TAKKT AG
BUSINESS EQUIPMENT SOLUTIONS

QUARTERLY FINANCIAL REPORT 1/2016
FIRST THREE MONTHS

LADIES AND GENTLEMEN,

TAKKT was able to continue the positive trend in place at the end of 2015 with organic sales growth of 5.7 percent in the first three months of the new year. As expected, the European and American activities still demonstrate different rates of growth. The EBITDA margin of 17.2 percent was at about the same level as in the previous year. However, positive one-time effects contributed to this figure in both periods. Adjusted for these effects, profitability remained unchanged compared to the previous year's period at 16.0 percent. During the remainder of the year, the Group expects positive development to continue in the US alongside slight organic growth in Europe.

SIGNIFICANT DEVELOPMENTS IN THE FIRST QUARTER 2016

- Organic sales growth of 5.7 percent, reported Group sales up by 8.5 percent
- Gross profit margin increased to 43.6 (43.0) percent
- EBITDA margin at 17.2 (17.3) percent, unchanged at 16.0 (16.0) percent when adjusted for one-time effects
- Earnings per share at EUR 0.39 (0.38)

INTERIM MANAGEMENT REPORT OF TAKKT GROUP

BUSINESS DEVELOPMENT AND STRATEGY

The TAKKT Group portfolio remained largely unchanged in the first quarter. The activities of KAISER+KRAFT in the Chinese market did not develop as anticipated even after realignment of the sales strategy. It was therefore decided to phase out these activities in the reporting period. The resources saved as a result closing down the activities in Asia are to be used for implementation of the digitalization initiative. In the Packaging Solutions Group (PSG), Ratioform acquired the customer list and inventories from its former franchise partner in Austria at the beginning of the year.

Through the digital@TAKKT initiative, the company wants to make even greater use of opportunities arising from digitalization. To achieve this, TAKKT is currently developing a digital agenda with very specific digitalization activities that will be implemented for the individual divisions in a decentralized manner. An initial review and analysis of the specific goals of individual companies has already been carried out in all divisions. This will be used to guide future action and derive concrete measures.

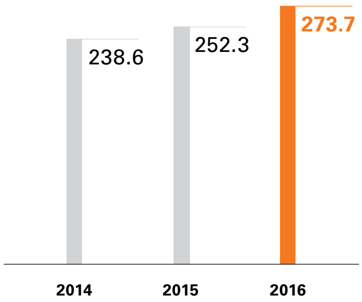
TAKKT also made further progress with the DYNAMIC growth and modernization initiative in the first quarter. This can be seen in the e-commerce share of order intake of 38.4 percent and the increase in direct imports to 13.0 percent. Both key figures fall within the target corridor set for 2016.

In addition to achieving profitable growth, TAKKT also strives to systematically diversify risks. The TAKKT EUROPE and TAKKT AMERICA segments each currently contribute around 50 percent to Group sales. In addition to this regional diversification, the Group is also broadly positioned with respect to customer and product groups. Another core component of the Group's strategy is a commitment to act sustainably. In March 2016, TAKKT again published a sustainability report, which contains comprehensive information on the key aspects of this issue

SALES REVIEW

In the first quarter of 2016, TAKKT realized organic growth of 5.7 percent. This growth was driven by a significant increase in the number of orders, while the average order value remained constant. The organic growth rate is adjusted for currency effects in the amount of plus 0.5 percentage points. It is also adjusted for the impact of the Post-Up Stand and BiGDUG acquisitions in 2015, along with the deconsolidation of Plant Equipment Group (PEG) activities at the end of January 2015, in the total amount of plus 2.3 percentage points. Reported sales increased by 8.5 percent to EUR 273.7 (252.3) million.

