

CONVENIENCE TRANSLATION

**Transfer of the Shares of the Minority Shareholders
of
TA Triumph-Adler AG
to
KYOCERA MITA Corporation
against Payment of an adequate Cash Compensation**

REPORT

**of KYOCERA MITA Corporation as Main Shareholder
on the Requirements of the Transfer of the Minority Shareholders'
Shares
and the Adequacy of the determined Cash Compensation
pursuant to section 327c para. 2 sent. 1 AktG**

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Exhibits

1. Draft Resolution on Transfer of Shares
2. Guarantee by Commerzbank AG, Düsseldorf
3. Report of Ebner Stolz Mönning Bachem GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Stuttgart

List of Abbreviations

BVerfG	Federal Constitutional Court (<i>Bundesverfassungsgericht</i>)
CAGR	Compound annual growth rate
CAPM	Capital asset pricing model
DCF methods	Discounted cash flow methods
EBITDA	Earnings before interest, taxes, depreciation and amortization
EBIT	Earnings before interest and taxes
EBT	Earnings before taxes
FAUB	Technical committee “valuation of companies and business management” (<i>Fachausschuss für Unternehmensbewertung und Betriebswirtschaft</i>)
IDW	Institute of Public Auditors in Germany (<i>Institut der Wirtschaftsprüfer in Deutschland e. V.</i>)
IDW S 1	IDW Standard: Principles for the performance of enterprise evaluations as amended on April 2, 2008
OLG	Higher Regional Court (<i>Oberlandesgericht</i>)
kEUR	Thousand Euro

I. Introduction

Pursuant to section 327a para. 1 German Stock Corporation Act (AktG) the general meeting of a stock corporation may upon demand of a shareholder who holds shares in the company in the amount of at least 95% of the share capital (main shareholder) resolve on the transfer of the shares of the other shareholders (minority shareholders) to the main shareholder against payment of an adequate cash compensation (so-called squeeze-out).

KYOCERA MITA Corporation with corporate seat at Osaka, Japan, currently holds 52.850.017 no-par value bearer shares and therewith approximately 95.43% of the share capital of TA Triumph-Adler AG. KYOCERA MITA Corporation is therefore the main shareholder of TA Triumph-Adler AG within the meaning of section § 327a para. 1 sent. 1 AktG.

KYOCERA MITA Corporation has decided to make use of the possibility of a squeeze-out of the minority shareholders of TA Triumph-Adler AG pursuant to sections 327a et seqq. AktG. In this context and by letter dated November 27, 2009 KYOCERA MITA Corporation expressed a demand within the meaning of section 327a para. 1 AktG to the management board of TA Triumph-Adler AG to let the general meeting of TA Triumph-Adler AG resolve on the transfer of the minority shareholders' shares to KYOCERA MITA Corporation against payment of an adequate cash compensation. This resolution shall be adopted by the extraordinary general meeting of TA Triumph-Adler AG taking place on April 20, 2010.

On the basis of an audit carried out by Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft, Düsseldorf, KYOCERA MITA Corporation has determined the cash compensation which shall be paid to the minority shareholders upon the transfer resolution becoming effective to be EUR 1.90 for each no-par value bearer share of TA Triumph-Adler AG. The adequacy of the cash compensation has been audited and confirmed by Ebner Stolz Mönning Bachem GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Stuttgart, which had been appointed as auditor by decision of the Regional Court of Nuremberg dated December 17, 2009.

KYOCERA MITA Corporation has submitted to the management board of TA Triumph-Adler AG a guarantee declaration by Commerzbank AG, Düsseldorf. By this declaration Commerzbank AG has assumed a guarantee pursuant to section 327b para. 3 AktG for the satisfaction of the obligation of KYOCERA MITA Corporation to pay the determined cash compensation for each transferred share to the minority shareholders of TA Triumph-Adler AG without undue delay after registration of the transfer resolution with the commercial register.

In order to inform the minority shareholders of TA Triumph-Adler AG, the main shareholder gives the following report pursuant to section 327c para. 2 sent. 1 AktG on the requirements of the transfer of the minority shareholders' shares and the adequacy of the cash compensation.

II. Requirements and Consequences of the Transfer Resolution

1. TA Triumph-Adler AG and TA Triumph-Adler Group

1.1 Overview

TA Triumph-Adler Group is specialized in the so-called document business. The group companies analyze and consult business customers individually and realize an efficient documents workflow in both, paper and electronic form, by an ongoing service.

The operating business of the TA Triumph-Adler Group is build around increasing the efficiency of the commercial end customers. More than about 400 document consultants support more than 35,000 mostly medium sized customers out of 50 locations. About 1,500 of these customers are major enterprises and institutions that work with TA Corporate-Consulting GmbH across Germany. The subsidiary UTAX GmbH deals exclusively with the reseller trade. UTAX GmbH currently supplies more than about 200 domestic and foreign resellers as well as distribution customers. At present the own brand products of the TA Triumph-Adler group are almost entirely manufactured by its main shareholder KYOCERA MI-TA Corporation as strategic partner. KYOCERA MITA Corporation is a worldwide leading manufacturer of innovative technology for office communication.

The centrally operated service unit of TA Triumph-Adler Group is particularly important for both new and follow-up business. About 500 in-house system supporters and logistics specialists look after more than 200,000 systems.

1.2 History and Development

The roots of the present TA Triumph-Adler AG go back to 19th century. The company arose from the Adlerwerke founded in the year 1880 as well as the Triumph Werke founded in 1896. At first, the business object of these enterprises was the production of typewriters, bicycles, motorcycles and in case of the Adlerwerke also automotive engineering. As of the year 1958 a close corporation between the Triumph Werke and the Adlerwerke evolved which let to the merger of both enterprises in the following. Since 1985 the enterprise has the business name TA Triumph-Adler AG.

After TA Triumph-Adler AG had assumed the function of a holding of companies of different industrial sectors in the 90s, the company decided in 1999 on a fundamental transformation and return of the group to its roots - to the core competence office communication in the imaging sector (copying, printing, facsimile communication).

In the year 2003 TA Triumph-Adler AG and KYOCERA MITA Corporation formed a strategic alliance. In this context KYOCERA MITA Corporation at first acquired a participation of 25% in TA Triumph-Adler AG and increased its participation to 29.9 % in the following.

In the course of the voluntary public takeover offer to the shareholders of TA Triumph-Adler AG which was published on December 16, 2008, KYOCERA MITA Corporation increased its participation in TA Triumph-Adler AG to 93.84%. Due to the subsequent acquisition of TA Triumph-Adler AG shares KYOCERA MITA Corporation now holds a participation of 95.43% in the TA Triumph-Adler AG.

1.3 Corporate Seat, Object of the Company, Business Year

TA Triumph-Adler AG is a listed German stock corporation with registered seat at Nuremberg. The company is registered with the commercial register of the local court of Nuremberg under registration number HRB 442. The head office of the company is located at Südwestpark 23, 90449 Nuremberg.

Pursuant to its articles of association the object of TA Triumph-Adler AG is the manufacturing and distribution of computers and office equipment, in particular typewriters, computers, copiers, text processing systems and office supplies including consulting and training services in questions of office organization and data processing, and the manufacturing and distribution of EDP-Software as well as all other items of the metal and electronics industry. The object of the company pursuant to the articles of association also comprises the entrepreneurial activity through direct or indirect participation in other companies in the aforesaid or other industries. The company is in particular authorized to establish companies, to hold participations, to execute contracts with business enterprises, to form joint ventures, to establish factories and branches inside and outside the country and to operate other businesses that are suitable to enhance the company.

The business year of TA Triumph-Adler AG was the calendar year. However, the general meeting of the company on June 10, 2009 resolved the adjustment to the business year of KYOCERA MITA Corporation by way of an amendment of the articles of association which has been registered with the commercial register. Accordingly the business year of TA Triumph-Adler AG runs from April 1 of one year to March 31 of the following year as of April 1, 2010. The period from January 1, 2010 to March 31, 2010 constitutes a stub year.

1.4 Share Capital, Shares, Stock Exchange Trading and Participation of KYOCERA MITA Corporation

1.4.1 Share Capital, Stock Exchange Trading

The share capital of TA Triumph-Adler AG amounts to EUR 80,302,822.65 and is divided into 55,381,257 no-par value bearer shares with a pro rata amount of the share capital of EUR 1.45 each.

According to the management board, TA Triumph-Adler AG currently does not hold any own shares.

The shares of TA Triumph-Adler AG are admitted to trading on the regulated market of the Frankfurt Stock Exchange (prime standard) under ISIN DE0007495004 and are traded in the electronic trading system XETRA as well as in the open market of the stock exchanges in Berlin, Düsseldorf, Munich and Stuttgart.

1.4.2 Authorized Capital I

Pursuant to section 4 para. 2 of the articles of association of TA Triumph-Adler AG, the management board is authorized to increase the share capital of the company during the period until June 14, 2010 with the consent of the supervisory board through the issue of new shares in exchange for cash contributions or contributions in kind once or in several partial amounts by up to EUR 19,853,047.10 ("Authorized Capital I"). The management board is authorized, with the consent of the supervisory board, to exclude the subscription right with respect to capital increases in exchange for considerations in kind for the acquisition of enterprises or participations in enterprises. In case of capital increases in exchange for cash contributions, the shareholders of TA Triumph-Adler AG are to be granted a subscription right to the new shares in accordance with the articles of association. However, the management board is authorized to exclude the subscription right of the shareholders with the consent of the supervisory board to utilize residual amounts. The management board is authorized, with the consent of the supervisory board, to determine the content of the share rights and the terms and conditions for the issuance of the shares.

The management board of TA Triumph-Adler AG has neither exercised the above-mentioned authorization nor does it intend to do so.

1.4.3 Authorized Capital II

Pursuant to section 4 para. 3 of the articles of association of TA Triumph-Adler AG, the management board is authorized to increase the share capital of the company in the period until June 14, 2010 with the consent of the supervisory board through the issuance of new shares against cash contributions once or in several partial amounts by up to a total of EUR 10,363,742.72 ("Authorized capital II"). The management board is pursuant to section 186 para. 3 sent. 4 AktG authorized to exclude, with the consent of the supervisory board, the subscription right of the shareholders in order to issue the new shares at an issue price which is not substantially below the market price of the equally equipped shares at the time of the final determination of the issue price. The number of the TA Triumph-Adler AG

shares to be issued under exclusion of the subscription rights shall be reduced by the number of those shares, which were issued during the term of this authorization until the exercise of this authorization in direct or analogous application of section 186 para. 3 sent. 4 AktG. Also those shares shall be taken into account that were issued or shall be issued during the term of this authorization until the exercise of this authorization for the purpose of servicing bonds with conversion or option rights. If the management board does not use the above authorization, the subscription rights of the shareholders of TA Triumph-Adler AG can only be excluded for residual amounts. The management board is authorized to determine with the consent of the supervisory board the content of the share rights and the terms and conditions for the issuance of the shares.

The management board of TA Triumph-Adler AG has neither exercised the above-mentioned authorization nor does it intend to do so.

1.4.4 Conditional Capital I

Pursuant to section 4 para. 4 of the articles of association, the share capital is conditionally increased by up to EUR 962,560.00, divided into up to 376,000 new no-par value bearer shares, by the issuance of new shares (Conditional Capital I). The new shares shall have the same rights determined by the articles of association as the previously issued shares; they participate in the profits from the beginning of the business year in which they are created by the exercise of the subscription rights.

According to the management board of TA Triumph-Adler AG, no convertible bonds exist which provide for a conversion right from the Conditional Capital I. All convertible bonds from the last tranche 1999/2000 were returned to the end of the duration per June 30, 2009, since the exercise threshold of EUR 9.61 had not been reached.

1.4.5 Conditional Capital II

Pursuant to section 4 para. 5 of the articles of association, the share capital is also conditionally increased by up to EUR 38,333,440.00 by the issuance of new no-par value bearer shares (Conditional Capital II). The conditional increase of the share capital shall only be executed to the extent creditors of the convertible or option bonds that were issued based on the authorization by the general meeting of June 15, 2004, by TA Triumph-Adler AG or by those companies in which TA Triumph-Adler AG directly or indirectly holds a majority participation by June 14, 2009, exercise their conversion or option rights or this is required for the satisfaction of conversion obligations and to the extent no own shares of the company are

used. The new shares shall be issued at the conversion or option price to be determined in accordance with the above authorization resolution. The shares of the company created as a result of the conversion of option rights being exercised shall carry dividend rights for the entire business year in which they are created. The management board of TA Triumph-Adler AG is authorized with the consent of the supervisory board to determine further details for the execution of the conditional capital increase.

According to management board of TA Triumph-Adler AG there are no outstanding convertible or option bonds (Conditional Capital II).

1.4.6 Conditional Capital III

Pursuant to section 4 para. 6 of the articles of association, the share capital is also conditionally increased by up to EUR 5,120,000.00 by the issuance of up to 2,000,000 no-par value bearer shares (Conditional Capital III). The conditional capital increase shall only be executed to the extent the holders of share options, which were issued based on the authorization resolution of the general meeting of June 21, 2000 regarding the share option plan of the company, exercise their share option rights and TA Triumph-Adler AG does not grant any own shares for the satisfaction of the option rights. The new shares of TA Triumph-Adler AG resulting from the exercise of these option rights shall participate in the profit of the company from the beginning of the business year during which they are issued.

According to management board of TA Triumph-Adler AG there are no outstanding share options (Conditional Capital III).

1.4.7 Participation of KYOCERA MITA Corporation, Takeover Offer

On December 16, 2008 KYOCERA MITA Corporation published the offer document regarding a voluntary public takeover offer to the shareholders of TA Triumph-Adler AG for the acquisition of the no-par value bearer shares in TA Triumph-Adler AG held by them against payment of a consideration in the amount of EUR 1.90 per each TA Triumph-Adler AG share. The acceptance period for this takeover offer ended on January 13, 2009 and the further acceptance period ended on February 2, 2009.

