

Roadshow presentation

March/April 2014

ORG026A



ACTIVE
CLEVER
EVER
IN >80
COUNTRIES
1,026 Employees
People & Ideas
high-quality
innovative
branded
products
INNOVATION
AND QUALITY
Turnover of € 219.5
million in 2013
POS EXCELLENCE
**I TRUST IN
LEIFHEIT**
LE
efficient
margin
FOCUS
MARKETS
DISTRIBUTION
IN INTERNATIONAL
MARKETS
Consumer-
oriented
Product inno-
vations
QUALITY

Agenda

- Corporate profile
- Group development 2013 and outlook
- Strategy “Leifheit GO!”
- Product innovations 2014
- Summary
- Annex

Corporate profile



Our mission statement

Leifheit-Group is a leading company in the European market of branded products for selected household areas



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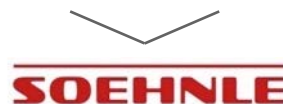


Brand Business generates the majority of turnover

Leifheit-Group

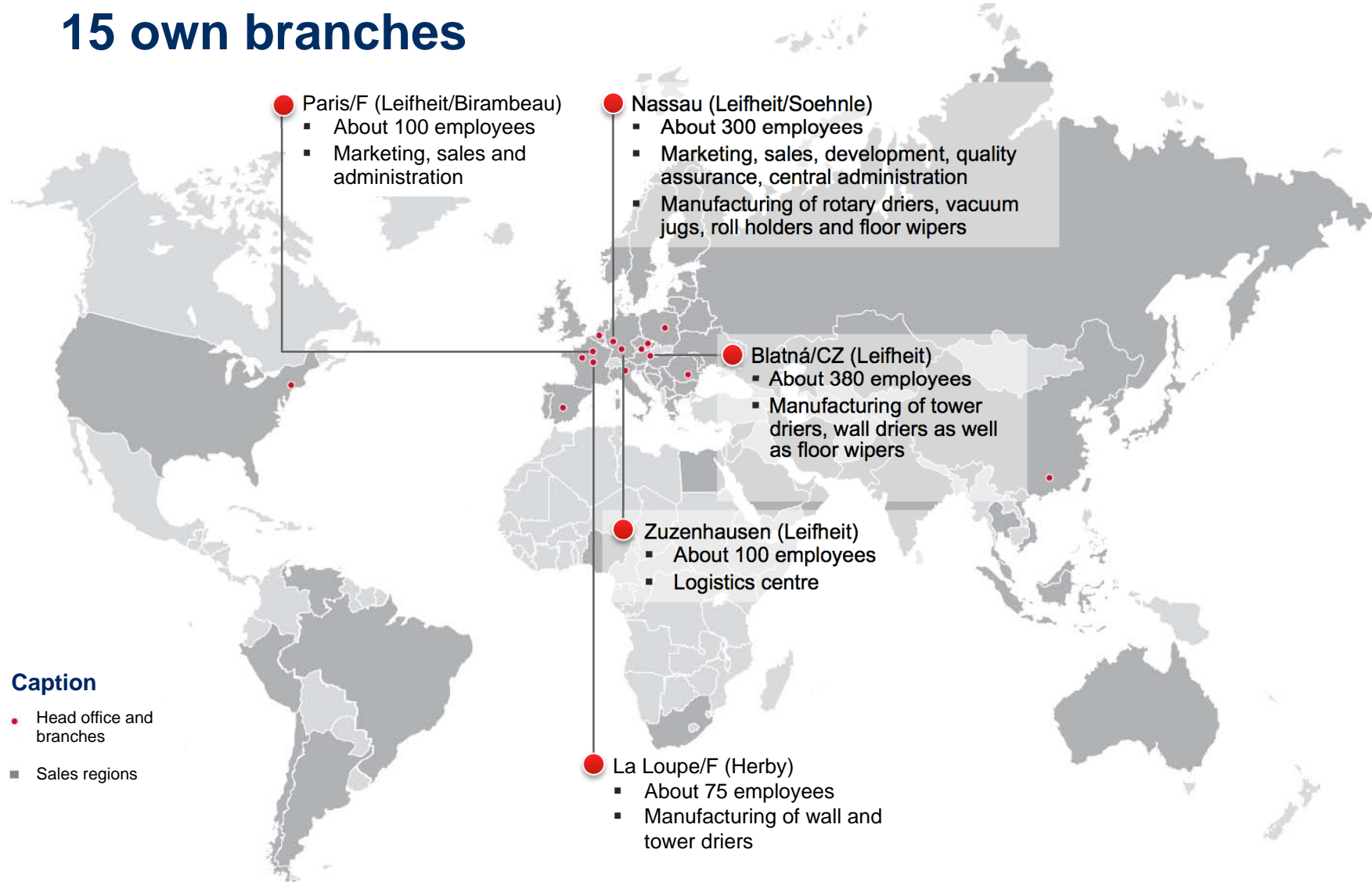
Turnover 2013: € 219.5 m¹⁾

Brand Business	Volume Business
Turnover: € 172.8 m (share: 78.7%) ¹⁾	Turnover: € 46.7 m (share: 21.3%)
<ul style="list-style-type: none"> ▪ High-quality branded products with a high degree of consumer benefit, mid to upper price segment ▪ Consistent brand management ▪ Systematic processes for innovation and market launch processes ▪ Distribution in international markets ▪ Product categories: Cleaning, Laundry Care, Kitchen goods, Wellbeing 	<ul style="list-style-type: none"> ▪ Products in mid-price range ▪ Customer-specific product development ▪ Strong service component ▪ Distribution in international markets ▪ Product categories: Cleaning, Laundry Care, Kitchen goods and Wellbeing



¹⁾ turnover 2013 adjusted for business with Dr Oetker Bakeware

Leifheit is active in more than 80 countries with 15 own branches



Caption

- Head office and branches
- Sales regions

Group development 2013 and outlook

Turnover development slightly behind expectations, EBIT in line with forecast

	Forecast as of 13 August 2013	Performance 2013
Group turnover ¹⁾	Growth +2% to +4% (at the lower end)	Slight growth (+1.0%)
Brand Business	Growth +3% to +5% (at the lower end)	Slight growth (+1.1%)
Volume Business	Stable at previous year's level	Stable (+0.6%)
EBIT	Earnings on adjusted level of previous year (€ 13.0 m) ²⁾	In line with forecast (€ 14.9 m)

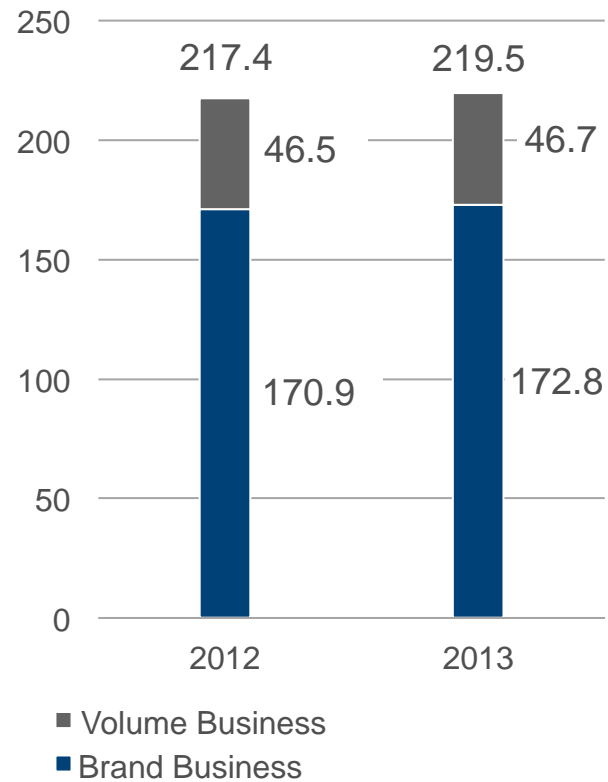
1) all turnover shown in this presentation are adjusted for business with Dr Oetker Bakeware

2) adjusted for one-time positive effects of the sale of assets relating to the termination of the license agreement with Dr Oetker Bakeware

Group turnover increase by 1.0%

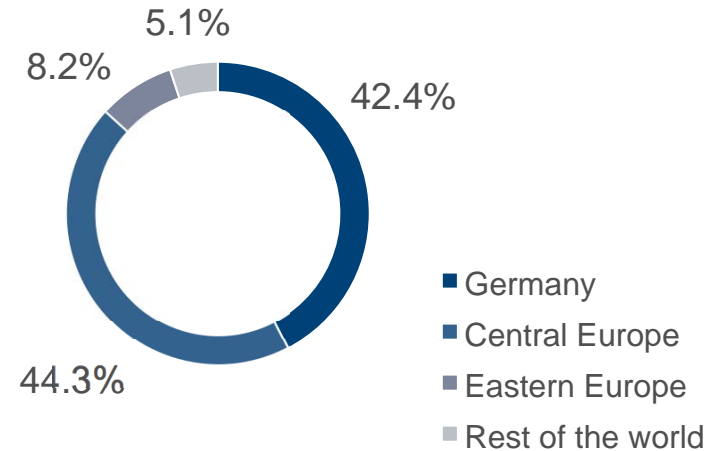
Group turnover

by segment/in € m



Group turnover 2013

by region



- Stable domestic demand in Germany
- Growing demand in our focus countries: France, Austria, Czech Republic and Scandinavia
- Decreases in demand slowed business development in the Netherlands, Italy and Russia

