STRÖER

STRÖER SE & Co. KGaA

QUARTERLY STATEMENT 9M/Q3 2020

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The German Act to Implement the Directive Amending the Transparency Directive came into force on 26 November 2015, as did amendments to the stock exchange rules and regulations of the Frankfurt Stock Exchange. In this context, Ströer publishes a quarterly statement rather than a quarterly financial report for the first and third quarter of each fiscal year.

THE GROUP'S FINANCIAL FIGURES AT A GLANCE

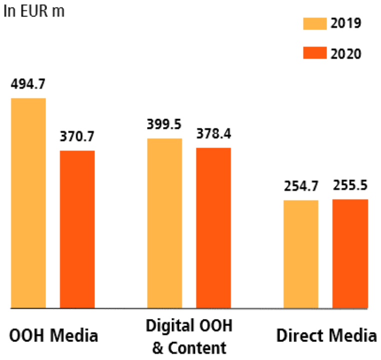
Continuing operations

REVENUE

EUR 987.4m

(prior year: EUR 1,123.1m)

SEGMENT REVENUE
In EUR m



EBITDA (ADJUSTED)

EUR 310.6m

(prior year: EUR 387.2m)

EBITDA-MARGIN (ADJUSTED)

31.5%

(prior year: 34.5%)

ORGANIC REVENUE GROWTH

-11.0%

(prior year: 7.2%)

ADJUSTED CONSOLIDATED PROFIT

EUR 59.3m

(prior year: EUR 128.2m)

FREE CASH FLOW BEFORE M&A TRANSACTIONS

EUR 144.9m

(prior year: EUR 203.9m)

ROCE

13.6%

(prior year: 19.0%)

In EUR m	Q3 2020	Q3 2019	9M 2020	9M 2019
Revenue	**355.0**	**379.5**	**987.4**	**1,123.1**
EBITDA (adjusted)	**125.1**	**131.4**	**310.6**	**387.2**
Adjustment effects	-5.2	-10.2	-17.5	-23.7
EBITDA	**119.9**	**121.2**	**293.1**	**363.5**
Amortization, depreciation and impairment losses	-87.9	-90.4	-267.0	-263.8
thereof attributable to purchase price allocations and impairment losses	-13.6	-17.2	-46.7	-51.6
EBIT	**32.0**	**30.8**	**26.1**	**99.7**
Net finance income/costs	-6.7	-8.3	-21.6	-22.8
EBT	**25.3**	**22.5**	**4.5**	**76.9**
Taxes	-3.5	-2.6	-0.9	-11.4
Consolidated profit or loss for the period	**21.8**	**20.0**	**3.6**	**65.5**
Adjusted consolidated profit or loss for the period	**37.2**	**42.2**	**59.3**	**128.2**
Free cash flow (before M&A transactions)			**144.9**	**203.9**
Net debt (30 Sep/31 Dec)			**563.1**	**547.6**

FINANCIAL PERFORMANCE OF THE GROUP

Although the Ströer Group initially made an exceptionally good start to fiscal year 2020, the COVID-19 pandemic meant that revenue fell significantly in the second quarter, particularly in the out-of-home (OOH) advertising business. The Group as a whole staged a strong recovery during the third quarter and the revenue of EUR 355.0m generated in the three-month period was almost as high as in the excellent prior-year period (prior year: EUR 379.5m). However, **revenue** for the first nine months of the year dipped sharply by EUR 135.7m year on year to EUR 987.4m (prior year: EUR 1,123.1m) owing to the aforementioned slump in the second quarter. This represented a decline in revenue of 11.0 percent (organic) and 12.1 percent (nominal).

Ströer made huge cost savings to counteract the fall in revenue, as a result of which the **cost of sales** for the nine-month period decreased by EUR 64.8m to EUR 668.7m. This was attributable to a fall in revenue-based lease payments and running costs in the out-of-home business along with lower publisher fees in the digital business and reduced personnel expenses. The main reason for the decline in personnel expenses was the use of government subsidy programs (short-time working). **Gross profit** totaled EUR 318.6m in the first three quarters of 2020 (prior year: EUR 389.5m).

