First nine months

Quarterly Report III/2006

Dear Shareholders

In the first nine months of 2006 TAKKT grew at a disproportionately high rate. Turnover in this period was up by 24.9 percent against the previous year reaching EUR 702.8 million as a result of the economic development in Europe as well as the acquisition of National Business Furniture (NBF). Profit before tax also developed very positively and improved from EUR 56.4 to 64.4 million.

TAKKT highlights in the first nine months 2006

- Turnover up by 9.2 percent in currency and acquisition adjusted terms
- EBITDA margin of 12.0 percent at the upper end of the target corridor, despite NBF acquisition
- Earnings per share increase by 18.4 percent to 58 cent
- New cash flow record at EUR 56.0 million
- Integration of NBF group going to plan, business development very positive
- Newly founded operations in China, France and Austria launched successfully
- KAISER + KRAFT convinces with new catalogue design
- TAKKT comes in third again in SDAX segment in renowned investor relations prize from the business magazine “Capital”

The TAKKT Group

In the first nine months of the year TAKKT Group recorded a disproportionately high increase in turnover. Including the first-time consolidation of NBF Group turnover was up from EUR 562.9 to 702.8 million compared to the previous period, which marks growth of 24.9 percent. Assuming unchanged exchange rates turnover is up by 23.9 percent. Even excluding the NBF Group, TAKKT increased its turnover in currency adjusted terms by 9.2 percent.

The increase in turnover against the previous year can be attributed to average order values increasing considerably as well as a higher number of orders.

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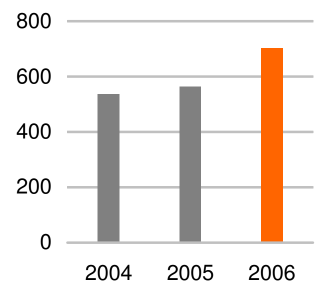
All three TAKKT divisions have contributed to higher turnover. Turnover at KAISER + KRAFT EUROPA was up by 11.2 percent against the previous year. Among other things the division benefited from the European economy picking up. Topdeq's turnover rose by 4.1 percent in the same period of time. Despite the North American economy slowing in the course of the year, K + K America improved its turnover by 46.8 percent reaching USD 397.5 million. Excluding the acquisition the increase amounts to 8.3 percent.

Turnover January to September TAKKT Group in million Euro



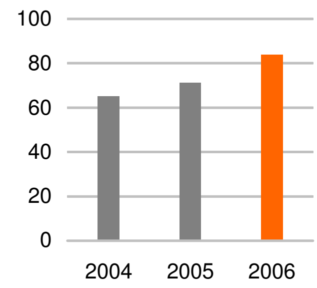
As a result of the very positive business development in the first nine months the TAKKT Management Board has raised its turnover forecast again. Management is now assuming turnover to increase by about 23 percent in exchange rate adjusted terms. The Management Board had already raised its forecast from at least 18 percent to about 20 percent in August 2006.

Results of the TAKKT Group

As expected the Group's gross profit margin fell from 41.4 to 40.6 percent. This can be mainly attributed to the first time consolidation of NBF Group, which currently still has lower margins than the other TAKKT companies. Excluding NBF Group the margin has improved against the previous year. This is due to improved purchasing terms as well as faster growth at companies with higher gross profit margins.

EBITDA, earnings before interest, tax, depreciation and amortisation, increased from EUR 71.2 to 84.0 million in the first nine months of 2006, an increase of 18 percent. By consolidating the NBF Group the EBITDA margin fell from 12.6 to 12.0 percent as planned. Excluding NBF Group the EBITDA margin remains at 12.6 percent, which is in line with the previous year.

EBITDA January to September TAKKT Group in million Euro

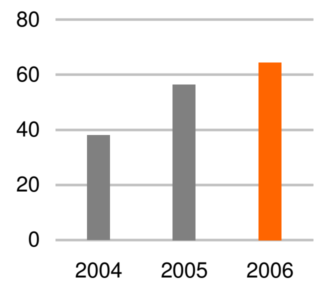


Management is very satisfied with the development of TAKKT Group's profitability. Despite pressure on the EBITDA margin as a result of the acquisition as well as start-up expenses for new companies, TAKKT management is confident that the margin for the full year 2006 is going to be at the upper end of the target corridor of between 10 to 12 percent.

