

Společně se na leifheit Ich vertrau auf leifheit Mi fido di leifheit

LEIFHEIT

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Company presentation

February 2014

Agenda

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

Corporate profile



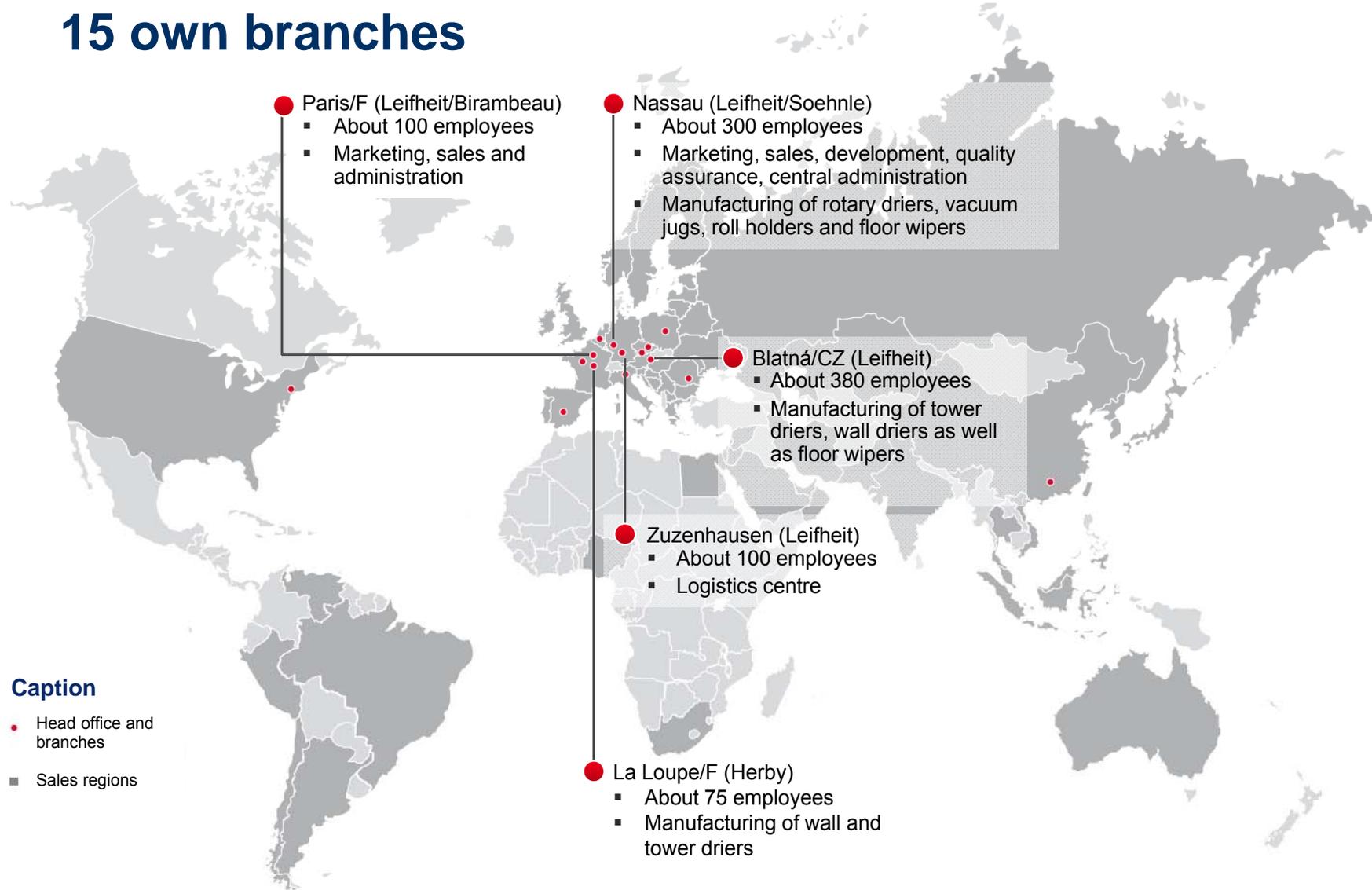
Our mission statement

Leifheit-Group is a European developer and manufacturer of branded products for selected household areas



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



Caption

- Head office and branches
- Sales regions



Brand Business generates the most turnover

Leifheit-Group

Turnover 2013: € 219,5 m*

Brand Business	Volume Business
Turnover: € 172.8 m (share: 78.7%)	Turnover: € 46.7 m (share: 21.3%)
<ul style="list-style-type: none"> ▪ High-quality brand 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, 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



* Preliminary figures 2013 adjusted for business with Dr Oetker Bakeware

Group development and outlook

preliminary figures 2013



Turnover slightly behind expectations, EBIT in line with forecast

	Forecast	Performance 2013e
Group turnover ¹⁾	Growth +2 % - 4 % (at the lower end)	Slight growth (1.0 %)
Brand Business	Growth +3 % - 5 % (at the lower end)	Slight growth (1.1 %)
Volume Business	Stable at previous year's level	Stable (+ 0.4 %)
EBIT	Earnings on adjusted level of previous year ²⁾	In line with the forecast

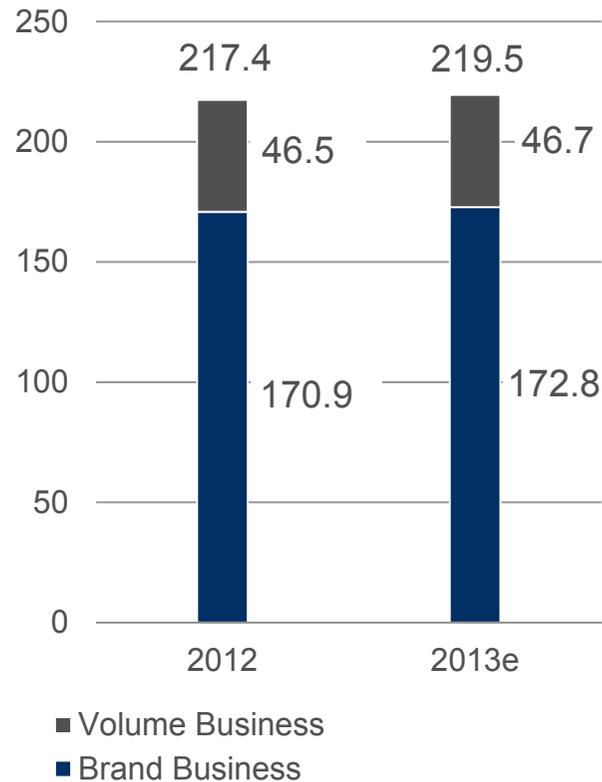
1) All turnover shown in this presentation are adjusted for business with Dr Oetker Bakeware

