

## FACT SHEET Q3/9M 2019/20

- **Q3 sales** adjusted for currency effects and portfolio changes decreased by –8.4% (–7.6% on a like-for-like basis); reported sales declined by –10.0% to 4,107 €m; the decline is exclusively the result of COVID-19 related store closures in April; with the gradual reopenings, the business returned to growth in May, which further accelerated in June
- **Online sales**<sup>1</sup> increased by 145.1% yoy reaching 35.2% of total sales (Q3 18/19: 13.0%); almost 3 million new online customers recorded in webshops since March
- **Services & Solutions sales**<sup>1</sup> decreased by –17.8% yoy accounting for 5.5% of total sales (Q3 18/19: 6.1%) due to store closures in April, lower store traffic thereafter and lower service attachment rate online
- **Adjusted EBIT**<sup>2</sup> with –45 €m on prior year's level thanks to COVID-19 related cost measures and sales recovery in May and June, despite lower gross margin in the quarter (adj. –2.6%p.)
- **Reported EBIT** increased by 61 €m yoy to –64 €m (Q3 2018/19: –126 €m); prior year was affected by 80 €m restructuring-related expenses; current year includes 19 €m non-recurring expenses related to asset impairments for COVID-19 induced permanent store closures
- **Tax rate** in 9M 2019/20 at –54.5%; negative tax rate essentially due to Fnac Darty S.A. impairment booked in Q2 2019/20
- **EPS** declined by –0.16 € to –0.29 € yoy due to higher taxes despite higher yoy earnings
- **Change in net working capital** (NWC) as per cashflow statement in 9M 2019/20 with –654 €m broadly on prior year's level. Comparatively lower increase in inventories and a comparatively higher reduction in receivables due from suppliers compensated for significantly lower trade liabilities and similar liabilities
- **Cash investments** as per cash flow statement in 9M 2019/20 increased by 10 €m yoy to 141 €m (or 0.9% of sales), mainly due to cash-effective investment into the joint venture in Greece; modernization and expansion investments below prior year
- **Lease-adjusted Free Cash Flow**<sup>3</sup> in 9M 2019/20 improved by 149 €m to –376 €m
- **2 store closures in Germany and 1 opening in Italy** in Q3 2019/20; average store size at 2,608 sqm at the end of June 2020
- **Liquidity situation reflects positive sales development in June**; additional syndicated credit facility tranche of 1.7 €bn concluded in mid-May with the participation of the KfW has not been used at any time

<sup>1</sup> Excluding Greek MediaMarkt business (portfolio change)

<sup>2</sup> Guidance-relevant EBIT excl. associates and non-recurring effects

<sup>3</sup> Lease adjusted free cash flow subtracts the repayment of lease liabilities for better FCF comparability under IFRS 16

## New Outlook FY 2019/20

Based on the preliminary business development of the first nine months as well as the current insights, the most important key figures for FY 2019/20 were specified on 16 July 2020, yet under the assumption that there are no further COVID-19 related restrictions in the remaining months of the fiscal year that will again impact the business

The outlook is adjusted for portfolio changes. Non-recurring earnings effects in connection with (1) the reorganization and efficiency program announced on 29 April 2019, (2) COVID-19 related store closures and (3) the introduction of the New Operating Model are not included.

|   | FY 2019/20<br>incl. IFRS 16 | thereof<br>IFRS 16 effect |
|---|-----------------------------|---------------------------|
| <b>Fx-adjusted sales</b>                | Slight decline              |                           |
| <b>Adjusted EBIT (excl. associates)</b> | 165 – 185 €m                | 5 – 15 €m                 |