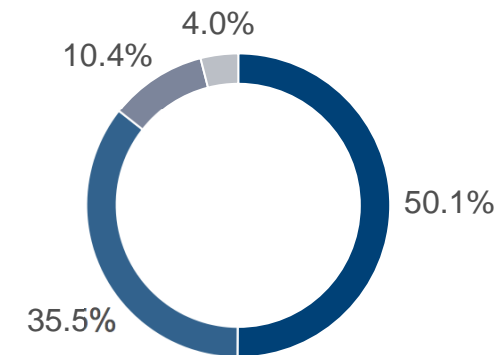
Brand Business: Innovations strengthen turnover with cleaning devices

€ m	2013	2012	+/- %
Turnover Brand Business	172.8	170.9	1.1
▪ Cleaning	54.3	48.1	12.8
▪ Laundry Care	73.0	74.1	-1.5
▪ Kitchen	16.5	17.5	-5.7
▪ Wellbeing	29.0	31.2	-6.9
EBIT	10.7	9.0	18.8

- Product category Cleaning benefits from the product innovation “window vacuum cleaner”
- Turnover development in the category Laundry Care declined in the first quarter 2013 by 6.9%, then strongly recovered over the course of the year
- High clearance sales of obsolete stocks in 2012 influenced product category Kitchen
- Sales decrease in the product category Wellbeing due to lower demand for scales, especially abroad

Turnover Brand Business

by region



- Germany
- Central Europe
- Eastern Europe
- Rest of the world



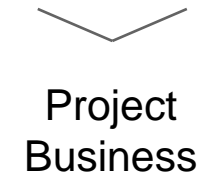
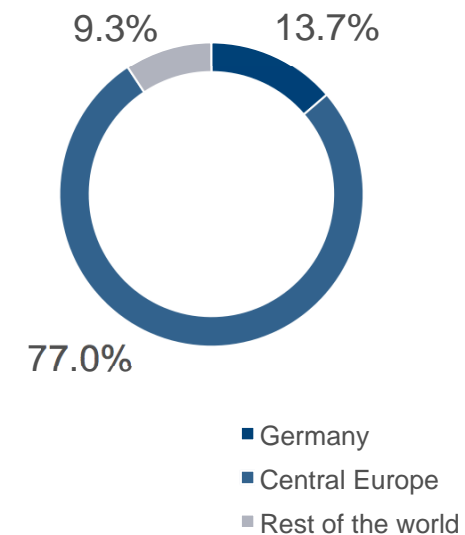
Volume Business remains stable

€ m	2013	2012	+/- %
Turnover Volume Business	46.7	46.5	0.6
▪ Cleaning	0.1	0.1	--
▪ Laundry Care	14.6	14.9	-2.5
▪ Kitchen	28.8	28.5	1.3
▪ Wellbeing	1.0	0.7	49.8
▪ Contract manufacturing	2.2	2.3	-1.3
EBIT	4.2	4.0	5.3

- Positive business development at Herby with tower dryers
- Promotional business of 2012 in the Cleaning category could not be repeated in the 4th quarter 2013

Turnover Volume Business

by region



Further improvement of operating profitability

		2013	2012	+/- %
Group turnover	€ m	219.5	217.4	1.0
Gross margin	in %	44.9	43.6	1.3 pp
EBIT	€ m	14.9	14.2	5.3
EBIT (adjusted) ¹⁾	€ m	14.9	13.0	15.2
EBIT margin ¹⁾	in %	6.8	5.8	1.0 pp
Earnings before taxes (EBT)	€ m	13.3	12.2	9.2
Net result for the period	€ m	10.2	9.4	9.2
ROCE	in %	12.6	10.2	2.4 pp

- Increase of gross margin led to disproportional growth in earnings
- Improved financial result leads to higher EBT of € 13.3 m (+9.2%)
- Increase of ROCE by 2.4 percentage points due to improved earnings and a decrease in fixed assets and working capital
- Stable tax rate of 23.1%

1) EBIT 2012 adjusted for positive one-time effects of the sale of assets relating to the termination of the license agreement with Dr Oetker Bakeware

Rapid growth of Group liquidity to €52.0 m

€ m	2013	2012	+/-
Cash flow from operating activities	22.9	8.2	14.7
Cash flow from investment activities	0.5	2.4	-1.9
Cash flow from financing activities	-7.2	-6.1	-1.1
Effects of exchange rate differences	1.0	-0.3	1.3
Net change in cash and cash equivalents	17.2	4.2	13.0
Cash and cash equivalents at the end of the period	51.0	33.7	17.3
Short-term securities	1.0	3.3	-2.3
Group liquidity	52.0	37.0	15.0
Free cash flow ¹⁾	19.5	-1.4	20.9

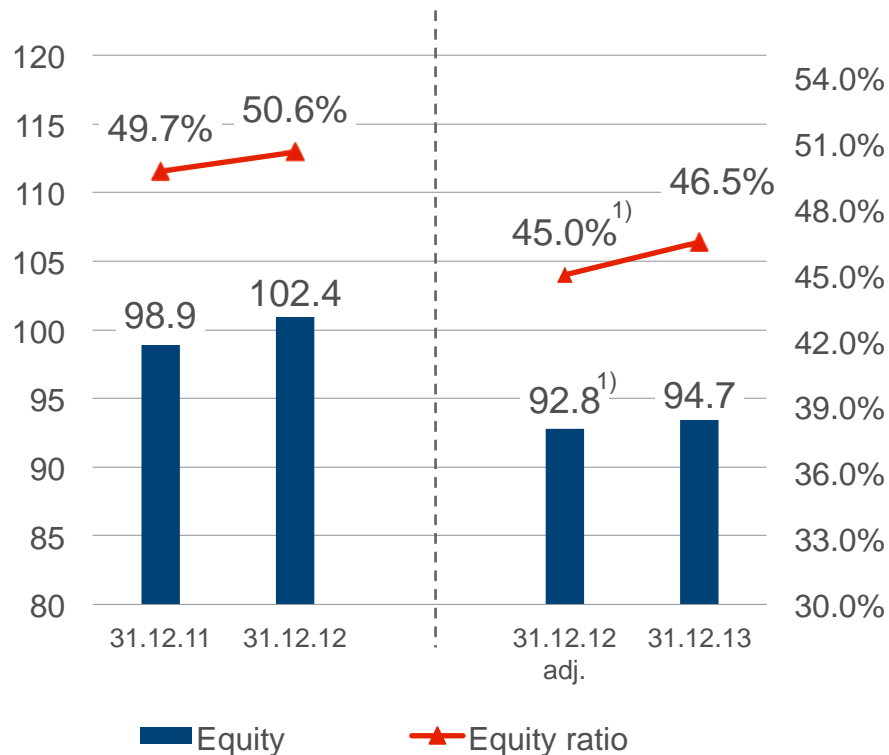
- Increased cash flow from operating activities of € 14.7 m due to a higher net result (€ 0.9 m), change in trade receivables and trade payables (€ 10.3 m), change in inventories (€ 6.8 m) and change in trade payables (-€ 4.2 m).
- Decreased cash flow from investment activities of € 1.9 m by lower investments (€ 6.2 m), from changes in financial assets (-€ 4.4 m) as well as lower payments from business disinvests (-€ 4.0 m)
- Cash flow from financing activities mainly includes paid dividends

1) amount of cash flow from operating activities and investment activities, adjusted by payments and pay offs in financial assets as well as disposal of business areas