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 rises by 1.0%

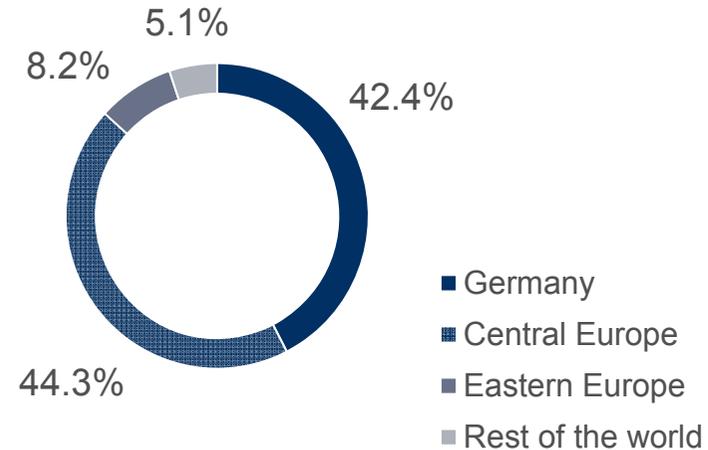
Group turnover

by divisions in € m



Group turnover 2013

by region / in %



- Domestic market of Germany remained stable
- Satisfactory growth rates in the Central European focus countries of France, Austria, Czech Republic and Scandinavia
- Decreases in demand slowed business development in the Netherlands, Italy and Russia

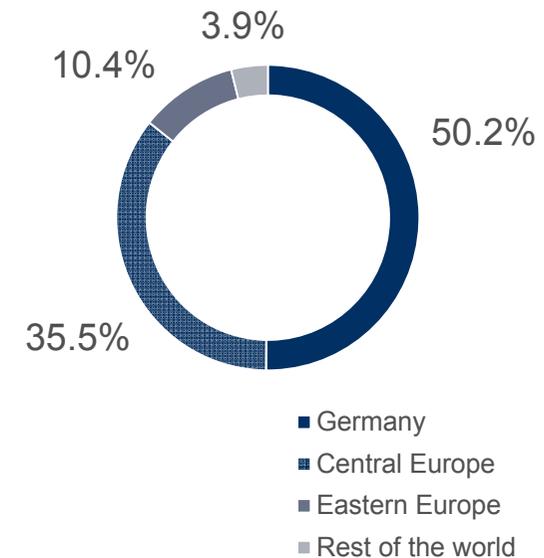
Brand Business: Innovations provide an increase in turnover

€ m	2013e	2012	+/- %
Turnover Brand Business	172.8	170.9	1.1
▪ Cleaning	54.3	48.1	12.9
▪ Laundry Care	73.0	74.1	-1.5
▪ Kitchen	16.5	17.5	-5.7
▪ Wellbeing	29.0	31.2	-7.1

- Product category Cleaning benefits from the product innovation “window vacuum cleaner”
- Turnover development in the category Laundry care declined in the first quarter by 6.9%
- High clearance sales of obsolete stocks in 2012 influenced product category Kitchen; Product innovation “Fresh&Slim” stimulates turnover in the third quarter
- Sales decrease in the product category Wellbeing due to lower demand for scales, especially abroad

Turnover Brand Business

by region / in %

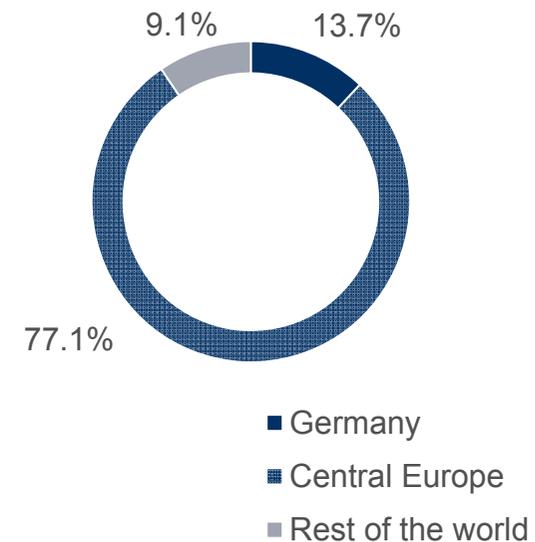


Volume Business: similar to previous year's level

€ m	2013e	2012	+/- %
Turnover			
Volume Business	46.7	46.5	0.4
▪ Cleaning	0.1	0.1	--
▪ Laundry Care	14.6	14.9	-2.0
▪ Kitchen	28.8	28.5	1.1
▪ Wellbeing	1.0	0.7	42.9
▪ Contract manufacturing	2.2	2.3	-4.3

Turnover Volume Business

by region / in %



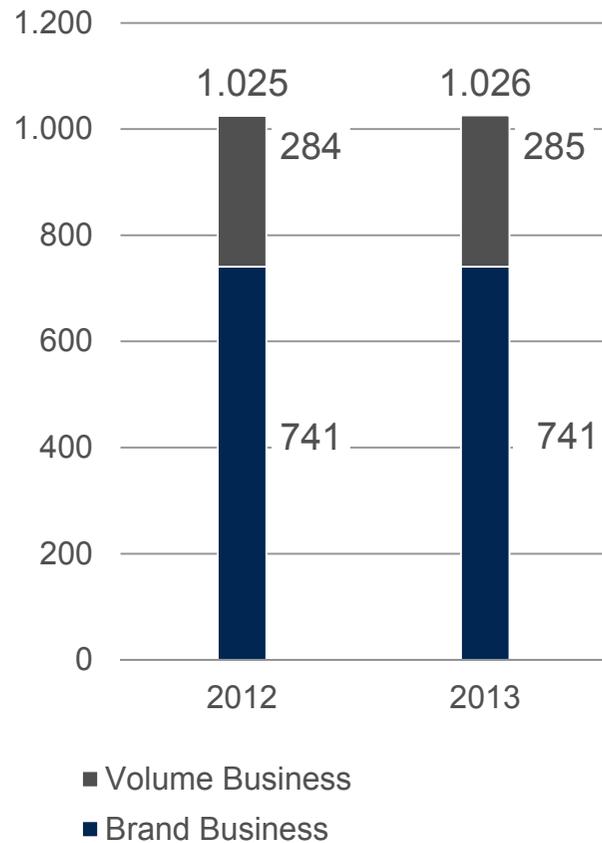
- Positive business development at Herby
- Promotional business in the Cleaning Category could not be repeated in the 4th quarter



Staffing numbers remain stable

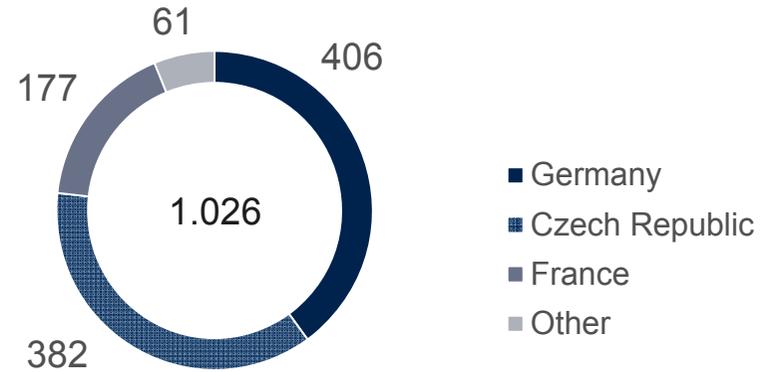
Employee development

as at 31 Dez



Employees

by region / as at 31 Dez 2013



- Number of employees remain stable
- Leifheit was named "Germany's top employer 2013"