## Financial figures at a glance<sup>1,2</sup>

| €m   | Q3 2018/19   | Q3 2019/20   | 9M 2018/19    | 9M 2019/20    |
|--|--------------|--------------|---------------|---------------|
| <b>Sales</b>   | <b>4,565</b> | <b>4,107</b> | <b>16,459</b> | <b>15,559</b> |
| Sales development<br>adjusted for currency and<br>portfolio change effects | 0.2%         | -8.4%        | 0.9%          | -4.6%         |
| Like-for-like sales<br>development   | 0.1%         | -7.6%        | 0.5%          | -4.2%         |
| Gross margin   | 18.7%        | 15.9%        | 18.8%         | 17.4%         |
| EBIT   | -126         | -64          | 128           | -113          |
| <b>Adjusted EBIT</b>   | <b>-43</b>   | <b>-45</b>   | <b>252</b>    | <b>113</b>    |
| Net financial result   | 12           | -13          | 27            | -28           |
| Tax rate   | 45.4%        | -69.1%       | 32.2%         | -54.5%        |
| <b>Profit or loss for the period</b>                                       | <b>-62</b>   | <b>-131</b>  | <b>105</b>    | <b>-218</b>   |
| attributable to non-<br>controlling interest                               | -14          | -27          | 21            | 11            |
| attributable to<br>shareholders of<br>CECONOMY AG                          | -48          | -104         | 84            | -229          |
| <b>EPS (€)</b>   | <b>-0.13</b> | <b>-0.29</b> | <b>0.23</b>   | <b>-0.64</b>  |

<sup>1</sup>From continuing operations.

<sup>2</sup>Due to the first-time application of new accounting standards (especially IFRS 16), some of the previous year's figures are not comparable.

## Online and Services & Solutions<sup>1</sup>

|                      | Sales (€m) |            | Change (%) | in %<br>of total sales | Sales (€m) |            | Change (%) | in %<br>of total sales |
|----------------------|------------|------------|------------|------------------------|------------|------------|------------|------------------------|
|                      | Q3 2018/19 | Q3 2019/20 |            |                        | 9M 2018/19 | 9M 2019/20 |            |                        |
| Online               | 594        | 1,446      | 143.3      | 35.2                   | 2,300      | 3,353      | 45.7       | 21.5                   |
| Services & Solutions | 277        | 225        | -18.5      | 5.5                    | 900        | 879        | -2.3       | 5.7                    |

<sup>1</sup>Reported figures, including Greek MediaMarkt business (portfolio change)

## Store network

|                          | 31/03/2020   | Openings | Closures | 30/06/2020   |
|--------------------------|--------------|----------|----------|--------------|
| Germany                  | 428          | -        | 2        | 426          |
| Austria                  | 52           | -        | -        | 52           |
| Switzerland              | 26           | -        | -        | 26           |
| Hungary                  | 32           | -        | -        | 32           |
| <b>DACH</b>              | <b>538</b>   | <b>-</b> | <b>2</b> | <b>536</b>   |
| Belgium                  | 27           | -        | -        | 27           |
| Italy                    | 116          | 1        | -        | 117          |
| Luxembourg               | 2            | -        | -        | 2            |
| Netherlands              | 50           | -        | -        | 50           |
| Portugal                 | 10           | -        | -        | 10           |
| Spain                    | 88           | -        | -        | 88           |
| <b>Western/S. Europe</b> | <b>293</b>   | <b>1</b> | <b>-</b> | <b>294</b>   |
| Poland                   | 88           | -        | -        | 88           |
| Turkey                   | 78           | -        | -        | 78           |
| <b>Eastern Europe</b>    | <b>166</b>   | <b>-</b> | <b>-</b> | <b>166</b>   |
| Sweden                   | 28           | -        | -        | 28           |
| <b>Others</b>            | <b>28</b>    | <b>-</b> | <b>-</b> | <b>28</b>    |
| <b>CECONOMY</b>          | <b>1,025</b> | <b>1</b> | <b>2</b> | <b>1,024</b> |

## Financial calendar

|                                 |         |                  |
|---------------------------------|---------|------------------|
| Q4/FY 2019/20 trading statement | Friday  | 23 October 2020  |
| Q4/FY 2019/20 results           | Tuesday | 15 December 2020 |

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