TAKKT AG
BUSINESS EQUIPMENT SOLUTIONS

HALF-YEAR FINANCIAL REPORT 2016
FIRST SIX MONTHS

LADIES AND GENTLEMEN,

With the 2016 financial year off to a good start, TAKKT was able to increase the pace of growth in the second quarter, achieving organic growth of 7.8 percent in the first half of the year. It was especially encouraging to see European business perform so well, with a particularly strong growth spurt starting in the spring. In North America, 2015's good performance was maintained. The EBITDA margin rose to 17.2 (15.5) percent. Positive one-time effects contributed to this figure in both periods. Adjusted for these effects, profitability was at 15.8 (14.8) percent. Given the current background of increased and widespread economic uncertainty, the Group expects lower growth going forward than in the first six months of the year.

SIGNIFICANT DEVELOPMENTS IN THE FIRST HALF OF 2016

- Organic sales growth of 7.8 percent, reported Group sales up by 9.5 percent
- Gross profit margin increased to 43.4 (42.9) percent
- EBITDA margin at 17.2 (15.5) percent, at 15.8 (14.8) percent when adjusted for one-time effects
- Earnings per share at EUR 0.80 (0.64)

INTERIM MANAGEMENT REPORT OF TAKKT GROUP

BUSINESS DEVELOPMENT AND STRATEGY

There were no material changes in the TAKKT Group portfolio in the first six months of the year under review. The activities of KAISER+KRAFT in the Chinese market did not develop as anticipated even after realignment of the sales strategy. So a decision was made in the first quarter to phase out these activities. In the Packaging Solutions Group (PSG), Ratioform acquired the customer base and inventories of its former franchise partner in Austria at the beginning of the year.

The company would like to use the growth initiative digital@TAKKT to make even greater use of opportunities arising from digitalization. To achieve this, TAKKT is currently developing a digital agenda with specific measures that will be implemented in the individual divisions in a decentralized manner. In the course of this digital transformation, each respective company will have their own digital agenda, which will form the basis for future action.

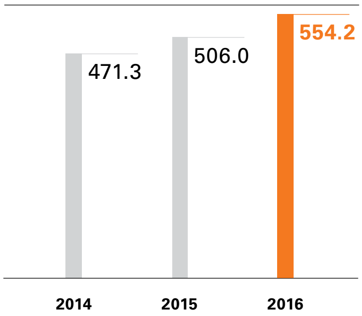
TAKKT also made further progress with the DYNAMIC growth and modernization initiative in the first half of the year. This can be seen in the e-commerce share of order intake, which climbed to 38.3 percent, and in the expansion in direct imports to 13.1 percent. The private label business increased to a share of 17.8 percent.

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. A commitment to sustainable business is another core component of the Group's strategy. In March 2016, TAKKT again published a sustainability report, which contains comprehensive information on material aspects of sustainability. Currently the Group is conducting a dialog with relevant stakeholders, which should serve as the starting point for developing the post-2016 sustainability targets.

SALES REVIEW

In the first half-year of 2016, TAKKT grew organically by 7.8 percent. Growth was driven by an increase in order numbers, while the average order value remained constant. Organic growth is adjusted for negative currency effects of minus 0.8 percentage points as well as positive portfolio effects of 2.5 percentage points. The deconsolidation of Plant Equipment Group (PEG) activities in January 2015 and the acquisitions of Post-Up Stand and BiGDUG over the course of 2015 should be taken into account when comparing this period to the previous year's period. Post-Up Stand was consolidated for the first time at the beginning of the second quarter of 2015, while BiGDUG was consolidated at the start of the third quarter of 2015. Reported sales increased by 9.5 percent to EUR 554.2 (506.0) million.

Sales *in EUR million*
First half-year TAKKT Group



In the second quarter of 2016, TAKKT grew organically by 9.9 percent and was able to exceed growth in the first quarter by a wide margin due in part to the positive effect of the number of work days. Reported sales of EUR 280.4 (253.6) million were 10.6 percent higher than in the previous year's period.