2014: Focus on Brand and Margin

Outlook

Market and environment 2014	<ul style="list-style-type: none">▪ Slight stabilization of the general economic environment expected▪ Growth forecast:*<ul style="list-style-type: none">▪ Europe 1.0%▪ Germany 1.6%▪ France 0.9%
Group development 2014	<ul style="list-style-type: none">▪ Focus on Brand and Margin▪ Stable development of business
Mid-term development	<ul style="list-style-type: none">▪ Sustainable and profitable growth between 3% and 5%▪ Target EBIT margin of 8%

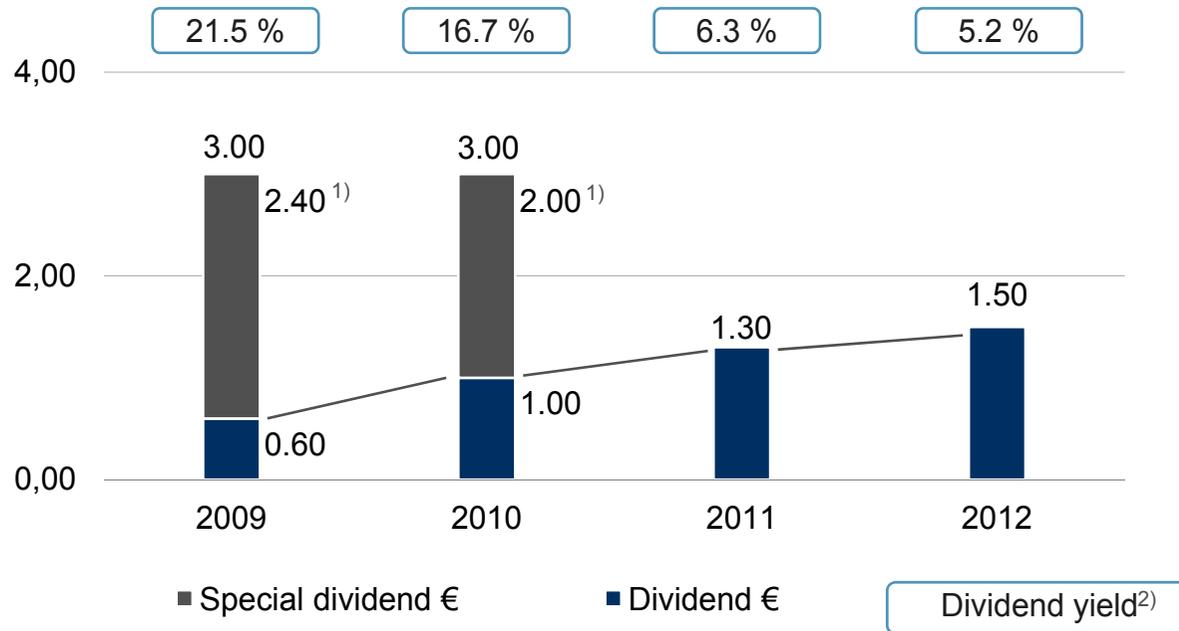
*

Source: International Monetary Fund Januar y2014

Leifheit share continues to be an attractive dividend title

Dividend development

2009 – 2012



- Dividend yield of 5.2 %
- 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)

Strategy

Leifheit

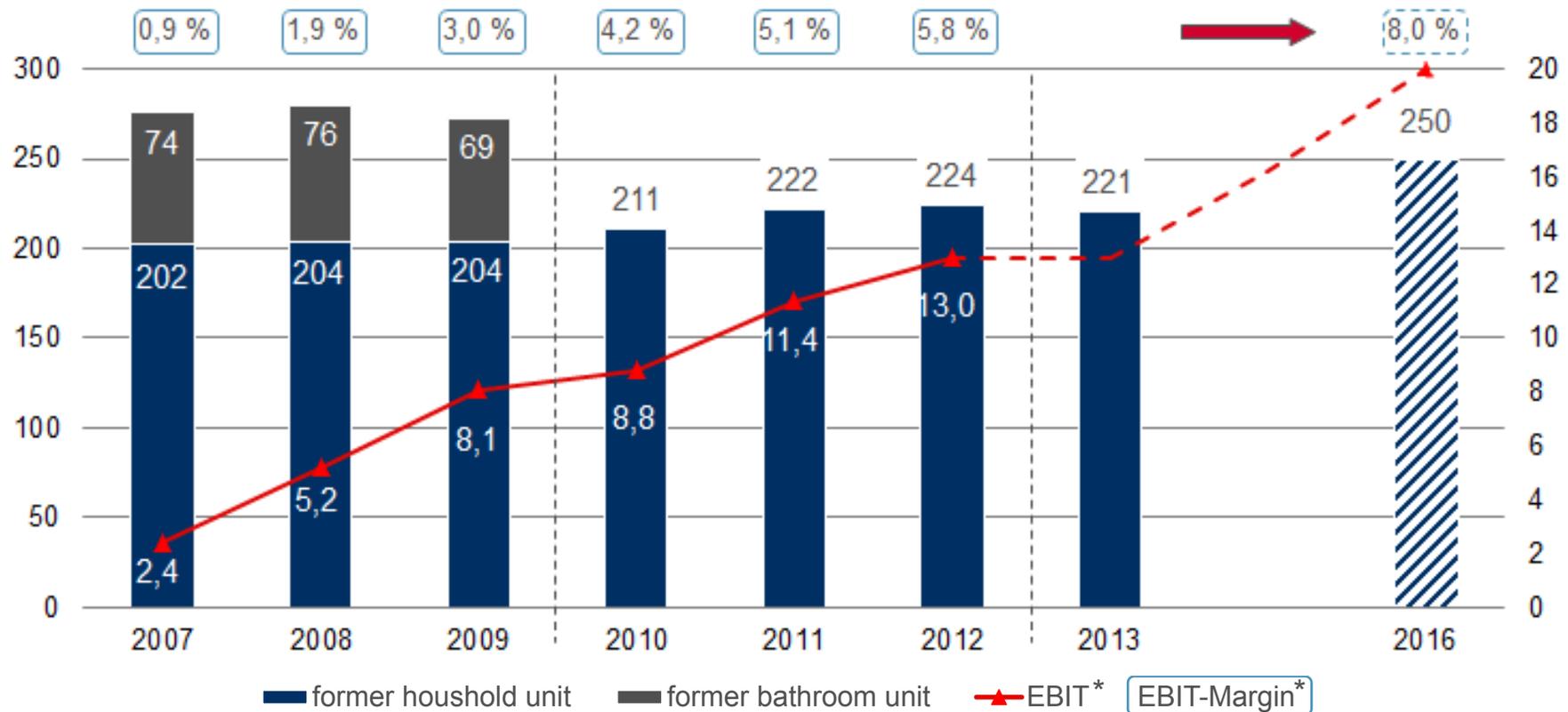




Growth in earnings after group restructuring: strategic focus on brand and margin

