

TA TRIUMPH-ADLER AG

FINANCIAL STATEMENTS 2007

Management Report of TA Triumph-Adler AG, Nuremberg, for the fiscal year 2007

1. The business and its environment

TA Triumph-Adler AG's bylaws allow either it or its subsidiaries to manufacture and sell copiers, word-processing systems, computers, office machinery, and office supplies. This also includes providing consultancy and training services relating to office organization and data processing, as well as the manufacturing and sale of IT software.

In particular, the company is authorized to found companies, enter into shareholding investments, conclude corporate agreements, form communities of interests, establish branches both in Germany and abroad, and operate other relevant businesses appropriate to furthering the company's business.

THE GROUP: STRUCTURE AND BUSINESS

TA Triumph-Adler AG acts as the parent company of the TA Triumph-Adler Group. The core of the Group is comprised of the operating companies in Germany and abroad. Outside Germany, the company has affiliates located in the Netherlands, the United Kingdom, Austria, Switzerland, Slovakia, and the Czech Republic. The parent company provides central services for its subsidiaries. These include, for example, services from the areas of financing, administration, IT, and personnel management.

Control and profit-transfer agreements existed with all German subsidiaries in the 2007 financial year. The business purpose of nearly all of these companies is the Document Business. They analyze and provide consultancy services to corporate customers on an individual basis, and implement efficient document workflows both in paper and electronic form, as well as providing subsequent service.

The revenue of the parent company derives mainly from profits transferred from the operating subsidiaries. The success of the subsidiaries' business in the Document Business depends on several factors, including primarily

- economic developments, in particularly the propensity of our existing and target customers to invest,
- the extent to which we offer competitive services and equipment, as well as
- a sales strategy that efficiently implements our market position and competitive advantages, and meets the requirements of target customers.

Compared with this, the profitability of the parent company depends mainly on our internal cost management, implementation of ongoing Group-wide efficiency improvements, and the focus on the management of the entire Group of companies.

THE ECONOMIC ENVIRONMENT

We continue to generate most of our revenue in Germany. Our operations are consequently primarily dependent on German economic growth. Following relatively strong growth in 2007, all commentators are assuming a slowdown in 2008. It is also expected that both spending on plant and equipment and public sector investment will continue to grow this year. While both of these areas relate to a broader sector of the economy than is immediately addressed by TA Triumph-Adler's product range, experience shows that data relating to these sectors of the economy can serve as an indicator for growth in our area of the Document Business. The future growth expressed in the forecasts is normally associated with rising requirements for administrative activities, information processing, and documentation, which are then reflected as demand in our business areas.

The German government has based its 2008 annual economic survey on a forecast of GDP growth of 1.7%. This represents a shortfall relative to growth of 2.5% in 2007. According to the survey, spending on plant and equipment will grow by 4.1% in 2008, in other words, at less than half the rate in 2007.

Among other things, the German government has based its forecast on the German Council of Economic Experts'. In their 2007/2008 annual survey of macro-economic developments, the economists pointed out that investment in plant and equipment continued to grow at a very high rate of 8.4%. This growth in turn reflects spending not only by major corporations but also smaller domestically-focussed companies. The council of economists anticipates weaker investment growth in 2008, among other things because demand for expansion investment will dwindle given declining capacity utilization rates.

The ifo Institute for Economic Research noted in its autumn 2007 investment survey that, according to the companies it surveyed, actual investment growth of 12% during the year had been stronger than anticipated in the previous year. At that time growth of around 9% was forecast for investments by manufacturing industry. The Institute, in line with other research institutions, anticipates further growth for 2008, albeit at half the previous year's level at 6%.

The German Federation of Local Authorities' Associations explained in its municipal finance forecast for 2006 to 2008 that spending on fixed assets by cities and local authorities rose by 7.3% in 2007, in other words, significantly faster than forecast a year earlier. At that time, it forecast growth of 1.3% in 2006, and 3.7% in 2007. The association anticipates growth of 6.6% in investments by cities and local authorities for 2008. However, the building project sector is expected to grow particularly fast, which means procurement is forecast to rise by only 1.3%.

Even if the less pronounced economic growth factors might not have a major impact on the business performance of the TA Triumph-Adler Group, a lower rate of organic growth in 2008 than in the last two business years can be assumed.

Banks around the world have been required to make significant write-downs in the wake of the so-called subprime crisis in the United States. Banks consequently need, and have needed, to raise new capital to strengthen their equity. There are now widespread fears that financing terms for private individuals and companies will worsen significantly as a result of the related shortage of capital, and it will make raising funds for continued growth either more difficult or even impossible.

We are assuming that this effect, should it occur, will have less of an impact on the TA Triumph-Adler Group than on other companies:

- Firstly, we successfully reorganized our own financing in 2007. The Group now has sufficient funds available both for current operations and for additional growth through acquisitions.
- Secondly, with the TOM concept, our business for the large part does not require our customers to invest in equipment; instead they pay for our services in the form of ongoing installments based on output volumes.
- Thirdly, we have so far encountered no problems in refinancing our leasing activities. Since we always work together with several refinancing companies, we shall prospectively enjoy sufficient options for favorable refinancing for the foreseeable future.

SERVICES AND MACHINES

We offer our customers significant efficiency improvements in their Document Business. Consultancy services are playing a growing role in this respect. As part of consultancy services our employees analyze client companies' document-related processes, and prepare organizational and management consultancy concepts to raise their efficiency. The digital document is increasingly becoming the focus of our activities. From our current perspective, as well as from the point of view of our customers, our extensive range of services represents a significant competitive advantage. Further competitive advantages comprise the comprehensive geographic presence in our key markets that enables us to offer our customers around-the-clock service, as well as the patent-protected ceramics technology developed by our strategic partner Kyocera Mita that creates major efficiency benefits for our customers' running operations.

The strategic alliance with Kyocera Mita Corporation, Osaka, Japan is of major importance for the further development of our Group. The basis of the business cooperation is a Commercial Alliance Agreement with the Kyocera Mita Corporation that was extended until June 30, 2010 in the first quarter of 2007. This agreement does not constitute an exclusive arrangement between the partners. It contains a change of control clause that entitles Kyocera Mita Corporation to give notice of termination in the instance of a change of control.

Kyocera Mita Corporation continues to hold 29.9% of the issued share capital of TA Triumph-Adler AG. Anticipated future attendances at shareholders' general meetings lead TA Triumph-Adler AG to assume that Kyocera Mita Corporation will be in a position to exercise a controlling influence at future shareholders' general meetings. This means that, according to § 17 Paragraph 1 of the German Stock Corporation Act (AktG), TA Triumph-Adler AG qualifies as a company dependent on the Kyocera Mita Corporation. Since no controlling agreement exists between the two companies, according to § 312 Paragraph 1 of the German Stock Corporation Act (AktG), TA Triumph-Adler AG is obligated to prepare a dependent company report and to include its concluding declaration in the Management Report (§ 312 Paragraph 3 Clause 3 of the German Stock Corporation Act [AktG]). In this report, the Management Board states: „TA Triumph-Adler AG received an appropriate consideration for each legal transaction listed in the report on relationships to associated companies, based on the circumstances that were known to us at the time when the legal transactions were performed.“

Within the scope of our strategic business relationship, Kyocera Mita supports our sales and marketing activities, with the aim of assisting us to raise the share of business that we generate with own brands. The related revenue is reported as part of the other operating income of the parent company.

Products procured from our strategic partner are distinguished from those of the competition through the implementation of a patented and particularly long-life and maintenance-friendly ceramic drum technology. Our companies also distribute third-party equipment to cater for instances where customers have particular requirements, or for instances where customers request specific third-party equipment.

All machines are either delivered to the qualified specialist trade (in the Distribution segment managed by our subsidiary UTAX GmbH) or leased to corporate customers as part of mostly multi-year lease agreements (in the Direct Sales segment managed by TA Triumph-Adler regional companies). These services allow us to address our customers' paper-based document flows. We intend to an increasing degree to supplement the services through consulting services, concepts, and products designed to improve the flow of electronic documents. With over 178,000 managed machines meanwhile installed at over 34,000 customers, we continued to report double-digit growth in 2007, and we rank as the market leader in this business in Germany.

Besides public institutions, our main customers are medium-sized companies (SMEs, Mittelstand). Our customers have on average five to six of our machines installed. No customer accounts for more than 1% of our consolidated revenue. The share of our machines installed at larger companies is growing as the result of the expansion of our major customer business, which is managed by our subsidiary TA Triumph-Adler Corporate Consulting. Among other things, we are expanding our business with clinics, as well as, for example, customers from the chemicals industry, the financial service sector, and the media sector.

In our 2007 financial year we have again grown faster than the market and have improved our market share.

Our aim is to further expand this position of leadership, both this year and in coming years. In doing so, we are pursuing a strategy with four balanced growth areas:

- expansion of the high-volume business with major customers,
- expansion of the high-margin business with medium-sized companies,
- growth in the export area and
- through acquisitions.

Important levers of our growth strategy comprise our outstanding managerial consulting expertise in the Document Business, our color technologies, and our significant market potential in the printer area, which we are only just beginning to exploit.

In order to powerfully implement this strategy in the consulting and realization business for major customers, we are building on both our well-founded managerial know-how and the comprehensive geographic presence of our service organization, which enables us to also serve large companies with extensive networks on a one-stop shop basis and with short response times.

An important indicator of customer satisfaction in the Distribution segment is the annual survey of the specialist trade conducted by the sector trade publication „markt intern“. UTAX GmbH, which is responsible within the TA Triumph-Adler Group for the distribution of copiers, fax machines, printers, multifunctional products, and document management software to the German and international specialist trade, defended its place among the top three providers in all product categories in the 2007 survey, and further improved its score for printers and copiers. UTAX took first place in the photocopier segment, second for fax devices, and third place for printers. In order to further expand our service for the specialist trade, we are now offering our trading partners both consultancy services and support along with refinancing. For this purpose, we have purchased a minority stake of 10% in a refinancing subsidiary of the Österreichische Sparkassenverband (Austrian Association of Savings Banks).

The ratio of contract extensions provides us with an indication of customer satisfaction in the Direct Sales division. It measures how many existing customers enter into a follow-on agreement when their contracts expire, or even earlier as a result of our initiative. This ratio stood at 80% in 2007.

In previous years we reported on the introduction of our VIS and METRIX systems. They not only provide an efficient support to our sales and service employees, but we also use them to regularly monitor the level of performance we have achieved through a system of key performance indicators (KPIs). One criterion in this respect is the contract satisfaction ratio.

We raised this ratio to 79% in 2007: in response to 79% of our customers' service demands, we arrive either earlier than agreed, or exactly on time. In cases where there is no fixed contractual arrangement, it is our internal target - and this is also reflected in the contract satisfaction ratio - to be there by the next day at the latest. Our dense service network lends us an advantage compared to our competitors, as our customers can confirm.

Besides monitoring with the use of KPIs, we regularly test our service in customer surveys conducted by independent and neutral parties. The results are very good*: 89% of our customers assess our service input as being either very good or good overall, and 69% award the same marks to our flexibility. A total of 92% are very satisfied or satisfied with their ability to reach us, and 80% of all customers feel they have been looked after competently and well. The quality of timekeeping is assessed as good overall, and our technicians are appraised as very good to good without exception. 85% of our customers disclose that they would recommend the company to others on the basis of our service quality. We use the survey to identify areas that require improvement. Whatever the outcome, we shall never be satisfied with what we have achieved. Instead, we shall continue to work on improvements, and new initiatives.

EFFICIENCY IMPROVEMENT.

Under the heading TA 3, we set up an operationally contingent program in 2005 that defines targets for the three-year period up to 2008, and provides controllable measures to reach these targets. It entails three key optimization projects:

First, we are boosting sales, as already mentioned, through concentrating our resources on sub-markets and customer segments that offer high volumes and margins.

Second, we are reducing costs through optimization in sales, service, and administration.

And third, we are working on optimizing the structure of the Group and administrative tasks.

Almost all of the projects planned as part of the TA3 program have already been fully completed. We shall reap the benefits from as early as 2008.

Good is not good enough for us: we have started to design a new three-year program that takes the level we have reached as its starting point. We shall set up this program and embark on it by mid-2008 at the latest.

* The following figures derive from the survey of January 2008

We discontinued the introduction of a shared service organization in the administrative area, which was mentioned in the 2006 annual report, following the conversion of the first companies and the experiences we gained in doing so. We started to implement an alternative concept in mid-2007 that tends to strengthen our decentralized structure and relies on our regional companies' abilities to perform their own optimization. In doing so, our companies have obligated themselves to achieve the same level of savings as currently budgeted, but within a shorter timeframe. The 2007 targets we derived from this were fully achieved.

We have already achieved a lean and powerful structure in West Germany now that we have six large regional companies. We aim to concentrate our group of subsidiaries in East Germany to a maximum of four large regional companies through targeted mergers by 2009 at the latest. We shall exploit the related cost reduction potential without sacrificing geographic presence and proximity to customers.