Strong equity ratio despite adjustments of balance sheet due to a changed IAS 19

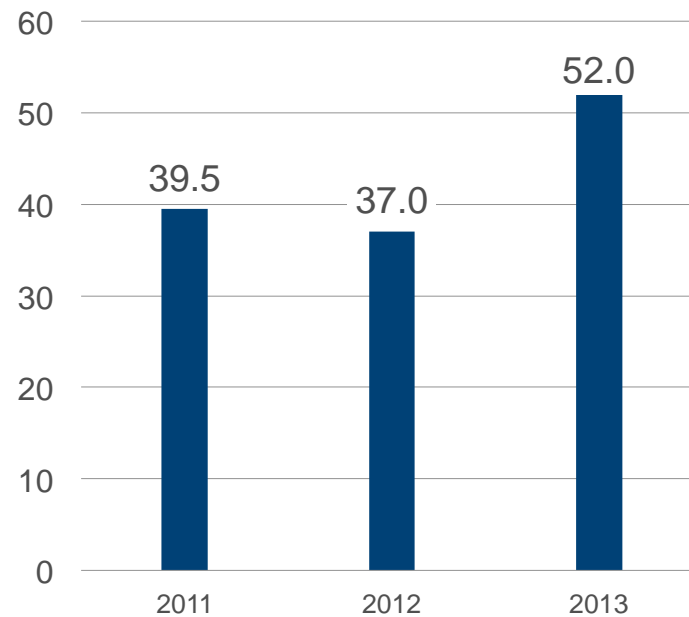
Equity/Equity ratio

in € m



Cash and cash equivalents and current financial assets

in € m

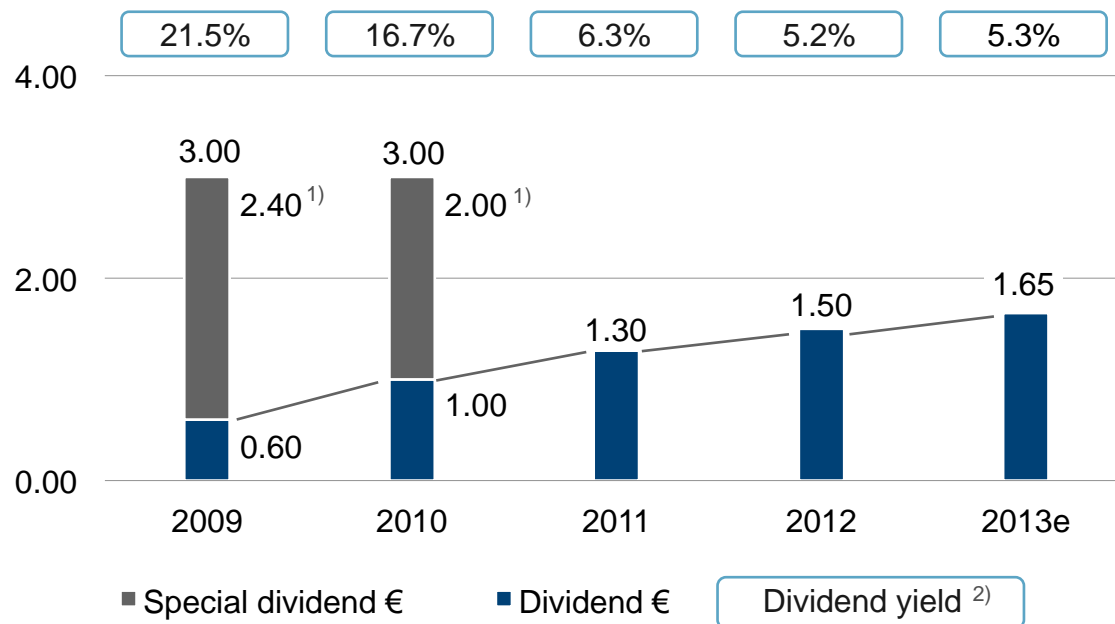


1) the first-time application of the revised IAS 19 in 2013 led to a significant adjustment of the balance sheet structure of Leifheit Group compared to the reported balance sheet for the year ending 31 Dec 2012

Leifheit continues to be an attractive dividend title with a proposed dividend increase of 10% for 2013 financial year

Dividend development

2009 – 2013e



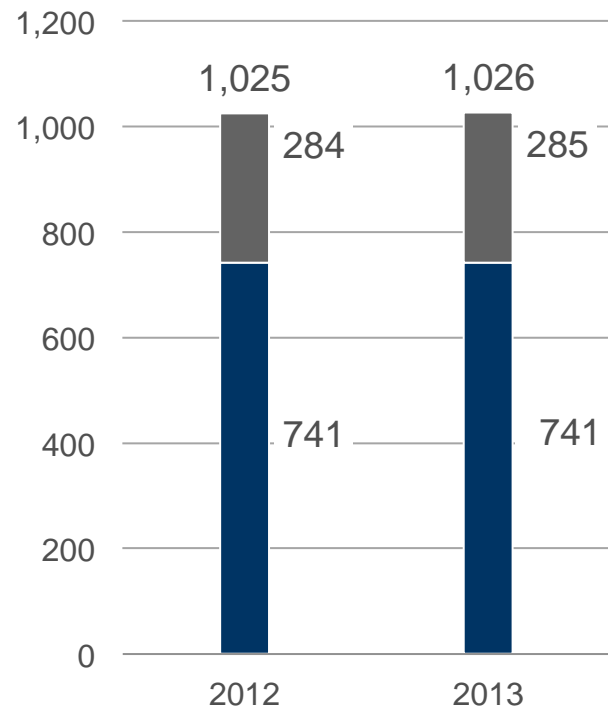
- Proposed dividend increase of 10% for 2013 financial year
- Expected Dividend yield 2013: 5.3%
- It is our aim to benefit our shareholders from the company's success in a sustainable manner

1) participation of the shareholders in the selling of the business unit 'bathroom'
 2) according to the closing rate at the end of the year (XETRA)

Staff numbers remain stable

Employee development

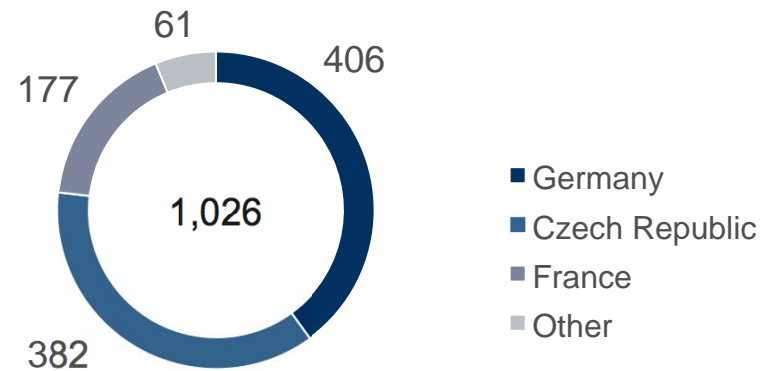
as at 31 Dec



■ Volume Business
■ Brand Business

Employees

by region / as at 31 Dec 2013



- Number of employees remain stable
- Leifheit was named again "Germany's top employer 2014"



2014: Focus on Brand and Margin

Outlook

<p>Market and environment 2014</p>	<ul style="list-style-type: none"> ▪ Slight improvement resp. stabilization of the general economic environment expected ▪ GDP in core region Europe is expected to grow¹⁾ <ul style="list-style-type: none"> ▪ Europe 1.0% (2013: -0.4%) ▪ Germany 1.6% (2013: 0.5%) ▪ France 0.9% (2013: 0.2%) ▪ Customer sentiment in Germany expected to stay positive²⁾
<p>Group development and forecast 2014</p>	<ul style="list-style-type: none"> ▪ Continue to pursue group strategy “Leifheit GO!” ▪ Focus on Brand and Margin ▪ Group: stable development <ul style="list-style-type: none"> ▪ Brand business: Growth between +1% and +3% ▪ Volume business: Slight decrease ▪ EBIT: stable at previous year’s level (€ 14.9 m)
<p>Mid-term targets</p>	<ul style="list-style-type: none"> ▪ Sustainable and profitable growth between +3% and +5% ▪ Group revenue of € 250 m, EBIT margin of 8%

1) International Monetary Fund, January 2014

2) GfK Consumer panel, February 2014

Strategy

Leifheit



Trends in consumer goods industry



- **Increasing use of the internet** to retrieve information and to purchase household goods. This also applies to senior target groups using online devices more frequently according to recent studies.



- Younger consumers are fundamentally **shifting their attitudes towards quality** while demanding products of higher value. That's why brand suppliers will concentrate more on this target group in the future.



- Consumers increasingly ask for **products that are produced sustainably** and made by corporations which value resources, society and employees.



- **Desire for deceleration:** Consumer behavior will be influenced in the future because many people feel overworked and experience high exposure to stress at work and in their daily lives.