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

According to former household / former bathroom / in € m



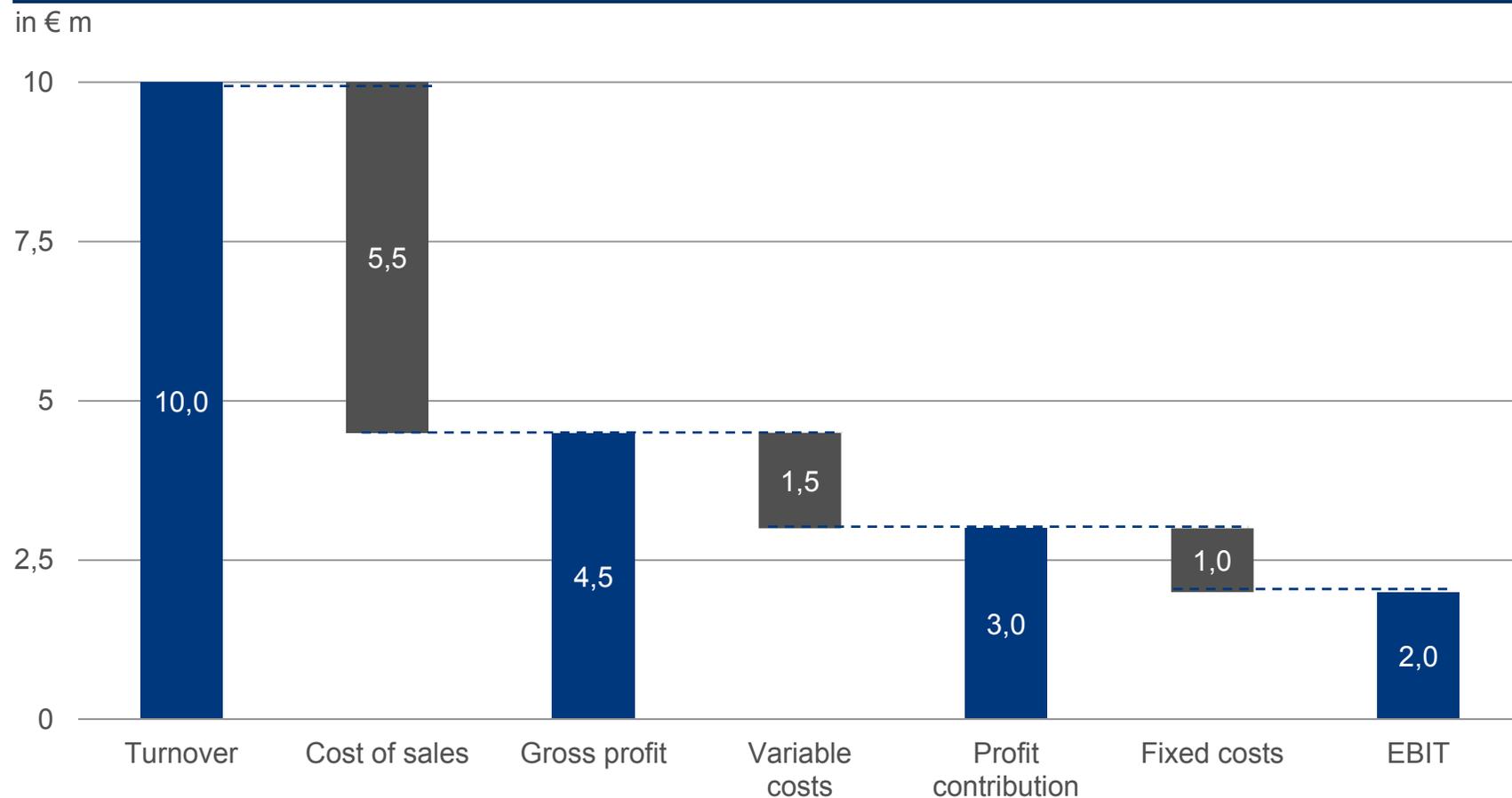
* EBIT 2011 adjusted for consolidation effects of € 2.5 m from obtaining control over Leifheit CZ a.s.
 EBIT 2012 adjusted for one-time positive effects from the termination of the license agreement with Dr Oetker Bakeware of € 1.2 m

Strategy "Leifheit GO!"



Company structure geared for growth: structure for approx. €280 m turnover

€ 10 m Turnover growth ~ € 2,0 m EBIT



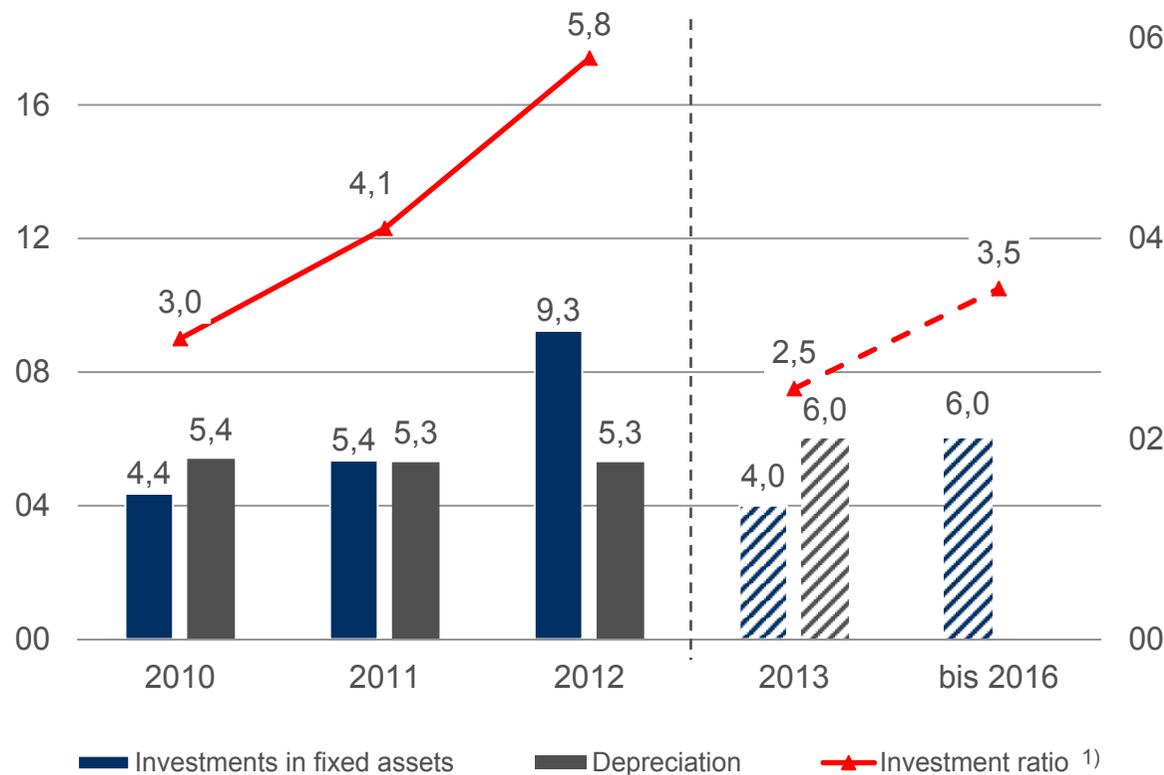
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We are well-positioned for further growth due to expansive investments in 2012