Within the context of this strategy, we completed the following key modifications to our portfolio of subsidiaries in 2007:

TA Triumph-Adler Consulting GmbH was merged with Triumph-Adler Rheinland GmbH with retrospective effect as of January 1, 2007 to create TA Triumph-Adler Corporate Consulting GmbH with the aim of simplifying corporate legal structures and internal operating processes.

As part of our reduction of companies in East Germany, Kopiersysteme Vertriebs GmbH Dessau was merged with TA Triumph-Adler Mitteldeutschland GmbH, while TA Triumph-Adler Nordhausen GmbH, and Kopier Saalfeld GmbH were merged with TA Triumph-Adler Thüringen GmbH in the second quarter of 2007.

The remaining activities from our business entailing presentation and media technology, as well as the related „Anders+Kern“ brand, were sold with effect as of July 1, 2007 with a largely neutral impact on earnings.

We are also constantly expanding our activities through buying specialist dealer companies or business activities in the Document Business area.

For instance, we acquired employees, an active customer base, contracts, as well as operating business assets belonging to the specialist dealer company Unicopie Service GmbH, Düsseldorf, in early 2007. This was followed in the second quarter by the acquisition of all shares in KomTec Vertriebsgesellschaft für Kommunikationstechnik mbH, Hilden. Both operations have been merged into TA Triumph-Adler Corporate Consulting GmbH.

TA Triumph-Adler Frankfurt GmbH also acquired selected assets from the company Druck+Kopie Systemtechnik, Frankfurt/Main, particularly its base of major customers, as well as various long-term end-customer contracts.

We acquired Weimbs Büro- und Kommunikations-technik GmbH, Euskirchen, in the fourth quarter, and finally, at the end of 2007, the office equipment and technology operating business of CKV Neukötter GmbH, Bocholt (Lower Rhine), which were both rapidly and completely integrated and merged with TA Triumph-Adler Corporate Consulting GmbH, Bonn. The premises in Bocholt will be converted into a TA Triumph-Adler sales branch, from where we also intend to support TA Triumph-Adler's activities in the Netherlands in future.

We acquired a total of around 3,100 machines in field, and annual revenue of around €8 million, by way of acquisition.

Our acquisition strategy continued to prove its worth during 2007. We are concentrating on smaller specialist dealers with solid businesses and customer bases. Following acquisition, we rapidly integrate activities that fit with our core business into the relevant TA Triumph-Adler regional company. We realize positive earnings effects immediately through the centralization of all administrative and management functions, and then we gradually exchange our competitors' machines installed at our acquisition's customers with our own brands, in line with our business model.

The new financing allows us to pursue this strategy even more intensively than previously. For this purpose, we have set up an M&A team that identifies potential acquisition opportunities, contacts the companies concerned, and evaluates the risks and opportunities of an acquisition as part of a tried and tested due diligence process.

CORPORATE GOVERNANCE

In our 10-point management principles, „Mission, Vision, and Values of TA Triumph-Adler“, we have set out the responsibilities of management and employees, both mutually, as well as with respect to customers, business partners, the company, and the environment. We obligate ourselves to open and respectful behavior both within the company and with third parties, as well as to a high degree of transparency both internally and externally.

We strive to further improve the environmental tolerability of the technologies we distribute, in close cooperation with our strategic partner Kyocera Mita and other manufacturers. Our own brand machines are characterized by good levels of energy efficiency, and, almost without exception, bear the „Energy Star“ seal.

UTAX GmbH performs machine logistics tasks for the entire Group. The company is a founding member and sponsor of the Register of Used Electronic Equipment, and is actively working on concepts and solutions for the environmentally compatible disposal of used electronic equipment. It has set up a concept for our customers that ensures that used equipment is collected, transported, and disposed of seamlessly by a certified company.

The Management Board and Supervisory Board of TA Triumph-Adler AG regard it as their duty to perform efficient and comprehensive corporate governance. According to § 161 of the German Stock Corporation Act (AktG), management boards and supervisory boards of listed stock corporations must issue an annual declaration of conformity relating whether, and to what extent, they adhere to the requirements of the German Corporate Governance Code, or to what extent they diverge from these requirements. The Management Board and the Supervisory Board have issued this declaration and have made it accessible to shareholders. We would also like to draw your attention to the separate Corporate Governance Report, which is published in our annual report and is available on our website. The Declaration of Conformity has been available on our website since December 2007.

There were no changes within the Management Board. As of December 31, 2007, the Management Board was consequently composed of Robert Feldmeier (Spokesman of the Management Board), Dr. Bernd Köhler, and Masahiro Watashi.

2. Disclosures pursuant to § 315 Paragraph 4 of the German Commercial Code (HGB)

and the

EXPLANATORY REPORT OF THE MANAGEMENT BOARD PURSUANT TO § 120 PARAGRAPH 3 OF THE GERMAN STOCK CORPORATION ACT (AKTG) IN CONNECTION WITH §§ 289 PARAGRAPH 4 AND 315 PARAGRAPH 4 OF THE GERMAN COMMERCIAL CODE (HGB)

With the coming into force of the Second Act amending the German Conversion Act, §§ 120 Paragraph 3 Clause 2, 171 Paragraph 2 Clause 2 of the German Stock Corporation Act (AktG) were also amended. This obligates the Management Board to clarify disclosures pursuant to §§ 289 Paragraph 4, 315 Paragraph 3 of the German Commercial Code (HGB). The Management Board of TA Triumph-Adler Aktiengesellschaft has discussed the individual points, and issued the following explanatory report:

The subscribed capital of TA Triumph-Adler Aktiengesellschaft amounts to €80,302,822.65, and is split into 55,381,257 ordinary bearer shares. All shares grant the same rights. There are no special rights, particularly those granting control.

Restrictions affecting voting rights or the transfer of shares do not exist, or are not known to the Management Board of TA Triumph-Adler Aktiengesellschaft if they arise from agreements between shareholders. The Management Board is solely aware of one investment in the company's capital whose voting rights exceed 10%. It is held by Kyocera Mita Corporation, Osaka, Japan, and currently amounts to 29.9%.

Employees of TA Triumph-Adler Aktiengesellschaft and its Group companies do not participate in the capital of TA Triumph-Adler Aktiengesellschaft in such a way that they are able to exercise indirect control of the company. As a result of the fact that the company's capital is composed of bearer shares, the company has no reliable information about shareholders, and consequently any potential private shareholdings belonging to employees.

The Supervisory Board appoints members of the Management Board for a maximum period of five years, pursuant to §§ 84 ff of the German Stock Corporation Act (AktG). If several persons are appointed as members of the Management Board, the Supervisory Board is able to nominate a member to be the Chairperson of the Management Board. This consequently means the Supervisory Board appoints and recalls members of the Management Board. In instances of urgency, a court of law is authorized to appoint members to the Management Board. The articles of incorporation of TA Triumph-Adler Aktiengesellschaft contain no further provisions related to this matter. The code of procedure of the Supervisory Board determines that initial appointments to the Management Board should be for periods of less than five years.

Legal requirements relating to amendments to the company's articles of incorporation are set out in §§ 179 ff of the German Stock Corporation Act (AktG). By way of divergence from these basic regulations, § 17 of the articles of incorporation of TA Triumph-Adler Aktiengesellschaft state that the Supervisory Board is authorized to pass resolutions concerning amendments and additions to the articles of incorporation relating to their wording; this applies particularly to

amendments arising from the performance of capital increases from either approved or conditional capital. According to § 4 Paragraph 2 of the articles of incorporation, the Management Board is authorized, with the agreement of the Supervisory Board, to increase the issued share capital of the company in the period up to June 14, 2010 through the issue of new shares for cash and/or payment in kind, either once or in several tranches, to a total amount of €19,853,047.10 („Approved Capital I“).

According to § 4 Paragraph 3 of the articles of incorporation, the Management Board is authorized, with the agreement of the Supervisory Board, to increase the issued share capital of the company in the period up to June 14, 2010 through the issue of new shares for cash and/or payment in kind, either once or in several tranches, to a total amount of €10,363,742.72 (split into up to 4,048,337 ordinary shares) („Approved Capital II“).

According to § 4 Paragraph 4 of the Articles of Incorporation, the issued share capital is conditionally increased through the issue of new shares by up to €962,560.00 split into up to 376,000 ordinary bearer shares („Conditional Capital I“).

According to § 4 Paragraph 5 of the Articles of Incorporation, the issued share capital is conditionally increased through the issue of new shares by up to €38,333,440.00 („Conditional Capital II“).

According to § 4 Paragraph 6 of the Articles of Incorporation, the issued share capital is conditionally increased through the issue of new shares by up to €5,120,000.00 split into up to 2,000,000 ordinary bearer shares („Conditional Capital III“).

At the Shareholders' General Meeting of May 23, 2007, the company was authorized to acquire its own shares. The authorization is restricted to the acquisition of own shares to a total limit of up to 10% of current issued share capital. The authorization is valid until November 22, 2008.

These authorizations correspond to normal practice, and were used in 2007 to service the stock option plan of June 21, 2003, whereby the company acquired 2,400 of its own shares via the stock market.

Key agreements of TA Triumph-Adler Aktiengesellschaft subject to a change of control following a takeover offer were concluded in the form of a change of control clause in the commercial alliance agreement with Kyocera Mita Corporation, whereby Kyocera Mita Corporation is entitled to cancel the agreement if there is a change of control.

There are no agreements made by TA Triumph-Adler Aktiengesellschaft relating to compensation that would be paid to members of the Management Board or employees in the incidence of a takeover offer. Management Board member Dr. Bernd Köhler was granted a special right of notice if a shareholder acquires a stake of more than 50% in the company; however, he is not entitled to any compensation in such an instance.

3. Earnings

Almost without exception, our subsidiaries continued their growth path with respect to revenue and earnings.

As in the previous year, this success was reflected in higher profit transfers to the parent company. Once again, the company generated a profit for the year, and transferred an amount, albeit small, to the revenue reserve.

Thanks to the pleasing development of business in the 2007 financial year, profit transferred from the subsidiaries to TA Triumph-Adler AG reached €37.4 million (previous year: €28.7 million). Offsetting this, losses from subsidiaries transferred as part of the profit transfer arrangements amounted to €2.0 million (previous year: €0.7 million). The loss transfer related mainly to TSS Technical Service & Support GmbH, Schwerin. This subsidiary was reorganized in 2007 as a pure internal service-provider. As a central driver of service quality and innovation, it will play an even more important role in the future success of our operating companies. External sales are no longer planned for the foreseeable future. This is why we have adjusted the valuation of TSS at TA Triumph-Adler AG by €2.8 million following the reorganization of the subsidiary.

Other operating income in 2007 amounted to €7.6 million (previous year: €13.0 million). Whereas the above-mentioned sales support from Kyocera Mita was processed entirely via the parent company, it was handled during the current year primarily by UTAX GmbH, in other words, by the subsidiary that has a direct customer relationship with Kyocera Mita. For this reason, the parent company reported income of only €0.8 million, following €6.0 million on the previous year. Service charges were received from the subsidiaries amounting to €5.6 million.

Personnel expenditure in 2007 totaled €15.1 million (previous year: €13.3 million). The pension expense rose in 2007 due to an increase in the number of candidates for pensions. Social contributions and pension contributions consequently rose from €6.9 million in 2006 to €7.4 million.

Expenses for wages and salaries also increased from €6.4 million in 2006 to €7.7 million in 2007. The rise is due to several reasons. Among other things, settlement payments were made to employees leaving the company amounting to €1.1 million, €0.6 million more than in the previous year. In addition, wages and salaries were raised, and the workforce was expanded slightly: an average of 55 employees was employed in the company during the financial year (previous year: 53).

For more detailed disclosures concerning remuneration for the Management Board and the Supervisory Board, please refer to the Remuneration Report for the Management Board and the Supervisory Board below.

Other operating expenses fell slightly. After spending €14.5 million in 2006 on office rental expenses, sales, administration, IT, consultancy services, and further purposes, this amount was reduced to €13.7 million in 2007. This amount also contains the expense of €3.3 million for the implementation of the refinancing. This expense should be compared with a significant improvement in the net financial result in the future, and consequently a better earnings structure in the company overall.

We had no expenses for research and development.

The net financial result amounted to -€10.4 million (previous year: -€8.9 million). The change is due, firstly, to an amount of €2.8 million relating to the above-mentioned reduction in valuation of a subsidiary, and, secondly, to the effect in the interest expense from the greater utilization of cash-cooling within the Group, entailing an increase of €2.5 million. This is offset by a €1.0 million improvement in interest income, which is mainly due to the addition of funds arising from the disposal of the interest-rate hedging instruments previously used. Without these special effects, the net financial result would have improved to -€6.1 million thanks to the implementation of the new financing.

