

Half year results 2003

René Takens (CEO), Hielke Sybesma (CFO)

Amsterdam

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Agenda



Summary results half year

Accell Group in 1st half 2003

Stock Accell Group

Financials

Prognoses

Samenvatting halfjaarresultaten



(x 1.000 EUR)

	30-6-2002	30-6-2003	
Turnover	159.218	165.305	4%
Net profit	3.564	5.027	41%
EPS	1,09	1,51	39%
Solvency	38,0%	41,8%	
Balance total	123.043	123.207	0%
Share price	14,00	13,35	-5%

Growth profit



- Continuous demand quality products
- Good sales mix
- Better margins
- Good weather

The Netherlands



- Clear growth in first half year
- Strong in mid- and higher segments
- Growth market shares
- Good mix and better margins
- Successful introduction Sparta Ion

Germany



- Continuous bad economic situation
- Professional retail suffers from price competition discounters
- More efforts needed to realise sales branded products
- Relatively unchanged market positions of Accell Group brands
- Because of good weather less/late discount
- Waiting for regain economy

France



- Strong first half year
- Growth top segment Lapierre
- Good effect Mercier (Poulidor) brand marketing
- Unpredictable purchase pattern hypermarché's

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TUNTURI[®]
THE MOTOR – *it's you.*



- Possibility to grow for Accell Group
- New geographic market for bicycles
- Expansion fitness activities
- Synergy effects

Tunturi: Bicycles



- Strongest brand in Finland
- Sales through professional retail
- Mid- and higher segment of the market
- Especially strong in City and Tracking segment



Tunturi fitness (1)



- Synergy with bicycles:
 - ⇒ Similar production process
 - ⇒ Similar in distribution
 - ⇒ Similar marketing
- Positioned in mid and higher segment

Tunturi: Fitness (2)



- Home use market
- Besides Finland strong in Benelux, Germany and U.K.
- Own sales offices in Benelux and U.K.

Tunturi: Fitness (3)



- Strongest segments are:
 - ⇒ Hometrainers
 - ⇒ Crosstrainers
 - ⇒ Treadmills



Be One



- License to current management
 - ⇒ Long time experience
 - ⇒ Capable to grow Be One in niche market
- Specialised ATB brand
 - ⇒ Needs more specific market approach
 - ⇒ Different then Batavus approach
- Was part of Batavus

Competition authorities



- Files becaom mostly public in June, missing pieces is asked for
 - ⇒ Accell Group can finally defend themselves
 - ⇒ Expectation is that our view of the case will be delivered in August
 - ⇒ NM^a has, within limits, no deadlines for next phase (to decide wether or not a penalty will be given).
- Started a process against NM^a
 - ⇒ Damaging press policy
 - ⇒ Uncarefull
 - ⇒ No reasonable preparation time is given to defend yourself against the press

