



Presentation annual results 2006

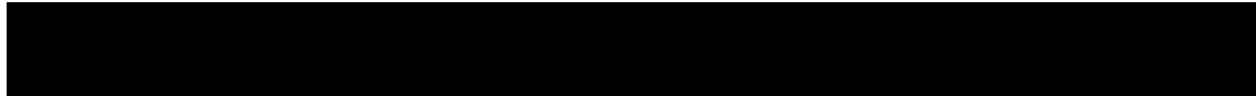
Okura Hotel, Amsterdam
2 March 2007

René J. Takens, CEO
Hielke H. Sybesma, CFO
Jeroen Snijders Blok, COO





Agenda



2. The Accell Group share
3. Financials
4. Outlook
5. Innovation & design



Further growth of turnover and profit

- Turnover +16% to € 431,7 mln
 - 9% organic growth
 - 7% acquisitions
- Operating profit +17% to € 30,1 mln
- Net profit +18% to € 18,4 mln
- Earnings per share +15% to € 2,00
- Growth in both segments
 - Bicycles / bicycle parts and accessories
 - Fitness



Bicycles / bicycle parts & accessories

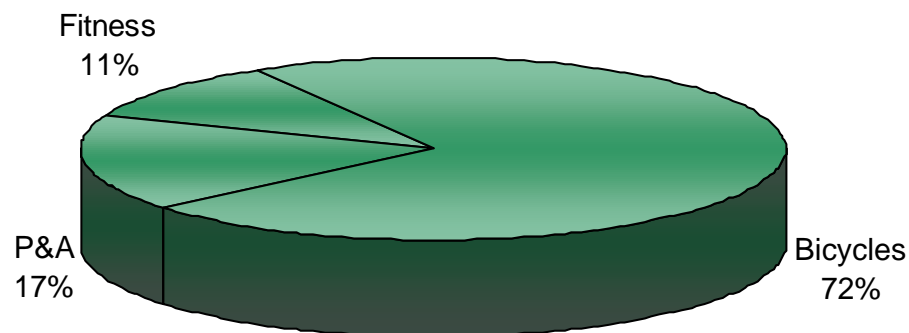
- Increase of turnover + 14% to €386,2 mln
- Bicycles sold in 2006: 917.000 units (2005: 858.000 units)
- Average price per bicycle sold in 2006 €339 (2005: €334)
- Good sales electric power assisted bicycles
- 'Custom made' programs further extended
- Segmental result increases to €36,9 mln



Fitness

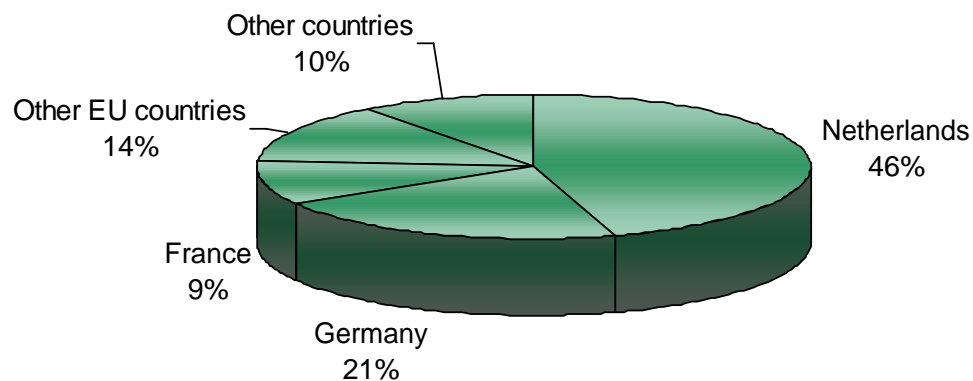
- Increase of turnover: + 41% to €45,6 mln
- Growth almost completely organic due to introduction new and innovative products and new clients, in addition acquisition Webena Sport (per 1 November 2006)
- Streamlining and strengthening the organization of the fitness division (head office Almere, the Netherlands)
- The production of fitness equipment of Tunturi in Finland largely relocated to Estonia, (joint venture set up with local partner)
- Segmental result increases to €2,0 mln

Turnover specification per product group



(x € mln)	2005	2006	difference
Bicycles	286,5	311,3	9%
Parts & accessories	53,4	74,9	40%
Fitness	32,2	45,6	41%
Total	372,1	431,7	16%

