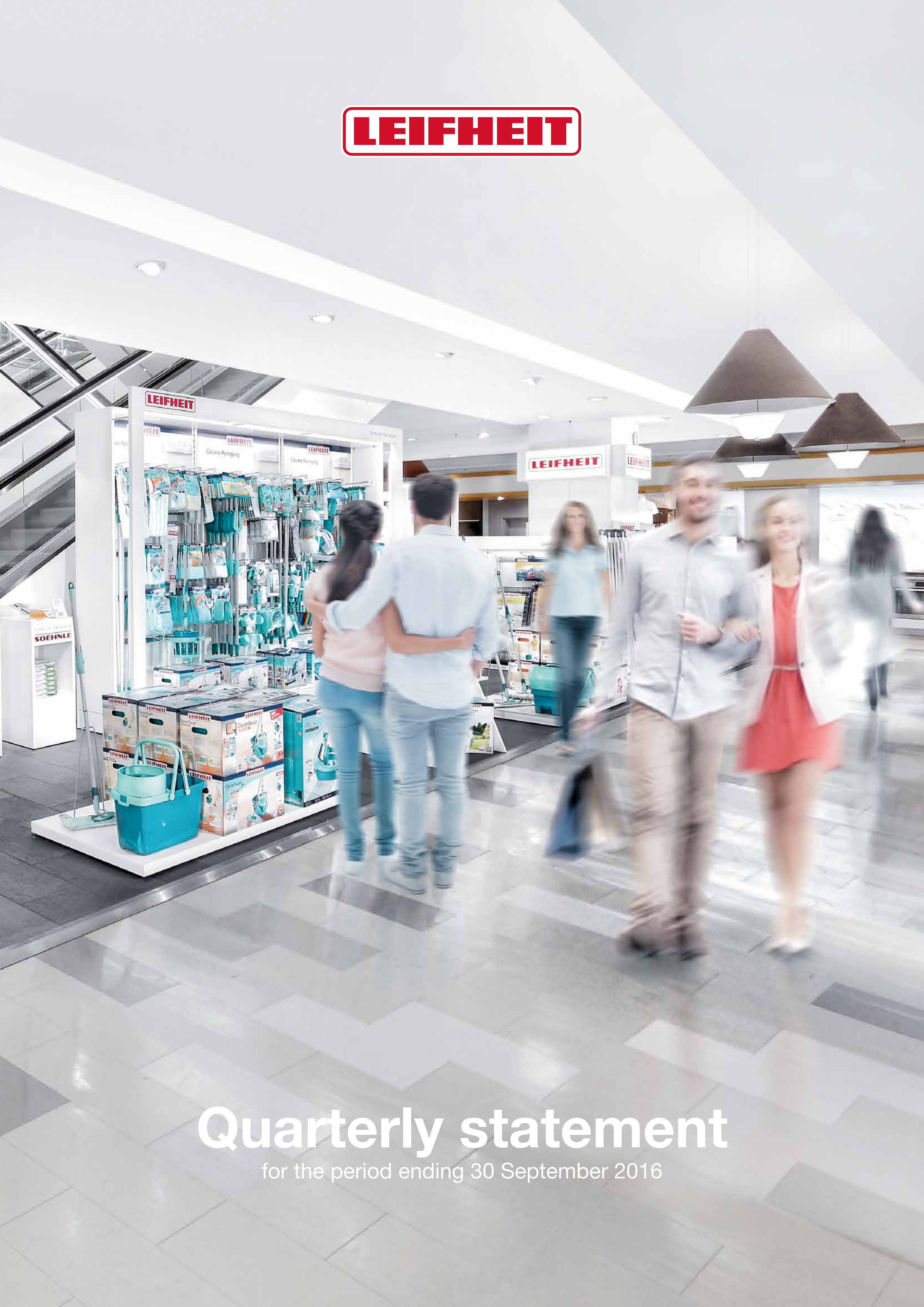
LEIFHEIT



Quarterly statement

for the period ending 30 September 2016

At a glance

LEIFHEIT GROUP
remains on course for growth

BRAND BUSINESS
growth at Leifheit and in e-commerce

VOLUME BUSINESS
with declines in turnover

GROUP EBIT
ADJUSTED FOR THE FOREIGN CURRENCY RESULT
increasing

ANNUAL FORECAST FOR 2016
put in concrete terms

Key figures of the Group as at 30 September

		2015	**2016**	Change
Turnover				
Group	€m	173.2	179.5	3.6%
Brand Business	€m	142.7	150.4	5.4%
Volume Business	€m	30.5	29.1	–4.7%
Foreign share	%	55.5	58.6	3.1 pps
Profitability				
Gross margin	%	46.9	47.3	0.4 pps
Cash flow from operating activities	€m	13.2	13.8	4.2%
Free cash flow	€m	8.6	8.8	1.2%
Foreign currency result	€m	1.5	–1.2	> –100%
EBIT	€m	17.9	15.7	–12.4%
EBIT adjusted [1]	€m	16.4	16.9	3.2%
EBIT margin	%	10.4	8.8	–1.6 pps
EBIT margin adjusted [1]	%	9.5	9.4	–0.1 pps
EBT	€m	16.9	14.6	–13.3%
Net result for the period	€m	11.9	10.2	–13.8%
Investments	€m	4.9	5.2	6.9%

[1] Adjusted for foreign currency result.

Foreword

Dear Shareholders,

The Leifheit Group remains on course for growth. In the first nine months of the year, we increased turnover by 3.6% to € 179.5 million. Over the year to date, we generated turnover in our Brand Business of € 150.4 million, amounting to growth of 5.4%. Turnover for the e-commerce sales channel rose by 28.9%. The drivers of this positive development were primarily our cleaning and laundry care products. As a result, our Brand Business grew in the third quarter as well, while we recorded a decline in Volume Business during this period, wich exceeded on expectations on the one hand, the higher basis of comparison was particularly significant in this regard. From the third quarter 2015 on we begun equipping a new trade partner for the first time, which had a disproportionately large favourable impact on turnover in this segment. In addition the cease of contract manufacturing and declines in project business also curbed turnover. We therefore recorded turnover of € 29.1 million in Volume Business in the first nine months, which is a decline of 4.7%.