After completion of the takeover offer KYOCERA MITA Corporation held 51,968,300 TA Triumph-Adler AG shares which corresponds to about 93.84% of the share capital. By the acquisition of further TA Triumph-Adler AG shares KYOCERA MITA Corporation has increased its participation and holds 52,850,017

shares in TA Triumph-Adler AG at the signing of this report which corresponds to 95.43% of the share capital of TA Triumph-Adler AG.

1.5 Executive Bodies of TA Triumph-Adler AG

1.5.1 Management Board

The following persons are members of the management board of TA Triumph-Adler AG:

- Robert Feldmeier (speaker, direct marketing)
- Dr. Bernd Köhler (central functions, finance, service)
- Takuma Kimura (marketing, distribution)

1.5.2 Supervisory Board

The supervisory board of TA Triumph-Adler AG is subject to the employee co-determination according to the One-Third-Participation Act and consists of nine members pursuant to section 10 para. 1 sent. 1 of the articles of association. Three of these members are elected by the employees and six of these members are elected by the shareholders.

The representatives of the shareholders in the supervisory board of TA Triumph-Adler AG currently are:

- Dr. Wolfram Nolte (chairman)
- Yoshihiro Tagawa
- Takashi Kuki
- Takashi Yamamoto
- Norbert Massfeller and
- Ulrich Grabowski.

The following representatives of the employees currently belong to the supervisory board:

- Anja Neumann (vice chairwoman)
- Sabine Scharf and
- Andreas Wiegand.

1.6 Business Activity and Structure of the TA Triumph-Adler Group

1.6.1 Business Activity

The business activity of TA Triumph-Adler Group is divided into two divisions. The division distribution comprises the distribution of copy machines, printers, scanners, fax machines and multi-function products to resellers and distribution partners in Germany and abroad. In Germany the trade mark "UTAX" is exclusively used for the distribution. Within the scope of direct marketing TA Triumph-Adler Group directly approaches medium-sized companies. In Germany the direct marketing is operated under the trademark "TA Triumph-Adler" by the regional companies.

1.6.2 Major Participations

TA Triumph-Adler AG holds 18 direct and 12 indirect participations in companies. 21 out of the 30 affiliated companies have their corporate seat in Germany. Domination and profit and loss transfer agreements have been concluded with all German affiliated companies. Except for two companies, TA Triumph-Adler AG in each case holds a 100%-participation.

In detail, TA Triumph-Adler AG holds participations in the following companies:

Serial No.	Name of the Company	Corporate Seat of the Company	Participation ratio in %
1	TA Triumph-Adler Baden-Württemberg GmbH	Fellbach, Germany	100.00
2	TA Triumph-Adler Bayern GmbH	Memmingen, Germany	100.00
3	TA Triumph-Adler Visinfo AG	Embrach, Switzerland	100.00
4	TA Triumph-Adler Corporate Consulting GmbH	Bonn, Germany	100.00
5	Triumph-Adler Benelux B.V.	Hengelo, the Netherlands	100.00
6	TA Triumph-Adler AdmEx GmbH	Fellbach-Schmidten, Germany	100.00

7	TA Triumph-Adler West GmbH	Dortmund, Germany	100.00
8	TA Triumph-Adler Norddeutschland GmbH	Bremen, Germany	100.00
9	TA Triumph-Adler Document Solutions GmbH	Stralsund, Germany	100.00
10	TA Triumph-Adler Mitteldeutschland GmbH	Leipzig, Germany	100.00
11	TA Triumph-Adler SüdOst GmbH	Fellbach, Germany	100.00
12	TA Triumph-Adler GmbH, Chemnitz Gera Jena Zwickau	Gera, Germany	100.00
13	Schuss Office Systems GmbH	Vienna, Austria	100.00
14	CHC Copia Holding CSFR GmbH	Fellbach, Germany	100.00
15	COPIA Slovákia spol s.r.o. (GmbH)	Baska Bystrica, Slovakia	100.00
16	COPIA Česká republika, s.r.o. (GmbH)	Prague, Czech Republic	100.00
17	TA Triumph-Adler Czeska s.r.o.	Prague, Czech Republic	100.00
18	UTAX Slovakia s.r.o.	Bratislava, Slovakia	100.00
19	UTAX GmbH	Norderstedt, Germany	100.00
20	UTAX (U.K.) Ltd.	Newbury, Great Britain	100.00
21	I.T.S.T. Independent Training & Support Team GmbH	Norderstedt, Germany	100.00
22	UTAX DocForms GmbH	Dortmund, Germany	100.00

23	TA Leasing GmbH	Fellbach, Germany	100.00
24	F&S Finance and Service Leasing GmbH	Fellbach, Germany	10.00
25	Triumph-Adler Output Solutions GmbH	Nuremberg, Germany	100.00
26	TA Triumph-Adler Beteiligungs V2 GmbH	Nuremberg, Germany	100.00
27	TA Triumph-Adler Professional Services GmbH	Schwerin, Germany	100.00
28	Willmy Bürofachversand GmbH	Nuremberg, Germany	100.00
29	Kopier Holding Ost GmbH	Nuremberg, Germany	100.00
30	Consulta Bürotechnik spol. s.r.o.	Vyskov, Czech Republic	49.00

1.7 Business Development and Profit and Loss Situation of TA Triumph-Adler Group

1.7.1 Business Years 2007 and 2008

The following table provides for an overview of the major economic key data of TA Triumph-Adler Group within the business years 2007 and 2008. The numbers are in each case without any modifications taken from the group annual accounts of TA Triumph-Adler AG of the respective year which were drawn up in accordance with International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS). Modifications pursuant to IAS which were made after the adoption of these annual accounts are not taken into account so that the given numbers cannot be compared to the numbers after these modifications.

	2008 in EUR	2007 in EUR
Sales revenues	358,207,280	416,100,455
Result of ordinary activities	7,324,607	12,141,526

Group annual net income/ loss	- 16,809,766	40,740,341
Balance sheet total	294,703,219	317,044,817
Total equity	- 70,988,794	- 49,226,362

1.7.2 Business Year 2009

For the business year 2009 merely preliminary numbers are available which have not been audited yet. However, the major economic key data specified below show that the impairment of the profit situation within the two preceding years proceeded in the business year 2009.

	200 in tEUR
Sales revenues	287,500
Group annual net income/ loss	-13,739
Balance sheet total	264,235
Total equity	-86,995

1.8 Employees and Co-Determination

On September 30, 2009 a total of 1,275 employees were employed with the companies of TA Triumph-Adler Group. On September 30, 2008 the number of employees was still 1,364 and on December 31, 2008 1,334. According to the management board of TA Triumph-Adler AG, the number of employees was 1,242 on January 31, 2010.

TA Triumph-Adler AG is subject to the employee co-determination pursuant to the One-Third-Participation-Act.

2. KYOCERA MITA Corporation

2.1 General Information

The main shareholder ("Hauptaktionärin"), KYOCERA MITA Corporation, is an unlisted corporation according to Japanese law with its head office at 2-28 1-Chome, Tamatsukuri, Chuo-ku, Osaka 540-8585, Japan. It is registered with the commercial register of Osaka un-

der register number 1299-01-090378. KYOCERA MITA Corporation was formed under the name Mita Industrial Co., Ltd. in July 1948. The name change to the current business name became effective on January 18, 2000. At present, KYOCERA MITA Corporation employs approximately 12,300 employees.

2.2 Share Capital and Shareholdings

The share capital of KYOCERA MITA Corporation amounts to JPY 12,000,000,000 (this corresponds to approximately EUR 98.095.315 according to the reference rate of the European Central Bank on February 12, 2010). The sole shareholder of KYOCERA MITA Corporation is KYOCERA Corporation, Japan. KYOCERA Corporation is a listed corporation according to Japanese law based in Kyoto, Japan. It is registered with the commercial register of Kyoto under the registration number 1300-01-000049. The shares of KYOCERA Corporation are admitted to trading at the stock exchange of Tokyo. The KYOCERA Corporation has no controlling shareholder.

2.3 Business Operations, Object of the Company

KYOCERA MITA Corporation is one of the worldwide leading manufacturers of printers and digital copiers. The business object of KYOCERA MITA Corporation is the manufacture, sale, repair, leasing as well as the export and import of office machines and their components and accessories as well as the development and sale of computer software. An additional object is the licensing and the sale of copyrights and know-how and all transactions connected with the described businesses.

2.4 Board of Directors

The Board of Directors of KYOCERA MITA Corporation currently consists of

- Katsumi Komaguchi (President)
- Yoshihiro Tagawa
- Shunji Inoue
- Takashi Kuki
- Makoto Kawamura
- Tetsuo Kuba
- Makoto Koga
- Keiji Itsukushima and
- Yoshihiro Kano.

2.5 Financial Information

During the fiscal year ending March 31, 2009 KYOCERA MITA Corporation generated a total turnover of approx. JPY 228,200,000,000 (this corresponds to approximately EUR 1,852,423,086.28 according to the reference rate of the European Central Bank on February 23, 2010). KYOCERA MITA Corporation prepares its financial statements in accordance with JP GAAP.

3. Background of the Exclusion of the Minority Shareholders

3.1 Summary

KYOCERA MITA Corporation intends to exercise the option to exclude the minority shareholders as provided by German statutory law in order to facilitate the cooperation of KYOCERA MITA Corporation and TA Triumph-Adler AG, to facilitate the implementation of group strategies, and to achieve substantial cost reductions. In this context, the following aspects are of particular relevance:

3.2 Discontinuation of Stock Exchange Listing

As a result of the transfer of the shares of the TA Triumph-Adler AG minority shareholders to KYOCERA MITA Corporation, the admission of TA Triumph-Adler AG shares to trading in the Regulated Market (Prime Standard) of the Frankfurt Stock Exchange will be discontinued, because the shares are no longer traded. Such delisting will considerably reduce the company's obligation to publish reports pertaining to technical and administrative matters. Moreover, the company's duty to publish inside information directly related to the company (so-called ad-hoc-publication) will be completely eliminated. Therefore, the costs associated with the listing at the Frankfurt Stock Exchange as such and the high publicity standards can be saved in the future. The same applies with respect to all the financial expenses and time consuming expenditure related to the company's investor relations activities.

3.3 Reduction of Costs

In addition to the cost reduction associated with the listing at the Frankfurt Stock Exchange and as a result of the exclusion of the minority shareholders, other substantial costs related to the convocation and holding of the company's annual general meeting can be saved. In particular, this includes the costs pertaining to the invitation, the design of the annual financial report, the mailing of information to the shareholders, the rent for the venue, the general meeting service provider and advisors.

3.4 Greater Flexibility and Transaction Certainty

As a result of the transfer of the shares of the TA Triumph-Adler AG minority shareholders to KYOCERA MITA Corporation, it will be possible to realize resolutions of the general meeting on short notice and without considering a time consuming preparation phase. Such procedure is not possible for publicly listed companies. The general meetings of TA Triumph-Adler AG can then be held without observing the mandatory rules for the protection of the minority shareholders, such as the convocation period. This will enable the company to react more quickly and straightforward to changes of the market conditions or the business environment. This applies to the legal formalities with regard to the convening and holding of general meetings as well as to the execution of resolutions changing the company's structure and other resolutions of material importance which require the involvement of the general meeting.

4. Requirements for the Transfer of the Shares of the Minority Shareholders

4.1 KYOCERA MITA Corporation as Main Shareholder of TA Triumph-Adler AG

Pursuant to section 327a para. 1 German Stock Corporation Act (AktG), the general meeting of a stock corporation may, upon the request of a shareholder holding at least 95 per cent of the company's share capital (main shareholder), resolve upon the transfer of the shares of the other shareholders (minority shareholders) to the main shareholder in return for an adequate cash compensation.

The share capital of TA Triumph-Adler AG amounts to EUR 80.302.822,65 and is divided into 55,381,257 no-par value bearer shares with a pro rata amount of the share capital of EUR 1.45 each. With respect to the option to exclude the minority shareholders, the amount of the share capital currently registered with the commercial register is decisive; the authorized capital stipulated in the articles of association does not have to be considered here.

At the date of this report KYOCERA MITA Corporation directly holds 52,850,017 TA Triumph-Adler AG shares, representing approximately 95.43 per cent of the share capital. Therefore, KYOCERA MITA Corporation is the main shareholder of TA Triumph-Adler AG within the meaning of section 327a para. 1 AktG.

4.2 Demand of the Main Shareholder

In accordance with section 327a para. 1 sent. 1 AktG, the main shareholder needs to submit a respective demand in order to bring about a resolution of the general meeting on the transfer of the shares of the minority shareholders.

Against the background of the shareholding of more than 95 per cent of the share capital, KYOCERA MITA Corporation demanded from the management board of TA Triumph-Adler

AG by letter dated November 27, 2009 the convocation of a general meeting of the company resolving upon the transfer of the shares of the minority shareholders to KYOCERA MITA Corporation against payment of an adequate cash compensation. TA Triumph-Adler AG has publicly notified such request by ad-hoc-publication dated November 30, 2009.

4.3 Determination of the Cash Compensation

Pursuant to section 327b para. 1 AktG, the main shareholder determines the amount of the cash compensation, taking into consideration the financial situation of the company on the date when the company's general meeting resolves upon the squeeze out of the minority shareholders.