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Summary results half year

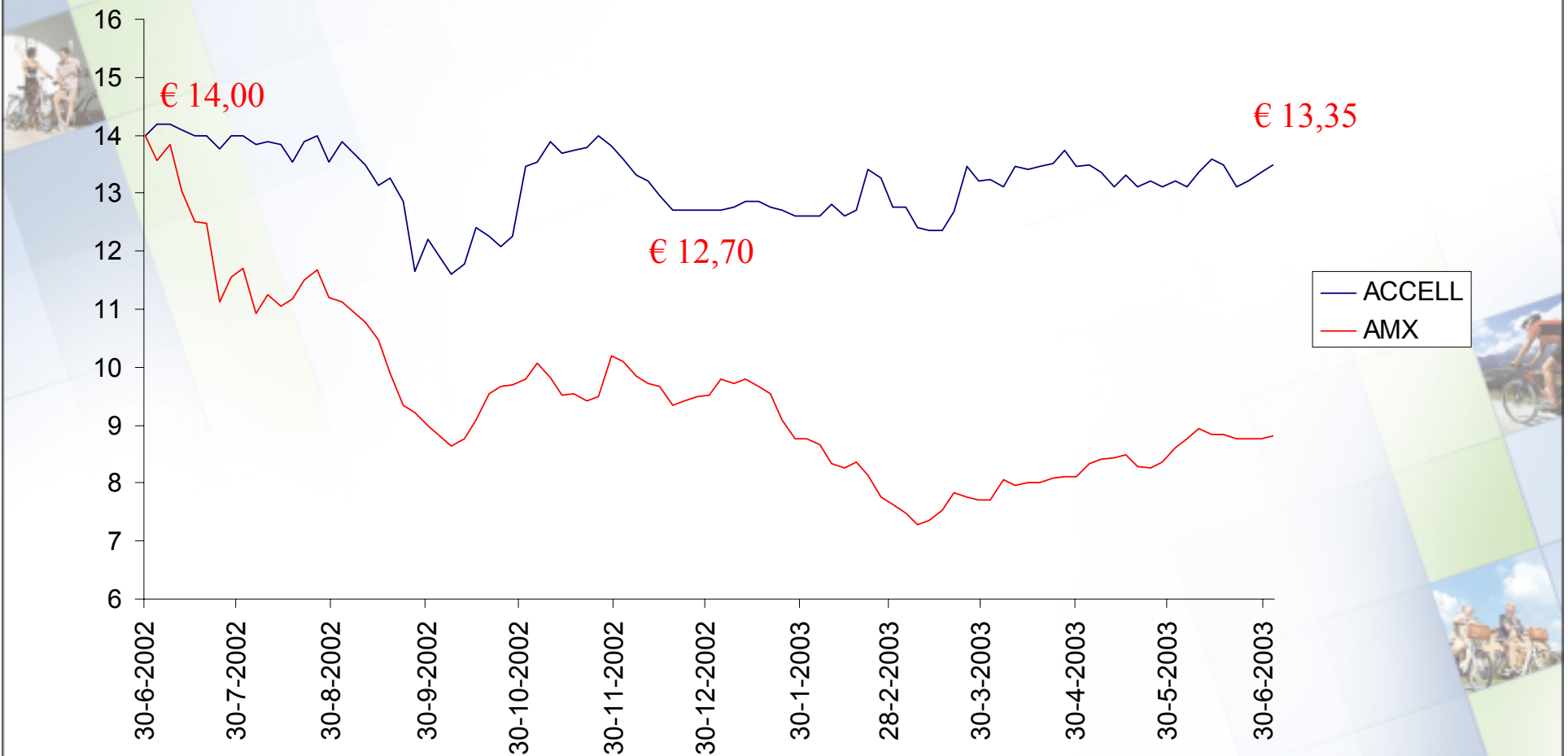
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Development share price





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Profit & Loss (1)



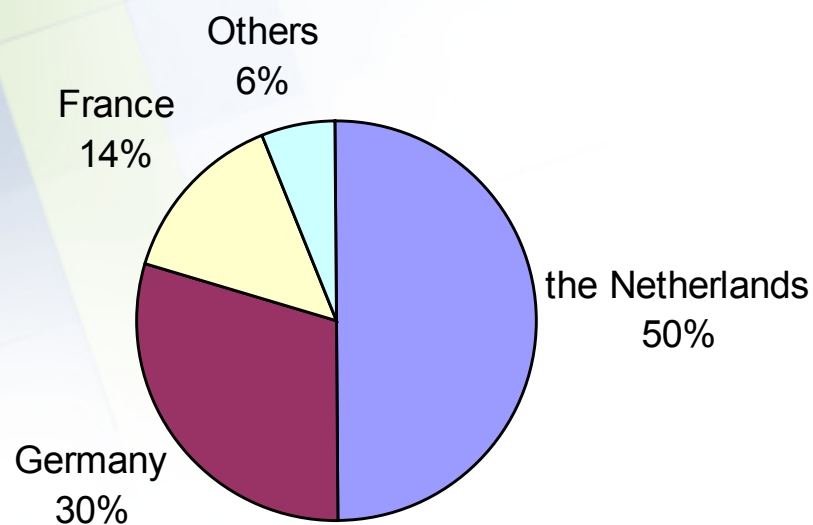
	30-6-2002	2002	30-6-2003	
Net turnover	159.218	259.430	165.305	4%
Cost of material	105.738	173.288	105.066	-1%
Other expenses	46.057	72.380	50.707	10%
EBIT	<u>7.423</u>	<u>13.762</u>	<u>9.532</u>	28%
Interest	1.938	3.239	1.798	-7%
tax	1.921	3.744	2.707	
Net profit	<u><u>3.564</u></u>	<u><u>6.779</u></u>	<u><u>5.027</u></u>	41%

Profit & Loss (2)