The **TAKKT EUROPE** segment grew organically in the first half-year of 2016 by 6.0 percent. Reported sales of EUR 285.7 (259.3) million were 10.2 percent higher than the previous year's figure and benefited from the contribution of the BiGDUG company that was acquired in mid-2015. The Business Equipment Group (BEG) achieved slightly better organic growth than the segment. High growth rates were achieved in the Nordic countries as well as in Eastern and Southern Europe. Significant growth was also 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. Development in the German market was positive again. In addition, growth rates improved in several Western European markets, although sales declined organically in Great Britain. The Packaging Solutions Group (PSG) achieved somewhat slower organic growth than TAKKT EUROPE in the reporting period.

In the second quarter of 2016, organic sales growth for TAKKT EUROPE amounted to 10.9 percent. Significantly higher growth compared to the previous quarter is in part the result of a catch-up effect after weaker sales during the Easter holidays, which were in the first quarter of 2016 but the second quarter of 2015. Business in the second quarter also benefited from the positive effect of the number of work days in comparison to the previous year's period. Adjusted for these effects, the segment was still able to show encouragingly strong growth.

With 9.8 percent organic growth in the first half of 2016, **TAKKT AMERICA** maintained the good performance of the previous year. Reported sales increased by 8.8 percent to EUR 268.6 (246.9) million. In the process, portfolio effects from the sale of PEG and the acquisition of Post-Up Stand should be taken into account. Once again, both divisions contributed to strong segment growth. The Specialties Group (SPG) and the Office Equipment Group (OEG) both achieved organic growth marginally below the double-digit percentage range. Particularly worth mentioning within SPG was the strong growth of the restaurant equipment supplier Central and the direct marketer for display products GPA. In the second quarter of 2016, the segment grew organically by 8.9 percent.

EARNINGS REVIEW

The gross profit margin of 43.4 (42.9) percent was above the level of the previous year's period. This increase can primarily be attributed 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 95.3 (78.4) million. The EBITDA margin rose to 17.2 (15.5) percent. Of note here are the one-time effects in the first half-year of 2015 as well as the first half-year 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 first as well as the second quarter of the reporting period. 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. This adjustment resulted in an increase of other operating income of EUR 7.6 million. Adjusted for these positive one-time effects, the EBITDA margin increased to 15.8 (14.8) percent. Along with the improvement in the gross profit margin, this is attributable to the strong organic growth and the related higher utilization of infrastructure.

The TAKKT EUROPE segment generated an EBITDA of EUR 62.1 (50.0) million, resulting in a margin of 21.7 (19.3) percent. Adjusted for the positive one-time effect from the adjustment of the variable purchase price liability at BiGDUG, profitability increased to 20.1 (19.3) percent. At TAKKT AMERICA, EBITDA increased to EUR 39.6 (32.8) million. The EBITDA margin increased from 13.3 to 14.7 percent. Adjusted for the positive one-time effect from the sale of PEG in the first quarter of 2015 as well as the adjustment of the variable purchase price liability at Post-Up Stand in the reporting period, the segment increased profitability significantly from 11.9 to 13.7 percent.

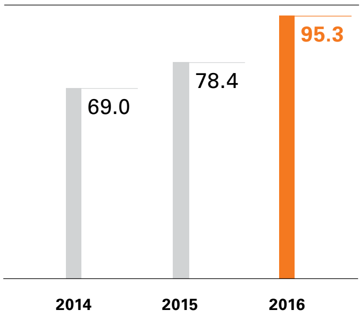
Depreciation and amortization increased to EUR 14.4 (13.1) million. This can be attributed in part to the higher amortization resulting from both acquisitions from 2015. EBIT amounted to EUR 80.9 (65.3) million, and the corresponding margin came to 14.6 (12.9) percent. The financial result remained unchanged at EUR minus 4.5 (minus 4.5) million and profit before tax increased to EUR 76.4 (60.8) million. The tax ratio went up slightly to 31.4 (31.3) percent. Adjusted for the one-time effects explained above, the tax ratio would have amounted to 34.6 (34.6) percent. The profit for the period rose to EUR 52.4 (41.8) million. Based on the unchanged number of 65.6 million no-par value shares issued, this corresponds to improved earnings per share of EUR 0.80 (0.64).

