

Results Q3 2017 CEWE Stiftung & Co. KGaA

Analyst Conference Call

Oldenburg
November 10, 2017



cewe-print.com
Your online print partner



My
cewe photobook
My Life

This presentation contains forward-looking statements that are based on current assumptions and forecasts of the management of CEWE. Known and unknown risks, uncertainties and other factors could lead to material differences between the forward-looking statements given here and the actual development, in particular the results, financial situation and performance of our Company. The Company assumes no liability to update these forward-looking statements or to conform them to future events or developments.

All numbers are calculated as exactly as possible and rounded for the presentation. Due to this, rounding errors might occur.



Dr. Olaf Holzkämper
CFO

Dr. Christian Friege
CEO

Highlights Q3 2017

Q3 2016

Q3 2017

Comment

Photofinishing

Sales Volume	in photo m.	529	532	<ul style="list-style-type: none"> At 0.6% higher than 2016, volume is in line with annual target Added-value products drive increase in turnover and profitability Special items in previous Q3 2016: initial supply for business partners (1.8 EUR m.) and sale of property in Poland (0.3 EUR m.)
Turnover	in EUR m.	95.4	96.3	
EBIT		5.6	4.1	
EBIT w/o one-offs		3.6	4.2	

Commercial Online-Print

Turnover	in EUR m.	19.7	20.2	<ul style="list-style-type: none"> Online-printing turnover up by only 2.6% due to still weak UK business (Brexit) EBIT operationally up by +0.4 EUR m.
EBIT		-0.3	0.4	
EBIT w/o one-offs		0.1	0.5	

Retail

Turnover	in EUR m.	12.9	13.0	<ul style="list-style-type: none"> Focus on profitability and photofinishing successful EBIT on already improved previous year's level
EBIT		0.0	-0.1	

Other

Turnover	in EUR m.	0.6	0.8	<ul style="list-style-type: none"> Segment "Other" covers administrative costs for company structure, supervisory board costs, IR costs, real estate, futalis
EBIT		-0.8	-0.9	

Group

Turnover	in EUR m.	128.6	130.3	<ul style="list-style-type: none"> Group turnover up by 1.3% supported by all business segments Reported EBIT below previous year's level due to last year's special items
EBIT		4.5	3.6	
EBIT w/o one-offs		3.1	4.0	
Free Cash Flow	in EUR m.	-1.9	-36.8	<ul style="list-style-type: none"> Higher outflow of funds from investment activities ("Saxopark"-property in Dresden) decreases free cash flow
ROCE	%	20.6	19.3	<ul style="list-style-type: none"> ROCE remains on strong level
Equity ratio	%	57.1	57.0	<ul style="list-style-type: none"> Solid equity ratio

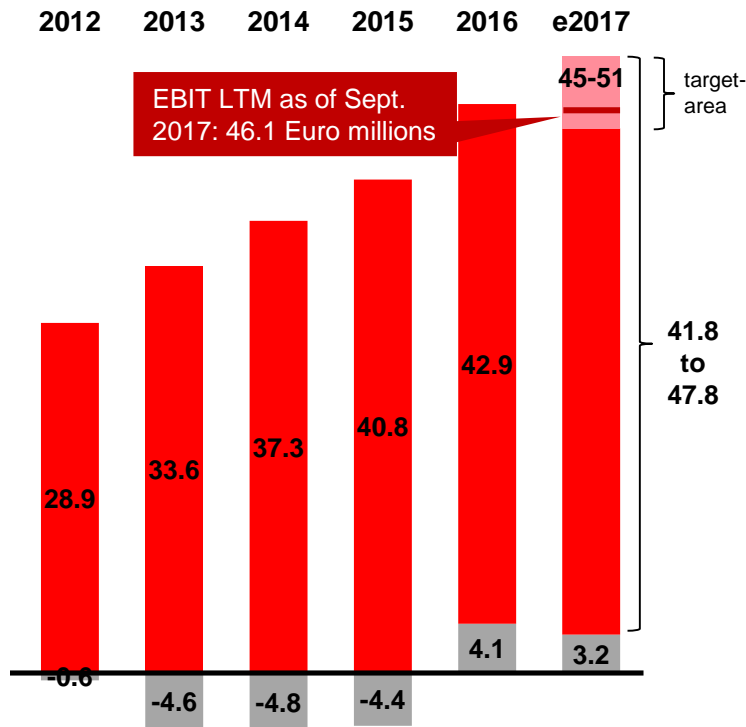
▶ Also Q3 confirms the annual targets for 2017

Rounding differences may occur.

EBIT contribution of Q1-3 and Q4

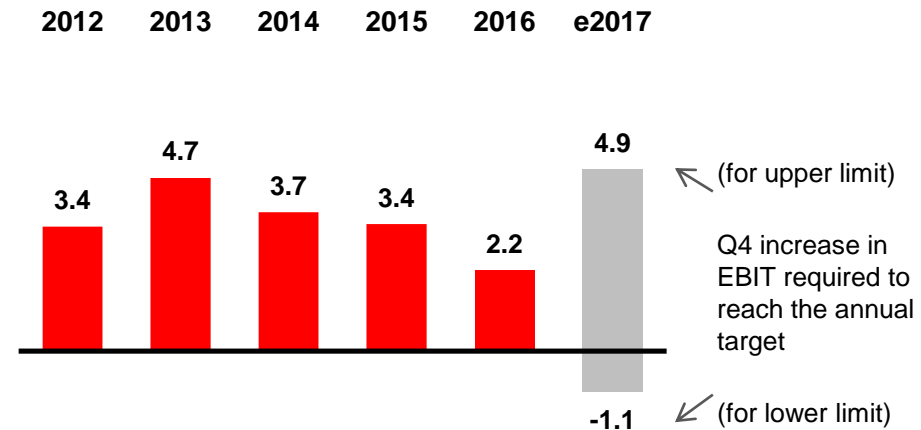
Distribution of profits Q1-3 vs. Q4

Group-EBIT in Euro millions



EBIT-growth Q4

in Euro millions



- ▶ Even a decline in the Q4 profit would be sufficient to reach the target corridor

Rounding errors may result

Agenda

1. Results

- Photofinishing

- Commercial Online-Print

- Retail

- Other

- Group

2. Financial Report (P&L-Details, Balance Sheet, Cash Flow, Return On Capital)

3. Outlook

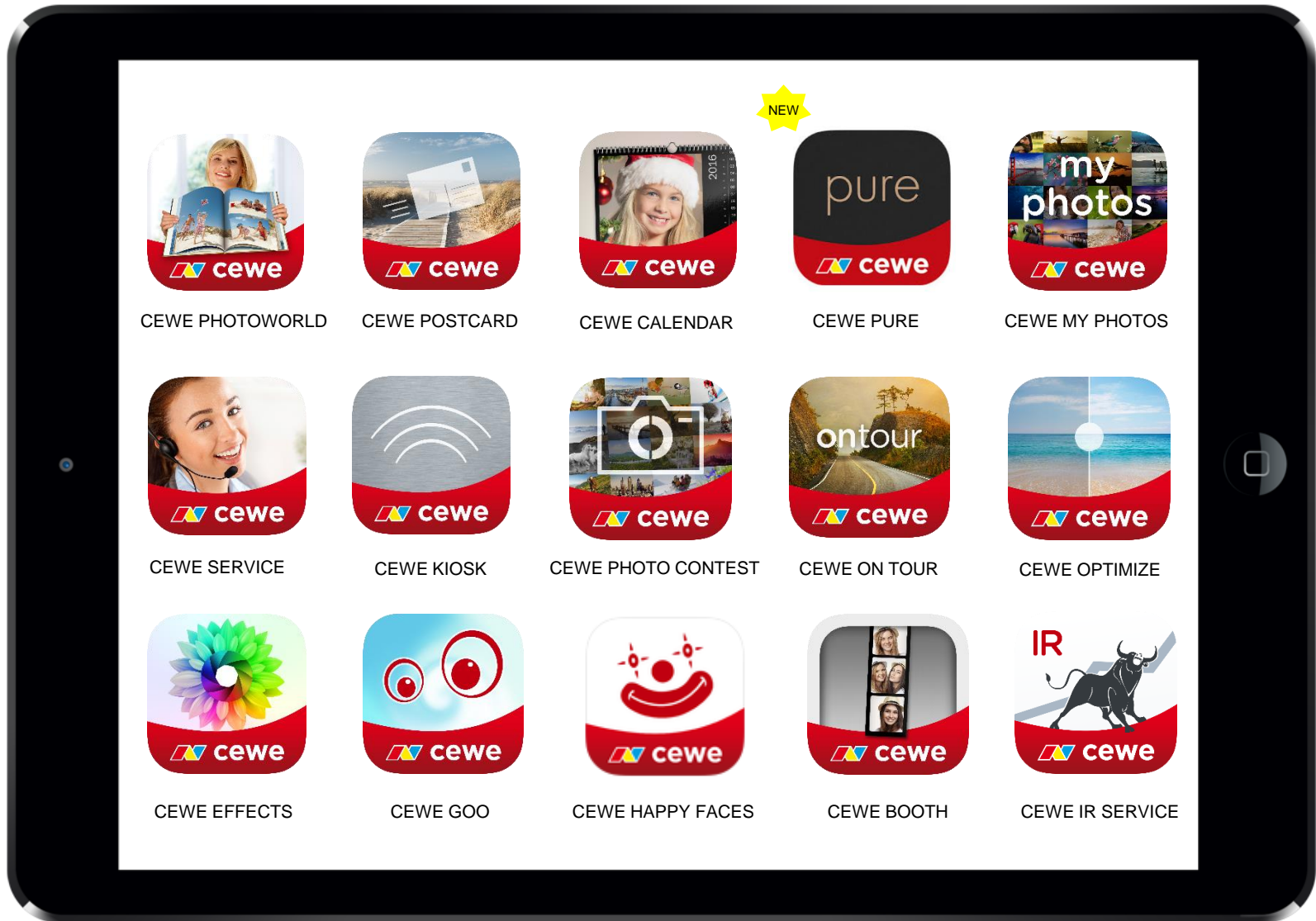
4. Q&A

2017 Product Innovations



► 27 product innovations in seven categories

CEWE Apps



CEWE PHOTOWORLD



CEWE POSTCARD



CEWE CALENDAR



CEWE PURE



CEWE MY PHOTOS



CEWE SERVICE



CEWE KIOSK



CEWE PHOTO CONTEST



CEWE ON TOUR



CEWE OPTIMIZE



CEWE EFFECTS



CEWE GOO



CEWE HAPPY FACES



CEWE BOOTH



CEWE IR SERVICE



CEWE PHOTOBOOK pure



Mein
cewe fotobuch
Mein Leben

#Berlin

pure

- ▶ The small CEWE PHOTO BOOK variant, ideal for all smartphone users
- ▶ Simply choose 22 photos, add a title and personal dedication and you're done!