- Slight increase turnover because of slow economy
 - ⇒ Consumer expenditures are behind
- Good sales mix
 - ⇒ Remaining demand for quality products
 - ⇒ Average price increased
- Lower cost of material compared to turnover
 - ⇒ 63,6% 2003 (66,4% 2002)
 - ⇒ Added value (net turnover – cost of amterial) therefore increases
 - ⇒ Better average margins and purchase conditions

Geographic turnover



(* EUR milj.)

the Netherlands

Germany

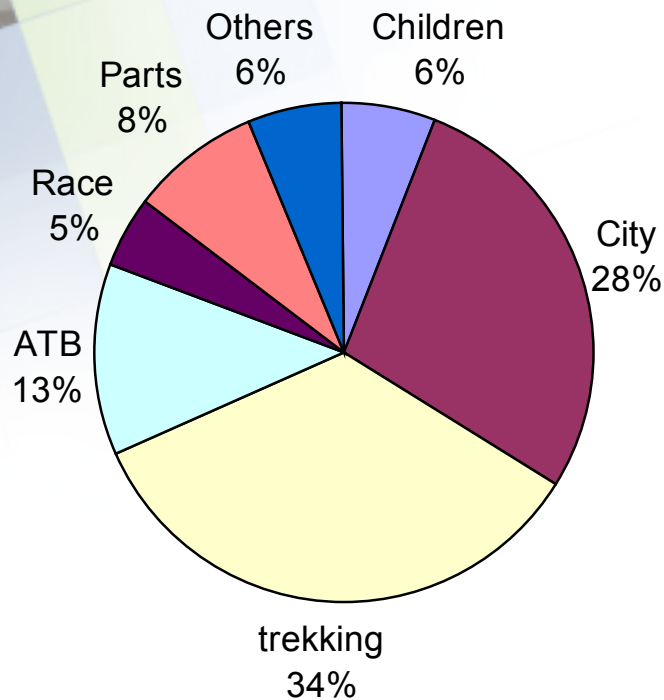
France

Others

Totaal

	H1 2002	H1 2003	
the Netherlands	75,9	82,4	9%
Germany	50,6	49,1	-3%
France	22,4	23,5	5%
Others	10,3	10,3	
Totaal	159,2	165,3	

Turnover by segment



(* EUR milj.)

Children
City
Tracking
ATB
Race
Parts
Others
Totaal

	H1 2002	H1 2003	
Children	9,2	10,0	9%
City	44,9	46,2	3%
Tracking	54,9	56,3	3%
ATB	20,6	20,6	0%
Race	8,2	8,0	-2%
Parts	13,1	14,0	7%
Others	8,3	10,2	23%
Totaal	159,2	165,3	

Other expenses



- Other expenses, excl. cost of material, relatively increased

(x € miljoen)	30-6-2002	2002	30-6-2003	
Personnell	21.664	38.683	23.695	9%
Depreciations	1.803	2.808	2.131	18%
Other expenses	22.590	30.889	24.881	10%
Total	<u>46.057</u>	<u>72.380</u>	<u>50.707</u>	10%

⇒ Personnell from 13,6% to 14,3% of turnover

⇒ Other expenses from 14,2% to 15,1% of turnover

⇒ More added value, more costs and efforts

⇒ As a result a better profit

Balance sheet, assets (x € 1,000)



Assets	30-6-2002	31-12-2002	30-6-2003
<i>Fixed assets</i>			
intangible fixed assets	587	796	692
tangible fixed assets	22.504	23.791	24.395
financial fixed assets	3.700	2.734	2.734
	<u>26.791</u>	<u>27.321</u>	<u>27.821</u>
<i>Current assets</i>			
Stocks	52.067	50.872	47.893
Debtors	44.185	34.316	47.493
	<u>96.252</u>	<u>85.188</u>	<u>95.386</u>
Total assets	<u><u>123.043</u></u>	<u><u>112.509</u></u>	<u><u>123.207</u></u>

