

telegate group: 3-months results 2009

Munich,
May 7, 2009

Agenda



- Q1 highlights: Transformation towards Local Search Provider
- 3-Months-Financials
- Business development & objectives

Transformation towards Local Search Provider: Short-term achievements



Highlights first quarter

- **Advertising sales:** growth of Media business in Germany in line with internal expectation (+9% like for like) and influenced by:
 - **Successful sales force - Integration:** Build up field sales on track (improving KPIs whilst extension)
 - **Integration of Product portfolio for Advertiser:** “One-stop-advertising” for SMEs under the roof of telegate MEDIA; Google AdWords well progressing
- **Product portfolio for User:** Extension of innovation leadership in mobile internet (e.g. klickTel for iPhone, Android)
- **Acquisition of klickTel:** 100% ownership

Transformation towards Local Search Provider

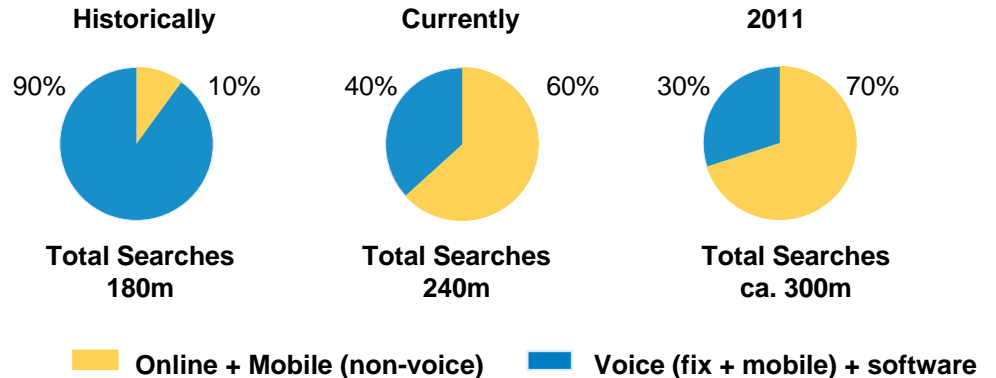
Long-term perspective



A. User-Mix Germany

- Searches constantly growing with digital as key driver
- Of all searches, 70% are expected to be online and via mobile-internet in 2011

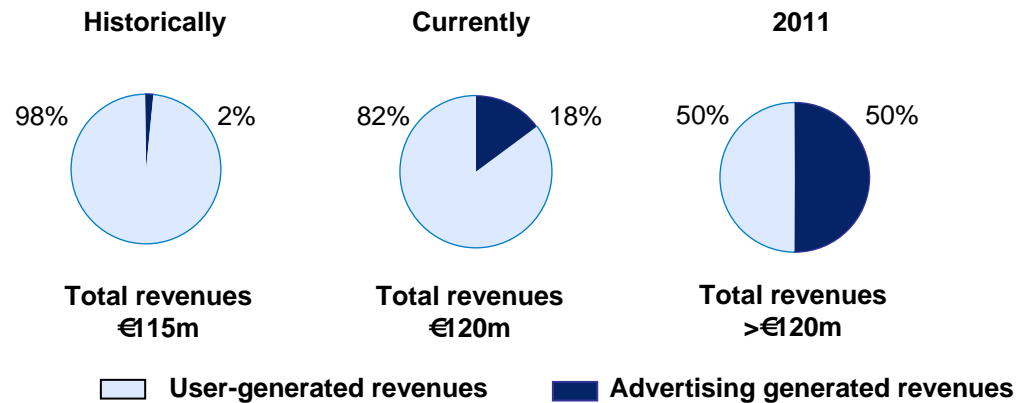
→ Transformation towards digital media



B. Revenue-Mix Germany

- Advertising generated revenues to account for 50% of total in 2011
- Advertising revenues are expected to overcompensate reduction in directory service revenues by 2011