Depreciation increased from EUR 7.1 to 10.5 million. This increase is due to scheduled amortisation on intangible assets which were identified in the NBF Group purchase price allocation. As a result, EBITA, earnings before interest, tax and amortisation increased by 14.7 percent to EUR 73.5 million. As expected the EBITA margin however dropped from 11.4 to 10.5 percent.

Goodwill impairment was not necessary in the period under review.

Profit before tax January to Sep. TAKKT Group in million Euro

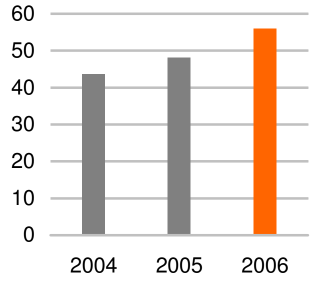


Funding the purchase of the NBF Group increased TAKKT's borrowings and consequently interest expense. Despite this, TAKKT still recorded a marked increase in profit before tax from EUR 56.4 to 64.4 million.

Compared to the previous period the tax rate fell from 35.3 to 33.2 percent. This was mainly driven by the increased share of KAISER + KRAFT EUROPA in TAKKT Group's profit before tax, as tax rates in Europe are lower than in North America. Profit was up by 17.8 percent to EUR 43.0 million.

TAKKT set a new cash flow record in the first nine months of the year with EUR 56.0 million, with a margin of 8.0 (8.6) percent of Group turnover.

Cash flow January to Sep. TAKKT Group in million Euro



Balance sheet of the TAKKT Group

Funding the acquisition of NBF Group has increased assets and liabilities recorded in the TAKKT Group balance sheet. Information about the purchase price allocation is included in the notes to this report.

As a result of the high cash flow and sound profitability the Group balance sheet continues to be strong. With 45.0 percent the equity ratio is only slightly below the value on 31 December 2005.

In the period from 31 December 2005 to the reporting date net borrowings increased from EUR 156.5 million to EUR 187.3 million. Changed exchange rates, especially the US dollar, caused a devaluation of net borrowings in the first nine months of 2006 by EUR 5.7 million. Paying the acquisition price for NBF Group at the beginning of the year increased borrowings accordingly. As a result of the high cash flow TAKKT was able to repay a total of EUR 34.0 million on its borrowings in the first nine months of the year, in addition to the dividend of EUR 10.9 million distributed for the financial year 2005.

The average receivables collection period was 41 days in the first nine months of the year. This is slightly above the level of the previous year's period. The first-time consolidation of NBF Group has not caused a material change to this figure, as NBF Group operates with similar collection periods.

TAKKT invested EUR 7.4 million until 30 September 2006 in the rationalisation, expansion and maintenance of its business. This represents an investment ratio of 1.1 percent of consolidated turnover, in line with the long-term average of 1 to 2 percent.

KAISER + KRAFT EUROPA

In the first nine months of the year KAISER + KRAFT EUROPA Group generated a double-digit increase in turnover of 11.2 percent. This increase was supported by the positive economic development prevailing since the beginning of the year. In total the division increased its turnover from EUR 289.9 to 322.5 million. Companies in KAISER + KRAFT Group accounted for 45.9 percent of Group turnover. In currency adjusted terms turnover was up by 11.4 percent. Growth can be equally attributed to higher average order values as well as higher number of orders.

Business development at almost all subsidiaries was very positive. This applies especially to companies in Asia, Eastern Europe, Scandinavia, Spain, Switzerland, the Netherlands, Belgium and Germany, which all reported very positive growth rates.

As a result of the positive business development the Group's EBITDA increased by 14.2 percent to EUR 57.9 (50.7) million. The margin has increased from 17.5 to 18.0 percent of turnover. This increase can be attributed to improved purchasing terms as well as another increase in the efficiency of catalogues and mailings on the back of the redesigned KAISER + KRAFT catalogue. EBITA reached EUR 54.1 (47.1) million.

Business development at new companies in China and France as well as the younger ones in Romania and Turkey is exceeding expectations.

Topdeq

Topdeq Group increased turnover by 4.1 percent to EUR 60.7million compared to the previous period, accounting for 8.6 percent of TAKKT Group's turnover. Adjusted for exchange rates, turnover was up by 3.9 percent.

