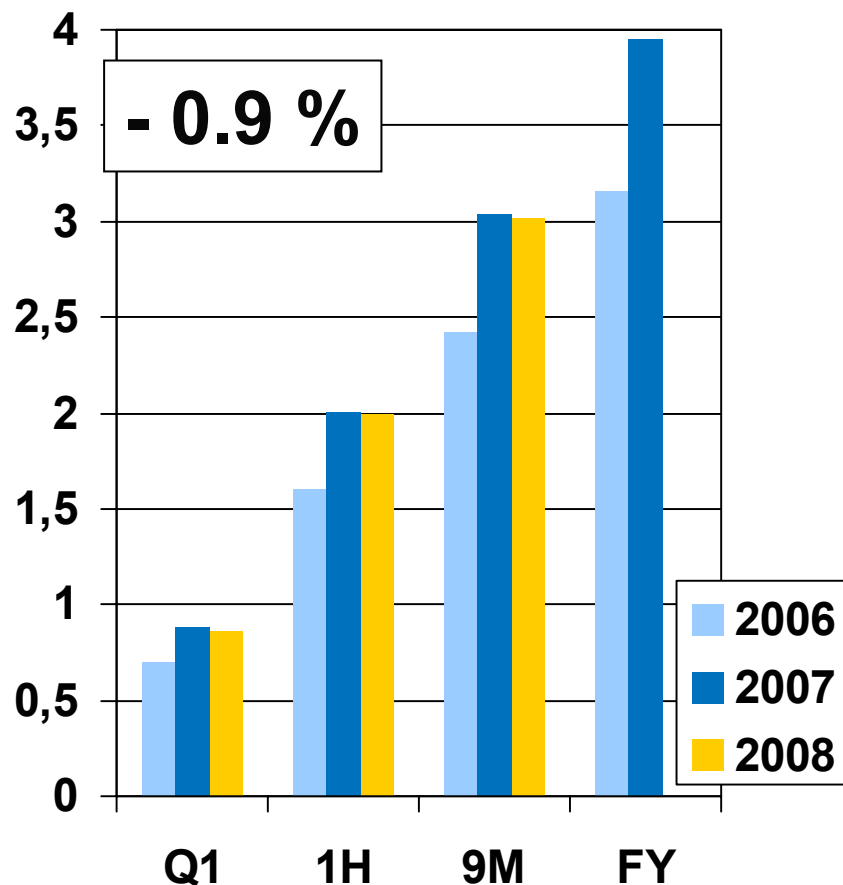
Germany

- Q3 most difficult quarter in transition phase for Praktiker brand
- Gross margin increase not as strong as in first half year
- Max Bahr in line with expectation