→ Transformation towards Advertising-generated revenues



Source: internal data and GfK study

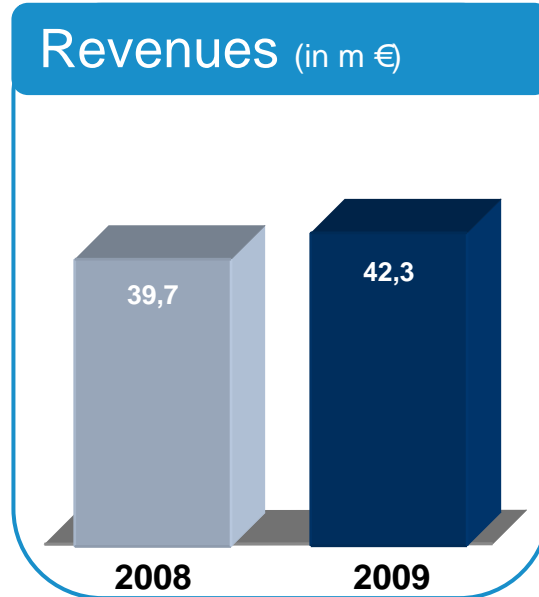
Agenda



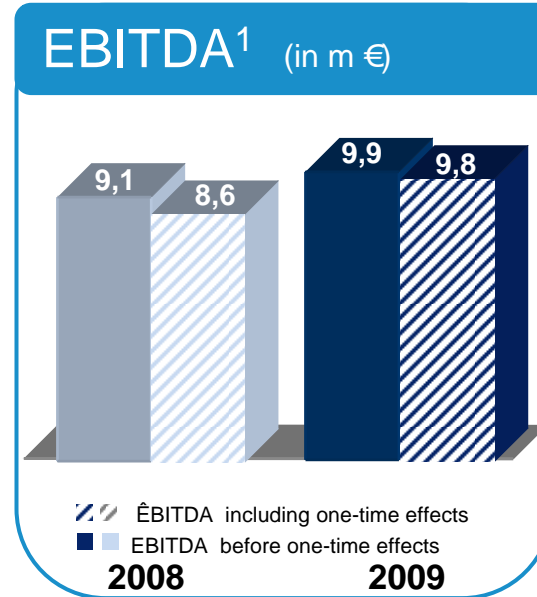
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Growth in top- and bottom-line

Development of key performance indicators



Internal and external growth of media business has over-compensated decline in classic DA