The Group's **selling and administrative expenses** also went down year on year, falling by EUR 7.4m to EUR 301.1m in the reporting period (prior year: EUR 308.5m). Whereas our targeted and growth-oriented capital investment in the sales structures of the Digital OOH & Content and OOH Media segments had caused costs to rise by EUR 9.5m in the first quarter, this increase was easily outweighed by the broad cost-cutting program implemented in the second and third quarters due to the COVID-19 pandemic. Owing to the substantial fall in revenue, however, selling and administrative expenses expressed as a percentage of revenue were up significantly year on year at 30.5 percent (prior year: 27.5 percent). At the same time, **other net operating income** declined by EUR 8.3m to EUR 5.8m (prior year: EUR 14.1m). The negative factors affecting this figure included an increase in impairment losses on trade receivables by EUR 2.9m, whereas the figure for the prior-year period had been boosted, in particular, by income from changes to equity investments (EUR 2.2m). The Group's **share in profit or loss of equity method investees** was also lower as a result of the pandemic, falling by EUR 1.8m to EUR 2.8m (prior year: EUR 4.5m).

As a consequence of the COVID-19 pandemic and the related macroeconomic challenges, the Group's **EBIT** fell from EUR 99.7m in the first three quarters of 2019 to EUR 26.1m in the same period of 2020. Following a very difficult second quarter, however, EBIT increased slightly year on year in the third quarter, rising from EUR 30.8m to EUR 32.0m. **EBITDA (adjusted)** was similarly volatile. Whereas the figure for the nine-month period fell sharply by EUR 76.6m to EUR 310.6m (prior year: EUR 387.2m), the figure for the third quarter of 2020 improved markedly on the back of the emerging recovery and at EUR 125.1m was down on the figure for the third quarter of 2019 by just EUR 6.3m (prior year: EUR 131.4m). The return on capital employed **(ROCE)** also came under pressure due to the changed conditions and amounted to 13.6 percent, falling short of the very high figure of 19.0 percent in the prior-year period.

The Group's **net finance costs** improved slightly to EUR 21.6m (prior year: EUR 22.8m). Besides general funding costs for existing loan liabilities, this figure has primarily consisted of expenses from unwinding the discount on lease liabilities since the introduction of IFRS 16. Although general funding costs increased slightly due to the pandemic, this rise was more than offset by lower expenses from unwinding the discount on lease liabilities.

The decline in operating business – particularly in the second quarter – also meant a lower tax assessment basis for the entire reporting period, as a result of which the **net tax expense** of EUR 0.9m was much improved on the expense of EUR 11.4m in the first three quarters of 2019.

The **loss for the period from discontinued operations** amounted to EUR 3.0m in the first nine months of 2020 and, as had been the case in the prior-year period, consisted solely of the loss in connection with the D+S 360° Group (prior year: EUR 8.6m).

The **consolidated profit from continuing operations** came to EUR 3.6m (prior year: EUR 65.5m) and reflected the considerable adverse impact of the COVID-19 pandemic, whereas the corresponding figure of EUR 21.8m for the third quarter (prior year: EUR 20.0m) gives clear indications of a recovery. The macroeconomic challenges also had a marked effect on **adjusted consolidated profit for the period**, which amounted to EUR 59.3m for the first three quarters of the year (prior year: EUR 128.2m). The figure for the third quarter of EUR 37.2m, however, shows how quickly the Ströer Group's business performance recovered as the macroeconomic difficulties receded (prior year: EUR 42.2m). Whether or not this trend reversal continues depends heavily on how the pandemic unfolds in Germany and the rest of Europe.

FINANCIAL POSITION

Liquidity and investment analysis

The following reconciliation relates exclusively to the continuing operations of the Ströer Group, i.e. the figures for the prior-year period have been adjusted for the contributions of the D+S 360° Group.[1]