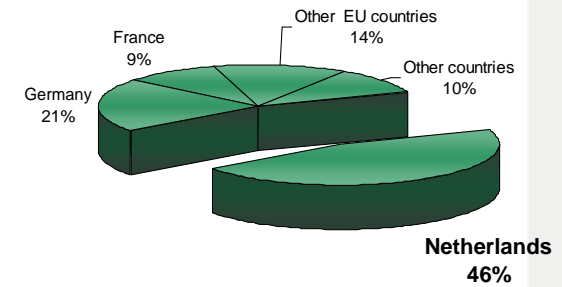
Geographical turnover specification



(x € mln)	2005	2006	difference
The Netherlands	173,9	195,2	12%
Germany	93,2	91,9	-1%
France	42,4	41,0	-3%
Other EU countries	45,4	58,7	29%
Other countries	17,3	44,9	160%
Total	372,1	431,7	16%



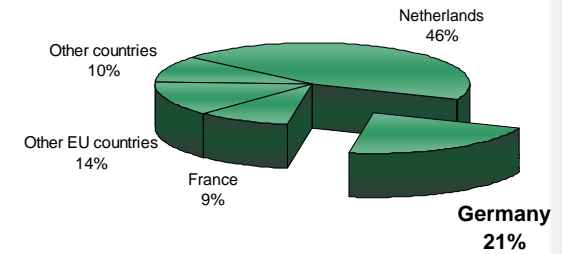
The Netherlands



- Turnover Accell Group in the Netherlands increases due to:
 - Good sales electric power assisted bicycles
 - Sparta
 - Batavus
 - Koga
 - More exclusive contracts parts & accessories
 - Innovations in the field of fitness
 - Diversity of brands fitness

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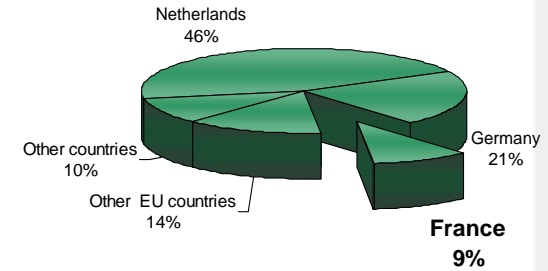
Germany



- Fewer special offer items sold by Hercules
- Winora Group sells more bicycles
- Increase of Winora Group's parts & accessories turnover
- Fierce competition fitness

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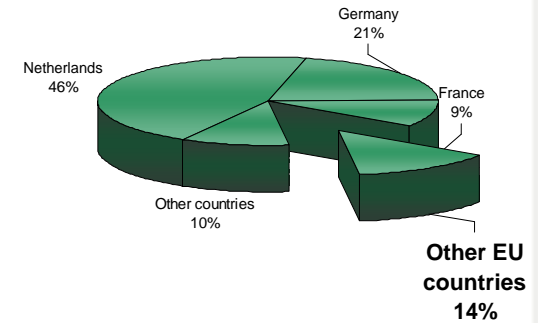
France



- Lapierre profits from its strong brand positioning and innovations
- Decrease at Mercier due to integration of activities with Lapierre
- Early 2007: agreement with JC Decaux regarding Cyclocity Parijs

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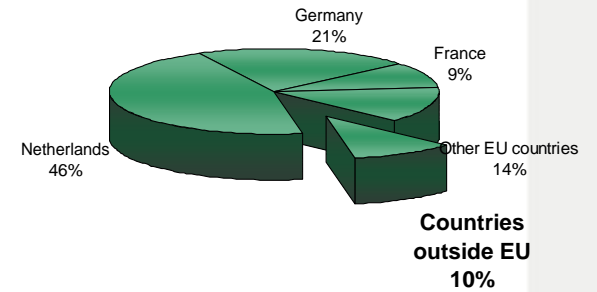
Other EU countries



- Increase of export bicycles to Belgium, Denmark and Austria
- Growth turnover parts & accessories in Belgium
- Increase turnover fitness



Countries outside EU



- Acquisition Seattle Bike Supply (see next slide)
- Increase of export fitness outside EU
- More export Lapierre and Koga



Acquisitions in 2006

- Seattle Bike Supply
 - Consolidated per 1 March 2006
 - Bicycles and parts on North American market
 - Integration proceeds successfully
 - Sales BMX through Batavus and European bicycles through SBS
- Webena
 - Consolidated per 1 November 2006
 - Trade company in fitness articles for Benelux
 - Extension fitness assortment
 - Integration in organization Accell Fitness