The figures also reflect the repositioning of Topdeq as a premium brand which was initiated at the end of 2005. In the course of this measure Topdeq has focussed on premium, design-driven equipment with high usability. This means that former, less profitable customer groups are no longer being addressed. Declining order numbers are accepted but more than compensated for by considerably higher average order values. Germany is the longest-standing company in the Topdeq Group with the largest customer base and has not yet been able to fully compensate the declining number of orders. In all other foreign companies turnover has developed positively. This applies especially to the young company in Belgium.

Topdeq Group has continued to increase its earnings figures at a disproportionately high rate in the first nine months in line with expectations. This can be attributed to the product range being adjusted as well as higher capacity utilisation. EBITDA was up by 33.3 percent to 1.2 million. This is a margin of 2.0 (1.5) percent. EBITA increased from EUR -0.4 to 0.0 million.

The new company in Austria mailed its first catalogue on schedule mid September.

K + K America

As expected the US economy was not able to sustain the growth momentum from the beginning of the year. Nonetheless, K + K America increased its turnover against the previous year by 46.8 percent to USD 397.5 million. Translated into the reporting currency, turnover increased by 48.9 percent to EUR 319.6 million, which is 45.5 percent of Group turnover. The main reason for this substantial increase is the first-time consolidation of NBF Group. Furthermore, K + K America has also grown organically by 8.3 percent.

Turnover growth can be mainly attributed to increased average order values. These were positively influenced by the consolidation of NBF in particular, and to a lesser extent by some larger orders.

Business development varied between companies. Companies closer to the service sector such as Hubert and NBF saw a positive development throughout the first nine months. In contrast, growth at C&H Distributors and Conney in the US as well as Avenue in Canada slowed in the course of the year. These companies are closer to the production sector and are following the indicators which have been pointing toward the North American economy cooling down. C&H Mexico continued to record very positive growth rates. The integration of NBF Group is going to plan. Jointly devised measures are being implemented swiftly and first successes are being recorded.

The first-time consolidation of NBF Group has influenced the development of the profitability of the division. EBITDA was up by 25.0 percent and reached EUR 32.0 (25.6) million. As expected the EBITDA margin fell from 11.9 to 10.0 percent. In addition to the effects from the NBF consolidation this can also be attributed to additional expenses incurred in the introduction of the new IT platform. EBITA increased to EUR 26.6 (23.6) million.

The TAKKT share

More than 460 shareholders and guests followed the invitation of TAKKT AG to the seventh ordinary Annual General Meeting in Ludwigsburg on 31 May 2006. The vast majority of shareholders approved the proposals submitted for decision by the Management Board and shareholder Franz Haniel & Cie. GmbH. The Annual General Meeting was also presented with the new responsibilities of Management Board members: Alfred Milanello, who had been responsible for IT and Organisation, retired on 30 June 2006. As TAKKT wishes to strengthen the position of each division and pay tribute to the internationality of the Group, the Supervisory Board appointed Didier Nulens (Topdeq division) and Thomas Loos (K + K America division) to the Management Board of TAKKT AG. The Annual General Meeting was already covered in detail in the half-year report 2006. Please visit our website www.takkt.de for additional information about the new board members and the results of votes taken at the Annual General Meeting.

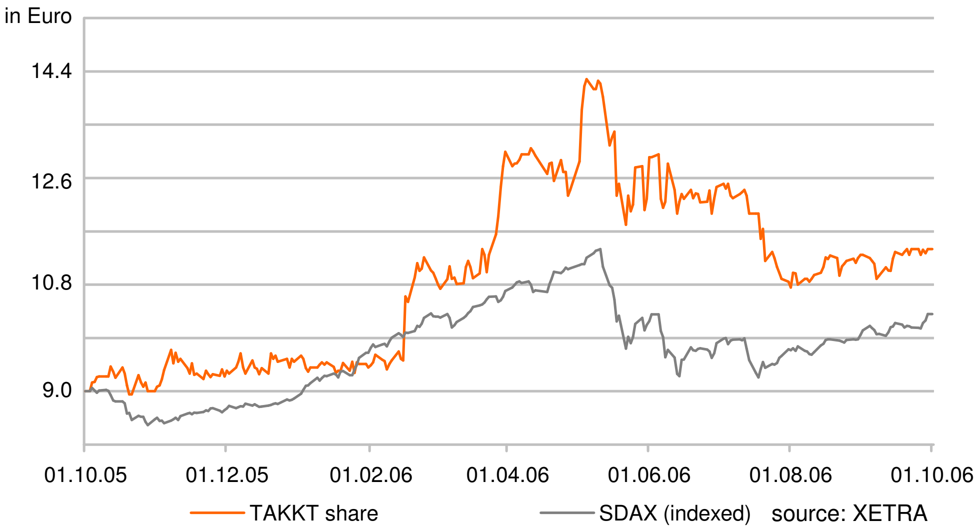
In the first nine months of the year 2006 TAKKT continued to pursue its intense investor relations activities. The end of March 2006 saw the financial statements press conference in Stuttgart and the analysts' conference in Frankfurt. In addition to two international investor conferences in Frankfurt in January and June of this year, TAKKT attended a capital market conference in New York for the first time in June. The objective was to intensify relations with investors and potential investors from North America.