Sales *in EUR million*
First three months TAKKT Group



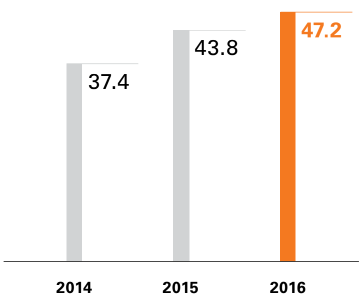
TAKKT EUROPE achieved organic growth of 1.6 percent from January to March. Reported sales of EUR 142.7 (134.5) million were 6.1 percent higher than in the previous year's period, benefiting from BiGDUG's contribution to sales. The British company was acquired in mid-2015. The restrained organic growth can also be attributed to the fact that the Easter holiday fell in March in 2016, in contrast to April and thereby the second quarter in 2015. Sales during the Easter week were well below average levels. In the Business Equipment Group (BEG), organic growth was in the low single-digit percentage range. Continued high growth rates were reported for the Nordic countries as well as Eastern and Southern Europe, while development in the German market was slightly positive. Significant growth was even seen in Switzerland, following the heavy strain on business that began in February of the previous year after the removal of the cap on the Swiss franc and the ensuing economic slowdown. Sales in Great Britain, however, experienced an organic decrease. In organic terms, the Packaging Solutions Group (PSG) saw stable development during the reporting period.

The **TAKKT AMERICA** segment continued the very strong growth of the previous year. The organic increase was 10.8 percent. Reported sales increased by 11.2 percent to EUR 131.1 (117.9) million. Positive currency effects as well as portfolio effects from the sale of PEG and the acquisition of Post-Up Stand resulted in the difference to organic growth. All the divisions and companies contributed to the excellent growth of the segment. Among other effects, the focus on the service sector allows the American portfolio companies to benefit from the good consumer confidence in the US. The Specialties Group (SPG) achieved organic sales growth in the low double-digit percentage range while the Office Equipment Group (OEG) recorded growth in the high single-digit percentage range.

EARNINGS REVIEW

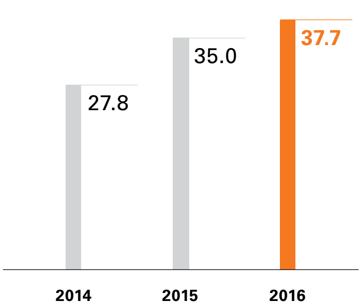
The gross profit margin of 43.6 (43.0) percent was above the level of the previous year's period. This increase is mainly due to the contributions of both acquisitions, which generate a gross profit margin higher than the Group average. Earnings before interest, taxes, depreciation and amortization increased to EUR 47.2 (43.8) million. The EBITDA margin of 17.2 (17.3) percent remained virtually unchanged compared to the previous year. Of note here are the one-time effects in the first quarter of 2015 as well as the first quarter of 2016. The sale of PEG at the beginning of 2015 generated a one-time gain of EUR 3.3 million. The outstanding variable purchase price liabilities for the acquisitions of Post-Up Stand and BiGDUG were reduced in the reporting period. This adjustment resulted in an increase of other operating income of EUR 3.3 million. With respect to both companies, TAKKT's Management Board no longer expects to achieve the ambitious growth and key earnings figures used as the basis for the initial consolidation of the variable liabilities. Adjusted for these positive one-time effects, the EBITDA margin remained constant at 16.0 (16.0) percent.

EBITDA *in EUR million*
First three months TAKKT Group



The TAKKT EUROPE segment generated an EBITDA of EUR 29.8 (27.3) million, resulting in a margin of 20.9 (20.3) percent. Adjusted for the one-time effect mentioned above, profitability was slightly below the previous year's period at 19.8 (20.3) percent. At TAKKT AMERICA, EBITDA increased to EUR 20.8 (18.5) million. The EBITDA margin saw a slight increase from 15.7 to 15.8 percent. Adjusted for the positive one-time effects in both periods, profitability for the segment improved significantly from 12.8 to 14.5 percent. This is largely attributable to the strong organic growth and good utilization of the infrastructure.

Profit before tax *in EUR million*
First three months TAKKT Group

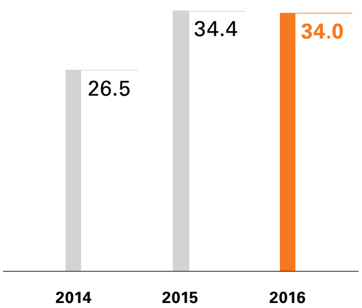


Depreciation and amortization increased to EUR 7.4 (6.4) million. This can be attributed in part to the higher amortization resulting from both acquisitions. EBIT amounted to EUR 39.8 (37.4) million and the corresponding margin came to 14.5 (14.8) percent. The financial result remained virtually unchanged at minus EUR 2.1 (minus 2.4) million and profit before tax increased to EUR 37.7 (35.0) million. The tax ratio went up to 32.4 (28.3) percent. For the first quarter of 2016, it is important to take into consideration the favorable tax effect from a municipal tax refund for past financial years. And in the first quarter of 2015 there was a favorable tax effect from the sale of PEG. Without taking these effects into consideration, the tax ratio would have come to 34.3 (34.6) percent. The profit for the period rose to EUR 25.5 (25.1) million. Based on the unchanged number of 65.6 million no-par-value bearer shares issued, this corresponds to improved earnings per share of EUR 0.39 (0.38).