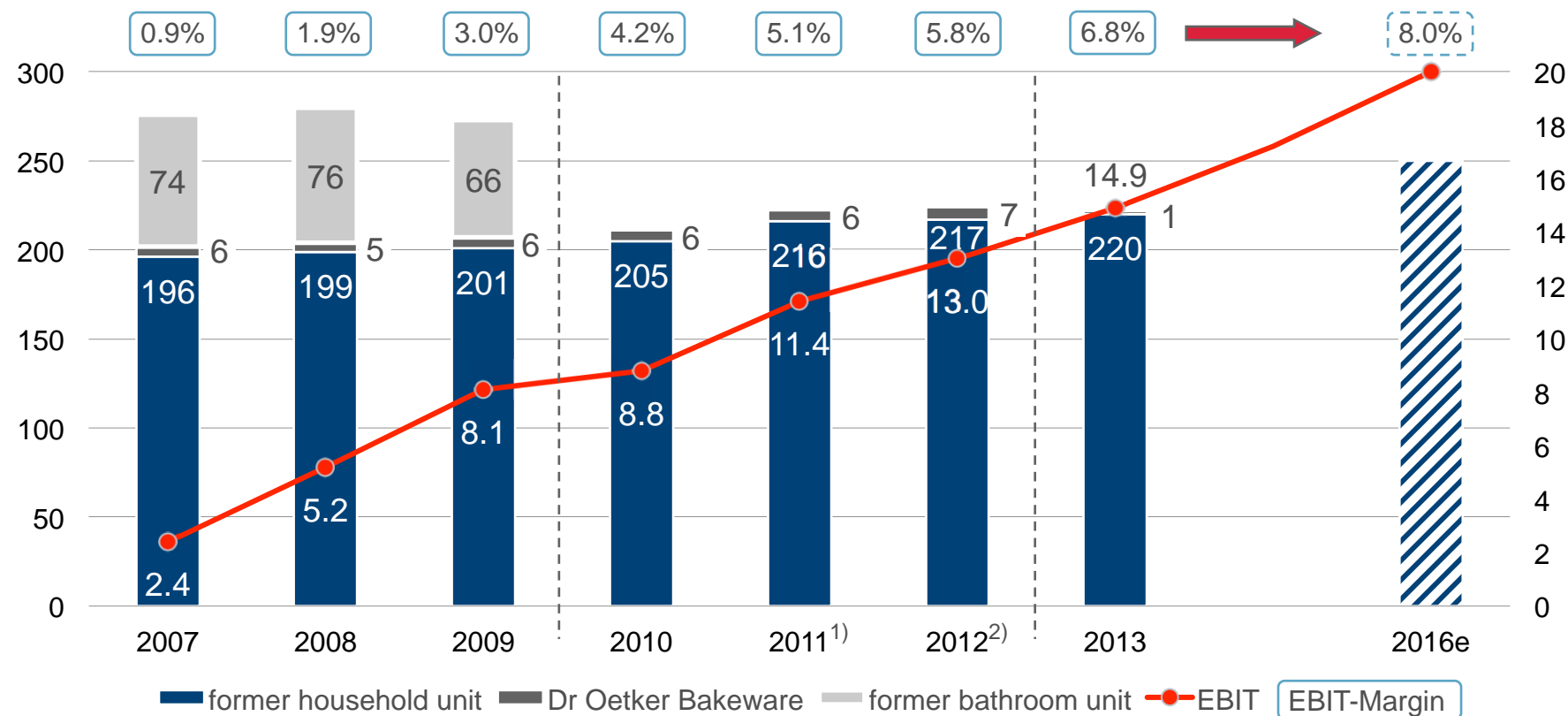
- **Increasing number of households** in Germany till the end of 2014. Especially the number of households with one to two persons is growing.



Growth in earnings after group restructuring: strategic focus on brand and margin

Turnover development/Group EBIT (organic growth without M&A)

According to former household/former bathroom/in € m



1) EBIT 2011 adjusted for consolidation effects of € 2.5 m from obtaining control over Leifheit CZ a.s.
 2) EBIT 2012 adjusted for one-time positive effects from the termination of the license agreement with Dr Oetker Bakeware of € 1.2 m

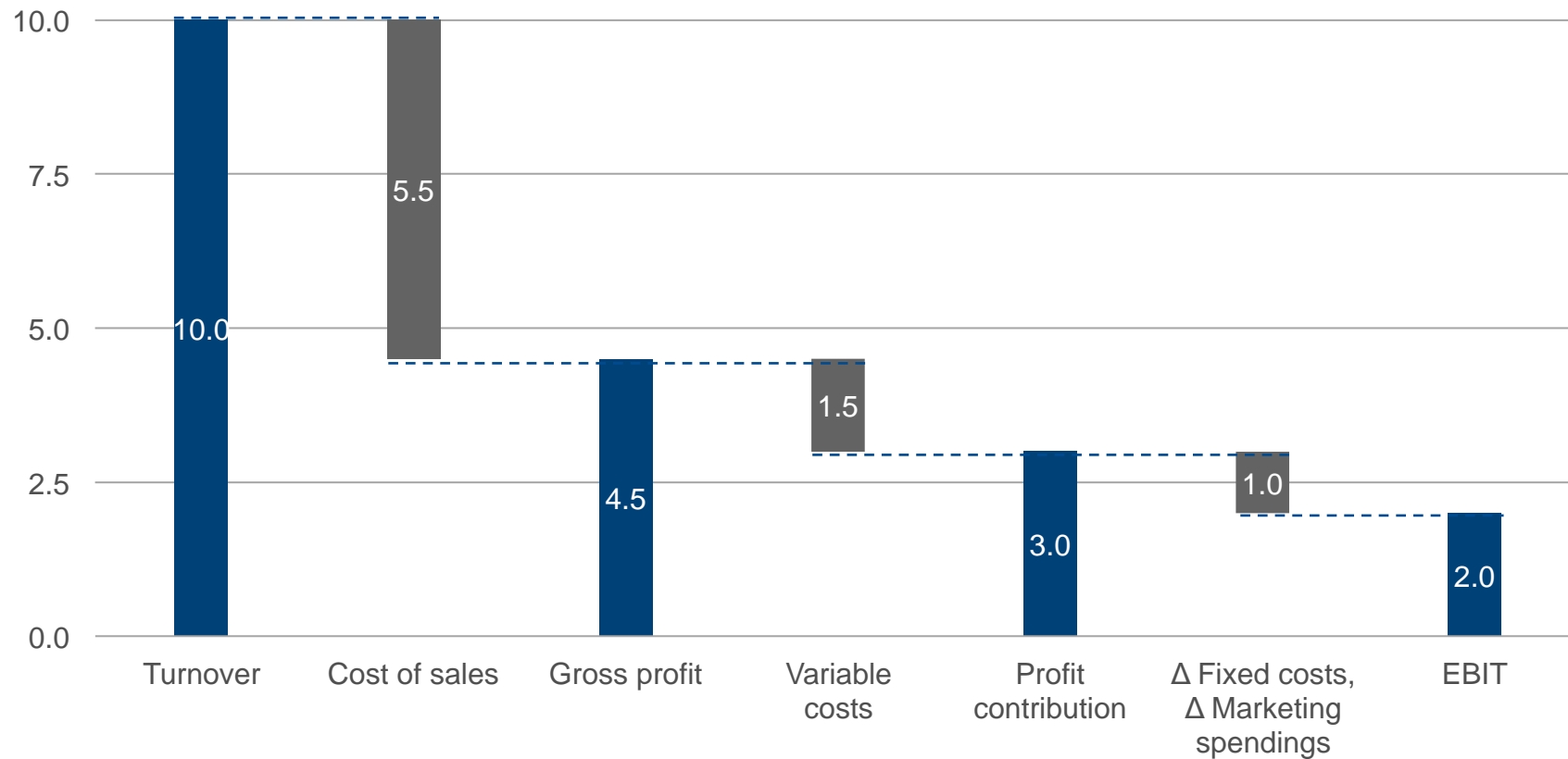
Strategy "Leifheit GO!"