Acquisition after balance date

- Accell extends in Belgium with acquisition Brasseur
- LOI signed in January 2007
- Bicycles and parts in Wallonia (turnover €9 mln)
- Juncker Bike Parts was already active in Flemish part
- Good addition to activities



Production and sourcing

- Production facility Hungary extended
- Set up new joint venture in Estonia (35%) for production fitness
- Production in Finland relocated
 - Production bicycles to Hungary
 - Production fitness to Estonia
- Production at Mercier reduced and integration with activities Lapierre
- More sub contracting in Asia



Corporate social responsibility

- Part of mission Accell Group: operating with greatest possible care for man and environment
- Accell Group contributes to society through its products
 - Bicycle is alternative means of transport friendly for the environment
 - Exercise is healthy (cycling outside, fitness inside)
- Suppliers Accell Group are bound to code of conduct for suppliers
- Sustainable investment possibility: Accell Group is the only Dutch fund included in Triodos Values Pioneer Fund, which invests in “trendsetters in sustainability” (source: NRC Handelsblad)



Agenda

1. Accell Group in 2006



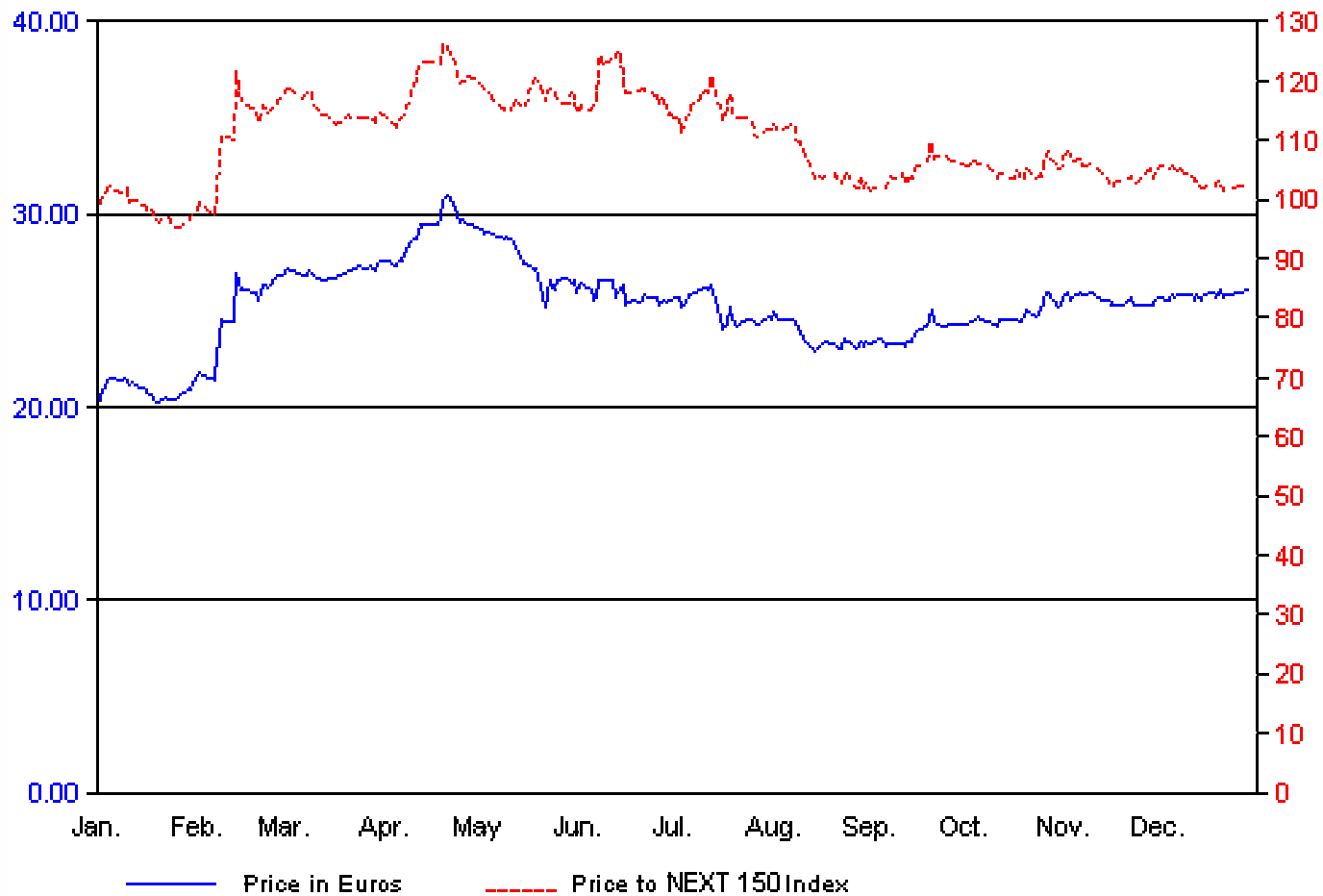
3. Financials

4. Outlook

5. Innovation & design

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Share price development in 2006