 EBITDA including one-time effects
 EBITDA before one-time effects

Profitability yoy even increased due to strict cost management

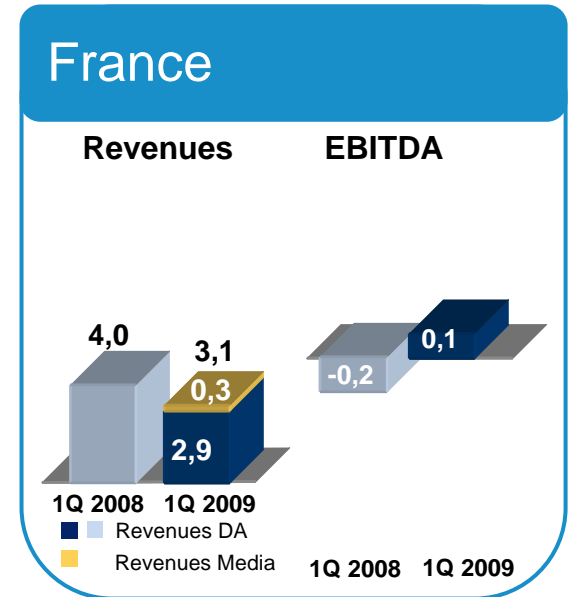
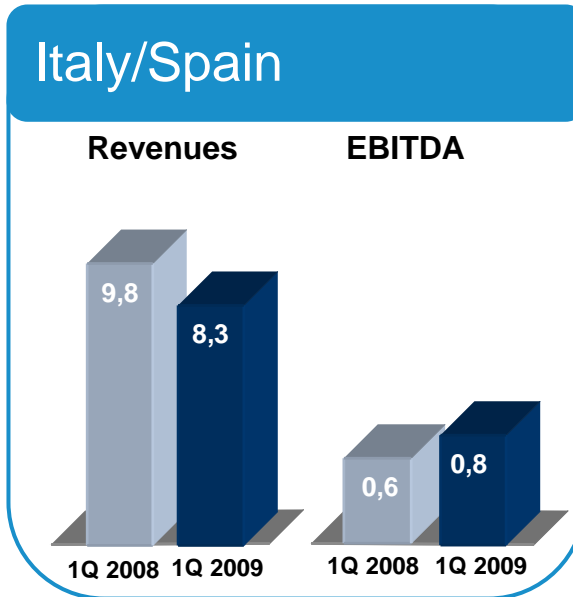
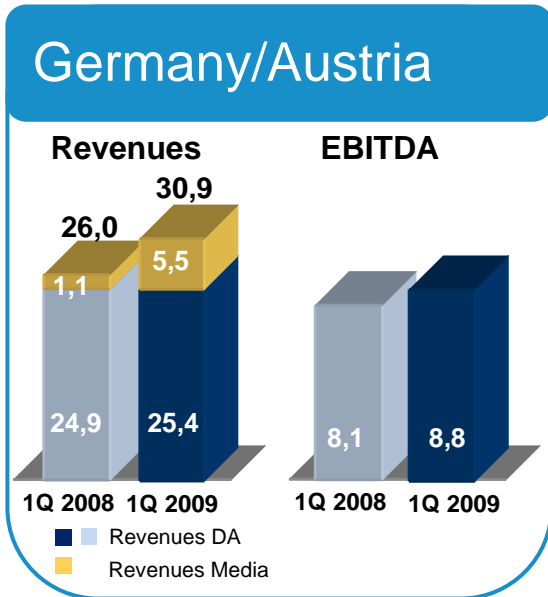
¹ one time effects are: integration costs in '08 of -0.5 m€, in '09 of -0.15 m€

Consolidated profit and loss statement



| in kEUR | Quarterly Report | |
|---------------------------------------|------------------|---------------|
| | Q1 2009 | Q1 2008 |
| Revenue | 42.317 | 39.706 |
| Revenue DA solutions | 36.566 | 38.588 |
| Revenue Media | 5.761 | 1.118 |
| | | |
| Gross profit | 23.777 | 21.487 |
| <i>Gross profit in %</i> | 56,2% | 54,1% |
| | | |
| Advertising costs | -3.674 | -5.406 |
| Personnel costs | -6.943 | -5.054 |
| Depreciation and amortisation | -2.887 | -1.845 |
| Other administrative expenses | -3.494 | -2.625 |
| Other operating income | 117 | 161 |
| | | |
| EBITDA before one-time effects | 9.933 | 9.063 |
| EBITDA after one-time effects | 9.783 | 8.563 |
| EBIT | 6.896 | 6.718 |
| Income tax - current | -902 | -1.768 |
| Income tax - deferred | - | - |
| Net income | 6.613 | 5.794 |
| | | |
| Earnings per share (in Euro) | 0,31 | 0,27 |

All segments with improved profitability



- Significant increase of media revenues thanks to internal and external growth
- Market decline in classic DA partly compensated by growth of comfort services and higher RpC

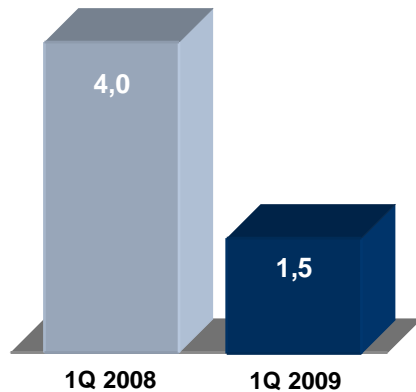
- Market decline in classic DA partly compensated with lower capacity cost in Italy
- Stable profitability despite economic downturn in Spain