Investments vs. depreciation / Investment ratio

in € m



Investments in 2012:

- € 4.5 m in the expansion of production in Blatná, Czech Republic
- € 2.2 m in the expansion of the distribution center of Zuzenhausen
- Projection: ~ € 6.0 m annual investment volume until 2016

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



Further development through focusing on brand and margin

Company positioning	Portfolio optimization	Change Management	Performance orientation	Financial stabilization	Focusing
Brand provider with a focus on clever and innovative household products in the core categories: - Cleaning - Laundry Care - Kitchen - Wellbeing	- Sale of Soehnle Professional - Sale of the business unit 'bathroom' - Change of ladders segment against pressure steam ironing - Termination of the license agreement with Dr Oetker Bakeware	- General Principle - Leadership - Transparency - Employees - Innovation - Systems & Processes	- Continuous benchmarking - Profitable growth - Cost-efficiency - Capital-efficiency - Cash-generation	- Solid Cashflows - Absence of financial liabilities	Organic growth: I. Convergence on strategic focus markets II. Intensify e-commerce III. Strengthening of R&D /Innovation power IV. Brand and communication strategy with a focus on POS Inorganic growth: V. M&A
2008 – today Settled and rolling processes					



Organic growth:

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

Retail-distribution

E-commerce

Project Business/
Other

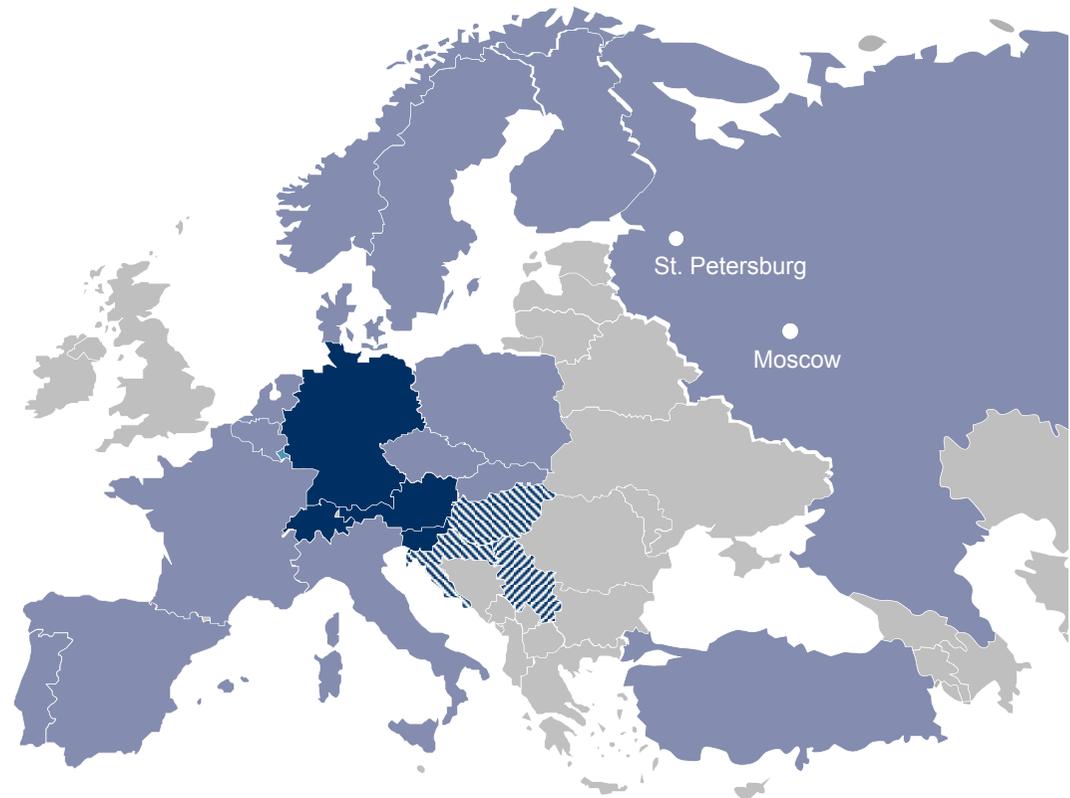
1. DACH-region

Worldwide distribution

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



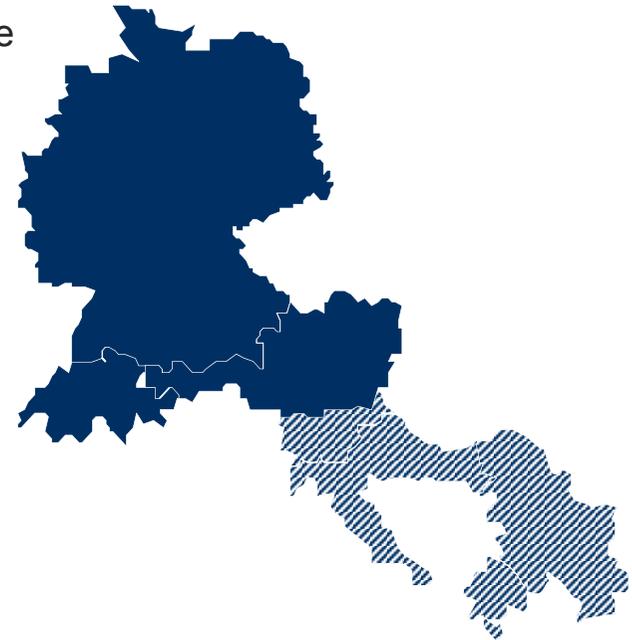


Organic growth:

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

DACH-region: hold on to superb position

- *Status quo:* DACH-region accounts for more than 50 percent of the company’s turnover, with steady growth rates
- *Goal:* hold on to and expand our superb position
- *Measures:*
 - Priority region for POS Excellence activities
 - Growth through product innovations





Organic growth:

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

Strategic focus markets in Europe: strengthening of distribution

- *Status quo:* Europe (without DACH-region) accounts for 45% of the company's turnover
- *Goal:* expansion of the distribution 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:*
 - Re-issuing of the international distribution strategy in the context of “Leifheit GO!”
 - Gather strategies at country level and country specific measures for distribution and marketing
 - Workshops: development of targets and actions as well as the optimization of the reporting-structure used for governance and the consequent monitoring of their implementation



Strategy “Leifheit GO!”