Group

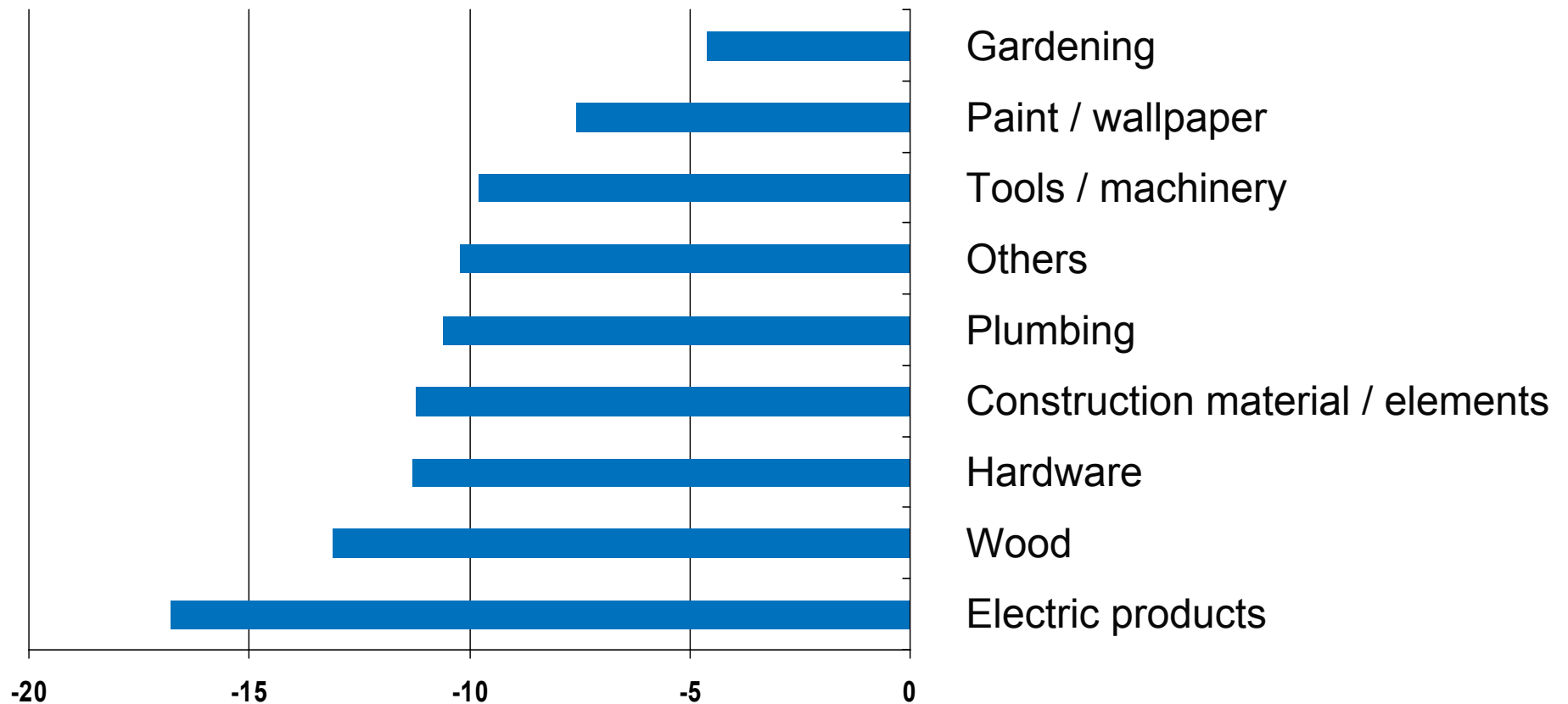
- Strong financial position maintained
- Net debt lower than at half-year
- Earnings guidance maintained
- Outlook 2009 deteriorating: Preparing for more difficult times

Net sales group, cumulative, € bn



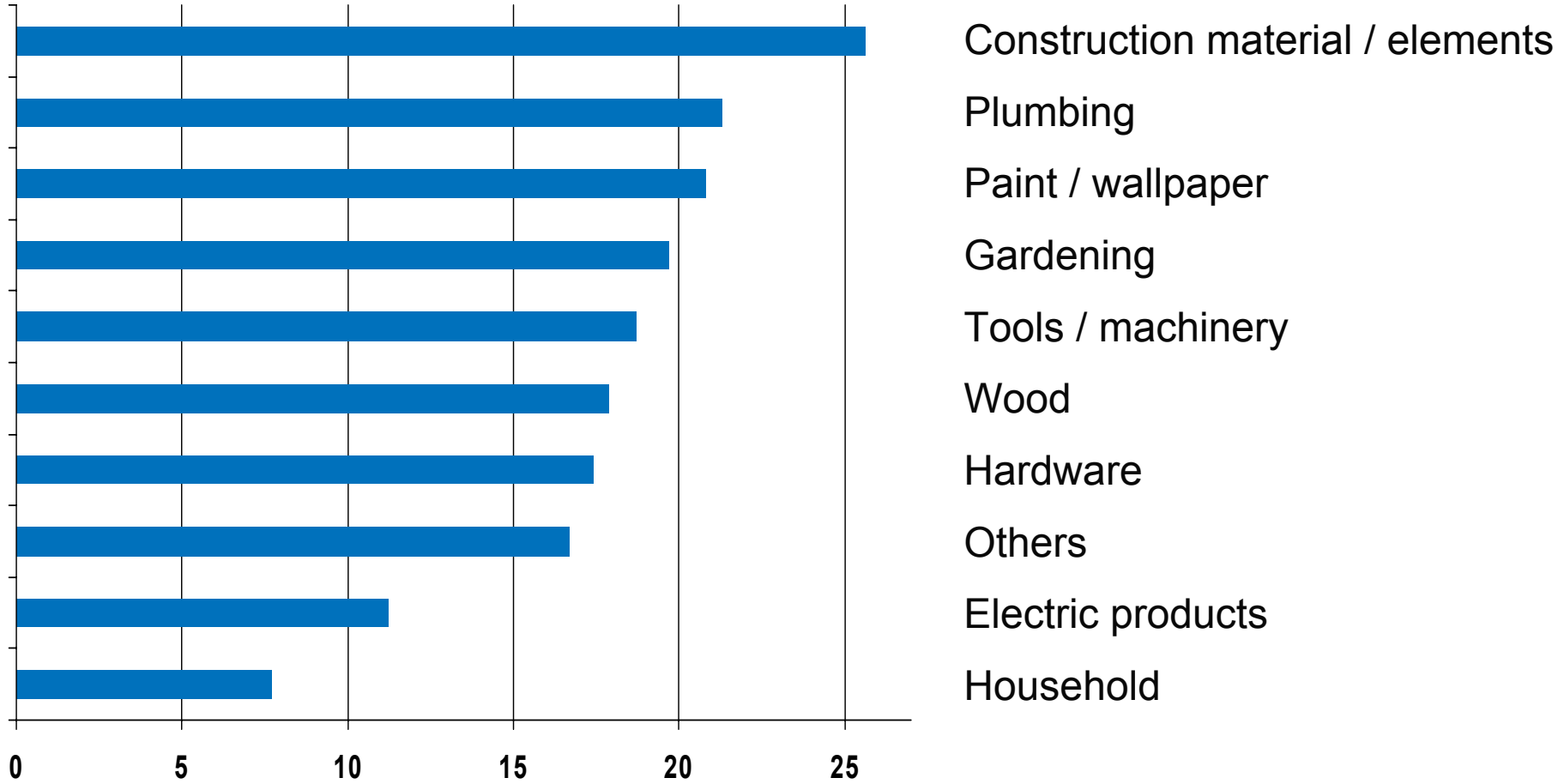
- 9M sales: minus 0.9 % (€ 3,014.5 m)
- 9M sales I-f-I: minus 6.3 %
- Q3 sales: minus 1.9 % (€ 1,017.3 m)
- 9M sales Germany: minus 7.7 % (€ 2,075.8 m)
- 9M sales Germany I-f-I: minus 9.2 %
- Q3 sales Germany: minus 11.0 % (€ 656.9 m)
- 9M sales International: plus 18.3 % (€ 938.7 m)
- 9M sales International I-f-I: plus 2.4 %
- Q3 sales International: plus 20.9 % (€ 360.4 m)