Refinement: New Formats and Paper Qualities



- ▶ Refinements available for more hard cover formats and on premium matt paper

Full Finishing (Refinement): Backgrounds with Effect Varnish



- ▶ **Raised outlines now also available in an all-over, pre-arranged design for hard covers**

CEWE CARDS: Refinement and Editable, Refined Text



New formats:
Classic cards (set of 10 cards)
XL cards (set of 10 cards)

- ▶ Larger range of CEWE cards that can be refined
- ▶ Personal editable text passages can also be refined to design

A2 Wall Calendar: Premium Matt / with a High-Gloss Finish



► Impressive A2 format

Design Elements for Many Products



- ▶ **New design elements for CEWE PHOTO BOOKS, CEWE CARDS and other photo gifts**

Smartphone Cases



Material:
Leather case
Wooden hard case
Wooden Kevlar case

- ▶ **Three new materials for even more diversity in your choice of a personal mobile phone covers**
- ▶ **Always the latest models from all the smartphone manufacturers: iPhone 8 and X also already available**

Advent Calendar to Fill Yourself



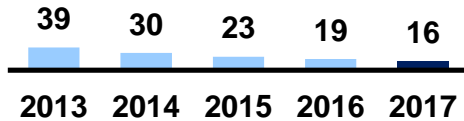
- ▶ **Chocolate, cosmetics, vouchers, toys or jewellery: whatever it is that makes your loved ones happy – there's a place for it in an Advent calendar you fill yourself**

Photos Q3

Photos from films in millions

target 2017:
-29 to -20%

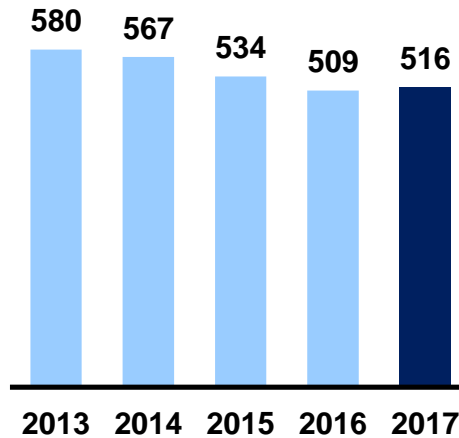
-16.8%



Digital photos in millions

target 2017:
-4% to 0%

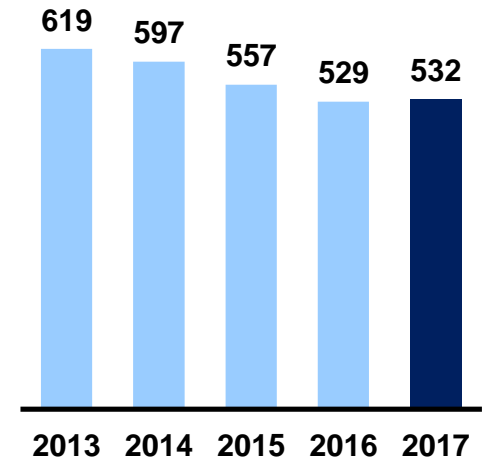
1.3%



Photos total in millions

target 2017:
-5% to 0%

0.6%



- ▶ Q3 volume slightly better than expected range
- ▶ Increase is driven by On-Site Finishing and CEWE PHOTOBOOKS

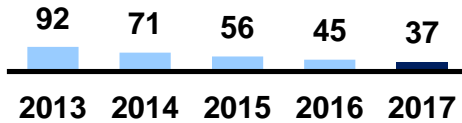
Rounding differences may occur

Photos Q1-3

Photos from films in millions

target 2017:
-29 to -20%

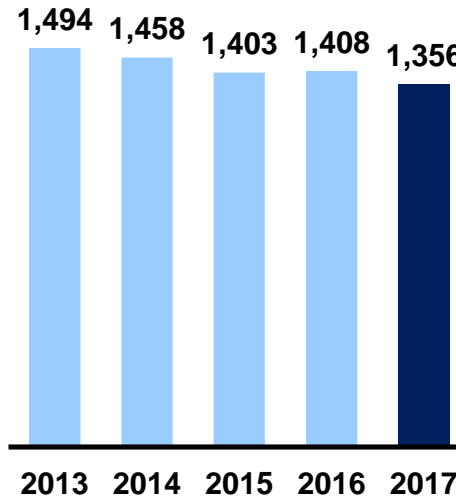
-16.6%



Digital photos in millions

target 2017:
-4% to 0%

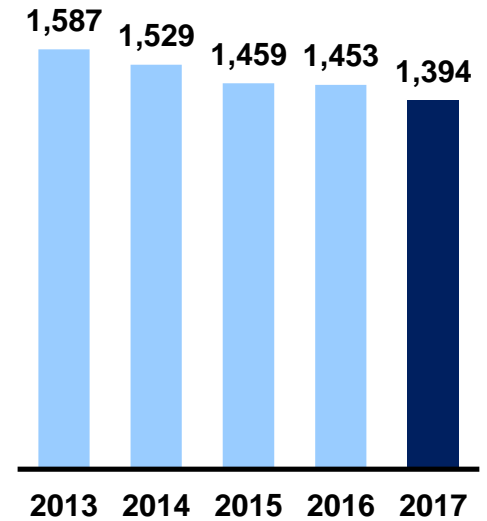
-3.7%



Photos total in millions

target 2017:
-5% to 0%

-4.1%



- ▶ Q1-3 volume in expected range, especially given the seasonal shift continuously strengthening Q4

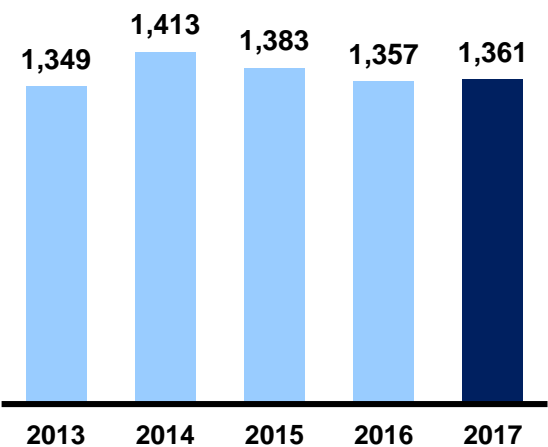
Rounding differences may occur

CEWE PHOTOBOOK

Number of CEWE PHOTOBOOKS Q3 in thousands

+0.3%

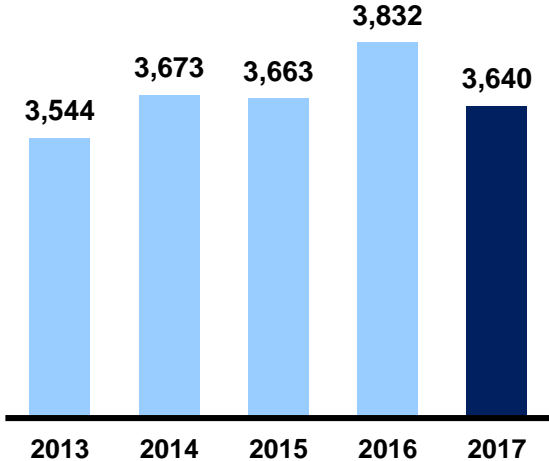
Target 2017:
-3% to +1%



Number of CEWE PHOTOBOOKS Q1-3 in thousands

-5.0%

Target 2017:
-3% to +1%



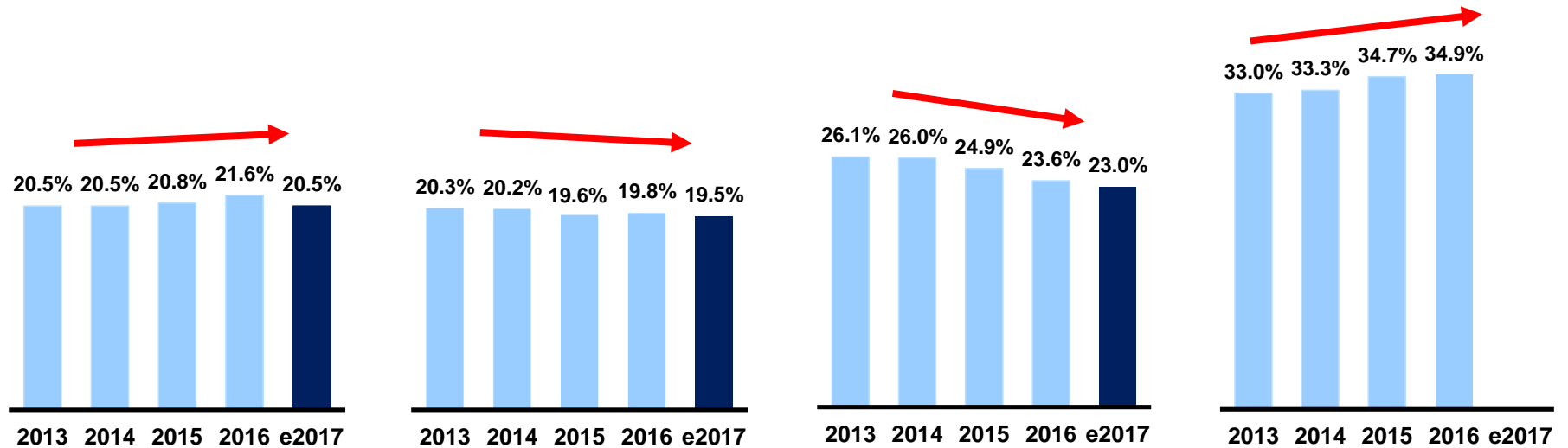
▶ **CEWE PHOTOBOOK increases volume in Q3**

Rounding differences may occur

Photos Total by Quarter

Saisonal distribution: CEWE 2013 to 2017

Total share of photos per quarter as a percentage



Q1

Q2

Q3

Q4

2.12 – 2.23
billion photos
2017

0.435-0.457
billion

target

437.6
million

✓
actual

0.413-0.435
billion

target

424.2
million

✓
actual

0.488-0.513
billion

target

531.7
million

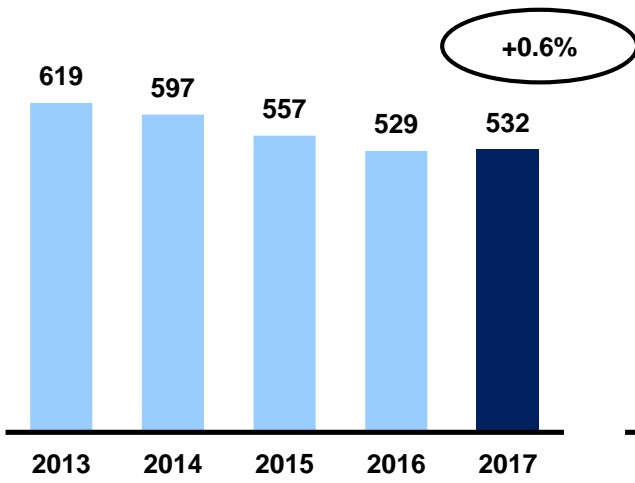
✓
actual

▶ **Photofinishing
volume meets
expected range**

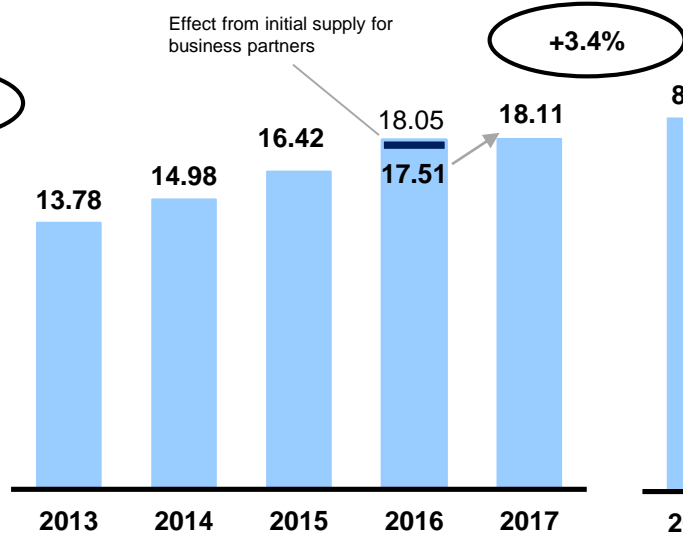
Rounding differences may occur

Value of Photos Q3

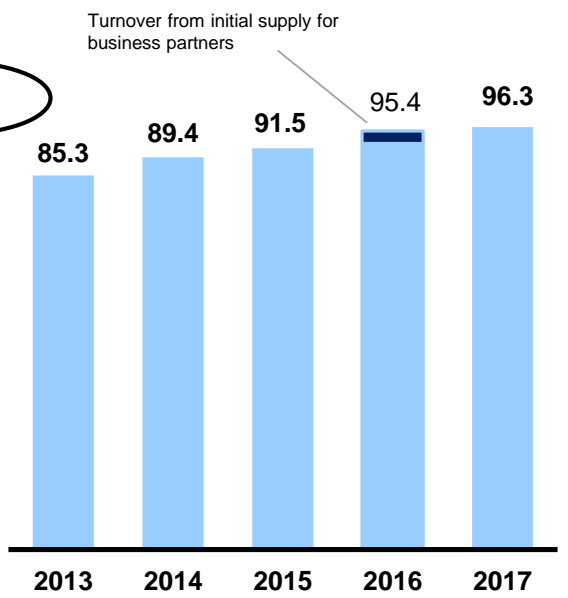
Total prints
in Euro millions



Value per photo
Turnover/photo [Euro cent/photo]



Turnover Photofinishing Q3*
in Euro millions

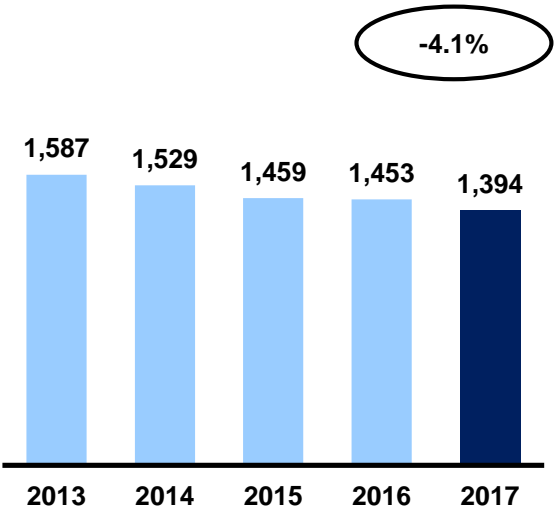


► **Continuous increase of turnover per photo in Q3 driven by value added-products**