Group turnover outside of Germany has seen a significant year to date increase of 9.4% to € 105.1 million. In Germany, we generated turnover of € 74.4 million. The 3.5% decline year on year was due primarily to two factors: An important partner for us in the mail-order business moved its delivery warehouse from Germany to Luxembourg. Turnover consequently shifted there as well. In addition, we ceased contract manufacturing operations for a German customer at the end of 2015 and will use the capacities that this has freed up for ourselves in future. Without these two changes, Group turnover in Germany would have also grown further.

In our Central Europe region, we achieved an increase of 6.7% to € 80.3 million. With growth in all markets that we serve, our target region of Eastern Europe continued to experience very positive development. Turnover for the region rose sharply by 35.6% to € 17.6 million. We are supporting the further development of business through our decision to establish our own delivery warehouse in the Czech Republic for this region. The Eastern European markets play a key role in our ability to meet the growth targets of our “Leifheit 2020” strategy.

We achieved earnings before interest and taxes (EBIT) of € 15.7 million, following € 17.9 million in the same period in the previous year. The reason for the decline was once again the foreign currency result, which fell by € 2.7 million compared to the result from the third quarter of 2015, due primarily to the depreciation of the US dollar against the euro. In operational terms, adjusted for the foreign currency result, EBIT actually rose by € 0.5 million to € 16.9 million in a period comparison.