FINANCIAL AND ASSETS POSITION

TAKKT was able to generate a substantial positive cash flow in the first three months of 2016. The TAKKT cash flow (defined as profit for the period plus depreciation and amortization, impairment of non-current assets and deferred taxes affecting profit and loss) of EUR 34.0 (34.4) million was virtually on a par with the previous year's level. The cash flow margin decreased from 13.6 to 12.4 percent while the TAKKT cash flow per share remained constant at EUR 0.52 (0.52).

TAKKT cash flow *in EUR million*
First three months TAKKT Group



Despite a TAKKT cash flow at a similar level to the previous year, the cash flow from operating activities of EUR 32.7 (15.7) million was significantly higher. This is mainly due to a one-time effect in the previous year. Adjusted for this effect, cash flow from operating activities in the previous year's quarter came to EUR 31.9 million. The one-time effect mentioned stems from the portion of the purchase price paid in the first quarter of 2015 for George Patton Associates (GPA), which was acquired in 2012. This is attributable to the accrued interest as well as the income-affecting adjustments of the originally expected purchase price liability. In accordance with the IFRS, this was allocated in the statement of cash flows to cash flow from operating activities in the amount of EUR 16.2 million. The average collection period of 30 (30) days in the reporting period was at the previous year's level.

Capital expenditure in the expansion, maintenance and modernization of business operations of EUR 3.3 (3.1) million was at approximately the same level as the previous year's period. The sale of PEG in 2015 resulted in the receipt of an additional payment in the first quarter of 2016, mainly from an escrow amount of EUR 1.5 million. After deducting capital expenditure in non-current assets and cash inflows from disposals, the remaining free TAKKT cash flow amounted to EUR 31.1 million (30.8) million. The free TAKKT cash flow was countered by the payment for the customer list and inventories of Ratioform's former franchise partner in Austria in the total amount of EUR 0.4 million. In addition to currency effects, this resulted in a total decrease in net borrowings to EUR 205.1 million compared to EUR 244.0 million at year-end 2015.

RISK AND OPPORTUNITIES REPORT

The risks and opportunities for the TAKKT Group remain unchanged from those explained in the 2015 annual report from page 76 onwards. Overall, the risks are limited and manageable. Based on current information, the Management Board does not believe that there are any substantial individual risks, either now or in the foreseeable future, to the Group as a going concern.

The most significant risk, which is also a noteworthy opportunity, continues to be the development of the economy. Another important risk is the effect of currency translation on sales and earnings figures due to currency fluctuations, in particular with the US dollar. Risks resulting from the failure of the IT or direct marketing infrastructure should also be classified as important even though their probability of occurrence is minimal. Also significant, but with a lower probability of occurrence, are risks resulting from new competitors entering the market or errors in judgment in the acquisition of a company.

As pointed out in the 2015 annual report, the opportunities for TAKKT occur as a result of improved economic conditions, the implementation of the multi-channel PLUS strategy and new sales opportunities with online channels and e-procurement. Furthermore, the Group should continue to be able to benefit from further acquisitions or start-ups and an increasing diversification of the business model. Other opportunities relate to the sustainability initiative, further development of the IT applications, increased use of technological developments (digitalization) and good access to capital.

FORECAST REPORT

The TAKKT Group's business is particularly subject to the economic development and cycles of the core markets of the US and Europe. Several key economic indicators are crucial for forecasting the business development of the Group: In addition to the GDP growth forecasts in the target markets, the most notable ones include market and industry indexes such as the Purchasing Managers' Index (PMI) for BEG and the Restaurant Performance Index for SPG, as well as sales statistics by the Business and Institutional Furniture Manufacturers Association (BIFMA) for OEG in the US.