Different road shows took management to London, Edinburgh and Paris as well as for the first time to Milan and Brussels. In addition numerous institutional investors once again took the opportunity to visit TAKKT AG in Stuttgart. In one-on-one meetings the TAKKT strategy as well as earnings and growth potentials were outlined in more detail.

TAKKT AG was again commended for its excellent and continual investor relations work. As last year TAKKT came in third in the SDAX segment in the renowned investor relations prize which is awarded by the reputed German business magazine "Capital". In the overall ranking of 196 German and European companies from the EUROSTOXX 50, DAX, MDAX, TecDAX and SDAX, the Group came in with a very respectable 10th place. This success is confirmation of the TAKKT strategy to keep different addressees on capital markets supplied with information about TAKKT's business development as well as the business outlook in a continual, timely and comprehensive manner.

TAKKT will present the preliminary figures for the financial year 2006 on 15 February 2007.

Performance of the TAKKT share, 52 week comparison



Notes

The unaudited interim report of TAKKT Group has been drawn up in compliance with the International Accounting Standard (IAS) 34.

- Accounting principles
  The same accounting principles were applied when preparing the consolidated statement for the financial year 2005. This interim report is therefore to be read in the context of the Annual Report for 2005, page 79 onwards. There were no material effects on the interim report as a result of the first time adoption of standards which have to be applied with effect from 1 January 2006.
- Scope of consolidation
  Since 31 December 2005, the scope of consolidation has increased by five companies in connection with the acquisition of NBF Group and a new company within the Topdeq division.
- Earnings per share
  The earnings per share figure is calculated by dividing profit attributable to the TAKKT shareholders by the weighted average number of common shares. So-called potential shares (especially stock options and convertible bonds), which could have a dilutive effect on earnings per share have not been issued. Diluted and undiluted earnings per share are therefore identical.
- Acquisition of subsidiaries
  On 2 January 2006, TAKKT Group acquired the complete business operations of National Business Furniture (NBF) Group in the USA for a cash payment of approx. USD 85 million in an asset deal.
  NBF Group is based in the US state of Wisconsin and owns five brands. The largest proportion of turnover is generated by the National Business Furniture brand. This main brand sells traditional US office furniture to a broad range of companies. The brands Al-

fax and Dallas Midwest mainly focus on non-profit organisations such as schools, universities and public authorities, while the brands OfficeFurniture.com and FurnitureOnline.com sell their products exclusively online.
In total NBF's product range includes more than 11,000 articles.
In 2005, NBF Group generated a turnover of approx. USD 125 million with an EBIT margin of about 5 percent.

The transaction was accounted for under the acquisition method. The purchase price of acquired assets and liabilities at the time of the purchase can be allocated as follows:

	Book value USD million	Fair value adjustments USD million	Fair value USD million
Non-current assets	1.4	31.7	33.1
Current assets	17.1	-1.8	15.3
Current liabilities	-9.4	-0.4	-9.8
	9.1	29.5	38.6
Goodwill			**46.6**
Purchase price			**85.2**

Goodwill can be contributed to a number of factors which strengthen the operational and strategic position of TAKKT Group without a value being attributable to an individual item.

The expected useful lives of other intangible assets acquired are as follows:

	Fair value USD million	Useful lives in years
Trade names	9.4	indefinite
Customer lists	11.4	5
Domain names/websites	5.8	3
Catalogue	5.2	10
Other	0.5	
	32.3	

- Other disclosures

Contingent liabilities are not material and have decreased slightly since the last balance sheet date.
No use was made of the option to buy own shares in the period under review.
There were no material events after the end of the interim reporting period. Extraordinary events or transactions as specified in IAS 34.16c have not occurred.