A long-term, profitable growth strategy is crucial to sustainable business success. We have prepared precisely such a strategy with “Leifheit 2020”. At the same time, we must also be timely in setting the course for key personnel. In view of this consideration, the Supervisory Board appointed Mr Ansgar Lengeling to the Board of Management in July as the new member in charge of operations. Mr Lengeling has taken over responsibility for his duties as at 1 November from Dr Zacharias, who will remain in charge of finances, controlling, IT, legal affairs and auditing until his planned departure at the end of next year. We welcome Mr Lengeling to the Board of Management and look forward to working with him.

Deutsche Börse began including the shares of Leifheit AG in the SDAX index with effect from 19 September 2016. The criteria for being included in the index are, in particular, market capitalisation and trading volume. In the past twelve months, both factors have risen steadily since the increase in free float. On 10 October, our share reached its previous all-time Xetra high with a closing price of € 60.24. Being listed in the SDAX is an important milestone. Not only do we regard this development as the result of our systematic focus on the capital market and on our shareholders, but we also see it as a confirmation of our “Leifheit 2020” strategy, which is already being reflected in sustainable turnover and earnings growth.

Based on the development of business so far, we believe that we are progressing as planned and we are well on our way to reach our targets in our strategically important Brand Business. However, our Volume Business does not meet our expectations. Primarily due to the shift of promotional business planned for the end of the fourth quarter into the next year we will not be able to compensate the decline in this segment anymore. We therefore put our forecast for the financial year 2016 into concrete terms. We now anticipate growth in Group turnover to be at the lower end of the forecast corridor of 3% to 4%. In Brand Business, we expect a strong rise in turnover of around 5% and therefore a growth at the upper end of the forecast. However, in our smaller Volume Business segment we anticipate a decline in turnover of about 7%. Previously we assumed turnover of this segment to be on par with 2015. In addition, we put our earnings expectations in concrete terms: We now expect earnings before interest and taxes (EBIT) to be at the lower end of the forecast corridor of € 21 million to € 22 million. We anticipate that EBIT will not include a positive foreign currency result.

Leifheit Aktiengesellschaft
The Board of Management

Thomas Radke   Dr Claus-O. Zacharias

Quarterly statement for the period ending 30 September 2016

Business performance

Leifheit Group remains on course for growth

During the first nine months of the financial year 2016, the Leifheit Group generated turnover of € 179.5 million (previous year: € 173.2 million), which amounted to turnover growth of € 6.3 million, or 3.6%. The strategically important Brand Business continued its growth streak in the third quarter, while the considerably smaller Volume Business saw a decline in turnover, as expected.

In the first three quarters, Leifheit succeeded in increasing Group turnover outside of Germany to € 105.1 million (previous year: € 96.1 million). This equated to an increase of € 9.0 million, or 9.4%. Turnover in our domestic market of Germany reached a volume of € 74.4 million (previous year: € 77.1 million) – a decline of € 2.7 million, or 3.5%. Two changes had a significant impact on the development of turnover: An important mail-order customer rearranged its delivery set-up, which meant that turnover volume shifted from Germany to Luxembourg. At the same time, we ceased contract manufacturing operations for a German customer at the end of 2015 for the benefit of our in-house production. Excluding these two effects, turnover in Germany would have increased by around 3% in the first nine months.

The most significant contribution to turnover generated abroad came from the Central Europe region. Here, we succeeded in expanding turnover significantly in the first three quarters by € 5.1 million to € 80.3 million (previous year: € 75.2 million). This amounted to growth of 6.7%. In the first nine months, we achieved further growth in nearly all key markets. The markets in Italy, Belgium and Scandinavia made the largest contributions in absolute terms.

Once again, we saw the strongest growth rates in the Eastern Europe region. With turnover of € 17.6 million, we achieved an increase of € 4.6 million, or 35.6% (previous year: € 13.0 million). Despite the difficult political and economic situations found in some parts, all of the region's markets contributed to this healthy growth. In particular, Poland, the Czech Republic and Slovakia were the drivers of the strong performance.