Product categories, 9M sales development, yoy in %

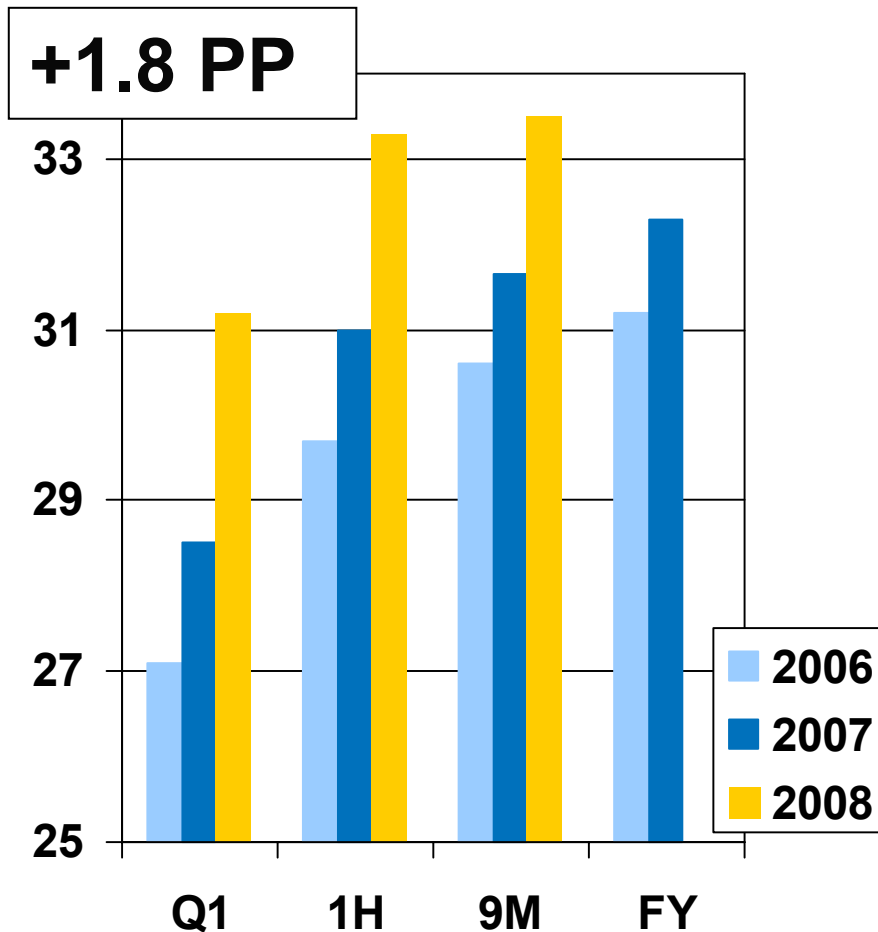


International: Core DIY shows strongest growth

Product categories, 9M sales development, yoy in %



Gross margin, cumulative, %

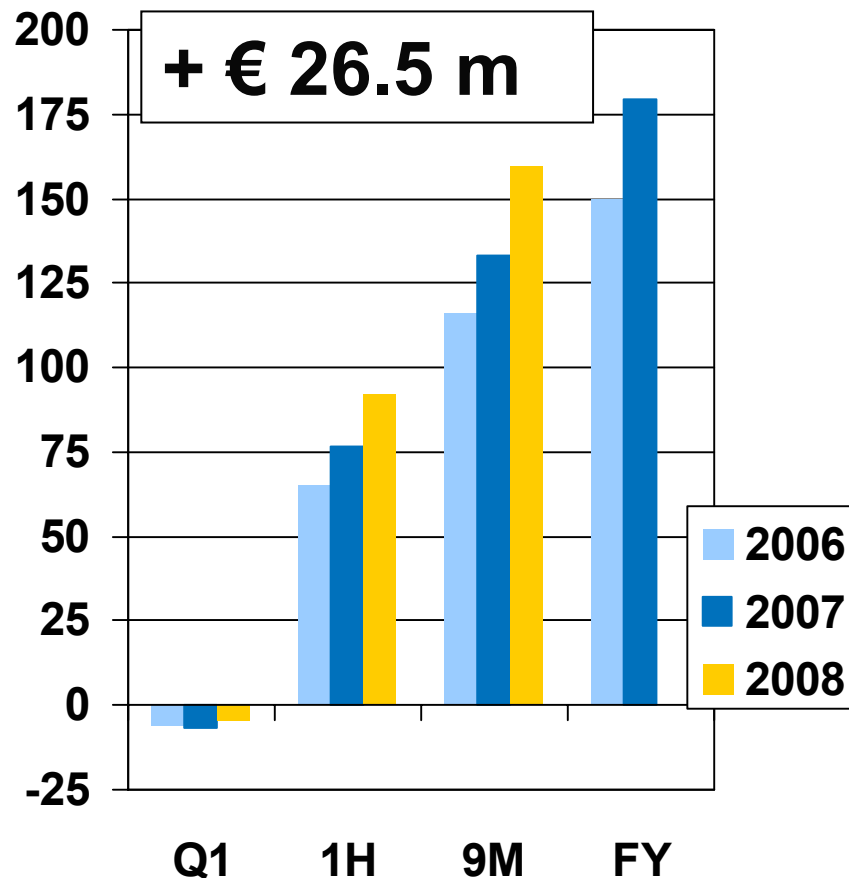


- 9M gross profit: up 5.0 % to € 1,010.9 m
- 9M gross margin: Increase of 1.8 PP to 33.5 %
- Germany main driver for margin improvement
- Positive impact of change in marketing for Praktiker brand in Germany
- Q3 gross margin: Increase of 1.0 PP to 33.9 %