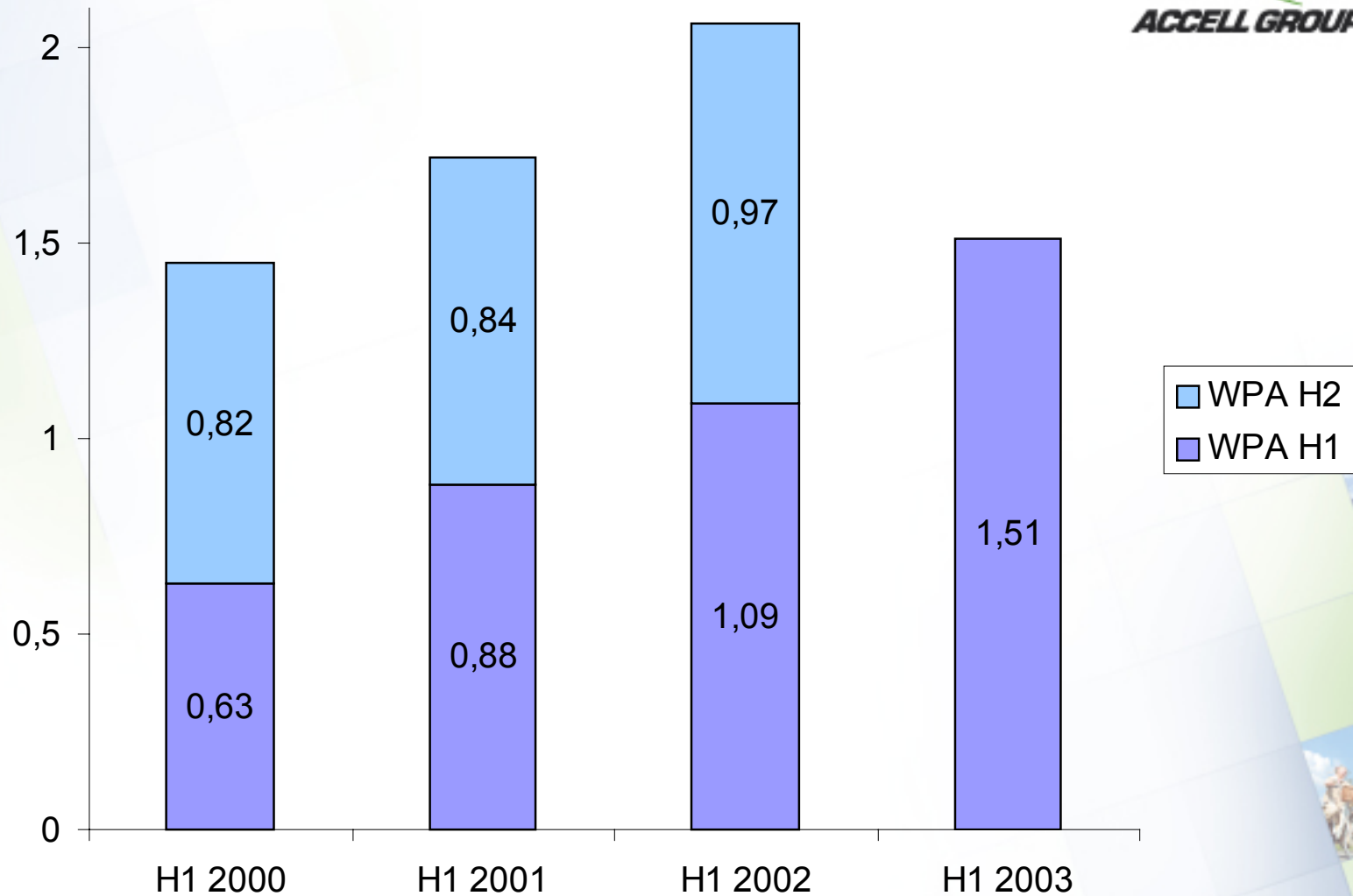
Balance sheet, liabilities (x € 1,000)



Liabilities

	30-6-2002	31-12-2002	30-6-2003
Group equity	39.296	42.292	44.521
Back loan	7.500	7.500	7.000
Provisions	7.413	5.939	6.412
Long term debt	16.360	22.501	22.138
Bank	20.559	19.054	14.903
Short term debt	31.915	15.223	28.233
	<u>123.043</u>	<u>112.509</u>	<u>123.207</u>