KYOCERA MITA Corporation has determined the cash compensation to be granted to the minority shareholders of TA Triumph-Adler AG in an amount of EUR 1.90 per no-par value bearer share of TA Triumph-Adler AG. In the course of the determination of the adequate cash compensation, KYOCERA MITA Corporation has been supported by the audit company Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft, Düsseldorf, which determined the enterprise value of TA Triumph-Adler AG on the basis of generally recognized valuation principles. According to such valuation, the enterprise value of TA Triumph-Adler AG amounts to kEUR 98,592. Given a share capital which is divided into 55.381.257 no-par value bearer shares, this corresponds to an enterprise value per no-par value bearer share in TA Triumph-Adler AG of EUR 1.78. For further details with respect to the execution and the results of the company valuation of Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft, please refer to Section III of this report.

4.4 Review of the Adequacy of the Cash Compensation

Upon request of KYOCERA MITA Corporation, the Regional Court of Nuremberg, by decision of December 17, 2009 (file no. 1 HK 0 10225/09), appointed Ebner Stolz Mönning Bachem GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Stuttgart, as the independent auditor within the meaning of section 327c para. 2 sent. 2, 3 AktG for the audit of the adequacy of the cash compensation determined by the main shareholder.

4.5 Guarantee of the Cash Compensation

According to section 327b para. 3 AktG, the main shareholder is obliged to provide the management board of the affected stock corporation prior to the convocation of the general meeting with a declaration issued by a credit institution, in which the latter guarantees the fulfillment of the main shareholder's obligation to pay the determined cash compensation for the transferred shares to the minority shareholders without undue delay after registration of the resolution on the transfer of shares with the commercial register. Based on such guaran-

tee, the minority shareholders have a payment claim directly against the respective credit institution in case the main shareholder does not pay the determined cash compensation in time.

KYOCERA MITA Corporation provided the management board of TA Triumph-Adler AG in good time before the convocation of the extraordinary general meeting to be held on April 20, 2010, with the declaration of guarantee pursuant to section 327b para. 3 AktG, in the form of a bank guarantee, issued by the Commerzbank AG, Düsseldorf. Such declaration of guarantee issued by the Commerzbank AG is attached to this report as Exhibit 2.

4.6 Resolution on the Transfer of Shares

The extraordinary general meeting of TA Triumph-Adler AG to be held on April 20, 2010 shall resolve upon the transfer of the shares of the minority shareholders to KYOCERA MITA Corporation as the main shareholder.

The draft resolution of the general meeting, which is attached to this report of the main shareholder as Exhibit 1, reads as follows:

“The no-par value bearer shares of the other shareholders (minority shareholders) of TA Triumph-Adler AG shall be transferred to KYOCERA MITA Corporation, Osaka, Japan, as main shareholder in accordance with the procedure for the exclusion of the minority shareholders (sections 327a et seqq. of the German Stock Corporation Act (AktG)) against payment of a cash compensation by the main shareholder in the amount of EUR 1.90 per no-par value bearer share of TA Triumph-Adler AG with a pro rata amount of the share capital of EUR 1.45 each.”

This resolution on the transfer of the shares of the minority shareholders of TA Triumph-Adler AG to KYOCERA MITA Corporation requires the simple majority of the share capital represented in the general meeting. In accordance with German statutory law, KYOCERA MITA Corporation is not prohibited to exercise its voting rights.

5. Proceedings and Consequences of the Squeeze Out of the Minority Shareholders

5.1 Transfer of Shares

Should the general meeting of the TA Triumph-Adler AG resolve to transfer the shares of the minority shareholders of the company to KYOCERA MITA Corporation, the management board of TA Triumph-Adler AG has to file this resolution with the competent commercial register according to section 327e para. 1 sent. 1 AktG. Upon registration of the transfer resolution with the commercial register, all shares of the minority shareholders of TA Triumph-Adler AG are transferred to KYOCERA MITA Corporation by operation of law according to

section 327e para. 3 sent. 1 AktG. Other legal acts, like separate transfer agreements, are not required for the transfer of title to the shares of the minority shareholders.

5.2 Claim to adequate Cash Compensation

Upon registration of the transfer resolution with the commercial register the minority shareholders shall receive a claim for payment of an appropriate cash compensation against the KYOCERA MITA Corporation in return for the transfer of their shares in TA Triumph-Adler AG. KYOCERA MITA Corporation grants a cash compensation in the amount of EUR 1.90 for each no-par value share in TA Triumph-Adler AG to each minority shareholder of TA Triumph-Adler AG.

This cash compensation shall be paid out after registration of the transfer resolution with the commercial register without undue delay. According to section 327b para. 2 AktG it shall be interest-bearing with a rate of 5 percentage points above the respective base interest rate according to section 247 German Civil Code (*Bürgerliches Gesetzbuch – BGB*) as of the date of publication of the registration of the transfer resolution with the commercial register; the assertion of additional damage claims shall remain unaffected.

5.3 Technical Settlement

KYOCERA MITA Corporation has instructed Commerzbank AG, Frankfurt am Main, to take care of the technical settlement of the cash compensation. The payout of the cash compensation to the retired minority shareholders of TA Triumph-Adler AG which hold their shares at a custodian bank in collective custody (*Girosammelverwahrung*) or individual safe custody (*Streifbandverwahrung*) shall be effected via the respective custodian bank of the shareholder. The shareholders will be informed about the above mentioned procedure separately by their custodian banks and basically do not have to take special actions themselves.

Shareholders of TA Triumph-Adler AG who hold shares in the company in self custody are requested to deliver the effective share certificates together with all dividend coupons (*Gewinnanteilsscheine*) (currently No. 11 et seqq.) as well as renewal coupons (*Erneuerungsscheine*) during usual business hours to a custodian bank for the purpose of forwarding to Commerzbank AG, Frankfurt am Main, or to a domestic office of Commerzbank AG after registration of the transfer resolution with the commercial register. Such shareholders shall receive the cash compensation concurrently (*Zug um Zug*) in return for delivery of the effective share certificates promptly after the usual settlement measures which are connected with the delivery of the effective share certificates have been effected.

The technical settlement shall be free of provisions and costs for the retired minority shareholders of TA Triumph-Adler AG. The minority shareholders of TA Triumph-Adler AG will be informed of the further details of the compensation immediately after registration of the

transfer resolution by way of a separate compensation publication of TA Triumph-Adler AG in the electronic Federal Gazette.

5.4 Discontinuation of the Stock Exchange Listing

The shares in TA Triumph-Adler AG are admitted to trading on the regulated market of Frankfurt Stock Exchange (prime standard) under ISIN DE0007495004. In addition, they are also traded in the open market of the stock exchanges in Berlin, Düsseldorf, Munich and Stuttgart.

Upon effectiveness of the squeeze out of the minority shareholders by way of registration of the transfer resolution with the commercial register, all shares of the minority shareholders in TA Triumph-Adler AG are transferred to KYOCERA MITA Corporation. As a result of this the listing of the shares in TA Triumph-Adler AG at the regulated market (prime standard of Frankfurt Stock Exchange) as well as the price fixing at the open market at the stock exchanges of Berlin, Düsseldorf, Munich and Stuttgart shall cease. Furthermore it shall be applied for a cancellation of the registration, provided that the registration is not cancelled by the respective registration authority ex officio anyway.

5.5 Tax Consequences for the Shareholders

5.5.1 General

The following remarks contain a short summary of some important German taxation principles which could be relevant in connection with the squeeze out of the minority shareholders of TA Triumph-Adler AG for minority shareholders who are subject to unlimited tax liability in Germany.

Tax consequences for shareholders of TA Triumph-Adler AG who are not subject to unlimited tax liability in Germany will not be explained in the following. They inter alia depend from special regulations of German tax law, the tax law of the state in which the respective shareholder is resident as well as the regulations of a possibly applicable treaty for the avoidance of double taxation.

The summary is based on those German tax regulations which are applicable at the date of the draft of the report. The regulations could change at short notice, under special circumstances they might even be changed retroactively. The report principally only refers to corporate tax, solidarity surcharge, income tax and trade tax payable in Germany and only deals with certain aspects of these kinds of tax. For instance peculiarities with regard to shares which have been acquired in return of a tax-privileged contribution according to the German Transformation Tax Act (*Umwandlungssteuergesetz*) are not described.

A warranty for the completeness and accuracy of this report shall not be incurred. With regard to the details as well as in case of any doubt it is highly recommended to consult a tax advisor. Only such person is capable to appropriately assess the personal tax situation of the particular shareholder.

5.5.2 Taxation of Compensation Payments with Respect to the Shareholders

KYOCERA MITA Corporation has in its capacity as main shareholder determined the amount of the cash compensation in return for the transfer of the shares of the minority shareholders to EUR 1.90 for each no-par value share in TA Triumph-Adler AG.

For tax purposes, the transfer of the shares to KYOCERA MITA Corporation against receipt of the cash compensation constitutes a sale of the shares for the minority shareholders of TA Triumph-Adler AG.

In this context, sale profits are deemed to be realized if and to the extent the cash compensation in the amount of EUR 1.90 for a share in TA Triumph-Adler AG less possible sale costs exceeds the acquisition costs for tax purposes and the book value for the respective share of the respective shareholder respectively. In case the cash compensation less possible sale costs should amount to less than the acquisition costs and the book value of the shares of the shareholder respectively, sale losses occur. The fiscal consideration of sale profits and the fiscal claim of sale losses respectively depend on the fact whether the shares are allocated to the private or the business assets of the respective shareholder and when they have been acquired.

5.5.3 Shares allocated to the private Assets

With regard to shares held by the shareholder of TA Triumph-Adler AG that are allocated to its private assets (directly or via an asset management partnership) the taxation depends on the amount of the participation of the shareholder in TA Triumph-Adler AG.

a) Participation of less than 1 %

In case the shareholder always held a direct or indirect participation of less than 1 % of the share capital of TA Triumph-Adler AG within the last five years prior to the sale and if the shares in TA Triumph-Adler AG have been acquired before January 1, 2009, sale profits are tax free. However, in such case sale losses will be disregarded for tax purposes as well. In case the shareholder has acquired the shares gratuitously, the time of possession and the participation quota of a legal

predecessor and - with regard to several subsequent gratuitous transfers - of all of its legal predecessors respectively will be taken into account.

In case the shareholder always held a direct or indirect participation of less than 1 % of the share capital of TA Triumph-Adler AG within the last five years prior to the sale and if the shares have been acquired after December 31, 2008, sale profits are subject to an income tax in the amount of 25 % (plus solidarity surcharge). In case the shareholder has acquired the shares gratuitously, the time of possession and the participation quota of a legal predecessor and - with regard to several subsequent gratuitous transfers - of all of its legal predecessors respectively will be taken into account. Sale losses can only be charged against profits gained from the sale of other shares. A loss carry forward is possible. The income tax is principally settled with the withholding tax deduction. However, on application the compensation payments can be included in an income tax assessment as profits out of capital assets.

b) Participation of at least 1 %

In case the shareholder or with regard to a gratuitous acquisition its legal predecessor or with regard to several legal predecessors one of its legal predecessors held a direct or indirect participation of at least 1 % in the share capital of TA Triumph-Adler AG at any point of time within the last five years prior to the sale, 60 % of the sale profits are subject to the individual, progressive income tax rate (plus solidarity surcharge). This taxable part of the sale profits is subject to income tax as far as it exceeds the part of EUR 9,060 that corresponds with the sold participation in the share capital of TA Triumph-Adler AG. The tax-free amount calculated according to the aforementioned method is in turn reduced by the amount of the taxable part of the sale profits exceeding the part of EUR 36,100 which corresponds to the sold participation in the share capital of TA Triumph-Adler AG. A capital income tax deduction in this case has no compensatory effect.

5.5.4 Shares allocated to the business assets

With regard to shares that are allocated to the business assets of a shareholder of TA Triumph-Adler AG, the taxation depends on whether the seller who is subject to corporate tax according to section 1 German Corporate Tax Act (KStG) is a natural person or a partnership.

a) Shareholder is subject to corporate tax according to section 1 KStG

In this case principally 95% of the sale profits from the transfer of shares is exempted from corporate tax and trade tax. 5 % of the sale profits are regarded as

non-deductible business expenses and are subject to corporate tax (plus solidarity surcharge) and trade tax. As a result, sale profits are in principle 95% tax free.

Sale profits are subject to corporate tax (plus solidarity surcharge) and trade tax in full amount, to the extent a tax-effective current-value depreciation on the shares has been conducted in earlier years and the latter has not been balanced by a so-called appreciation in value until the date of the sale.

Sale losses and other profit reductions that are connected to the sold shares may not be deducted as business expenses.

b) Shareholder is a natural person

Sale profits from the transfer of the shares which are allocated to the business assets of a natural person are principally to 60% subject to the individual, progressive income tax of the natural person (plus solidarity surcharge) and, if the shares are allocated to the business assets of a domestic business enterprise, to 60% subject to trade tax. The trade tax will be credited against a personal income tax of the shareholder by way of a flat rate procedure.

To the extent a current value depreciation has been conducted on the shares which had an effect on the taxation for the full amount, sale profits are taxable in full amount, unless the current value depreciation has been balanced by a respective appreciation in value.

Only 60% of possible sale losses and potential business expenses economically connected to the sale are deductible. However, sale profits can under certain circumstances temporarily be transferred to certain other economic goods up to a maximum amount of EUR 500,000.

c) Shareholder is a partnership

Income and corporate tax (plus solidarity surcharge) payable on the sale profits will only be charged on the level of the respective partner of the partnership. The taxation is principally subject to the rules described under a) and b) applicable to those taxes which would be applicable if the shareholder would be a direct shareholder of TA Triumph-Adler AG.

Sale profits are subject to trade tax in case of a co-entrepreneurship (particularly a commercially active or commercially characterized partnership). In case the co-entrepreneurs are corporations which are subject to unlimited taxation, 95% of the sale profits are exempt from trade tax on the level of the co-entrepreneurship. Should a natural person be co-entrepreneur, 60% of the sale profits are subject to

trade tax. The latter will be charged against the personal income tax of the co-entrepreneur by way of a flat rate procedure.