The most likely scenario for 2016 from the 2015 annual report was largely confirmed in the reporting period. In this scenario, TAKKT expects 2016 GDP growth rates in both Europe and the US to be slightly above 2015 levels. The International Monetary Fund has recently adjusted its economic growth forecasts for both regions slightly downwards. The PMI values for Europe were slightly above the expansion threshold of 50 for the most part and industry indicators in the US also pointed to a continued good business climate.

Based on this, TAKKT continues to anticipate organic sales growth of three to five percent for the 2016 financial year. The EBITDA margin should be within the upper third of the target corridor of 12 to 15 percent. The TAKKT cash flow is expected to benefit from the positive development of earnings predicted and the corresponding margin is anticipated to be above the target value of eight percent once again. The Group anticipates another slight increase over 2015 with regard to the key figures for ROCE and TAKKT value added.

SUBSEQUENT EVENTS

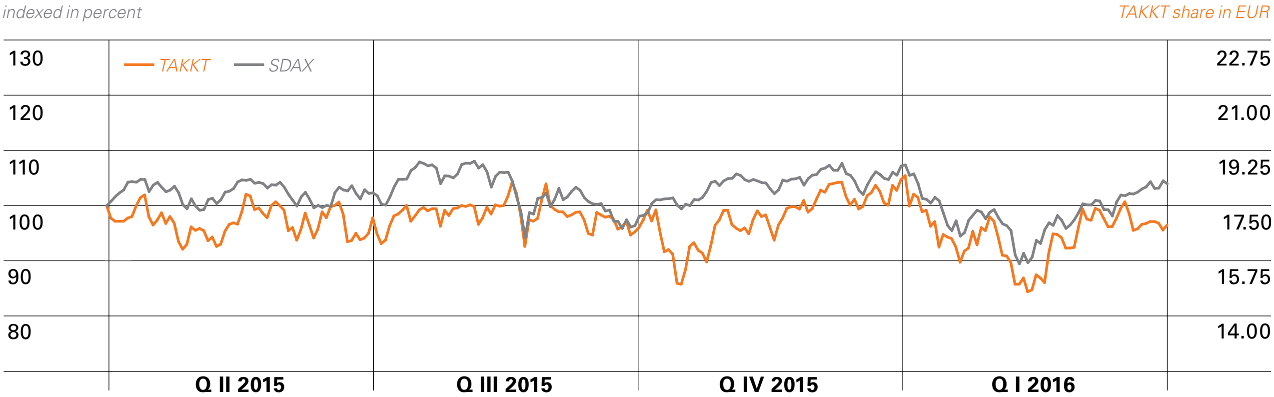
There were no significant events which had any meaningful impact on the assets position, financial position and earnings situation after the reporting date.

TAKKT SHARE

TAKKT seeks to communicate regularly and transparently with institutional and private investors, financial analysts, potential investors and financial journalists. At the beginning of the financial year, TAKKT attended the capital market conference hosted by Kepler Cheuvreux and Unicredit in Frankfurt. In addition, the company held numerous discussions with investors at roadshows in London, Paris, Zurich, Edinburgh, Frankfurt am Main and at the company headquarter in Stuttgart.

The DAX and SDAX indexes suffered a significant decline at the beginning of 2016 and decreased by 7.2 percent and 3.2 percent, respectively, in the first three months of the year. Discussions of the Chinese economic downturn and the decline in the price of oil led to uncertainty in the financial markets. The TAKKT share also experienced losses during the reporting period and closed with EUR 16.88 at the end of March, 8.5 percent below its share price at year-end 2015.

Performance of the TAKKT share *(52-week comparison, SDAX as benchmark)*



TAKKT will publish the figures for the first half-year on July 28, 2016.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Consolidated statement of income of the TAKKT Group *in EUR million*