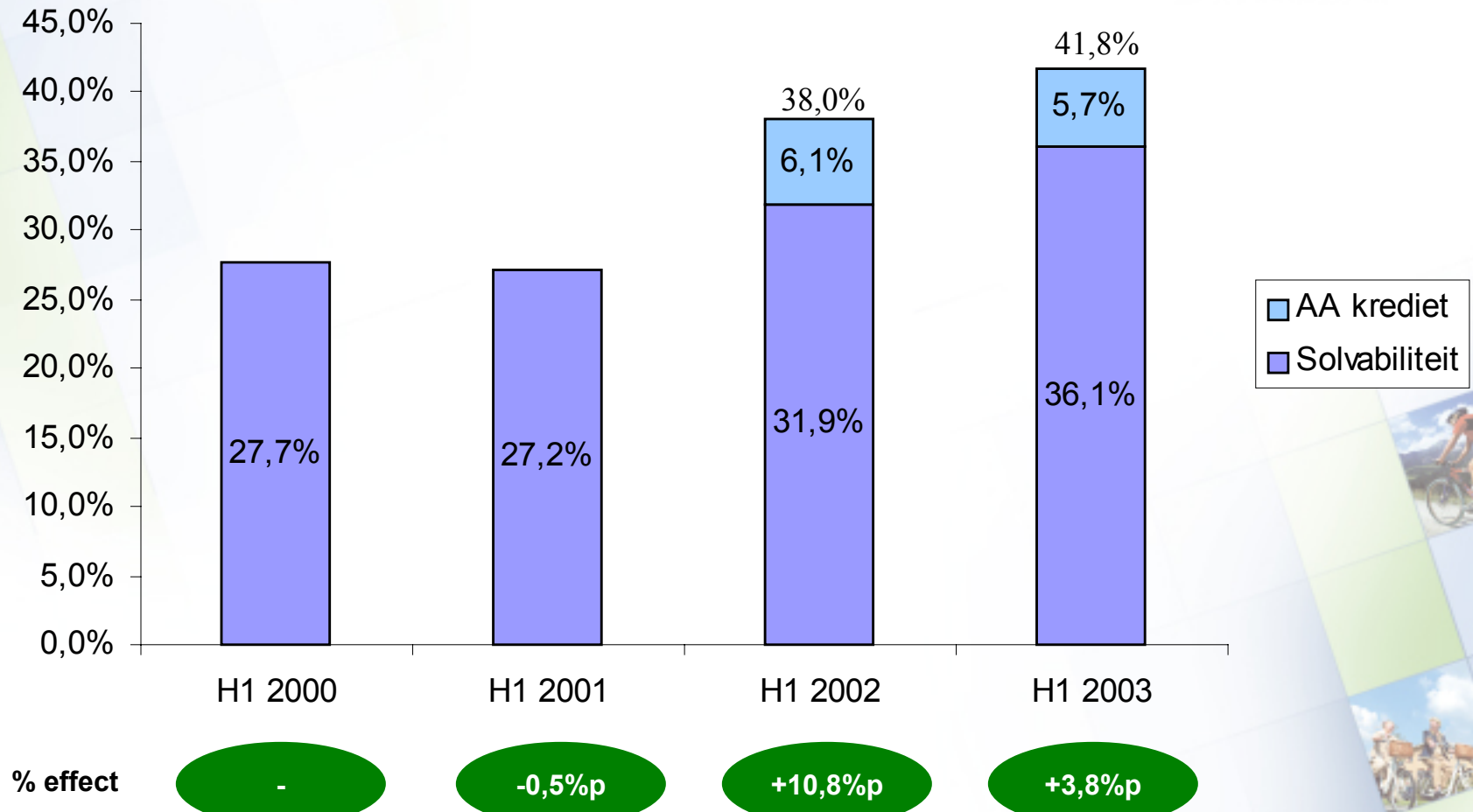
Overview ratio's – EPS



% effect 1st half year

-
+ 40%
+24%
+39%

Overview ratio's – Solvency per 30-06



* Including back loan NIB capital

Overview ratio's – ICR*



* Defined as EBIT/Rentekosten

Ratios



	30-6-2002	31-12-2002	30-06-2003
EBIT/Turnover	4,7%	5,3%	5,8%
Solvency	38%	44%	42%
Per share (x €)			
Group equity	12,06	12,86	13,39
Net profit	1,09	2,06	1,51



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- Second year half
 - ⇒ Integration Tunturi
 - ⇒ Focus brands
 - ⇒ Balanced and focused marketing campaigns
 - ⇒ Sparta Ion
 - ⇒ Cost control

- Important increase earnings per share total year
(unforeseen circumstances taken into consideration)



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