Despite the increase in profit transfers, the result of ordinary business activities fell to €3.1 million in 2007, following €4.0 million in the previous year. The result would have risen to €10.7 million when adjusted for the above-mentioned special effects in the net financial result (€4.3 million, and the refinancing costs (€3.3 million).

The tax expense in 2007 was €1.4 million (previous year: €0.3 million).

TA Triumph-Adler AG consequently generated net profit for the year of €1.6 million in 2007.

4. Assets

As of December 31, 2007, total assets amounted to €317.3 million, 1.1% above the level on the same date in 2006 (€313.9 million). The extension of the balance sheet is mainly due to the increase in receivables due from associated companies. As of the reporting date, this amount contains outstanding year-end payments arising from profit transfer agreements. The rise consequently reflects the continued successful performance of almost all subsidiaries.

The company's largest asset comprises shares in subsidiaries, at over 74% of total assets. At €235.1 million as of the reporting date, they were less than the previous year's comparable figure (€237.9 million). The main reason for this is the above-mentioned reduction in valuation of one subsidiary.

The expansion of the Group-wide operational system to include further companies made a significant contribution to the increase in the stock of software licenses as part of intangible assets. Among other things, tangible fixed assets include the equipping of external service employees with UMTS-capable laptops. The stock of other equipment, and operating and office equipment, rose from €0.6 million to €1.4 million. As of December 31, 2007, receivables due from subsidiaries totaled €52.3 million (previous year: €45.9 million). The financial position of the subsidiaries forms part of ongoing reporting. The company has only negligible receivables due from debtors outside the Group. For this reason, we envisage no receivables default risks for the company.

As of December 31, 2007, cash and cash equivalents amounted to €23.6 million, following €22.2 million in the previous year. The cash and cash equivalents are held almost exclusively in bank accounts.

5. Equity

The capital measures strengthened the company's equity ratio significantly in 2007. It now amounts to 29.6% (previous year: 20.5%).

In accordance with the proposals submitted, this year's annual general meeting of TA Triumph-Adler AG passed the resolution to reduce the company's issued share capital by €44,936,546.25 from €103,637,440.00 to €58,700,893.75 through partial release of the capital reserve. This transaction was entered in the commercial register on June 19, 2007. As a result of a resolution passed by the Management Board on July 2, 2007, a cash capital increase from Approved Capital was subsequently performed, which entailed the issue of 14,897,882 bearer shares at a subscription price of €1.18. The number of shares in issue rose from 40,483,375 to 55,381,257 as a consequence.

Using the July 27, 2007 cut-off date (the date on which the capital increase was entered in the commercial register), the weighted number of shares for the 2007 financial year amounts to 46,932,321.

As a result of the capital measures, the Subscribed Capital fell by €23.3 million compared with December 31, 2006 to €80.3 million. In the course of the capital reduction, the capital reserve and the capital reduction amount were set off to an amount of around €0.3 million with the accumulated balance sheet lost from the past. After performing the capital measures, the capital reserve amounted to €10.2 million, while the Legal Reserve was unchanged at €2.0 million. Due to the good business performance, and after offsetting the remaining loss carried forward, equity contains a revenue reserve of €1.3 million.

The equity of TA Triumph-Adler AG consequently amounted to €93.9 million as of December 31, 2007, a 46.1% increase relative to the previous year's reporting date.

6. Financial position

During 2007, we completely redeemed the existing debt financing, consisting of a syndicated loan and the mezzanine loan, and replaced it with a mix of debt financing instruments, partially including subsidiaries. It includes a syndicated loan and unsecured borrowers' note loans: it is supplemented to include factoring, and a sale and leaseback agreement relating to our „UTAX“ brand (the terms of the agreement stipulate that the brand name reverts to us after the financing agreement has been satisfied). This has given rise to significant changes among liabilities. Bank borrowings amounted to €22.5 million as of the December 31, 2007 reporting date. The new syndicated loan is consequently much lower than bank borrowings at the end of the previous financial year, when this debt still amounted to €44.9 million.

Other liabilities as of December 31, 2006 still comprise the mezzanine loan, and amounted to €43.1 million. After the redemption of the mezzanine loan, this item of €14.4 million as of December 31, 2007 comprises mainly two borrowers' note loans.

By contrast, liabilities to associated companies of €76.4 million are significantly higher than in the previous year (€49.2 million). The increase to a large part reflects the implementation of the new financing within the Group. Payments made between the parent company and the relevant subsidiaries are redirected to the parent company via cash pooling. The use of the cash pool is booked in individual companies as a receivable, and as a liability at the parent company. Among other things, this position consequently contains €14.2 million of liabilities due to the sale and leaseback of the brand. It also includes the effect of receivables sales to factoring companies.

As of December 31, 2007, provisions were €1.9 million lower than at the previous year's reporting date. They amounted to €109.0 million, and to a very large extent contain pension provisions of €104.3 million (previous year: €106.9 million).

We utilize interest-rate swaps to hedge against the risk from changes in interest rates pertaining to the variable interest rate loans. The interest-rate swaps purchased in 2005 were sold in the course of the 2007 financial year and replaced by new interest-rate hedging instruments, appropriate for the new financing structure. Please refer to section B.6 of the notes to the financial statements for more information on this topic.

As in 2007, interest payments, redemptions, and special redemptions agreed for the 2008 financial year can be serviced from cash and cash equivalents or from incoming cash flows relating to profit transfers from subsidiaries. We currently foresee no direct financial risks emerging from our current financing arrangements. For further comments concerning contractual and other risks, please refer to the Risk Report below.

7. Events subsequent to the reporting date

Following the conclusion of the reporting year, on February 15, 2008, we announced that the creditors' committee of Lich BVF Büromaschinen-, Vermietungs- und Finanzierungsgesellschaft mbH, which is in insolvency proceedings, awarded us the contract to acquire most of this company's assets from the insolvency administrator. Lich BVF is a specialist dealer for office communications (Document Business). The company generated revenue of around €7 million in 2007, and manages around 3,500 machines in field. The aim is that most of its business will be managed within a separate company as part of the TA Triumph-Adler Group. Further acquired activities in the office supplies area will be integrated into our company Willmy Bürofachversand GmbH.

Besides this, between December 31, 2007 and the conclusion of the auditing of this report, there were no events of material significance.

8. Risk report

Overall risks for the TA Triumph-Adler Group diminished during the course of the 2007 financial year. Four developments in particular contributed to this:

- The implementation of the new financing
- The going into operation of a backup data-processing centre, allowing better control of IT risks
- The revaluation of deferred tax assets at the Group level relating to the loss carryforwards in accordance with the findings of the German Financial Reporting Enforcement Panel (DPR)
- The improved earnings position.

As in previous years, the Group's financial commitments in 2008 can be serviced from its cash holdings and cash flow from operations. We currently see no acute risks relating to the continued existence of TA Triumph-Adler AG and of the Group.

At the same time, the business operations, the structure, the internal organization, and certain balance sheet items carry ongoing and potential risks. A far-reaching risk management system is in operation within the Group in order to identify risks at an early juncture, and to offer appropriate and timely options actions in order to avoid, remove, or reduce them.

RISK MANAGEMENT SYSTEM

The risk management system of the TA Triumph-Adler Group aims to identify potential risks at an early stage and, if required, introduce timely corresponding countermeasures. The Management Board bears responsibility for setting up and managing the risk management system. It also makes the requisite decisions as required.

The risk management system of the TA Triumph-Adler Group is based on risk management principles that are adapted to new developments as required. Among other things, these principles are based on the responsibility of each employee to ensure the company and its business partners do not incur damage, and they set out processes and provide help that allows this responsibility to be met. These principles are communicated within the Group's companies.

Its key aspects include:

- Risk identification
- Risk evaluation
- Risk management
- Open communications
- Reliable documentation
- A defined and monitored risk management process, and
- The principle of continuous improvement.

Areas of observation, risk categories, and types of risk were identified, and areas of responsibility were determined. Among other things, a risk manager is nominated for each company. In order to evaluate risks, their probability of occurrence and potential level of damages are compared, and the results of individual risks are condensed into a risk portfolio. If risks can be offset by effective measures, valuation is limited to the residual risk. The Management Board has approved rules and limits for each of these areas. Ongoing management and monitoring is the responsibility of a five-person risk management committee, in which key areas of responsibility are represented. A part of the system comprises, among other things, the submission of quarterly risk reports concerning all areas, and a process to react quickly to sudden negative developments. Countermeasures designed to prevent or minimize risks are defined and categorized.

Changes - resulting, for instance, from the occurrence of new types of risk - are taken into account as quickly as possible, and integrated into the risk management system.

SPECIFIC RISKS

Four types of risks are currently allocated to the highest „key“ risk category:

- Insufficient earnings,
- Failure to achieve defined financial ratios,
- Non-realization of deferred tax,
- Information technology risks.

A. FINANCE AND VALUATION RISKS

INSUFFICIENT EARNINGS

The company is aiming to achieve above-average revenue and earnings growth. However, it is obligated to use portions of operating earnings to satisfy current pension obligations. The implementation of the TA₃ efficiency improvement program, which will be completed during 2008, has allowed the company to generate positive pre-tax earnings and cash flow even after these costs, both in 2006 and 2007. The Management Board is developing a successor program, in order to continue to generate sustainable growth in earnings in the future.

FAILURE TO ACHIEVE DEFINED FINANCIAL RATIOS

The company has obligated itself to observe financial covenants or other terms as part of its financing agreements. If such covenants were breached, individual, or all, financing agreements could fall due, which could have significant financial effects on the company's asset and earnings positions. However, the refinancing allowed the number of covenants to be reduced significantly, and has also greatly improved the company's room for maneuver to avert a potential breach.

NON-REALIZATION OF DEFERRED TAX

Deferred tax relating to loss carryforwards amounting to around €30 million is capitalized in the consolidated balance sheet. The recognition of benefit from a future fiscal utilization of the loss carryforwards is subject to various risks in terms of the matter and amount concerned. Among other things, according to current tax law the risk exists that tax loss carryforwards would lapse either wholly or in part in the instance of a change of ownership of the company. Also in the instance of changes to international accounting standards, or in the case of further changes to fiscal legislation, the company could be obligated to correct the valuation of this item to a significant extent.

The deferred tax assets relating to the tax loss carryforwards are not capitalized in the financial statements of TA Triumph-Adler AG prepared according to the German accounting principles as stipulated by the German Commercial Code (HGB), which is the legally relevant parent company. For this reason the above-mentioned changes would have no effect on the financial statements of TA Triumph-Adler AG.

B. INFORMATION TECHNOLOGY RISKS

Data relating to customers and contracts are stored on central servers at the TA Triumph-Adler Group. We also use this server park to operate the EDP-supported centralised assignment of sales people and technicians to customers. Restrictions on the availability of the databases and systems, or a total breakdown, consequently represent significant risks for the Group's operations.

In addition to established damage-prevention measures in this area, the emergency prevention repertoire was supplemented in 2007 to include a „catastrophe case concept“. All data are now stored in mirror form at a backup data-processing centre. Once the concept is fully implemented from 2008, we shall be able to use all critical systems completely within 24 hours even in a worst case; the entire information technology is available again within 72 hours. Scenarios of potential damages are created in the „catastrophe case concept“, and plans are developed to enable the Group to resume work as quickly as possible.

C. OTHER RISKS

RISKS RELATING TO THE OVERALL ENVIRONMENT AND THE SECTOR.

A significant fall in the propensity of medium-sized companies to invest, and a general economic decline, could negatively impact the business operations of the TA Triumph-Adler Group, and lead to corresponding decreases in revenue and earnings. We are countering such risks through our sales approach, which offers significant cost advantages to existing and potential customers, also during critical periods.

We have announced that we shall increase our acquisition activity, and we have started to do so. In order to avoid acquiring companies or activities that fail to achieve expected revenue and earnings levels, our M&A team always performs due diligence in order to precisely sound out business, financial, and legal risks. We would like to point out that we have extensive positive experience in integrating small specialist dealers into the relevant TA Triumph-Adler regional companies.

It could occur, however, that an increasing number of competitors become interested in acquiring smaller specialist dealers. This could result in rising prices for such activities, which could mean the TA Triumph-Adler Group fails to realize the acquisition plan it has announced, or realizes it only through the utilization of greater resources than planned. In doubtful cases, we shall give priority to profitability over volume growth.

RISKS RELATING TO CORPORATE STRATEGY.

The TA Triumph-Adler Group continues to pursue its aim of extending its excellent market position through organic growth, acquisitions, and regional expansion, and a further boosting of profitability at the same time. The corporate strategy implemented to achieve this objective is subject to the following risks: external influences such as developments in markets and prices, or difficulties in procuring reliable and suitable machines, could hinder the success of our strategy in the same way as internal circumstances, such as an insufficient sales strategy, or shortcomings in our relationships with interested parties and customers.