- First material AdvSales contribution and strict cost management result in positive contribution from France

Continuing strong financial position

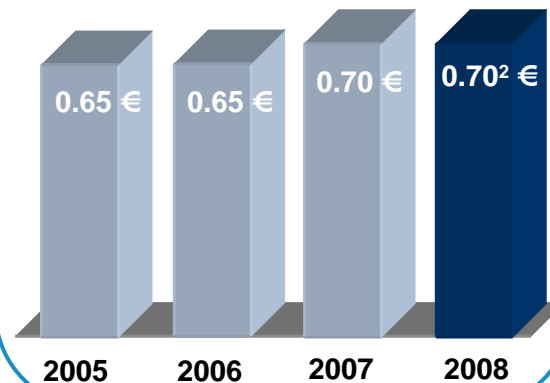


Free cash flow¹



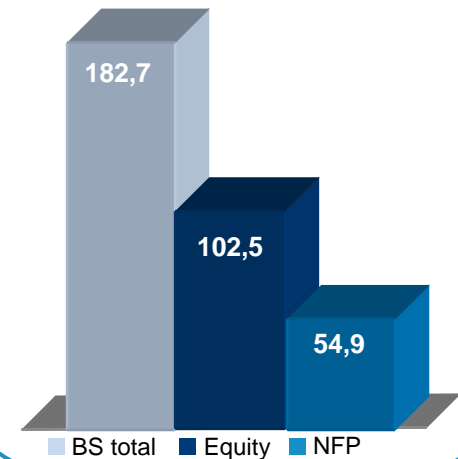
- Free cash flow in Q1 below “normalized” run rate due to
 - neg. effect from working capital (periodical effect)
 - higher tax payment (from prev. year)
 - Purchase of remaining minority-stake in tg MEDIA AG

