

QUARTERLY STATEMENT AS OF SEPTEMBER 30, 2018

LADIES AND GENTLEMEN,

In the third quarter, TAKKT experienced good growth and was able to build on the positive development of the second quarter. Sales were 10.8 percent higher than in the previous year's period, at EUR 310.7 (280.4) million. Both good organic growth of 5.0 percent and contributions from acquisitions of 6.1 percentage points contributed to this. Unlike in the first half of the year, currency effects only had a minor negative impact (minus 0.3 percentage points). The TAKKT EUROPE segment achieved organic growth of 6.1 percent, while TAKKT AMERICA recorded organic growth of 4.0 percent. In Europe, all divisions saw favorable growth; both the Ratioform group and the newport group, which was newly established at the beginning of the year, achieved nearly double-digit organic growth. In the United States, all divisions, with the exception of the Hubert group, witnessed solid to very good growth. The NBF group experienced double-digit growth. Business at Hubert decreased by mid-single-digits, showing slight improvement over the previous two quarters. In the first nine months of the year, the overall organic growth of the Group came to 2.9 percent.

TAKKT's third quarter earnings showed significant improvement over the first half year. The gross profit margin decreased, but less strongly than in the previous quarters. The decline was to a large part a result of the acquisitions executed in 2018, which generate a gross profit margin below the previous TAKKT average due to their product range. In addition, higher freight costs and lower freight margins had a negative impact. TAKKT kept the EBITDA margin of 13.3 (13.4) percent at the previous year's level. EBITDA increased by 9.3 percent to EUR 41.2 (37.7) million. In addition to good growth, the measures initiated mid-year to manage income and costs began to show positive effects. For the first nine months, the overall EBITDA margin was at 12.6 (14.2) percent.

In the current year, the Group expanded its portfolio with two acquisitions in Europe. TAKKT further strengthened its market position in important European markets with the acquisitions of OfficeFurnitureOnline in the UK at the end of January and Runelandhs in Sweden at the end of May. TAKKT remains on course with its digital transformation. The share of e-commerce business in order intake was further increased, comprising 51.6 percent at the end of the third quarter. The Group also intends to remain a role model in terms of sustainability in its industry. In October, TAKKT was recognized with the German CSR Award 2018 in the category "Environmental Commitment" at the German CSR Forum. With the award, the expert jury honored TAKKT's extensive measures to reduce carbon emissions and increase resource efficiency.

Looking toward the final quarter, TAKKT confirms its sales and earnings forecast for the 2018 financial year. As forecast at the beginning of the year, organic growth should come in between two to four percent. For the remaining three months, the Management Board expects higher earnings than in the fourth quarter of 2017. Both the current positive business development and measures to manage income and costs will contribute to this result. As part of this, income might be generated from a real estate sale in the United States that has been planned for some time. The property is an office building that originally belonged to the former TAKKT subsidiary C&H and, upon the sale of C&H, initially remained in the possession of TAKKT. For the full financial year, the Group holds its expected EBITDA margin at the lower end of the initially projected corridor of 13 to 14 percent. Depending on the further course of the trade conflicts that are increasing worldwide, an EBITDA margin of slightly under 13.0 percent cannot be entirely excluded.

TAKKT AG, Management Board

Dr. Felix A. Zimmermann

Dr. Heiko Hegwein

Dirk Lessing

Dr. Claude Tomaszewski

KEY FIGURES TAKKT GROUP AND SEGMENTS

	Q3/17	Q3/18	Change in %	9M/17	9M/18	Change in %
TAKKT						
Sales in EUR million	280.4	310.7	10.8 (5.0*)	845.4	878.0	3.8 (2.9*)
Gross margin in percent	41.9	41.1		42.7	41.6	
EBITDA in EUR million	37.7	41.2	9.3	119.7	110.2	-7.9
EBITDA margin in percent	13.4	13.3		14.2	12.6	
EBIT in EUR million	31.2	34.5	10.6	99.3	89.4	-10.0
Profit before tax in EUR million	29.2	32.8	12.3	92.9	84.9	-8.6
Profit in EUR million	19.6	24.1	23.0	61.9	62.1	0.3
Earnings per share in EUR	0.30	0.37	23.0	0.94	0.95	0.3
TAKKT cash flow in EUR million	27.1	31.8	17.3	85.6	84.7	-1.1
TAKKT EUROPE						
Sales in EUR million	133.6	158.1	18.3 (6.1*)	423.2	477.5	12.8 (4.1*)
EBITDA in EUR million	18.7	22.2	18.7	74.1	75.5	1.9
EBITDA margin in percent	14.0	14.0		17.5	15.8	
TAKKT AMERICA						
Sales in EUR million	146.9	152.7	3.9 (4.0*)	422.4	400.7	-5.2 (1.7*)
EBITDA in EUR million	21.2	22.2	4.7	53.9	45.6	-15.4
EBITDA margin in percent	14.5	14.5		12.7	11.4	