Yield in 2006

Share price 1 Jan 2006	€ 20,40
Share price 31 Dec 2006	€ 26,00
Increase from 20,40 to 26,00	27,5%
Dividend of 4,1%	<u>4,1%</u>
Totaal yield in 2006	<u><u>31,6%</u></u>



Agenda

1. Accell Group in 2006
2. The Accell Group share



4. Outlook
5. Innovation & design

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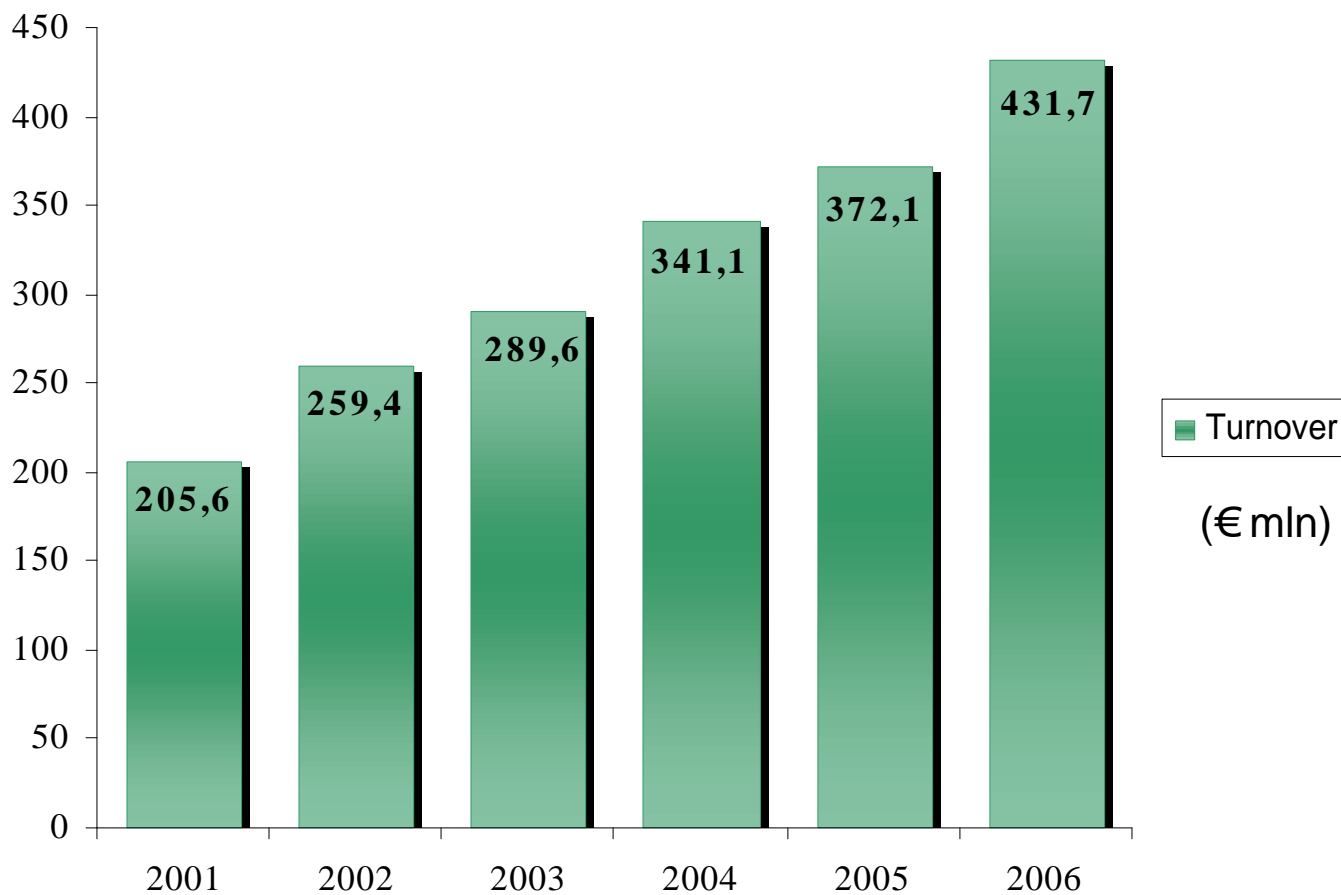
Profit and loss statement