Dividend contribution²



- Solid capital structure and positive outlook allows dividend continuity

Balance sheet



- Net financial position (31.03.09): 54.9 m€
- Equity ratio (31.03.09): 56%

¹ Free Cash Flow = Operating CF ./. Investing CF adjusted by M&A activities

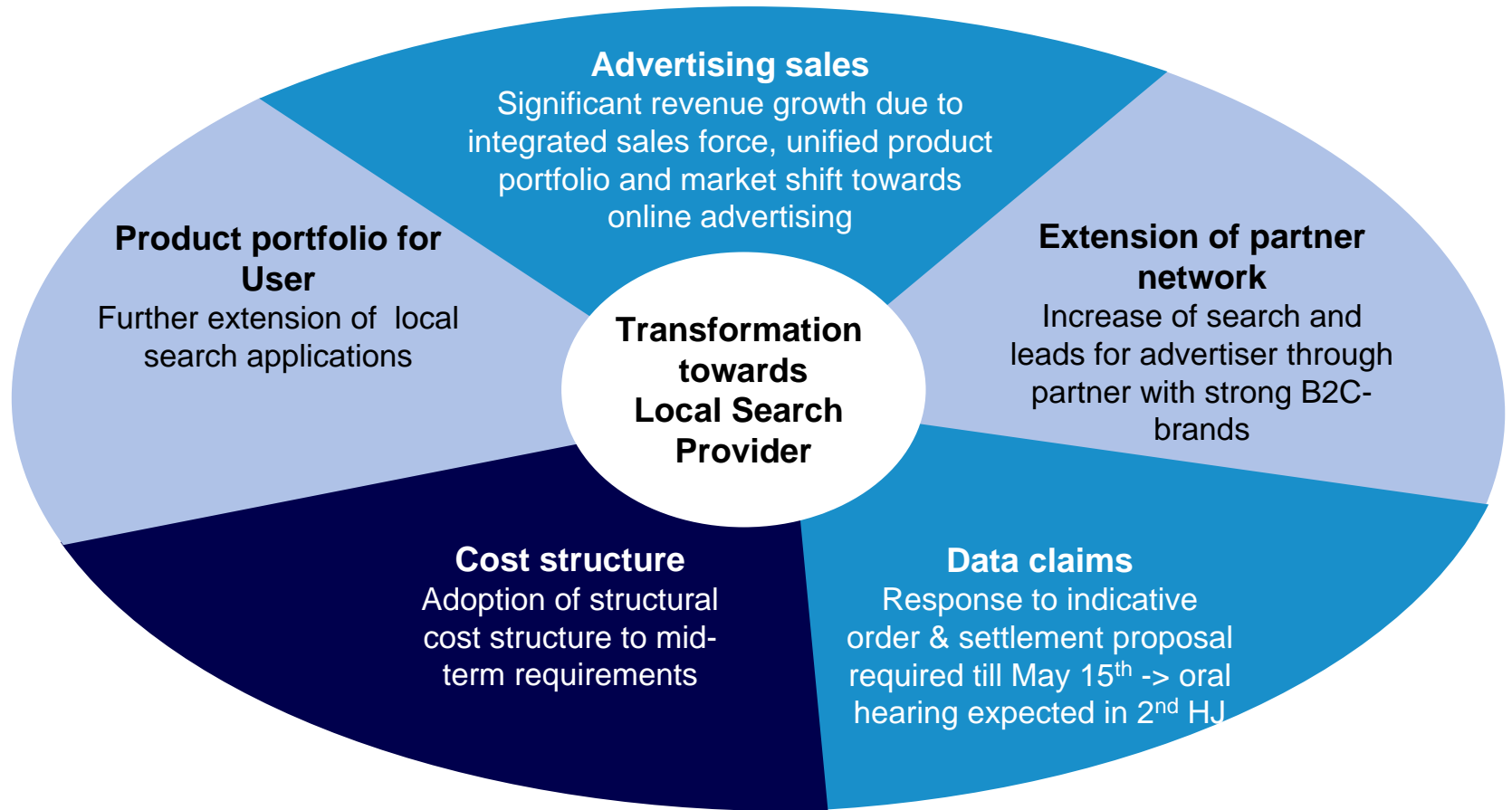
² Dividend proposal for AGM on May 27th

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Focus areas in 2009

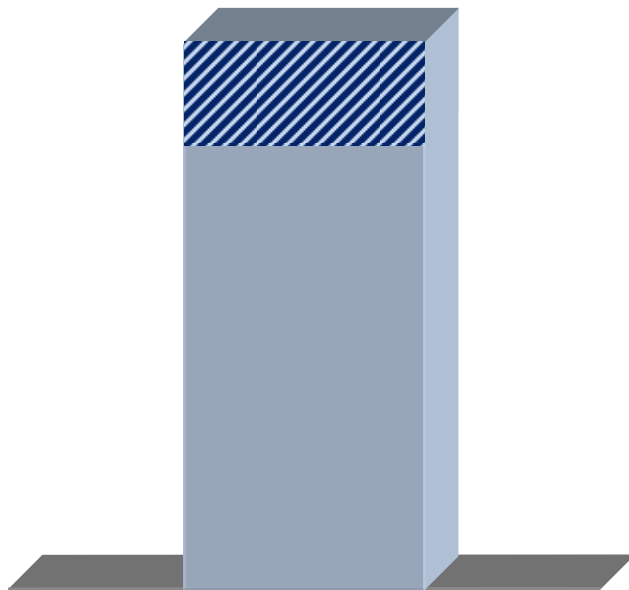


Business dynamics and profit guidance 2009



EBITDA¹ 2009

32 - 37 m€



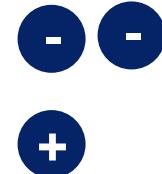
¹ before potential non-recurring items

Profit driver

Profit impact

DA-Solutions

- Market decline in classic DA
- Development of comfort services and increase of revenue per call