A great deal of attention is paid within the scope of our risk management to corporate strategy risks. All risk categories are oriented to the defined corporate objectives. Besides the measures presented above relating to specific risks, the corporate strategy as a whole is subject to constant review and adjustment as required. Internal controlling mechanisms have been introduced for this purpose. Besides this, the further development of corporate strategy is a regular topic of discussions for the Supervisory Board and its marketing and sales committee.

BUSINESS PERFORMANCE RISKS.

The company is not particularly dependent on a particular customer or group of customers. No individual customer accounts for more than 1% of Group revenue. Our refinancing models are structured in such a way that TA Triumph-Adler is not permitted to bear the greater part of credit risks, and especially interest-rate risks.

The advantage of having a high level of end-customers tied in through long-running customer agreements runs in parallel with the requirement to refinance these agreements. This means that having sufficient refinancing capacity continues to be of great importance for the TA Triumph-Adler Group's liquidity position. In this respect, the TA Triumph-Adler Group pursues a strategy, along with the optimization of the interest burden related to the refinancing, of bundling the requisite refinancing volume among a manageable number of partners. Refinancing modalities, terms, and volumes are constantly monitored for this purpose.

If, and to the extent that, machines from Kyocera Mita were found to be uncompetitive, or if supply bottlenecks were to occur at the Kyocera Mita Corporation, this would have a direct impact on the sales and earnings position of the TA Triumph-Adler Group. We counter this risk initially through intensive communications as well as a detailed procurement planning system. The commercial alliance agreement, as a key basis of cooperation, regulates the possibility to play a role in product development, among other things. This can have an impact on the competitiveness of products. Besides this, the TA Triumph-Adler Group is not bound exclusively to products of the Kyocera Mita Corporation.

INTEREST-RATE RISKS.

The loans taken out as part of the refinancing carry variable rates of interest. The direction of interest rates is consequently of significance for the earnings of the TA Triumph-Adler Group. We use appropriate long-term interest-rate hedging to protect against this potential risk.

PERSONNEL RISKS.

The competitive advantages of the TA Triumph-Adler Group include the know-how of its sales employees, and the comprehensive geographic presence of the service provided by our qualified technicians. The entrepreneurial commitment of the managing directors of our Group companies justifies our Group's decentralized structure. The loss of individual managers or key employees can in part result in significant reductions in revenue and earnings.

SHARE PRICE RISK.

TA Triumph-Adler's share has fluctuated sharply in the past. This may continue to be the case in the future. As a result of the general conditions prevailing in capital markets, share prices may arise that are entirely unconnected with the Group's asset, financing, and earnings positions. In addition, trading volumes in our shares have tended in the past to be somewhat low, so that purchases or sales may result in disproportionate movements in the share price. No negative impact on business operations is anticipated from such fluctuations. The Management Board and the whole company is working on driving revenue and earnings further forward, and meeting market expectations. One of the Management Board's key aims in the coming business year is to intensify investor relations activities, both with existing shareholders and potential new investors.

TAX RISKS.

It cannot be excluded that current and future tax audits arrive at an assessment of specific matters that diverges from the company's assessment. Such a divergent assessment might in turn result in an additional tax expense, or in a reduction of tax loss carry-forwards, which might have a negative impact on the earnings and financial positions of the TA Triumph-Adler Group.

9. Outlook

OVERALL STATEMENT CONCERNING THE GROUP'S ECONOMIC POSITION

OUR SITUATION IS GOOD, AND OUR PROSPECTS ARE POSITIVE.

Our growth in 2007 confirmed the statements we made: with its two brands, its comprehensive geographic presence, customer-oriented sales initiatives, and leading technologies, the Group enjoys an excellent position. In combination with our new financing and the acquisitions we plan to make, we continue to access good growth opportunities for both revenue and earnings.

While the overall market once again experienced hardly any growth in 2007, Group sales grew by an almost double-digit rate, and we have further improved our position in the market. The above-average growth of lower margin subdivisions nevertheless resulted in a decline in our gross margins when expressed as a percentage of sales.

At the same time, we reduced our operating costs further thanks to our efficiency improvement program. Despite the expenses related to the implementation of the refinancing, we consequently almost doubled pre-tax earnings.

We regard both the position of, and the outlook for, the Group as favorable, and we are assuming positive future developments for business. In particular, we are in a position to strengthen our acquisition activities as a result of the new financing. Given these factors, we are aiming for revenue growth to a level of at least €440 million in 2008, and we are budgeting a further improvement in operating earnings, and pre-tax earnings of almost €20 million. We are currently anticipating a linear continuation of this development for the subsequent 2009 financial year. We aim to generate Group revenue of €500 million with an EBIT return on sales of 9% by 2010 at the latest.

ASSUMPTIONS CONCERNING FURTHER DEVELOPMENTS

These budgets assume,

- that the economy, and, in particular, the propensity to invest, develop in line with the forecast scenarios both this year and in coming years,
- that the technological advantage of the machines we offer is retained, and that together with our partner Kyocera Mita, we can ensure the availability of the requisite products,
- that the average rate of fall in prices in our markets does not intensify further, and
- that we are able to almost fully implement the remaining measures of the TA3 program, and of the new three-year program currently in preparation.

SPECIAL OPPORTUNITIES FOR GROWTH

The Management Board and our regional companies are constantly coordinating our opportunities for growth. These opportunities are also discussed regularly with the Supervisory Board, and particularly with its marketing and sales committee. The management of opportunities is based on market research surveys and our own observations of the market.

Market forecasts assume the copier market will achieve a slight level of unit volume growth in 2008 following its decline in 2007. While the pure black and white copier segment continues to shrink, this development is being more than offset by growth for multifunctional machines and color products. The aim is that the share of color machines should grow to over a quarter of overall unit volumes. Despite price pressure, this implies largely stable sales volumes in the overall market for copiers.

Special opportunities to increase our market share also present themselves to us in the fastest growing market segments, those for color photocopiers and hybrid machines (photocopiers with color option). Unit volume growth of around 5% is expected for the printer area. In this area too, the share of color machines is rising, to a level around 20%. We continue to identify significant potential in this sector. There are currently almost 70,000 printers already installed with our customers (machines in field), and this number is rising at an above-average rate. Over the next few years, we believe that a market presence of up to 250,000 units is achievable.

With TOM, we are fielding a consultancy concept that delivers above-average benefits for customers. A large portion of new business is already being generated today by applying the TOM approach. The market surrounding the electronic document bears significant growth opportunities for the foreseeable future. In this area too, we possess competitive products and solutions. Under the DIDO (Digital Document Organization) brand, we reported the related level of revenue we budgeted, and we are expecting strong growth, albeit from a very low level. We shall further intensify our sales activities in this area in order to create a favorable starting position.

In our activities outside Germany, we have identified growth opportunities both in Direct Sales and in the export area of our Distribution division. We envisage continued moderate growth for exports. Austria and Switzerland remain the focus for the expansion of our foreign regional companies. In particular, it is our medium-term objective to raise our market share in these countries to a level that is significantly closer to the level we have achieved in Germany.

We have many years of experience in the valuation, acquisition, and successful integration of acquisition targets in the core business. Thanks to the new financing, we are now in a position to better exploit the acquisition opportunities on offer than previously. This creates possibilities for the further development of our Group. We are planning to generate additional revenue of around €75 million over the coming years by way of the acquisition of specialist dealer companies or activities. We have budgeted investment of around €25 million in order to achieve this objective.

The measures that we have implemented so far to further improve the Group's profitability resulted in a further improvement in the EBIT return in 2007, a high level of positive cash flow, and an almost doubling of pre-tax earnings. Our efforts to improve gross margins are of particular importance to continued earnings growth. They form a part of the new program mentioned above. We shall announce details in the course of the coming months. We anticipate that the success of all these measures will continue to result in enhanced corporate earnings in coming years.

10. Remuneration Report for the Management Board and Supervisory Board

GENERAL FRAMEWORK

This remuneration report summarizes the principles used to establish the remuneration of the Management Board of TA TRIUMPH-ADLER Aktiengesellschaft, and it explains the level and structure of payments made to members of the Management Board. It also describes the principles and level of remuneration made to the Supervisory Board, and provides details of the shareholdings of members of both the Management Board and the Supervisory Board.

The remuneration report is based on the recommendations of the German Corporate Governance Code, and provides disclosures according to the requirements of German commercial law that form part of the notes to the accounts as per § 314 of the German Commercial Code (HGB), and the management report as per § 315 of the German Commercial Code (HGB).

MANAGEMENT BOARD REMUNERATION

The personnel committee of the Supervisory Board is responsible for setting the structure and level of Management Board remuneration. The members of this committee comprise Supervisory Board Chairperson Dr. Wolfram Nolte, Deputy Supervisory Board Chairperson Anja Neumann, and Supervisory Board member Norbert Massfeller.

The system aims to remunerate members of the management in a way that is appropriate to their relevant areas of activity and responsibility, as well as according to national, and, in part, international comparisons. The following three performance components are taken into account:

- the personal performance of the individual member of the Management Board,
- the joint performance of the Management Board, and
- the overall company result.

This is used as the basis for awarding both fixed salaries and variable remuneration. Variable remuneration depends, firstly, on the overall company result, and, secondly, on the profit contributions made by the areas for which the individual Management Board member is responsible.

Total Management Board remuneration is calculated from the sum of all cash payments made, and the cash value of benefits-in-kind. A total of € 749,041.88 was attributable to fixed components, € 41,398.44 to additional compensation, and € 569,500.00 to performance-based remuneration. This corresponded to a total amount of € 1,339,940.32 in the 2007 financial year (2006 total remuneration: €1,563,935).

INDIVIDUAL REMUNERATION

The individual remuneration components for members of the Management Board consist of fixed and variable parts. Fixed salary levels depend, firstly, on the degree of difficulty of the function the Management Board member exercises, and the degree to which he or she has a direct influence on profitability, and, secondly, on external market factors. Variable remuneration is composed of three parts: 1) relative profit bonus (meeting budget), 2) absolute profit bonus (return on equity), and 3) bonus based on personal targets/projects (personal contribution).

The following individual payments were made for the 2007 financial year:

A total of €1,916,817.17 gross (previous year: €1,920,294.33) was paid to former members of the Management Board, and to their surviving dependents entitled to receive such payments, in the 2007 financial year. This includes benefits-in-kind worth €12,871.00 gross (a car is at the disposal of one former member of the Management Board). Pension provisions exist for former members of the Management Board and their surviving dependants totaling €24,921,294 (previous year: €25,975,978). The employment contracts of current members of the Management Board do not include any pension entitlements the company must honor. There are no pension claims with respect to the termination of the employment of members of the Management Board.

in €	Fixed salary	Add. compensation/ benefits-in-kind	Performance- related bonuses	Total
Robert Feldmeier	309,000.00	14,839.08	340,500.00	664,339.08
Dr. Bernd Köhler (from 01.03.2006)	267,999.00	12,424.08	219,000.00	499,423.08
Masahiro Watashi	152,042.88	14,135.28	10,000.00	176,178.16
Total	729,041.88	41,398.44	569,500.00	1,339,940.32

Members of the Management Board require the approval of the Supervisory Board to engage in ancillary activities. Robert Feldmeier currently enjoys the approval to carry out a mandate in the Employers' Council of VR Leasing AG, Eschborn. Members of the Management Board receive no separate remuneration if they carry out mandates or board functions in Group companies.

A. STOCK OPTIONS AND CONVERTIBLE BONDS

As in previous years, no stock options were granted to the Management Board in 2007, since the company's existing stock option program has expired, and no new program has been set up. In the 2007 financial year, the Management Board exercised none of the stock options from the Stock Option Plan 2000 granted in previous years. Stock options from this plan granted in the years 2000 to 2002 have expired. Robert Feldmeier, as a member of the Management Board, is still entitled to 15,000 options from the stock options granted to the Management Board in 2003. The purchase price of the share is composed of the reference price of €1.51 plus a 20% issue premium; the company reimburses the issue premium paid with the exercise of the option, as long as the average of the closing prices of the company's share on the last ten stock exchange days before the date of exercise lies at least 20% above the reference price. The other members of the Management Board hold no company stock options. The market value of the stock options on the date of issuance was €164,754.48.

Robert Feldmeier, as a member of the Management Board, received 40 convertible bonds from the 1997/2007 tranche with a nominal value totaling DM 40,000.00 (exercise hurdle: €14.02) from the issue of convertible bonds in the years 1997 to 1999, which were paid back as of December 31, 2007, and 40 convertible bonds from the 1998/2008 tranche, also with a nominal value of DM 40,000.00 (exercise hurdle: €10.88). However, the preconditions for exercise for these convertible bonds are currently not satisfied, since the exercise hurdles (price per TA share) have not been reached. The other members of the Management Board do not hold convertible bonds.

