
STRÖER

STRÖER SE & Co. KGaA

# QUARTERLY STATEMENT 9M/Q3 2017

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On 26 November 2015, the Transparency Directive Implementation Act ["Umsetzungsgesetz zur Transparenzrichtlinie-Änderungsrichtlinie": TUG] and the amendments to the Exchange Rules for the Frankfurt Stock Exchange came into effect. Against this background, Ströer publishes a quarterly statement for the first and third quarter of every fiscal year instead of quarterly financial reports.

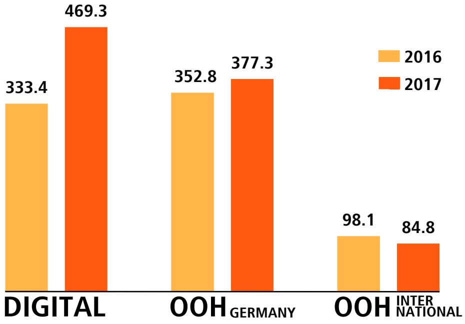
# THE GROUP'S FINANCIAL FIGURES AT A GLANCE

**REVENUE**

# EUR 909.5m

(prior year: EUR 765.7m)

**SEGMENT REVENUE**
In EUR m




OPERATIONAL EBITDA

## EUR 208.9m

(prior year: EUR 177.8m)

OPERATIONAL EBITDA MARGIN

## 22.7%

(prior year: 22.9%)

ORGANIC REVENUE GROWTH

## 8.5%

(prior year: 7.4%)

ADJUSTED CONSOLIDATED PROFIT FOR THE PERIOD

## EUR 107.1m

(prior year: EUR 89.3m)

FREE CASH-FLOW BEFORE M&A TRANSACTIONS

## EUR 40.3m

(prior year: EUR 52.4m)

ROCE

## 16.1%

(prior year: 18.2%)

| In EUR m | Q3 2017 | Q3 2016 | 9M 2017 | 9M 2016 |
|---|---|---|---|---|
| **Revenue** | **312.1** | **263.3** | **909.5** | **765.7** |
| **Operational EBITDA** | **73.0** | **62.4** | **208.9** | **177.8** |
| Adjustment effects | 5.5 | 5.4 | 16.3 | 16.3 |
| IFRS 11 adjustment | 1.2 | 1.0 | 3.6 | 3.1 |
| **EBITDA** | **66.4** | **56.0** | **189.1** | **158.4** |
| Amortization, depreciation and impairment losses | 41.0 | 41.8 | 121.7 | 110.2 |
| thereof attributale to purchase price allocations and impairment losses | 14.3 | 16.2 | 47.3 | 46.9 |
| **EBIT** | **25.3** | **14.2** | **67.4** | **48.2** |
| Financial result | 2.5 | 2.5 | 6.1 | 7.5 |
| **EBT** | **22.8** | **11.7** | **61.3** | **40.6** |
| Income taxes | 3.6 | 1.3 | 8.5 | 4.4 |
| **Consolidated profit for the period** | **19.2** | **10.4** | **52.7** | **36.2** |
| **Adjusted consolidated profit for the period** | **37.0** | **28.0** | **107.1** | **89.3** |
| | | | | |
| **Free cash flow (before M&A transactions)** | | | **40.3** | **52.4** |
| **Net debt** | | | **541.2** | **405.3** |
| **Leverage ratio** | | | **1.72** | **1.53** |

# RESULTS OF OPERATIONS OF THE GROUP

In terms of operating activities, the third quarter of 2017 followed seamlessly on from the string of successful prior quarters and saw **revenue** climb from EUR 765.7m to EUR 909.5m in the first nine months. Revenue was lifted in particular by further business acquisitions and by the persistently strong organic growth in the Ströer Digital and OOH Germany segments. By contrast, revenue in the OOH International segment was down, with the difficult macroeconomic situation in Turkey causing revenue to fall. In terms of the Group as a whole, however, this adverse development was more than offset by the strong growth seen in German Digital and OOH business described above. Overall, Ströer generated revenue growth (reported) of 18.8% and organic revenue growth of 8.5% in the first three quarters of the year.

