

FACT SHEET Q3 2018/19

- **Sales** adjusted for currency effects and portfolio changes increased by +0.2% (+0.1% on a like-for-like basis); reported sales decreased by –0.5% to 4,565 €m; sales driven by successful VAT campaigns especially in Germany and Italy as well as the Easter business, which offset strong World Cup campaigns in the prior year
- **Online** sales increased by +1.7% yoy to 13.0% of total sales (Q3 2017/18: 12.7%); **slower growth** especially in Germany, mainly due to strong GSM mobile campaigns in PY and reduced free shipping offers; higher pick-up rate at around 46% vs. 40% in the prior year
- **Services & Solutions** sales excl. IFRS 15 declined by –8.4% yoy to 7.4% of total sales (Q3 2017/18: 8.1%); decline is mainly due to strong GSM mobile campaign in PY; c.–60 €m impact on Services & Solutions sales due to application of IFRS 15
- **Selective store expansion** continued with 11 openings (thereof 7 Shop-in-Shops with Tesco) and 1 closure; average store size reduced by –1.2% to 2,656 sqm since March 2019
- **Adjusted EBITDA* excl. Fnac Darty** decreased by –16 €m yoy to 10 €m and **adjusted EBIT* excl. Fnac Darty** by –15 €m yoy to –45 €m
- Adjusted EBIT/DA* excl. Fnac Darty impacted by lower gross margin (–1.6%p.) and high level of non-recurring items in the prior year, partly compensated by positive operational cost development
- **Reported EBITDA** decreased by –95 €m yoy to –69 €m and **reported EBIT** decreased by –95 €m yoy to –126 €m; expenses in connection with the reorganization and efficiency program in the amount of 79 €m in EBITDA or 80 €m in EBIT weighed on reported earnings
- Net financial result with positive impact from transaction of 5.4% METRO stake, prior year mainly impacted by impairment of METRO AG stake; **EPS** improved by +0.18 € to –0.13 € yoy, negatively impacted by restructuring-related expenses
- **Tax rate** in 9M 2018/19 at 32.2%; prior year impacted by METRO AG impairment; further improvement compared to H1 2018/19 especially due to additional tax groups in Germany
- **Lower change in net working capital (NWC)** as per cash flow statement of –646 €m in 9M 2018/19, mainly driven by an anticipated decline in trade payables due to a high starting point on 30 September 2018, the discontinuation of temporary payment term extensions and the planned early payment of invoices
- **Cash investments** in 9M 2018/19 declined by –54 €m yoy to 131 €m (or 0.8% of sales compared to 1.1% in the prior year) due to lower modernization investments and a more selective expansion strategy

*Adjusted EBIT/DA excluding expenses in connection with the reorganization and efficiency program and management changes

- **Free Cash Flow** in 9M 2018/19 at around –540 €m; decline of –610 €m almost entirely due to expected NWC outflow
- **Outlook FY 2018/19 confirmed:** The outlook is adjusted for exchange rate effects and before portfolio changes. Expenses in connection with the reorganization and efficiency program are not included. Expenses for management changes in top management in Q1 2018/19 are also not included.

€m	FY 2017/18	FY 2018/19
Total sales	21,418	Slight increase
EBITDA (excl. Fnac Darty)	630 ¹	Slight decline
EBIT (excl. Fnac Darty)	399 ¹	Slight decline
Fnac Darty profit share	21	c. 22
Net Working Capital		Moderate decline

¹ Included non-recurring effects such as: re-assessment of inventory costs, valuation of gift card liabilities, pension income (mentioned effects accounted for a mid-double-digit €m amount).