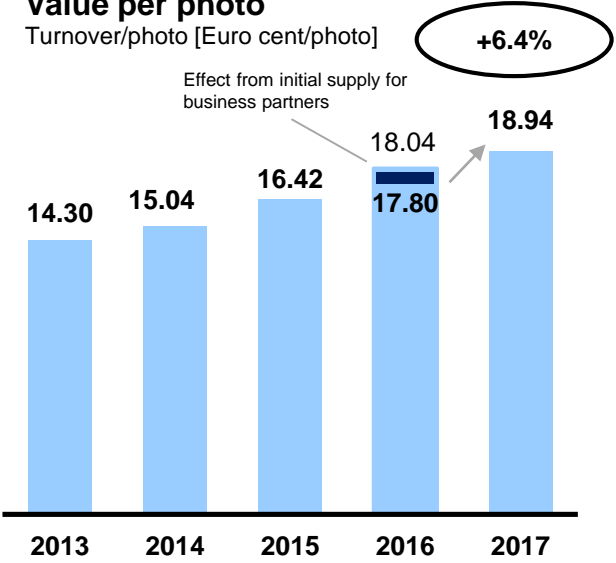
*turnover since 2013 adjusted
Rounding differences may occur

Value of Photos Q1-3

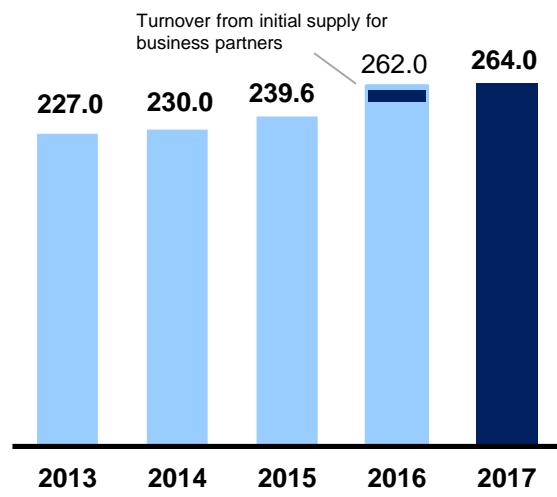
Total prints
in Euro millions



Value per photo
Turnover/photo [Euro cent/photo]



Turnover photofinishing Q1-Q3*
in Euro millions



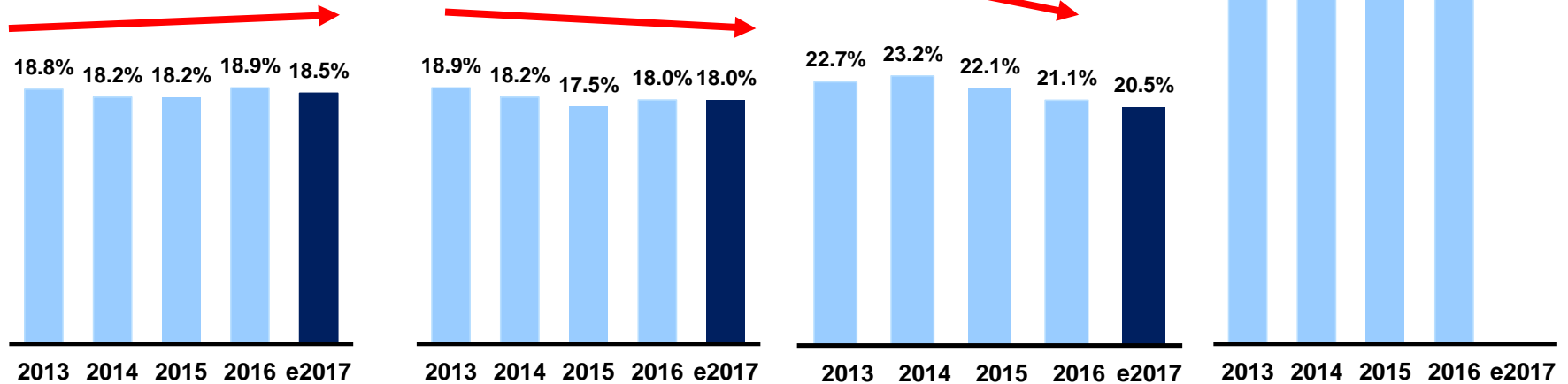
▶ **Continuous increase of turnover per photo in Q1-Q3 driven by value added-products**

*turnover since 2013 adjusted
Rounding differences may occur

Shares in Turnover by Quarter - Photofinishing

Seasonal distribution: CEWE 2013 to 2017

Share in turnover by quarter as a percentage



Approx.
443-473€*
turnover
target 2017

Quarter	Target Range (Euro mill.)	Actual (Euro mill.)
Q1	82.0-87.6	85.6
Q2	79.7-85.2	82.1
Q3	90.8-97.0	96.3

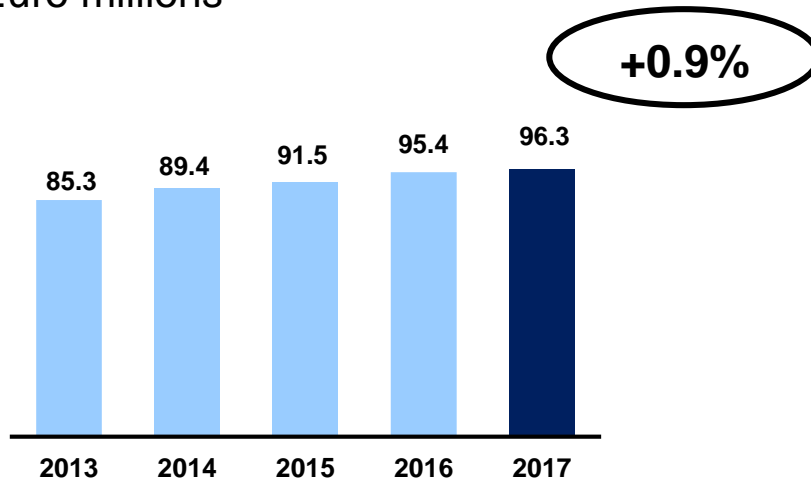
- ▶ **Photofinishing turnover in expected range**
- ▶ **Annual target confirmed**

* Photofinishing turnover approx. on previous year's level (2015: 415.0 Euro mill.)
Rounding differences may occur

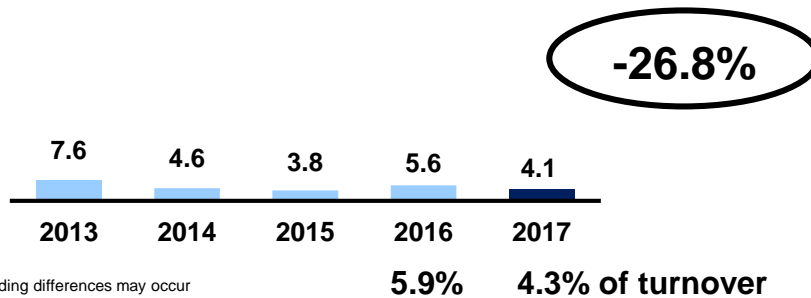
Photofinishing Segment in Q3

in Euro millions

Turnover



EBIT



Rounding differences may occur

- Growth generated by all significant product groups: CEWE PHOTOBOOK, CEWE CALENDAR, CEWE WALL PICTURES and other photo gifts
- Trend towards these "brand added-value products" slightly increases photofinishing sales overall
- Positive one-off effects affected EBIT in the previous year
- Operative EBIT at 4.2 m. euros before one-off effects, and thus above that of the previous year (adjusted operative EBIT for Q3 2016: 3.6 m. euros); however, in the previous year also expenses for the presentation at the Photokina

Q3 2017 one-off effects: -0.1 m. euros

- PPA effects: -0.1 m. euros (from DeinDesign acquisition)

Q3 2016 one-off effects: +2.0 m. euros

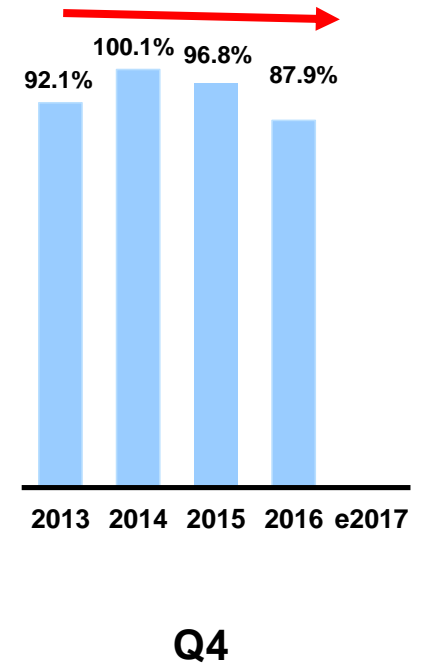
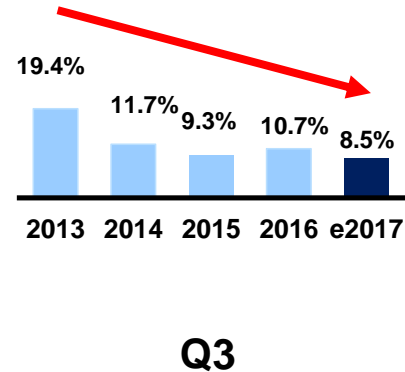
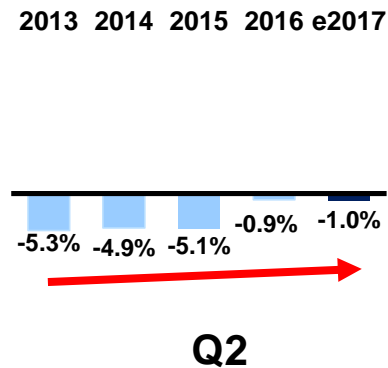
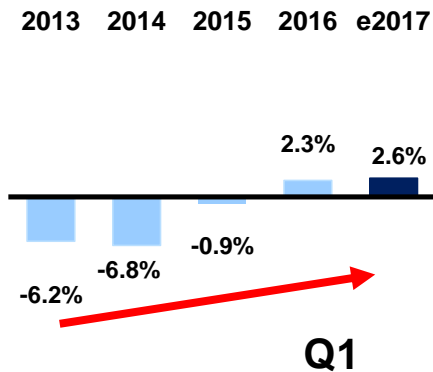
- Sale of property in Graudenz (PL): +0.3 m. euros
- Basic equipment for business partners: +1.8 m. euros
- PPA effects: -0.1 m. euros (from DeinDesign acquisition)

► Q3 turnover above strong previous year

EBIT before Restructuring by Quarter – Photofinishing

Seasonal distribution: CEWE 2013 to 2017

EBIT share by quarter as a percentage



45.2-51.2 Euro mill.* EBIT-target 2017 Photofinishing

1.18 – 1.33 Euro mill. target

target

-0.45 – -0.51 Euro mill. target

target

3.84 – 4.35 Euro mill. target

target

EBIT

1.349 Euro mill. ✓

actual

0.216 Euro mill. ✓

actual

4.106 Euro mill. ✓

actual

▶ **Photo-finishing EBIT slightly above expected range**

*45.0-51.0 Euro mill. group EBIT-target less planned retail, online printing and from segment Others