In line with this dynamic business performance, the **cost of sales** also increased further. While costs of EUR 531.7m were incurred in the first nine months of the prior year, EUR 616.9m was recorded in the current fiscal year. Besides the entities consolidated for the first time, this was also due to the higher revenue-based publisher fees in the Digital segment and higher lease expenses in the OOH Germany segment. **Gross profit** totaled EUR 292.7m as of the end of the third quarter (prior year: EUR 233.9m).

In light of the Ströer Group's ongoing expansion and the newly acquired companies, its **selling and administrative expenses** grew once more from EUR 198.1m to EUR 241.2m. The expansion of the local sales organization for digital and OOH products in Germany also drove up costs. Overall, selling and administrative expenses as a percentage of revenue stood at around 26.5%, representing a slight increase on the prior year (prior year: 25.9%). **Net other operating income and expenses** were also higher year on year at EUR 11.8m (prior year: EUR 9.2m). At the same time, the **share in profit or loss of equity method investees** continued to show a slight upward trend at EUR 4.1m (prior year: EUR 3.1m).

Due to the consistently strong growth in operating business, the Ströer Group recorded a significant increase in **EBIT** in the first nine months, which at EUR 67.4m was considerably higher than in the prior-year period (prior year: EUR 48.2m). **Operational EBITDA** also ballooned, being considerably higher at EUR 208.9m than in the prior year (prior year: EUR 177.8m). Return on capital employed **(ROCE)** stood at 16.1% (prior year: 18.2%).

The positive development of the Group's **financial result** is testimony, among other things, to the more favorable interest terms renegotiated in December 2016 for the facility agreement. Overall, the financial result improved from EUR -7.5m to EUR -6.1m.

The substantial improvement in EBT had a corresponding negative effect on the **tax expense**, which rose substantially year on year to EUR 8.5m (prior year: EUR 4.4m).

Overall, the Ströer Group continued unabated on its profitable growth course thanks to the development of operating business which continues to be extremely positive and as a result, the Group generated **consolidated profit** of EUR 52.7m (prior year: EUR 36.2m). **Adjusted consolidated profit** also mushroomed from EUR 89.3m in the prior year to EUR 107.1m.

# FINANCIAL POSITION

## Liquidity and investment analysis

| In EUR m | | 9M 2017 | 9M 2016 |
|---|---|---|---|
| **(1)** | **Cash flows from operating activities** | **127.5** | **124.1** |
| (2) | Cash received from the disposal of intangible assets and property, plant and equipment | 9.6 | 2.8 |
| (3) | Cash paid for investments in intangible assets and property, plant and equipment | -96.7 | -74.5 |
| (4) | Cash paid for investments in equity method investees and financial assets | -2.5 | -1.0 |
| (5) | Cash received from and cash paid for the acquisition of consolidated entities | -135.2 | -139.0 |
| **(6)** | **Cash flows from investing activities** | **-224.8** | **-211.7** |
| **(7)** | **Free cash flow** | **-97.4** | **-87.6** |
| **(8)** | **Cash flows from financing activities** | **107.1** | **92.0** |
| (9) | Change in cash | 9.8 | 4.4 |
| **(10)** | **Cash at the end of the period** | **73.9** | **60.9** |
| **(7)-(5)-(4)** | **Free cash flow before M&A transactions** | **40.3** | **52.4** |

The strong growth rates in the Ströer Group's operating business made their mark on EBITDA and thus also **cash flows from operating activities** generating an additional EUR 30.7m. This was contrasted in particular by an increase of EUR 13.2m in tax payments and negative changes in working capital of EUR 13.1m. The significant increase in tax payments mainly reflects the tax backpayments for fiscal years up to 2015. Payments relating to the utilization of restructuring provisions (EUR 10.2m) in spring 2017 also hampered a bigger improvement in cash flows. Overall, cash flows from operating activities amounted to EUR 127.5m (prior year: EUR 124.1m).