5.5.5 Withholding Tax Compensation Payments

Compensation Payments are principally subject to withholding tax unless the compensated shares have been acquired after December 31, 2008 and are allocated to the private assets. The domestic entity executing the sale (domestic credit institute or financial services institute) basically has, in the course of executing the sale, to retain withholding tax in the amount of 25% plus solidarity surcharge in the amount of 5.5% of the withholding tax, all in all 26.375%, on the sale profits and to pay such amount to the tax authorities.

However, a withholding tax deduction does in principle not take place if either the shareholder is subject to corporate tax according to section 1 KStG or the shares in TA Triumph-Adler AG are allocated to a domestic business asset and in the latter case the shareholder notifies the entity making the payment by way of an official pre-print.

III. Explanation and Reasons for the Adequacy of the Cash Compensation

1. Preliminary Remarks

KYOCERA MITA Corporation as main shareholder has entrusted Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft, Düsseldorf to conduct an audit of TA Triumph-Adler AG in order to determine an adequate cash compensation pursuant to sections 327a para. 1, 327b AktG. Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft has calculated the enterprise value of TA Triumph-Adler AG on the basis of generally accepted principles of enterprise valuation. KYOCERA MITA Corporation has adopted the valuation of Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft as its own opinion entirely. The explanations which are contained in the report of Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft are rendered completely in the following under cipher 2 to cipher 5. Solely chapters 1 (assignment and conducting of assignment) 2 (description of the object of evaluation) and 7 (final remark) of the report are not reflected. The explanations correspond to the report perspective of Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft as neutral auditor.

2. Valuation Principles and Methods

2.1 General Valuation Methods

2.1.1 Value of a Business

Assuming purely financial objectives, the value of a business is determined "... by the present value of net cash flows associated with the ownership of the business to the owner (net receipts being the sum of distributions and withdrawals, repayments of capital and capital contributions, respectively)" (IDW S 1, margin note 4). Therefore, the business value is generally determined as the value of future earnings. In valuation theory and the practice of business valuation, the dividend discount method and the discounted cash flow methods (DCF methods) are equally accepted for the determination of business values.

While the dividend discount method derives the relevant cash flows that will accrue to the owners of the business in future from planned future annual results under commercial law (cf. IDW S 1, margin note 102), the DCF methods determine the business value by discounting cash flows (cf. IDW S 1, margin note 124). The cash flows represent expected payments to the providers of capital. The cash flows are thus defined differently depending on the method selected (cf. in detail IDW S 1, margin note 124).

Dividend discount and discounted cash flow methods are based on the same conceptual framework (discounting future net cash flows to the owners of the busi-

ness; present value calculation). "Where the valuation assumptions or simplifications are the same, particularly with respect to financing, both methods lead to the same value of the business" (ibid., margin note 101). As ordered and corresponding to common practice, we followed the dividend discount method in the determination of reasonable payment in the scope of the squeeze-out of minority shareholders.

If a business itself is materially engaged in economic activities and in addition also possesses holdings in other operating businesses, a business valuation can generally be made at group level (the consolidated accounts of the business to be valued for the individual planning periods form the basis for the valuation). Alternatively, it is also possible to determine separate business values both for the business to be valued itself and for the significant holdings held by the business to be valued ("sum-of-the-parts" valuation). Considering the circumstances existing between the individual businesses as well as considering the information available for the valuation, it is to be examined in individual cases whether a valuation at group level or at the level of the individual businesses is more appropriate.

To begin with, generally, in both cases a forecast is required of the surpluses to be expected for the business to be valued or the individual businesses to be valued. Therefore, routinely a corporate plan and the estimation of a sustainable margin (terminal value), which may be regarded as durable or sustainably achievable for the period beyond the detailed planning phase are the basis of an earnings valuation. If time differences exist between forecast earnings and expenses as well as forecast revenues and expenditures, these are to be included in an analysis of financial requirements and to be illustrated in the valuation on their financing effects.

As ordered and in accordance with the valuation purpose, the business value was determined according to the concept of the "**objectified**" value. The objectified business value thereby expresses the value of the business continued on the basis of the current business plan, compared with an alternative investment which is derived from equity returns (cf. IDW S 1, margin note 4, 114 et seq.). It can be understood as a decision value (subjective business value) based on conventions, where elements of the valuation model specific to the valuation subject are substituted by **standardizations** (cf. IDW S 1, margin note 29, 114).

The objectified business value is an inter-subjectively verifiable value of future earnings from the viewpoint of a shareholder (cf. IDW S 1, margin note 29) who pursues the generation of cash flows from the business to be valued as exclusive financial objective (cf. IDW S 1, margin note 12, 29 et seq., 114 et seq.).

When determining the **distribution assumption**, the business plan documented as at the valuation date and distribution restrictions under corporate law are to be taken into account (cf. IDW S 1, margin note 35). If planning consists of two phases, the apportionment of the cash flows between distributions and retained earnings has to be undertaken for the detailed planning phase (first planning phase) based on the individual business plan and by taking into account hitherto existing and future distribution policies, capital resources available and tax conditions. If there are no plans for the use of retained earnings and the planned investment does not stipulate any firm application, appropriate assumptions as to the use of funds need to be made (cf. IDW S 1, margin note 36).

For the planning period exceeding the detailed planning phase (second planning phase), in principle, the assumption is made that the distribution policy of the entity being valued is equivalent to the distribution policy of the alternative investment, provided there are no particular sector-specific, capital structure-related or legal conditions to be considered (cf. IDW S 1, margin note 37).

The **status quo** and the **stand-alone** assumption apply to the objectified business value: Exclusively the existing and transferable earning power on the valuation date is material to the business valuation. Accordingly, the expected effects of planned new investments and disinvestments are only to be taken into account insofar as specific measures were already initiated at the valuation date (cf. IDW S 1, margin note 32). The effects, if applicable, of intended future additional structural changes, interdependencies with regard to other decision-field components and other specific value-related circumstances in the sphere of the shareholder, such as his individual tax situation, remain out of consideration. The same applies to changes which lead to future results due to the transaction for which reason the business valuation was carried out.

At best, the latently contained "**synergy effects**" should be included in the business value. However, since they are integral parts of the earning power existing on the valuation date, these are already taken into account in the determination of the objectified business value (cf. IDW S 1, margin note 34), to the extent that the measures which result in synergies have already been initiated or been documented in the business plan.

The net cash flows relevant to the valuation must be determined taking into account the business-related domestic and, if applicable, foreign **income taxes** (cf. IDW S 1, margin note 28). Also, according to IDW S 1 (margin note 43 et seq.), the value-relevant tax circumstances of the owners are to be appropriately standardized when determining the objectified business value. The practical implementation of the consideration of personal income taxes in the context of objectified

business valuation therefore requires basic standardization regarding the level of effective personal tax rate of the business owner reflecting his or her circumstances and procedures relevant to taxation.

An investment is to be assumed as **alternative investment** which is equivalent to the cash flow to be capitalized with regard to maturity, risk and taxation. The return observed for an investment in shares with equivalent risk forms the starting point for determining the alternative investment's return. This is applicable irrespective of the legal form of the business to be valued, because this form of alternative investment is available to all stakeholders, in principle (cf. IDW S 1, margin note 114).

The **share value** can be derived indirectly from the respective business values. The objectified value of the share represents a proportion of the objectified total value of the business; there is no room for premiums or discounts. Individual personal circumstances and objectives of the (respective) owner (such as, possibilities for influence on business policy or expected synergy effects) can only be considered in the context of a determination of the subjective value of shares (cf. IDW S 1, margin note 13).

2.1.2 Liquidation Value and Net Asset Value

In established opinion, the principles for carrying out business valuations require the inclusion of the **liquidation value** if the present value of the cash flows which result when the entire business is liquidated, exceeds the value of the business as a going concern and the possibility actually exists of stripping the assets of the company (cf. IDW S 1, margin note 140). Moreover, the liquidation value is also to be determined when the going concern is not assured.

An asset stripping of the business is not planned by the executive board of the company or by the shareholders. Accordingly, a liquidation value is generally not to be determined. Since in the case of a rough estimation of the dividend discount the liquidation value is significantly exceeded, we have refrained from doing a separate determination of a liquidation value.

In the framework of the principles of regular business valuation no independent function corresponds as a value to the **net asset value** in the form of the net partial replacement value (cf. IDW S 1, margin note 6, 170 et seq.).

2.1.3 Special values and non-essential operational assets

In the calculation of the dividend discount on the basis of forecast cash flows only such value-creating factors can be completely included which are appropriately

representable on a value basis by ongoing cash flows. Value creating factors which cannot be represented in this way at all or only very incompletely are to be valued separately and added to the dividend discount.

In addition to the non-essential operational assets, this applies in particular to investments and to certain other financial assets and liabilities, such as real estate leased to third parties at prices not in line with market conditions. With a view to the liabilities, this also applies to pension obligations.

According to the functional differentiation criterion, such assets which can be freely disposed of without affecting the normal activities of the business are regarded in principle as non-essential operational assets (cf. IDW S 1, margin note 59).

2.1.4 Comparison values

a) Market value

The market value of a business corresponds to the market price per share multiplied by the number of shares issued; in the case of several stock classes, the number and market price of the respective class are to be taken into account. Stock prices depend on numerous factors such as the size and the tightness of the market, random volume as well as speculative and other not purely value-related influences. The stock market price is also subject to unforeseeable fluctuations and developments in this respect.

When available, stock market prices for shares have to be used in business valuations for the plausibility assessment of the business or share value determined in accordance with the IDW S 1 standard. In so doing, special influences that may have had an impact on stock market price movements have to be carefully analyzed and described (e.g., special market situation) (cf. IDW S 1, margin note 15).

The Federal Constitutional Court decided with its judgment of April 27, 1999 regarding payment in the case of contracts between business enterprises and integrations that the market price in the case of the determination of a cash compensation or settlement for outside shareholders may not remain out of consideration. The cash compensation as a rule must at least correspond to the stock market price. However, according to the decision of the Federal Constitutional Court there are exceptional cases. The instruction to consider the stock market price in the determination of the reasonable cash compensation does not mean that it must always exclusively govern. A lower value is possible when the stock market price does not reflect the current market value of the stock, such as in the case of a narrowness of the market or if no trading has occurred in the stocks for some time.

Pursuant to the decision of the Federal Constitutional Court, Article 14 (1) of the Basic Law [GG] does not insist that precisely the stock market price on the valuation date is used for the lower limit of a cash compensation. How the valuation date is to be fixed, the Constitution does not specify. Thus, for instance, an average market price could be reverted to in the run-up to the announcement of the integration measures.

According to case law of the Federal Court of Justice (Judgment of March, 12, 2001 - II ZB 15/00), with regard to the relevance of the stock market price for the determination of the applicable stock market price a reference rate needs to be taken into account, which arises from the average market price over a period of three months.

According to more recent case law, the average stock market price assessed according to sales over a period of the three months prior to the announcement of the measures should be taken into account. By this procedural method, valuation date-related contortions are avoided on the basis of a simple formation of averages.

A prevalent uniform opinion has not yet formed regarding this question.

b) Multiplier method

In addition to the net present value calculations, valuation practice knows among others the multiplier method (simplified pricing) which at least for plausibility purposes also increasingly finds its way into the valuation practice in the context of business valuations according to the IDW S 1 standard (IDW S 1, margin note 143 et seq.). This capital market-oriented valuation concept as well as the dividend discount method follows the principle of a profit-oriented valuation, however, the business value is determined by means of a multiplication of an earnings volume. The multiplier method is based on a comparative business value in the sense that suitable multipliers are derived from capital market data of reference companies and transactions and are transferred to the business to be valued.

While in the case of the dividend discount method, the cash flows expected in the future explicitly are included in the calculation of the business value, the multipliers are based as a rule on a forecast sales and earnings volume of a base year in the near future. The longer-standing earnings expectations, the characteristic earnings trend and risk find their expression in the multiplier. Under certain assumptions, the methods of the capital value calculations and the multipliers can be transformed into each other.

Critical factors of a comparative market assessment are the forecast factors for results and the selection of the comparison businesses and/or transactions for the generation of the multipliers.

The multiplier method was not used for a plausibility check for the valuation on hand. Due to the material influence of the extensive pension obligations to the capital structure or the risk of capital structure respectively, a comparison to other companies is not reasonable.

2.2 Methodical procedure

2.2.1 Valuation date

April 20, 2010, the day of the extraordinary annual shareholders' meeting, at which a decision shall be made on the transfer of the stocks of minority shareholders, was taken as the basis for the determination of the business value.

December 31, 2009 was used as the technical valuation date. All forecast cash flows were initially discounted to this valuation date. Subsequently, the business value arising as of December 31, 2009 was compounded to April 20, 2010.

2.2.2 Procedure for the determination of the business value

TA AG is itself economically active and in addition possesses holdings in other businesses, which are likewise economically active to a significant extent. Accordingly, it is in principle possible that on the one hand business valuation is carried out at group level (consolidated accounts of TA AG for the individual planning periods). However, alternatively separate dividend discounts can be determined for TA AG and the operationally active companies significantly held by it ("sum-of-the-parts" valuation).

In the context of this evaluation report, we conducted the valuation at **group level** since the strategic objectives are established on the level of the group and the individual group businesses are strongly interconnected with each other with respect to the services rendered.

2.2.3 Derivation of future results

a) Analysis of past results

The starting point for the forecast of the future results is the analysis of the past, for without knowledge of the results aimed at in the years prior to the valuation date a forecast of future results is hardly justifiable.