(x € miljoen)	2005		2006	
Net turnover	372,1		431,7	
Cost of raw material	230,6	62,0%	272,6	63,1%
Other costs	115,8	31,1%	129,0	29,9%
Operating profit (EBIT)	<u>25,7</u>	6,9%	<u>30,1</u>	7,0%
Financial expenses	(3,0)		(3,9)	
Taxes	<u>(7,2)</u>		<u>(7,9)</u>	
Net profit	<u><u>15,5</u></u>		<u><u>18,4</u></u>	
		4,2%		4,3%

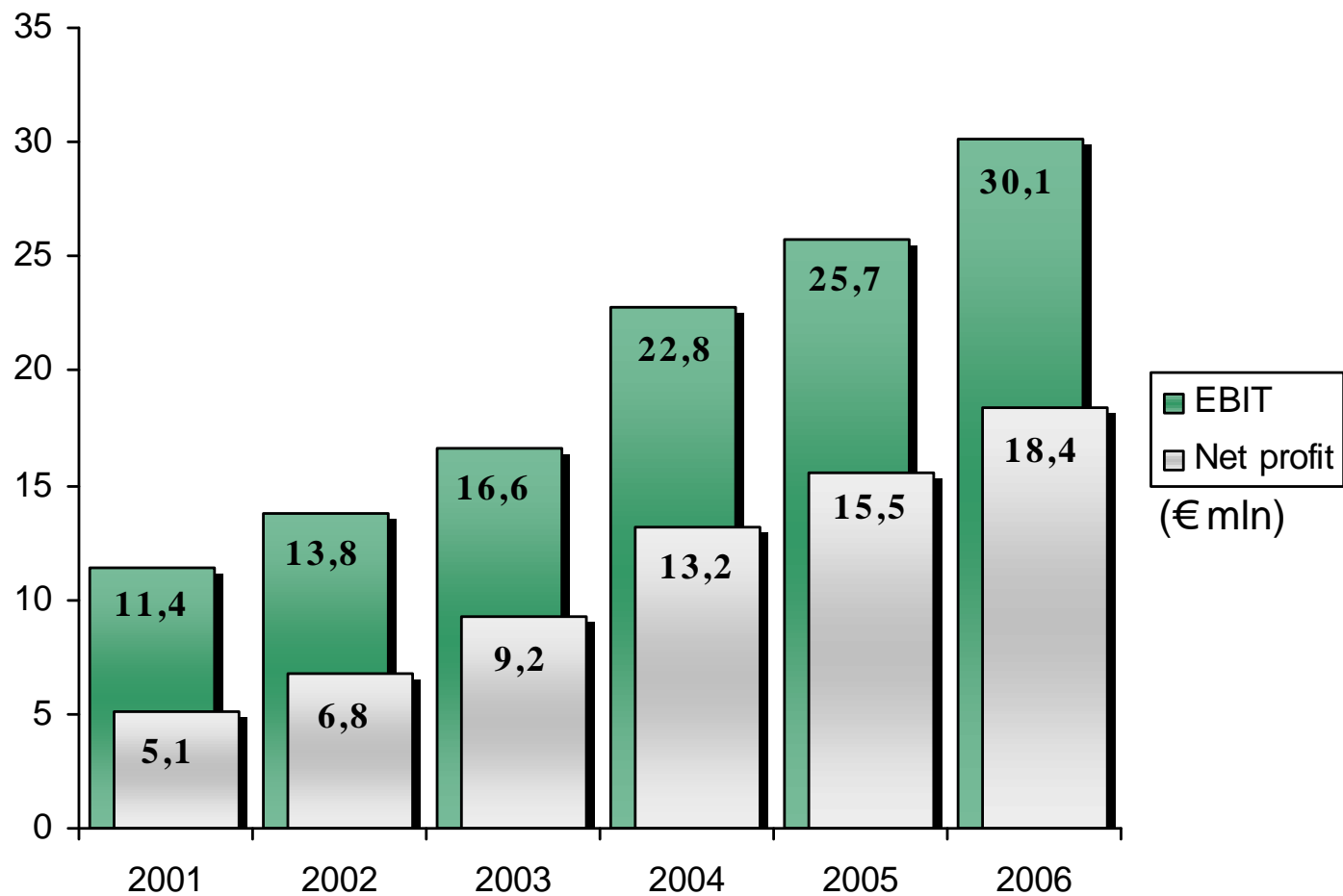
* Certain marketing and promotion costs will be charged to the other operating costs as from 2006. Up to and including 2005, these costs were charged to turnover. The comparable figures of 2005 are changed accordingly. The change in presentation has no effect on capital or results.