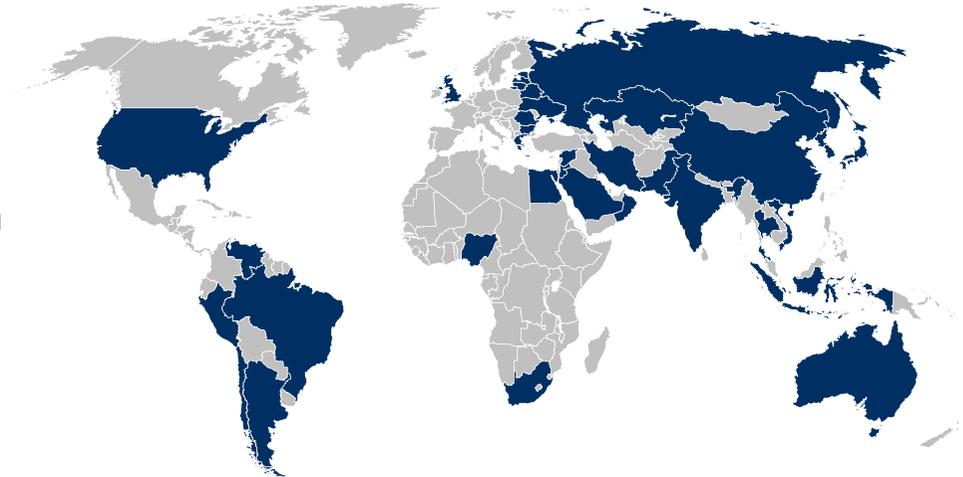


Organic growth:

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

International export markets: to be treated opportunistically

- *Status quo:*
 - Five percent of Leifheit’s turnover are generated in markets outside the DACH-region and other strategic focus markets
 - Exporting alone, use of distributors
- *Goal:* preparation for mid-term market expansion (e.g. China, USA)
- *Measures:* use of sales opportunities, but
 - no investments in markets
 - increased attention on the margin





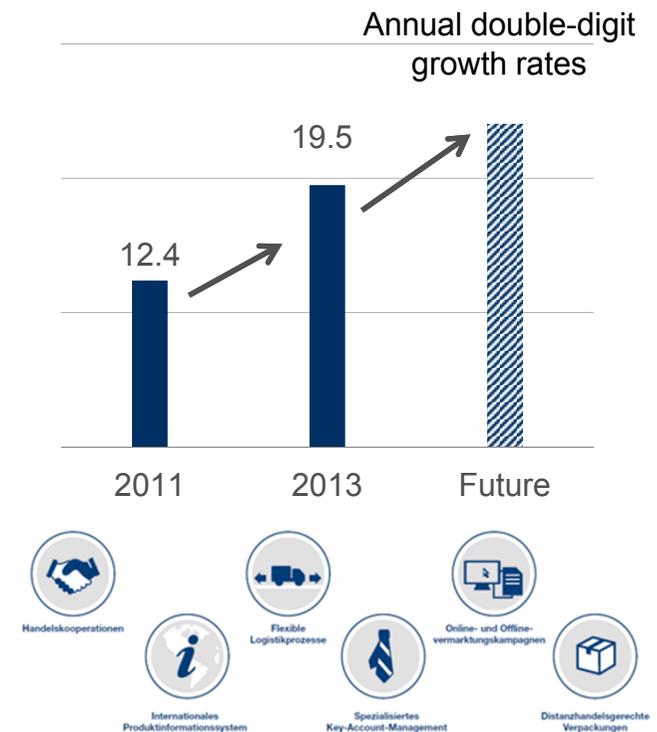
Organic growth: II. E-commerce intensification

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

Leifheit e-commerce
Turnover development in € m





Organic growth:

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

Innovation as growth driver

Status quo: innovation capacity* at a rate of 30 percent in 2012 slightly declining but product innovations like the window vacuum cleaner already provided a significant turnover impetus in 2013

- *Goal:* notable increase of innovation capacity
- *Measures:*
 - Consequent focus of the organization with regard to innovation management and optimization of innovation processes
 - Focus within R&D on the categories cleaning, laundry care and scales
 - Use of long-standing experience and know-how with regard to different consumer needs in different regions and countries



Product innovation window vacuum cleaner

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



* Share of turnover generated with products, that were brought onto the market within the last three years

Strategie „Leifheit GO!“



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

Awards of the Leifheit Group (selection)



Fresh&Slim



Comfort Slicer



Spray protection



Columbus



Speed Quirl



Comfort Jazz



Comfort Plus



Comfort Vital



AirActive L Express



AirActive L Steamer



Fashion Steamer Express



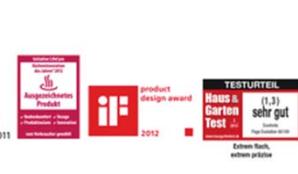
Fashion Steamer



Travel



Page Evolution



Page Evolution Steel



Page Profi



Pegasus 180



Linomatic 500 Deluxe



Clean Twist-System



Vakkum window cleaner



Solar Fit



Solar Star / Easy Solar



Web Connect

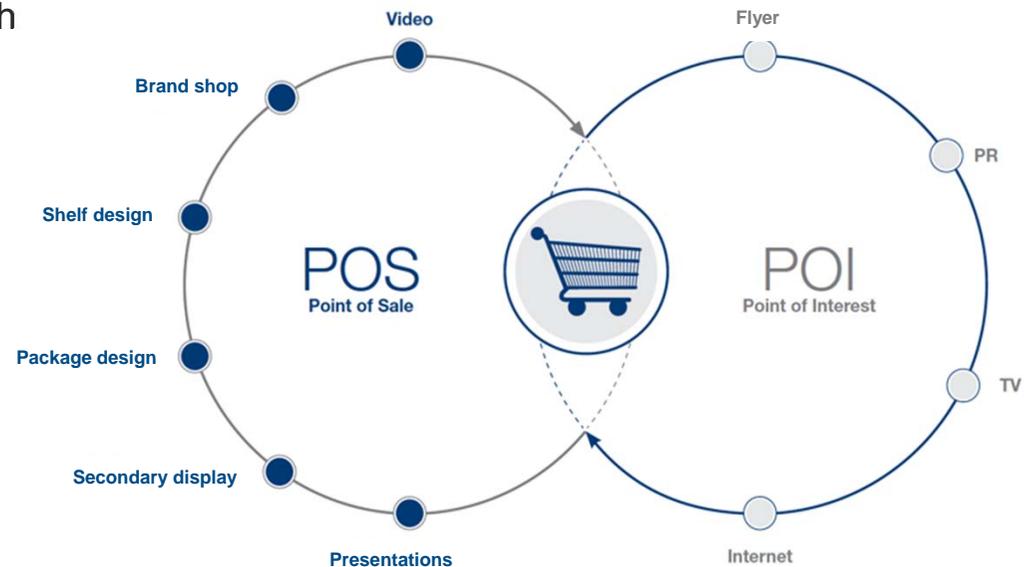
Strategy "Leifheit GO!"

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:*
 - POS solutions for every distribution ch
 - Optimized packaging and improved search logic at the shelf
 - Flanked by 360-degree-brand communication (TV, Online, PR)



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
- Positive effects for the stationary trade: average increase in turnover of 50% on the presentation area
- It is planned to open 50 more shops in 2014
- Numerous shelf presentation concepts of our customers were optimized for an improved search logic, through the use of new POS tools with test stations, video monitors and shelf screens as well as secondary placement promotions



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Strategy “Leifheit GO!”

Inorganic growth: V. 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

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.