Company structure geared for growth: €10 m Turnover growth ~ €2.0 m EBIT

Sample calculation

in € m



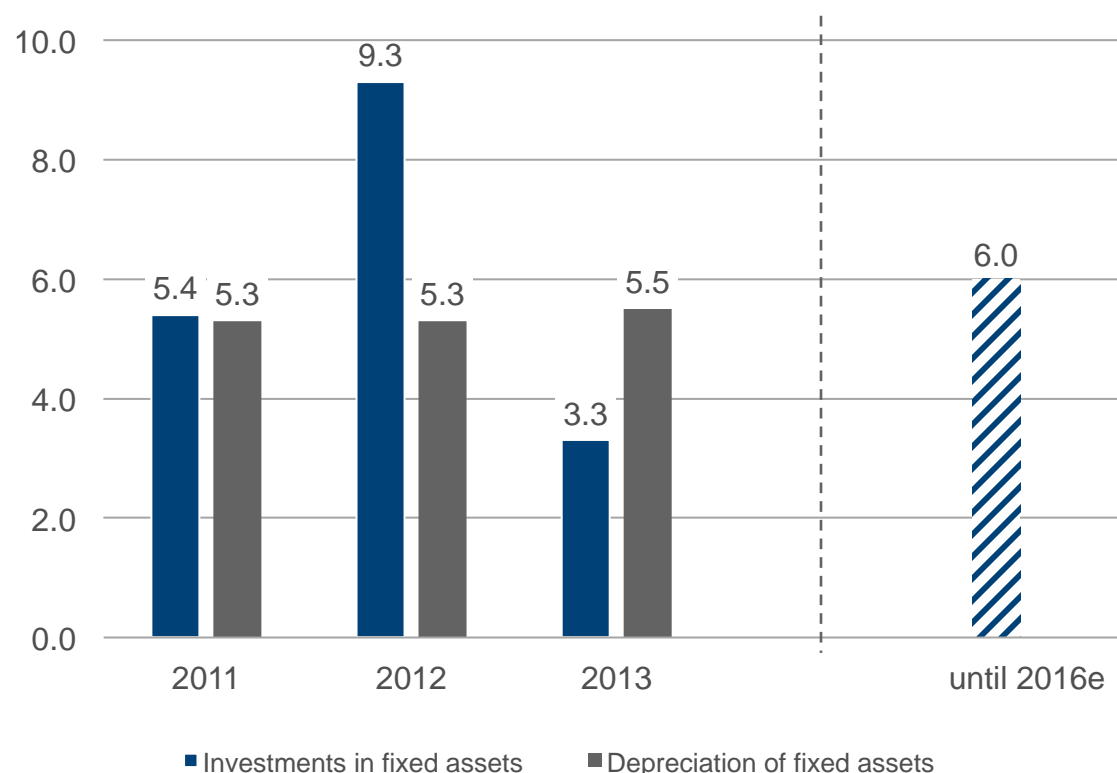
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Favorable starting position for further growth, organic growth requires no additional CAPEX

Investments vs. depreciation

in € m



Investments in 2013:

- Lower investments in 2013 due to expansive investments in 2012
- € 3.3 m in fixed assets €, 0.3 m in intangible assets (mainly software)
- Investment in Brand Business: € 3.1 m
- Investments in Volume Business € 0.5 m

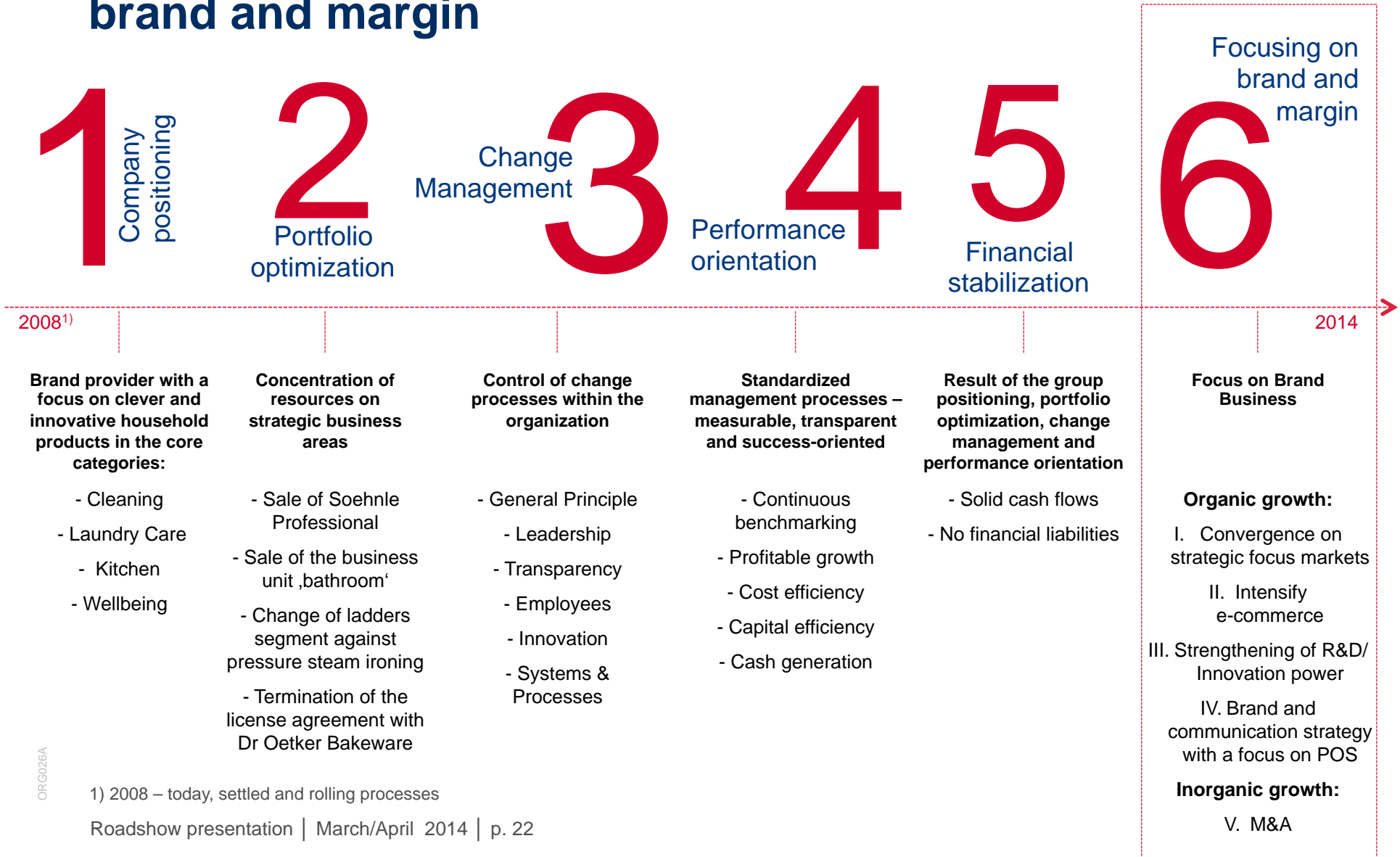
Future investments will remain stable at € 6.0 m

1) compared to the historical cost of production and purchase of the fixed assets

Strategy "Leifheit GO!"



Further development through focusing on brand and margin



1) 2008 – today, settled and rolling processes



Organic growth:

I. Convergence on strategic focus markets (1/4)

Retail-distribution

1. DACH-region
2. Focus on countries with local branches and important markets
 - Netherlands
 - Belgium
 - France
 - Spain/Portugal
 - Italy
 - Czech Republic/Slovakia
 - Poland
 - Scandinavia
 - Russia (major cities)
 - Turkey (start 2014)
3. Export

E-commerce

Worldwide distribution

Project Business/Other





Organic growth:

I. Convergence on strategic focus markets (2/4)

1. DACH-region: Expand on to superb position

- *Status quo:* DACH-region accounts for approx. 49 percent of the company’s turnover, with steady growth rates
- *Goal:* Expand our superb position
- *Measures:*
 - Priority region for POS Excellence activities
 - Focus on blockbuster products
 - Growth through product innovations
 - Growth through increased sales effectiveness and efficiency
- *Enabler:* Create systems to centralize customer and consumer information





Organic growth:

I. Convergence on strategic focus markets (3/4)

2. Strategic focus markets in Europe: strengthen of distribution footprint

- *Status quo:* Europe (without DACH-region) accounts for approx. 46 percent of the company’s turnover
- *Goal:* Expansion of the distribution footprint in the focus markets of the Netherlands, Belgium, France, Spain/ Portugal, Italy, Czech Republic, Poland, Scandinavia, the major cities in Russia and Turkey (from 2014)
- *Measures:*
 - Think regional: Focus on blockbuster products in the context of “Leifheit GO!”
 - Act local: Development of additional country specific measures for distribution and marketing
- *Enablers:*
 - Tailor-made organization structure
 - Set targets, empower, measure



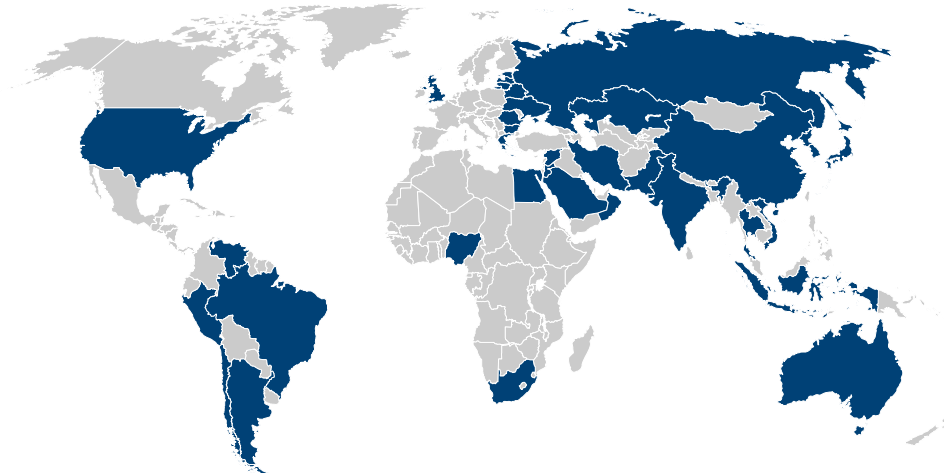


Organic growth:

I. Convergence on strategic focus markets (4/4)

3. International export markets: drive business via entrepreneurial management

- *Status quo:*
 - Five percent of Leifheit’s turnover are generated in markets outside the DACH-region and other strategic focus markets
 - Primarily use of distributors
- *Goal:* preparation for mid-term footprint expansion (e.g. China, USA)
- *Measures:*
 - Opportunistic growth
 - Ensure margin is on target



Strategy "Leifheit GO!"