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Development of turnover last 5 years



Development of results last 5 years



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Segment information

2006

(x € mln)

	Bicycles & parts	Fitness	Total
Net turnover ¹	386,2	45,6	431,8
Result segment ²	36,9	2,0	38,9
Result/net turnover	9,5%	4,4%	

2005

(x € mln)

	Bicycles & parts	Fitness	Total
Net turnover ¹	339,9	32,2	372,1
Result segment ²	32,7	1,4	34,1
Result/net turnover	9,6%	4,3%	

¹ In addition to sales to third parties, an internal turnover exists from the segment fitness to the segment bicycles, bicycle parts and accessories of € 0,9 mln (2005: € 0,3 mln)

² Result before unallocated costs





Material costs

(x € mln)	2005		2006	
Turnover	372,1	100,0%	431,7	100,0%
Material	<u>230,6</u>	62,0%	<u>272,6</u>	63,1%
Added value	<u><u>141,5</u></u>	38,0%	<u><u>159,1</u></u>	36,9%

- Minor decrease added value due to:
 - Changing product mix (more trade products)
 - Increase of sub-contracting



Operational expenses

(x € mln)	2005	2006
Cost of labor	57,7	66,1
Depreciations	4,6	4,9
Other expenses	53,5	58,0
Total	<u>115,8</u>	<u>129,0</u>

- Total operational expenses decrease from 31,1% to 29,9% of turnover
- Cost of labor decreases from 15,5% (2005) to 15,3% (2006) of turnover
- Other expenses decrease from 14,4% to 13,4% of turnover

NB: Marketing costs in 2006, as in 2005, between 3% and 4% of turnover

Results per half year

(x € mln)	H1 2005	H1 2006	H2 2005	H2 2006
Net turnover	215,3	242,0	156,8	189,7
Cost of goods	(130,5)	(152,1)	(100,1)	(120,5)
	60,6%	62,9%	63,8%	63,5%
Other costs	(68,7)	(72,4)	(47,1)	(56,6)
	<u>(199,2)</u>	<u>(224,5)</u>	<u>(147,2)</u>	<u>(177,1)</u>
Operating profit	16,1	17,5	9,6	12,6
	7,5%	7,2%	6,1%	6,7%
Financial income & expenses	(2,0)	(2,2)	(1,0)	(1,7)
Taxes	(4,5)	(4,7)	(2,7)	(3,2)
Net profit	9,6	10,6	5,9	7,8
	4,5%	4,4%	3,8%	4,1%



Balance sheet, assets

(x € mln)

	2005	2006
Fixed assets		
Intangible fixed assets	3,9	12,4
Tangible fixed assets	43,1	48,7
Financial fixed assets	6,0	9,0
	<u>53,0</u>	<u>70,1</u>
Current assets		
Inventories	79,8	106,6
Receivables	50,9	65,8
Cash	0,1	0,1
	<u>130,8</u>	<u>172,5</u>
Total assets	<u><u>183,8</u></u>	<u><u>242,6</u></u>

- Increase fixed assets mainly due to acquisition SBS



Working capital (1)

(x € mln)	2005	2006
Inventories	79,8	106,6
Debtors	46,5	59,3
Creditors	(34,3)	(39,3)
	<u>92,0</u>	<u>126,6</u>

1. Inventories increase due to

- Organic growth and higher average price (due to electric power assisted bicycles and fitness)
- effect acquisitions €7,1 mln
- Strategic parts (for example batteries, electronics) in stock earlier in the season
- Increase inventory of finished product to increase reliability of deliveries



Working capital (2)

2. Debtors
 - Higher turnover during last few months 2006
 - Little fall-out
 - Effect acquisitions €6,2 mln
 3. Creditors
 - Effect acquisitions €1,8 mln
- Level of working capital strongly influenced by seasonal pattern and sort of clients/suppliers



Balance sheet, liabilities

(x € mln)	2005	2006
Group equity	77,4	91,9
Provisions	11,3	11,6
Long term debts	25,1	39,0
Credit institutions	24,5	48,2
Short-term debts	45,6	51,8
	<u>183,8</u>	<u>242,6</u>