EBITDA: Increase reflects growing store portfolio

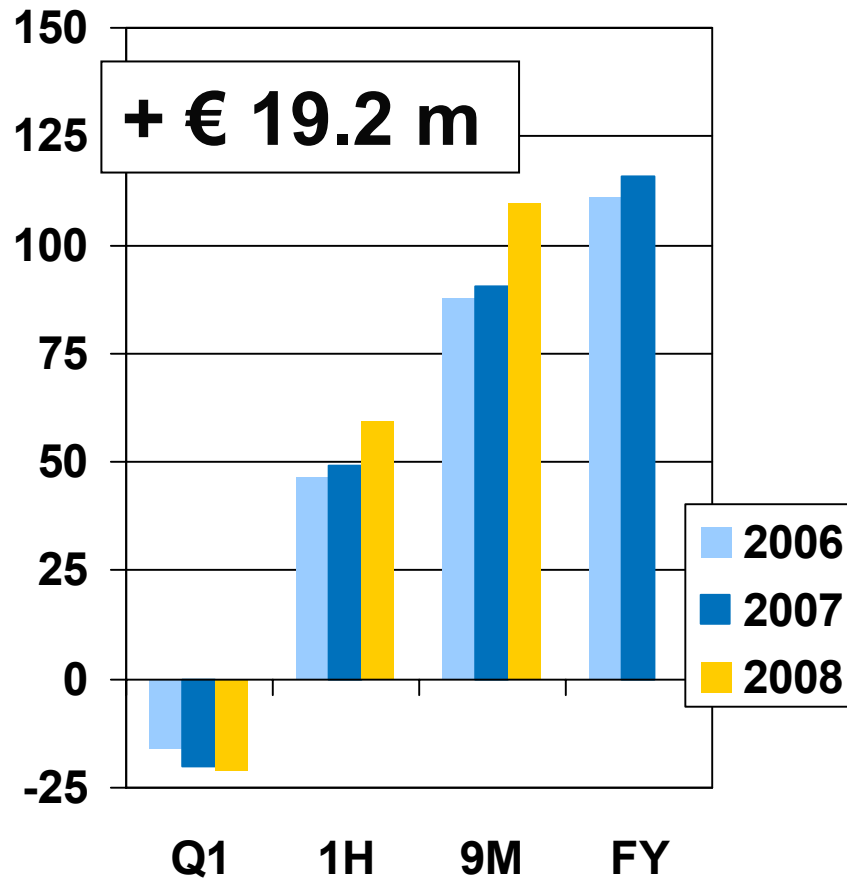


EBITDA, cumulative, € m



- EBITDA 9M: € 159.7 m (9M 2007 € 133.2 m)
- EBITDA Q3: € 67.7 m (Q3 2007 € 56.8 m)
- International expansion leads to higher capex and higher depreciation (own stores and finance leases)
- Depreciation 9M: € 50.2 m (+17.1 %)
- Depreciation Q3: € 17.3 m (+12.1 %)

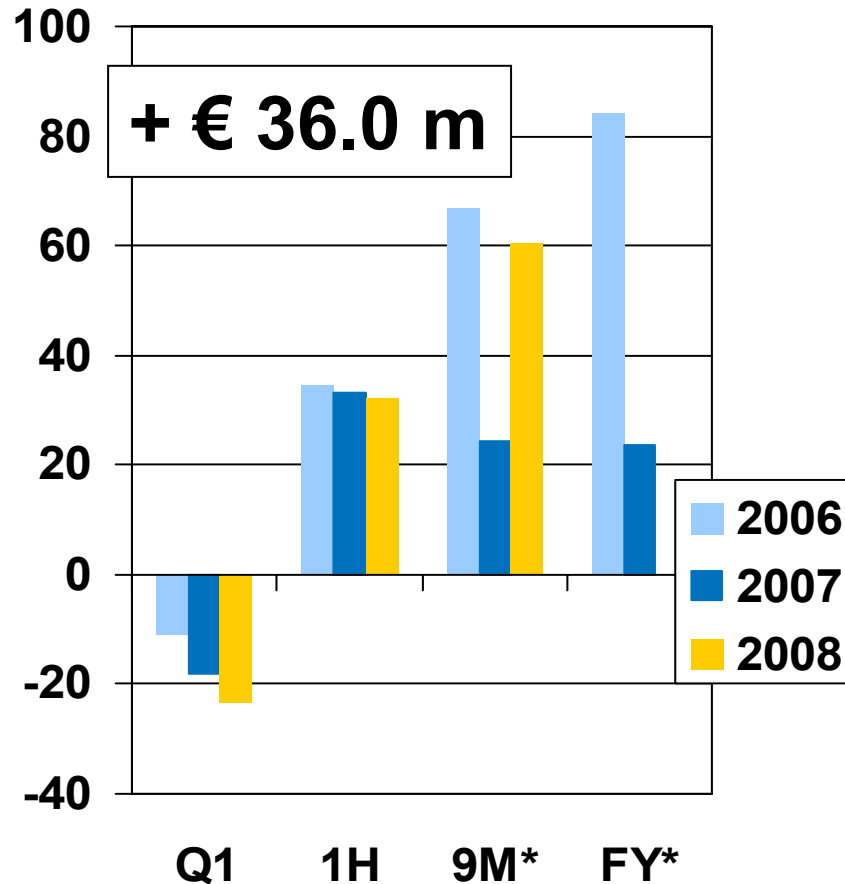
EBITA, cumulative, € m



- EBITA 9M: € 109.5 m (9M 2007 € 90.3 m)*
- EBITA Q3: € 50.3 m (Q3 2007 € 41.2 m)*
- Increase benefits from lower one-offs
- Selling expenses reflect:
 - First time inclusion of Max Bahr for full nine months
 - International: expenses follow expansion
 - Germany: Expenses down
 - Poland provision (Q2)
- Administrative expenses down on last year