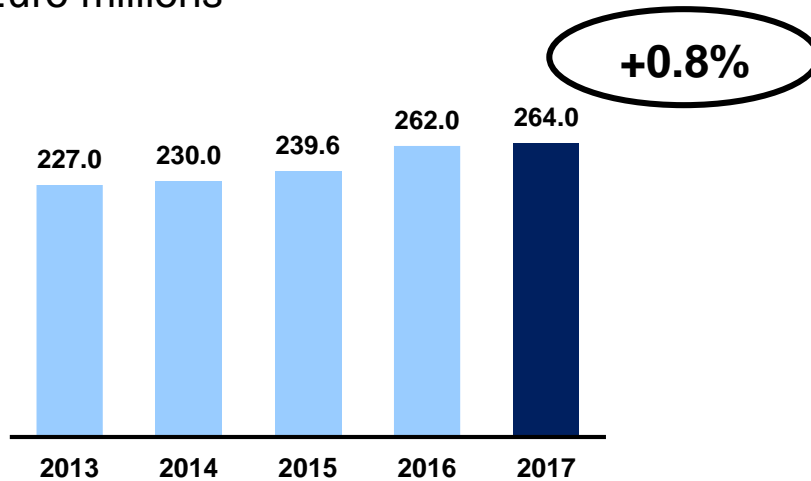
EBIT 2013: EBIT adjusted to other tax

Rounding differences may occur

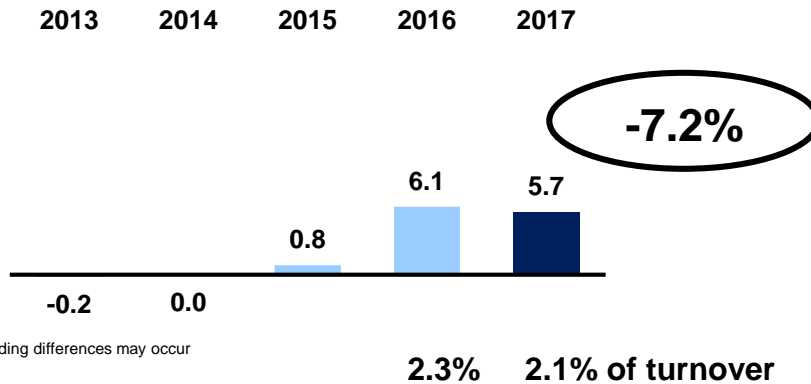
Photofinishing Segment in Q1-3

in Euro millions

Turnover



EBIT



Rounding differences may occur

► **Q1-3 confirms strong EBIT-level of the previous year**

- In the period of Q1-3, growth, in particular with photo gifts and CEWE CALENDARS, offsets the decline in sales of the CEWE PHOTOBOOK
- Trend towards these "brand added-value products" slightly increases photofinishing sales overall
- Strong level in previous year thus confirmed

- Reported EBIT even almost operatively offsets the positive one-off effects of the previous year
- Operative EBIT at 5.5 m. euros before one-off effects, and thus above the strong level of the previous year (adjusted operative EBIT for Q1-3 2016: 4.7 m. euros)

Q1-3 2017 one-off effects: +0.1 m. euros

- PPA effects: -0.3 m. euros (from DeinDesign acquisition)
- Sales revenue from property in Denmark +0.5 m. euros

Q1-3 2016 one-off effects: +1.4 m. euros

- Sale of property in Graudenz (PL): +0.3 m.euros
- Basic equipment for business partners: +2.1 m. euros
- PPA effects: -0.3 m. euros (from DeinDesign acquisition)
- DeinDesign restructuring: -0.2 m. euros
- Goodwill reduction UK (due to Brexit): -0.9 m. euros
- Smilebooks USA sales revenue: 0.4 m. euros

Agenda

1. New Products and Results

- Photofinishing

- Commercial Online-Print

- Retail

- Other

- Group

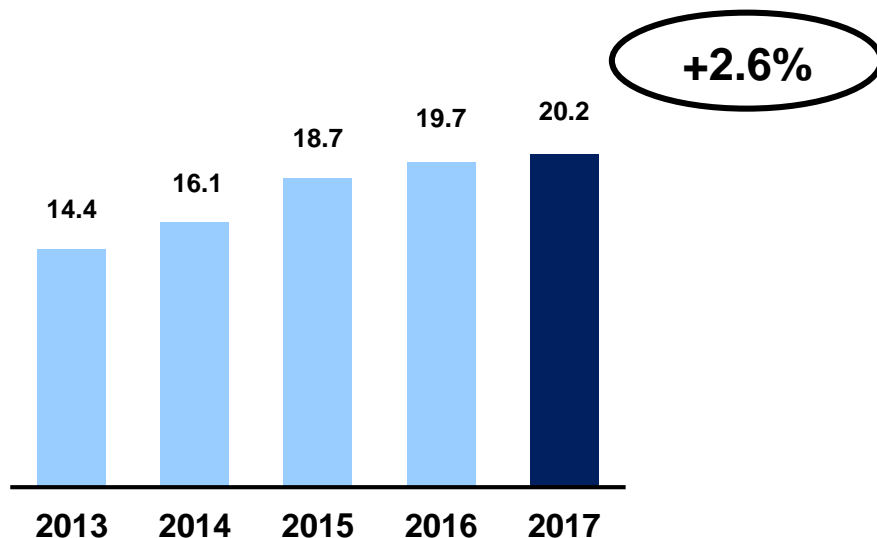
2. Financial Report (P&L-Details, Balance Sheet, Cash Flow, Return On Capital)

3. Outlook

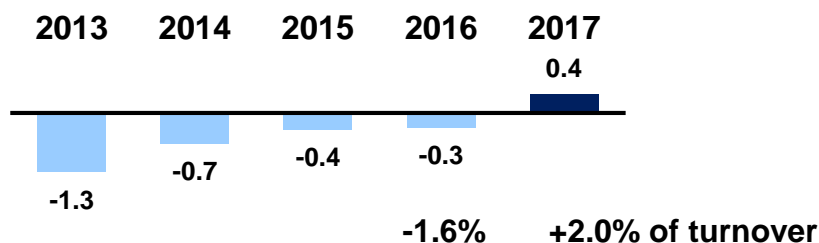
4. Q&A

Commercial Online-Print Segment in Q3

Turnover



EBIT



Rounding differences may occur

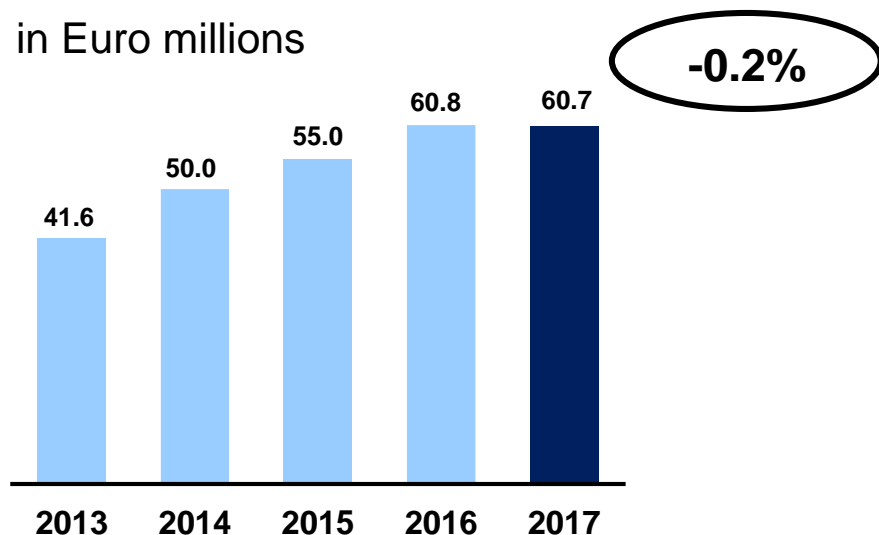
- 2017 Q3 with renewed slight increase in revenue
- In spite of one-year Brexit decision in July, UK business is still mainly marked by currency losses and drops in demand
- Without these 2 effects, COP shows an increase of around 3 to 4% over the same period of the previous year
- Q3 EBIT better than previous year by 0.7 m euros: 0.4 m. euros (2016 Q3: -0.3 m. euros)
- 0.3 m. euros of this improvement result from less PPA-effects than in the previous year (Saxoprint purchase price allocation)

► **Commercial online printing grows in Q3 in spite of ongoing Brexit-induced declines in the UK**

Commercial Online-Print Segment in Q1-3

in Euro millions

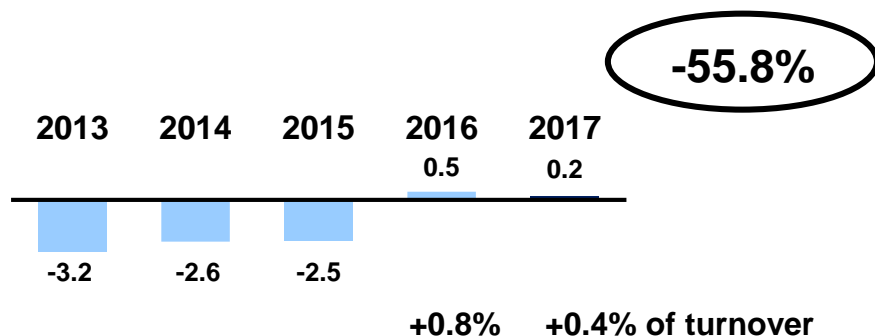
Turnover



- 2017 Q1-3 with a decline in turnover in the UK, also due to Brexit-induced currency losses and drops in demand

- Without the UK Brexit effect, COP shows a slight increase of around 1 to 2% against the same period of the previous year

EBIT



- Weaker sales than planned see earnings drop against those of the previous year

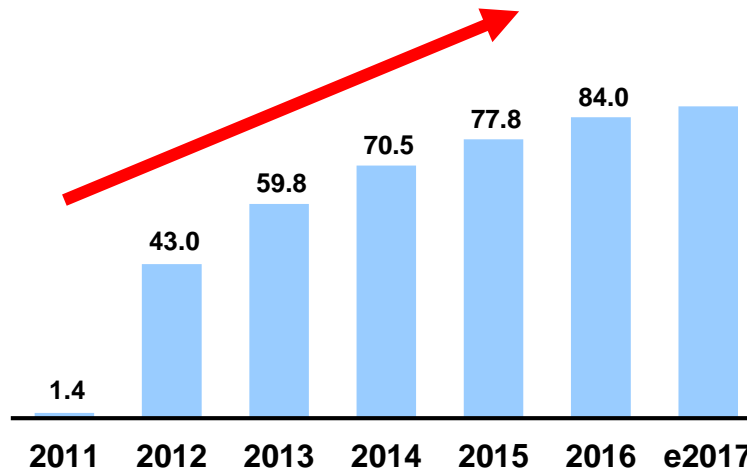
- Earnings supported by reduced PPA effects from the Saxoprint purchase price allocation of -0.5 m. euros (2016 Q1-3: -1.3 m. euros)

Rounding differences may occur

▶ **Commercial online printing struggles with Brexit-induced declines in the UK in the first nine months of 2017**

Commercial Online-Print

Turnover (in Euro millions)



- ▶ **Commercial Online-Print is also expected to grow in sales in 2017 in most markets, an exception could be the British market after the Brexit decision**

CEWE takes over online printing company LASERLINE

20 JAHRE LASERLINE



- LASERLINE expected to contribute 15 million euros to turnover in 2018
- As of 2019, LASERLINE to contribute positively to Group earnings
- Contribution to earnings is not yet expected to be positive in 2018
- LASERLINE operates in Berlin and has a staff of more than 160 employees
- LASERLINE has an outstanding customer base, a comprehensive product range, high-quality technical facilities
- Takeover still needs to be authorised by the relevant Monopolies and Mergers Commission

- ▶ **CEWE continues to grow in commercial online printing**
- ▶ **Takeover enables CEWE to generate mutual growth and achieve better purchase conditions and other economies of scale**

Agenda

1. Results

- Photofinishing

- Commercial Online-Print

- Retail

- Other

- Group

2. Financial Report (P&L-Details, Balance Sheet, Cash Flow, Return On Capital)

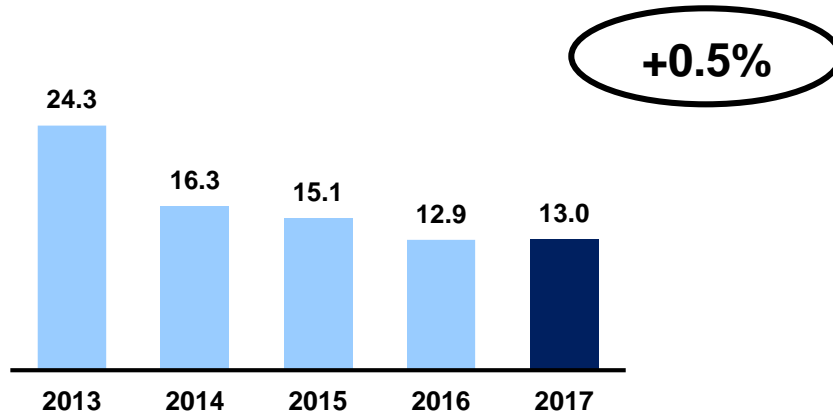
3. Outlook

4. Q&A

Retail* Segment in Q3

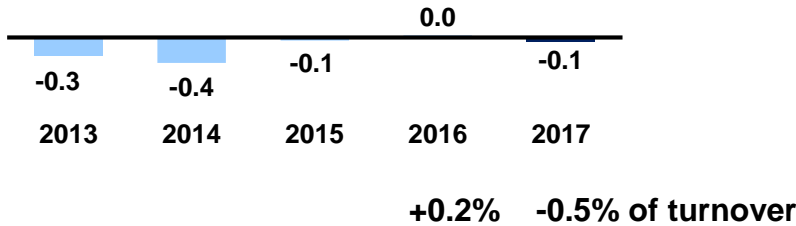
in Euro millions

Turnover*



- Decline in turnover due to a generally more difficult market situation for photo hardware and re-positioning of retailing (new hardware price strategy and focus on photofinishing products) appears to be bottoming out: turnover in Q3 consistent with previous year