B. LONG-TERM INCENTIVE PROGRAM (LTIP)

The company, represented by the Supervisory Board, and this body in turn represented by the personnel committee, agreed a share-based Long-Term Incentive Program (LTIP) with the Management Board on September 13, 2007 with the following parameters: The aim of the LTIP is to provide an additional financial incentive for the Management Board to raise the company's share price significantly within a three-year timeframe, which starts on August 1, 2007 and ends on July 31, 2010. The basis price was fixed as the average of the closing prices of the company's shares in electronic Xetra trading on the Frankfurt Securities Exchange on the last 30 trading days before August 1, 2007. The company calculated this as €1.99 on September 25, 2007. The final price is the average of the 30 highest closing prices of the company's shares in electronic Xetra trading on the Frankfurt Securities Exchange within the last 120 trading days before July 31, 2010.

Price 2007	Price 2010	Share price increase in %	Lower limit in %	LTI Amount in %	Annual fixed salary	LTI Amount	To be invested in shares	Cash payment
1.99	2.49	25	25	0	300,000	0	0	0
1.99	2.99	50	25	50	300,000	150,000	75,000	7,500
1.99	3.98	100	25	150	300,000	450,000	225,000	22,500
1.99	4.48	125	25	200	300,000	600,000	300,000	30,000

The reference level for the award is the annual fixed salary of the Management Board as of October 1, 2007. The amount to be paid in 2010 according to the LTIP („2010 LTI Amount“) is calculated according to the following formula:

$$\text{2010 LTI Amount as \% of 2007 fixed salaries} \\ = (\text{share price rise 2007-2010 in \%} - 25\%) \times 2$$

The 2010 LTI Amount is limited to a maximum of 200% of an annual fixed salary. If the share price rises by only 25% or less, the value for the LTI Amount is zero.

The company will make the resultant net amount (after tax and deductions) available to the Management Board by August 31, 2010. The payment will only be made if the Management Board member is an active member of the company's Management Board on July 31, 2010. If his period of office ends before July 31, 2010, no claim exists with respect to the payment of the LTI amount. The Management Board member is obligated to invest 50% of the gross amount (before tax and deductions) in the company's shares by September 15, 2010, and to deposit them in a blocked depository account at the company's principal bank until September 15, 2012 at the earliest. The Management Board member is then entitled to dispose freely of the shares. This lock-up obligation also applies if the period of appointment to the Management Board has ended earlier.

The following notional example of a calculation shows the effects using various final prices, and assuming a fixed salary of €300,000 using the top income tax rate of 45%.

The market value of the Long Term Incentive amounts to €210,121 as of December 31, 2007.

SUPERVISORY BOARD REMUNERATION

The company's Shareholders' General Meeting sets the remuneration of the Supervisory Board. The resolution passed at the Shareholders' General Meeting on May 23, 2007 entails paying each member of the Supervisory Board a fixed amount of €14,000 per year, in addition to reimbursement of expenses, and a payment of €500.00 for every day that the Supervisory Board or its committees meets (to which statutory VAT is added in each case). The members of the Supervisory Board also receive performance-based remuneration of €750.00 per €0.5 million by which the company's earnings from operating activities before tax and minority shares (EBT) according to the relevant consolidated financial statements in the past financial year exceed the amount of €4.2 million. The performance-based remuneration is limited to the level of basic remuneration to be paid in the relevant financial year. The Chairperson of the Supervisory Board receives three times the fixed and performance-oriented remuneration, and the Deputy Chairperson receives twice this amount. The chairperson of a committee receives one and a half times the fixed and performance-based remuneration. Remuneration for all activities on the part of Supervisory Board members consequently amounted to €404,018.96 in the 2007 financial year (previous year: €171,768.67).

No member received payments from the company above and beyond the remuneration described above – with the exception of remuneration made to employee representatives arising from their contracts of employment.

There were no loans or advances outstanding to members of the company's management and supervisory boards in the 2007 financial year.

No member of the Supervisory Board or the Management Board held more than 1% of the company's shares as of December 31, 2007. As of December 31, 2007, a total of 15,000 stock options were held by members of the Management Board; members of the Supervisory Board do not hold company stock options.

DIRECTORS' DEALINGS

The company publishes transactions in securities related to the company immediately after they had been communicated to the company, to the extent that they are carried out by members of the Management Board and the Supervisory Board, or by particular managers who enjoy regular access to insider information, and are authorized to make key corporate decisions. The relevant announcements can be viewed at any time on the company's website. The following transactions were carried out in the 2007 financial year:

Robert Feldmeier:

August 10, 2007: purchase of 10,101 shares at a price of €1.97 each
 August 17, 2007: purchase of 5,550 shares at a price of €1.80 each
 November 15, 2007: purchase of 9,260 shares at a price of €1.60 each
 December 11, 2007: purchase of 6,250 shares at a price of €1.60 each
 December 12, 2007: purchase of 6,452 shares at a price of €1.55 each

No further securities transactions relating to the company occurred with respect to this group of people. In particular, there were no sales of shares in the company made by members of the Supervisory Board or the Management Board.

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the company, and the company management report includes a fair review of the development and performance of the business and the position of the company, together with a description of the principal opportunities and risks associated with the expected development of the company.

Nuremberg, March 26th 2008
The Management Board

Robert Feldmeier

Dr. Bernd Köhler

Masahiro Watashi

Income statement for the 2007 financial year

in €	2007	2006
1. Income from profit transfer agreements	37,402,380.66	28,712,706.81
2. Expenses from assumption of losses	-2,044,752.95	-666,606.86
3. Income from participations (of which from associated companies € 0.00; 2006: € 1,319,204.49)	11,543.95	44,312.43
4. Other operating income	7,632,442.20	12,978,666.43
5. Personnel expenses		
a) Salaries and wages	-7,693,191.53	-6,417,495.86
b) Social security and expenses for pensions (of which for pensions € 6,806,999.24; 2006: € 6,327,568.97)	-7,421,248.82	-6,866,397.01
6. Amortization of intangible assets and depreciation of intangible assets	-728,160.99	-373,748.26
7. Other operating expenses	-13,704,616.48	-14,485,760.58
8. Other interest and similar income (of which from associated companies € 2,011,007.89; 2006: € 1,820,086.13)	3,150,784.34	2,138,271.95
9. Write-downs to financial assets and securities held as current assets	-2,799,905.66	0.00
10. Interest in similar expenses (of which two associated companies € 1,392,632.93; 2005: € 1,301,911.07)	-10,752,764.31	-11,080,813.39
11. Results from ordinary operations	3,052,510.76	3,983,135.66
12. Income tax expense (previous year: income tax revenue)	-639,647.43	57,058.64
13. Other tax	-788,505.63	-402,034.77
14. Net profit for the year	1,624,357.70	3,638,159.53
15. Loss carried forward from previous year	-79,842,381.33	-83,480,540.86
16. Withdrawal from capital reserve	34,557,368.13	0.00
17. Income from capital reduction	44,936,546.25	0.00
18. Donation of revenue reserve	-1,275,890.75	0.00
19. Accumulated loss	0,00	-79,842,381.33

Balance sheet as of December 31, 2007

Assets

in €	Dec. 31, 2007	Dec. 31, 2006
A. Fixed assets		
I. Intangible fixed assets		
1. Concessions, industrial property rights and similar rights and assets and licences for such rights and assets	834,281.01	206,445.32
2. Prepayments rendered	413,453.75	250,000.00
	1,247,734.76	456,445.32
II. Tangible assets		
1. Other equipment, operating and office equipment	1,398,703.18	624,129.79
	1,398,703.18	624,129.79
III. Financial investments		
1. Shares in associated companies	235,088,398.74	237,886,126.31
2. Investments	52,648.05	65,430.35
3. Long-term securities	0.00	306,775.08
	235,141,046.79	238,258,331.74
	237,787,484.73	239,338,906.85
B. Current assets		
I. Receivables and other assets		
1. Trade receivables	2,945.25	1,469.40
2. Receivables due from associated companies	52,303,560.80	45,943,626.83
3. Receivables due from companies in which an investment is held	840,854.15	1,021,093.40
4. Other assets	2,612,678.15	4,013,289.06
	55,760,038.35	50,979,478.69
II. Cash and cash equivalents	23,604,096.57	23,246,820.05
	79,364,134.92	74,226,298.74
C. Deferred income	166,038.12	367,167.78
Total assets	317,317,657.77	313,932,373.37

Equity and Liabilities

in €	Dec. 31, 2007	Dec. 31, 2006
A. Equity		
I. Subscribed capital		
Conditional capital € 44,416,000.00		
(2006: € 44,416,000.00)	80,302,822.65	103,637,440.00
II. Capital reserve	10,231,011.11	38,382,289.98
III. Revenue reserve		
1. Legal reserve	2,045,167.52	2,045,167.52
2. Other revenue reserves	1,275,890.75	0.00
IV. Accumulated earning (2006: Accumulated loss)	0.00	-79,842,381.33
	93,854,892.03	64,222,516.17
B. Provisions		
1. Pension provisions and similar obligations	104,332,586.00	106,942,092.00
2. Tax provisions	1,889,709.19	898,629.19
3. Other provisions	2,750,076.68	3,094,735.00
	108,972,371.87	110,935,456.19
C. Liabilities		
1. Bonds		
(of which convertible € 44,993.69; 2006: € 112,484.21)	439,946.07	877,611.92
2. Bank borrowings	22,500,000.00	44,946,862.20
3. Trade payables	775,940.88	708,852.85
4. Liabilities due to associated companies	76,415,154.71	49,177,507.97
5. Other liabilities		
(of which tax: € 2,334,423.19; 2006: € 3,399,504.44)		
of which as part of social security € 3,289.71; 2006: € 1,653.00)	14,359,352.21	43,063,566.07
	114,490,393.87	138,774,401.01
Total liabilities	317,317,657.77	313,932,373.37

Changes in assets in the course of fiscal year 2007

	Cumulative acquisition or production costs				Dec. 31, 2006
	Jan. 1, 2006	Additions	Addition acquisition TSS leasing	Disposals	
in €					
Intangible assets					
1. Patents, licenses and similar rights	1,473,542.05	339,945.90	464,355.02	21,457.34	2,256,385.63
2. Goodwill	2,556,459.40	0.00	0.00	0.00	2,556,459.40
3. Prepayments on intangible assets	250,000.00	627,808.77	-464,355.02	0.00	413,453.75
	4,280,001.45	967,754.67	0.00	21,457.34	5,226,298.78
Fixed assets					
1. Land, property rights and buildings	122,437.56	0.00	0.00	0.00	122,437.56
2. Technical equipment and machinery	2,426,027.38	1,334,305.66	0.00	108,392.56	3,651,940.48
	2,548,464.94	1,334,305.66	0.00	108,392.56	3,774,378.04
Financial assets					
1. Shares in associated companies	326,147,838.48	1,863,129.13	0.00	1,973,733.34	326,037,234.27
2. Participations	3,538,608.09	0.00	0.00	3,473,177.74	65,430.35
3. Securities	306,775.08	0.00	0.00	0.00	306,775.08
	329,993,221.65	1,863,129.13	0.00	5,753,686.16	326,102,664.62
	336,821,688.04	4,165,189.46	0.00	5,883,536.06	335,103,341.44

01.01.2007	Cumulative depreciation			31.12.2007	Book value 31.12.2007	31.12.2006
	Zugänge	Umbuchung	Abgänge			
1,267,096.73	176,131.42	0.00	21,123.53	1,422,104.62	834,281.01	206,445.32
2,556,459.40	0.00	0.00	0.00	2,556,459.40	0.00	0.00
0.00	0.00	0.00	0.00	0.00	413,453.75	250,000.00
3,823,556.13	176,131.42	0.00	21,123.53	3,978,564.02	1,247,734.76	456,445.32
122,437.56	0.00	0.00	0.00	122,437.56	0.00	0.00
1,801,897.59	552,029.57	0.00	100,689.86	2,253,237.30	1,398,703.18	624,129.79
1,924,335.15	552,029.57	0.00	100,689.86	2,375,674.86	1,398,703.18	624,129.79
88,261,712.17	2,787,123.36	0.00	100,000.00	90,948,835.53	235,088,398.74	237,886,126.31
3,473,177.74	12,782.30	0.00	3,473,177.74	12,782.30	52,648.05	65,430.35
0.00	0.00	0.00	0.00	0.00	306,775.08	306,775.08
91,734,889.91	2,799,905.66	0.00	3,573,177.74	90,961,617.83	235,141,046.79	238,258,331.74
97,482,781.19	3,528,066.65	0.00	3,694,991.13	97,315,856.71	237,787,484.73	239,338,906.85

Notes to the financial statements of TA Triumph-Adler AG, Nuremberg for the 2007 financial year

A. General information

1. ACCOUNTING POLICIES

ACCOUNTING POLICIES

The accounting policies are unchanged compared with those applied in the previous year.