* organic, i.e. adjusted for currency and portfolio effects

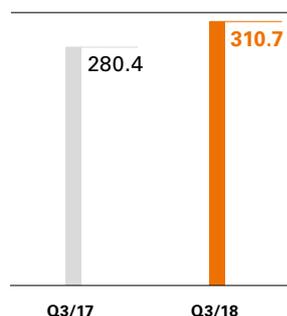
SALES AND EARNINGS REVIEW

THIRD QUARTER OF 2018

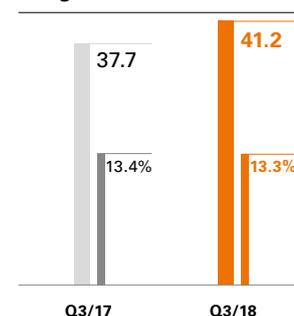
TAKKT

- Sales growth of 10.8 percent.
- Increase in organic sales of 5.0 percent, positive acquisition effect of 6.1 percentage points and negative currency effects of 0.3 percentage points.
- EBITDA margin at 13.3 (13.4) percent.
- Profitability much higher than in the first half of the year due to good growth and first positive results from measures to manage income and costs.

Sales in EUR million



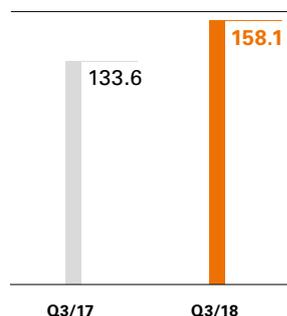
EBITDA in EUR million/
margin in %



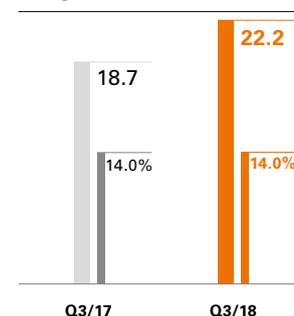
TAKKT EUROPE

- Sales up by 18.3 percent.
- Organic sales grew 6.1 percent, positive acquisition effects of 13.2 percentage points through contributions of OfficeFurnitureOnline and Runelandhs; negative currency effects of 1.0 percentage points.
- KAISER+KRAFT saw organic growth in the mid-single-digit range, Ratioform and newport with nearly double-digit growth.
- EBITDA margin of 14.0 (14.0) percent at the previous year's level.
- Lower gross profit margin, in large parts due to structural impact from acquisitions.
- Earnings benefit from good growth and from first results of measures to manage income and costs.

Sales in EUR million



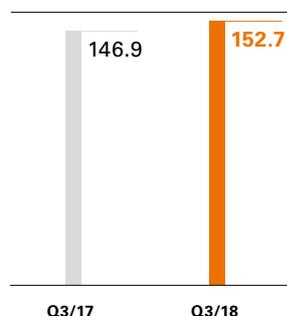
EBITDA in EUR million/
margin in %



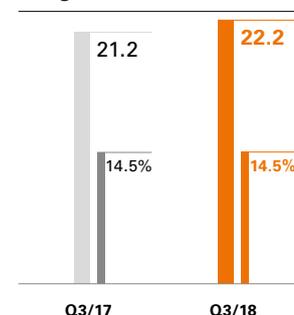
TAKKT AMERICA

- Sales increase of 3.9 percent.
- Organic sales growth of 4.0 percent, with negative currency effects of 0.1 percentage points.
- Central with solid organic growth and D2G with mid-single-digit organic growth. Double-digit growth for NBF. Hubert decreasing less strongly than in the first half of the year, with a mid-single-digit percentage decrease.
- EBITDA margin of 14.5 (14.5) percent at the previous year's level.
- Gross profit margin virtually unchanged despite higher freight costs and lower freight margins.
- Earnings benefit from good growth and from first results of measures to manage income and costs.

