

KEY TAKEAWAYS Q3/9M 2017/18

- // **Fx-adjusted sales** grew by +0.8%; reported sales decreased slightly by -0.7% to €4,598m (-0.7% on a like-for-like basis); positive impact from campaigns around the World Cup and strong growth in Online and Services & Solutions offset shift of Easter business into Q2
- // **Online** sales rose by +21% yoy, accounting now for 12.7% of total sales; pick-up rate increased slightly to 40% vs. 39% in the prior year
- // **Services & Solutions** sales grew strongly by +26% yoy, accounting now for 8.3% of total sales; service “smart bars” already implemented in 821 stores (+71 vs. March 2018)
- // **German MediaMarkt Club** continues strong growth in number of members, counting around 4.5m members in June (vs. 4.1m in March 2018)
- // **Selective store expansion** continued with 10 openings and 2 closures; average store size reduced by -2.3% since September 2017
- // **EBITDA increased by €+21m and EBIT by €+19m yoy** supported particularly by a positive effect from a change in the valuation of gift card liabilities in Germany, improvements in Italy, higher Services & Solutions income and the wind-down of redcoon
- // **Impairment of Metro AG stake** (to €10.59 per ordinary share and €11.95 per preference share on 29 June 2018) impacted the net financial result by around €-138m
- // **EPS** declined due to impairment of Metro AG stake, despite solid EBIT/DA development
- // **Result of discontinued operations** attributable to CECONOMY shareholders amounted to €-120m in 9M 2017/18, in accordance with IFRS 5
- // **Positive change in net working capital** (NWC) in the amount of €249m largely driven by temporary optimization of payment terms; in 9M 2017/18, change in NWC €61m higher
- // **Free Cash Flow** in 9M 2017/18 increased by €87m year-on-year, mainly due to improvement of Operating Cash Flow
- // **Full-year 2017/18 guidance** confirmed: CECONOMY expects a slight increase in sales, a corresponding improvement in NWC, and EBITDA & EBIT (excl. Fnac Darty) to increase in the low to mid single-digit percentage range

Income statement Q3 2017/18

EURm	Q3 2016/17 ¹⁾	Q3 2017/18 ¹⁾	Change
Sales	4,629	4,598	-0.7%
<i>Sales yoy change</i>	<i>-1.3%</i>	<i>-0.7%</i>	<i>-</i>
DACH	2,690	2,652	-1.4%
Western & Southern Europe	1,445	1,445	-0.0%
Eastern Europe	380	388	2.0%
Others	114	114	-0.1%
Gross profit	943	930	-13
<i>Gross margin</i>	<i>20.4%</i>	<i>20.2%</i>	<i>-0.1%p.</i>
EBITDA incl. Fnac Darty ^{2,3)}	4	26	21
thereof Fnac Darty	0	-1	-1
EBITDA excl. Fnac Darty	4	26	22
<i>EBITDA margin ⁴⁾</i>	<i>0.1%</i>	<i>0.6%</i>	<i>0.5%p.</i>
DACH	24	29	6
Western & Southern Europe	-9	6	15
Eastern Europe	5	14	9
Others	-15	-23	-7
EBIT incl. Fnac Darty ^{2,3)}	-49	-30	19
thereof Fnac Darty	0	-1	-1
EBIT excl. Fnac Darty ^{2,3)}	-49	-29	20
<i>EBIT margin ⁴⁾</i>	<i>-1.1%</i>	<i>-0.6%</i>	<i>0.4%p.</i>
DACH	-4	-1	3
Western & Southern Europe	-29	-13	16
Eastern Europe	0	9	9
Others	-17	-24	-8
Net financial result	-11	-154	-142
thereof METRO AG contribution	0	0	0
thereof METRO AG stake impairment	0	-138	-138
Earnings before taxes	-61	-184	-123
Income taxes	29	93	64
Tax rate	47.6%	50.8%	3.2%p.
Profit or loss for the period	-32	-90	-59
attributable to non-controlling interest	-2	13	16
attributable to shareholders of CECONOMY AG	-29	-104	-74
EPS (in Euro)	-0.09	-0.32	-0.23

Note: All figures are from continued operations.

1) All Q3/9M 2016/17 figures before special items with the exception of sales and gross profit. All Q3/9M 2017/18 figures as reported.

2) See for this alternative performance indicator CECONOMY's Annual Report 2016/17, pages 49-52.

3) Including consolidation.

4) Ratio EBIT or EBITDA to total sales.

Income statement 9M 2017/18

EURm	9M 2016/17 ¹⁾	9M 2017/18 ¹⁾	Change
Sales	16,472	16,498	0.2%
<i>Sales yoy change</i>	-2.2%	0.2%	-
DACH	9,694	9,567	-1.3%
Western & Southern Europe	5,075	5,188	2.2%
Eastern Europe	1,290	1,327	2.9%
Others	412	416	0.9%
Gross profit	3,306	3,242	-65
<i>Gross margin</i>	20.1%	19.6%	-0.4%p.
EBITDA incl. Fnac Darty ^{2,3)}	417	436	19
thereof Fnac Darty	0	19	19
EBITDA excl. Fnac Darty	417	416	-1
<i>EBITDA margin ⁴⁾</i>	2.5%	2.5%	-0.0%p.
DACH	332	316	-16
Western & Southern Europe	94	117	24
Eastern Europe	42	43	1
Others	-50	-60	-10
EBIT incl. Fnac Darty ^{2,3)}	252	270	17
thereof Fnac Darty	0	19	19
EBIT excl. Fnac Darty ^{2,3)}	252	250	-2
<i>EBIT margin ⁴⁾</i>	1.5%	1.5%	-0.0%p.
DACH	246	227	-19
Western & Southern Europe	34	60	26
Eastern Europe	27	27	0
Others	-54	-64	-10
Net financial result	-12	-261	-248
thereof METRO AG contribution	0	25	25
thereof METRO AG stake impairment	0	-268	-268
Earnings before taxes	240	9	-231
Income taxes	-113	-6	107
Tax rate	47.1%	71.6%	24.5%p.
Profit or loss for the period	127	3	-124
attributable to non-controlling interest	38	64	26
attributable to shareholders of CECONOMY AG	89	-61	-150
EPS (in Euro)	0.27	-0.19	-0.46

Note: All figures are from continued operations.

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