FINANCIAL POSITION

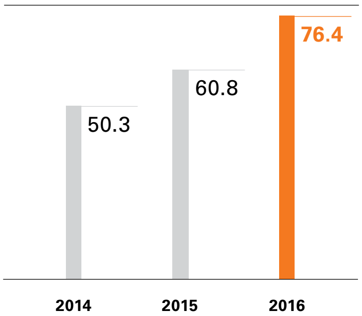
TAKKT was able to generate a substantial positive cash flow in the first six months of 2016. The TAKKT cash flow (defined as profit for the period plus depreciation and amortization, impairment of non-current assets and deferred taxes affecting profit and loss) of EUR 69.1 (59.1) million was significantly above the previous year's level. The cash flow margin rose from 11.7 to 12.5 percent, while the TAKKT cash flow per share increased from EUR 0.90 to 1.05.

Cash flow from operating activities rose to EUR 66.7 (39.0) million. The significantly higher increase compared to the development of TAKKT cash flow resulted from a one-time effect in the previous year. Adjusted for this effect, cash flow from operating activities in the previous year's period came to EUR 55.2 million. The one-time effect mentioned stems from a portion of the purchase price paid in the first quarter of 2015 for George Patton Associates (GPA), which was acquired in 2012. A portion of this payment is attributable to the accrued interest

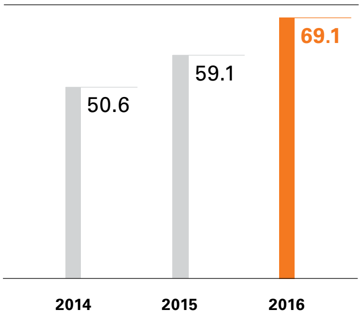
EBITDA *in EUR million*
First half-year TAKKT Group



Profit before tax *in EUR million*
First half-year TAKKT Group



TAKKT cash flow *in EUR million*
First half-year TAKKT Group



as well as to 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 29 (29) 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 7.0 (7.2) million was at approximately the same level as the previous year's period. After deducting total capital expenditure in non-current assets as well as cash inflows from disposals, primarily from the escrow amount paid out in February from the PEG sale of EUR 1.5 million, the remaining free TAKKT cash flow amounted to EUR 60.9 (49.4) 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 totaling EUR 0.4 million as well as the payment of dividends of EUR 32.8 (21.0) million. This, along with currency effects resulting from translating the debt from foreign denominations to the reporting currency of euros, resulted in a total decrease in net financial liabilities to EUR 210.3 million compared to EUR 244.0 million at year-end 2015.

ASSETS POSITION

The structure of assets did not materially change in the first half-year. As of the end of the reporting period, non-current assets of EUR 720.0 (12/31/15: 735.6) million accounted for 75.9 (76.3) of assets. They included goodwill of EUR 532.5 (540.3) million, which comprised more than half of all assets.

Inventories of EUR 104.5 (103.8) million as well as trade receivables of EUR 102.5 (94.0) million together amounted to 90.6 (86.5) percent of current assets. Total assets declined slightly from EUR 964.2 million to EUR 948.5 million. Currency effects accounted for a decline of EUR 13.9 million.

As for equity and liabilities, the equity ratio increased in the first half-year to 50.4 (49.1) percent. The profit for the period of EUR 52.4 million exceeded the sum from the dividend payment of EUR 32.8 million, negative currency effects of EUR 7.6 million and the remeasurement of the retirement benefit obligation of EUR 8.4 million.

The share of non-current liabilities declined from 32.6 to 22.3 percent, while the share of current liabilities increased from 18.3 to 27.3 percent. This change resulted primarily from restructuring the usage of long-term revolving credit lines by drawing on less expensive short-term credit lines. As of June 30, 2016, unused committed credit lines of EUR 200.1 (135.8) million were available to the Group.