Organic growth: II. E-commerce intensification

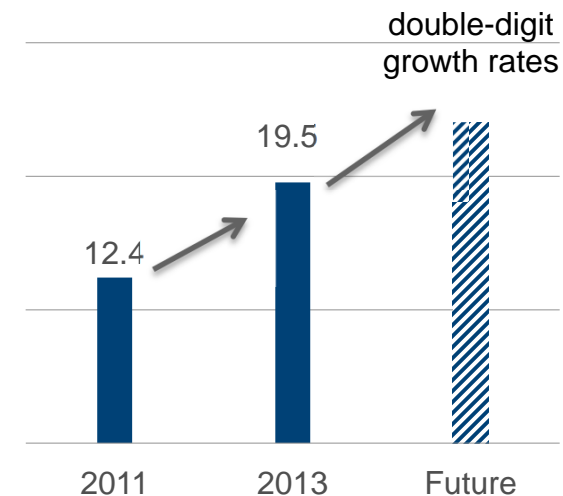
Worldwide expansion of e-commerce activities

Status quo: e-commerce turnover doubled over the last four years

- Growth in e-commerce 2013: about 28%
- Goal:
 - Annual double-digit growth rates
 - Future growth in international markets with globally operating retail partners
- Measures:
 - Professional and targeted support for online, multi and cross-channel businesses via product information systems as well as on- and offline campaigns
 - Investments in qualifications/know how of employees and further strengthening of key account management
- Enabler: Multi-line toolbox



Leifheit e-commerce
Turnover development in € m



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Strategy “Leifheit GO!”



LEIFHEIT

Organic growth: III. Strengthening of R&D and innovation capacity (1/2)

Innovation as growth driver

Status quo: innovation capacity¹⁾ increased to a rate of 40% in 2013 due to product innovations like the window vacuum cleaner

- *Goal:* notable increase of innovation capacity and focus on product benefits with high relevance for the consumer
- *Measures:*
 - Increase focus on consumer and external partners
 - Increase focus on idea generations and optimization of innovation processes
 - Better exploit long-standing experience with different consumer needs in different regions and countries
- *Enabler:* Better use of idea and consumer need database



Product innovation window vacuum cleaner

- Awards for functionality and ease of use
- Expanded life span due to lithium-ion technology and standby-function

1) share of turnover generated with products, that were brought onto the market within the last three years

Strategy "Leifheit GO!"



Organic growth: III. Strengthening of R&D and innovation capacity (2/2)

Awards of the Leifheit Group (selection)



Fresh&Slim Comfort Slicer Spray protection Columbus Speed Quirl



AirActive L Express AirActive L Steamer Fashion Steamer Express Fashion Steamer



Pegasus 180 Linomatic 500 Deluxe



Clean Twist-System Vakkum window cleaner



Comfort Jazz Comfort Plus Comfort Vital



Travel Page Evolution



Page Evolution Steel Page Profi



Solar Fit Solar Sense, Solar Star/Easy Solar Web Connect

Strategy "Leifheit GO!"

Organic growth: IV. Brand and communication strategy (1/2)



Focus on POS

- *Status quo:* POS Excellence initiative successfully introduced to the retail market during the spring fairs
- *Goal:* Support of the stationary retail trade for trading-up efforts for an increase in the product turnover rates and qualitative growth.
- *Measures:*
 - Improve generation of shopper knowledge
 - POS solutions for every distribution channel
 - Optimized line architecture, packaging and improved search logic at the shelf
 - Flanked by 360-degree-brand communication (TV, Online, PR)

Always a better idea

LEIFHEIT

Clever cleaning

UMSCHLAGS-GESCHWIN-DIGKEIT STEIGERN MEHR Wert schöpfung am POS integrierte Marken-kommunikation FÜR JEDEN VERTRIEBS KANAL 50 neue Shop-in-Shop Systeme 80 LÄNDER 219,5 Mio € audio-visuelle Informations-systeme POS Excellence PRODUKTE TESTEN UND ERLEBEN 70% ALLER KAUF-ENTSCHEIDUNGEN AM POS

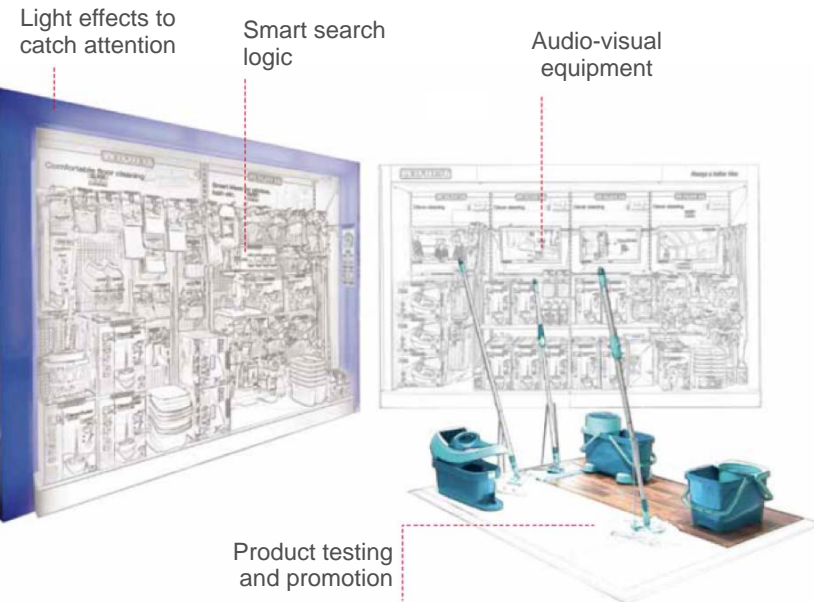
Strategy "Leifheit GO!"

Organic growth: IV. Brand and communication strategy (2/2)



Focus on POS

- More than 70 new Shop-in-Shop systems have been opened in Germany and Europe until end of 2013
- Average increase in turnover of 50% on the presentation area
- Open 50 more shops in 2014
- Distinct shelf presentation concepts for our customers e.g. through the use of new POS tools with test stations, video monitors and shelf screens as well as secondary placement promotions



Strategy “Leifheit GO!”

Inorganic growth: V. Mergers and acquisition

Status quo: Leifheit is well positioned with solid financing and cash funds of about € 52 m for M&A transactions

Profile of potential target companies

- Active in Leifheit’s core categories
- Possesses a strong trademark and provides the opportunity of market entries or the expansion of our target markets
- Focus on Europe
- No restructuring cases

Measures: Active market observation

Product innovations 2014

Product innovations 2014

Category Cleaning (selection)

Further development of a success story Window vacuum cleaner

- Further expanding of clever and successful Window vacuum assortment with a washer and handle
- Telescopic ClickSystem handle, ensuring a drip-free, streak-free clean
- Thanks to its 360°suction, the Window Vacuum also collects dirty dripping water when upside down



Clean Twist delivers mobility Clean Twist mobile trolley

- Successful Clean Twist System receives a mobile trolley base with wheels
- Cleaning set enables customers to clean floors without stooping or having to dip their hands in dirty water
- Smooth-running 360°wheels provide maximal flexibility and enable the cleaning set to be moved around easily



Clean floors Profi Collect

- Further development of the tried and tested Profi System
- Profi Collect floor wiper with its hooked edge absorbs dirt particularly efficiently and is ideal for wiping around furniture
- The soft edge will even clean high skirting boards along with the floor



Category Cleaning (selection)

Lighter, faster, easier

Air ironing boards

- Leifheit patentend EPP, an ultra-light material especially for its ironing boards
- Thanks to EPP Leifheit Air ironing boards have about 25 per cent less weight than comparable expanded-metal models
- Due to its significantly lower overall weight, EPP ironing boards can be assembled and dismantled, stored and transported much more easily



Innovative laundry dryers

Pegasus Series

- Pegasus MAXX
 - providing room for up to two full washing machine loads
 - At a height of 1.08 metres and a length of 1.10 metres, it is ideal for particularly long and broad laundry items
- Pegasus 180 Plus Mobile + Pegasus 200 Deluxe Mobile
 - With practical wheels and a flexible 360°hinge, meaning that they can be moved around easily and conveniently – even fully loaded