In EUR m	9M 2020	9M 2019
Cash flows from operating activities	**238.2**	**282.6**
Cash received from the disposal of intangible assets and property, plant and equipment	0.5	1.8
Cash paid for investments in intangible assets and property, plant and equipment	–93.7	–80.5
Cash paid for investments in equity method investees and financial assets	–3.3	–0.5
Cash received from and cash paid for the sale and acquisition of consolidated entities	–0.3	–13.7
Cash flows from investing activities	**–96.8**	**–92.9**
Cash flows from financing activities	**–141.1**	**–189.5**
Change in cash	0.2	0.3
Cash at the end of the period	**103.8**	**98.8**
Free cash flow before M&A transactions (incl. IFRS 16 payments for the principal portion of lease liabilities)	28.4	85.1
Free cash flow before M&A transactions	**144.9**	**203.9**

The net cash inflow recorded under **cash flows from operating activities** was down significantly compared with the prior-year period at EUR 238.2m (prior year: EUR 282.6m) owing to the general downturn in economic conditions resulting from COVID-19 and the related decline in revenue, especially in the second quarter of 2020. The year-on-year fall in the net cash inflow continued in the third quarter even though the operating business picked up markedly. The decrease in the second quarter had primarily been attributable to the reduction in operating business. However, the cash flows for the third quarter were mainly affected by negative movements in working capital, which, conversely, had been a positive effect in the second quarter. By contrast, the Group's tax payments were markedly lower than in the prior-year period and improved across the board.

Under **cash flows from investing activities**, the Group's net cash outflow of EUR 96.8m was slightly higher than in the prior-year period (prior year: EUR 92.9m). This was primarily due to investments in intangible assets and property, plant and equipment, which increased markedly in the first quarter of this year, whereas cash paid for M&A transactions was significantly lower in each of the first three quarters of this year than in the corresponding periods of 2019. Overall, **free cash**

[1] For information on the sale of the 50.0 percent shareholding in the D+S 360° Group, see our disclosures in note 6.2 in the notes section of our annual report for 2019.

flow before M&A transactions totaled EUR 144.9m (prior year: EUR 203.9m) and clearly reflected the downturn in business over the course of the year as a result of the COVID-19 pandemic. Even adjusted for payments for the principal portion of lease liabilities in connection with IFRS 16, this figure was still down significantly year on year at EUR 28.4m (prior year: EUR 85.1m).

Due to the COVID-19 pandemic, Ströer postponed its shareholder meeting – and thus the decision on the distribution of a dividend – until November. Moreover, additional shares in entities already included in the basis of consolidation were purchased only on a small scale in the first nine months of 2020, which meant that the net cash outflow of EUR 141.1m under **cash flows from financing activities** (prior year: EUR 189.5m) was predominantly attributable to payments for the principal portion of lease liabilities in connection with IFRS 16 (EUR 116.5m) as there were no other material influences. As a precaution, drawdowns had been made from the credit facilities in March 2020 in view of the pandemic, resulting in a significant increase in the Group's bank balances. However, this excess liquidity was eliminated at the end of September when the additional drawdowns from the credit facilities were repaid in full.

At the end of the third quarter, **cash** stood at EUR 103.8m, which was almost unchanged compared with 31 December 2019 (prior year: EUR 103.6m).

Financial structure analysis

The Ströer Group's **non-current liabilities** amounted to EUR 1,395.4m as at 30 September 2020 (prior year: EUR 1,572.5m). The decrease of EUR 177.1m was largely attributable to lower lease liabilities and lower liabilities to banks, the latter decreasing mainly because of a shift from non-current to current liabilities. The aforementioned precautionary drawing down of freely available credit facilities at the beginning of the COVID-19 pandemic had resulted in a substantial rise in non-current liabilities during the year. However, these additional drawdowns were repaid in full in September.

By contrast, **current liabilities** at the end of the period under review were almost unchanged at EUR 705.4m (prior year: EUR 702.3m). Although the reclassification of a note loan tranche of EUR 127.0m from non-current to current liabilities to banks resulted in a sharp rise in current liabilities, this was almost entirely offset by a fall in trade payables, lower lease liabilities, and decreases in income tax liabilities and other liabilities.

The Group's **equity** stood at EUR 625.3m, which also represented an only minimal change compared with 31 December 2019 (prior year: EUR 626.9m). The changes in the individual line items within equity were also very modest. The equity ratio improved from 21.4 percent to 22.9 percent as at 30 September 2020. Adjusted for the lease liabilities accounted for in accordance with IFRS 16, the equity ratio was 34.1 percent as at the reporting date (prior year: 32.4 percent).