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 order intake statistics by the Business and Institutional Furniture Manufacturers Association (BIFMA) for OEG in the US.

The most likely scenario for 2016 from the forecast in the 2015 annual report was largely confirmed in the reporting period. In this scenario, TAKKT expects GDP growth rates in both Europe and the US for the full year of 2016 to be slightly above the level of the previous year. After the Brexit decision in Great Britain, the International Monetary Fund adjusted its forecasts for worldwide economic growth slightly downwards. The PMI values for Europe were slightly above the expansion threshold of 50 for the most part, but they had not yet been affected by the outcome of the referendum. Industry indicators in the US did not show any clear trend in the reporting period, but overall they pointed to a good business climate.

TAKKT achieved strong organic growth in the first half-year. However, the Group expects the pace of growth to slow in the second half of the year due to growing political and economic uncertainty. It has also to be considered that the first half of 2016 had more working days compared to the previous year´s period – an effect which will be reversed in the second half-year. 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 well within the upper third of the target corridor of 12 to 15 percent. The TAKKT cash flow is expected to benefit from the predicted positive development of earnings and the corresponding margin is anticipated to be above the target value of eight percent once again. The Group anticipates an increase over 2015 with regard to the key figures for ROCE and TAKKT value added.

EVENTS AFTER THE REPORTING DATE

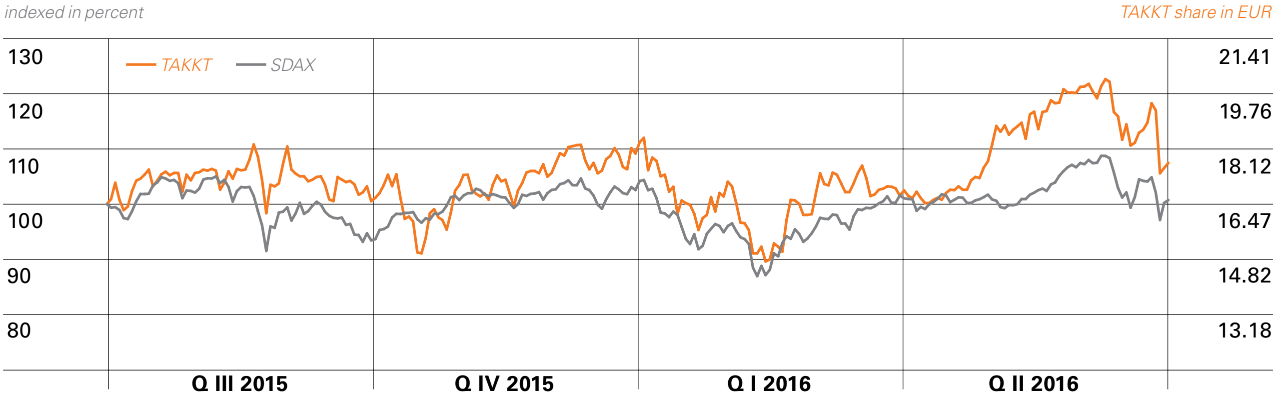
There were no significant events which had any meaningful impact on the assets position, financial position and earnings situation after the reporting date.

TAKKT SHARE

TAKKT seeks to communicate regularly and transparently with institutional and private investors, financial analysts, potential investors and financial journalists. In the first half of the year, TAKKT attended the capital market conferences hosted by Kepler Cheuvreux and Unicredit in Frankfurt and by Berenberg in Tarrytown, New York. In addition, the company held numerous discussions with investors at roadshows in London, Paris, Zurich, Edinburgh, Frankfurt am Main and at the company headquarters in Stuttgart.

The DAX and SDAX indexes temporarily declined significantly in the first half-year of 2016 and decreased by a total of 9.9 percent and 3.5 percent, respectively. In particular, the outcome of the British referendum on June 24, 2016 to exit the EU, introduced increased uncertainty. The TAKKT share also experienced losses in the reporting period, closing at EUR 17.70 on June 30, 2016, 4.1 percent lower than at the end of 2015 (EUR 18.45), after the share had reached a new all-time high of EUR 20.20 on June 8, 2016.

