



Acquisition of
Office Depot Europe

CONFERENCE CALL SEPTEMBER 26, 2016

2:00pm CEST/1:00pm BST



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AGENDA



AURELIUS Group

Acquisition of Office Depot Europe

Q&A

Contact

AURELIUS Group



- Acquisition, operational development and disposal of companies which are in a special situation and have development potential (mainly corporate carve-outs, occasionally family-owned businesses)
- Over 70 company acquisitions make AURELIUS a reliable partner for corporate groups and selling families
- Current portfolio of 25 companies, employing around 23,000 people, generating EUR 3.0bn in sales
- AURELIUS shares are listed in Germany (ISIN DE000A0JK2A8) with a market capitalisation of c. €1.6 billion as of September 2016

WHO WE BUY COMPANIES FROM



DAIMLER

Sunrise



GROUPE SNPE

THALES



FRANZ CORNELSEN
BILDUNGSGRUPPE



NEC



T Systems

valora

colt

ACQUISITION OF **Office DEPOT.**



Business Overview

- Office Depot Europe is one of Europe's leading providers of office supplies and services, operating across 14 countries
- Revenues of approx. €2bn, largest acquisition in the history of AURELIUS in terms of revenues
- Office Depot Europe operates 3 core divisions, serving the full range of business customers:
 - Viking (focus: SME customers)
 - Contract (focus medium/large corporates)
 - Retail outlets
- Supporting the core divisions is an extensive pan-European distribution and logistics network with 13 operated distribution centres, > 500 trucks, etc.



Seller

Florida-based Office Depot, Inc., a vendor of office supplies and services, intending to concentrate on its core business in North America

THREE CORE DIVISIONS SERVING THE FULL RANGE OF BUSINESS CUSTOMERS: VIKING, CONTRACT, OFFICE DEPOT

Viking Leading supplier of office supplies and services with a strong brand name and deep e-commerce capabilities

- Direct office supply to smaller businesses (generally < 300 employees), across 10 countries with key markets being the UK, F and DACH
- Six product areas: office supplies, printing and document services, paper, computers and printers, business services like facility management, and office furniture
- Longstanding relationships with leading vendors
- >5m items sold p.a. to 1.2m active customers – addressable market size of more than 9m customers
- Sales made through offline (catalogues and flyers, with customers ordering through call centre) and online channels

➔ **Key focus for future growth:**

- Increase depth and breath of lineup
- Improved online platform and strategy,
- Shifting of marketing mix from direct mail to online media
- Focus on upselling to existing customers

THREE CORE DIVISIONS SERVING THE FULL RANGE OF BUSINESS CUSTOMERS: VIKING, CONTRACT, OFFICE DEPOT

CONTRACT

operated under
brand

**Office
DEPOT.**

Leading B2B provider of office supplies and services to international, national and other large contract customers across Europe

- Attractive B2B customer base with over 100,000 contract customers, generally on longer term (up to 5 years) contracts
- Pan-European footprint with main markets being the UK, France, Germany, Austria, and Switzerland
- Robust distribution infrastructure and experienced sales force
- Includes Facilities Management products, providing a more comprehensive offering to new and existing customers, opportunity to grow sales and margins

➔ Key focus for future growth:

- Expand share of wallet with existing client base
- Grow facilities management category
- Expansion of managed communications platform into new markets



THREE CORE DIVISIONS SERVING THE FULL RANGE OF BUSINESS CUSTOMERS: VIKING, CONTRACT, OFFICE DEPOT



Leading office supply retailer selling products under the strong Office Depot brand

- Sales to small businesses, as well as consumers – 600,000 active customers, 4.5m transactions p.a.
- Omni-channel distribution ensures customers' office supply can be met through a variety of channels

Key focus for future growth:



- Better integration with Viking / online operations
- Improved customer retention

September 2016

AURELIUS Group
intends to acquire

**Office
DEPOT.**

from
Office Depot, Inc.

Typical AURELIUS deal:

- Complex carve-out from selling US corporate Office Depot, Inc.
- Pan-European realignment opportunity
- Business suffered from a lack of focus due to uncertainty around failed merger with Staples
- Strong market position and brand name good basis for growth

Key figures:

- Revenue: approx. EUR 2bn, biggest acquisition in the history of AURELIUS in terms of revenues

Terms:

- Nominal purchase price

THANK YOU FOR YOUR ATTENTION



FINANCIAL CALENDAR

November 10, 2016	Press release Q3 2016
December 5-8, 2016	Berenberg European Conference, Pennyhill

RESEARCH

Oddo Seydler	€66.00/buy (11.08.2016)
Commerzbank	€64.00/buy (20.05.2016)
Hauck Aufhäuser	€64.00/buy (11.08.2016)
Baader/Helvea	€61.20/buy (29.06.2016)
Berenberg	€59.50/buy (12.05.2016)

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