EBIT*



- Repositioning, particularly of business in Poland, continues to pay off: CEWE RETAIL continues with earnings improved over previous loss-generating years
- Good starting point for the important fourth (Christmas) quarter

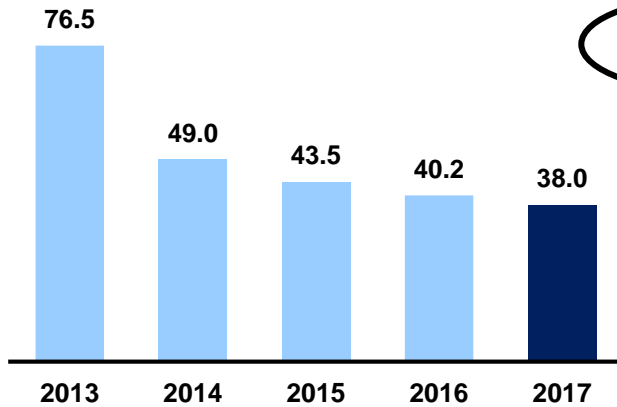
* Only hardware, no photofinishing
Rounding differences may occur

▶ Re-positioning of retailing successful

Retail* Segment in Q1-3

in Euro millions

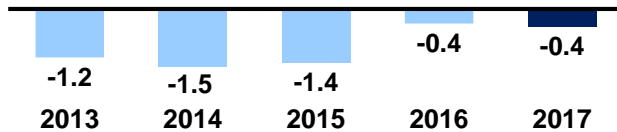
Turnover*



-5.5%

- Fundamentally difficult situation on the market for photo hardware and re-positioning of retailing with the new price strategy (away from lowest prices with low margins) and focus on photofinishing products reduces hardware turnover

EBIT*



-0.9% -1.2% of turnover

- Repositioning, particularly of business in Poland, continues to pay off: CEWE RETAIL continues with earnings improved over previous loss-generating years
- Good starting point for the important fourth (Christmas) quarter

* Only hardware, no photofinishing
Rounding differences may occur

▶ Re-positioning of retailing successful

Agenda

1. Results

- Photofinishing

- Commercial Online-Print

- Retail

- **Other**

- Group

2. Financial Report (P&L-Details, Balance Sheet, Cash Flow, Return On Capital)

3. Outlook

4. Q&A

Business Segment Other in Q3

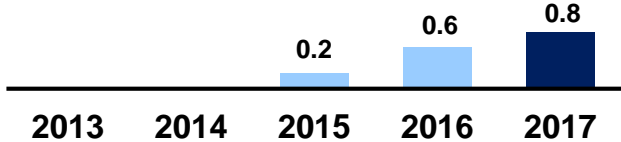
Structural and corporate costs and profits arising from real estate property and the acquisition of stocks are shown in the "Other" business segment.

Since August 2015 (date of initial consolidation), futalis has been reported in this business segment since the business activities cannot be allocated to the other business segments.

Turnover

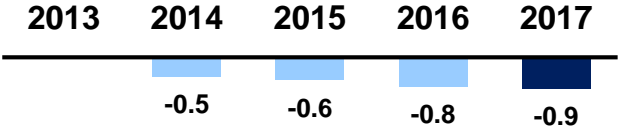
in Euro millions

+34.6%



- The 0.8 m. euro in reported turnover exclusively allocated to futalis (Q3 2016: 0.6 m. euros)

EBIT



- EBIT due to slightly higher structural/corporate costs in Q3 nearly on level of previous year

Rounding differences may occur.

► "Other" business segment almost the same as in the previous year

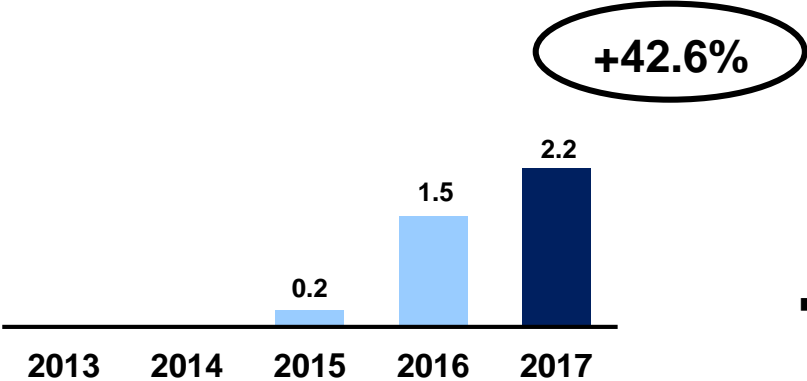
Business Segment Other in Q1-3

Structural and corporate costs and profits arising from real estate property and the acquisition of stocks are shown in the "Other" business segment.

Since August 2015 (date of initial consolidation), futalis has been reported in this business segment since the business activities cannot be allocated to the other business segments.

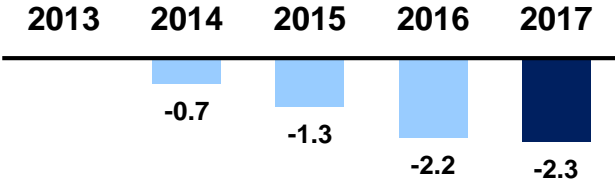
Turnover

in Euro millions



- The 2.2 m. euro in reported turnover exclusively allocated to futalis (2016 Q1-3: 1.5 million euros)

EBIT



- EBIT contribution nearly on previous year's level

Rounding differences may occur.

▶ "Other" business segment almost the same as in the previous year

Agenda

1. Results

- Photofinishing

- Commercial Online-Print

- Retail

- Other

- **Group**

2. Financial Report (P&L-Details, Balance Sheet, Cash Flow, Return On Capital)

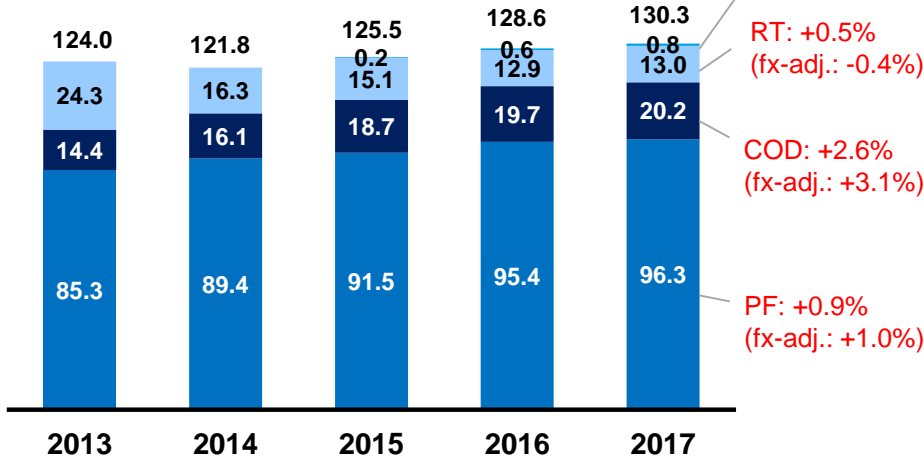
3. Outlook

4. Q&A

Turnover

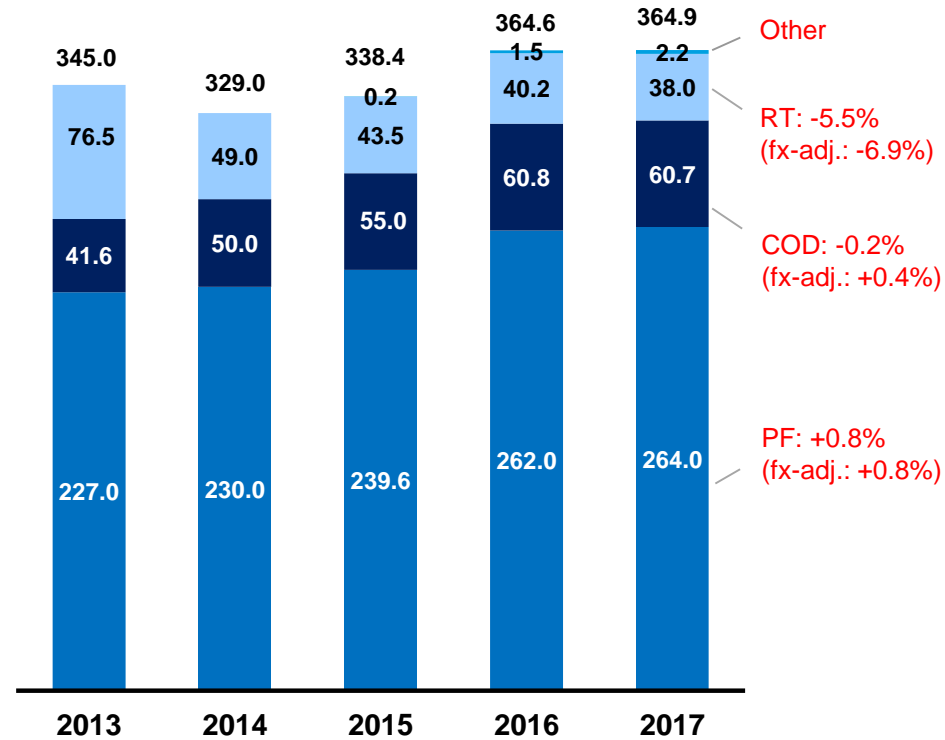
Q3
in Euro millions

+1.3%
fx-adj.: +1.3%



Q1-3
in Euro millions

+0.1%
fx-adj.: +0.0%



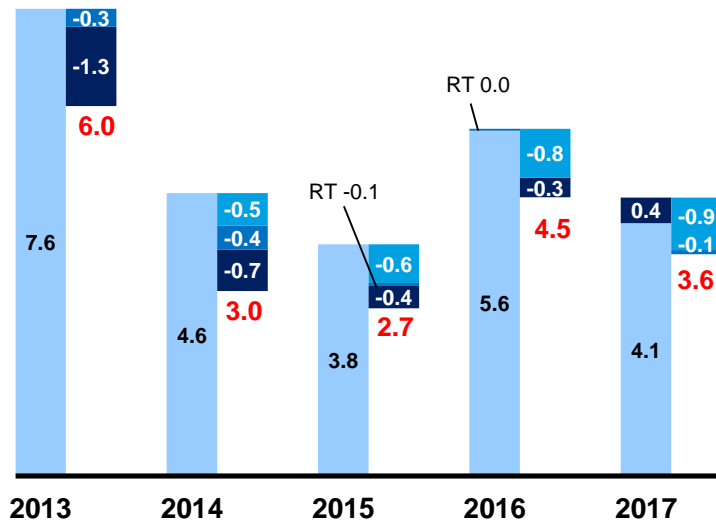
► **All three business segments contribute to increase in turnover in Q3**