As in the prior year, **cash flows from investing activities** at EUR -224.8m reflect the extensive forward-looking investments made as part of the Ströer Group's continuous growth plan (prior year: EUR -211.7m). With a view to the M&A payments made in the fiscal year (EUR -135.2m), investments in dialogue marketing (Adveo, Ranger), in particular, were significant while the prior year (EUR -139.0m) was predominantly shaped by acquisitions in subscription and e-commerce (Statista, ASAM). While the cash paid for M&A transactions was slightly lower than in the prior year, the cash paid for investments in intangible assets and property, plant and equipment was up once again year on year due to heightened investment activity. Overall therefore, for the first nine months, before the start of the seasonally strong fourth quarter that is, **free cash flow before M&A transactions** came to EUR 40.3m (prior year: EUR 52.4m) and **free cash flow** to EUR -97.4m (prior year: EUR -87.6m).

The heightened investment activity in the first nine months of the year led to a sizable temporary increase in **cash flows from financing activities**, which is reflected by the additional borrowings raised. Furthermore, in terms of the composition of cash flows, EUR 62.3m related to the payment of dividends, of which the largest portion of EUR 60.8m was allocated to the shareholders of Ströer SE & Co. KGaA. In addition, a total of EUR 27.2m was invested in additional shares in entities in which the Ströer Group already held a majority interest.

**Cash** increased by a total of EUR 9.8m in the first nine months of the fiscal year to EUR 73.9m. This increase can be almost entirely attributed to the cash of the newly acquired companies.

## Financial structure analysis

At the end of the third quarter, the Ströer Group's **non-current liabilities** stood at EUR 786.2m, an increase of EUR 189.0m on 31 December 2016. This increase largely reflects the additional financial liabilities raised in particular in the connection with the acquisition of the Avedo Group and the Ranger Group. However, the Group saw a decrease in deferred tax liabilities, due in particular to the ongoing amortization of reported hidden reserves.

At EUR 462.5m, **current liabilities** were down EUR 13.8m on the comparative prior-year figure as of 30 September 2017. This decrease mainly reflects the typical fluctuations in trade payables, although this was partly cushioned by contrasting effects from other liabilities which were up, in particular due to the first-time inclusion of the recently acquired entities. By contrast, the other changes in current liabilities were only of marginal significance.

The Ströer Group's **equity** declined by EUR 29.8m in the first nine months of 2017 to EUR 628.0m. The consolidated profit for the first nine months of EUR 52.7m was slightly offset by the distribution of a dividend of EUR 60.8m to the shareholders of Ströer SE & Co. KGaA. In addition, the exchange rate effects to our foreign business units and the recognition of liabilities from put options also had a negative effect on equity. Overall, the equity ratio decreased from 38.0% to 33.5%.

## Net debt

Net debt, operational EBITDA and the leverage ratio are calculated in accordance with the Ströer Group's internal reporting structure. Accordingly, the four entities accounted for using the equity method in which Ströer holds 50.0% of shares are included in these figures on a pro rata basis as in the prior years.

| In EUR m | | 30 Sep 2017 | 31 Dec 2016 |
|---|---|---|---|
| (1) | Liabilities from the facility agreement | 441.4 | 215.1 |
| (2) | Liabilities from note loans | 144.6 | 144.5 |
| (3) | Obligation to purchase own equity instruments | 97.1 | 115.3 |
| (4) | Other financial liabilities | 34.4 | 43.1 |
| (1)+(2)+(3)+(4) | Total financial liabilities | 717.6 | 518.0 |
| (1)+(2)+(4) | Total financial liabilities excluding obligations to purchase own equity instruments | 620.4 | 402.7 |
| (5) | Cash | 73.9 | 64.2 |
| (6) | IFRS 11 adjustment | 5.3 | 8.3 |
| **(1)+(2)+(4)–(5)–(6)** | **Net debt** | **541.2** | **330.3** |

At EUR 541.2m, the Ströer Group's net debt was up EUR 210.9m on 31 December 2016. This increase is attributable in particular to the cash paid for acquisitions made in recent months which are not yet matched by the cash surplus from the strong fourth quarter. This debt gives rise to a leverage ratio, defined as the ratio of net debt to operational EBITDA, of 1.72 as of 30 September 2017. Although the leverage ratio rose significantly due to seasonal effects and acquisitions compared to the ratio of 1.17 at the end of fiscal year 2016, it stood only slightly above the ratio of 1.53 recorded as of 30 September of the prior year.

