

FACT SHEET Q4/FY 2019/20

Q4 2019/20

- **Sales** adjusted for currency effects and portfolio changes increased by +7.6% (+7.9% on a like-for-like basis), driven by sustained strong customer demand, successful campaigns and continued good online momentum; underlying sales grew by even +9.8%^{1,3}
- **Online sales** increased by +35%² yoy to 16.1% of total sales (Q4 18/19: 12.7%); underlying online sales grew by even +54%^{2,3} yoy; pick-up rate stabilized at around 39% (Q4 18/19: 50%)
- **Brick & mortar** sales developed positively thanks to higher checkout value and increase in conversion rates; store traffic levelling recently at around –15% yoy
- **Services & Solutions sales** decreased by –23%² yoy, accounting for 4.7% of total sales (Q4 18/19: 6.6%); underlying sales came in at –5%^{2,3} yoy; services at in-store “Smartbars” and extended warranties developed positively, while the GSM mobile and other contract business faced a high comparison basis due to strong campaigns in the prior year
- **Adjusted EBIT⁴ excl. associates** declined by –28 €m yoy to 123 €m (incl. IFRS 16 effect of 3 €m); strong sales performance supported the result, while the gross margin was lower than prior year (adj. –0.8%p.), but with a trend improvement compared to 9M (Adj. –1.4%p.)
- **Reported EBIT** decreased by –63 €m yoy to 33 €m due to expenses in connection with the introduction of the new Operating Model and a negative profit share from associates (–32 €m)
- **EPS** declined by –0.10 € to –0.02 € yoy

FY 2019/20

- **Sales** adjusted for currency effects and portfolio changes with –1.8% only slightly below the prior year’s level (–1.4% on a like-for-like basis), reflecting the adverse impact of the COVID-19-related store closures, which was almost offset by the strong recovery since stores reopened and the solid sales development in the first five months (Oct-Feb)
- **Online sales** with an exceptional increase of +44%² yoy to 4.2 €bn or 20.2% of total sales, thanks to the increased focus of sales activities and resources on the online channel; more than 6 million new webshop customers registered across the Group in the full year
- **Services & Solutions sales** declined by –8%² yoy to 1.1 €bn or 5.4% of total sales, largely due to the COVID-19-related store closures and lower store traffic since the end of the lockdown

- **3 store openings and 22 store closures** (including 12 stores in connection with the MediaMarkt Greece transaction); average store size reduced by –1% to 2,601 sqm
- **Adjusted EBIT⁴ excl. associates** declined by –167 €m to 236 €m, which is the consequence of the lockdown of the stationary business in March, April and partly in May, and a negative margin development (–1.2%p.) resulting mostly from a COVID-19-induced channel shift, higher delivery costs and stock-related effects; the early and extensive measures in response to COVID-19 as well as the consequent implementation of the strategic initiatives had a positive effect on earnings
- **Reported EBIT** decreased by –304 €m yoy to –80 €m, which is essentially due to the impairment of the Fnac Darty S.A. stake (–268 €m) and lower operational earnings
- **Tax rate** declined to –74.0% (FY 18/19: 32.7%); negative tax rate essentially due to Fnac Darty S.A. impairment
- **EPS** declined by –1.00 € to –0.66 € yoy, which was essentially due to the impairment of the Fnac Darty S.A. stake
- **Change in net working capital (NWC)** as per cashflow statement improved by 689 €m to 297 €m, due to the significant increase in trade liabilities with a comparatively smaller increase in inventories, which is mainly due to the positive sales development in the fourth quarter
- **Cash investments** as per cash flow statement declined by –9 €m yoy to 184 €m (or 0.9% of sales) due to lower modernisation investments and more selective expansion activities; investments were also partially suspended to mitigate the COVID-19 impact on liquidity
- **Lease-adjusted Free Cash Flow⁵** improved strongly by 586 €m to 453 €m supported by NWC inflow and tax reimbursements

¹Fx- and portfolio adjusted sales growth.

²Excluding MediaMarkt Greece business (portfolio change).

³Excluding a technical effect due to switch from agent to principal model for online sales of mobile phones and related contracts as a bundle in Germany.

⁴Guidance-relevant EBIT excl. associates and non-recurring effects.