Product innovations 2014

Category Kitchen (selection)

Preserving back in vogue

New preserving products

- New to the glass assortment: tapered jars and glass bottles
- Cherry pitter in bright fashion colours cherry red and fresh lime
- Advertising campaign and providing market stands with information about preserving, including decoration packages for sales support at the POS



Leifheit Kitchen gadgets

Innovation awards

- Product Fresh&Slim was honored with the "Kitchen Innovation of the Year 2014" award and the "Gold Award" by the "LifeCare Besser Leben" initiative
- Leifheit won the special award "Favorite brand - the consumer's choice" in platinum



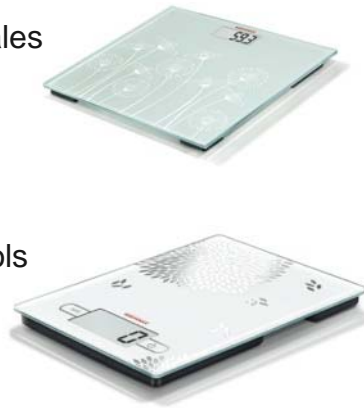
Product innovations 2014

Category Wellbeing (selection)

Elegant glass scales

Frosted & Frozen, Magical Mirror

- New kitchen and personal scales
- Exquisite mirror and frosted glass designs and attractive decorations
- Patented Sensor Touch controls



Personal scale with analysis function

Pharo 200 Analytic

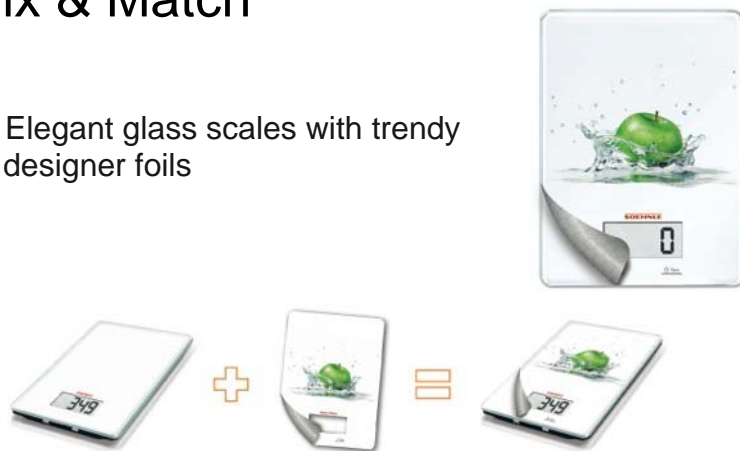
- Personal scales with analysis function are a master in their field, suitable for all weight classes



Flexibles Design

Mix & Match

- Elegant glass scales with trendy designer foils



Boundless mobility

Heat Cushion and Heat Belt

- Battery-powered warming products
- 4 hours battery capacity



Summary

Summary

Well positioned to face future trends and opportunities for growth

- Positive business development in 2013, despite challenging market environment
- 2014: Focus on brands and margin
 - Well-known brands in leading market positions and solid trust of customers
 - Innovative products and distribution concepts for further growth: 2014 once again lots of consumer related product innovations
 - Focus on consumer and shopper knowledge generation
 - Focus on established markets within the DACH-region and Central Europe as well as other growth regions
- Solid financing with an equity ratio of 46.5 percent
- Stable cash flows
- Well positioned for possible M&A transactions
- Attractive dividend title

Annex

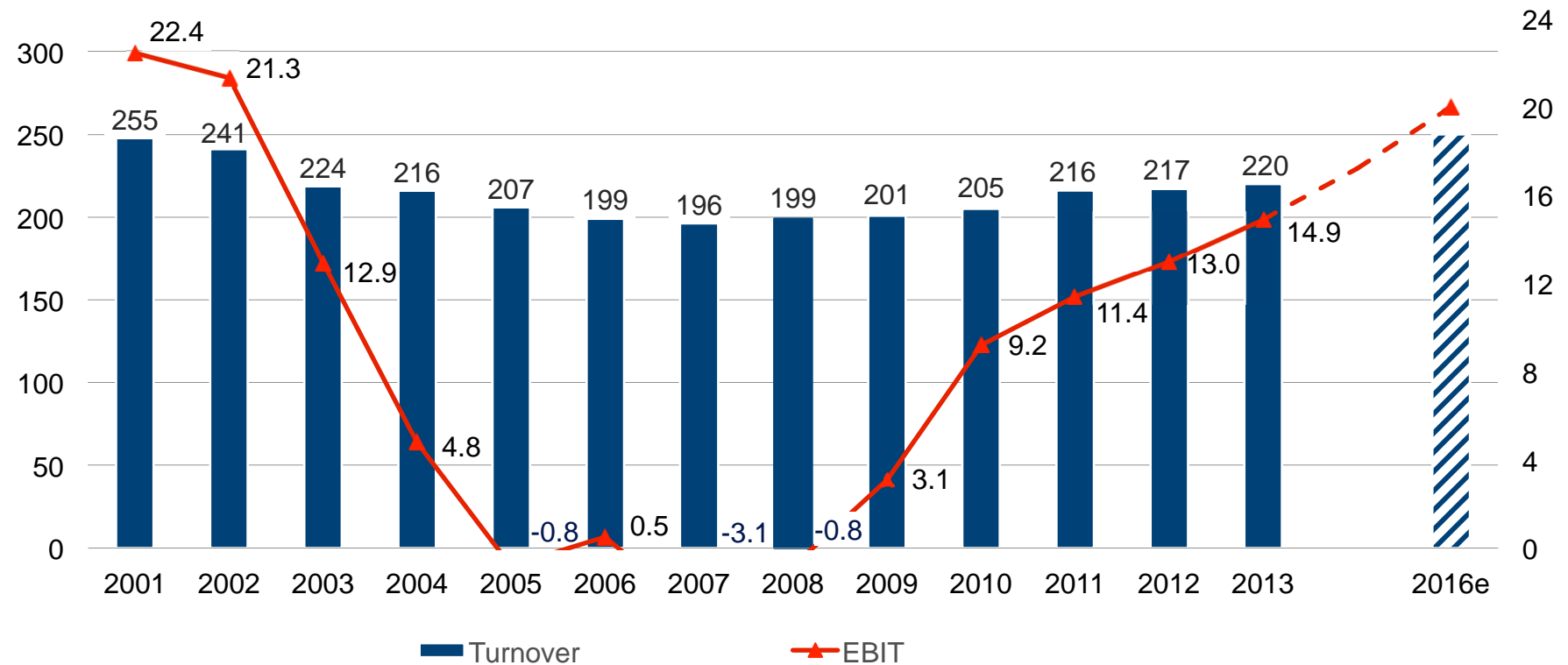
Annex

Sales development in the course of 2013, 1. and 4. quarter remained behind expectations

	Q1 2013 vs. Q1 2012	Q2 2013 vs. Q2 2012	Q3 2013 vs. Q3 2012	Q4 2013 vs. Q4 2012
Group turnover	-4.2%	+6.8%	+2.6%	-0.4%
Brand Business	-5.8%	+10.4%	+2.4%	1.2%
Volume Business	+3.4%	-6.9%	+3.4%	+1.8%
EBIT	-1.0%	-5.2%	-38.5%	+29.4%

Long-term development

Turnover/EBIT 2001 – 2016e (adjusted by divested/terminated business, growth excl. M&A)



EBIT and Turnover adjusted by bathroom division divested in 2010
 EBIT and Turnover adjusted by Dr Oetker Bakeware (termination of license agreement by 31.12.2012)
 EBIT 2011 adjusted by consolidation effects of € 2.5 m from obtaining control over Leifheit CZ a.s.
 EBIT 2012 adjusted by one-time positive effects from the termination of the license agreement with Dr Oetker Bakeware of € 1.2 m

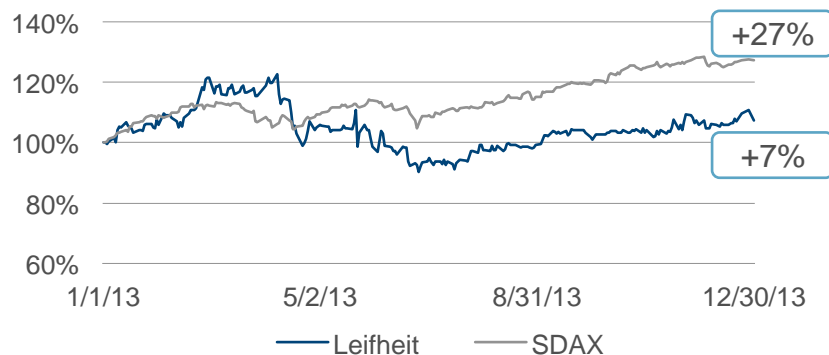
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Annex