Consolidated income statement

(in EUR million)

	Q III		January to September	
	01.07.2006-30.09.2006	**01.07.2005-30.09.2005**	**01.01.2006-30.09.2006**	**01.01.2005-30.09.2005**
Turnover	231.2	185.4	702.8	562.9
Changes in inventories of finished goods and work in progress	-0.1	0.0	0.0	0.2
Own work capitalised	0.1	0.1	0.1	0.1
Gross performance	**231.2**	**185.5**	**702.9**	**563.2**
Cost of sales	137.6	109.6	417.2	330.2
Gross profit	**93.6**	**75.9**	**285.7**	**233.0**
Other income	1.2	1.2	4.5	4.1
Personnel expenses	29.0	24.0	86.4	71.6
Other operating expenses	39.8	31.5	119.8	94.3
EBITDA	**26.0**	**21.6**	**84.0**	**71.2**
Depreciation of property, plant and equipment and other intangible assets	3.7	2.5	10.5	7.1
EBITA	**22.3**	**19.1**	**73.5**	**64.1**
Amortisation of goodwill	0.0	0.0	0.0	0.0
EBIT	**22.3**	**19.1**	**73.5**	**64.1**
Financial result	-2.9	-2.6	-9.1	-7.7
Profit before tax	**19.4**	**16.5**	**64.4**	**56.4**
Income taxes	6.0	5.9	21.4	19.9
Profit	**13.4**	**10.6**	**43.0**	**36.5**
attributable to TAKKT AG shareholders	13.3	10.5	42.4	36.0
attributable to minority interest	0.1	0.1	0.6	0.5
	13.4	**10.6**	**43.0**	**36.5**
Number of issued shares in millions	72.9	72.9	72.9	72.9
Earnings per share in EUR	0.18	0.14	0.58	0.49
Average number of employees (full-time equivalent)	2,027	1,850	2,014	1,841

Consolidated balance sheet

(in EUR million)

Assets	30.09.2006	31.12.2005
Non-current assets		
Property, plant and equipment	66.5	68.0
Goodwill	256.2	227.5
Other intangible assets	32.9	9.3
Other financial assets	0.4	0.4
Deferred tax	6.4	5.1
	362.4	**310.3**
Current assets		
Inventories	64.9	66.0
Trade receivables	113.0	95.9
Other receivables and assets	24.0	23.3
Income tax assets	0.6	0.1
Cash and cash equivalents	5.6	4.3
	208.1	**189.6**
Total assets	**570.5**	**499.9**

Equity and liabilities	30.09.2006	31.12.2005
Shareholders' equity		
Issued capital	72.9	72.9
Reserves	141.6	108.5
Other comprehensive income	0.1	-0.5
Profit attributable to shareholders	42.4	49.7
	257.0	**230.6**
Minority interest	**2.0**	**2.4**
Total equity	**259.0**	**233.0**
Non-current liabilities		
Borrowings	132.4	150.0
Deferred tax	17.4	13.7
Provisions	14.7	12.4
	164.5	**176.1**
Current liabilities		
Borrowings	60.5	12.2
Trade payables	31.2	28.2
Other liabilities	32.2	28.4
Provisions	11.0	10.5
Income tax liabilities	12.1	11.5
	147.0	**90.8**
Total equity and liabilities	**570.5**	**499.9**

Consolidated statement of changes in total equity

(in EUR million)

	Issued capital	General reserves	Currency reserves	Other compre-hensive income	Share-holders' equity	Minority interest	Total equity
Balance at 01.01.2006	**72.9**	**165.8**	**-7.6**	**-0.5**	**230.6**	**2.4**	**233.0**
Effect of currency changes	0.0	0.0	-5.7	0.0	-5.7	0.0	-5.7
Dividends paid	0.0	-10.9	0.0	0.0	-10.9	-1.0	-11.9
Profit	0.0	42.4	0.0	0.0	42.4	0.6	43.0
Changes in derivative financial instruments	0.0	0.0	0.0	0.6	0.6	0.0	0.6
Balance at 30.09.2006	**72.9**	**197.3**	**-13.3**	**0.1**	**257.0**	**2.0**	**259.0**