- Photofinishing (PF)
- Commercial Online-Print (COD)
- Retail (RT)
- Other

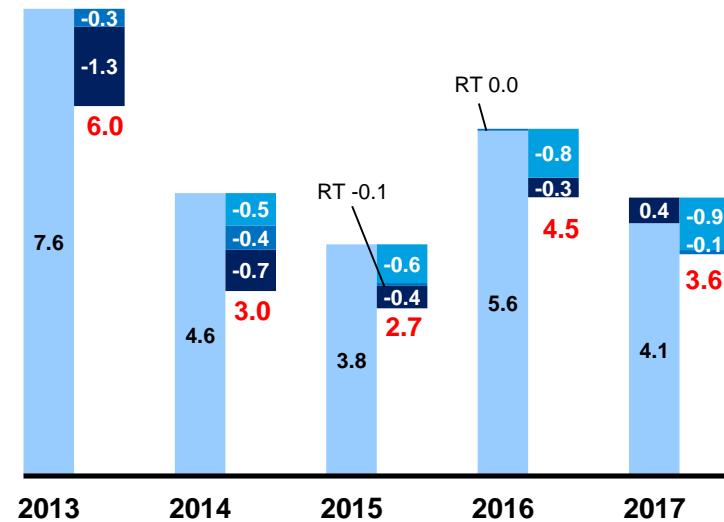
Rounding differences may occur

EBIT Q3

EBIT Q3 after restructuring in Euro millions



EBIT Q3 before restructuring in Euro millions

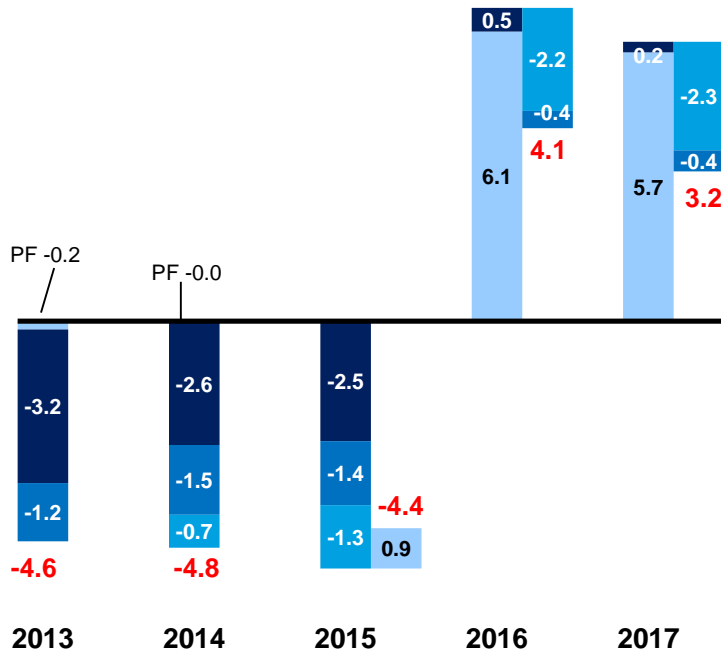


► **Commercial Online-Print contributes positively to earnings in Q3**

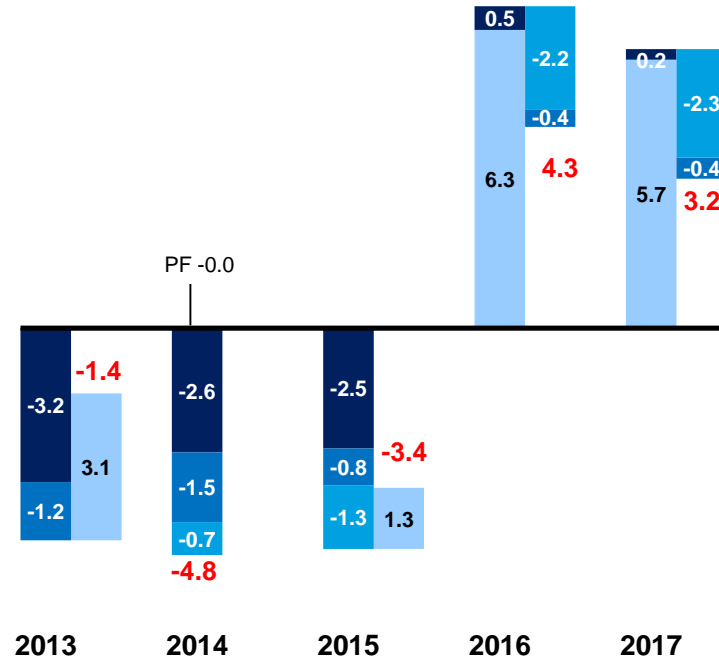
Rounding differences may occur

EBIT Q1-3

EBIT Q1-3 after restructuring in Euro millions



EBIT Q1-3 before restructuring in Euro millions



- Photofinishing (PF)
- Commercial
- Online-Print (COD)
- Retail (RT)
- Other

- ▶ **Decline in Group EBIT distorted by one-off effects**
- ▶ **Without one-off effects decline only at 0.4 million euros**

Rounding differences may occur

Agenda

1. Results

2. Financial Report (P&L-Details, Balance Sheet, Cash Flow, Return On Capital)

3. Outlook

4. Q&A

Group P&L – Q3

in millions of euros	Q3 2016	% of revenues	Q3 2017	% of revenues	Change* as %	Change* m€
Revenues	128.6	100.0%	130.3	100.0%	+1.3	+1.7
Increase / decrease in finished and unfinished goods	0.1	0.1%	0.1	0.0%	-23.2	-0.0
Other own work capitalised	0.2	0.2%	0.2	0.1%	-12.4	-0.0
Other operating income	4.4	3.4%	3.7	2.9%	-13.9	-0.6
Cost of materials	-39.3	-30.6%	-40.6	-31.2%	-3.2	-1.3
Gross profit	93.9	73.0%	93.7	71.9%	-0.3	-0.2
Personnel expenses	-35.5	-27.6%	-37.5	-28.8%	-5.6	-2.0
Other operating expenses	-45.0	-35.0%	-43.6	-33.4%	+3.1	+1.4
EBITDA	13.5	10.5%	12.6	9.7%	-6.2	-0.8
Amortisation of intangible assets, depreciation of property, plant and equipment	-8.9	-7.0%	-9.0	-6.9%	-1.0	-0.1
EBIT	4.5	3.5%	3.6	2.8%	+20.4	-0.9
Financial income	0.7	0.6%	0.2	0.2%	-67.2	-0.5
Financial expenses	-0.2	-0.1%	-0.1	-0.1%	+57.8	+0.1
EBT	5.1	4.0%	3.8	2.9%	-25.9	-1.3

Photofinishing: € 96.3 m. (+ € 0.9 m.)
Comm. Online-Print: € 20.2 m. (+ € 0.5 m.)
Retail: € 13.0 m. (+ € 0.1 m.)
Other: € 0.8 m. (+ € 0.2 m.)

(-) In PY Q3 2016: Sale of property in Poland and some machinery

(-) Business-/turnover-driven increase in expenses

(-) More employees in PF and COP
(-) Tariff adjustments

(+) Sales/marketing costs
(+) Delivery costs

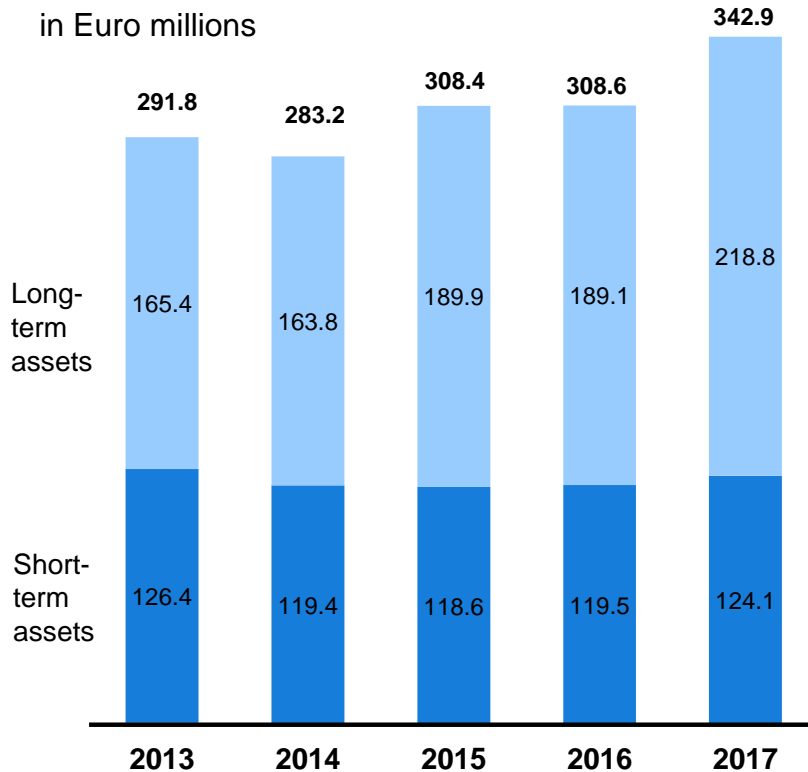
Only the substantial, significant differences to the previous year are illustrated.

Rounding differences may occur.

Balance Sheet as of September 30

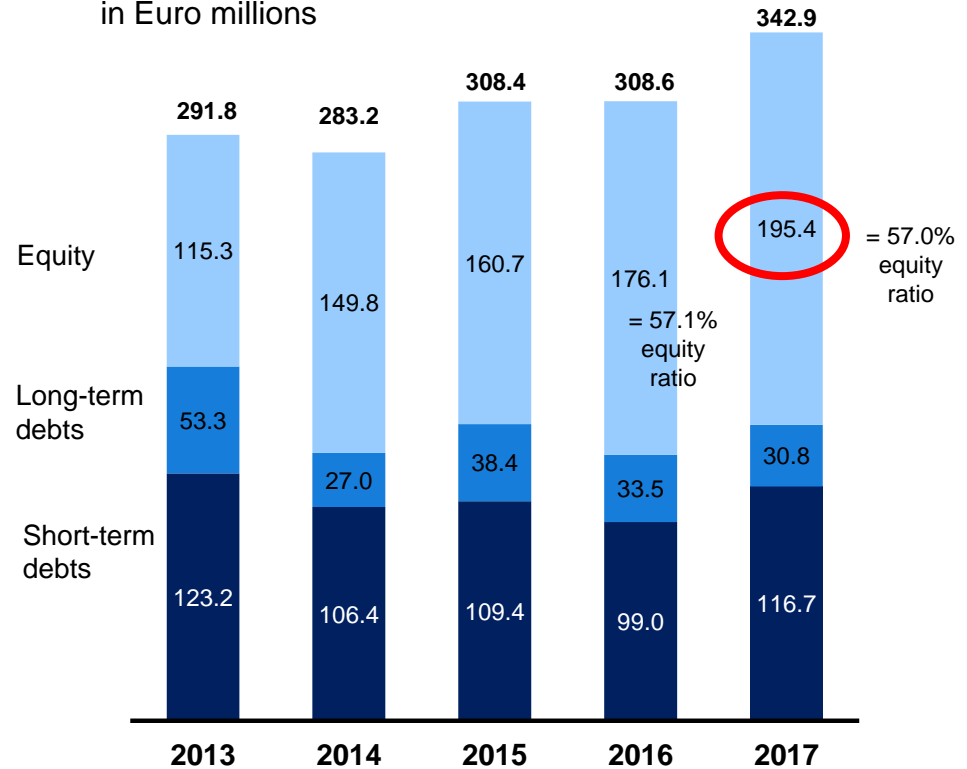
Assets

in Euro millions



Liabilities

in Euro millions



- ▶ Long-term assets increase due to Saxopark acquisition
- ▶ Stable equity ratio

Rounding differences may occur

From Balance Sheet to management achievements

Balance Sheet

Long-term assets	Equity
Short-term assets	Long-term liabilities
	Short-term debts

Balance Sheet total: 342.9 m. euros

Management Balance Sheet

Long-term assets	Equity
Working capital	Gross financial liabilities
	Non-operating liabilities

Balance Sheet total: 256.5 m. euros



Short-term operative debts/
non-interest-bearing liabilities: 86.4 m. euros

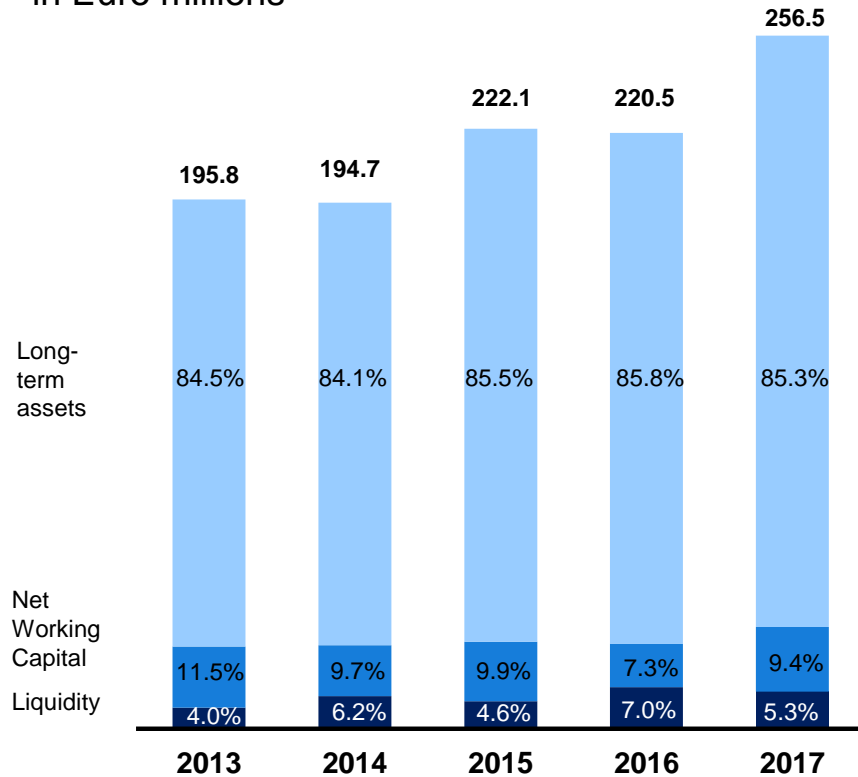
- ▶ The Balance Sheet total is reduced to capital elements "to be paid for" (by way of dividends or interest) in the management balance sheet

Rounding differences may occur.

