

ARQUES Industries AG

Eigenkapitalforum

November 10th, 2009



Key Investment Highlights



- (1) Turn-around story after successful consolidation of portfolio
- (2) “Back-to-the-roots” strategy with conservative investment philosophy
- (3) Economic environment offers interesting opportunities
- (4) Clearly defined strategy providing significant upside potential

Company Overview



Company Overview

- Leading European holding company for restructuring and spin-offs with focus on medium-sized entities
- More than 40 transactions since 2003
- Current portfolio of 11 companies
- Founded in 2003

Selected Transaction Partners

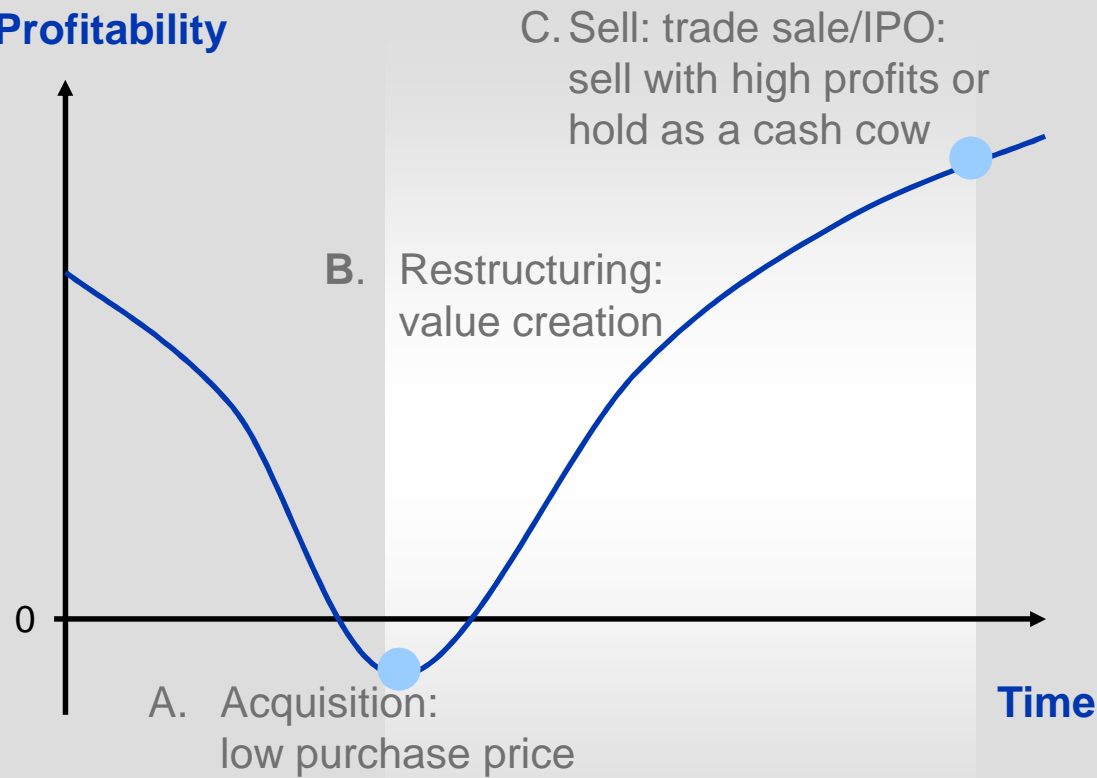


Leading European restructuring holding company trusted by strong transaction partners

The ARQUES Business Model



Profitability



Acquisition Criteria:

- Typical company
 - Conglomerate spin-offs
 - Classical turnaround situations
 - Revenues €30m – €1bn
- Acquisition price below net asset value
- Investment horizon: 3-5 years
- Risk minimization

Allowing large profits through improved valuation after turnaround

Challenges



- **Continuation of portfolio optimization**
 - ARQUES has sold portfolio companies with total combined revenues of approx. €4.7 billion and impairment losses approx. €153 million

- **Cost reduction**
 - Personnel more than halved to roughly 30 employees
 - Fix costs in the holding company are reduced to < 50%

- **Improve balance sheet structure**
 - Financial liabilities reduced by approx. 30% to € 150.3 million