INTANGIBLE ASSETS

Intangible assets acquired for cash are capitalized at acquisition cost and amortized straight-line over five years in accordance with the relevant fiscal depreciation tables.

PROPERTY, PLANT AND EQUIPMENT

Die Bewertung des Sachanlagevermögens erfolgt zu Anschaffungs- bzw. Herstellungskosten abzüglich planmäßiger Abschreibungen. Die beweglichen Gegenstände des Anlagevermögens werden linear entsprechend den steuerlich relevanten AfA-Tabellen abgeschrieben.

SHAREHOLDINGS IN ASSOCIATED COMPANIES

Shareholdings in associated companies are recognized at the lower of either acquisition cost plus ancillary costs or going-concern value.

MISCELLANEOUS FINANCIAL INVESTMENTS

Miscellaneous financial investments are recognized at the lower of either nominal value or going-concern value.

RECEIVABLES AND OTHER ASSETS

Receivables and other assets are recognized at nominal value. Trade receivables are subject to appropriate specific and general write-downs. Premiums rendered for interest agreements are capitalized among other assets, and subject to scheduled amortization over their duration.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents are entered in the balance sheet at nominal value.

PREPAYMENT

A prepayment item is formed on the asset side of the balance sheet for payments made during the financial year relating to expenses that will be incurred at a certain point following the reporting date.

PENSION PROVISIONS

Pension provisions are calculated according to actuarial principles using the discount value method, and based on an interest rate of 6.0%.

TAX PROVISIONS AND OTHER PROVISIONS

Tax provisions and other provisions reflect all identifiable risks and uncertain liabilities on the basis of prudent business assessment.

LIABILITIES

Liabilities are recognized at repayment amount.

INCOME FROM PROFIT-TRANSFER AGREEMENTS

Income from profit-transfer agreements and expenses relating to the transfer of losses are reported in the year in which the subsidiaries' gains and losses are realised. Income from profit-transfer agreements also include anticipated payments to subsidiaries' minority shareholders.

2. PRINCIPLES OF CURRENCY CONVERSION

Foreign currency liabilities and receivables are converted using the exchange rate on the day of the business transaction.

Losses from changes in exchange rates are reflected through revaluation on the reporting date.

B. Notes to the balance sheet

1. NON-CURRENT ASSETS

The changes in non-current assets during the financial year can be seen from the attached schedule of movements in fixed assets.

A schedule of the company's shareholdings is attached as a further annex to the annual financial statements.

2. RECEIVABLES AND OTHER ASSETS

Receivables due from associated companies contain trade receivables amounting to T€ 152 (previous year: T€ 269). T€ 0 (previous year: T€ 3,529) comprises the amount of receivables due from associated companies with durations extending beyond one year.

Other assets contain mainly receivables arising from reimbursement claims for pension obligations, amounting to T€ 2,316, and receivables due from Corona V1 Beteiligungs GmbH amounting to T€ 6.

Other assets amounting to T€ 1,976 (previous year: T€ 2,077) have durations of over one year.

3. EQUITY

A) SUBSCRIBED CAPITAL

The share capital amounts to €80,302,822.65, and is split into 55,381,257 ordinary bearer shares.

At the annual general meeting held on May 23, 2007, the company's share capital, split into 40,483,375 ordinary bearer shares, was reduced by €44,936,546.25 from €103,637,440 to €58,700,893.75. A capital reduction was performed in accordance with the rules concerning simplified capital reduction pursuant to §§ 229 ff. of the German Stock Corporation Act (AktG), in order to cover losses to the level of the capital reduc-

tion amount. The performance of the capital reduction resulted in a decrease of the arithmetically proportional amount of issued share capital attributable to one share of €1.11, from €2.56 to €1.45.

On July 2, 2007, the Management Board, with the approval of the Supervisory Board, resolved to perform a cash capital increase from Approved Capital I, entailing the issue of up to 14,897,882 ordinary bearer shares at an issue price of €1.88. The capital increase was entered in the commercial register on July 27, 2007.

B) CAPITAL RESERVE

The capital reserve changed as follows in 2007:

	in €
Status January 1, 2007	38,382,289.98
Withdrawal due to simplified capital reduction	-34,557,368.13
Premium from capital increase	+6,406,089.26
Status December 31, 2007	10,231,011.11

C) LEGAL RESERVE

The legal reserve continues to amount to €2,045,167.52. Taking into account the existing capital reserve, this fulfils the requirement of § 150 of the German Stock Corporation Act (AktG).

D) APPROVED CAPITAL I

According to § 4 Paragraph 2 of the articles of incorporation, the Management Board is authorized, with the agreement of the Supervisory Board, to increase the issued share capital of the company in the period up to June 14, 2010 through the issue of new shares for cash and payment in kind, either once or in several tranches, to a total amount of €19,853,047.10. The Management Board is authorized, with the approval of the Supervisory Board, to exclude subscription rights for capital increases in exchange for payment in kind for the acquisition of companies or shareholdings in companies. Shareholders must be granted a subscription right to new shares when capital increases are performed in exchange for cash. However, the Management Board is authorized, with the approval of the Supervisory Board, to exclude shareholders' subscription rights in order to realize residual amounts. The Management Board is authorized, with the approval of the Supervisory Board, to determine the further contents of share rights, and the terms of share issues.

E) APPROVED CAPITAL II

According to § 4 Paragraph 3 of the articles of incorporation, the Management Board is authorized, with the agreement of the Supervisory Board, to increase the issued share capital of the company in the period up to June 14, 2010 through the issue of new shares for cash, either once or in several tranches, to a total amount of €10,363,742.72 (split into up to 4,048,337 ordinary shares). According to § 186 Paragraph 3 Clause 4 of the German Stock Corporation Act (AktG) the Management Board is authorized, with the approval of the Supervisory Board, to exclude shareholders' subscription rights in order to issue new shares at an issue price

that is not significantly less than the stock exchange price of listed shares in the company of the same class at the time of the final determination of the issue price. The number of shares to be issued under exclusion of subscription rights reduces by the number of those shares that were issued in direct or corresponding application of § 186 Paragraph 3 Clause 4 of the German Stock Corporation Act (AktG) during the period of this authorization until the time of its utilization. Shares should also be included in the calculation that were issued, or will be issued, due to convertible bonds with conversion or option rights issued during the period of this authorization until the time of their utilization. If the Management Board makes no use of the above-mentioned authorization, shareholders' subscription rights may be excluded only for residual amounts. The Management Board is authorized, with the approval of the Supervisory Board, to determine the further contents of share rights, and the terms of share issues.

F) CONDITIONAL CAPITAL I

According to § 4 Paragraph 4 of the Articles of Incorporation, the issued share capital is conditionally increased through the issue of new shares by up to €962,560.00 split into up to 376,000 ordinary bearer shares.

The new shares enjoy the same rights, in terms of the Articles of Incorporation, as shares issued to date; they are entitled to participate in earnings from the start of the financial year in which they are exercised.

G) CONDITIONAL CAPITAL II

According to § 4 Paragraph 5 of the Articles of Incorporation, the issued share capital is conditionally increased through the issue of new shares by up to €38,333,440. The conditional capital increase is performed only to the extent that the owners of convertible or option bonds issued by June 14, 2009 on the basis of the authorization of the annual general meeting of June 15, 2004 by TA Triumph-Adler AG, or by companies in which TA Triumph-Adler AG has either direct or indirect majority shareholdings, utilize their conversion or option rights, or to the extent that this is required to satisfy conversion obligations, and the company's own shares cannot be used to service this requirement. The issue of new shares is performed according to the authorization resolution described above, and at conversion and option prices to be determined in each case. Company shares arising from the exercise of conversion and option rights, or from the satisfaction of the conversion obligation, are dividend-entitled for the entire year in which they come into existence. The Management Board is authorized, with the approval of the Supervisory Board, to determine further details required to perform the conditional capital increase.

In the years 1998 to 1999, 3 convertible bonds were issued to employees and the Management Board. In each case, the right to conversion comes into force after one year of maturity. The conversion rights lapse if the employee leaves the Triumph-Adler Group. Employees who have left the Group have the opportunity to sell their convertible bonds back to the company at market price (alternatively to a bank that has been mandated by the company).

The convertible bonds from the 1998/2007 tranche were redeemed at maturity as of December 31, 2007.

Bonds with a nominal amount of €1,141,518 were either sold to the company or redeemed as of the 2007 year-end. The conversion rights for these convertible bonds have been cancelled. (See page 38)

H) CONDITIONAL CAPITAL III

According to § 4 Paragraph 6 of the Articles of Incorporation, the issued share capital is conditionally increased through the issue of new shares by up to €5,120,000, split into up to 2,000,000 ordinary bearer shares. The conditional capital increase will be performed only to the extent that owners of equity options, which were issued on the basis of the authorization of the annual general meeting of June 21, 2000 concerning the company's stock option plan, utilize their subscription rights, and the company does not utilize its own shares to satisfy the option rights. The new shares of the company arising from the exercise of these subscription rights participate in the company's earnings from the start of the financial year in which they are issued.

As part of the stock option program of June 21, 2000, 392,600 stock options were issued in 2000, 384,000 stock options were issued in 2001, 240,200 stock options were issued in 2002, and 224,400 stock options were issued in 2003. Of these, relevant members of the Management Board of the company received 60,000, 60,000, 40,000, and 60,000 stock options in 2003. No stock options were issued in the years 2004 to 2007. As a result, a total of 1,243,200 stock options were issued up to December 31, 2007.

Convertible bonds (table refers to Conditional Capital II)

	Tranche (in €)	Nominal amount	Conversion rights to TA shares (Number)	Exercise hurdle (in €)	Conversion price (per share in €)
TA Triumph-Adler AG Management Board	98/07	0	0	14.02	10.79
	98/08	40,903	16,000	10.88	8.36
	99/09	0	0	9.61	7.39
		40,903			
Other employees	98/07	0	0	14.02	10.79
	98/08	51,129	20,000	10.88	8.36
	99/09	32,768	12,800	9.61	7.39
		83,897	32,800		
Sal. Oppenheim		315,147	Conversion rights have been cancelled		
Subtotal		439,947	(of which convertible T€45)		
TA AG repurchase		253,725	Conversion rights have been cancelled		
Total		693,672	48,800		

Stock options granted between 2000 and 2002 have all expired. In 2007, company employees exercised 2,400 of the stock options with a value of T€ 5 granted in 2003. A total of 16,800 stock options were consequently exercised as of December 31, 2007. Of the stock options issued in 2003, 92,600 can still be exercised. The purchase price of the share for these stock options is composed of the reference price of €1.51 plus a 20% issue premium; the company reimburses the issue premium paid with the exercise of the option, as long as the average of the closing prices of the company's share on the last ten stock exchange days before the date of exercise lies at least 20% above the reference price. A set period must elapse between the granting and the exercise of the option rights: up to one third of the stock options can be exercised at the earliest after the expiry of two years, up to two thirds after the expiry of three years, and the remaining third after four years. Stock options unexercised as of June 24, 2008 expire. Among other things, the company is entitled to use treasury shares in order to service options that are exercised.

1) TREASURY SHARES

At the annual general meeting of May 23, 2007, the company was authorized to acquire its own shares. The authorization is restricted to the acquisition of own shares to a total limit of up to 10% of current issued share capital. The authorization is valid until November 22, 2008.

J) UNAPPROPRIATED RETAINED EARNINGS

The accumulated loss developed as follows in the 2007 financial year:

	in €
Accumulated loss as of January 1, 2007	- 79,842,381.33
Net profit for 2007	1,624,357.70
Withdrawal from the capital reserve	34,557,368.13
Income from capital reduction	44,936,546.25
Transfer to other revenue reserves	- 1,275,890.75
Unappropriated retained earnings December 31, 2007	0.00

4. PROVISIONS

The level of pension provisions is derived from an actuarial valuation.

In December 2002, the pension obligations were transferred with fiscal effect to the TA Unterstützungsver-ein. This transformed the direct obligation into an indirect obligation. The transaction had no effect on the extent of the provision.

Other provisions comprised mainly uncertain liabilities and obligations arising from the further restructuring of the corporate Group amounting to T€ 850, bonuses of T€ 735, costs associated with the preparation of the annual financial statements and annual reports amounting to T€ 348, outstanding supplier invoices amounting to T€ 133, and vacation expenses outstanding of T€ 47.

5. BANK BORROWINGS

(cf. tables on p. 40)

Liabilities due to associated companies contain trade payables amounting to T€ 714 (previous year: T€ 1,096).

Bank borrowings of T€ 22,500 were collateralized through the assignment of corporate shares; transfer of property by way of security relating to goods of TA Bayern, TA Corporate Consulting, TSS, UTAX und Willmy; global assignment agreements for trade receivables (third-party transferors of title to property for purposes of security) relating to TA Bayern, TA Corporate Consulting and TSS; land charges relating to TA Chemnitz Gera Jena Zwickau, TA Thüringen and TA Westfalen; and the assignment of brand rights and bank deposits.