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



SHAREHOLDERS' MEETING

The 17th Ordinary Shareholders' Meeting of TAKKT AG was held on May 10, 2016, in Ludwigsburg, Germany. It approved the distribution of a dividend of EUR 32.8 million. Relative to the 2015 profit of EUR 81.0 (65.7) million, this resulted in an increased payout ratio of 40 (32) percent. The Shareholders' Meeting thus approved the dividend proposed by the TAKKT Management Board and Supervisory Board, which is based on the dividend policy amended in February 2016. The Shareholders' Meeting also ratified the other items of the agenda by large majorities. Before approximately 300 shareholders and guests in attendance, the Management Board reported extensively about the 2015 financial year as well as the first quarter of 2016. It also provided an outlook for the 2016 financial year and an overview of current and still outstanding digitalization activities in the TAKKT Group.

TAKKT will publish the figures for the first nine months of 2016 on October 31.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

	4/1/2016 – 6/30/2016	4/1/2015 – 6/30/2015	**1/1/2016 – 6/30/2016**	1/1/2015 – 6/30/2015
Sales	280.4	253.6	554.2	506.0
Changes in inventories of finished goods and work in progress	0.1	0.1	–0.1	–0.1
Own work capitalized	0.4	0.2	0.7	0.3
Gross performance	**280.9**	**253.9**	**554.8**	**506.2**
Cost of sales	–159.8	–145.5	–314.3	–289.4
Gross profit	**121.1**	**108.4**	**240.5**	**216.8**
Other operating income	5.7	1.6	11.2	7.2
Personnel expenses	–40.2	–38.5	–80.1	–75.8
Other operating expenses	–38.5	–36.9	–76.3	–69.8
EBITDA	**48.1**	**34.6**	**95.3**	**78.4**
Depreciation, amortization and impairment of property, plant and equipment and other intangible assets	–7.0	–6.7	–14.4	–13.1
Impairment of goodwill	0.0	0.0	0.0	0.0
EBIT	**41.1**	**27.9**	**80.9**	**65.3**
Income from associated companies	0.0	0.0	0.0	0.0
Finance expenses	–2.1	–2.2	–4.3	–4.3
Other finance result	–0.2	0.1	–0.2	–0.2
Financial result	**–2.3**	**–2.1**	**–4.5**	**–4.5**
Profit before tax	**38.8**	**25.8**	**76.4**	**60.8**
Income tax expense	–11.9	–9.1	–24.0	–19.0
Profit	**26.9**	**16.7**	**52.4**	**41.8**
attributable to owners of TAKKT AG	26.9	16.7	52.4	41.8
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
Earnings per share (in EUR)	0.41	0.25	0.80	0.64

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

	4/1/2016 – 6/30/2016	4/1/2015 – 6/30/2015	1/1/2016 – 6/30/2016	1/1/2015 – 6/30/2015
Profit	**26.9**	**16.7**	**52.4**	**41.8**
Actuarial gains and losses resulting from pension provisions recognized in equity	–3.8	13.8	–11.9	5.1
Deferred tax on actuarial gains and losses resulting from pension provisions	1.0	–4.2	3.5	–1.7
Other comprehensive income after tax for items that will not be reclassified to profit and loss in future	**–2.8**	**9.6**	**–8.4**	**3.4**
Income and expenses from the subsequent measurement of cash flow hedges recognized in equity	0.3	0.9	1.9	–0.5
Income recognized in the income statement	0.1	0.2	–0.1	0.1
Deferred tax on subsequent measurement of cash flow hedges	–0.1	–0.4	–0.5	0.1
Other comprehensive income after tax resulting from the subsequent measurement of cash flow hedges	**0.3**	**0.7**	**1.3**	**–0.3**
Income and expenses from the adjustment of foreign currency reserves recognized in equity	4.0	–6.0	–7.6	17.0
Income recognized in the income statement	0.0	0.0	0.0	2.4
Other comprehensive income after tax resulting from the adjustment of foreign currency reserves	**4.0**	**–6.0**	**–7.6**	**19.4**
Other comprehensive income after tax for items that are reclassified to profit and loss	**4.3**	**–5.3**	**–6.3**	**19.1**
Other comprehensive income (Changes to other components of equity)	**1.5**	**4.3**	**–14.7**	**22.5**
attributable to owners of TAKKT AG	1.5	4.3	–14.7	22.5
attributable to non-controlling interests	0.0	0.0	0.0	0.0
Total comprehensive income	**28.4**	**21.0**	**37.7**	**64.3**
attributable to owners of TAKKT AG	28.4	21.0	37.7	64.3
attributable to non-controlling interests	0.0	0.0	0.0	0.0