The objective of the analysis consists in working out the cause for the level and the development of the past results over a specific period of time, in order, on the basis of assumptions about the constellation of conditions probable in the future, to then obtain statements about the future results arising therefrom. The results stated in the annual financial statements are frequently influenced by extraordinary business transactions and the discontinuous exercise of valuation methods and financial accounting options. These special effects superimpose the time course of the results from the business activity whose continuation is to be anticipated according to the circumstances of the valuation date. Historic financial statements are, to the extent possible, to be adjusted for such comparability disturbances, as well as, if necessary, for earnings and expenditures in connection with non-essential operational assets or other special values (cf. IDW S 1, margin note 73).

We limited our analysis of the past fiscal years to the annual financial statements from 2007 to 2009. We analyzed the individual annual financial statements with a view to earnings and expenditures in connection with the special values. In addition, we carried out adjustments between individual positions of the result in order to be able to better compare budgeting for the period of the short fiscal year from January 1 to March 2010 and the fiscal years 2010/11 to 2014/15 (April 1 to March 31) with the result for calendar years 2007 to 2009.

b) Analysis of the budget plans

Detailed plans for the short fiscal year January 1 to March 31, 2010 and the fiscal year April 1, 2010 to March 31, 2011 as well as simplified plans for the subsequent four fiscal years 2011/12 to 2014/15 were prepared by the company and formally adopted by the management board and registered by the supervisory board. The budget plans include earnings budget plans, financial statements, and cash flow statements.

For the derivation of the future results for the determination of the dividend discount of the operationally essential assets, we took into account the business plan available to us for the corporate group of TA AG for our valuation.

To begin with, we balanced the plan of the company to the extent possible with the revised past results of fiscal years 2007 to 2009.

Then we analyzed, critically challenged, and investigated for inner consistency and, to the extent possible, likelihood the budgeting by means of the explanations provided to us as well as our market knowledge and in discussions with the employees responsible for corporate planning with regard to the underlying assump-

tions (cf. IDW S 1, margin note 81 et seq.; WP-Handbuch 2008 [Auditors' Manual], Vol. II, A 165 et seq.).

Irrespective of the requirement of logical consistency and the principle of the irrelevance of the prudence principle, there are "no" material "guidelines and principles for this forecast" (*Piltz*, *Bewertung von Anteilen an Kapitalgesellschaften* [Valuation of Shares in Capital Companies], p. 149). The possibilities of a forecast verification are limited to a plausibility check in which the concluding appraisal is aimed at assessing the reliability and completeness of the bases of the valuation.

For this, we balanced the planned results with the (where necessary, adjusted) past results. As far as discounts or premiums appear required based on this comparison, but particularly the assessment of the plan assumptions and an overall evaluation of the plan results, these are already taken into account in the future results which are presented in section 3.1.3.

2.2.4 Income Taxes

The value of a business is determined by the amount of net cash flows to an investor, which is freely available to that investor. These net cash flows must be determined taking into account the income taxes of the business and, as a result of the contractual evaluation approach (cf. IDW S1, margin notes 29, 31), taking directly into account personal income taxes of the business owners arising. Trade tax and corporation tax (plus solidarity surcharge), as well as any foreign income taxes incurred are to be considered as company taxes.

In case of an objective company valuation and taking the personal income tax of the company owner directly into account, it is standard to assume that the company owner is a natural person with unlimited tax liability in Germany who does not have a significant holding in the business. Interest income received as of 2009 and all earnings from a stock investment (i.e. dividends and capital gains) are subject to a standard, nominal tax burden, which is independent of the individual circumstances of the individual shareholders, of 25% plus solidarity tax contribution (flat rate withholding tax). Different effective tax burdens result from the different receipt or realization times.

The effective tax burden for interest and dividends regularly corresponds to the nominal tax burden.

The effective tax burden on reinvestments, which result in increases in value, on the other hand, depends on the time when the increase in value is realized. It decreases as the duration for which a security is held by the stockholder increases.

Assuming a medium to long-term holding period, it is standard for an effective tax burden to be set for the sale proceeds at half of the nominal tax rate at 12.5% plus solidarity surcharge.

2.2.5 Discount rate

a) General

The net distributions forecast for the individual planning periods are to be discounted at a risk-commensurate discount interest rate on the valuation date.

Capital market returns for business investments (in the form of an equity portfolio) in particular form the starting point for determining alternative returns. In accordance with IDW S 1, margin note 115, these returns for shares in businesses can be broken down in principle into a base interest rate and a risk premium required by investors in return for taking on entrepreneurial risk. This division can be performed using capital market models, such as, in particular, the "Capital Asset Pricing Model" (CAPM) (cf. IDW S 1, margin note 118 et seq.).

According to the CAPM, the capitalization interest rate is composed of the components base interest rate, risk premium, and growth discount deduction

b) Base Interest Rate

In order to determine the base interest rate, the usual interest rate in the country for a (virtually) risk free capital market investment, therefore the return on public bonds which can be generated in the long term, is to be used as a basis (cf. IDW S 1, margin note 116). The advantage resulting from this assumption that the price of the standard investment is known and does not involve uncertainty on its part is faced with disadvantages in the form of multiple equivalence problems.

Future results are forecast on a going concern basis for an unlimited useful life of the company to be valued, as long as there are no indications of a limited useful life; investment of resources at the usual interest rate for the country, on the other hand, are only offered with a limited useful life. Governing alternative yield is therefore regularly not the usual interest rate in the country on the evaluation date, which is characterized by the current condition of the money and capital market, but rather the interest rate that can be achieved on a long-term basis on the capital market taking into account repayments and reinvestments. Public bonds with long maturities can be used as a starting point for the determination of the base interest rate. The current interest structure curves can be used for the reinvestment assumption necessary (cf. IDW S 1, margin note 117).

The economic research also considers it theoretically accurate to anticipate period-specific interest rates and thereby take into account the interest structure. Accordingly, the payment stream from the company would be discounted on the basis of a portfolio of zero coupon bonds with various maturities because then no deliberations on the reinvestment of resources that become free would be necessary. This would guarantee maintenance of the maturity equivalence.

Deutsche Bundesbank [German Federal Bank] publishes the interest rates for hypothetical zero coupon bonds without contingency risk with remaining duration of up to ten years: It calculates this interest structure curve using a non-linear, parametric optimization process, which includes federal bonds, federal medium-term bonds, and Federal treasury bonds. The appraisal method used by the Bundesbank is based on the Nelson-Siegel-Svensson method. The Bundesbank considers this approach to be sufficiently flexible to reflect the data configurations which can be observed on the market.

Also according to the technical committee "valuation of companies and business management" by the Institut der Wirtschaftsprüfer (Institute of Public Auditors) (FAUB, previously the working group "company valuation"), the interest structure curve for government bonds should be used as a basis in case of the base interest rate being derived from the interest structure curve for the determination of an objective business value. For objectification, FAUB recommends referring to the published interest structure data of Deutsche Bundesbank as a basis for data.

On the basis of the observed yield on outstanding coupon bonds, i.e. on federal bonds, federal medium-term bonds, and federal treasury bonds, estimated values are determined by the Bundesbank on the basis of the Nelson-Siegel-Svensson method. These parameters allow daily interest structure curves to be extrapolated on the basis of the federal bonds with remaining durations of up to 30 years traded on the market. For estimating zero bond interest rates beyond 30 years, the zero bond interest rate determined can be applied with a remaining maturity of 30 years as a long-term estimated value. In order to smooth out short-term market fluctuations, FAUB further recommends that not only the estimated zero bond yields as of the valuation date, but rather period-specific average yields from the three months prior to the valuation date should also be used. Such period-appropriate zero bond factors derived from the interest structure curve guarantee adherence to maturity equivalence.

For a given series of payments, however, a present value equivalent uniform interest rate can also be calculated on an actuarial basis. For reasons of practicability, FAUB therefore recommends the use of these uniform base interest rates in

case of payment series which do not fluctuate strongly and recommends rounding them to a straight quarter of a percent.

On the basis of the considerations stated above, as of the date of completion of our work, the resulting base interest rate is 4.117% without rounding (before personal income taxes). In accordance with the recommendations of the IDW, therefore, a rounded base interest rate of 4.00% results. The rounding is also necessary considering the expected further development of the base interest rate.

As a result of the fact that an objectified business value is to be determined here taking into account the standard tax conditions of the stockholder, the personal income tax burden of the natural person must also be taken into account.

As a result of the fact that in principle, flat rate withholding tax of 25% plus solidarity supplement is to be used, a base interest rate of 2.95% consequently results.

c) Market Risk Premium

Another equivalence problem to be taken into account is the fact that the anticipated future success of the company to be valued is much more uncertain than the future interest from the alternative investments on the capital market and therefore they are not readily comparable with each other. Comparability can be created by conversion (risk premium) of the forecast future success to its securities equivalent or corresponding modifications to the base interest rate.

The advantage of the risk premium method, which is normally used nationally and internationally, is that it is based on empirically observable behavior. It thus permits a market-oriented approach to measuring risk premiums. In view of the difficulty in making a clear differentiation between them, no difference is generally made between entity-specific and overall risks, and therefore the (entire) entrepreneurial risk should be reflected solely in the discount rate (cf. IDW S 1, margin note 90)

Irrespective of various objections, the literature recommends that the risk premium should be determined as far as possible on a market basis and that the capital asset pricing model (tax CAPM) modified to take into account tax effects and the empirically determined risk premium for a market portfolio, as well as the individual level of risk of the business to be valued (the "beta factor") should be used for this purpose. Among other things, the lack of suitability of market risk data relating to the past for forecasting purposes and the limited transferability to unlisted companies (cf. *Ballwieser*, WPg 2002, p. 738 et seq.; IDW S 1, margin note 91).

The risk premium required by investors must be based on the risk structure of the company to be valued. In this process, the estimate of the risk premium on models may be referred to for pricing on capital markets. Initially in this process, a market risk premium is to be determined, which is then to be adapted to the individual company conditions.

In this process, the expected market risk premium, which is strictly to be used as a basis for the valuation as a result of pragmatic reasons can be derived, failing better knowledge, from the historical difference between the yields from securities involving risk such as stocks (an individually selected stock index is decisive here) and the yields of risk-free securities. In this process, empirical capital market studies have shown, depending on the investigation period and the type of stock indexes examined that investments in stocks generally result in approx. four to seven percentage points higher yields than investments in fixed-interest securities. It should also be taken into account here that these are pre-tax yields, from which the personal income tax burden of the stockholder may still have to be deducted.

FAUB recommends taking into account a standard market risk premium of 4.5% in an objectified valuation for valuation dates after January 1, 2009 (cf. *Wagner, Saur, Willershausen, WPg 2008, p. 740 et seq.*)

In our valuation, we used the market risk premium of 4.5% recommended by FAUB

d) Beta factor

The market risk premium is to be adapted to the specific circumstances of the entity to be valued by a sensitivity factor (beta factor) applicable for the individual business. In such event, the beta factor reflects the relative risk of a specific equity compared to the entirety of all equities (market portfolio). A beta factor greater than 1.0 means a risk that is above average compared to the total market, a beta factor less than 1.0 a risk that is below average compared to the total market.

A beta factor applicable for an individual business is determined as the covariance between the equity return of the business entity to be valued and the return of an equity index for a certain period. This procedure is based on the presumption that the business entities considered are listed. In addition, it is advisable to compare a beta factor determined for an individual business with the beta factor of a peer group (group of reference business entities) and to analyze it for applicability.

The beta factor derived for TA AG shows an insufficient correlation with the market portfolio (equity index) and fails to meet the requirements for statistical significance

(t test). This is explained by the fact that the TA AG share at least for the period of the public takeover bid was disconnected from general market price formation. Insofar, the beta factor directly determined for TA AG does not represent an appropriate basis for an objectified business valuation.

Alternatively, we resorted to comparable business entities ("peer group") in deriving a beta factor. For this purpose, we compiled a group of reference business entities of listed companies in the office automatization and document management industry. The essential selection criteria in the case of the selection of the peer group were in particular the business activity and the regional presence of the peer businesses. In our view, the selected peer group suitably reflects the risk profile of the company.

In particular, the peer group includes the following businesses:

Peer Group	Country	Beta (levered)	Beta (unlevered)
Boewe Systec AG	DE	0.880	0.592
Canon Inc.	JN	1.083	1.083
Konica-Minolta Holdings Inc.	JN	1.129	0.936
Kyocera Corp.	JN	1.045	1.045
Lexmark International Inc.	US	0.881	0.881
Ricoh Co. Ltd.	JN	0.972	0.820
Xerox Corp.	US	1.264	0.873
Hewlett-Packard Co.	US	0.880	0.880
Seiko Epson Corp.	JN	0.822	0.718
Toshiba Corp.	JN	0.946	0.611
Oki Electric Ind. Co. Ltd.	JN	0.933	0.469
Sharp Corp.	JN	0.963	0.887
Brother Industries Ltd.	JN	0.955	0.955
Samsung Electronics Co. Ltd.	Korea	0.812	0.812

Source: Bloomberg; Deloitte Analysis

These beta factors observable in the capital market are at the same time influenced by the debt position of the respective businesses (levered beta). Beta factors of non-indebted businesses are to be determined from this (unlevered beta). Subsequently, an adjustment of the unlevered beta takes place in the individual circumstances of the business to be valued.

For our peer companies, we surveyed the beta factors over a period of five years on the basis of monthly capital market observations against the MSCI World Index (valuation date: February 12, 2010). The adjusted and (unlevered) beta factors revised for the capital structure risk lie in a range between 0.469 and 1.083. The arithmetical average is rounded off at 0.826 and was taken as the basis of our assessment of the value.

In each case we adjusted this beta factor period-specific to the corresponding capital structure of the business to be valued.

e) Growth deduction

The possible different consequences of an inflationary development create a further equivalence problem: While the earnings of fixed interest securities remain nominally constant over their maturity independent of future inflation (and therefore will fall in their real purchasing power), businesses can possibly generate nominally rising (and, for example, real constant) future results under inflation conditions.

