

Delticom: Trading Update for FY 2010

Hanover, 7 December 2010 - Delticom AG (German Securities Code 514680, ISIN DE0005146807, stock market symbol DEX), Europe's leading Internet tyre retailer, once again raises its guidance for 2010.

During the last days, the extreme winterly weather across Europe has caught many car drivers by surprise. Heavy snowfalls have caused serious traffic delays, especially in countries where the winter is usually quite mild. The surge in demand has been amplified by new regulations in Germany, making winter tyres mandatory for the current road surface conditions. Consequently, tyre sales in Germany and elsewhere have jumped to unanticipated new highs. At the same time tyre supply falls substantially short of demand, because tyre manufactures had ramped up their production only relatively late in the aftermath of the recession. As a result, winter tyre prices have increased starkly across Europe, driven by market-wide scarcity.

Delticom Management's guidance for FY 2010 from November 26th has been overtaken by the recent developments. On the back of strong Q4 sales, the company should be able to grow 2010 revenues by more than +30% year-on-year (previous guidance: more than +20%). Due to the very beneficial pricing environment throughout the year and especially in Q4, profitability will be unusually elevated and thus significantly better than last year. Management sees a 2010 EBIT margin on the order of 11% as realistically achievable (previous guidance: around 10%, last year: 9.4%). Depending on how the next weeks will evolve with regards to demand, stock levels and prices, margins could come in even higher than currently estimated.

Delticom will not be able to sustain this level of growth in 2011. After three exceptionally successful years in a row and with 2010 helped by the aforementioned extraordinary circumstances, negative base effects are inevitable. Assuming a return to normal business next year, Delticom should continue to grow its revenues, albeit at a considerably lower rate. Furthermore, in a more balanced market, demand and supply should adjust and lead to less flurried prices. In comparison with this year's one-off step-up in profitability, Delticom's 2011 margins will thus most likely come back to well below 2010 levels.

Ad hoc disclosure



Despite any burdening effects in 2011, though, Delticom remains well positioned to capitalise on the longer-term trend towards online tyre retail.

Company Profile:

Delticom, Europe's leading online tyre retailer, was founded in Hanover in 1999. With 113 online shops in 35 countries, the company offers its private and business customers an unequalled assortment of excellently priced car tyres, motorcycle tyres, bicycle tyres, truck tyres, bus tyres, special tyres, rims, complete wheels (pre-mounted tyres on rims), selected replacement car parts and accessories, motor oil and batteries. The independent website reifentest.com contains impartial information about tyre tests and helps the customers choose from more than 100 tyre brands and more than 25,000 tyre models. Delticom delivers either directly to the customer's home address, or to one of more than 25,000 service partners – affiliated garages which take delivery of tyres and then install these on the customer's vehicle. Delticom's Wholesale division also sells tyres to wholesalers domestically and abroad.

On the Internet at: www.delti.com

Selected online shops: www.reifendirekt.de, www.123pneus.fr, www.mytyres.co.uk, www.reifendirekt.ch

Contact:

Delticom AG Investor Relations
Melanie Gereke
Brühlstraße 11
30169 Hanover
Phone: +49 (0)511-936 34-8903
Fax: +49 (0)89-208081147
e-mail: melanie.gereke@delti.com