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

Assets	6/30/2016	12/31/2015
Property, plant and equipment	106.6	108.8
Goodwill	532.5	540.3
Other intangible assets	77.5	83.7
Investment in associated companies	0.5	0.0
Other assets	0.7	0.8
Deferred tax	2.2	2.0
Non-current assets	**720.0**	**735.6**
Inventories	104.5	103.8
Trade receivables	102.5	94.0
Other receivables and assets	17.0	25.7
Income tax receivables	0.6	1.8
Cash and cash equivalents	3.9	3.3
Current assets	**228.5**	**228.6**
Total assets	**948.5**	**964.2**

Equity and liabilities	6/30/2016	12/31/2015
Share capital	65.6	65.6
Retained earnings	420.4	400.8
Other components of equity	–7.7	7.0
Total equity	**478.3**	**473.4**
Financial liabilities	66.1	173.7
Other liabilities	7.2	14.5
Pension provisions and similar obligations	64.4	51.2
Other provisions	5.3	5.3
Deferred tax	68.7	70.1
Non-current liabilities	**211.7**	**314.8**
Financial liabilities	148.1	73.6
Trade payables	31.9	27.9
Other liabilities	54.8	45.7
Provisions	12.1	18.8
Income tax payables	11.6	10.0
Current liabilities	**258.5**	**176.0**
Total equity and liabilities	**948.5**	**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	–32.8	0.0	–32.8
thereof dividends paid	0.0	–32.8	0.0	–32.8
Total comprehensive income	0.0	52.4	–14.7	37.7
thereof Profit	0.0	52.4	0.0	52.4
thereof Other comprehensive income (Changes to other components of equity)	0.0	0.0	–14.7	–14.7
Balance at 6/30/2016	**65.6**	**420.4**	**–7.7**	**478.3**

	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	–21.0	0.0	–21.0
thereof dividends paid	0.0	–21.0	0.0	–21.0
Total comprehensive income	0.0	41.8	22.5	64.3
thereof Profit	0.0	41.8	0.0	41.8
thereof Other comprehensive income (Changes to other components of equity)	0.0	0.0	22.5	22.5
Balance at 6/30/2015	**65.6**	**361.6**	**2.9**	**430.1**

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

	1/1/2016 – 6/30/2016	1/1/2015 – 6/30/2015
Profit	52.4	41.8
Depreciation, amortization and impairment of non-current assets	14.4	13.1
Deferred tax expense	2.3	4.2
TAKKT cash flow	**69.1**	**59.1**
Other non-cash expenses and income	–6.5	1.5
Profit / loss on disposal of non-current assets and consolidated companies	–0.1	–3.4
Change in inventories	–1.9	–6.7
Change in trade receivables	–10.0	–7.1
Change in other assets not included in investing and financing activities	6.7	6.9
Change in short- and long-term provisions	–5.3	–4.1
Change in trade payables	4.5	0.3
Change in other liabilities not included in investing and financing activities	10.2	–7.5
Cash flow from operating activities	**66.7**	**39.0**
Proceeds from the disposal of non-current assets	0.2	0.2
Capital expenditure on non-current assets	–7.5	–7.2
Proceeds from the disposal of consolidated companies (less cash and cash equivalents sold)	1.5	17.4
Cash outflows for the acquisition of consolidated companies (less cash and cash equivalents acquired)	–0.4	–66.7
Cash flow from investing activities	**–6.2**	**–56.3**
Proceeds from Financial liabilities	44.0	80.0
Repayments of Financial liabilities	–71.0	–41.1
Payments to owners of TAKKT AG (dividends)	–32.8	–21.0
Cash flow from financing activities	**–59.8**	**17.9**
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	0.7	0.6
Non-cash increase/decrease in Cash and cash equivalents	–0.1	0.2
Cash and cash equivalents classified as Assets held for sale at 6/30	**0.0**	**0.0**
Cash and cash equivalents at 6/30	**3.9**	**5.0**