Net debt

The Ströer Group bases the calculation of its net debt on the existing loan agreements with its lending banks. The additional lease liabilities that have had to be recognized since the introduction of IFRS 16 were excluded from the calculation of net debt both in the facility agreement and in the contract documentation for the note loans. This is because the contracting parties do not believe that the financial position of the Ströer Group has changed as a result of the new standard being introduced. To maintain consistency, the impact of IFRS 16 on EBITDA (adjusted) was also excluded from the calculation of the leverage ratio.

The leverage ratio is a significant financial covenant in the contractual relationships with our banks. We do not expect to reach the agreed upper limit during the COVID-19 pandemic. In March, however, we held discussions with our banking syndicate about the possibility of suspending or raising this limit in the event that it is temporarily exceeded.

In EUR m		30 Sep 2020	31 Dec 2019
(1)	Lease liabilities (IFRS 16)	890.0	994.2
(2)	Liabilities from the facility agreement	134.0	98.7
(3)	Liabilities from note loans	494.6	494.4
(4)	Liabilities to purchase own equity instruments	16.6	20.4
(5)	Liabilities from dividends to non-controlling interests	0.0	6.8
(6)	Other financial liabilities	38.4	51.3
(1)+(2)+(3)+(4)+(5)+(6)	Total financial liabilities	1,573.6	1,665.8
(2)+(3)+(5)+(6)	Total financial liabilities excluding lease liabilities (IFRS 16) and liabilities to purchase own equity instruments	666.9	651.2
(7)	Cash	103.8	103.6
(2)+(3)+(5)+(6)-(7)	**Net debt**	**563.1**	**547.6**

As at 30 September 2020, net debt had increased by EUR 15.5m to EUR 563.1m (prior year: EUR 547.6m). The main reasons for this rise were the usual seasonal fluctuations and, in particular, the adverse effects of the COVID-19 pandemic. The leverage ratio (defined as the ratio of net debt to EBITDA (adjusted)) stood at 1.85 at the end of the third quarter, which was moderately higher than the ratio of 1.44 at the end of 2019. However, it was at a similar level to the ratio of 1.71 that had been reported at the end of the third quarter of 2019.

ASSETS AND LIABILITIES

Analysis of the asset structure

The Ströer Group's **non-current assets** had fallen from EUR 2,548.5m to EUR 2,391.1m as at 30 September 2020. The only material changes were recorded in intangible assets and property, plant and equipment, for which amortization and depreciation charges, respectively, were significantly greater than additions.

By contrast, **current assets** had only fallen by just under EUR 20.7m to EUR 335.0m as at 30 September 2020 (prior year: EUR 355.7m). The biggest decrease in current assets was attributable to trade receivables, which declined by EUR 21.0m to EUR 160.8m due to the pandemic; the other changes were immaterial.

Assets held for sale decreased to EUR 0.0m as a result of the sale of the 50.0 percent interest in the D+S 360° Group and the sale of TubeONE Networks GmbH along with the associated liabilities.

FINANCIAL PERFORMANCE OF THE SEGMENTS

The following analysis of financial performance relates exclusively to continuing operations, i.e. the figures for the prior-year period in this section have been adjusted for the discontinued operations of the D+S 360° Group in accordance with the provisions of IFRS 5.[2]

Out-of-Home Media

In EUR m	Q3 2020	Q3 2019	Change		9M 2020	9M 2019	Change	
Segment revenue, thereof	**130.5**	**170.9**	**-40.4**	**-23.6%**	**370.7**	**494.7**	**-124.0**	**-25.1%**
Large formats	67.1	83.0	-15.8	-19.1%	179.3	242.2	-62.9	-26.0%
Street furniture	22.8	33.9	-11.0	-32.6%	71.3	105.3	-34.0	-32.3%
Transport	11.9	15.0	-3.1	-20.7%	36.9	45.9	-9.0	-19.7%
Other	28.6	39.1	-10.5	-26.7%	83.2	101.3	-18.0	-17.8%
EBITDA (adjusted)	**56.6**	**77.1**	**-20.4**	**-26.5%**	**148.0**	**223.7**	**-75.7**	**-33.8%**
EBITDA margin (adjusted)	**43.4%**	**45.1%**	**-1.7 percentage points**		**39.9%**	**45.2%**	**-5.3 percentage points**	

