

FACT SHEET Q3/9M 2020/21

- **Sales** adjusted for currency effects and portfolio changes increased by +8.0% (+8.1% on a like-for-like basis) in Q3 thanks to continued high demand for Consumer Electronics and successful marketing campaigns; April 2020 heavily affected by Group-wide lockdowns, leading to low comparison base
- **Online sales** rose by +3.3% YOY to 1.5 €bn on the back of already high level in PY; online sales share reached 33.9% of total sales (Q3 2019/20: 35.2%); average basket value at sustainable high level and continued uplift in conversion; pick-up ratio came in at 43% (Q3 2019/20: 32%) demonstrating customer convenience and continued improvement of omnichannel capabilities
- **Services & Solutions sales** increased by +7.9% YOY, accounting for 5.5% of total sales (Q3 2019/20: 5.5%); Services & Solutions business supported by strong demand for extended warranties and Smartbar services as well as better adoption of online services
- **Adjusted EBIT¹** excl. associates declined by –48 €m YOY to –93 €m (Q3 2019/20: –45 €m), mainly due to normalization of the cost base and pressure on goods margins, while sales development had a positive effect; strong EBIT decline in DACH driven by severe restrictions in Germany; Eastern Europe with slight YOY improvement while the segments Western/Southern Europe and Others came in on prior year's level
- **Reported EBIT** declined by –41 €m YOY to –106 €m (Q3 2019/20: –64 €m); PY included 18 €m non-recurring expenses compared to 12 €m in CY, roughly equally split for COVID-related store closures, the introduction of the new Operating Model and Convergenta transaction costs²
- **Tax rate** at 20.0% in 9M 2020/21 (9M 2019/20: –54.5%), mainly due to Fnac Darty impairment reversal
- **EPS** in Q3 increased by 0.10 € to –0.19 € (Q3 2019/20: –0.29 €) due to better financial result and income taxes; EPS in 9M at 0.50 € (+1.14 € YOY)
- **Change in net working capital (NWC)** as per cashflow statement in 9M 2020/21 declined by –220 €m to –859 €m mainly due to high basis at the end of FY 2019/20 and deliberate build-up of inventories
- **Cash investments** as per cash flow statement in 9M 2020/21 declined by –18 €m YOY to 123 €m (or 0.8% of sales); prior year included investment of 29 €m into the 25% stake in the joint venture PMG Retail Market Ltd. in Greece; ordinary modernization and expansion activities above prior year's level
- **1 store opening** in Turkey in Q3; 9 store closures, thereof 3 in Germany, 5³ in Poland and 1 in the Netherlands; average store size at 2,562 sqm at the end of June 2021

- **Lease adj. Free Cash Flow**⁴ in 9M 2020/21 declined by –404 €m to –765 €m mainly due to deliberately higher inventory to ensure stock availability in an environment of increasing supply shortages

Outlook for FY 2020/21

Based on the business performance to date and the current insights, particularly with regards to catch-up effects and customer behavior since the reopening of stores, the Management Board of CECONOMY has updated its outlook for current financial year 2020/21 on 11 August 2021. Uncertainties regarding further pandemic developments remain, also in light of the volatility of regulatory measures. The outlook is therefore based on the assumption that there will be no new restrictions from the COVID-19 pandemic in the remainder of the financial year that will again impact the stationary business.

	FY 2019/20	FY 2020/21
Fx-adjusted sales	20,790 €m	Slight to moderate increase
Adjusted EBIT (excl. associates)	236 €m	210 €m – 250 €m

The outlook is adjusted for portfolio changes and does not take into account the earnings effects from companies accounted for using the equity method. Non-recurring earnings effects in connection with COVID-19-related store closures as well as the introduction of a harmonized group-wide organizational structure (“Operating Model”) announced on 12 August 2020 are not included. Expenses in connection with the transaction announced on 14 December 2020 regarding the acquisition of the minority shareholding in MediaMarktSaturn as well as the reorganization and simplification of the corporate structure are also not taken into account.

¹Guidance-relevant EBIT excl. associates and non-recurring effects.

²Expenses in connection with the acquisition of the minority shareholding in MediaMarktSaturn as well as the reorganization and simplification of the corporate structure.

³Including subsequent reporting of 2 closures from Q2 2020/21.

⁴Lease-adjusted free cash flow subtracts the repayment of lease liabilities for better FCF comparability under IFRS 16.

APPENDIX

Financial figures at a glance¹

€m	Q3 2019/20	Q3 2020/21	9M 2019/20	9M 2020/21
Sales	4,107	4,407	15,559	16,193
Sales development adjusted for currency and portfolio change effects	-8.4%	8.0%	-4.6%	5.4%
Like-for-like sales development	-7.6%	8.1%	-4.2%	5.9%
<i>Gross margin</i>	<i>15.9%</i>	<i>15.9%</i>	<i>17.4%</i>	<i>16.1%</i>
Reported EBIT	-64	-106	-113	233
Adjusted EBIT excl. associates	-45	-93	113	106
<i>Adjusted EBIT margin excl. associates</i>	<i>-1.1%</i>	<i>-2.1%</i>	<i>0.7%</i>	<i>0.7%</i>
Net financial result	-13	9	-28	3
Earnings before taxes	-77	-97	-141	235
Tax rate	-69.1%	14.9%	-54.5%	20.0%
Profit or loss for the period	-131	-82	-218	188
attributable to non-controlling interest	-27	-16	11	8
attributable to shareholders of CECONOMY AG	-104	-67	-229	180
EPS (€)	-0.29	-0.19	-0.64	0.50

¹From continuing operations.

Online and Services & Solutions

	Sales (€m)		Change (%)	as % of total sales	Sales (€m)		Change (%)	as % of total sales
	Q3 2019/20	Q3 2020/21			9M 2019/20	9M 2020/21		
Online	1,446	1,494	3.3	33.9	3,353	5,872	75.1	36.3
Services & Solutions	225	243	7.9	5.5	879	785	-10.7	4.8

Monthly average of open stores (as % of total stores)

	Q3 2019/20			Q3 2020/21		
	April 2020	May 2020	June 2020	April 2021	May 2021	June 2021
Open	14%	70%	100%	44%	62%	96%
"Click & Meet"	-	-	-	22% ^{1,2}	17% ¹	3% ¹
Closed	86%	30%	-	34%	21%	1%

¹Several stores in Germany were only open to customers with appointments ("Click & Meet"). Openings/closures in Germany were incidence-based and thus the number of stores open changed daily. ²Stores in Belgium and the Netherlands were only open to customers with appointments ("Click & Meet").

Store network

	31/03/2021	Openings	Closures	30/06/2021
Germany	419		-3	416
Austria	53			53
Switzerland	25			25
Hungary	32			32
DACH	529		-3	526
Belgium	27			27
Italy	117			117
Luxembourg	2			2
Netherlands	50		-1	49
Portugal	10			10
Spain	106			106
Western/S. Europe	312		-1	311
Poland	86		-5 ¹	81
Turkey	82	1		83
Eastern Europe	168	1	-5¹	164
Sweden	28			28
Others	28			28
CECONOMY	1,037	1	-9¹	1,029

¹Including subsequent reporting of 2 closures from Q2 2020/21.

Financial calendar

Q4/FY 2020/21 trading statement	Tuesday	26 October 2021
Q4/FY 2020/21 results	Tuesday	14 December 2021

Contact

CECONOMY AG
 Kaistr. 3
 40221 Düsseldorf, Germany

Investor Relations

Telephone +49 (0) 211-5408-7222
 Email IR@ceconomy.de
 Website <https://www.ceconomy.de/en/investor-relations/>

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