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 will receive 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



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Product innovations 2014

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 are about 25 per cent lighter 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-Serie

- 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 the 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

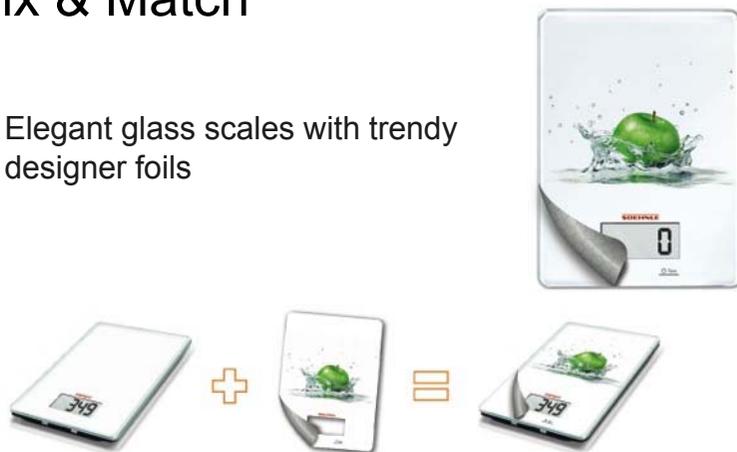
- Personal scales with analysis function are a master in their field, suitable for all weight classes



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

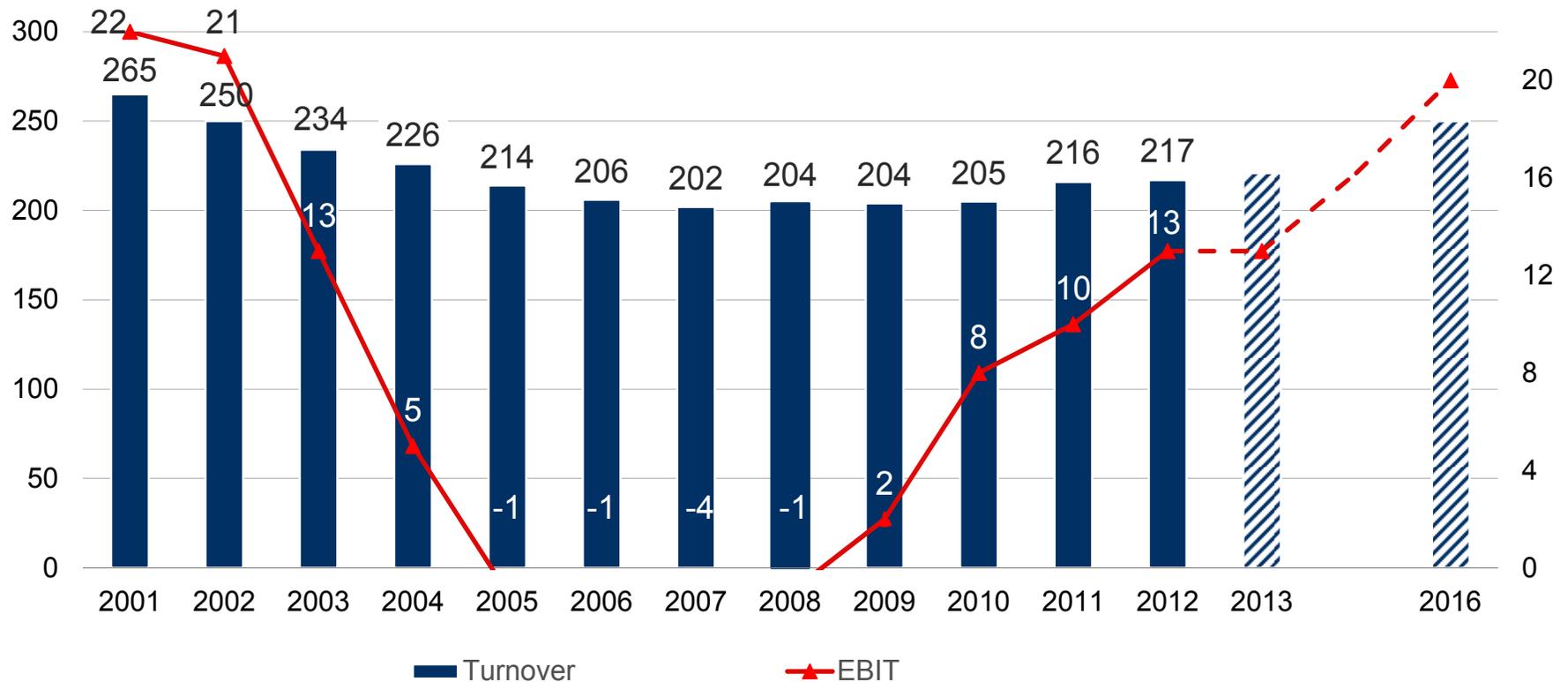
- Positive business development in 2013, despite challenging market environment
- Well-known brands in leading market positions and solid trust of customers
- Innovative products and distribution concepts for further growth: 2014 once again lots of consumer related product innovations
- Focus on established markets within the DACH-region and Central Europe as well as on growth regions
- Solid financing with an equity ratio of 44 percent
- Well positioned for possible M&A transactions
- Attractive dividend title

Annex

Annex

Long-term development

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



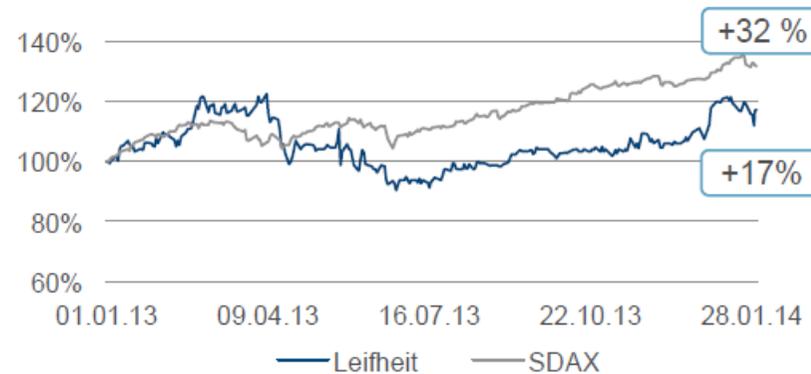
EBIT and Turnover adjusted by bathroom unit divested in 2010
 EBIT and Turnover 2009 - 2012 adjusted by Dr Oetker Bakeware (termination of license agreement by 31.12.2012)
 EBIT 2011 adjusted by consolidation effects of € 2.5 m from obtaining control over Leifheit CZ a.s.
 EBIT 2012 adjusted by one-time positive effects from the termination of the license agreement with Dr Oetker Bakeware of € 1.2 m