	1/1/2016 – 3/31/2016	1/1/2015 – 3/31/2015
Sales	273.7	252.3
Changes in inventories of finished goods and work in progress	–0.1	–0.1
Own work capitalized	0.3	0.1
Gross performance	**273.9**	**252.3**
Cost of sales	–154.6	–143.9
Gross profit	**119.3**	**108.4**
Other operating income	5.5	5.6
Personnel expenses	–39.9	–37.3
Other operating expenses	–37.7	–32.9
EBITDA	**47.2**	**43.8**
Depreciation, amortization and impairment of property, plant and equipment and other intangible assets	–7.4	–6.4
Impairment of goodwill	0.0	0.0
EBIT	**39.8**	**37.4**
Income from associated companies	0.0	0.0
Finance expenses	–2.2	–2.1
Other finance result	0.1	–0.3
Financial result	**–2.1**	**–2.4**
Profit before tax	**37.7**	**35.0**
Income tax expense	–12.2	–9.9
Profit	**25.5**	**25.1**
attributable to owners of TAKKT AG	25.5	25.1
attributable to non-controlling interests	0.0	0.0
Weighted average number of issued shares in million	65.6	65.6
Earnings per share (in EUR)	0.39	0.38

Consolidated statement of comprehensive income of the TAKKT Group *in EUR million*

	1/1/2016 – 3/31/2016	1/1/2015 – 3/31/2015
Profit	**25.5**	**25.1**
Actuarial gains and losses resulting from pension obligations recognized in equity	–8.1	–8.7
Deferred tax on actuarial gains and losses resulting from pension provisions	2.5	2.5
Other comprehensive income after tax for items that will not be reclassified to profit and loss in future	**–5.6**	**–6.2**
Income and expenses from the subsequent measurement of cash flow hedges recognized in equity	1.6	–1.4
Income recognized in the income statement	–0.2	–0.1
Deferred tax on subsequent measurement of cash flow hedges	–0.4	0.5
Other comprehensive income after tax resulting from the subsequent measurement of cash flow hedges	**1.0**	**–1.0**
Income and expenses from the adjustment of foreign currency reserves recognized in equity	–11.6	23.0
Income recognized in the income statement	0.0	2.4
Other comprehensive income after tax resulting from the adjustment of foreign currency reserves	**–11.6**	**25.4**
Other comprehensive income after tax for items that are reclassified to profit and loss	**–10.6**	**24.4**
Other comprehensive income (changes to other components of equity)	**–16.2**	**18.2**
attributable to owners of TAKKT AG	–16.2	18.2
attributable to non-controlling interests	0.0	0.0
Total comprehensive income	**9.3**	**43.3**
attributable to owners of TAKKT AG	9.3	43.3
attributable to non-controlling interests	0.0	0.0

Consolidated statement of financial position of the TAKKT Group *in EUR million*

Assets	3/31/2016	12/31/2015
Property, plant and equipment	106.8	108.8
Goodwill	526.9	540.3
Other intangible assets	79.8	83.7
Investment in associated companies	0.0	0.0
Other assets	0.7	0.8
Deferred tax	2.1	2.0
Non-current assets	**716.3**	**735.6**
Inventories	100.4	103.8
Trade receivables	99.1	94.0
Other receivables and assets	17.5	25.7
Income tax receivables	0.3	1.8
Cash and cash equivalents	8.1	3.3
Current assets	**225.4**	**228.6**
Total assets	**941.7**	**964.2**

Equity and liabilities	3/31/2016	12/31/2015
Share capital	65.6	65.6
Retained earnings	426.3	400.8
Other components of equity	–9.2	7.0
Total equity	**482.7**	**473.4**
Financial liabilities	65.2	173.7
Other liabilities	11.0	14.5
Pension provisions and similar obligations	59.9	51.2
Other provisions	5.3	5.3
Deferred tax	67.2	70.1
Non-current liabilities	**208.6**	**314.8**
Financial liabilities	148.0	73.6
Trade payables	26.3	27.9
Other liabilities	50.1	45.7
Provisions	15.2	18.8
Income tax payables	10.8	10.0
Current liabilities	**250.4**	**176.0**
Total equity and liabilities	**941.7**	**964.2**

Consolidated statement of changes in total equity of the TAKKT Group *in EUR million*

	Share capital	Retained earnings	Other components of equity	**Total equity**
Balance at 1/1/2016	**65.6**	**400.8**	**7.0**	**473.4**
Transactions with owners	0.0	0.0	0.0	0.0
thereof dividends paid	0.0	0.0	0.0	0.0
Total comprehensive income	0.0	25.5	–16.2	9.3
thereof Profit	0.0	25.5	0.0	25.5
thereof Other comprehensive income (changes to other components of equity)	0.0	0.0	–16.2	–16.2
Balance at 3/31/2016	**65.6**	**426.3**	**–9.2**	**482.7**