The Leifheit Group generated turnover of € 7.2 million in markets outside of Europe in the first three quarters (previous year: € 7.9 million). This equated to a decline of € 0.7 million, or 8.6%. Increases in the Middle East, in African markets and the United States were offset by a drop in turnover in Australia, the Far East and South America.

Turnover at the end of the first nine months of the financial year 2016 was thus divided by region as follows: Germany accounted for 41.4% of Group turnover (previous year: 44.5%), Central Europe excluding Germany 44.7% (previous year: 43.4%), Eastern Europe 9.8% (previous year: 7.5%) and markets outside of Europe 4.1% (previous year: 4.6%).

Brand Business: growth at Leifheit and in e-commerce

Brand Business is the larger of the Leifheit Group's two segments. It encompasses the business activities involving Leifheit and Soehnle branded products and is the heart of the "Leifheit 2020" long-term growth strategy. We managed to continue expanding turnover in Brand Business by 5.4% to € 150.4 million in the first nine months of the financial year 2016 (previous year: € 142.7 million). Brand Business thus accounted for a total of 83.8% of Group turnover during the same period (previous year: 82.4%).

Turnover in the e-commerce sales channel rose by 28.9% compared to the first three quarters of the previous year. The cleaning and laundry care product categories have served as the drivers of this continued growth in the segment. Turnover from Leifheit cleaning products in particular grew strongly in the first three quarters.

Volume Business: Q3 turnover declines stronger than expected

Volume Business is the smaller of the Leifheit Group's segments by a considerable margin, and is clearly geared towards profitability. It complements Leifheit and Soehnle's Brand Business. The primary aim is to stabilise the development of turnover in the segment. In the first nine months, we achieved turnover in Volume Business of € 29.1 million – a year on year decline of 4.7%. The segment accounted for a total of 16.2% of Group turnover (previous year: 17.6%).

Various factors are relevant here to the development of turnover in the segment. We have been supplying Birambeau kitchen products to a new trade partner in France since the third quarter of 2015. Equipping the customer in the initial stages led to a considerable expansion in turnover in the second half of business year 2015 and in the first six months 2016. Due to the disappearance of the initial equipment effect we were not able to accord growth in the third quarter of this year. The task of contract manufacturing for third parties and declines in project business also curbed turnover development in Volume Business.

Net assets, financial position and results of operations

Development of results of operations

Foreign currency result continues to have a significant effect in earnings

In the first nine months of 2016, we generated earnings before interest and taxes (EBIT) of € 15.7 million (previous year: € 17.9 million). This result was considerably impacted by the foreign currency result of € – 1.2 million, which fell by € 2.7 million year on year. After the euro lost 8.2% of its value against the US dollar in the first nine months of the previous year, the euro rose by 3.2% on the US dollar in the same period of 2016. This resulted in a significant decrease in the fair value of concluded forward foreign exchange transactions during the current financial year, while the value of forward foreign exchange transactions went up during the same period in 2015.

Adjusted for this foreign currency result, EBIT stood at € 16.9 million at the end of the third quarter (previous year: € 16.4 million) – an increase of € 0.5 million. The main reason for this rise was the higher contribution margins from the increased turnover, which was offset, however, by a rise in costs below the contribution margin.

In the first three quarters of 2016, we generated earnings before taxes (EBT) of € 14.6 million (previous year: € 16.9 million), which developed in line with EBIT. Less taxes, this equalled a net result for the period of the first nine months of € 10.2 million (previous year: € 11.9 million).

Gross profit

Gross profit rose by € 3.7 million to € 84.9 million in the first nine months of 2016 (previous year: € 81.2 million). Gross profit is calculated as turnover less cost of turnover. This rise in the reporting period was largely attributable to the contribution margins from the increased turnover and the increase in the relative gross margin.

The gross margin rose from 46.9% to 47.3%. It is defined as a ratio of gross profit to turnover. The 0.4 percentage point rise in the gross margin was predominantly due to product and customer mix effects.