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Leifheit share

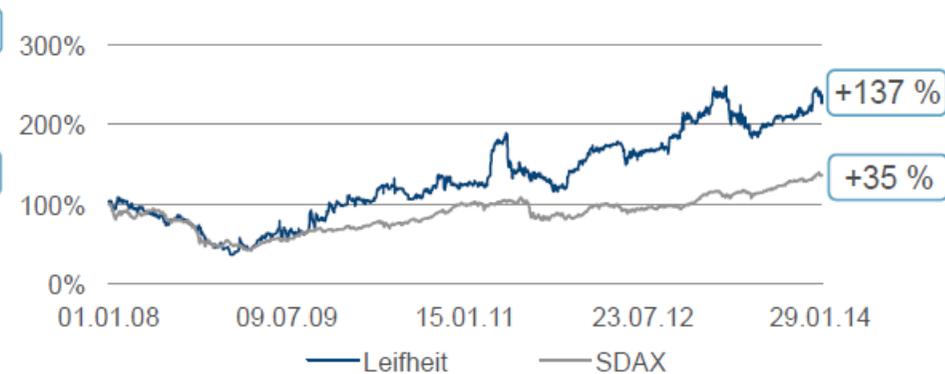
Performance 2013

Period: 1 Jan. 2013 to 31 Dec. 2013



Performance 2008–13

Period: 1 Jan. 2008 to 31. Jan. 2014

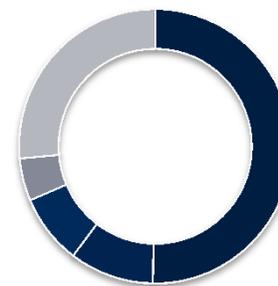


Master data

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%



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



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

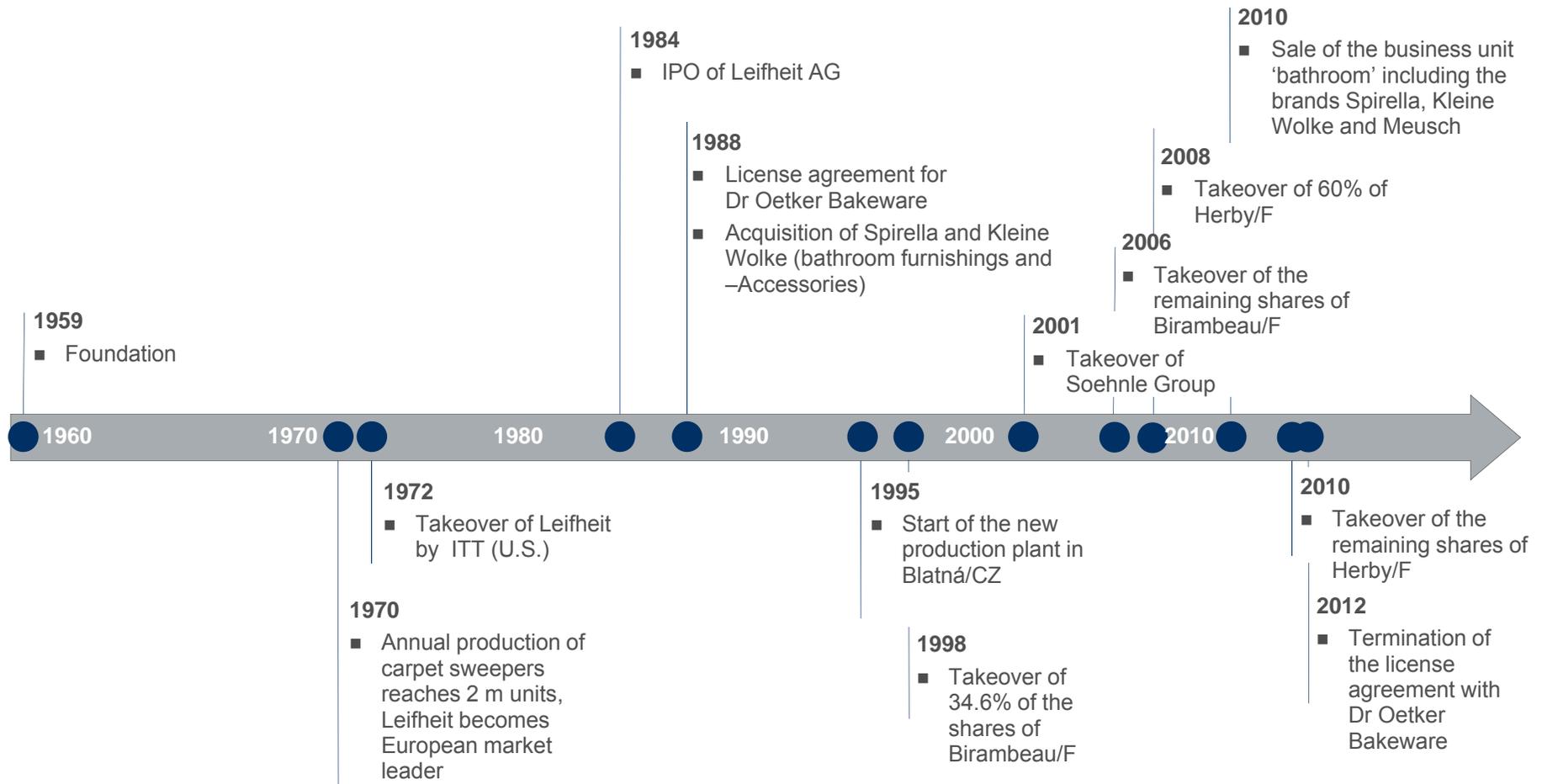
Previous experience:

- 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

Annex

Corporate history

50 years „always a better idea“



European Competitors by Category



Annex

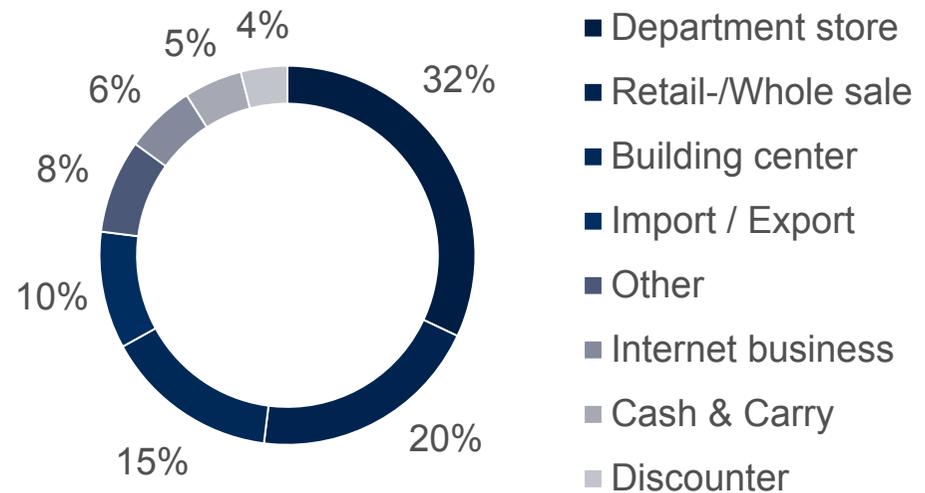
Distribution in every important distribution channel

TOP-10 clients



Distribution of turnover

by distribution channel in 2012 / in percent



Annex

Dates

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 Sept. 2014

November 2014

Presentation at the German Equity Forum,
Frankfurt/Main



Aktiengesellschaft

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