	Share capital	Retained earnings	Other components of equity	Total equity
Balance at 1/1/2015	**65.6**	**340.8**	**–19.6**	**386.8**
Transactions with owners	0.0	0.0	0.0	0.0
thereof dividends paid	0.0	0.0	0.0	0.0
Total comprehensive income	0.0	25.1	18.2	43.3
thereof Profit	0.0	25.1	0.0	25.1
thereof Other comprehensive income (changes to other components of equity)	0.0	0.0	18.2	18.2
Balance at 3/31/2015	**65.6**	**365.9**	**–1.4**	**430.1**

Consolidated statement of cash flows of the TAKKT Group *in EUR million*

	1/1/2016 – 3/31/2016	1/1/2015 – 3/31/2015
Profit	25.5	25.1
Depreciation, amortization and impairment of non-current assets	7.4	6.4
Deferred tax expense	1.1	2.9
TAKKT cash flow	**34.0**	**34.4**
Other non-cash expenses and income	–3.3	0.7
Profit and loss on disposal of non-current assets and consolidated companies	0.0	–3.4
Change in inventories	0.3	1.3
Change in trade receivables	–6.7	–8.3
Change in other assets not included in investing and financing activities	6.5	5.8
Change in short- and long-term provisions	–2.7	–1.8
Change in trade payables	–0.9	–0.8
Change in other liabilities not included in investing and financing activities	5.5	–12.2
Cash flow from operating activities	**32.7**	**15.7**
Proceeds from disposal of non-current assets	0.2	0.1
Capital expenditure on non-current assets	–3.3	–3.1
Proceeds from the disposal of consolidated companies (less cash and cash equivalents sold)	1.5	18.1
Cash outflows for the acquisition of consolidated companies (less acquired cash and cash equivalents)	–0.4	–53.0
Cash flow from investing activities	**–2.0**	**–37.9**
Proceeds from Financial liabilities	35.9	74.9
Repayments of Financial liabilities	–61.7	–41.3
Payments to owners of TAKKT AG (dividends)	0.0	0.0
Cash flow from financing activities	**–25.8**	**33.6**
Cash and cash equivalents at 1/1	3.3	4.0
Cash and cash equivalents classified as Assets held for sale at 1/1	0.0	0.2
Increase/decrease in Cash and cash equivalents	4.9	11.4
Non-cash increase/decrease in Cash and cash equivalents	–0.1	0.3
Cash and cash equivalents classified as Assets held for sale at 3/31	**0.0**	**0.0**
Cash and cash equivalents at 3/31	**8.1**	**15.9**

Segment reporting by division of the TAKKT Group *in EUR million*

1/1/2016 – 3/31/2016	TAKKT EUROPE	TAKKT AMERICA	Segments total	Others	Consolidation	Group total
Sales to third parties	142.6	131.1	273.7	0.0	0.0	273.7
Inter-segment sales	0.1	0.0	0.1	0.0	–0.1	0.0
Segment sales	142.7	131.1	273.8	0.0	–0.1	273.7
EBITDA	29.8	20.8	50.6	–3.4	0.0	47.2
EBIT	24.6	18.6	43.2	–3.4	0.0	39.8
Profit before tax	23.6	17.7	41.3	–3.6	0.0	37.7
Profit	17.4	10.7	28.1	–2.6	0.0	25.5
Average no. of employees (full-time equivalent)	1,316	970	2,286	34	0	2,320
Employees at the closing date (full-time equivalent)	1,315	964	2,279	34	0	2,313

1/1/2015 – 3/31/2015	TAKKT EUROPE	TAKKT AMERICA	Segments total	Others	Consolidation	Group total
Sales to third parties	134.4	117.9	252.3	0.0	0.0	252.3
Inter-segment sales	0.1	0.0	0.1	0.0	–0.1	0.0
Segment sales	134.5	117.9	252.4	0.0	–0.1	252.3
EBITDA	27.3	18.5	45.8	–2.0	0.0	43.8
EBIT	22.9	16.5	39.4	–2.0	0.0	37.4
Profit before tax	21.7	15.8	37.5	–2.5	0.0	35.0
Profit	15.3	11.3	26.6	–1.5	0.0	25.1
Average no. of employees (full-time equivalent)	1,231	962	2,193	34	0	2,227
Employees at the closing date (full-time equivalent)	1,238	898	2,136	35	0	2,171