⁵Lease-adjusted free cash flow subtracts the repayment of lease liabilities for better FCF comparability under IFRS 16.

Outlook FY 2020/21

The uncertainties with regard to the further development of the COVID-19 pandemic and the global macroeconomic environment remain high in the new financial year 2020/21. The outlook is based on the assumption that the continued influence of the COVID-19 pandemic both on the macroeconomic situation and on the Group's situation will not materially deviate from the current level. In particular, the achievement of the outlook requires that during the course of the COVID-19 pandemic there will be no further prolonged widespread closures of a significant portion of the stationary business or a serious deterioration in consumer confidence, and that supply chains remain largely intact.

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 harmonised group-wide organisational structure ("Operating Model") announced on 12 August 2020 are not included.

	FY 2020/21
Fx-adjusted sales	Slight increase
Adjusted EBIT (excl. associates)	320 – 370 €m

Financial figures at a glance^{1,2}

€m	Q4 2018/19	Q4 2019/20	FY 2018/19	FY 2019/20
Sales	4,996	5,271	21,455	20,831
Sales development adjusted for currency and portfolio change effects	0.5%	7.6%	0.8%	-1.8%
Like-for-like sales development	0.2%	7.9%	0.4%	-1.4%
Gross margin	21.0%	20.4%	19.3%	18.1%
EBIT	96	33	224	-80
Adjusted EBIT excl. associates	151	123	403	236
Net financial result	-16	-17	12	-45
Tax rate	33.8%	96.8%	32.7%	-74.0%
Profit or loss for the period	53	1	158	-218
attributable to non-controlling interest	16	9	37	19
attributable to shareholders of CECONOMY AG	37	-8	121	-237
EPS (€)	0.10	-0.02	0.34	-0.66

¹Reported figures from continuing operations.

²Due 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 & Solutions¹

	Sales (€m)		Change (%)	in % of total sales	Sales (€m)		Change (%)	in % of total sales
	Q4 2018/19	Q4 2019/20			FY 2018/19	FY 2019/20		
Online	635	850	34.0 ²	16.1	2,935	4,203	43.2	20.2
Services & Solutions	329	250	-24.0 ³	4.7	1,229	1,129	-8.1	5.4

¹Reported figures, including Greek MediaMarkt business (portfolio change).

²Excluding a technical effect due to switch from agent to principal model for online sales of mobile phones and related contracts as a bundle in Germany, online sales grew by 52.3%.

³Excluding the aforementioned negative effects, Services & Solutions sales declined by -5.7%.

Store network

	30/06/2020	Openings Q4 2019/20	Closures Q4 2019/20	30/09/2020	30/09/2019	Openings FY 2019/20	Closures FY 2019/20	30/09/2020
	Germany	426	-	-1	425	431	-	-6
Austria	52	1	-	53	52	1	-	53
Switzerland	26	-	-1	25	26	-	-1	25
Hungary	32	-	-	32	32	-	-	32
DACH	536	1	-2	535	541	1	-7	535
Belgium	27	-	-	27	27	-	-	27
Greece	-	-	-	-	12	-	-12	0
Italy	117	-	-	117	117	1	-1	117
Luxembourg	2	-	-	2	2	-	-	2
Netherlands	50	-	-	50	49	1	-	50
Portugal	10	-	-	10	10	-	-	10
Spain	88	-	-	88	88	-	-	88
Western/S. Europe	294	-	-	294	305	2	-13	294
Poland	88	-	-	88	90	-	-2	88
Turkey	78	-	-	78	78	-	-	78
Eastern Europe	166	-	-	166	168	-	-2	166
Sweden	28	-	-	28	28	-	-	28
Others	28	-	-	28	28	-	-	28
CECONOMY	1,024	1	-2	1,023	1,042	3	-22	1,023

Financial calendar

Q1 2020/21 results	Tuesday	9 February 2021
Annual General Meeting	Wednesday	17 February 2021
Q2/H1 2020/21 results	Tuesday	11 May 2021
Q3/9M 2020/21 results	Thursday	12 August 2021
Q4/FY 2020/21 trading statement	Tuesday	26 October 2021
Q4/FY 2020/21 results	Tuesday	14 December 2021

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