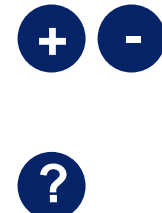
Media

- Growth of media business



Overall

- Investment in Media business vs. cost savings following telegate MEDIA AG integration
- Impact of economical downturn on media business not really visible so far



Contact telegate AG

Financial calendar



| | |
|--------------------|--|
| CEO | Dr. Andreas Albath |
| CFO | Ralf Grüßhaber |
| Board Member | Dr. Paolo Gonano |
| Investor Relations | Franz Peter Weber |
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| Homepage | www.telegate.com |

| | |
|--------------|------------------------------|
| May 27, 2009 | Annual Shareholder's Meeting |
| May 28, 2009 | Dividend payment |
| Jul 30, 2009 | 6-months results 2009 |
| Oct 29, 2009 | 9-months results 2009 |

Disclaimer



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Backup

Consolidated Balance Sheet



| in kEUR | Mar 31, 2009 | Mar 31, 2008 |
|---|----------------|----------------|
| Assets | | |
| Cash & cash equivalents | 54.892 | 67.003 |
| Tangible, intangible & financial assets | 59.905 | 28.626 |
| Trade accounts receivable | 57.765 | 53.552 |
| Other assets | 10.129 | 11.766 |
| | | |
| Total Assets | 182.691 | 160.947 |
| | | |
| Liabilities & Shareholders' equity | | |
| Current liabilities | 65.942 | 66.208 |
| Non-current liabilities | 14.229 | 2.281 |
| Shareholders' equity attributable to the parent | 102.520 | 92.458 |
| Total liabilities & shareholders' equity | 182.691 | 160.947 |

Consolidated Cash Flow Statement



| in kEUR | Mar 31, 2009 | Mar 31, 2008 |
|--|---------------|---------------|
| Net income before income tax | 7.515 | 7.562 |
| Depreciation & amortisation | 2.887 | 1.845 |
| Changes in operating assets & liabilities | -2.666 | -3.774 |
| Income taxes paid | -4.491 | -495 |
| Other items | 446 | -647 |
| Cash flows from operating activities | 3.691 | 4.492 |
| Capital expenditures | -2.208 | -525 |
| Acquisition/purchase of a subsidiary, net of cash acquired/purchased | 103 | 154 |
| Acquisition of minority interests | -952 | - |
| Proceeds from sale/purchase of financial investments | - | -4.430 |
| Cash flows used in investing activities | -3.058 | -4.801 |
| Cash paid of restricted cash accounts | - | -56 |
| Interests received | 831 | 659 |
| Interests paid | -33 | -69 |
| Cash flows provided by (used in) financing activities | 798 | 534 |
| Increase in cash and cash equivalents | 1.431 | 225 |
| Cash and cash equivalents at beginning of reporting period | 53.461 | 66.778 |
| Cash and cash equivalents at end of reporting period | 54.892 | 67.003 |

Status: Data cost-proceedings DTAG



Reclamation claims

Proceedings:

- 1st case finally judged by the Federal Court of Justice
- 3 remaining cases at the Federal Court of Justice¹
- Indicative court order admits the reclamation claims on the merits. However, evidence required in which size DTAG delivered additional information & if tgt has been forced to accept unbundled data packet -> Higher Regional Court in Düsseldorf

100 m € (incl. interest)²

Damage claims

Proceedings:

- 1st instance: 2nd oral hearing in February 2008 confirms our confidence in a positive ruling
- Expert opinion (causality & amount) currently in drafting due to assignment by court

108 m € + interest

¹ incl. telegate Media AG

² 70 m€ net; 12.3 m€ already paid in 2007