EXPLANATORY NOTES

Reporting principles

The condensed interim consolidated financial statements of TAKKT Group as of March 31, 2016 were prepared in accordance with section 37x (3) of the German Securities Trading Act (WpHG) as well as IAS 34 "Interim Financial Reporting" and German Accounting Standard DRS 16 "Interim Financial Reporting". All International Financial Reporting Standards (IFRS) and related interpretations of the IFRS Interpretations Committee (IFRIC) adopted by the European Union (EU) were considered. The interim financial statements and management report have not been audited in accordance with section 317 of the German Commercial Code (HGB) nor been subject to an audit review.

Accounting and valuation principles

The same accounting and valuation principles have been applied as for the consolidated financial statements for the 2015 financial year. The interim financial statements should be read in conjunction with the 2015 annual report, page 107 et seqq.

None of the new or amended IFRS that have to be applied for the first time in the current financial year have any material impact on net assets, financial position and results of operations of the Group or the presentation of the interim financial statements.

Actuarial interest rate for pension provisions and similar obligations

The actuarial interest rates used for the calculation of Pension provisions and similar obligations changed. In particular, the euro actuarial interest rate decreased from 2.5 percent as of December 31, 2015, to 1.7 percent as of March 31, 2016. Thereby the pension provisions and similar obligations increased by EUR 8.1 million, while total equity decreased by EUR 5.6 million taking deferred taxes into account.

Presentation of purchase price liability of GPA

In the first quarter of 2015 the purchase price liability outstanding at that time for George Patton Associates, Inc., Rhode Island / USA, which was acquired on April 01, 2012, was paid. According to IAS 7 "Statement of Cash Flows" cash outflows relating to accrued interest and profit-affecting adjustments of the originally expected purchase price liability are included in the Cash flow from operating activities in the amount of EUR 16.2 million. EUR 53.0 million are recorded in the Cash flow from investing activities as Cash outflows for the acquisition of consolidated companies.

Ratioform Austria

With effect from January 01, 2016, the TAKKT Group company Ratioform Verpackungen GmbH, Pliening / Germany, acquired the former franchise partner R. F. Verpackungsmittel-Versand G.m.b.H. based in Vienna / Austria. The integration of the last remaining franchise partner of the Ratioform group stands for the continuation of the strategic alignment of the Packaging Solutions Group.

The purchase price that was agreed upon for 100 percent of the shares is paid in two installments. Considering cash acquired of EUR 0.3 million, an initial purchase price installment of EUR 0.4 million was paid upon the closing of the transaction. An additional contingent and variable purchase price component of up to EUR 0.6 million depends on the company's achievement of sales targets in 2016 and is payable in the beginning of 2017. All payments will be made exclusively in cash. The purchase price mainly reflects the value of the customer relationships of the former franchise partner.

The impact on the net assets, financial position and results of operations of the TAKKT Group was not material.

Financial instruments – Fair value measurement

For a detailed overview of financial risks and their management along with the financial instruments held by TAKKT, please refer to the consolidated financial statements 2015. This section provides information about the fair value of financial instruments, the respective input factors and valuation methods. It also explains the classification of financial instruments into the levels within the fair value hierarchy of IFRS 13.

The input factors used for the valuation techniques to measure fair value are divided into the following levels:
Level 1: Quoted prices in active markets accessible to the company for the identical asset or liability.
Level 2: Input factors other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: Input factors for the asset or liability that are unobservable.

Financial instruments at TAKKT recognized at fair value relate to derivative financial instruments and contingent considerations. They are subject to a recurring fair value measurement. Derivative financial instruments are included in current Other receivables and assets as well as in current Other liabilities and relate to level 2. Contingent considerations are included in current and non-current Other liabilities and relate to level 3.

When level 2 and 3 assets and liabilities are measured at fair value on a recurring basis, the discounted cash flow method is used. This means that the future cash flows which the financial instruments are expected to generate are discounted using maturity-matched market interest rates. TAKKT takes the relevant debtor’s creditworthiness into account by means of credit value adjustments (CVA) or debt value adjustments (DVA). The CVA and DVA are determined based on the observable prices for credit derivatives available on the market.