- Increase loans and bank credit in order to finance acquisitions and organic growth



Group equity

(x €mln)

Group equity on 1 January 2006	77,4
Increase due to profit	18,4
Payment of dividend over 2005	(2,0)
Other mutations	<u>(1,9)</u>
Group equity on 31 december 2006	<u>91,9</u>
Increase in 2006	14,6

- Solvency ratio is 37,9% (2005: 42,1%)
- Per average weighed share group equity amounts to € 10,02 (2005: € 8,71)

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Cash flow from operations

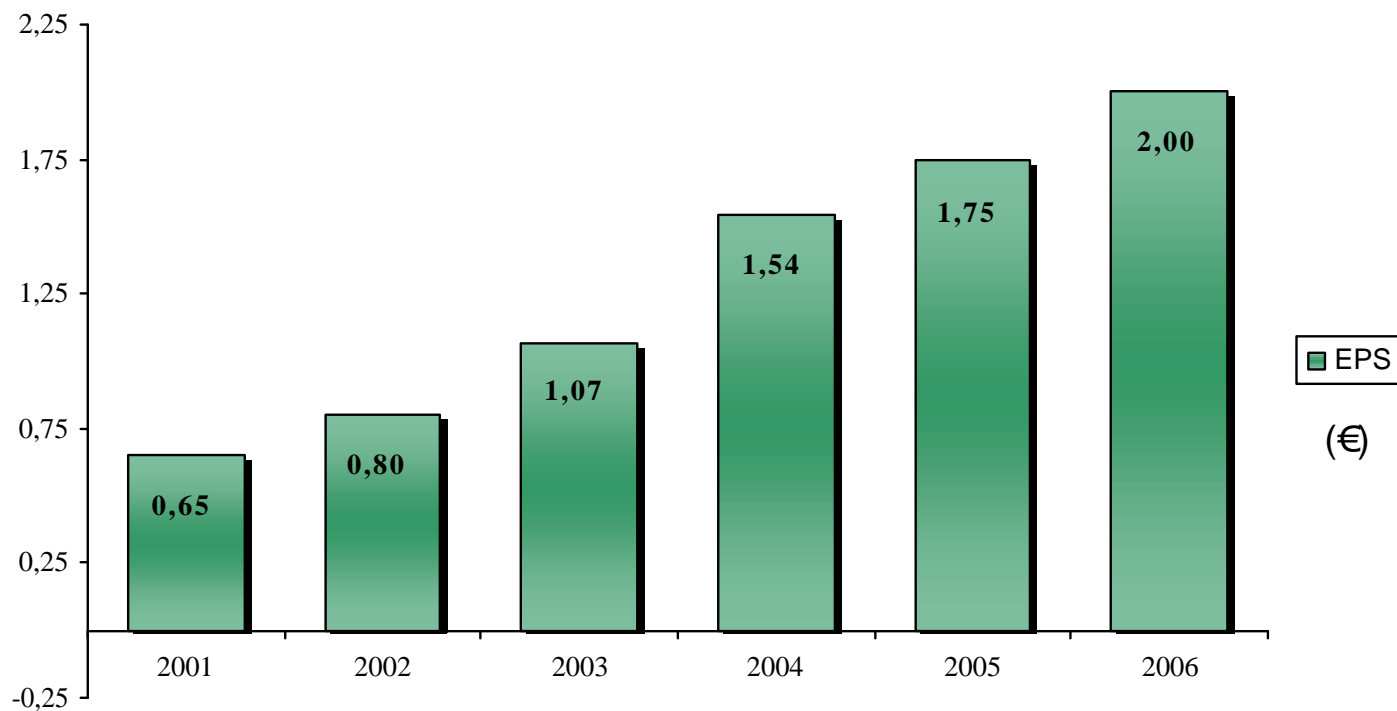
(x € mln)	2005	2006
Cash flow from operations		
Net profit	15,5	18,4
Depreciations	4,6	4,9
Share-based payments	0,1	0,1
Movement in provision	0,4	0,6
Net cash flow from operations before w.c.	20,6	24,0
Movement in working capital	8,0	-30,8
Net cash flow from operational activities	28,6	-6,8

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Cash flow from investment and financing activities