# NET ASSETS

## Analysis of the net asset structure

The acquisitions made in the first nine months of the fiscal year also impacted the **non-current assets** of the Ströer Group with intangible assets EUR 67.3m higher than as of 31 December 2016 at EUR 1,217.1m. Specifically, the acquisition-related increase, which was only partly offset by the amortization of intangible assets, was largely attributable to the newly acquired dialogue marketing companies. By contrast, the Group reported a slight increase in property, plant and equipment of EUR 21.9m, which was primarily due to investments in our advertising media portfolio. The changes in the other items of non-current assets were of marginal importance.

**Current assets** also increased further in the reporting period (up EUR 49.8m) standing at EUR 334.6m as of the reporting date. In particular, trade receivables were key to this growth, rising EUR 25.0m, as well as cash, which rose by EUR 9.8m. Both effects are almost exclusively due to the companies consolidated for the first time. There were no other significant changes to report.

# RESULTS OF OPERATIONS OF THE SEGMENTS

## Ströer Digital

| In EUR m | Q3 2017 | Q3 2016 | Change | | 9M 2017 | 9M 2016 | Change | |
|---|---|---|---|---|---|---|---|---|
| Segment revenue, thereof | 166.8 | 123.1 | 43.7 | 35.5% | 469.3 | 333.4 | 135.9 | 40.8% |
| Display | 62.9 | 60.0 | 2.8 | 4.7% | 182.3 | 171.0 | 11.3 | 6.6% |
| Video | 23.4 | 23.0 | 0.4 | 1.7% | 75.7 | 66.2 | 9.5 | 14.4% |
| Transactional | 80.6 | 40.1 | 40.5 | >100% | 211.3 | 96.3 | 115.1 | >100% |
| Operational EBITDA | 39.9 | 35.4 | 4.4 | 12.5% | 116.8 | 90.0 | 26.8 | 29.8% |
| Operational EBITDA margin | 23.9% | 28.8% | -4.9 percentage points | | 24.9% | 27.0% | -2.1 percentage points | |

The Ströer Digital segment grew its revenue once again in the first nine months of 2017. Our investments in other digital business models (e.g., subscription and e-commerce models), with the revenue contributions recorded under the new transactional product group, also contributed to strong revenue growth. The revenue included in the third quarter for the first time from our new dialogue marketing business was allocated to this product group, too. Furthermore, the expansion of our sales operations for local digital solutions geared to small and medium-sized companies also significantly boosted growth. There was just a temporary loss of momentum in the video business due, among other things, to the German federal election. As Ströer is continually adding to and expanding its business, the segment figures can only be compared with those of the prior year to a limited extent. The integration and targeted restructuring of the newly acquired companies was driven forward in the reporting period and we are frequently able to leverage synergies and economies of scale on both the revenue and cost side.

## Out-of-Home Germany

| In EUR m | Q3 2017 | Q3 2016 | Change | | 9M 2017 | 9M 2016 | Change | |
|---|---|---|---|---|---|---|---|---|
| Segment revenue, thereof | 127.8 | 118.3 | 9.5 | 8.0% | 377.3 | 352.8 | 24.5 | 6.9% |
| Large formats | 57.7 | 55.1 | 2.7 | 4.8% | 169.4 | 164.6 | 4.9 | 3.0% |
| Street furniture | 36.0 | 31.7 | 4.3 | 13.7% | 105.9 | 97.5 | 8.4 | 8.6% |
| Transport | 15.9 | 15.3 | 0.7 | 4.4% | 46.3 | 44.2 | 2.1 | 4.7% |
| Other | 18.1 | 16.2 | 1.9 | 11.4% | 55.8 | 46.6 | 9.1 | 19.6% |
| Operational EBITDA | 34.5 | 31.5 | 3.0 | 9.4% | 101.0 | 90.6 | 10.3 | 11.4% |
| Operational EBITDA margin | 27.0% | 26.7% | 0.3 percentage points | | 26.8% | 25.7% | 1.1 percentage points | |

The OOH Germany segment reported a sharp rise in **revenue** once again in the third quarter of 2017, with business with both national as well as regional customers - which continues to benefit from the ongoing expansion of the local sales organization - contributing to this pleasing development.