The **revenue** of the OOH Media segment decreased by EUR 124.0m to EUR 370.7m in the first three quarters of 2020. Following a strong first quarter of 2020, the fallout from the COVID-19 pandemic took a heavy toll on business in the out-of-home advertising market in the second quarter. The temporary shutdown of public life, particularly in Germany and Poland, in the second quarter hit this segment particularly hard and meant that new bookings for out-of-home advertising campaigns came to a complete standstill for a time. New bookings did not restart until the middle of the second quarter and they steadily improved during the third quarter. Nevertheless, the segment's total revenue in the third quarter was down significantly on the same period of 2019. The decline has been so pronounced in recent months that all product groups recorded a year-on-year decrease in the first three quarters of 2020.

The **large formats** product group offers traditional out-of-home products, primarily to national and regional customers. Its revenue went down by EUR 62.9m to EUR 179.3m. The **street furniture** product group mainly serves national and international customer groups in the German out-of-home market. Much of its work involves major nationwide campaigns in the traditional advertising business. This product group therefore registered the sharpest fall in relative terms, with its revenue dropping by EUR 34.0m to EUR 71.3m in the first nine months of 2020. The **transport** product group operates almost exclusively in the German out-of-home market and involves barely any traditional campaign business. It also recorded a significant year-on-year decrease in revenue to EUR 36.9m (prior year: EUR 45.9m), but was less severely affected in relative terms. Revenue in the **other** product group declined by EUR 18.0m to EUR 83.2m. This product group includes smaller complementary acquisitions and full-service solutions, mostly for small customers (including the production of advertising materials).

[2] For information on the sale of the 50.0 percent shareholding in the D+S 360° Group, see our disclosures in note 6.2 in the notes section of our annual report for 2019.

The effects of the COVID-19 pandemic also weighed heavily on earnings. Although the fall in revenue was partly offset by a substantial reduction in costs, the segment generated significantly lower earnings in the first nine months of the year. Nevertheless, **EBITDA (adjusted)** for the reporting period came to EUR 148.0m (prior year: EUR 223.7m). The **EBITDA margin (adjusted)** stood at an impressive 39.9 percent in the first three quarters of 2020 (prior year: 45.2 percent), despite the huge difficulties created by the COVID-19 pandemic.

Digital OOH & Content

In EUR m	Q3 2020	Q3 2019	Change		9M 2020	9M 2019	Change	
Segment revenue, thereof	**133.3**	**133.6**	**-0.2**	**-0.2%**	**378.4**	**399.5**	**-21.1**	**-5.3%**
Display	66.7	63.7	3.0	4.7%	187.4	196.1	-8.7	-4.4%
Video	29.6	35.4	-5.8	-16.3%	81.5	99.3	-17.8	-17.9%
Digital marketing services	37.0	34.4	2.6	7.5%	109.6	104.2	5.4	5.2%
EBITDA (adjusted)	**52.7**	**43.8**	**8.9**	**20.2%**	**135.1**	**136.2**	**-1.1**	**-0.8%**
EBITDA margin (adjusted)	**39.5%**	**32.8%**	**6.7 percentage points**		**35.7%**	**34.1%**	**1.6 percentage points**	

In the first nine months of 2020, the **revenue** of the Digital OOH & Content segment dropped from EUR 399.5m to EUR 378.4m. Whereas the first quarter of 2020 had gone very well, the fallout from the COVID-19 pandemic took a very heavy toll on business performance in the second quarter. In the third quarter, however, revenue was almost at the level of the prior-year period again. Although revenue from online marketing increased year on year, the fallout from the COVID-19 pandemic continued to have a severe impact on our digital out-of-home products. But here too, business picked up significantly compared with the second quarter.