(x € mln)	2005	2006
Cash flow from investment activities		
Investments in intangible fixed assets	-7,4	-10,2
Investments in financial fixed assets	-0,3	-2,9
Acquisitions of subsidiary companies	-2,4	-12,9
Net cash flow from investment activities	-10,1	-26,1
Cash flow from financing activities		
Movement in bank loans and bank credits	-17,6	35,2
Dividends	-1,6	-2,0
Other movements	0,7	-0,3
Net cash flow from financing activities	-18,5	32,9

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Earnings per share





Ratios

	2005	2006
ROCE	18,6%	15,7%
ROE	20,1%	20,0%
Operating profit/turnover	6,9%	7,0%
Solvency	42,1%	37,9%
Average amount of employees	1.438	1.671



Dividend proposal 2006

- Optional dividend (stock / cash)
- Dividend proposal: € 0,95 (2005: € 0,83)
 - Payout ratio: 47,5% (2005: 47,5%)
 - Dividend yield: 3,65%* (2005: 4,1%)

* Based on share price ultimo 2006



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5. Innovation & design



Strategy Accell Group

- Offering added value to consumers with high quality and highly recognizable products
- Extend brand portfolio, focused marketing and intensive cooperation with specialized bicycle dealers
- Extend activities, especially in fitness and custom-made
- Continuing cost control, control of inventory, portfolio management, further use of synergies
- Active search for potential acquisitions



Outlook 2007

- Continuing interest in recreation, healthy living and more exercise in various markets
- Increase of level of scale in order to achieve benefits in purchasing, production, development and marketing
- Further increase of turnover and profit (barring unforeseen circumstances)



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Innovation and design

- Theme annual report 2006: “Innovation and Design”
- Accell Group aims at mid and high segments of its markets
- Innovation and design are therefore “key” within the strategy of Accell Group
- Usually one of the group companies takes the lead
- Other group companies benefit by means of “adaptions”
 - Example: Sparta Ion technology is being used by Batavus, Koga and Hercules, each integrated in bicycles with their own style



Innovation and design

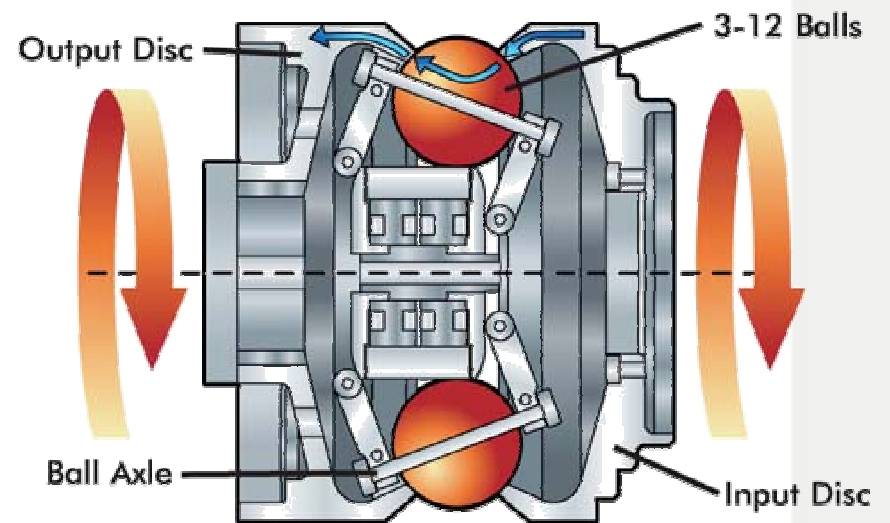
- Integrated lock in rear fork
- Weapon against theft
- Focus on design
- Winner of one of the four Bicycle Innovation Awards 2007 (RAI vereniging)



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Innovation and design

- Introduction NuVinci hub
- Smooth and stepless gear changing mechanism
- Winner of one of the four Bicycle Innovation Awards 2007 (RAI vereniging)
- Introduced by Batavus, To be used soon also by other group brands



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Batavus Adagio NuVinci

Dutch
bicycle
of the year
2007



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Innovation and design

- New indoor frame for Theo Bos
- Developed by Koga, TNO Sports, NLR en DSM
- Presented in November 2006
- To be used during 2008 Olympics



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Innovation and design

- T-Road by Tunturi
- Integrated in exercise cycles, treadmills and cross trainers
- Lifelike video images during training
- Images run in synch with speed and gradient





Tunturi Crosstrainer C85

- including T-road





Sparta ION





Lapierre “Francaise des Jeux” replica





Lapierre X-Control LMTD





Koga Tesla





Batavus Ultimate biking C4







ACCELL GROUP