* 2007: Before conditions set by Federal Cartel Office, 9M € 100.5 m, Q3 € 51.4 m

Net result, cumulative, € m



- 9M net result: € 60.4 m (9M 2007 € 24.4 m)*

- 9M financial result: € -25.6 m (9M 2007 € -8.9 m)

- Interest income down

- Finance lease liabilities up following international expansion

- Negative currency impact

- One off 2007 from sale of participation

- Tax rate at 28.0 %

- 9M EPS € 1.02 per share (9M 2007 € 0.40)

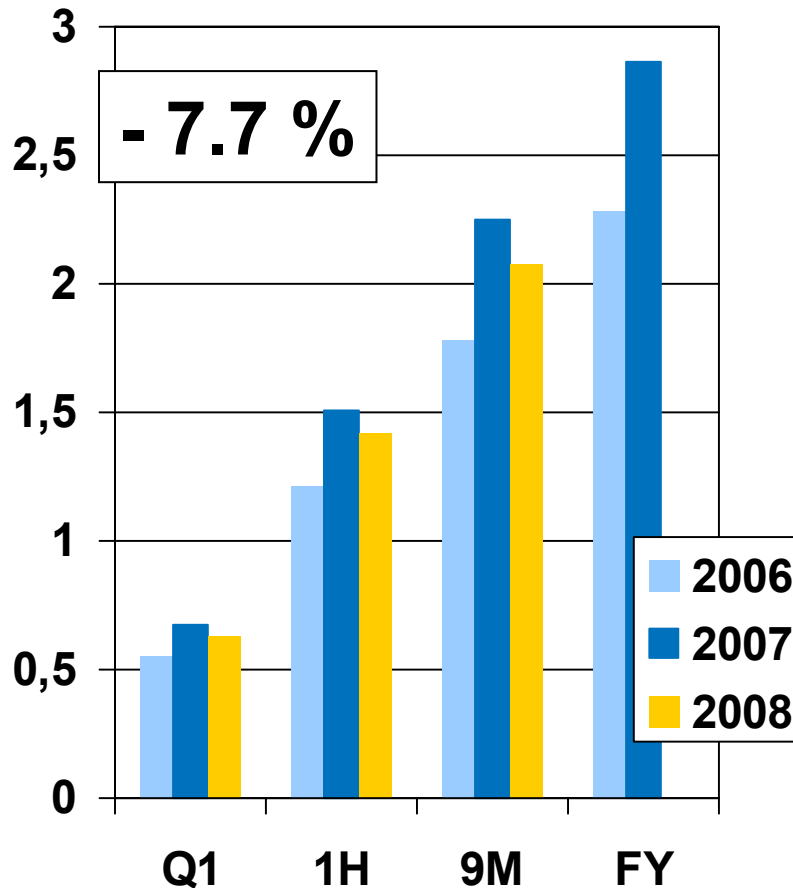
* 2007: Including one-off effect from German corporate tax reform



- Liquid funds increased to € 306.1 m (€ 247.2 m end of Q2)
- Finance lease liabilities up moderately to € 288.1 m (€ 283.7 m end of Q2)
- Net debt down at € 119.0 m (€ 181.4 m end of Q2)
- Net working capital of € - 385.7 m (end of 2007 € - 403.0 m)
- Syndicated loan of € 200 m and bilateral credit lines
- Capex at € 75.7 m, down from € 100.5 m in 9M 2007
- Balance sheet total € 2,340 m (end of 2007 € 2,154 m)
- Equity ratio at 41.7 % (end of 2007 43.7 %)