6. DISCLOSURES CONCERNING FINANCIAL INSTRUMENTS

The derivative financial instruments are as follows as of December 31, 2007:

				Fair value T€
€ 5 million	Swap at 4.415 %	Against 3- month EURIBOR	Term until 15.06.2012	8
€ 25 million	Cap at 4.410 %	Against 3- month EURIBOR	Term until 30.06.2010	33

The interest-rate swap was arranged to hedge the interest-rate risk arising from a borrower's note loan of €5 million. The borrower's note loan carries a variable rate of interest. The interest-rate cap was acquired to hedge the interest-rate risk relating to the new syndicated loan of €25 million. The syndicated loan carries a variable rate of interest. The interest premium is capitalized among other assets, and amounted to T€ 104 as of the reporting date.

C. Notes on the income statement

The income statement has been prepared according to the cost of production method.

INCOME FROM PROFIT TRANSFERS

Income from profit transfer arrangements derives mainly from UTAX with T€ 15,478, TA Corporate Consulting with T€ 4,980, TA Norddeutschland with T€ 3,139, TA Leasing with T€ 2,099, Triumph-Adler Output Solutions with T€ 2,194, and TA SüdOst with T€ 1,877.

Schedule of liabilities as of December 31, 2007

	Residual term up to one year €	Residual term between one and five years €	Residual term greater than five years €	Total amount €
1. Bonds of which convertible: €44,993.69 (previous year € 112,484.21)	269,962	169,984	0	439,946
2. Bank borrowings	5,000,000	17,500,000	0	22,500,000
3. Trade payables	775,941	0	0	775,941
4. Liabilities to associated companies	76,415,155	0	0	76,415,155
5. Other liabilities	4,029,419	10,329,933	0	14,359,352
Total	86,490,477	27,999,917	0	114,490,394

Schedule of liabilities as of December 31, 2006

	Residual term up to one year €	Residual term between one and five years €	Residual term greater than five years €	Total amount €
1. Bonds of which convertible: € 112,484.21 ((previous year € 153,387.56)	437,666	439,946	0	877,612
2. Bank borrowings	10,246,862	34,700,000	0	44,946,862
3. Trade payables	708,853	0	0	708,853
4. Liabilities to associated companies	49,177,508	0	0	49,177,508
5. Other liabilities	8,687,931	34,375,635	0	43,063,566
Total	69,258,820	69,515,581	0	138,774,401

EXPENSES RELATED TO THE TRANSFER OF LOSSES

Expenses related to the transfer of losses (T€ 2,045) concern primarily TSS.

OTHER OPERATING INCOME

Other operating income comprises mainly allocated management charges of T€ 3,045, transferred income from IT costs of T€ 2,550, income from marketing costs subsidies of T€ 750, and income from the release of provisions unrelated to the accounting period of T€ 76 (previous year: T€ 633).

OTHER OPERATING EXPENSES

Other operating expenses reflects mainly administrative costs of T€ 983, consultancy costs of T€ 6,707, allocated management charges of T€ 701, sales costs of T€ 1,754, charges for premises of T€ 612, and IT costs of T€ 1,141.

Other operating expenses include aperiodic expenses of T€ 0 (previous year: T€ 1,858).

The consultancy expenses contain fees for the independent auditors of the financial statements as follows:

	in T€
a) for the audit of the financial statements	181
b) for other certification and evaluation services	89
c) for tax consultancy services	-
d) for other services	218

WRITE-DOWNS TO SECURITIES HELD AS CURRENT ASSETS AND FINANCIAL ASSETS

Write-downs to securities held as current assets and financial assets contain extraordinary write-downs of T€ 2,780.

INCOME TAX

Income tax comprises mainly reimbursed corporation tax of T€ 36. Income tax expenses relate to trade tax on earnings of T€ 420, and corporation tax of T€ 261.

OTHER TAX

Other tax mainly contains an addition to the provision for trade tax on capital (T€ 690).

D. Other disclosures

1. CONTINGENT LIABILITIES AND OTHER FINANCIAL OBLIGATIONS

In accordance with § 251 and § 268 Paragraph 7 of the German Commercial Code (HGB), we are required to make the following disclosures of liability:

	in T€
Liabilities from guarantees, bills of exchange and checks	23,845
- of which relating to associated companies: 23,456	
Liabilities arising from warranty agreements	0
Total	23,845

OTHER SIGNIFICANT FINANCIAL OBLIGATIONS (The disclosures relate to the entire duration of the agreements)

	in T€
Obligations from lease agreements	812
- of which relating to associated companies: 173	
Obligations from long-term lease agreements	430
- of which relating to associated companies: 0	
Total	1,242

Prospectively T€ 633 of the other financial obligations relate to 2008 financial year.

2. EMPLOYEES

The average number of employees is split among the following groups:

	2007	Previous year
Administration	49	47
Technology	2	3
Sales/marketing	4	3

In the 2007 financial year, an average of 55 members of staff were employed in the company (previous year: 53 employees).

3. DECLARATION OF CONFORMITY TO THE GERMAN CORPORATE GOVERNANCE CODE

In December 2007, the Management Board and the Supervisory Board of TA Triumph-Adler AG issued a declaration of conformity to the German Corporate Governance Code in the version of June 14, 2007 in the sense of § 161 of the German Stock Corporation Act (AktG), and made available it permanently available to shareholders on TA Triumph-Adler AG's website in December 2007.

4. MANDATORY ANNOUNCEMENTS BY SHAREHOLDERS

WESTLB AG, DÜSSELDORF

In accordance with § 21 Paragraph 1 of the German Securities Trading Act (WpHG), WestLB AG, Düsseldorf, Germany, informed us that its voting share in our company fell below the thresholds of 5% and 3% on April 13, 2007, and that it no longer holds any voting rights in our company. The voting rights were attributable to it pursuant to § 22 Paragraph 1 Clause 1 Number 1 of the German Securities Trading Act (WpHG). Furthermore, in accordance with § 24 of the German Securities Trading Act (WpHG), WestLB AG, on behalf of its subsidiary WestTA Beteiligungsgesellschaft mbH, Düsseldorf, Germany, informed us that its voting share in our company fell below the thresholds of 5% and 3% on April 13, 2007, and that it no longer holds any voting rights in our company.

VM VERMÖGENS-MANAGEMENT GMBH

In accordance with § 21 Paragraph 1 Clause 1 of the German Securities Trading Act (WpHG), VM Vermögens-Management GmbH, Düsseldorf, Germany, informed us that its share of voting rights in TA Triumph-Adler AG as of June 26, 2007 exceeded the 3% threshold, and that, on this date, it amounted to 4.43% of the total volume of voting rights in TA Triumph-Adler AG (this corresponds to 1,793,523 of a total of 40,483,375 voting rights). All voting rights are attributable to it pursuant to § 22 Paragraph 1 Clause 1 Number 6 of the German Securities Trading Act (WpHG).

VM VERMÖGENS-MANAGEMENT GMBH

In accordance with § 21 Paragraph 1 Clause 1 of the German Securities Trading Act (WpHG), VM Vermögens-Management GmbH, Düsseldorf, Germany, informed us that its share of voting rights in TA Triumph-Adler AG as of June 29, 2007 exceeded the 5% threshold, and that, on this date, it amounted to 5.69% of the total volume of voting rights in TA Triumph-Adler AG (this corresponds to 2,303,523 of a total of 40,483,375 voting rights). All voting rights are attributable to it pursuant to § 22 Paragraph 1 Clause 1 Number 6 of the German Securities Trading Act (WpHG).

UNIVERSAL-INVESTMENT-GESELLSCHAFT MBH

In accordance with § 21 Paragraph 1 Clause 22 of the German Securities Trading Act (WpHG), Universal-Investment-Gesellschaft mbH, Frankfurt am Main, Germany, informed us that its share of voting rights in TA Triumph-Adler AG as of August 20, 2007 exceeded the 3% threshold, and that, on this date, it amounted to 3.06% of the total volume of voting rights in TA Triumph-Adler AG (this corresponds to 1,694,808 of a total of 55,381,257 voting rights).

Pursuant to § 22 Paragraph 1 Clause 1 Number 6, 0.95% (528,800 voting rights) are directly attributable to it, and 2.11% (1,166,008 voting rights) are attributable to it.

UNIVERSAL-INVESTMENT-GESELLSCHAFT MBH

In accordance with § 21 Paragraph 1 Clause 22 and Paragraph 1 Clause 1 Number 6 of the German Securities Trading Act (WpHG), Universal-Investment-Gesellschaft mbH, Frankfurt am Main, Germany, informed us that its share of voting rights in TA Triumph-Adler AG as of November 8, 2007 was less than the 3% threshold, and that, on this date, it amounted to 2.97% (1,644,808 voting rights).

Of this amount, Universal-Investment-Gesellschaft mbH holds 0.86% directly (478,800 voting rights), and, pursuant to § 22 Paragraph 1 Clause 1 Number 6 at the German Securities Trading Act (WpHG) (specialized funds) 2.11% (1,166,008 voting rights) are allocated to it.

UNIVERSAL-INVESTMENT-GESELLSCHAFT MBH
In accordance with § 21 Paragraph 1 Clause 22 and Paragraph 1 Clause 1 Number 6 of the German Securities Trading Act (WpHG), Universal-Investment-Gesellschaft mbH, Frankfurt am Main, Germany, informed us that its share of voting rights in TA Triumph-Adler AG as of November 28, 2007 had exceeded the 3% threshold, and that, on this date, it amounted to 3.06 % (1,694,808 voting rights).

Of this amount, Universal-Investment-Gesellschaft mbH holds 0.86% directly (478,800 voting rights), and, pursuant to § 22 Paragraph 1 Clause 1 Number 6 of the German Securities Trading Act (WpHG) (specialized fund) 2.20% (1,216,008 voting rights) are allocated to it.

**ALLIANZ GLOBAL INVESTORS
KAPITALANLAGEGESELLSCHAFT MBH**
In accordance with § 21 Paragraph 1 Clause 1 of the German Securities Trading Act (WpHG), Allianz Global Investors Kapitalanlagegesellschaft mbH, Frankfurt am Main, Germany, informed us that its share of voting rights in TA Triumph-Adler AG as of August 14, 2007 exceeded the 3% threshold, and that, on this date, it amounted to 3.13% of the total volume of voting rights in TA Triumph-Adler AG (this corresponds to 1,734,000 of a total of 55,381,257 voting rights). Pursuant to § 21 Paragraph 1 Clause 1 of the German Securities Trading Act (WpHG) in connection with

§ 32 Paragraph 2 Clause 3 of the German Investment Act (InvG) all voting rights qualify as voting rights belonging to Allianz Global Investors Kapitalanlagegesellschaft GmbH.

**ALLIANZ GLOBAL INVESTORS
KAPITALANLAGEGESELLSCHAFT MBH**

In accordance with § 21 Paragraph 1 Clause 1 of the German Securities Trading Act (WpHG), Allianz Global Investors Kapitalanlagegesellschaft mbH, Frankfurt am Main, Germany, informed us that its share of voting rights in TA Triumph-Adler AG as of December 13, 2007 was less than the 3% threshold, and that, on this date, it amounted to 2.96 % of the total volume of voting rights in TA Triumph-Adler AG (this corresponds to 1,638,724 of 55,381,257 voting rights).

MR UTO BAADER, GERMANY

Mr Uto Baader, Germany, informed us on behalf, and in accordance with the instructions, of Baader Verwaltungs GmbH, Baader Immobilienverwaltungs GmbH & Co. KG, Baader Beteiligungs GmbH, and Baader Wertpapierhandelsbank AG that

1. his share of voting rights pursuant to § 21 Paragraph 1 of the German Securities Trading Act (WpHG) in TA Triumph-Adler AG, Nuremberg, Germany, exceeded the thresholds of 3%, 5%, 10%, 15%, 20%, and 25% on July 27, 2007, and that he currently holds 28.65% (15,869,272 voting rights). Pursuant to § 22 Paragraph 1 Clause 1 Number 1 of the German Securities Trading Act (WpHG), 28.65% (15,869,272 voting rights) of this amount is attributable to him.

MR UTO BAADER, GERMANY

Mr Uto Baader, Germany, informed us on August 2, 2007 on behalf, and in accordance with the instructions, of Baader Verwaltungs GmbH, Baader Immobilienverwaltungs GmbH & Co. KG, Baader Beteiligungs GmbH, and Baader Wertpapierhandelsbank AG that

1. his share of voting rights pursuant to § 21 Paragraph 1 of the German Securities Trading Act (WpHG) in TA Triumph-Adler AG, Nuremberg, Germany, was less than the thresholds of 25%, 20%, 15%, 10%, and 5%, on July 31, 2007, and that he currently holds 3.17% (1,755,402 voting rights). Pursuant to § 22 Paragraph 1 Clause 1 Number 1 of the German Securities Trading Act (WpHG), 3.17% of this amount is attributable to him (1,755,402 voting rights).