In relation to the individual product groups, the overall positive momentum was felt in all areas, albeit to varying degrees. The **large formats** product group, which focuses on national as well as regional and local customers, recorded a considerable increase in the second and third quarters following declining revenue in the first quarter. Revenue for the first nine months came to EUR 169.4m (prior year: EUR 164.6m). This turnaround was due first and foremost to robust demand for traditional out-of-home products coupled with increased sales activity. In the **street furniture** product group, whose customers tend to operate more nationally and internationally, the generally robust demand by media agencies for this advertising format had a very positive effect. Overall, revenue was up EUR 8.4m year on year at EUR 105.9m (prior year: EUR 97.5m). The **transport** product group also recorded renewed growth. While revenue stood at EUR 44.2m in the prior year, almost EUR 46.3m has been generated in the current fiscal year thanks primarily to the rise in business with regional and local customers. Given the tangible growth in local business, the **other** product group also made substantial gains as precisely our local and regional customers are traditionally more interested in full-service solutions (including the production of advertising materials) than customers with a more national focus are. This product group also reports continued growth in revenue generated with local customers from our new roadside screen products.

The noticeable increase in revenue was accompanied by a corresponding rise in **cost of sales**, with the increased revenue-based lease expenses and production and other direct costs also playing their part. Overall, the segment once again improved its **operational EBITDA** considerably (EUR 101.0m; prior year: EUR 90.6m) and grew its **operational EBITDA margin** to 26.8% in the first nine months (prior year: 25.7%).

### Out-of-Home International

| In EUR m | Q3 2017 | Q3 2016 | Change | | 9M 2017 | 9M 2016 | Change | |
|---|---|---|---|---|---|---|---|---|
| Segment revenue, thereof | 24.2 | 28.3 | -4.1 | -14.6% | 84.8 | 98.1 | -13.3 | -13.6% |
| Large formats | 18.2 | 22.9 | -4.7 | -20.4% | 67.0 | 78.8 | -11.8 | -15.0% |
| Street furniture | 4.2 | 3.9 | 0.3 | 8.0% | 12.8 | 14.6 | -1.8 | -12.2% |
| Other | 1.7 | 1.5 | 0.2 | 15.7% | 4.9 | 4.7 | 0.2 | 5.1% |
| Operational EBITDA | 3.6 | 0.6 | 3.0 | >100% | 8.8 | 11.9 | -3.1 | -25.7% |
| Operational EBITDA margin | 14.8% | 2.2% | 12.6 percentage points | | 10.4% | 12.1% | -1.7 percentage points | |

The OOH International segment includes our Turkish and Polish out-of-home activities and the western European giant poster business of the blowUP group.

The development of **revenue** in the OOH International segment remains shaped by the current situation in Turkey where macroeconomic conditions and the overall political situation remain tense. In this context, the ongoing weakness of the Turkish lira and the challenging situation on the Turkish advertising market are having a noticeable downward effect on our revenue shown in euros. As part of the measures taken to safeguard earnings, we terminated the unprofitable marketing contract for the City of Istanbul in June of this year. Even though this decision led to a further drop in sales revenue, it was taken as a measure to strengthen profitability. The development of business activities in Poland also remained very subdued in the face of the ongoing challenging situation on the Polish advertising market, where there was also a lull in revenue. By contrast, the blowUp Group successfully expanded its business activities in the first nine months of this year. Overall, however, the upward trend in revenue in the blowUP Group was considerably outweighed by the decline in revenue in Turkey and Poland.

Owing to the above described weakness of the Turkish lira and the overall downward trend in business activities in the OOH International segment, **cost of sales** also decreased. Overall, the segment generated **operational EBITDA** of EUR 8.8m (prior year: EUR 11.9m) and an **operational EBITDA margin** of 10.4% in the first nine months (prior year: 12.1%).