Management-Balance Sheet as of September 30

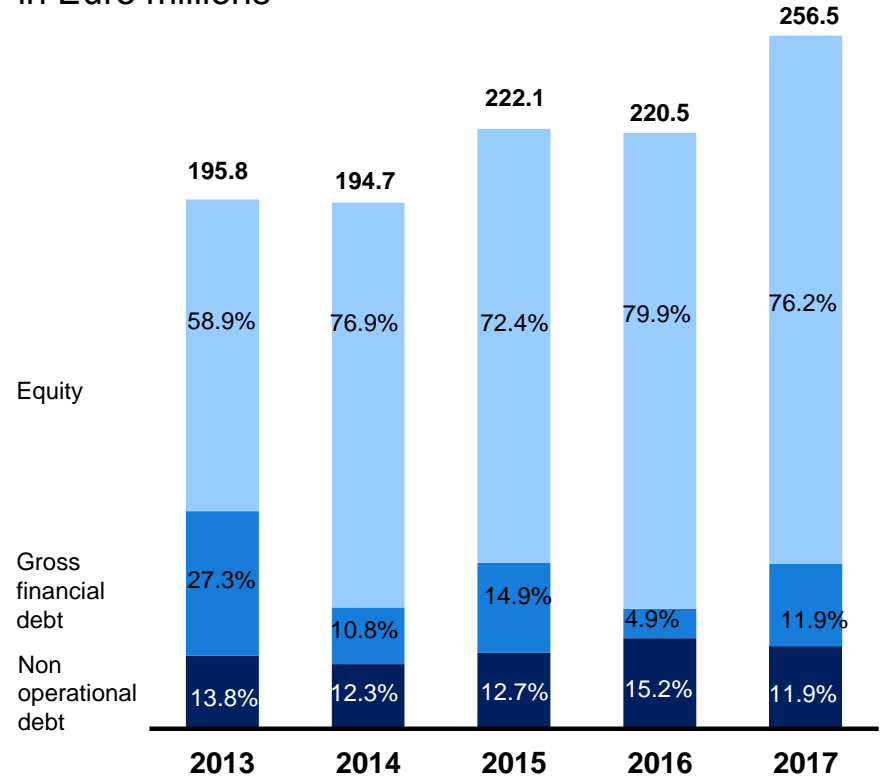
Capital Employed

in Euro millions



Capital Invested

in Euro millions



Rounding differences may occur

- ▶ **Net working capital slightly increased**
- ▶ **Saxopark acquisition increases long-term assets and gross financial debts – thus increasing invested capital by 27.9 m. euros**

Capital Employed I

in millions of euros	June 30, 2017	% of CE	Sep. 30, 2017	% of CE	Change as %	Change m€
Property, plant and equipment	122.7	54.8 %	141.8	55.3 %	+15.5 %	+19.0
Investment properties	4.8	2.1 %	18.8	7.3 %	+296 %	+14.1
Goodwill	25.8	11.5 %	25.8	10.1 %	-	+0.0
Intangible assets	17.7	7.9 %	17.8	7.0 %	+0.6 %	+0.1
Financial assets	6.5	2.9 %	6.7	2.6 %	+3.5 %	+0.2
Non-current financial assets	0.4	0.2 %	0.4	0.2 %	-5.6 %	-0.0
Non-current other receivables and assets	0.9	0.4 %	0.6	0.3 %	-25.3 %	-0.2
Deferred tax assets	6.9	3.1 %	6.8	2.6 %	-1.9 %	-0.1
Non-current assets	185.8	82.9 %	218.8	85.3 %	+17.8 %	+33.0
Inventories	47.7	21.3 %	46.2	18.0 %	-3.3 %	-1.6
+ Current trade receivables	36.0	16.1 %	42.5	16.6 %	+18.0 %	+6.5
Operating gross working capital	83.8	37.4 %	88.7	34.6 %	+5.9 %	+4.9
- Current trade payables	50.1	22.4 %	54.0	21.0 %	+7.8 %	3.9
Operating net working capital	33.7	15.0 %	34.7	13.5 %	+3.0 %	+1.0

Invest > Depreciation
 (+) Property "Saxopark" (Dresden)
 (+) On-site finishing, shop items
 (+) Digital printing and further processing
 (+) EDP infrastructure

(+) Property "Saxopark" (Dresden)

(-) Trading goods in retailing
 (+) Stocking up for the Christmas season

(+) Increase due to growth in sales in Q3

(+) Business-driven through growth in
 turnover
 (+) Stocking up for the Christmas season

Rounding differences may occur

Only the substantial, significant differences to the previous year are illustrated.

Capital Employed II

in millions of euros	June 30, 2017	% of CE	Sep. 30, 2017	% of CE	Change as %	Change m€
Assets held for sale	0.2	0.1 %	0.2	0.1 %	+1.1 %	+0.0
+ Current receivables from income tax refunds	6.2	2.8 %	11.6	4.5 %	+86.7 %	+5.4
+ Current financial assets	3.0	1.3 %	2.7	1.1 %	-8.5 %	-0.3
+ Other current receivables and assets	7.5	3.4 %	7.2	2.8 %	-4.1 %	-0.3
Other gross working capital	16.9	7.5 %	21.7	8.5 %	+28.6 %	+4.8
- Current tax liabilities	7.0	3.1 %	2.8	1.1 %	-59.6 %	-4.2
- Current other accruals	2.4	1.1 %	2.6	1.0 %	+10.2 %	+0.2
- Current financial liabilities	1.0	0.4 %	1.0	0.4 %	-	+0.0
- Current other liabilities	24.3	10.8 %	26.0	10.1 %	+7.1 %	+1.7
Other current liabilities	34.6	15.5 %	32.4	12.6 %	-6.4 %	-2.2
Other net working capital	-17.7	-7.9 %	-10.7	-4.2 %	+39.7 %	+7.0
Operating net working capital	33.7	15.0 %	34.7	13.5 %	+3.0 %	+1.0
Other net working capital	-17.7	-7.9 %	-10.7	-4.2 %	+39.7 %	+7.0
Net working capital	16.0	7.1 %	24.0	9.4 %	+50.4 %	+8.0
Non-current assets	185.8	82.9 %	218.8	85.3 %	+17.8 %	+33.0
+ Net working capital	16.0	7.1 %	24.0	9.4 %	+50.4 %	+8.0
+ Cash and cash equivalents	22.3	10.0 %	13.7	5.3 %	-38.7 %	-8.6
Capital employed	224.0	100.0 %	256.5	100.0 %	+14.5 %	+32.4

(+) Advance income tax payments are capitalised in the Balance Sheet

(-) Tax liabilities decreased due to tax payments

(+) Tax on wages and salaries
(+) Social security contributions

Rounding differences may occur

Only the substantial, significant differences to the previous year are illustrated.

Capital Invested

in millions of euros	June 30, 2017	% of CI	Sep. 30, 2017	% of CI	Change as %	Change m€
Equity	192.7	86.0 %	195.4	76.2 %	+1.4 %	+2.7
Non-current accruals for pensions	25.3	11.3 %	25.7	10.0 %	+1.9 %	+0.5
Non-current deferred tax liabilities	2.9	1.3 %	4.0	1.6 %	+37.3 %	+1.1
Non-current financial liabilities	0.2	0.1 %	0.2	0.1 %	-	+0.0
Non-current other liabilities	0.5	0.2 %	0.5	0.2 %	-7.8 %	-0.0
Non-operating liabilities	28.9	12.9 %	30.4	11.9 %	+5.2 %	+1.5
Non-current interest-bearing financial liabilities	0.8	0.3 %	0.4	0.2 %	-49.9 %	-0.4
+ Current interest-bearing financial liabilities	1.7	0.7 %	30.2	11.8 %	>1,000 %	+28.6
Gross financial liabilities	2.4	1.1 %	30.6	11.9 %	>1,000 %	+28.2
Capital invested	224.0	100.0 %	256.5	100.0 %	+14.5 %	+32.4

(+) Earnings after tax

(+) Allocation to accruals for pensions

(+) Earnings-induced increase

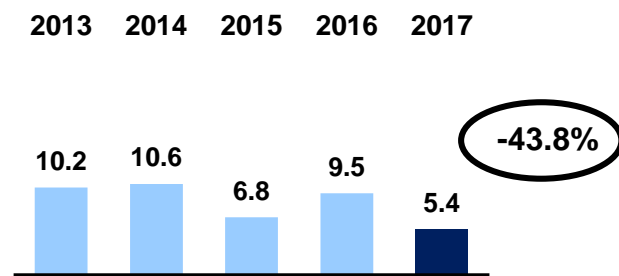
(+) Financing of property
"Saxopark" (Dresden)

Rounding differences may occur

Only the substantial, significant differences to the previous year are illustrated.

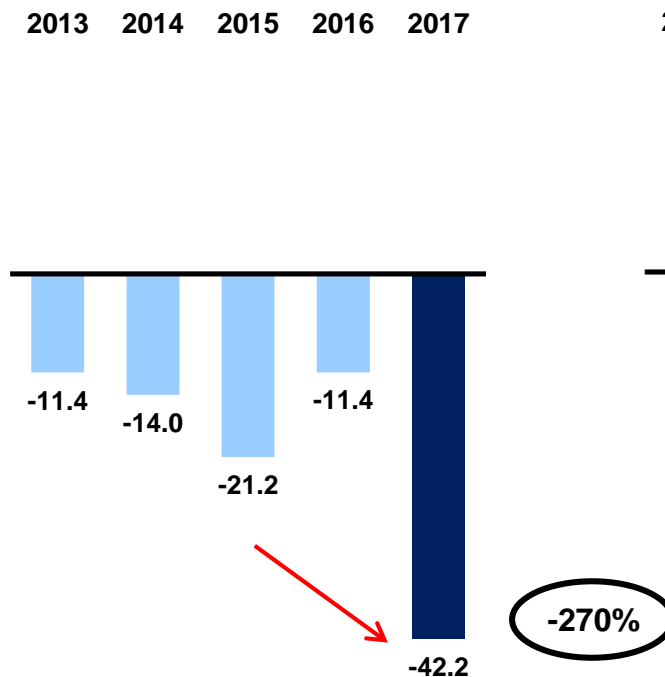
Free Cash Flow Q3

Cash Flow from operative business
in Euro millions

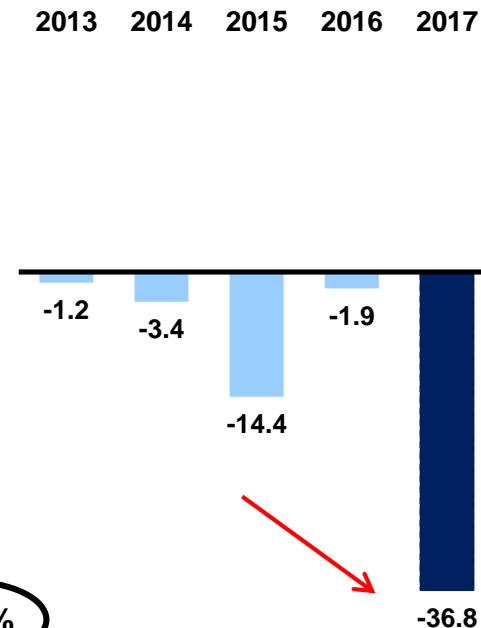


Rounding differences may occur

Outflow of funds from investment activities
in Euro millions



Free Cash Flow
in Euro millions



- ▶ In addition to a one-off tax refund of 2 million euros in 2016, advance tax payments and tax payments for previous years in particular see operative cash flow decreasing
- ▶ Without the acquisition of Saxopark in Dresden (27.4 m. euros), the outflow of funds from investment activities would be approx. equivalent to the previous year