Leifheit share

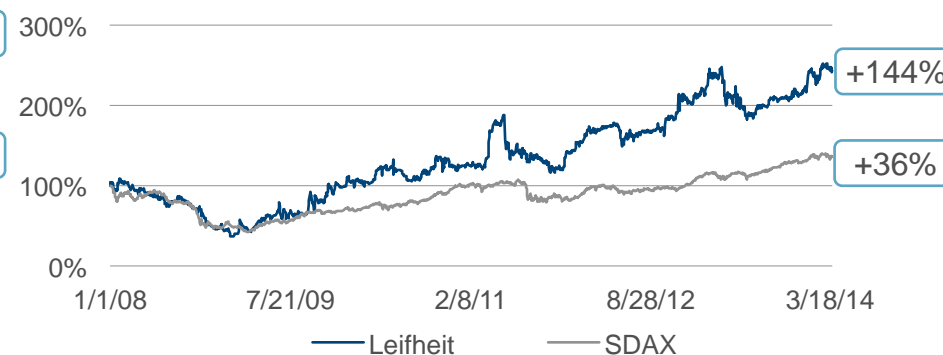
Performance 2013

Period: 1 Jan 2013 to 30 Dec 2013



Performance 2008–14

Period: 1 Jan 2008 to 21 Mar 2014



Master data

ISIN:	DE0006464506
Ticker:	LEI
Trading segment:	Prime Standard
Share capital:	€ 15,000,000,-
Number of shares:	5,000,000 no-par value ordinary bearer shares
Stock market launch:	3 October 1984
Designated Sponsor:	Close Brothers Seydler

Shareholder structure

As of 31 Dec 2013



- Home Beteiligungen, Munich, 50.27%
- MKV Verwaltungen GmbH, Munich, 10.03%
- Joachim Loh, Haiger, 8.26%
- Leifheit AG, Nassau, 5.01%
- Free float, 26.43%

*Free float incl. shareholdings of board members of about 1 %



Dr. Claus-O. Zacharias (59), CFO

Previous experience:

- Managing Director, CFO NICI GmbH
- Managing Director, CFO Lehnkering GmbH
- Managing Director, CFO tegut... Gutberlet Stiftung & Co.
- Managing Director, CFO Steilmann-Holding
- Managing Director, CFO Eismann International GmbH

Thomas Radke (52), CEO

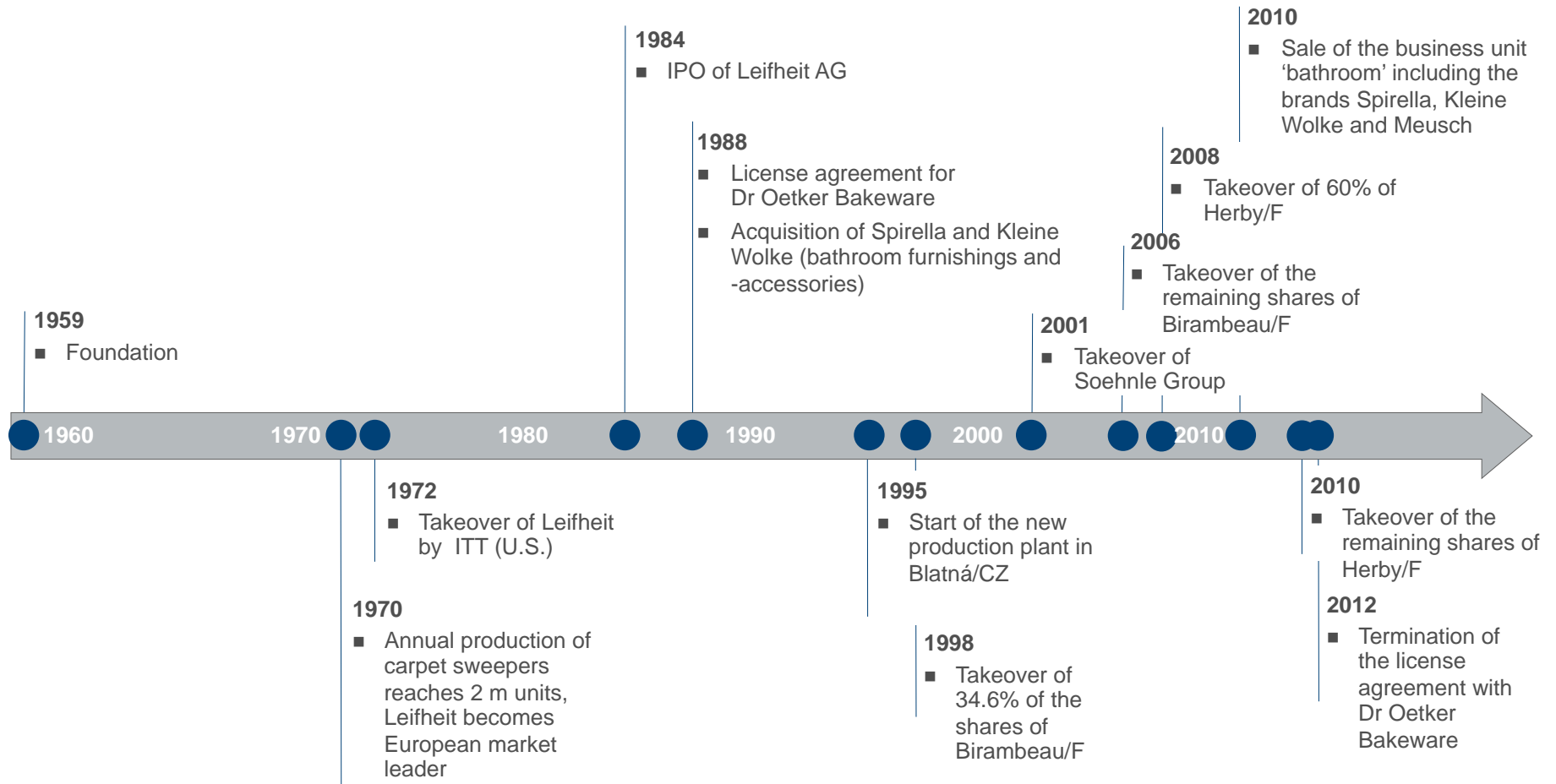
Previous experience:

- CEO Herlitz AG
- Member of the Board of Directors Pelikan Holding AG
- General Management and Marketing and Sales positions at Carl Zeiss Vision, Procter & Gamble/Wella, Effem/Mars and Henkel KGaA

Annex

Corporate history

55 years „always a better idea“



European Competitors by Category



Annex

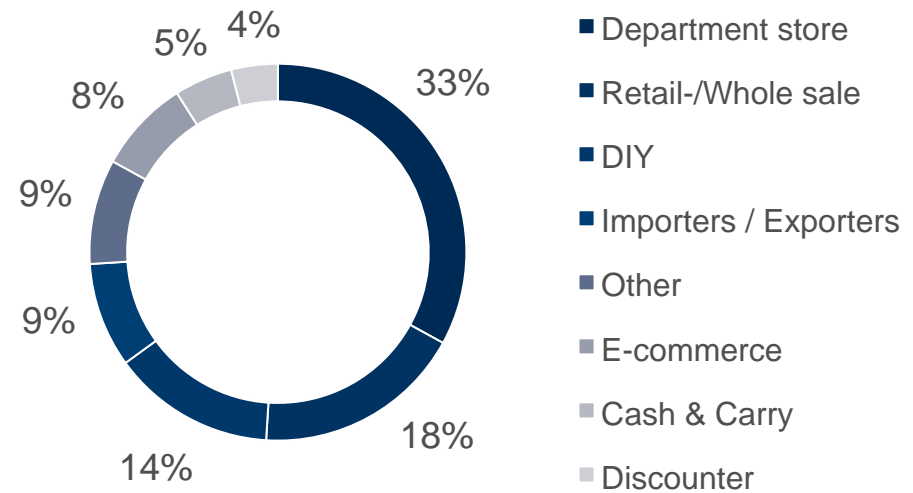
Distribution in every important distribution channel

TOP-10 clients



Distribution of turnover

by distribution channel in 2013



Annex

Financial calendar

Dates 2014

27 March 2014

Annual financial reports 2013

27 March 2014

Analyst's meeting and annual results press conference,
Frankfurt/Main

14 May 2014

Financial report for the period ending 31 March 2014

22 May 2014

Annual general meeting, Nassau/Lahn

13 August 2014

Financial report for the period ending 30 June 2014

10 November 2014

Financial report for the period ending 30 September 2014

24 – 26 November 2014

Presentation at the German Equity Forum,
Frankfurt/Main



Aktiengesellschaft

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