# SIGNIFICANT EVENTS

**Avedo Group**

On 6 July 2017, the Ströer Group signed an agreement to acquire a total of 75.0% of the shares in the Avedo Group, one of Germany's leading dialogue marketing specialists. By acquiring Avedo and moving into the area of performance-based dialogue marketing, Ströer adds an additional channel to its portfolio. Avedo predominantly uses the chat and telephone channels to market third-party products. The provisional purchase price for the acquired shares, including the redemption of financial liabilities, came to EUR 87.3m.

**Ranger Group**

In addition, Ströer signed an agreement to acquire all of the shares in the Ranger Group on 1 August 2017. The Ranger Group is a direct sales specialist and sells products to private and corporate customers on behalf of its clients in the telecommunications, energy, retail, financial services and media sectors. The provisional purchase price for the acquired shares, including the redemption of financial liabilities, comes to around EUR 45.5m.

# OUTLOOK

For 2017 as a whole, we forecast revenue of EUR 1.3b, organic revenue growth of between 5% and 10% and operational EBITDA of between EUR 320m and EUR 330m.

# SUBSEQUENT EVENTS

With effect as of 30 October 2017, the Ströer Group placed a note loan for EUR 350.0m at attractive terms on the capital market. The measure was carried out in particular to significantly improve financial flexibility, further diversify the investor base and optimize the maturity structure. The note loan has tranches with terms of mainly five and seven years. The interest on approximately half of the total volume is variable while the other half is fixed. The costs of around EUR 0.7m incurred for taking out the note loan will be amortized over the respective terms.

# APPENDIX

# CONSOLIDATED INCOME STATEMENT

| In EUR k | Q3 2017 | Q3 2016[1)] | 9M 2017 | 9M 2016[1)] |
|---|---|---|---|---|
| Revenue | 312,149 | 263,315 | 909,548 | 765,651 |
| Cost of sales | -212,126 | -185,288 | -616,879 | -531,702 |
| **Gross profit** | **100,023** | **78,027** | **292,669** | **233,949** |
| Selling expenses | -45,570 | -37,278 | -137,327 | -109,662 |
| Administrative expenses | -34,272 | -31,648 | -103,899 | -88,437 |
| Other operating income | 6,797 | 8,244 | 21,107 | 18,906 |
| Other operating expenses | -2,900 | -4,004 | -9,308 | -9,676 |
| Share in profit or loss of equity method investees | 1,245 | 834 | 4,114 | 3,091 |
| Financial result | -2,531 | -2,458 | -6,104 | -7,537 |
| **Profit before taxes** | **22,792** | **11,718** | **61,251** | **40,634** |
| Income taxes | -3,584 | -1,344 | -8,532 | -4,399 |
| **Consolidated profit or loss for the period** | **19,208** | **10,374** | **52,719** | **36,235** |
| **Thereof attributable to:** | | | | |
| Owners of the parent | 17,839 | 9,623 | 51,633 | 36,741 |
| Non-controlling interests | 1,369 | 750 | 1,087 | -506 |
| | **19,208** | **10,374** | **52,719** | **36,235** |

[1)] Restated retroactively due to the purchase price allocations that were finalized after 30 September 2016.

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| Assets (in EUR k) | 30 Sep 2017 | 31 Dec 2016[1] |
|---|---|---|
| **Non-current assets** | | |
| Intangible assets | 1,217,112 | 1,149,765 |
| Property, plant and equipment | 252,655 | 230,771 |
| Investments in equity method investees | 22,839 | 26,465 |
| Financial assets | 632 | 578 |
| Trade receivables | 31 | 38 |
| Other financial assets | 7,813 | 5,150 |
| Other non-financial assets | 23,354 | 17,019 |
| Deferred tax assets | 17,682 | 16,704 |
| **Total non-current assets** | **1,542,118** | **1,446,490** |
| **Current assets** | | |
| Inventories | 21,290 | 16,948 |
| Trade receivables | 160,841 | 135,841 |
| Other financial assets | 11,477 | 9,875 |
| Other non-financial assets | 57,377 | 51,945 |
| Income tax assets | 9,672 | 6,045 |
| Cash | 73,912 | 64,154 |
| **Total current assets** | **334,570** | **284,808** |
| **Total assets** | **1,876,688** | **1,731,297** |