Free Cash Flow Q3

in millions of euros	Q3 2016	Q3 2017	Change as %	Change m€
EBITDA	13.5	12.6	-6.2%	-0.8
+/- Non-cash factors	-0.3	0.9	-	1.1
- Increase in operating net working capital	-1.1	-1.2	-6.5%	-0.1
+ Decrease in other net working capital (excluding income tax items)	0.3	2.5	831%	2.3
- Taxes paid	-3.6	-9.6	-169%	-6.0
+ Interest received	0.7	0.1	82.8%	-0.6
= Cash flow from operating activities	9.5	5.4	-43.8%	-4.2
- Outflows from investments in fixed assets	-12.2	-42.2	-245%	-30.0
- Outflows from investments in financial assets	-0.2	-0.2	-8.7%	0.0
- Outflows from investments in non-current financial instruments	0.0	0.0	85.2%	0.0
+ Inflows from the sale of property, plant and equipment and intangible assets	1.1	0.3	-74.9%	-0.8
= Cash flow from investing activities	-11.4	-42.2	-270%	-30.8
= Free cash flow	-1.9	-36.8	>-1,000%	-35.0

(+) Higher accruals for social security and payroll taxes

(-) Result driven increased advance income tax payments

(-) Tax refund in PY (due to "waiving a claim on receivables in 2008")

(-) Interest income from tax refunds in PY (due to "waiving a claim on receivables in 2008")

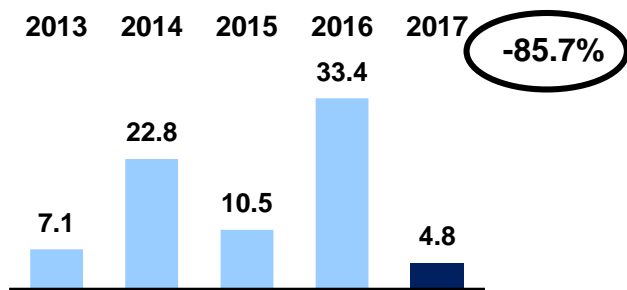
(-) Buy of property "Saxopark" (Dresden)

Rounding differences may occur

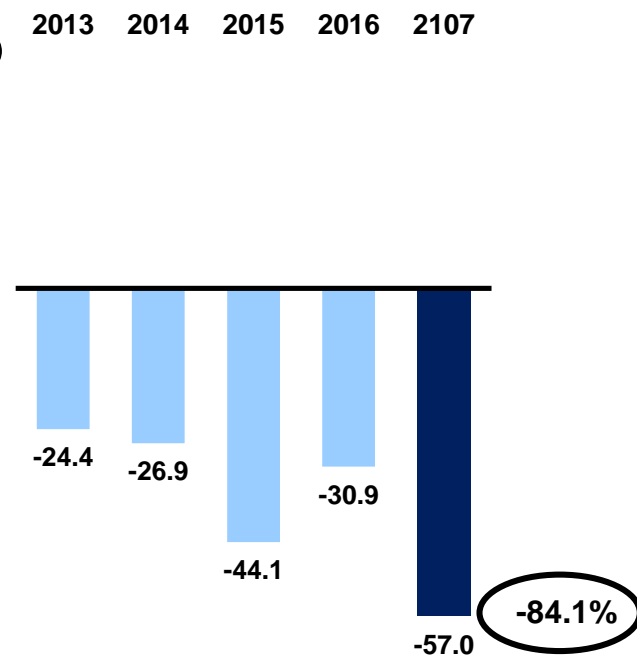
Only the substantial, significant differences to the previous year are illustrated.

Free Cash Flow Q1-3

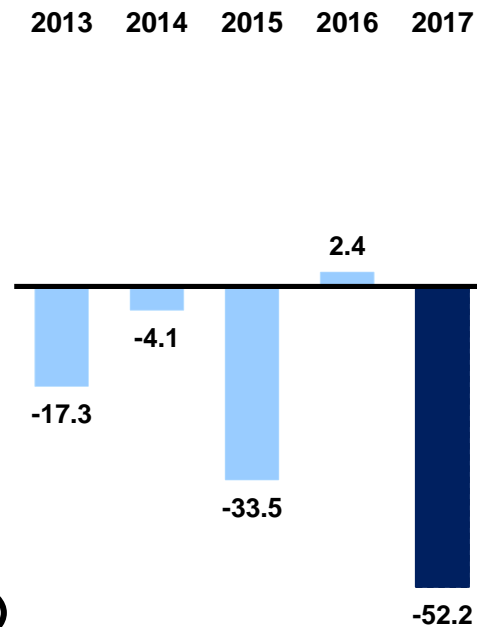
Cash Flow from operative business
in Euro millions



Outflow of funds from investment activities
in Euro millions



Free Cash Flow
in Euro millions

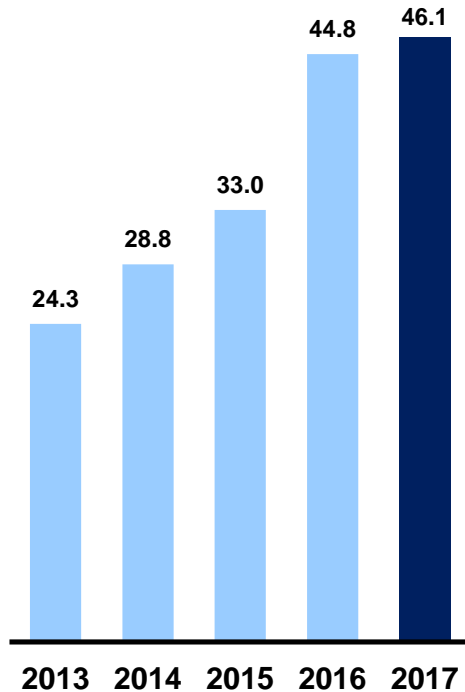


Rounding differences may occur

► **Additional effects due to timing of retail-partner payments in Q1**

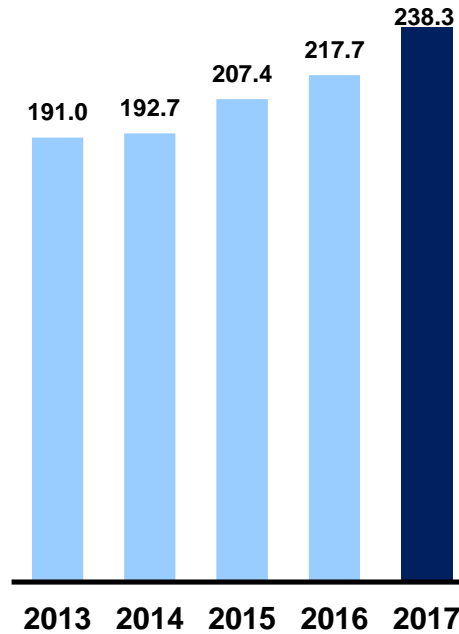
ROCE as of September 30

12 months EBIT
in Euro millions



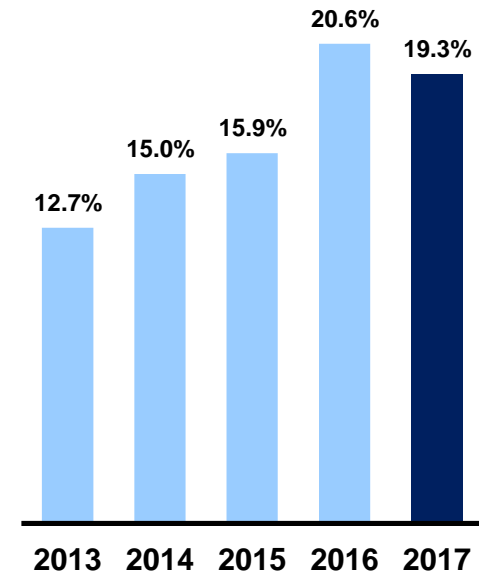
÷

Average capital employed
in the past 4 quarters
in Euro millions



=

ROCE*
in %



► Increase in capital employed sees ROCE decline slightly to 19.3% in spite of increased 12-month EBIT

* ROCE = EBIT / Capital Employed

Rounding differences may occur

Agenda

1. Results

2. Financial Report (P&L-Details, Balance Sheet, Cash Flow, Return On Capital)

3. Outlook

4. Q&A

Outlook 2017

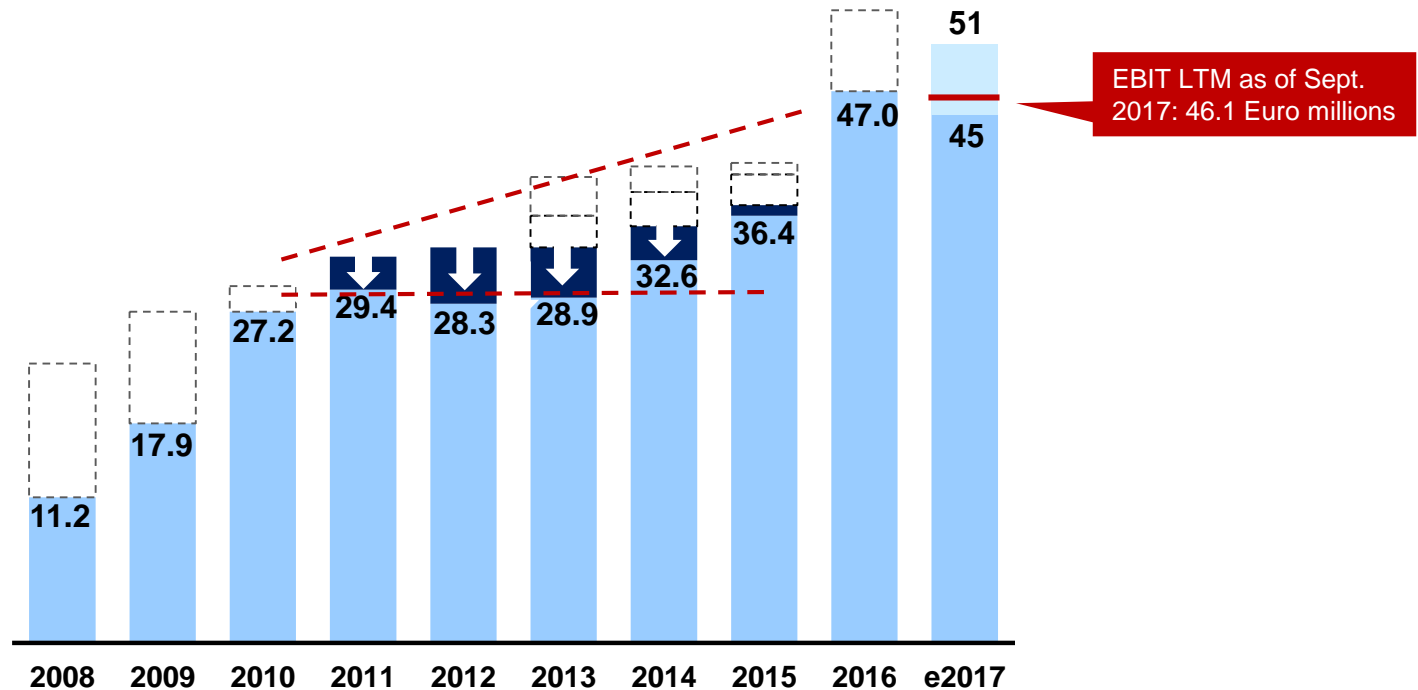
Targets		2016	Target 2017	Change
Photos digital	billion photos	2.18	2.08 to 2.18	-4% to 0%
Photos analogue	billion photos	0.06	0.040 to 0.045	-29% to -20%
Photos total	billion photos	2.23	2.12 to 2.23	-5% to 0%
CEWE PHOTO BOOK	million books	6.2	6.00 to 6.25	-3% to +1%
Investments*	Euro millions	49.8	approx. 55	
Revenue	Euro millions	593.1	585 to 615	-1% to +4%
EBIT	Euro millions	47.0	45 to 51	-4% to +8%
EBT	Euro millions	46.2	44.5 to 50.5	-4% to +9%
Earnings after tax	Euro millions	30.4	30 to 34	0% to +13%
Earnings per share	Euro per share	4.25	4.23 to 4.81	0% to +14%

* Operative investments without potential investments in expanding the business volume and, for example, corporate acquisitions and/or additional customer-base acquisitions

► **Also Q3 confirms the annual targets for 2017**

EBIT Development

in Euro millions



■ = Commercial Online Print start-up costs

- ▶ Annual EBIT-target for 2017 increased: 45-51 Euro millions
- ▶ Also Q3 confirms the annual targets for 2017

Agenda

1. Results

2. Financial Report (P&L-Details, Balance Sheet, Cash Flow, Return On Capital)

3. Outlook

4. Q&A

Q&A-Session

Q3 2017 Analyst Conference Call

November 10, 2017