The **video** product group primarily consists of our digital out-of-home products (public video) and its revenue fell by EUR 17.8m to EUR 81.5m in the reporting period. The **display** product group offers a wide range of advertising formats for mobile devices and desktops. The pandemic caused its revenue to decline by EUR 8.7m to EUR 187.4m in the first nine months of the year. However, its revenue in the third quarter of 2020 was higher than in the prior-year period despite the generally challenging market conditions. Revenue in the **digital marketing services** product group rose to EUR 109.6m in the reporting period (prior year: EUR 104.2m). Statista, in particular, was able to continue increasing its revenue in spite of the difficult market conditions created by the COVID-19 pandemic and despite having reported strong results in the prior-year period.

In terms of earnings, the adverse effects of the COVID-19 pandemic on revenue were almost entirely canceled out by the substantial fall in costs. Overall, the segment's **EBITDA (adjusted)** of EUR 135.1m for the first nine months of the year was on a par with the prior-year period (prior year: EUR 136.2m) and meant that the **EBITDA margin (adjusted)** improved to 35.7 percent (prior year: 34.1 percent).

Direct Media

In EUR m	Q3 2020	Q3 2019	Change		9M 2020	9M 2019	Change	
Segment revenue, thereof	**97.0**	**84.1**	**12.8**	**15.3%**	**255.5**	**254.7**	**0.8**	**0.3%**
Dialog marketing	68.1	57.4	10.7	18.6%	169.0	171.4	-2.4	-1.4%
Transactional	28.9	26.7	2.2	8.1%	86.5	83.3	3.2	3.9%
EBITDA (adjusted)	**19.9**	**15.3**	**4.6**	**30.2%**	**42.2**	**40.5**	**1.6**	4.0%
EBITDA margin (adjusted)	**20.5%**	**18.2%**	**2.3 percentage points**		**16.5%**	**15.9%**	**0.6 percentage points**	

The Direct Media segment comprises the dialog marketing and transactional product groups. As a result of adjustments to the transactional portfolio, the segment results are not fully comparable with the results for the prior-year period.[3]

The **dialog marketing** product group comprises our call center activities and direct sales activities (door to door). Its revenue fell by EUR 2.4m to EUR 169.0m in the reporting period. This decline was due to the fact that door-to-door sales were officially prohibited from mid-March until well into May because of the COVID-19 pandemic. Our direct sales activities were very successful again in the third quarter, and revenue was significantly higher than in the prior-year period. Call center business, by contrast, was barely affected by the COVID-19 pandemic and its revenue increased year on year in the reporting period. Despite a number of portfolio adjustments and the difficult market conditions created by COVID-19, the revenue of the **transactional** product group actually rose by EUR 3.2m to EUR 86.5m in the first nine months of 2020. In particular, AsamBeauty's e-commerce business registered significant growth in all three quarters.

Overall, the segment's **EBITDA (adjusted)** went up by 4.0 percent to EUR 42.2m in the reporting period (prior year: EUR 40.5m), which meant that the **EBITDA margin (adjusted)** improved to 16.5 percent (prior year: 15.9 percent).

[3] Unlike the D+S 360° Group, the sold business activities do not constitute separate units within the meaning of IFRS 5. The prior-year figures have therefore not been adjusted accordingly.

OUTLOOK

Based on our orderbook visibility and in the light of a still unclear second COVID-19 wave, we expect further stabilization and recovery of our business and revenues in the range of IX 92 to 97 versus previous year for the fourth quarter 2020 and the Group EBITDA (adjusted) for the full year in the range of EUR 440m to EUR 455m.

SUBSEQUENT EVENTS

Transactions involving a change of control

The Ströer Group acquired a total of 51.0 percent of the shares in Dea Holding S.r.l., Bergamo, Italy with effect from 1 October 2020. The **Dea Group** operates in the fields of direct sales and telesales in Italy. The preliminary purchase price for the acquired shares is EUR 10.6m and was paid in cash. There are also call and put options on the remaining 49.0 percent of the shares. These options can be exercised in the years ahead depending on the occurrence of contractually defined conditions.

Transactions not involving a change of control

The Ströer Group acquired the remaining 14.7 percent of the shares in **Mercury Beteiligungs GmbH**, Leipzig, Germany with effect from 22 October 2020. The purchase price amounted to EUR 14.5m and was paid in cash.