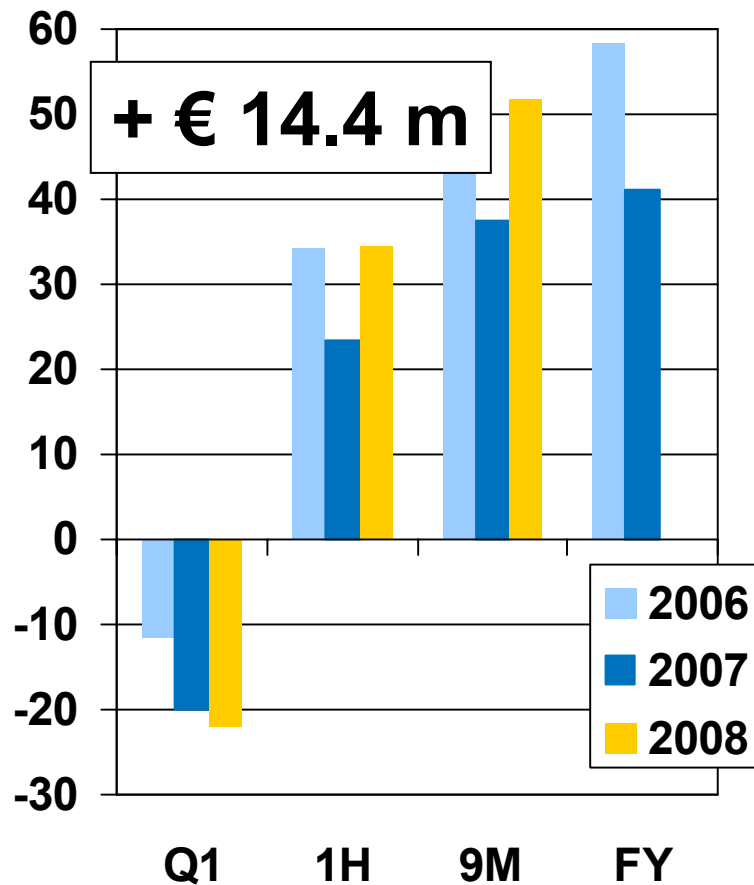
Germany: Q3 as difficult as expected

Net sales Germany, cumulative, € bn



- 9M sales: € 2,075.8 m (- 7.7 %)
 - Max Bahr contribution € 556.4 m
- 9M I-f-I sales: Total - 9.2 %
 - Praktiker -11.0 %
 - Max Bahr - 3.8 %
- Q3 sales: € 656.9 m (-11.0 %)
- Q3 most difficult quarter in transition to new marketing positioning
 - Praktiker I-f-I sales down 13.7 %
 - 16 promotion days instead of 38 days Q3 07
 - Shelf price reduced for 1.200 articles
- Max Bahr sales down 1.5 % in Q3