An inflation deduction (rather, growth deduction) is to be considered if the future results are planned on the price basis of the valuation date, i.e. as real volume. If the future results already reflect expected proceeds- and cost-increases caused by inflation and therefore are conceived as nominal volumes, no equivalence problem exists in comparison to the standardized alternative investment (cf. IDW S 1, margin note 94 et seq.). Since the individually planned results of the short fiscal year January 1 to March 31, 2010 and the years 2010/11 to 2014/15 represent nominal volumes involving growth expectations and price increases, a deduction from the capitalization rate was not required in this respect.

In the future results, which are derived in the sustainable result (perpetual annuity), a nominal growth is not considered. However, the nominal cash flows change both on the basis of price increases as well as on the basis of the quantity and structural changes. While a possible growth in the detailed planning phase is directly illustrated in the business planning, the determination of a sustainable growth in the second phase from April 1, 2015 requires an estimation of a long-term average achievable growth rate. Therefore, a capitalization interest rate is to be utilized for this year, which is reduced by a growth deduction. Behind it stands the expectation that the future results of the company to be valued can increase nominally with a specific annual rate and thus cost increases caused by inflation can be shifted to some extent to the customer.

For the appraisal of the future nominal growth of the financial surpluses in the perpetual annuities the expected inflation rate represents the starting point. However, such an appraisal of the growth rate is to be interpreted by means of the inflation rate only as the first indication. Analysis in Germany for the years 1971 to 1992 showed that in the long term, the profit growth of German businesses failed to reach the level of inflation. On average, profit growth is merely 45% to 50% of the inflation rate.

Additionally, these empirical data are distorted by two special factors: On the one hand, negative earnings contributions from businesses fallen into bankruptcy/insolvency are missing, on the other hand, retentions of profit are included, which generate temporally downstream profits (for example, in the form of capital gains or return flow from investments). Both effects lead to the fact that the long-term "real" development of earnings is reported as positive (cf. *Widmann, Schieszl, Jeromin*, Finanzbetrieb 2003 [Financial Operations], p. 808 et seq.).

Judicial practice also took growth deductions into account. Thus, as an example, Higher Regional Court [OLG] Stuttgart (Case 20-W-14/05) showed that the growth deduction should take account of the fact that the inflation occurs in a business not to the same degree as in the case of the capital investment in fixed interest securities with which the interest includes an inflation premium. A comparative calculation between money investment and investment in a business must consider the different initial positions in the capitalization. The amount of the deduction depends on to what extent it can be expected that the business has the capacity to absorb the ongoing inflation.

Current expectations regarding the development of inflation in the Euro zone are documented by the European Central Bank. In the short run an inflation of 1.0% is expected, in the medium and short term the European Central Bank reports inflation expectations of 1.9%. This is in accordance with medium and long term inflation targeting of the European Central Bank Council of slightly under 2% (see press conference of the European Central Bank as of February 4, 2010 and European Central Bank Bulletin February 2010).

Considering a possible shifting of 50% of the inflation by the companies and the expectations of the European Central Bank a growth rate of about 1.0% can be derived.

Weighing the developments and forecasts described a growth deduction amounting to 1.0% appears to us to be reasonable.

f) Overview of discount rates

In the case of complete self-financing of the business the following discounting interest rates arise:

Discount Rate (Assumption of complete self financing)	Phase I	Phase II
	2010 to 2015	Terminal value
Basic interest rate	4.00%	4.00%
personal income taxes	26.38%	26.38%
Basic interest rate after personal income taxes	2.95 %	2.95 %
Market risk premium	4.50%	4.50%
Beta unlevered (Peer Group)	0.826	0.826
Risk premium	3.72 %	3.72 %
Cost of equity	6.66 %	6.66 %
terminal growth rate		1.00%
Discount rate	6.66 %	5.66 %

Source: Bloomberg; Deloitte Analysis

These interest rates are to be adjusted period-specific taking into account the capital structure. At this, the fact that pension obligations integrated in the special value influence the capital structure risk, needed to be considered. It was taken into account that the impact of the pension obligations is limited to the residual time.

Based on the preceding considerations we have taken the following **capitalization rates** as the basis of our valuation:

Capitalization rates	Phase I						Phase II	
	3 M 2010	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16 seq.	
Debt (market value)	kEUR	156,222	150,970	146,167	141,030	134,485	129,827	87,874
Equity (market value)	kEUR	178,930	182,265	191,762	197,728	202,365	206,636	210,466
Beta relevered		1.354	1.327	1.287	1.257	1.228	1.206	1.079
Cost of equity (adjusted)		9.04%	8.92%	8.74%	8.60%	8.47%	8.37%	7.80%
Terminal growth rate								1.00%
Discount Rate		9.04 %	8.92 %	8.74 %	8.60 %	8.47 %	8.37 %	6.80 %

Source: Deloitte Analysis

2.2.6 Particular valuation difficulties

No particular difficulties occurred in the valuation.

3. Performance of the Valuation

3.1 Derivation of the earnings rate for TA Group

3.1.1 General aspects and explanation of the method

The starting point to determine the sustainable profitability were the profit situations as derived by TA Group's internal controlling from the audited external annual financial statements. With the relevant additional information, these valuations by internal controlling can be transferred to the audited annual financial

statements for 2007 and 2008; the annual financial statement for 2009 is only available as a draft version in an unaudited status.

To value the normalized profitability, we adjusted the present income statements for the fiscal years 2007 to 2009 for one-time and extraordinary items that influence the respective annual results and their comparability.

We then compared the adjusted earnings situations for the fiscal years from 2007 to 2009 with those planned for the short fiscal year January 1, 2010 to March 31, 2010 and years 2010/11 to 2014/15 (each April 1, 2010 to March 31). We performed a substantial plausibility assessment for the earnings planning statements submitted to us in consideration of the key indicators calculated by us as well as in consideration of our market knowledge. The insights gained from discussions with employees of TA AG (representation and critical discussion of the essential planning premises) were also considered during the plausibility assessment.

To derive the long-term attainable results (period starting in 2015/16; perpetual annuity), the valuations of budget year 2014/15 were used for the depiction of an average attainable long-term result, potentially in consideration of what we consider to be required modifications, as well as in consideration of a long-term growth rate.

For the detailed planning period (short fiscal year January 1, 2010 to March 31, 2010 as well as fiscal years 2010/11 to 2014/15), we based the valuation on the company's dividend policy as referred to in the planning. In the continuation phase, we also considered the planned dividend policy with the supplementary consideration of the general market behavior.

On the reference date, TA Group shows retirement provisions in the amount of about EUR 122.8 million, which almost exclusively refer to the claims of former employees. We eliminated the expenditures specified in the planning and determined the resulting amount of the liability together with the associated tax items as a separate item in the valuation. This means that the calculated earnings rate (prior to including the separate item) exclusively represents the value of the current operative business considering the influence of pension obligations to the capital structure risk.

In addition to the earnings planning statements for the time period of the short fiscal year from January 1, 2010 to March 31, 2010 and the fiscal years 2010/11 to 2014/15, the budgeting also includes budgeted balance sheets as well as cash flow plans. We have performed a plausibility assessment on these plans as well and made adjustments in individual cases if we considered these necessary.

3.1.2 Market and Competition

The market of document business includes all kind of devices regarding the document workflow, especially printers, copiers, fax machines, scanners and multi function devices.

In the last decade the market of document business in the developed countries grew significantly and has now reached a point of saturation. In the future growth will mainly be generated in developing countries in the Asia-Pacific region, in Eastern Europe and in Latin America. Due to this development a considerable process of consolidation was going on in recent years, leading to several takeovers and mergers. As a result the competitive pressure was increasing in the market, which is now dominated by large manufacturers. The TA Group can be considered as a Strong Regional Player without its own production. Important competitors of TA Group are Xerox, Hewlett Packard, Canon, Konica Minolta, Ricoh, Brother or Lexmark for example.

The most important sales market of TA Group is Germany. As the total market, the German market has reached an increased level of saturation. According to the information on market figures generated by infosource S.A. and provided to us by TA Group, in the German market for copiers (adjusted by the segment of personal copiers in which TA Group is not presented) Ricoh ranks in a dominant position with a market share of (expected) 19.5% in 2009. TA Group has a market share of 7.6% in 2008, which decreases in 2009 to (expected) 6.2%. In the segment of color copiers the market share increases from 3.5% in 2008 to (expected) 4.1% in 2009, in the segment of black-and-white copiers the market share increased from 9.4% in 2008 to (expected) 7.5% in 2009.

In the German market for printers Hewlett Packard is the dominant competitor with a market share of (expected) 26.2% in 2009. The share of TA Group amounted to 2.1% in 2008 as well as (expected) in 2009. The market share regarding color copiers increased from 1.3% in 2008 to (expected) 1.6% in 2009, the market share in black-and-white printers remained at 2.3% (expected for 2009).

In 2009 the market for document business was characterized by decreasing sales figures; an upward movement cannot be observed up to now. The clients of providers of office communication devices are still dealing with the consequences of the commercial and financial crisis. Decisions regarding purchase or restructuring of office communication devices are of a rather low priority, thus the demand is cautious right now.

3.1.3 Normalization of the profitability and plausibility of budgeting

We undertook the following essential adjustments or revisions to arrive at the normalized profitability for fiscal years 2007 to 2009

TA Group Adjustments	2007 kEUR	2008 kEUR	2009 kEUR
Material expenses and cost of goods sold	264	50	0
Adjustments material expenses	264	50	0
Wages/Salaries	1,430	1,618	1,688
Expenses related to retirement provisions	77	378	556
Adjustments personnel cost	1,507	1,996	2,244
Release of provision "Urheberrechtsabgabe"	0	-2,412	0
Release of other provisions	-152	-228	-518
Adjustments other operating income	-152	-2,640	-518
Office rent	0	122	62
Consulting cost	1,004	1,701	900
Sundry other operating expenses	159	89	7
Advertising expenses	42	0	0
Cost of change of financing structure	2,103	383	587
Adjustments other operating expenses	3,308	2,295	1,556
Depreciation PPE	0	220	0
Adjustment Depreciation	0	220	0
At Equity valuation	-12	-47	-212
Interest income	-59	-520	-53
Interest expenses	47	758	94
Interest expenses related to retirement provisions	6,292	6,873	7,080
Adjustments financial result	6,268	7,064	6,909
Total adjustments	11,195	8,985	10,191
Sources: Company information; annual accounts 2008; Deloitte analysis			
positive values: adjustments lead to improvement of income			
negative values: adjustments lead to deterioration of income			

The essential adjustments affect the following facts:

The adjustments in fees and salaries essentially result from expenditures in connection with restructuring measures in the personnel area. To a small degree, these are also adjustments of expenditures for the creation of provisions that were dissolved again in subsequent years. Since the earnings from the dissolution of the provisions are adjusted in the corresponding subsequent year, the corresponding expenditures in the year during which the provision was created were also adjusted;

With the exception of expenditures for the pension insurance association, expenditures for retirement benefits and support were completely eliminated since the value of the pension obligations was deducted from the earnings rate as a (negative) special item for valuation purposes. For details on this, we refer to our observations in section 3.2.3;

The earnings from the derecognition of the liabilities for the copyright charge were the result of a judgment by the German Federal Supreme Court on December 6, 2007, according to which no copyright-related performance reward has to be paid for printers. The provisions created for this purpose in the previous years were dissolved accordingly. Since this is essentially a one-time item, we eliminated the earnings;

We eliminated the earnings from the resolution of provisions. Accordingly, we eliminated the corresponding expenditures for essential positions in the year during which the provision was created, insofar as this was in the relevant past period from 2007 to 2009;

The adjustments for the consulting costs affect various consulting projects under the assumption that these are not recurring in respect to their type or amount;

The expenditures in connection with the financing structure affect financing costs in connection with the various financing measures within TA Group. Since it cannot be assumed that the corresponding expenditures will occur on a continuing basis, we have eliminated them;

We eliminated the earnings from the at-equity statement, since we added the value contribution of the associated companies as a special item to the earnings rate. For details please refer to our observations in section 3.2.1 of this assessment;

The adjustments for interest income or interest payable affect the elimination of interest income for tax demands and the elimination of interest payable for payment of back taxes;

We eliminated the interest portion of the retirement provisions, since the value of the pension obligations was deducted from the earnings rate as a (negative) special item for valuation purposes. For details on this, please see our observations in section 3.2.3 of this assessment;

The correspondingly adjusted numbers of the past period from 2007 to 2009 as well as the (adjusted) budgeting for TA Group are presented in a summarized form in the following tables.