Sales in EUR million



EBITDA in EUR million/
margin in %

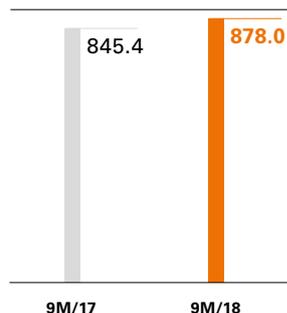


FIRST NINE MONTHS 2018

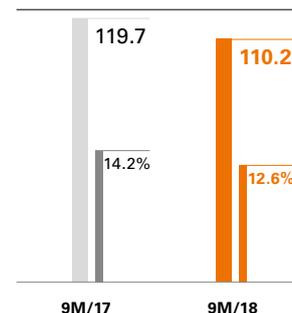
TAKKT

- Sales up by 3.8 percent.
- Organic sales growth of 2.9 percent; positive acquisition effects of 5.1 percentage points and negative currency effects of 4.2 percentage points.
- EBITDA margin at 12.6 (14.2) percent.
- Decrease in profitability due to lower gross profit margin as well as slightly higher cost ratios.
- Lower gross profit margin predominantly due to higher freight costs and structural impact from acquisitions.
- Slight increase in cost ratios, in part due to additional expenses for the digital transformation.

Sales in EUR million



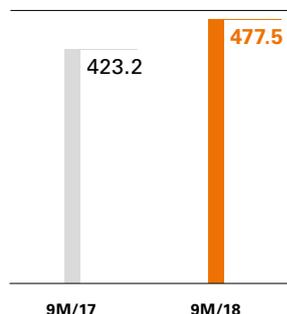
EBITDA in EUR million/
margin in %



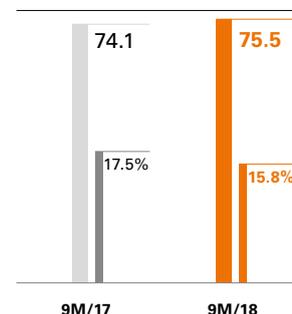
TAKKT EUROPE

- Sales up by 12.8 percent.
- Organic sales growth of 4.1 percent, positive acquisition effects of 10.1 percentage points, negative currency effects of 1.4 percentage points.
- KAISER+KRAFT with solid organic growth and Ratioform grows by nearly double-digits.
- EBITDA margin at 15.8 (17.5) percent.
- Decrease in profitability is the result of a lower gross profit margin, predominantly due to structural effects from acquisitions.

Sales in EUR million



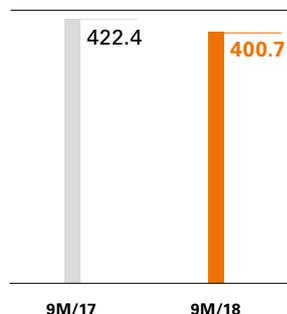
EBITDA in EUR million/
margin in %



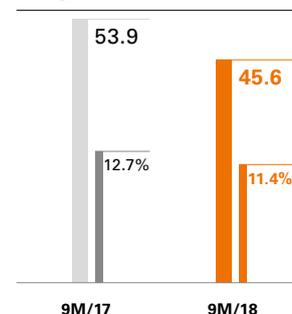
TAKKT AMERICA

- Sales down 5.2 percent.
- Organic sales growth of 1.7 percent, high negative currency effect of 6.9 percentage points.
- Central, D2G and NBF with growth in mid-single-digit percentage range. Hubert below expectations with a high single-digit decrease in sales.
- EBITDA margin at 11.4 (12.7) percent.
- Decrease in profitability is a result of a lower gross profit margin as well as higher cost ratios.
- Increased freight costs and lower freight margins in all divisions. In addition, a new framework agreement with a major customer at Hubert has significant negative impact on the gross profit margin.

Sales in EUR million



EBITDA in EUR million/
margin in %



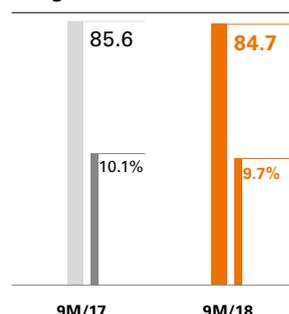
FINANCIAL POSITION

- The TAKKT cash flow of EUR 84.7 (85.6) million remains nearly unchanged in the first nine months; the margin decreases from 10.1 to 9.7 percent. Decrease in EBITDA is compensated by a lower financial result and lower tax payments.
- Cash flow from operating activities falls from EUR 87.8 million to EUR 73.7 million. Negative impact of a higher increase in net working capital than in the previous year because of a different growth trend in the respective third quarters. Additional increased buildup in inventories of direct imports in the United States as a result of rising import tariffs.
- Capital expenditure of EUR 18.6 (20.0) million slightly lower than in the previous year. Investments in the digital agenda were EUR 6.2 (5.6) million and EUR 2.2 (3.3) million were invested at the TAKKT investment company.
- The free TAKKT cash flow of EUR 55.4 (68.0) million was offset by dividend payments in May of EUR 36.1 million and purchase price payments for acquisitions of EUR 57.5 million.
- Net financial liabilities increase to EUR 176.6 million, compared with EUR 135.2 million at the end of 2017.