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

1/1/2016 – 6/30/2016	TAKKT EUROPE	TAKKT AMERICA	**Segments total**	Others	Consolidation	**Group total**
Sales to third parties	285.6	268.6	554.2	0.0	0.0	554.2
Inter-segment sales	0.1	0.0	0.1	0.0	–0.1	0.0
Segment sales	285.7	268.6	554.3	0.0	–0.1	554.2
EBITDA	62.1	39.6	101.7	–6.4	0.0	95.3
EBIT	51.8	35.5	87.3	–6.4	0.0	80.9
Profit before tax	49.4	33.8	83.2	–6.8	0.0	76.4
Profit	36.9	20.4	57.3	–4.9	0.0	52.4
Average no. of employees (full-time equivalent)	1,315	969	2,284	35	0	2,319
Employees at the closing date (full-time equivalent)	1,309	975	2,284	35	0	2,319

1/1/2015 – 6/30/2015	TAKKT EUROPE	TAKKT AMERICA	Segments total	Others	Consolidation	Group total
Sales to third parties	259.1	246.9	506.0	0.0	0.0	506.0
Inter-segment sales	0.2	0.0	0.2	0.0	–0.2	0.0
Segment sales	259.3	246.9	506.2	0.0	–0.2	506.0
EBITDA	50.0	32.8	82.8	–4.4	0.0	78.4
EBIT	41.2	28.6	69.8	–4.5	0.0	65.3
Profit before tax	39.0	27.0	66.0	–5.2	0.0	60.8
Profit	27.5	18.4	45.9	–4.1	0.0	41.8
Average no. of employees (full-time equivalent)	1,234	964	2,198	34	0	2,232
Employees at the closing date (full-time equivalent)	1,237	968	2,205	33	0	2,238

EXPLANATORY NOTES

Reporting principles

The condensed interim consolidated financial statements of TAKKT Group as of June 30, 2016 were prepared in accordance with section 37w (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 1.4 percent as of June 30, 2016. Thereby the pension provisions and similar obligations increased by EUR 11.9 million, while total equity decreased by EUR 8.4 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 1, 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, which were identified during the purchase price allocation.

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 0.1 million (EUR 0.4 million as of December 31, 2015) and the fair value of derivative financial instruments within current Other liabilities totaled EUR 1.3 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 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 June 30, 2016:

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

	Book Value 6/30/2016	Fair Value 6/30/2016	Book Value 12/31/2015	Fair Value 12/31/2015
Finance leases	32.3	36.0	33.4	35.8
Promissory notes and relating accrued interest	34.2	34.7	33.7	34.3
	66.5	**70.7**	**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	–0.4	–0.3
Accrued interest	0.6	1.1
Revaluation	–7.6	0.0
Balance at 6/30 / 12/31	**4.7**	**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 the acquisitions of 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 7.6 million was recognized in Other operating income.

Scope of consolidation

Compared to the scope of consolidation as of December 31, 2015, TAKKT Beteiligungsgesellschaft mbH, Stuttgart / Germany, as well as Davpack AB, Markaryd / Sweden, were founded. 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.

Events after the reporting period

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.

Responsibility statement by the Management Board

To the best of our knowledge and in accordance with the applicable accounting principles for interim financial reporting, the condensed interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group. The interim management report of the Group includes a fair view of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group in the remaining financial year.

Stuttgart, July 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