Result situation TA Group adjusted results	2007 kEUR	2008 kEUR	2009 kEUR	3 months 2010 kEUR	2010/11 kEUR	2011/12 kEUR	2012/13 kEUR	2013/14 kEUR	2014/15 kEUR	2015/16 et seq. kEUR
Sales revenue	386,137	358,207	287,507	75,340	317,835	348,333	375,438	388,391	398,838	402,826
Material expenses	-254,055	-232,652	-187,593	-48,934	-204,807	-225,248	-244,165	-252,676	-259,833	-262,431
Gross margin	132,082	125,555	99,914	26,406	113,028	123,085	131,273	135,715	139,005	140,395
Personnel costs	-67,899	-68,534	-65,734	-16,055	-67,760	-70,752	-73,327	-75,881	-77,754	-78,274
Other operating earnings	12,997	14,818	12,932	2,791	11,040	11,329	11,379	11,398	11,411	11,525
Other operating expenses	-45,962	-47,045	-44,593	-10,632	-40,931	-42,400	-43,860	-44,361	-44,665	-45,112
EBITDA	31,218	24,794	2,519	2,510	15,377	21,262	25,465	26,871	27,997	28,535
Depreciation	-4,025	-4,477	-3,603	-837	-2,828	-2,814	-2,601	-2,631	-2,661	-2,734
EBIT	27,193	20,317	-1,084	1,673	12,549	18,448	22,864	24,240	25,336	25,800
Net financial result	-7,793	-4,530	-3,628	-996	-3,904	-3,782	-3,012	-3,192	-3,308	-3,400
EBT	19,400	15,787	-4,712	677	8,645	14,666	19,852	21,048	22,028	22,400
Corporate taxes				-11	-864	-2,240	-5,598	-6,221	-6,512	-7,082
Distributable income				666	7,781	12,426	14,254	14,827	15,516	15,318

Source: TA Group; Deloitte Analysis

Result situation Overview financial ratios	2007 %	2008 %	2009 %	3 months 2010 %	2010/11 %	2011/12 %	2012/13 %	2013/14 %	2014/15 %	2015/16 et seq. %
Sales revenue	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
change %		-7.23%	-19.74%		10.55%	9.60%	7.78%	3.45%	2.69%	1.00%
Material expenses	-65.79	-64.95	-65.25	-64.95	-64.44	-64.66	-65.03	-65.06	-65.15	-65.15
Gross margin	34.21	35.05	34.75	35.05	35.56	35.34	34.97	34.94	34.85	34.85
change %		-4.94%	-20.42%		13.13%	8.90%	6.65%	3.38%	2.42%	1.00%
Personnel costs	-17.58	-19.13	-22.86	-21.31	-21.32	-20.31	-19.53	-19.54	-19.50	-19.43
change %		0.94%	-4.09%		3.08%	4.42%	3.64%	3.48%	2.47%	0.67%
Other operating earnings	3.37	4.14	4.50	3.70	3.47	3.25	3.03	2.93	2.86	2.86
change %		14.01%	-12.73%		-14.63%	2.62%	0.44%	0.17%	0.11%	1.00%
Other operating expenses	-11.90	-13.13	-15.51	-15.51	-12.88	-12.17	-11.68	-11.42	-11.20	-11.20
change %		2.36%	-5.21%		-8.21%	3.59%	3.44%	1.14%	0.69%	1.00%
EBITDA	8.08	6.92	0.88	3.33	4.84	6.10	6.78	6.92	7.02	7.08
change %		-20.58%	-89.84%		510.44%	38.27%	19.77%	5.52%	4.19%	1.92%
Depreciation	-1.04	-1.25	-1.25	-1.11	-0.89	-0.81	-0.69	-0.68	-0.67	-0.68
EBIT	7.04	5.67	-0.38	2.22	3.95	5.30	6.09	6.24	6.35	6.40

Source: TA Group; Deloitte Analysis

TA Group's **revenue** declined significantly during the period from 2007 to 2009. One important reason for the decline was the worldwide economic and financial crisis starting in 2008, as a result of which the main customers of TA Group - small and mid-sized companies as well as the public sector - were primarily concerned with making fundamental decisions about how to continue their business (e.g. the realization of significant cost savings), so that decisions about acquisitions or increases in efficiency in the area of the document business tended to have a lower priority. This had a correspondingly negative effect on TA Group's earnings situation. Another reason for the decline in revenue is customers' increasing demand for color devices. Delays in development and production affecting the new generation of color devices by the main supplier Kyocera caused TA Group to accept declines in sales numbers, revenue and market shares, especially in 2008.

For the 2010/2011 fiscal year, TA Group plans an increase in revenue to EUR 317,835k and a continuation of that development to the last year of the detailed budgeting period 2014/15, for which revenues of EUR 398,838k are expected. This increase is primarily caused by the measures planned in a current sales strategy. This essentially refers to improvements or increases in efficiency in the

sales structure in order to increase the rate of new customers, extensions and penetrations. The plan also includes measures to increase the proportion of color devices, escalations in the area of production printing and to increase the number of printers.

The plan is based on the assumption that starting with the fiscal year 2010/11 the revenue is going to grow with an average growth rate of 5.8% p.a by 2014/15. Here hardware revenue, with an average growth rate of 8.0% p.a., will increase significantly more than revenue in the area of consumables, maintenance and services at 2.8% p.a. This development is based on the major increase in the number of machines (new placements), as planned in the sales strategy. The pricing pressure caused by the strong competition and the saturated market structure has a contrary effect.

In the respective segments (distribution and direct sales), the division of direct sales (basically leasing business) absolutely and based on the average growth rate contributes much more strongly to revenue growth than the distribution division (sales to specialized trade). In 2010/11, the proportion of the direct sales division will amount to about 78.7% of entire revenue; this proportion will slightly increase to 80.1% in the period until 2014/15. The average growth in this time period in the direct sales division amounts to 6.3% p.a. while the distribution division will grow by 4.1% p.a.

Material expenses, corresponding to the revenue, also declined in the period from 2007 to 2009. An absolute increase in the material expenses is expected, from EUR 187,593k (65.3% of revenue) in 2009 to EUR 259,833k (65.2% of revenue) by 2014/15. Over time, the costs of the material acquisition should develop nearly proportionately to revenue.

Gross proceeds, in the form of the accounting balance resulting from revenue and material costs, was 34.2% of revenue in 2007 and grew only insignificantly to 34.8% by 2009. For the future, a slightly higher gross profit ratio of 35.6% is expected for 2010/11, which will reduce to 34.9% by 2014/15 and will therefore be at a similar level to years 2007 to 2009.

Gross profit margin in the **distribution** division grew from 21.1% in 2007 to 25.3% in 2009. As per the disclosure, this increase was a result of the increased proportion of the higher-margin consumables in the sales mix. A gross profit margin between 23.9% and 24.4% is expected for the period from the short fiscal year 2010 to 2014/15, which will therefore be at a similar level to 2009. In absolute amounts, the gross profit margin should grow from EUR 16,436k in 2010/11 by an average of 3.7% p.a. to 18,997k in 2014/15.

In the area of **direct sales**, TA Group recorded gross profit margins between 37.3% and 38.2% in the period from 2007 to 2009. Gross profit margins between 37.6% and 38.6% are expected for the period from the short fiscal year 2010 to 2014/15, which are therefore at a similar level to that of the past periods from 2007 to 2009. In absolute amounts, the gross profit margin should grow from EUR 96,592k in 2010/11 by an average of 5.6% p.a. to EUR 120,008k in 2014/15.

The successful implementation of the current sales strategy will be a condition for fulfilling these expectations. What matters here is that the sales goals have to be implemented in a strong competitor field. Insofar, budgeting for revenue and gross proceeds can be considered ambitious but achievable.

(Adjusted) **personnel costs** for the past period were reduced from EUR 67,899k in 2007 to EUR 65,734k in 2009, particularly due to restructuring measures. For the future, TA Group expects an increase in the (adjusted) personnel costs from EUR 67,760k in 2010/11 to EUR 77,754k in 2014/15. This development can be attributed to the increased number of employees resulting from the increased business volume for one, and to an expected increase in the amounts of the wages / salaries for another. While (adjusted) personnel costs were still at EUR 51k per employee in 2009, (adjusted) personnel cost of EUR 57k per employee is expected for 2014/15.

(Adjusted) **other operating earnings** have developed from EUR 12,997k in 2007 to EUR 14,818k in 2008 and EUR 12,932k in 2009. The significant components of the other operating earnings in 2009 include surcharges in advertising costs that dropped from the level of the fiscal years 2007 and 2008 quantity-related by about EUR 2,300k to then EUR 3,510k in 2009, along with benefits of EUR 2,822k.

There is an expected downturn in (adjusted) other operating earnings to EUR 11,040k in 2010/11. Compared to the fiscal year 2009, the downturn of EUR 1,892k essentially results from a downturn in the remaining other operating earnings (EUR -853k) and from the fact that only small earnings are scheduled to come from differences in the exchange rate (effect: EUR -523k). Afterwards, (adjusted) other operating earnings will slightly increase to EUR 11,329k in 2011/12 and will then be extrapolated at that level.

In respect to revenue, the (adjusted) other operating earnings amount to 4.5% in 2009. Because of the absolutely increasing sales volume and the absolutely almost constant (adjusted) other operating earnings, the rate will reduce to 2.9% by 2014/15.

(Adjusted) **other operating expenses** of TA Group were reduced from EUR 45,962k in 2007 to EUR 47,045k in 2008 and EUR 44,593k in 2009. Other operating expenses in the amount of EUR 40,931k are expected for 2010/11. The downturn in the amount of EUR 3,662k is primarily a result of lower consulting costs (effect: EUR -855k) and remaining other operating expenses (effect: EUR -1,924k). For the subsequent time period, TA Group is expecting a continuous slight rise in the (adjusted) other operating expenses to EUR 44,665k in 2014/15.

In respect to revenue, (adjusted) other operating expenses amount to 15.5% in 2009. Because of the absolutely increasing sales volume and absolutely only slightly increasing (adjusted) other operating expenses, the rate will reduce to 11.2% by 2014/15.

In the past period, (adjusted) **write-offs** were reduced from EUR 4,025k in 2007 to EUR 3,603k in 2009. Based on the planned moderate investments, TA Group expects a future downturn in write-offs to EUR 2,828k in 2010/11, which will continue to decline to EUR 2,661k in subsequent years. The higher current write-offs are based on extensive investments in hardware and software, which should not recur in this form and amount in the planning period.

We modified the **financial results** based on the company's medium-term planning. Accordingly, an interest balance from leasing transactions of EUR 449k p.a. that will be constant and positive is expected for the planning period, along with a constant and negative accounting balance from interest payable for obligations from shipments, services, and factoring, and from interest income from shipments and services of net EUR 1,366k as of 2011/12. The accounting balance that is declared as an operative financing resulting from interest payable from shareholder loans, from promissory notes (until expiration in fiscal year 2012/13), from brand leasing (until expiration in fiscal year 2012/13) and from other loans was supplemented by interest expenses resulting on the basis of a cash-flow analysis from new loans as well as by interest income from the investment of liquid funds. The resulting operative financial balance therefore drops from EUR 2,997k in 2010/11 to EUR 2,391k in 2014/15. This downturn is a result especially of the expectation that the projected new borrowings in 2012/13 and onward may be subject to more favorable conditions than the promissory notes and brand leasing that will expire in 2012/13. In total the financial results are reduced from EUR 3,904k to EUR 3,308k in 2014/15.

The **company taxes** were determined on the basis of a separate tax plan. The low tax expenses in the beginning years of the detailed planning period starting at the short fiscal year 2010 are a result of the effect of the tax losses that incurred in fis-

cal year 2009, which, until their use, lower business income or taxable income and therefore tax expenses.

We refrained from a calculation of **minority shares** in the operating results within TA Group, as those either ceased due to purchase or are insignificant.

As a consequence of the above, TA Group is expecting a **distributable result** of EUR 7,781k in 2010/11 that will increase to EUR 15,516k by 2014/15. This earnings growth can essentially be attributed to the rising gross proceeds and a disproportionate development in the personnel and material costs.

3.1.4 Derivation of the earnings rate

We based the derivation of the earnings rate on the company's budgeting for the planning period of the short fiscal year from January 1, 2010 to March 31, 2010 and fiscal years 2010/11 to 2014/15 (each April 1 to March 31). To derive the earnings rate in the planning period and to derive the sustainable results (average expected results as of 2015/16), we made the following essential adjustments and took the following assumptions into account:

We generally based our valuation on the company's individual plan estimates for the projected period of the short fiscal year January 1, 2010 to March 31, 2010 and fiscal years 2010/11 to 2014/15 without modifications.

However, we did reduce the budget estimate for personnel costs by the pension payments or appropriations of the retirement provisions as incurred, since we presented these as a special item next to the earnings rate for the operative business to represent the burden caused by the pension obligations towards former employees of TA AG and UTAX GmbH. As a result, interest payable for pension obligations was also eliminated in the financial results. We reduced the payments to the pension insurance association contained in the personnel costs to an expected average amount after the pension insurance association claimed a greatly increased contribution for 2009.

The results from the receivables valuation were normalized for the plan years as of 2011/12.

We measured the write-offs for the long-term on the basis of average write-offs and investments from the planning period.

The company's financial results had to be recalculated. On the one hand, we eliminated the results from associated companies in the individual plan years, since we determined a separate special item for this purpose. On the other hand, the inter-

est result had to be recalculated in consideration of the planned adjustments (primarily the detail planning of the interest-bearing positions as well as the adjustments of the interest conditions).

We newly determined the corporate tax expenses based on the pertinent tax rates and the planned adjustments. This was based on a tax plan that takes a transfer of the results determination according to IFRS to the tax results into consideration, in addition to the foreign share of the results, a depiction of the commercial tax additions as well as the effects of the regulations in respect to the interest barrier (Section 8a KStG [Corporate Tax Law] in conjunction with Section 4h EStG [Income Tax Act]).

For the derivation of the perpetual annuity (sustainable result), we first assumed that the surplus in the perpetual annuity would develop in consonance with the long-term growth rate. We also took separate assumptions into account for the write-offs and derived the financial results from the financing situations at the end of the last plan year.

In agreement with the declared planning, we have alleged that there will be no or only insignificant minority shares in group companies by third parties in TA Group in the future and that the reduction of the generated surpluses for this purpose can therefore be eliminated.

For the planning periods of the short fiscal year January 1, 2010 to March 31, 2010 as well as the fiscal years 2010/11 to 2014/15, the company assumed that the annual surpluses in the individual periods will be retained to their full extent to strengthen the capital basis. These retained annual surpluses will be attributed to the shareholders in the respective periods, in each case notionally in consideration of the effective divestment earnings tax.