| Equity and liabilities (in EUR k) | 30 Sep 2017 | 31 Dec 2016[1] |
|---|---|---|
| **Equity** | | |
| Subscribed capital | 55,339 | 55,282 |
| Capital reserves | 726,669 | 723,720 |
| Retained earnings | -86,005 | -71,819 |
| Accumulated other comprehensive income | -82,398 | -74,494 |
| | **613,605** | **632,689** |
| Non-controlling interests | 14,424 | 25,167 |
| **Total equity** | **628,029** | **657,857** |
| **Non-current liabilities** | | |
| Provisions for pensions and other obligations | 39,333 | 39,249 |
| Other provisions | 27,829 | 25,443 |
| Financial liabilities | 655,212 | 455,125 |
| Deferred tax liabilities | 63,777 | 77,311 |
| **Total non-current liabilities** | **786,151** | **597,130** |
| **Current liabilities** | | |
| Other provisions | 48,114 | 53,592 |
| Financial liabilities | 62,343 | 62,848 |
| Trade payables | 192,044 | 223,062 |
| Other liabilities | 115,854 | 98,131 |
| Income tax liabilities | 44,153 | 38,678 |
| **Total current liabilities** | **462,508** | **476,311** |
| **Total equity and liabilities** | **1,876,688** | **1,731,297** |

[1] Restated retroactively due to the purchase price allocations that were finalized after 31 December 2016.

# CONSOLIDATED STATEMENT OF CASH FLOWS

| In EUR k | 9M 2017 | 9M 2016[1)] |
|---|---|---|
| **Cash flows from operating activities** | | |
| Profit or loss for the period | 52,719 | 36,235 |
| Expenses (+)/income (-) from the financial and tax result | 14,635 | 11,936 |
| Amortization, depreciation and impairment losses (+) on non-current assets | 121,722 | 110,245 |
| Share in profit or loss of equity method investees | -4,114 | -3,091 |
| Cash received from profit distributions of equity method investees | 5,958 | 3,541 |
| Interest paid (-) | -4,153 | -4,869 |
| Interest received (+) | 28 | 42 |
| Income taxes paid (-)/received (+) | -21,435 | -8,235 |
| Increase (+)/decrease (-) in provisions | -12,754 | -7,422 |
| Other non-cash expenses (+)/income (-) | -491 | -5,265 |
| Gain (-)/loss (+) on disposals of non-current assets | -3,609 | -1,063 |
| Increase (-)/decrease (+) in inventories, trade receivables and other assets | -11,957 | -7,501 |
| Increase (+)/decrease (-) in trade payables and other liabilities | -9,097 | -417 |
| **Cash flows from operating activities** | **127,454** | **124,136** |
| **Cash flows from investing activities** | | |
| Cash received (+) from the disposal of intangible assets and property, plant and equipment | 9,564 | 2,773 |
| Cash paid (-) for investments in intangible assets and property, plant and equipment | -96,692 | -74,488 |
| Cash paid (-) for investments in equity method investees and financial assets | -2,474 | -999 |
| Cash received from (+)/cash paid for (-) the acquisition of consolidated entities | -135,222 | -139,002 |
| **Cash flows from investing activities** | **-224,824** | **-211,717** |
| **Cash flows from financing activities** | | |
| Dividend distribution (-) | -62,254 | -39,780 |
| Cash paid (-) for the acquisition of shares not involving a change in control | -27,158 | -11,188 |
| Cash received (+) from borrowings | 286,971 | 305,851 |
| Cash paid (-) to obtain and modify borrowings | -200 | -888 |
| Cash repayments (-) of borrowings | -90,231 | -161,979 |
| **Cash flows from financing activities** | **107,127** | **92,017** |
| **Cash at the end of the period** | | |
| Change in cash | 9,757 | 4,436 |
| Cash at the beginning of the period | 64,154 | 56,503 |
| **Cash at the end of the period** | **73,912** | **60,939** |
| **Composition of cash** | | |
| Cash | 73,912 | 60,939 |
| **Cash at the end of the period** | **73,912** | **60,939** |

1) Restated retroactively due to the purchase price allocations that were finalized after 30 September 2016.

# FINANCIAL CALENDAR

| | |
|---|---|
| **22 February 2018** | Announcement of provisional results for 2017 |
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