Research and development costs

Research and development costs mainly include personnel costs, costs for services and patent fees. They came in at € 3.7 million, up € 0.3 million on the previous year's figure. The rise was due to personnel recruitment in research and development, and external services related to the strategic goal of strengthening the Group's capacity for innovation.

Distribution costs

Distribution costs, which also include freight out and delivery charges as well as advertising and marketing costs, stood at € 51.9 million in the reporting period (previous year: € 51.3 million), an increase of € 0.6 million. Delivery charges and freight out rose due to higher turnover.

Administrative costs

Administrative costs increased in the first nine months by € 1.9 million to € 13.0 million (previous year: € 11.1 million). The main reason for the rise in personnel costs were higher expense accruals for bonuses for Board of Management members and human resources consulting costs in connection with the Board of Management and Supervisory Board. Aside from personnel expenses and services, administrative costs also include costs incurred in support of our financial and administrative functions.

Other operating income and expenses

Other operating income fell by € 0.3 million to € 0.8 million, because the previous year still contained proceeds from the sale of a piece of real estate. Other operating expenses remained on a par with the previous year's figure.

Foreign currency result

The foreign currency result decreased by € 2.7 million to € – 1.2 million in the first nine months of 2016 (previous year: € + 1.5 million). It included expenses from changes to the fair values of foreign exchange transactions of € 1.7 million (previous year: income of € 0.4 million), expenses from foreign currency valuations of € 0.2 million (previous year: € 0.4 million) and currency gains of € 0.7 million (previous year: € 1.5 million).

Interest and financial result

At € – 1.1 million, the interest and financial result remained on a par with the previous year and predominantly included interest expenses from interest on pension obligations.

Taxes

In the first three quarters of 2016, income taxes amounted to € 4.4 million (previous year: € 5.0 million). The tax rate was 29.9% (previous year: 29.5%). The tax rate is the ratio of income taxes to earnings before taxes (EBT).

Segment results

In Brand Business, we generated EBIT of € 12.9 million in the first nine months of 2016 (previous year: € 14.5 million). Adjusted for the foreign currency result, EBIT, which stood at € 13.9 million, was almost on a par with 2015 (previous year: € 14.1 million). Due to currency effects, the gross margin fell by 0.2 percentage points from 50.1% in 2015 to 49.9%. The contribution margin stood at € 63.3 million (previous year: € 59.9 million). The € 3.4 million increase was due to the higher turnover. The contribution margin is defined as gross profit less commission and freight out. The € 1.6 million fall in EBIT in Brand Business was primarily the result of the € 1.3 million decline in the foreign currency result, as well as higher personnel costs, especially expense accruals for bonuses for Board of Management members and human resources consulting costs.

EBIT in Volume Business totalled € 2.8 million (previous year: € 3.4 million). Adjusted for the foreign currency result, EBIT actually rose by € 0.7 million from € 2.3 million to € 3.0 million. The gross margin increased as a result of customer and product mix effects from 32.1% in the previous year to 33.8%. At € 8.6 million, the contribution margin was on a par with the previous year. A lack of contribution margins from lower turnover was compensated by the rise in the relative margin.

Development of the financial situation

Capital structure

As at 30 September 2016, our debt level came to 59.4% and was therefore 4.3 percentage points higher compared to 31 December 2015. This key figure is calculated as a ratio of debt to the sum of equity and liabilities. The rise in pension obligations of € 9.8 million, which was related to the discount rate, and the decline in equity as a result of the special dividend and the valuation of forward foreign exchange transactions in other comprehensive income played a major role in this respect.

As at 30 September 2016, our debt largely consisted of pension obligations of € 76.2 million, trade payables and other liabilities of € 48.7 million, and provisions of € 8.6 million. As in the previous year, we had no liabilities to banks.

The equity ratio, the share of equity in relation to the balance sheet total, came to 40.6% (31 December 2015: 44.9%).

Analysis of Group liquidity

Group liquidity declined by € 4.4 million in the first nine months of 2016 and stood at € 63.8 million as at 30 September 2016. Group liquidity encompasses cash and cash equivalents in the form of credit balances and financial assets in the form of current securities.