Should it prove necessary to reclassify assets and liabilities carried at fair value on a recurring basis into a different level – for example because an asset is no longer traded on an active market or is being traded for the first time – they are reclassified at the end of the reporting period. There were no reclassifications necessary during the reporting period.

On the reporting date, the fair value of derivative financial instruments listed under current Other receivables and assets stood at EUR 0.3 million (EUR 0.4 million as of December 31, 2015) and the fair value of derivative financial instruments within current Other liabilities totaled EUR 1.0 million (EUR 0.7 million as of December 31, 2015).

For reconciliation details to the fair value of contingent considerations please refer to the section Changes in contingent considerations. The contingent considerations´ fair value is calculated by risk-adjusted discounting the most likely value for the amount to be paid.

The book values of all financial instruments which are not carried at fair value in the balance sheet represent appropriate approximate values for the fair values as of the closing date of the reporting period. Significant deviations between book values and fair values could arise with regard to the liabilities under finance lease contracts and the fixed-interest promissory note. The following information is disclosed for these financial liabilities as of March 31, 2016:

Financial liabilities by book value and fair value *in EUR million*

	Book Value 3/31/2016	Fair Value 3/31/2016	Book Value 12/31/2015	Fair Value 12/31/2015
Finance leases	32.9	36.1	33.4	35.8
Promissory notes and relating accrued interest	34.0	34.5	33.7	34.3
	66.9	**70.6**	**67.1**	**70.1**

In these cases, fair value is determined using the same method as for assets and liabilities that are measured at fair value on a recurring basis.

Changes in contingent considerations *in EUR million*

The contingent considerations agreed in connection with company acquisitions changed as follows during the reporting period:

	2016	2015
Balance at 1/1	**11.6**	**0.1**
Additions	0.5	12.0
Disposals	0.0	–1.3
Currency translation	–0.6	–0.3
Accrued interest	0.4	1.1
Revaluation	–3.3	0.0
Balance at 3/31 / 12/31	**8.6**	**11.6**

The outstanding conditional element of the purchase price of Ratioform Austria that the Management Board expects was recognized under current Other liabilities with a value of EUR 0.5 million. In addition, in the reporting period the outstanding contingent purchase price liabilities for Post-Up Stand and BiGDUG were revalued. With respect to both companies, TAKKT's Management Board no longer expects to achieve the ambitious growth and key earnings figures used as the basis for the initial consolidation of the variable liabilities. According to IFRS 3 an income in the amount of EUR 3.3 million was recognized in Other operating income.

Scope of consolidation

Compared to the scope of consolidation as of December 31, 2015, the TAKKT Beteiligungsgesellschaft mbH, Stuttgart / Germany, was founded and the R. F. Verpackungsmittel-Versand G.m.b.H., Vienna / Austria, was acquired.

Earnings per share

Earnings per share are calculated by dividing the profit by the weighted average number of shares issued. So-called potential shares (mainly stock options and convertible bonds), which could dilute the earnings per share, were not issued. The diluted and undiluted earnings per share are therefore identical.

Related party disclosures
Related parties in the sense of IAS 24 include the Management and Supervisory Boards of TAKKT AG (including any and all persons related to these Boards), TAKKT Group's associated companies and the majority shareholder Franz Haniel & Cie. GmbH, Duisburg/Germany (including its subsidiaries, associated companies, Management and Supervisory Board members). Related-party transactions mainly relate to the cash management system, ongoing delivery and settlement transactions and service contracts. By participating in Haniel Group's cash management system, TAKKT Group benefits from potential economies of scale. All transactions with related parties are contractually agreed and performed on terms that are customary for transactions with third parties.

Subsequent events
There were no significant events which had any meaningful impact on the net assets, financial position and results of operations after the reporting date.

Other disclosures
As at the last balance sheet date there were no material contingent liabilities and receivables. There were no other unusual business transactions within the meaning of IAS 34.16A(c) or other issues relevant for disclosure.

Stuttgart, April 28, 2016

TAKKT AG
Management Board

Dr. Felix A. Zimmermann Dirk Lessing Dr. Claude Tomaszewski

ADDITIONAL INFORMATION

Address and contact
TAKKT AG
Presselstraße 12
70191 Stuttgart
Germany

Investor Relations
phone +49 711 3465-8222
fax +49 711 3465-8104
investor@takkt.de
www.takkt.de