Investment Portfolio Summer 2008



Restructuring phase

Break-even

Prior exit

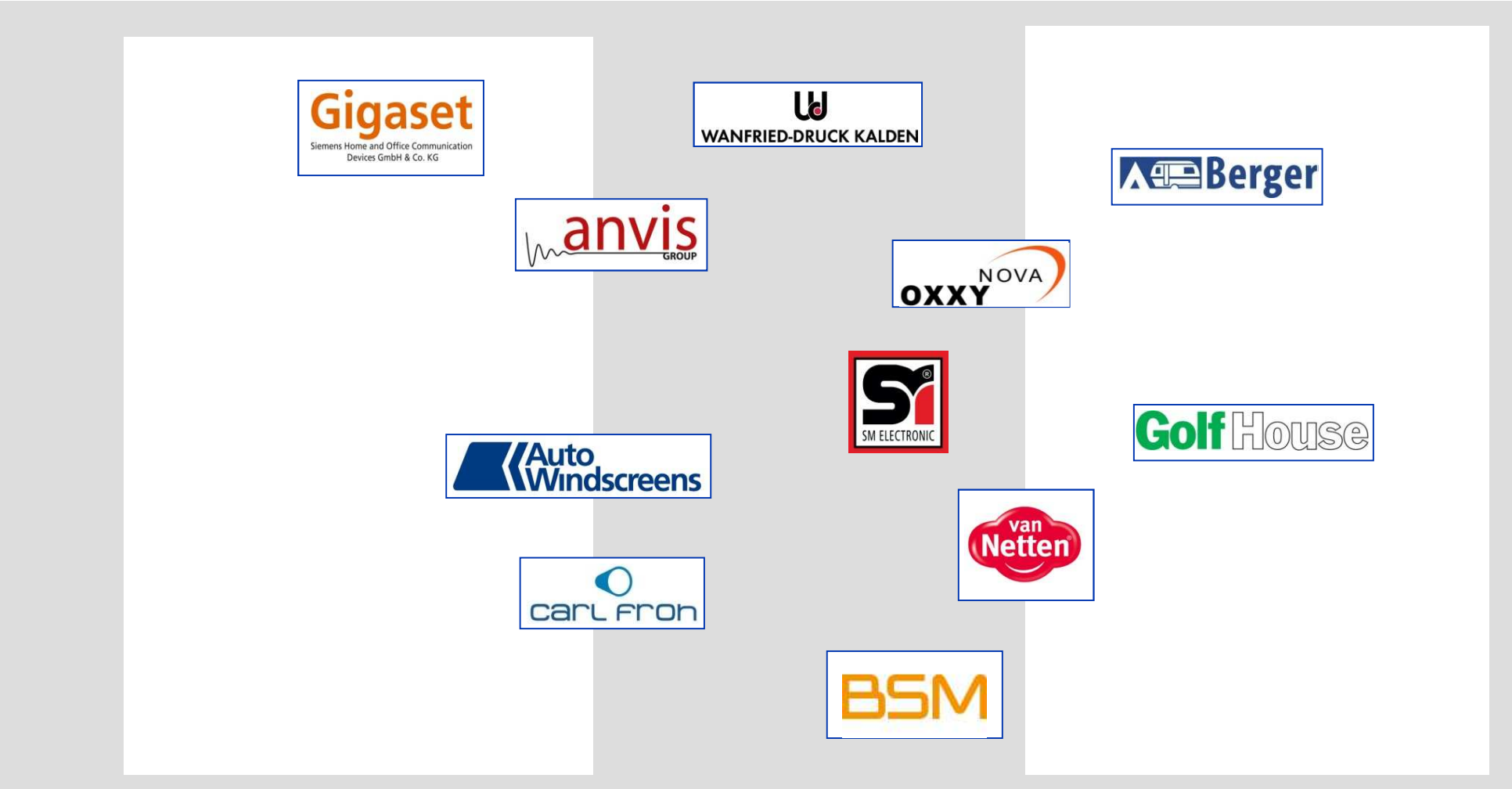
Current Investment Portfolio



Restructuring phase

Break-even

Prior exit



Portfolio Optimization Since Summer 2008



August 2008	Sale	Schöps (Fashion clothing chain, Austria)
August 2008	Acquisition	Gigaset Communications (80.2% of equity; cordless telephones, Germany)
September 2008	Sale	Hottinger (Plant engineering, Germany)
September 2008	Acquisition	Bpack (Parcel service, add-on acquisition for ASM)
November 2008	Acquisition	Auto Windscreens (Auto glass specialist, Great Britain)
December 2008	Sale	Eurostyle (Automotive supplier, France & Spain)