Annual shareholder meeting

This year's shareholder meeting of Ströer SE & Co. KGaA took place on 4 November 2020. It was held as a virtual meeting due to the ongoing COVID-19 pandemic. Just over 89 percent of the voting rights were represented in total. The motions of the Supervisory Board and the general partner were nearly all accepted. This included the distribution of a dividend of EUR 2.00 per dividend-bearing no-par-value share. However, the proposal to amend the 2015 share option program in connection with the COVID-19 pandemic was not accepted.

No other material events have occurred since the reporting date.

APPENDIX

CONSOLIDATED INCOME STATEMENT

In EUR k	Q3 2020	Q3 2019[1),2)]	9M 2020	9M 2019[1),2)]
Revenue	354,980	379,541	987,357	1,123,087
Cost of sales	-230,508	-251,995	-668,744	-733,544
Gross profit	**124,472**	**127,546**	**318,613**	**389,543**
Selling expenses	-54,482	-59,182	-170,371	-175,759
Administrative expenses	-43,546	-44,611	-130,719	-132,727
Other operating income	8,511	7,838	22,709	28,445
Other operating expenses	-4,386	-2,399	-16,918	-14,350
Share in profit or loss of equity method investees	1,423	1,603	2,753	4,545
Finance income	294	337	1,445	1,552
Finance costs	-7,015	-8,623	-22,995	-24,346
Profit or loss before taxes	**25,271**	**22,510**	**4,514**	**76,904**
Income taxes	-3,455	-2,558	-867	-11,379
Post-tax profit or loss from continuing operations	**21,816**	**19,952**	**3,648**	**65,525**
Discontinued operations				
Post-tax profit or loss from discontinued operations	0	-4,648	-3,034	-8,623
Consolidated profit or loss for the period	**21,816**	**15,304**	**614**	**56,901**
Thereof attributable to:				
Owners of the parent	15,323	13,574	-11,353	48,932
Non-controlling interests	6,493	1,731	11,967	7,969
	21,816	**15,304**	**614**	**56,901**

1) Restated retrospectively due to the purchase price allocations that were finalized after 30 September 2019. See our disclosures on the retrospective restatement of purchase price allocations in note 6 in the notes section of our annual report for 2019.

2) Restated retrospectively due to the classification of the D+S 360° Group as a discontinued operation within the meaning of IFRS 5. See our disclosures on the sale of the 50.0 percent shareholding in the D+S 360° Group in note 6.2 in the notes section of our annual report for 2019.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Assets (in EUR k)	30 Sep 2020	31 Dec 2019
Non-current assets		
Intangible assets	1,187,422	1,227,407
Property, plant and equipment	1,139,353	1,246,316
Investments in equity method investees	21,461	25,089
Financial assets	3,266	2,971
Trade receivables	1,360	1,360
Other financial assets	7,574	8,534
Other non-financial assets	14,706	20,486
Deferred tax assets	16,003	16,291
Total non-current assets	**2,391,144**	**2,548,454**
Current assets		
Inventories	16,901	17,296
Trade receivables	160,830	181,828
Other financial assets	18,187	8,806
Other non-financial assets	29,590	35,538
Current tax assets	5,689	8,627
Cash	103,813	103,603
Total current assets	**335,011**	**355,697**
Assets held for sale	0	24,277
Total assets	**2,726,155**	**2,928,428**

Equity and liabilities (in EUR k)	30 Sep 2020	31 Dec 2019
Equity		
Subscribed capital	56,577	56,577
Capital reserves	749,224	747,491
Retained earnings	-187,553	-182,013
Accumulated other comprehensive income/loss	-7,907	-4,800
	610,341	**617,255**
Non-controlling interests	15,004	9,684
Total equity	**625,345**	**626,939**
Non-current liabilities		
Provisions for pensions and similar obligations	43,915	44,145
Other provisions	29,178	25,434
Financial liabilities	1,279,453	1,446,939
Trade payables	2,032	4,035
Deferred tax liabilities	40,835	51,981
Total non-current liabilities	**1,395,413**	**1,572,533**
Current liabilities		
Other provisions	58,636	56,884
Financial liabilities	294,141	218,887
Trade payables	241,116	294,480
Other liabilities	91,788	103,719
Current income tax liabilities	19,716	28,331
Total current liabilities	**705,397**	**702,300**
Liabilities associated with assets held for sale	0	26,656
Total equity and liabilities	**2,726,155**	**2,928,428**