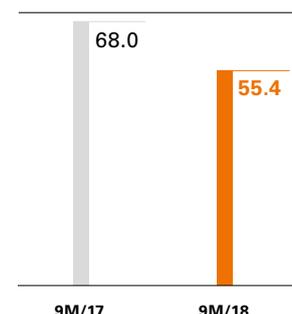
IMPLEMENTING THE DIGITAL AGENDA

- Since the beginning of the year, the European web-focused companies have been bundled together in the newly established division newport. The new structure enables a more agile and targeted market positioning of these business models.
- At a week-long seminar at the University of California, Berkeley in July, TAKKT executives engaged with the topic of leadership in the digital age.
- Of the roughly 100 new positions that TAKKT intended to create since 2016, in the framework of the digital agenda, 99 had been filled by the end of September. This mainly concerns web development, data & analytics and online marketing.
- At 51.6 (46.3) percent, more than half of order intake in the first nine months of 2018 relates to e-commerce, with a particularly strong increase in Europe.

TAKKT cash flow
in EUR million/
margin in %



Free TAKKT cash flow
in EUR million



FORECAST

- The International Monetary Fund slightly lowered its growth forecasts for the eurozone and the US recently, citing increasing global trade conflicts and ongoing uncertainties caused by Brexit.
- The Purchase Managers' Index (PMI) figures for European economies remain above the threshold of 50 points but have declined in recent months.
- Economic indicators and industry indexes in the United States paint a positive picture. The Restaurant Performance Index, a relevant indicator for the food service industry, remains slightly above the reference value of 100.
- TAKKT confirms its sales and earnings forecast for the 2018 financial year. As forecast at the beginning of the year, organic growth should come in between two to four percent.
- For the remaining three months of the year, the Management Board expects higher earnings than in the previous year's fourth quarter. Both the ongoing good business development and measures to manage income and costs will contribute to this result. As part of this, income might be generated from a real estate sale in the United States that has been planned for some time.
- For the full financial year, the Group holds its expected EBITDA margin at the lower end of the initially projected corridor of 13 to 14 percent. Depending on the further course of the trade conflicts that are increasing worldwide, an EBITDA margin of slightly under 13.0 percent cannot be entirely excluded.

TAKKT will publish the preliminary figures for the 2018 financial year on February 21, 2019.

STATEMENT OF PROFIT OR LOSS

in EUR million

	7/1/2018 – 9/30/2018	7/1/2017 – 9/30/2017	1/1/2018 – 9/30/2018	1/1/2017 – 9/30/2017
Sales	310.7	280.4	878.0	845.4
Changes in inventories of finished goods and work in progress	0.0	0.0	0.2	-0.5
Own work capitalized	0.5	0.4	1.4	1.1
Gross performance	311.2	280.8	879.6	846.0
Cost of sales	-183.6	-163.3	-514.3	-484.9
Gross profit	127.6	117.5	365.3	361.1
Other operating income	0.8	1.8	3.0	5.6
Personnel expenses	-43.2	-40.6	-128.9	-125.0
Other operating expenses	-44.0	-41.0	-129.2	-122.0
EBITDA	41.2	37.7	110.2	119.7
Depreciation, amortization and impairment of property, plant and equipment and other intangible assets	-6.7	-6.5	-20.8	-20.4
EBIT	34.5	31.2	89.4	99.3
Income from associated companies	-0.2	-0.2	-0.6	-0.4
Finance expenses	-1.5	-1.7	-4.3	-6.0
Other finance result	0.0	-0.1	0.4	0.0
Financial result	-1.7	-2.0	-4.5	-6.4
Profit before tax	32.8	29.2	84.9	92.9
Income tax expense	-8.7	-9.6	-22.8	-31.0
Profit	24.1	19.6	62.1	61.9
attributable to owners of TAKKT AG	24.1	19.6	62.1	61.9
attributable to non-controlling interests	0.0	0.0	0.0	0.0
Weighted average number of issued shares in million	65.6	65.6	65.6	65.6
Basic earnings per share (in EUR)	0.37	0.30	0.95	0.94
Diluted earnings per share (in EUR)	0.37	0.30	0.95	0.94