Financial figures at a glance¹

€m	Q3 2017/18	Q3 2018/19	9M 2017/18	9M 2018/19
Sales	4,586	4,565	16,465	16,459
Sales development adjusted for currency and portfolio change effects	0.6%	0.2%	0.9%	0.9%
Like-for-like sales development	-0.8%	0.1%	0.0%	0.5%
Gross margin	20.3%	18.7%	19.7%	18.8%
EBITDA	26	-69	436	305
Adjusted EBITDA	26	10	436	448
of which Fnac Darty	-1	-1	19	32
Adjusted EBITDA margin excl. Fnac Darty	0.6%	0.2%	2.5%	2.5%
EBIT	-30	-126	270	128
Adjusted EBIT	-30	-45	270	281
of which Fnac Darty	-1	-1	19	32
Net financial result	-154	12	-261	27
Tax rate	50.8%	45.4%	71.6%	32.2%
Profit or loss for the period attributable to non-controlling interest from continuing operations	13	-14	64	21
Net result from continuing operations	-104	-48	-61	84
Earnings per share from continuing operations (€)	-0.32	-0.13	-0.19	0.23

¹ Business figures represent the continuing operations of CECONOMY.

Earnings position: EBITDA and EBIT

Quarter	EBITDA		Adjusted EBITDA ¹		Change compared to prior year ²	
	€m	Q3 2017/18	Q3 2018/19	Q3 2018/19	Q3 2018/19	Q3 2018/19
Total³		26	-69	10		-16
DACH		29	-51	21		-8
Western/Southern Europe		6	7	9		4
Eastern Europe		14	2	1		-13
Others		-24	-27	-22		2

9M	EBITDA		Adjusted EBITDA ¹		Change compared to prior year ²	
	€m	9M 2017/18	9M 2018/19	9M 2018/19	9M 2018/19	9M 2018/19
Total³		436	305	448		13
DACH		316	216	327		11
Western/Southern Europe		117	108	115		-2
Eastern Europe		43	22	21		-21
Others		-40	-41	-15		26

Quarter	EBIT		Adjusted EBIT ¹		Change compared to prior year ²	
	€m	Q3 2017/18	Q3 2018/19	Q3 2018/19	Q3 2018/19	Q3 2018/19
Total³		-30	-126	-45		-15
DACH		-1	-82	-9		-8
Western/Southern Europe		-13	-11	-9		4
Eastern Europe		9	-3	-4		-13
Others		-25	-30	-23		2

9M	EBIT		Adjusted EBIT ¹		Change compared to prior year ²	
	€m	9M 2017/18	9M 2018/19	9M 2018/19	9M 2018/19	9M 2018/19
Total³		270	128	281		11
DACH		227	115	234		8
Western/Southern Europe		60	52	59		-1
Eastern Europe		27	8	8		-20
Others		-44	-47	-19		25

¹ Adjusted EBIT/DA excluding expenses in connection with the reorganization and efficiency program and management changes.

² Change of adjusted EBIT/DA to EBIT/DA in the prior year.

³ Including consolidation.

Online and Services & Solutions

	Sales (€m)		Change (%)	in % of total sales	Sales (€m)		Change (%)	in % of total sales
	Q3 2017/18	Q3 2018/19			9M 2017/18	9M 2018/19		
Online	584	594	1.7	13.0	1,987	2,300	15.8	14.0
Services & Solutions (acc. to IAS 18)	369	338	-8.4	7.4	1,082	1,097	1.3	6.7
Services & Solutions (acc. to IFRS 15)	-	277	-	-	-	900	-	-

Store network

	31/03/2019	Openings	Closures	30/06/2019
Germany	432	0	-1	431
Austria	52	0	0	52
Switzerland	26	0	0	26
Hungary	25	7	0	32
DACH	535	7	-1	541
Belgium	28	0	0	28
Greece	12	0	0	12
Italy	116	1	0	117
Luxembourg	2	0	0	2
Netherlands	49	0	0	49
Portugal	10	0	0	10
Spain	87	0	0	87
Western/S. Europe	304	1	0	305
Poland	89	1	0	90
Turkey	71	2	0	73
Eastern Europe	160	3	0	163
Sweden	28	0	0	28
Others	28	0	0	28
CECONOMY	1,027	11	-1	1,037

Financial calendar

Q4/FY 2018/19 trading statement	Thursday	24 October 2019
Q4/FY 2018/19 results	Tuesday	17 December 2019

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