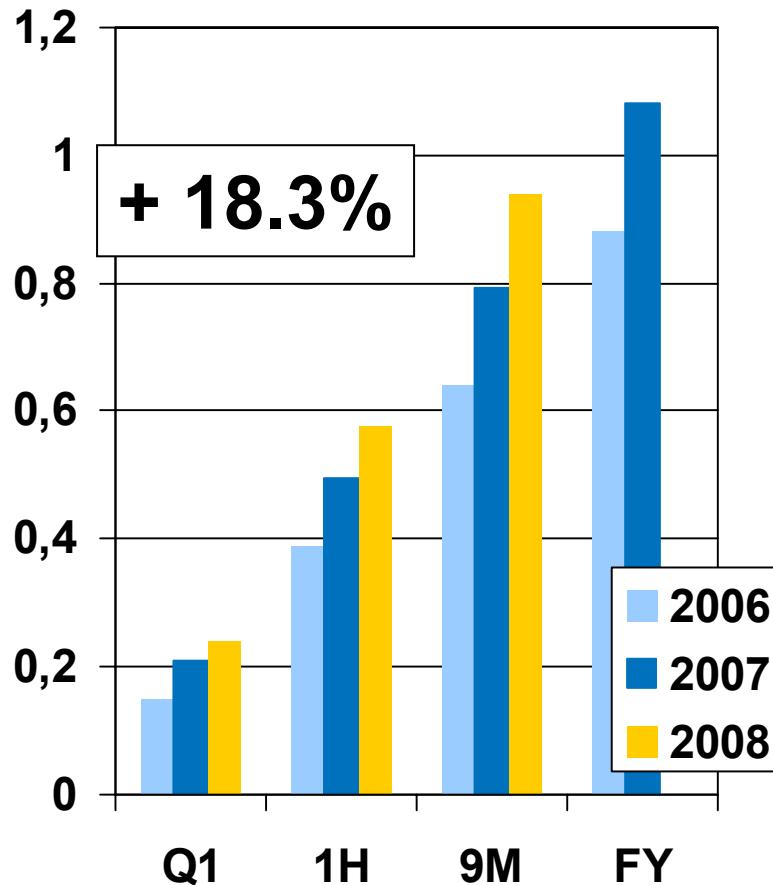
EBITA Germany, cumulative, € m



- 9M EBITA: € 51.8 m (9M 2007 € 37,4 m)*
- Q3 EBITA: € 16.9 m (Q3 2007 € 14.0 m)*
- 9M: Gross margin increase to compensate for sales decline
- Max Bahr earnings contribution in line with expectations
- Capex of € 23.3 m (9M 2007 € 35.5 m)

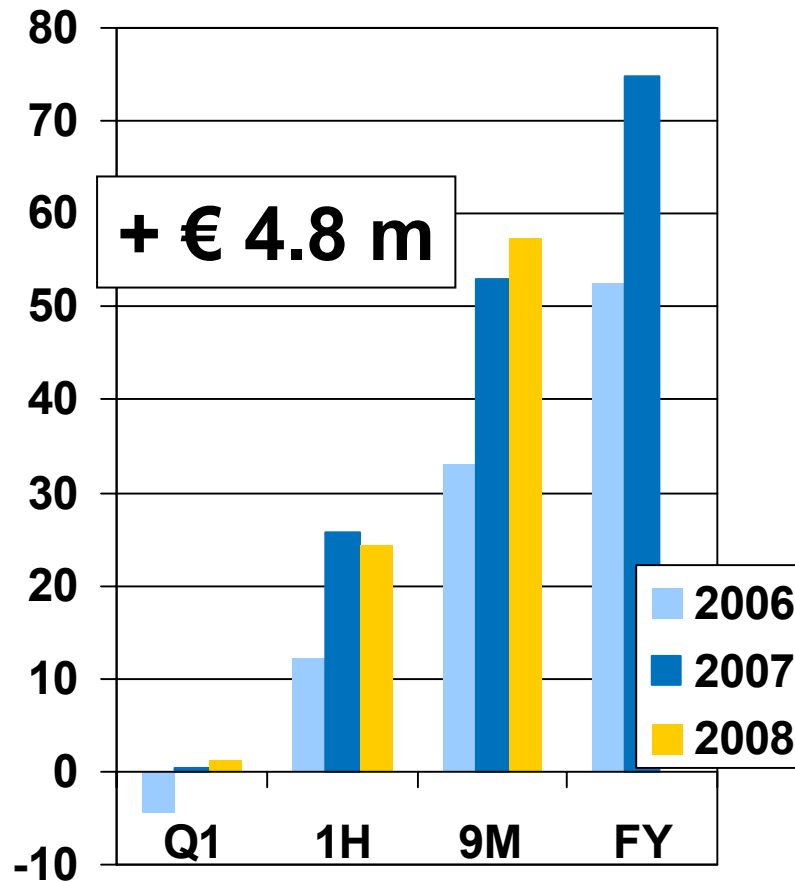
* 2007: Before conditions set by Federal Cartel Office, 9M € 47.6 m, Q3 € 24.2 m

Net sales International, cumulative, € bn



- 9M sales: € 938.7 m (+18.3 %)
- 9M like-for-like growth: + 2.4 %
- Q3 sales: € 360.4 m (+20.9 %)
- All countries except Luxembourg with sales growth
- Positive currency impact in Poland and Hungary, negative in Romania and Turkey balance out overall
- Share International in group sales
9M: 31.1 % (9M 2007 26.1 %)

EBITA International, cumulative, € m



- 9M EBITA: € 57.7 m (9M 2007 € 52.9 m)
- Positive results in all operating countries except Turkey and Ukraine
- Start-up losses in Albania
- € 4 m unexpected provision in Poland for potential antitrust penalties (Q2)
- Q3 EBITA: € 33.4 m (Q3 2007 € 27.2 m)
- 7 stores opened (3 in Romania, 1 in Bulgaria, 1 in Poland, 1 in Turkey, 1 in Greece)
- Capex of € 52.3 m (9M 2007 € 65.0 m)

Overall economic settings changed

- Financial crisis expected to impact “real” economy
- Declining growth expectations
- Increasing uncertainty about consumer spending

Group earnings outlook maintained

- Sales expected to be up by low single-digit rate
- EBITA at € 135-140 m
- Cash capex at around € 120 m



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