Systematical Portfolio Optimization



January 2009	Sale	BEA Group (energy technology, Germany & Austria) ddp (news agency, Germany) Rohner (specialty chemicals, Switzerland) Evotape (packaging and adhesive tapes, Italy)
February 2009	Acquisition	British School of Motoring (BSM) (driving schools, Great Britain)
March 2009	Sale	Rohé (gas station services, Austria) weberbenteli (printing, Switzerland) Sommer (auto manufacturing, Germany)
March 2009	Acquisition	Actebis acquired distribution business of Ingram Micro in Denmark
July 2009	Sale	Broadband activities of Gigaset tiscon AG (IT distribution, Germany)
August 2009	Sale	Actebis (ITC distribution, Germany)
November 2009	Sale	ASM (parcel service, Spain)

August 2009: Actebis Sold to Droege Capital



- Proceeds of € 38.64 for 96.8% of the shares
- Commitment in Actebis slightly cash positive
- Transaction leads to further decrease of financial liabilities and the optimization of the risk profile
 - Financial liabilities decrease by € 22.9 million
 - Buyer indirectly takes over purchase price guarantees of € 37.8 million
 - Balance sheet total decreases by approx. € 500 million

Status Quo of the Investment in Gigaset (80.2%)



- Financial statements impacted by financial crisis and restructuring:
 - Restructuring provisions for ongoing restructuring: €24 million
 - Approx. € 23 million restructuring cost for Gigaset in 2009
- Restructuring and cost management supported by Siemens AG and jointly implemented
- Focus on core activities; loss-making broadband business sold in June 2009
- Increase in European market share to 33% (+3 percent points, measured by revenues)
- Positive EBIT expected in 2010
- **Entire project is on track**
- **Positive outlook**

Highlights 1st Half Year 2009



- 2nd quarter results affected by global economic crisis
 - Mainly non-recurring effects for restructuring and impairment losses within the context of the portfolio optimization
 - Net cash flow € -42.5 million (PY: € 97.8 million)
-
- Financial liabilities reduced by approx. 30% to € 150.3 million
 - Further focus on portfolio optimization and cost reduction
 - Sell of Actebis will improve the balance sheet (Closing expected by late September)
 - EBITDA improved from € -13.7 million in the 1st quarter to € -2.3 million in the 2nd quarter

Strategy – 4th Quarter 2009: Next Steps



- Further exits in 2009 possible
 - Other plans have reached an advanced stage
 - Further impairment losses are probable, level below previous year
- One further acquisition in 2009 possible
 - Growing availability of attractive opportunities
 - Risk minimization
 - Revenue target size €30 million - €500 million
- Restructuring of the holding
 - Fix costs in the holding company to be reduced further
- Economic improvement yield effects by mid 2010

Outlook ARQUES:



- **2009:** Year of consolidation
 - After the sale of Actebis consolidated revenues expected by approx. € 3 billion
 - Significantly net loss expected
 - Enhanced balance sheet structure and reduction of debt

- **2010:**
 - Break-even expected on base of continuing economic improvement

Contact



ARQUES Industries AG

Chief Executive Officer

Hans Gisbert Ulmke

Arnulfstraße 37-39

80636 München, Germany

Phone: +49 (0)89 – 25 55 00- 0

Fax: +49 (0)89 – 25 55 00- 200

ulmke@arques.de

ARQUES Industries AG

Investor Relations

Christian Schneider

Arnulfstraße 37-39

80636 München, Germany

Phone: +49 (0)89 – 25 55 00- 0

Fax: +49 (0)89 – 25 55 00- 200

schneider@arques.de

Disclaimer



Responsibility is not taken, nor warranty given, for the topicality, correctness and completeness of the provided information and data. This applies likewise to all Websites, to which hyperlinks refer. Similarly ARQUES Industries AG is not responsible for the content of such Websites, which are reached by means of such a connection. ARQUES Industries AG reserves the right to make changes or additions to information or data, without prior notification.

Disturbances due to technical problems are kept as low as possible. It is however possible that some of the data and data formats are not free from error. ARQUES Industries AG takes no responsibility for any such problems which could develop due to the use of this Website and/or associated external Websites. ARQUES Industries AG cannot guarantee that online files, forms or other documents and the printed form correspond. The printed version is in all cases deemed correct.