For the sustainable results, it was alleged that 50% of the annual surplus will be distributed and 50% of the annual surplus will be retained. Like in former planning periods the retained amount forms the basis for the effective divestment earnings tax (fictitious addition). The fact that TA AG has a substantial so-called "tax contribution account" [steuerliches Einlagekonto] is relevant for the taxation of the retained amount. This tax contribution account exceeds the balance of fiscal equity and nominal capital extensively, thus the distribution considered in the perpetuity need to be regarded as repayment of capital, which is not subject to personal income tax in terms of flat rate withholding tax. Certain circumstances might lead to a subsequent taxation though. For the benefit of the minority shareholders the flat rate withholding tax was not considered and a subsequent taxation was not assumed. Furthermore, the tax contribution account in fact is extensive, but cannot

spare personal income tax in the long run. With regard to the limited meaning of planning results of the remote future to the dividend discount for the valuation on hand the permanent prevention of personal income tax (flat rate withdrawal tax) to distribution was assumed.

The net new assets (actual and notional) of each period are discounted for the valuation date in consideration of a period-specific discount interest rate.

As a result, the following earnings rate can be applied per share as of the valuation date:

Derivation discount value	3 months 2010 kEUR	2010/11 kEUR	2011/12 kEUR	2012/13 kEUR	2013/14 kEUR	2014/15 kEUR	2015/16 et seq. kEUR
Distributable income	666	7,781	12,426	14,254	14,827	15,516	15,318
Distribution	0	0	0	0	0	0	7,659
Fictitious addition value proposition retention	666	7,781	12,426	14,254	14,827	15,516	7,659
Gross payment to shareholders (actual and fictitious)	666	7,781	12,426	14,254	14,827	15,516	15,318
Personal income tax on payment	0	0	0	0	0	0	0
Effective divestment earnings tax	-88	-1,026	-1,639	-1,880	-1,955	-2,046	-1,010
Net payment to shareholders (actual and fictitious)	578	6,755	10,787	12,374	12,872	13,470	14,308
Discount rate	9.04%	8.92%	8.74%	8.60%	8.47%	8.37%	6.80%
Discount value as at Dec. 31, 2009/Jan. 1, 2010	kEUR	178,930					
Discount value per share	EUR	3.23					
Accumulation to the date of the annual general meeting on April 20, 2010	kEUR	4,794					
Discount value as at April 20, 2010	kEUR	183,724					
Discount value per share	EUR	3.32					

Source: Deloitte Analysis

Accordingly, the earnings value per share as of April 20, 2010, is EUR 3.32.

3.2 Special values

3.2.1 Associated companies

Since we adjusted TA Group's earnings situation to accommodate the profit contributions from associated companies, the affected corporations had to be valued separately. Shares in two associated companies are declared in the consolidated financial statement. In the consolidated financial statement, these shares are valued at the proportionate financial equity (or "at equity"). This refers to the shares in F&S Finance and Service Leasing GmbH, Fellbach (capital holdings 10%, profit participation 50%) and Consulta Bürotechnik spol. s.r.o., Vyskov/Czech Republic (capital holdings 49%).

Since neither of the holdings can be qualified as significant, we have used a simplified earnings rate method or at least the proportionate equity for the valuation.

The simplified earnings rate method is based on a one-time projection of the results, starting with the actual results in the last three fiscal years in consideration of the tax consequences. For the (sustainable) results, it was alleged that it is distributed and retained at 50% each. In each case, the amounts are based on the valuation in consideration of the personal income taxes of the shareholders (payout) and the effective divestment earnings tax (notional addition). The discounting is calculated with the discount interest rate for perpetual annuity in the case of TA AG's self-financing.

This results in a special rate in the total amount of EUR 684k for the separately valued holdings:

Special value associated companies subsidiaries	Valuation method	kEUR
F&S Finance and Service Leasing GmbH, Fellbach	simplified earnings method	589
Consulta Bürotechnik spol. s.r.o., Vyskov/CR	proportionate equity	77
Special value associated companies (Dec. 31, 2009)		666
compounding to the valuation date		18
Special value associated companies (April 20, 2010)		684
Value per share		EUR 0.01
Source: information TA AG; Deloitte analysis		

The special rate per share therefore amounts to EUR 0.01.

3.2.2 Non-operating assets

An undeveloped property in Chemnitz was identified as a non-operating asset. The size of this property is about 2,090 square meters and is in the area of the railroad facilities. The book value as of December 12, 2009 is EUR 125k. Information about the ground value was obtained from the committee of valuation experts of the city of Chemnitz in August 2008 to check the estimated financial value. The valuation based on the information as of February 2010 would tend to result in a value lower than the current amount stated. For the valuation in the scope of non-operation assets we considered the book value of EUR 125k. The **special rate for the undeveloped property** amounts to **EUR 128k**, including the compounding as of 4/20/2010. The effective value per share is therefore less than EUR 0.01.

3.2.3 Pension obligations

A special rate in the form of a deduction of the earnings rate was calculated for the pension obligations that exist at TA AG and UTAX GmbH. In this context, all expenditures and payments that were included in the result calculations of the comparable years in the past periods and the planning were eliminated.

The starting amount for the special rate is the amount of the DBO (defined benefit obligation) as calculated for the reference date of December 31, 2009 for the accounting according to IFRS in the consolidated financial statement. The DBO rate is a cash value of the future obligation in consideration of the beneficiaries' age structure (requisite reliability) as well as assumptions about the wage and pension development and on the basis of a market interest rate to calculate the cash value. The DBO value generates a much more realistic expected obligation than the partial value according to para. 6a EstG, which the accounting according to the German Commercial Code and tax law is based on. For that reason it can be considered a suitable foundation to determine the time value of the pension obligations.

To determine the special rate, a fictitious sale of the obligations in the amount of the DBO value is assumed for the reference date on December 31, 2009. The fictitious complete self-financing of the selling price is also assumed. In addition, it has to be considered that the fictitious divestment is accompanied by a tax relief in respect to company taxes and personal taxes of shareholders. Personal income taxes were calculated according to the proportions of the terminal value with 50% dividend distribution and retention each. The amounts are included in the calculation considering personal income tax of shareholders (dividend distribution) and effective capital profit tax (fictitious addition) respectively. The consequences of the avoidance of personal income taxes to distribution need to be considered. The tax relief affects almost the entire amount of the DBO since the retirement provisions were dissolved in the tax balance sheet of TA AG due to the past, tax-related transfer to the relief funds. The contributions that have to be made to the relief funds are thus a deductible operating expense.

The negative special value of the pension obligations as at April 20, 2010 is therefore determined at EUR 85,944k as follows:

Special value retirement provision		kEUR
Present value as of Dec. 31, 2009		126,719
Tax shield		-43,018
Special value retirement provision (Dec. 31, 2009)		83,701
compounding to the valuation date		2,243
Special value retirement provision (April 20, 2010)		85,944
Value per share	EUR	1.55
Source: Information TA AG; Deloitte analysis		

The special rate per share therefore amounts to EUR 1.55.

3.3 Summary of the valuation results

For the reference date of April 20, 2010, the total value of TA AG is composed of the earnings rate and the special rates as follows:

Summary of the valuation results	Value of the company		Value per share
	Dec. 31, 2009	April 20, 2010	April 20, 2010
	kEUR	kEUR	EUR
Earnings value	178,930	183,724	3.32
Special values:			
Associated companies	666	684	0.01
Non-operating assets	125	128	< 0,01
Retirement provision	-83,701	-85,944	-1.55
Net amount special values	-82,910	-85,132	-1.54
Value of the company	96,020	98,592	1.78
Quelle: eigene Berechnungen			

The business value of TA AG as at April 20, 2010 is EUR 98,592k; this corresponds to a value of EUR 1.78 per share.

4. Market Price

The shares of TA Triumph-Adler AG (WKN 749500) are traded at the German stock exchanges in Frankfurt, Berlin, Düsseldorf, Munich, Stuttgart, and through the XETRA platform.

According to the Supreme Court jurisdiction by the German Federal Constitutional Court [Bundesverfassungsgericht – BverfG] (order dated April 27, 1999) and the German Federal High Court of Justice [Bundesgerichtshof – BGH] (order dated March 12, 2001) for the financial compensation and settlement (Sections 304, 305, 320b AktG [German Stock Corporation Act]), the market price of the share forms the lowest limit of the cash value, since the market price represents the share's actual market price. The only case in which this does not apply is when a narrowness of the market makes it unclear whether the shares might actually have been sold at the market price or when the market prices have been deliberately influenced.

The literary opinions published about this jurisdiction offer different interpretations of the criteria for a relevance of the market price. So far no authoritative opinion has formed.

In literature, it is debated whether the regulations implied by the above decisions can be transferred to the relevant case of the squeeze-out of minority shareholders pursuant to Section 327 a et seq. AktG, and whether the minimum contribution of the principal shareholder of 95% (Section 327a (1) AktG) regularly leads to narrowness of the market, which means that the market price does not reflect the market price.

In so many words, the German Federal Constitutional Court has declared that a 95% participation by a majority shareholder can lead to narrowness of the market since this means that these shares are taken off the market. In such a case it may be unclear whether the minority shareholder may really have been able to sell his shares at the market price. However, this is just one reason why the market price is not suitable to determine the value as long as shares are being traded at the stock exchange.

There are currently no authoritative pertinent insights that can be applied to determine the relevance of market prices as the lower limit of an offered cash compensation. Instead, the literature contains different interpretations and suggestions about the criteria to be applied. Due to the German Securities Acquisition and Takeover Act (WpÜG) effective as of January 1, 2002, and the ordinance issued in this context about the contents of the offer documentation, the consideration in case of takeover offers and mandatory offers and the waiver from the duty to publish and submit an offer (WpÜG offer regulation), legal regulations have been issued for the first time that determine which rate and reference period have to be taken into consideration.

The German Federal Constitutional Court has left it for the official courts to determine a suitable reference period for the creation of an average. Following the diverging decisions by Civil Division Stuttgart and Civil Division Düsseldorf, the German Federal High Court of Justice, in an order from March 12, 2001, has specified a period of three months prior to the reference date (day of the resolution of the general meeting) for the formation of averages. The reference rate determined in this manner should therefore be formed with the exclusion of extraordinary daily fluctuations and non-solidifying volatile developments. However, the German Federal High Court of Justice did not specify which rate the formation of averages should be based on.

In more recent case law, the position taken to address the issue of the relevant reference period deviates from the original decision by the German Federal High Court of Justice on March 12, 2001. In its decision from February 16, 2007 submitted to the German Federal High Court of Justice, Civil Division Stuttgart explicitly substantiated why the market price – as the lower limit of the financial settlement payable to the shareholders due to a corporate law-related structuring measure – should be based on the average market price as weighted after revenue in a reference period of three months prior to the publication of the measure and not on the average rate in the last three months prior to the shareholders' meeting. There was no decision by the German Federal High Court of Justice in the process because

the then complainant shareholders withdrew their complaints (press release by Civil Division Stuttgart dated 2/20/2008).

Civil Division Stuttgart reinforced its understanding that the average rate prior to the publication of the measure should be used as the basis and substantiated it again extensively, most recently with an order from December 18, 2009 (20 W 2/08).

On the basis of literature and jurisdiction, it seems appropriate to infer that the period for the calculation of the average rate should be based on a period of three months prior to the publication of the measure, here the day of the announcement about the intended exclusion of the minority shareholders of TA Triumph-Adler AG on November 30, 2009, and therefore specify the rate based on the three-month period up to November 29, 2009. The weighted average domestic market price of the share is to be applied as the exchange rate. The weighted average market price is the average rate, weighted after revenues, of the operations listed on the stock exchange as declared to the Federal Financial Supervisory Authority (BaFin).

Based on the rate and revenue information of the share at the relevant stock exchanges in a three-month period prior to the relevant reference date of November 30, 2009, the average rate is EUR 1.89 per share.

5. Appropriate Cash Compensation

A comparison of the possible cash compensation amounts shows that the calculated company value per share according to IDW [Institute of Public Auditors in Germany] S 1 is below the above-stated average rate. This means that according to the jurisdiction, the market price should be applied as the basis of the appropriate cash compensation unless there is narrowness of the market.

If the day of the initial publication of the transfer demand is used as the relevant valuation date for the above-stated reasons, the amount of EUR 1.89 per share has to be applied to the cash compensation. This compensation is appropriate within the meaning of the law.

6. Determination of Cash Compensation

As described above, a cash compensation in the amount of EUR 1.89 per TA Triumph-Adler AG share would constitute an adequate cash compensation within the meaning of sections 327a para. 1 sent. 1, 327b para. 1 sent. 1 AktG.

Within the scope of the voluntary public takeover offer of KYOCERA MITA Corporation to the shareholders of TA Triumph-Adler AG regarding the acquisition of their no-par value bearer shares in TA Triumph-Adler AG, the further acceptance period of which ended on

February 2, 2009, KYOCERA MITA Corporation offered a consideration in the amount of EUR 1.90 per TA Triumph-Adler AG share.

Within the scope of the squeeze out proceeding KYOCERA MITA Corporation has decided to determine a cash compensation in the same amount, namely

EUR 1.90

per each no-par value bearer share of TA Triumph-Adler AG to treat the minority shareholders same as within the voluntary public takeover offer.

Osaka, March 4, 2010

KYOCERA MITA Corporation

Katsumi Komaguchi, President

Exhibit 1

Draft Resolution on Transfer of Shares

The resolution on the transfer of the shares in TA Triumph-Adler AG held by the minority shareholders to KYOCERA MITA Corporation as main shareholder, which shall be passed at the extraordinary general meeting of TA Triumph-Adler AG on April 20, 2010, has the following wording:

“The no-par value bearer shares of the other shareholders (minority shareholders) of TA Triumph-Adler AG shall be transferred to KYOCERA MITA Corporation, Osaka, Japan, as main shareholder in accordance with the procedure for the exclusion of the minority shareholders (sections 327a et seqq. of the German Stock Corporation Act (AktG)) against payment of a cash compensation by the main shareholder in the amount of EUR 1.90 per no-par value bearer share of TA Triumph-Adler AG with a pro rata amount of the share capital of EUR 1.45 each.”