STATEMENT OF FINANCIAL POSITION

in EUR million

Assets	9/30/2018	12/31/2017
Property, plant and equipment	103.6	100.9
Goodwill	564.6	513.9
Other intangible assets	80.2	69.2
Investment in associated companies	0.9	0.8
Other assets	7.7	5.5
Deferred tax	1.9	2.3
Non-current assets	758.9	692.6
Inventories	118.4	102.1
Trade receivables	121.0	102.9
Other receivables and assets	25.6	20.6
Income tax receivables	5.1	7.2
Cash and cash equivalents	3.7	3.1
Current assets	273.8	235.9
Total assets	1,032.7	928.5
Equity and liabilities	9/30/2018	12/31/2017
Share capital	65.6	65.6
Retained earnings	545.5	519.6
Other components of equity	-7.6	-17.4
Total equity	603.5	567.8
Financial liabilities	47.7	101.6
Other liabilities	0.7	0.6
Pension provisions and similar obligations	59.3	58.8
Other provisions	6.0	5.8
Deferred tax	62.1	56.1
Non-current liabilities	175.8	222.9
Financial liabilities	132.6	36.7
Trade payables	39.4	30.2
Other liabilities	62.7	47.4
Provisions	11.6	17.7
Income tax payables	7.1	5.8
Current liabilities	253.4	137.8
Total equity and liabilities	1,032.7	928.5

STATEMENT OF CASH FLOWS

in EUR million

	1/1/2018 – 9/30/2018	1/1/2017 – 9/30/2017
Profit	62.1	61.9
Depreciation, amortization and impairment of non-current assets	20.8	20.4
Deferred tax expense	1.8	3.3
TAKKT cash flow	84.7	85.6
Other non-cash expenses and income	3.4	2.4
Profit and loss on disposal of non-current assets and consolidated companies	0.0	-0.1
Change in inventories	-11.4	2.3
Change in trade receivables	-14.9	-12.2
Change in other assets not included in investing and financing activities	-1.6	6.6
Change in short- and long-term provisions	-2.3	-4.2
Change in trade payables	3.4	-3.4
Change in other liabilities not included in investing and financing activities	12.4	10.8
Cash flow from operating activities	73.7	87.8
Proceeds from disposal of non-current assets	0.3	0.2
Capital expenditure on non-current assets	-18.6	-20.0
Proceeds from the disposal of consolidated companies (less cash and cash equivalents sold)	0.0	0.0
Cash outflows for the acquisition of consolidated companies (less acquired cash and cash equivalents)	-57.5	-6.7
Cash flow from investing activities	-75.8	-26.5
Proceeds from Financial liabilities	108.4	65.8
Repayments of Financial liabilities	-69.5	-88.9
Payments to owners of TAKKT AG (dividends)	-36.1	-36.1
Cash flow from financing activities	2.8	-59.2
Cash and cash equivalents at 1/1	3.1	2.3
Increase/decrease in Cash and cash equivalents	0.7	2.1
Non-cash increase/decrease in Cash and cash equivalents	-0.1	-0.1
Cash and cash equivalents at 6/30	3.7	4.3

SEGMENT REPORTING BY DIVISION

in EUR million

1/1/2018 – 9/30/2018	TAKKT EUROPE	TAKKT AMERICA	Segments total	Others	Consolidation	Group total
Sales to third parties	477.3	400.7	878.0	0.0	0.0	878.0
Inter-segment sales	0.2	0.0	0.2	0.0	-0.2	0.0
Segment sales	477.5	400.7	878.2	0.0	-0.2	878.0
EBITDA	75.5	45.6	121.1	-10.9	0.0	110.2
EBIT	60.8	39.7	100.5	-11.1	0.0	89.4
Profit before tax	58.3	37.6	95.9	-11.0	0.0	84.9
Profit	42.3	27.6	69.9	-7.8	0.0	62.1
Average no. of employees (full-time equivalent)	1,469	990	2,459	44	0	2,503
Employees at the closing date (full-time equivalent)	1,516	994	2,510	46	0	2,556

1/1/2017 – 9/30/2017	TAKKT EUROPE	TAKKT AMERICA	Segments total	Others	Consolidation	Group total
Sales to third parties	423.0	422.4	845.4	0.0	0.0	845.4
Inter-segment sales	0.2	0.0	0.2	0.0	-0.2	0.0
Segment sales	423.2	422.4	845.6	0.0	-0.2	845.4
EBITDA	74.1	53.9	128.0	-8.3	0.0	119.7
EBIT	59.8	47.9	107.7	-8.4	0.0	99.3
Profit before tax	57.1	44.8	101.9	-9.0	0.0	92.9
Profit	41.5	27.0	68.5	-6.6	0.0	61.9
Average no. of employees (full-time equivalent)	1,351	987	2,338	40	0	2,378
Employees at the closing date (full-time equivalent)	1,389	979	2,368	43	0	2,411

ADDITIONAL INFORMATION

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