Furthermore, he communicated to us that his share of voting rights pursuant to § 21 Paragraph 1 of the German Securities Trading Act (WpHG) in TA Triumph-Adler AG, Nuremberg, Germany, was less than the threshold of 3%, on August 1, 2007, and that he currently holds 1.73% (955,402 voting rights). Pursuant to § 22 Paragraph 1 Clause 1 Number 1 of the German Securities Trading Act (WpHG), 1.73% (955,402 voting rights) of this amount is attributable to him.

5. MANAGEMENT BOARD AND SUPERVISORY BOARD

MANAGEMENT BOARD

Robert Feldmeier, Lorsch,
Spokesman of the Management Board
-37,613 shares as of December 31, 2007

Dr. Bernd Köhler, Ubstadt,
Chief Financial Officer - no shares

Masahiro Watashi, Hamburg,
Member of the Management Board responsible for
Production - no shares

In 2007, the Management Board received total remuneration for its activities related to both the parent company and the subsidiaries of €1,339,940 (previous year: €1,563,935). For further details concerning remuneration, please refer to the Remuneration Report, which forms part of the Management Report.

There exist no benefit commitments to members of the Management Board.

Remuneration paid to former members of the Management Board and their surviving dependants in 2007 totaled €1,916,817 (previous year: €1,920,294).

Pension provisions exist for former members of the Management Board and their surviving dependants totaling €21,318,330 (previous year: €21,669,580).

DISCLOSURES CONCERNING SUPERVISORY BOARD MANDATES OF MEMBERS OF THE MANAGEMENT BOARD

Robert Feldmeier

- Member of the Advisory Board
of VR Leasing AG, Eschborn

MEMBERS OF THE SUPERVISORY BOARD

Dr. Wolfram Nolte, Cologne, (Chairman),
Business Executive

Anja Neumann, Schwerin, (Deputy Chairwoman),
on maternity leave

Ulrich T. Grabowski, Munich,
Management Consultant

Katsumi Komaguchi, Japan - Osaka,
Kyocera Mita Corporation, Business Executive

Takashi Kuki, NL - Amsterdam,
President Kyocera Mita Europe B.V.

Sabine Scharf, Norderstedt,
Assistant to the Service Director of UTAX GmbH

Andreas Wiegand, Norderstedt,
Environmental Representative of UTAX GmbH

Norbert Massfeller, Lehre,
of no designated profession

Ryuichi Yamada, NL - Bloemendaal,
Kyocera Mita Europe B.V., General Manager Corporate
Legal Affairs

Yoshihiro Tagawa, Japan - Shiga,
Senior Managing Executive Officer Kyocera Mita
Corporation

In the 2007 financial year, members of the Supervisory
Board received remuneration for their supervisory
board activities of T€ 404 (previous year: T€ 172).

DISCLOSURES CONCERNING ADDITIONAL MANDATES OF MEMBERS OF THE SUPERVISORY BOARD

Norbert Massfeller
Cloppenburg Automobil AG (CAAG), *Projekt Region
Braunschweig GmbH (Chairman)**, BGAG Beteili-
gungsgesellschaft der Gewerkschaften GmbH

Katsumi Komaguchi company's director:
Kyocera Mita Japan Corporation, Daiken Company
Limited, Kyocera Mita Europe B.V., Kyocera Mita
Deutschland GmbH, Kyocera Mita (U.K.) Ltd. Kyocera
Mita France S.A., Kyocera Mita Italia S.p.A., Kyocera
Mita Nederland B.V., S. A. Kyocera Mita Belgium N.V.,
Kyocera Mita Svenska AB, Kyocera Mita Finland OY,
Kyocera Mita Danmark A/S, Kyocera Mita GmbH Aus-
tria, Kyocera Mita Espana S.A., Kyocera Mita South
Africa (PTY) Ltd., Kyocera Mita America, INC., Kyo-
cera Mita Canada, Ltd., Kyocera Mita Mexico, S.A. DE

C.V., Kyocera Technology Development, Inc., Kyocera
Mita South Carolina, Inc., Kyocera Mita Australia PTY.
Ltd., Kyocera Mita New Zealand Ltd., Kyocera Mita
(Thailand) Corp., Ltd., Kyocera Mita Hong Kong Li-
mited, Kyocera Mita Singapore PTE Ltd., Kyocera Mita
Taiwan Corporation, Kyocera Mita Office Equipment
(Dong Guan) Co., Ltd., Kyocera Mita Industrial Co.,
(H.K.) Ltd., Daiken Hong Kong Limited

Takashi Kuki Membership Board of Directors:
Kyocera Mita Corporation ***, Kyocera Mita Europe
B.V. ***, Kyocera Mita GmbH Austria ***, Kyocera Mita
Belgium N.V. ***, Kyocera Mita Danmark A/S ***, Kyo-
cera Mita Deutschland GmbH ***, Kyocera Mita Espa-
na S.A. ***, Kyocera Mita France S.A. ***, Kyocera Mita
Finland OY ***, Kyocera Mita Italia S.p.A. ***, Kyocera
Mita Nederland B.V. ***, Kyocera Mita Portugal LDA.
***, Kyocera Mita South Africa (PTY) LTD. ***, Kyocera
Mita Svenska AB ***, Kyocera Mita (UK) Ltd. ***, Kyo-
cera Mita Schweiz AG (until 31.07.2007) ***

Yoshihiro Tagawa company's director:
Kyocera Mita Japan Corporation, Kyocera Mita (Thai-
land) Corporation, Ltd., Kyocera Mita Europe B.V.,
Kyocera Mita Danmark S/A, Kyocera Mita Mexico, S.A.
de C.V.

Nuremberg, March 26, 2008

The Management Board

*) Membership in other legally created Supervisory Boards

***) Membership in comparable German and foreign controlling bodies of commercial
companies

****) Group mandates in the sense of § 100 Paragraph 2 of the German Share Act (AG)

Audit certificate

We have audited the financial statements drawn up by TA Triumph-Adler Aktiengesellschaft, Nuremberg, comprising the balance sheet, income statement, and notes to the financial statements together with the accounting as well as the management report for the financial year from January 1 to December 31, 2007. The accounting as well as the preparation of the financial statements and management report in accordance with the German Commercial Code (HGB) are the responsibility of the company's Management Board. Our responsibility is to express an opinion on the financial statements and on the management report based on our audit.

We have conducted our audit of the financial statements in accordance with § 317 of the German Commercial Code (HGB) and German generally accepted auditing standards promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require the audit to be planned and conducted in such manner as to detect with adequate certainty any inaccuracies or infringements which may significantly impact on the presentation of the net assets, financial position, and results of operations as conveyed by the financial statements in accordance with the applicable accounting standards, and by the management report. In determining the actions to be taken as part of the auditing procedure, knowledge of the business activities of the company and its economic and legal environment, as well as expectations as to possible misstatements were taken into account. In the course of the audit the effectiveness of the internal accounting control system and evidence supporting the disclosures contained in the financial statements and management report were assessed on the basis of random samples. The audit encompasses an appraisal of the accounting principles applied, and the significant estimates made by the Management Board, as

well as an evaluation of the overall presentation of the financial statements and management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has led to no reservations.

In our opinion based on the findings of our audit, the financial statements are in accordance with the legal requirements and provide in observation of the applicable accounting standards a true and fair view of the net assets, financial position, and results of operations of the company. The management report is consistent with the financial statements and, as a whole, provides an appropriate view of the company's position and suitably presents the opportunities and risks of future development.

Munich, March 26, 2008

PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft

Stefano Mulas
German Public Auditor

Reiner Kunz
German Public Auditor

List of subsidiaries and associates

Status: 31.12.2007

Ref. no.		Issued share capital	Parent company ref. no.	% of shares held by parent	% held by TA Triumph-Adler AG
1000	TA Triumph-Adler Aktiengesellschaft, Nuremberg	€ 80.302.822,65			
2101	TA Triumph-Adler Baden-Württemberg GmbH, Fellbach	€ 767.500,00	1000	100,00	100,00
2102	TA Triumph-Adler Bayern GmbH, Memmingen	€ 256.200,00	1000	100,00	100,00
2103	TA Triumph-Adler Frankfurt GmbH, Frankfurt/Main	€ 30.100,00	1000	100,00	100,00
2104	TA Triumph-Adler Visinfo AG, Embrach (CH)	CHF 200.000,00	1000	100,00	100,00
2105	Bieri Repro AG, Beromünster (CH)	CHF 300.000,00	2104	100,00	100,00
2201	TA Triumph-Adler Corporate Consulting GmbH, Bonn	€ 614.300,00	1000	100,00	100,00
2202	Triumph-Adler Benelux B.V., Hengelo (NL)	€ 18.000,00	2201	100,00	100,00
2203	TA Triumph-Adler AdmEx GmbH, Fellbach Schmiden	€ 25.000,00	1000	100,00	100,00
2204	TA Triumph-Adler Westfalen GmbH, Dortmund	DM 1.300.000,00	1000	100,00	100,00
2205	TA Triumph-Adler Norddeutschland GmbH, Bremen	€ 522.200,00	1000	100,00	100,00
2206	TA Triumph-Adler Mecklenburg-Vorpommern GmbH, Stralsund	€ 103.050,00	1000	100,00	100,00
2301	TA Triumph-Adler Berlin-Brandenburg GmbH, Teltow	€ 73.350,00	1000	92,50	92,50
2302	TA Triumph-Adler Mitteldeutschland GmbH, Leipzig	€ 424.600,00	1000	95,20	95,20
2303	Triumph-Adler Sachsen-Anhalt GmbH, Magdeburg	€ 52.000,00	1000	90,00	90,00
2400	Triumph-Adler SüdOst GmbH, Fellbach	€ 517.000,00	1000	100,00	100,00
2401	TA Triumph-Adler Lausitz-Oderland GmbH, Hoyerswerda	€ 251.500,00	2400	100,00	100,00
2402	TA Triumph-Adler Westthüringen GmbH, Erfurt	€ 140.000,00	2400	100,00	100,00
2403	TA Triumph-Adler GmbH, Chemnitz Gera Jena Zwickau	€ 57.200,00	2400	100,00	100,00
2404	Schuss Office Systems GmbH, Vienna (A)	€ 38.888,89	2400	100,00	100,00
2405	CHC Copia Holding CSFR GmbH, Fellbach	€ 103.000,00	2400	100,00	100,00
2406	COPI A Kancelarska technika CR , spol. s.r.o. (GmbH), Prague (CR)	CZK 95.300.000,00	2405	100,00	100,00
2407	COPI A Slovakia spol s.r.o. (GmbH), Baska Bystrica (SR)	SK 1.950.000,00	2405	100,00	100,00
2408	TA Triumph-Adler Ceska republika, spol. s.r.o. (GmbH), Prague (CR)	CZK 200.000,00	2405	100,00	100,00
2500	UTAX GmbH, Norderstedt	€ 15.851.200,00	1000	100,00	100,00
2501	UT AX (U.K.) Ltd., Newbury (GB)	GBP 1.500.002,00	2500	100,00	100,00
2502	I .T.S.T. Independent Training & Support Team GmbH, Norderstedt	€ 26.000,00	2500	100,00	100,00
2503	UTAX Bürosysteme s.r.o., Prague (CR)	CZK 40.211.000,00	2500	58,18	58,18
2504	Bürosysteme Slovakia s.r.o., Bratislava (SR)	SK 200.000	2503	80,00	46,54
2505	UTAX DocForms GmbH, Dortmund	€ 25.600,00	2500	100,00	100,00
2610	TA Leasing GmbH, Fellbach	€ 779.000,00	1000	100,00	100,00
2611	F&S Finance and Service Leasing GmbH, Fellbach*	€ 25.000,00	2610	10,00	10,00
2620	Triumph-Adler Output Solutions GmbH, Nuremberg	DM 41.250.000,00	1000	100,00	100,00
2621	TA Triumph-Adler Beteiligungs V1 GmbH, Nuremberg	€ 25.000,00	2620	100,00	100,00
2622	TA Triumph-Adler Beteiligungs V2 GmbH, Nuremberg	€ 25.000,00	1000	100,00	100,00
2630	TSS Technical Service & Support GmbH, Schwerin	€ 128.000,00	1000	100,00	100,00
2650	Willmy Bürofachversand GmbH, Nuremberg	€ 25.600,00	1000	100,00	100,00
2680	Kopier Holding Ost GmbH, Nuremberg	€ 255.650,00	1000	100,00	100,00
2730	PPE Presentation Products Europe U. K. Ltd., Mildenhall (GB)	GBP 1,00	1000	100,00	100,00
4000	Consulta Bürotechnik spol. s.r.o., Vyskov (CR)*	CZK 2.400.000,00	1000	49,00	49,00

* Change of Articles of Incorporation not yet entered in the Commercial Register

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