	Issued capital	General reserves	Currency reserves	Other compre-hensive income	Share-holders' equity	Minority interest	Total equity
Balance at 01.01.2005	**72.9**	**127.1**	**-17.7**	**-1.3**	**181.0**	**3.0**	**184.0**
Effect of currency changes	0.0	0.0	8.3	-0.1	8.2	0.0	8.2
Dividends paid	0.0	-10.9	0.0	0.0	-10.9	-1.2	-12.1
Profit	0.0	36.0	0.0	0.0	36.0	0.5	36.5
Changes in derivative financial instruments	0.0	0.0	0.0	0.6	0.6	0.0	0.6
Balance at 30.09.2005	**72.9**	**152.2**	**-9.4**	**-0.8**	**214.9**	**2.3**	**217.2**

Segment information

(in EUR million)

01.01.-30.09.2006	K + K EUROPA	Topdeq	K + K America	Other	Group total
Segment turnover	322.5	60.7	319.6	0.0	702.8
EBITDA	57.9	1.2	32.0	-7.1	84.0
EBITA	54.1	0.0	26.6	-7.2	73.5
EBIT	54.1	0.0	26.6	-7.2	73.5
Profit before tax	50.0	-0.3	19.5	-4.8	64.4
Profit	32.8	1.2	12.0	-3.0	43.0
Average no. of employees (full-time equivalent)	874	198	914	28	2,014
Employees (full-time equivalent) at 30.09.2006	889	196	922	28	2,035

01.01.-30.09.2005	K + K EUROPA	Topdeq	K + K America	Other	Group total
Segment turnover	289.9	58.3	214.7	0.0	562.9
EBITDA	50.7	0.9	25.6	-6.0	71.2
EBITA	47.1	-0.4	23.6	-6.2	64.1
EBIT	47.1	-0.4	23.6	-6.2	64.1
Profit before tax	43.1	-0.7	18.8	-4.8	56.4
Profit	28.4	0.0	11.4	-3.3	36.5
Average no. of employees (full-time equivalent)	834	209	772	26	1,841
Employees (full-time equivalent) at 30.09.2005	842	205	778	27	1,852

Consolidated cash flow statement

(in EUR million)

	01.01.2006-30.09.2006	01.01.2005-30.09.2005
Profit	43.0	36.5
Depreciation of non-current assets	10.5	7.1
Deferred tax affecting profit	2.5	4.6
Cash flow	**56.0**	**48.2**
Other non-cash expenses and income	3.9	4.9
Profit and loss on disposal of non-current assets	-0.1	0.0
Change in inventories	-1.7	-3.4
Change in trade receivables	-13.6	-4.2
Change in other assets not included in investing and financing activities	4.1	3.2
Change in short and long-term provisions	2.8	-1.3
Change in trade payables	-1.8	-1.9
Change in other liabilities not included in investing and financing activities	4.8	0.8
Cash flow from operating activities	**54.4**	**46.3**
Proceeds from disposal of non-current assets	0.5	0.2
Capital expenditure on non-current assets	-7.4	-5.9
Acquisition of NBF Group (less cash acquired)	-67.2	0.0
Cash flow from investing activities	**-74.1**	**-5.7**
Proceeds from borrowings	192.9	19.2
Repayment of borrowings	-159.7	-45.4
Dividends to TAKKT AG shareholders and minority interest	-11.9	-12.1
Other financial payments	-0.2	-0.2
Cash flow from financing activities	**21.1**	**-38.5**
Net change in cash and cash equivalents	1.4	2.1
Effect of exchange rate changes	-0.1	0.1
Cash and cash equivalents at beginning of period	4.3	4.0
Cash and cash equivalents at end of period	**5.6**	**6.2**

TAKKT AG
Corp. Finance/Investor Relations
Presselstrasse 12
70191 Stuttgart
Germany

T +49 711.3 46 58 – 222
F +49 711.3 46 58 – 104

investor@takkt.de

www.takkt.de

Chairman of the Supervisory Board:
Dr Klaus Trützschler

Management Board:
Georg Gayer (Chairman)
Dr Florian Funck
Thomas Loos
Didier Nulens
Franz Vogel

Headquarters: Stuttgart,
HRB Stuttgart 19962