CONSOLIDATED STATEMENT OF CASH FLOWS

In EUR k	9M 2020	9M 2019[1)2)]
Cash flows from operating activities		
Profit or loss for the period	3,648	65,525
Expenses (+)/income (-) from net finance income/costs and net tax income/expense	22,417	34,173
Amortization, depreciation and impairment losses (+) on non-current assets	133,967	132,396
Depreciation and impairment losses (+) on right-of-use assets under lease liabilities (IFRS 16)	133,078	131,382
Share in profit or loss of equity method investees	-2,753	-4,545
Cash received from profit distributions of equity method investees	4,867	4,321
Interest paid (-) in connection with leases (IFRS 16)	-11,979	-16,290
Interest paid (-) in connection with other financial liabilities	-5,127	-3,755
Interest received (+)	33	26
Income taxes paid (-)/received (+)	-15,143	-31,960
Increase (+)/decrease (-) in provisions	4,502	-2,252
Other non-cash expenses (+)/income (-)	-1,460	-736
Gain (-)/loss (+) on disposal of non-current assets	137	-654
Increase (-)/decrease (+) in inventories, trade receivables and other assets	18,771	-18,321
Increase (+)/decrease (-) in trade payables and other liabilities	-46,798	-6,721
Cash flows from operating activities (continuing operations)	**238,162**	**282,590**
Cash flows from operating activities (discontinued operations)	329	-3,489
Cash flows from operating activities	**238,491**	**279,100**
Cash flows from investing activities		
Cash received (+) from the disposal of intangible assets and property, plant and equipment	452	1,846
Cash paid (-) for investments in intangible assets and property, plant and equipment	-93,696	-80,505
Cash paid (-) for investments in equity method investees and financial assets	-3,320	-508
Cash received (+) from/cash paid (-) for the sale of consolidated entities	266	399
Cash received (+) from/cash paid (-) for the acquisition of consolidated entities	-550	-14,085
Cash flows from investing activities (continuing operations)	**-96,848**	**-92,854**
Cash flows from investing activities (discontinued operations)	-12,676	-250
Cash flows from investing activities	**-109,523**	**-93,105**
Cash flows from financing activities		
Cash received (+) from equity contributions	0	4,611
Dividend distributions (-)	-9,908	-127,011
Cash paid (-) for the acquisition of shares not involving a change of control	-5,864	-70,730
Cash received (+) from borrowings	427,194	154,748
Cash repayments (-) of borrowings	-436,043	-32,264
Cash payments (-) for the principal portion of lease liabilities (IFRS 16)	-116,481	-118,826
Cash flows from financing activities (continuing operations)	**-141,103**	**-189,471**
Cash flows from financing activities (discontinued operations)	9,016	-1,092
Cash flows from financing activities	**-132,087**	**-190,564**

Cash at the end of the period		
Change in cash (continuing operations)	211	264
Change in cash (discontinued operations)	-3,330	-4,832
Cash at the beginning of the period (continuing operations)	103,603	98,529
Cash at the beginning of the period (discontinued operations)	3,330	5,167
Cash at the end of the period (continuing operations)	**103,813**	**98,793**
Cash at the end of the period (discontinued operations)	**0**	**335**
Composition of cash		
Cash (continuing operations)	103,813	98,793
Cash (discontinued operations)	0	335
Cash at the end of the period	**103,813**	**99,128**

[1] Restated retrospectively due to the purchase price allocations that were finalized after 30 September 2019. See our disclosures on the retrospective restatement of purchase price allocations in note 6 in the notes section of our annual report for 2019.

[2] Restated retrospectively due to the classification of the D+S 360° Group as a discontinued operation within the meaning of IFRS 5. See our disclosures on the sale of the 50.0 percent shareholding in the D+S 360° Group in note 6.2 in the notes section of our annual report for 2019.

FINANCIAL CALENDAR

Announcement of preliminary financial results for 2020	3 March 2021
Publication of annual report for 2020	30 March 2021

IMPRINT

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