As at 30 September 2016, we had credit balances of € 59.8 million. These encompassed demand deposits and fixed deposits which may be terminated within three months. Financial assets included an investment in the form of a registered bond in the amount of € 4.0 million.

The decline in Group liquidity as at 30 September 2016 compared to 31 December 2015 amounted to € 4.4 million. The dividend payment, including a special dividend, of € 13.1 million (previous year: € 8.6 million) and investment payments of € 5.0 million (previous year: € 4.6 million) exceeded the cash flow from operating activities of € 13.8 million (previous year: € 13.2 million).

Analysis of the Group statement of cash flow

The cash flow from operating activities came to € 13.8 million during the reporting period (previous year: € 13.2 million) and was therefore up year on year by € 0.6 million. The lower expansion of net working capital overcompensated for the lower net result for the period.

Cash flow from investment activities stood at € 5.0 million (previous year: € 4.6 million).

Cash flow from financing activities solely included the May 2016 dividend payment of € 13.1 million (previous year: € 8.6 million). The dividend paid out for the financial year 2015 rose to € 2.00 per share (previous year: € 1.80), plus a special dividend of € 0.75 per share (previous year: € 0).

Free cash flow

Free cash flow in the first nine months of 2016 came to € 8.8 million (previous year: € 8.6 million). This key figure indicates how much liquidity was available for the repayment of debt financing or for the distribution of dividends to shareholders. Free cash flow is the total of cash flow from operating activities and cash flow from investment activities, adjusted for incoming and outgoing payments in financial assets as well as from the divestiture of business divisions.

Development of net assets

Balance sheet structure as at 30 September 2016

Our balance sheet total fell by € 7.1 million compared to 31 December 2015 from € 237.9 million to € 230.8 million.

Current assets came to € 161.6 million at the end of the period on 30 September 2016, € 6.0 million below the figure as at the 2015 balance sheet date (31 December 2015: € 167.6 million). Cash fell down by € 4.4 million, while the turnover-related € 5.3 million rise in trade receivables was offset by the turnover-related € 2.0 million decline in inventories, the € 1.8 million decline in derivative financial instruments and the € 3.3 million decline in sales tax and bonus claims.

At € 69.3 million, our non-current assets as at the end of September were down on the figure for 31 December 2015 by € 1.1 million. The € 3.0 million rise in deferred tax assets due to the increase in actuarial losses from pension obligations as a result of the discount rate decrease was overcompensated by the € 3.9 million decline in non-current derivative financial instruments.

Due to the weakness of the US dollar and the HK dollar as at 30 September 2016 compared to 31 December 2015, the fair values of all active and passive derivative financial instruments fell in the first nine months of 2016 by € 6.1 million to € 4.3 million. A total of € 4.5 million of this amount was recognised in equity, while the remaining € 1.6 million was allocated to the foreign currency result.

Current debt fell by € 2.3 million to € 56.0 million as at 30 September 2016 compared to 31 December 2015. Trade payables and other liabilities dropped by € 2.1 million due to the balance sheet date.

At € 81.2 million, non-current debt as at the balance sheet date was up by € 8.3 million compared to 31 December 2015. Pension obligations increased by € 9.8 million to € 76.2 million largely as a result of the sharp decline in the discount rate by 0.95 percentage points to 1.35% in the first nine months of the year. Deferred tax liabilities fell by € 1.6 million. This decline primarily pertained to deferred taxes on derivative financial instruments.

Equity declined by € 13.0 million to € 93.7 million as at 30 September 2016 compared to 31 December 2015. This was the result of a positive net result for the period of € 10.2 million, the negative other comprehensive income of € 10.2 million and the dividend payment of € 13.1 million.

Investments

Investments in the first nine months of 2016 stood at € 5.2 million (previous year: € 4.9 million). Of this amount, € 4.4 million were invested in tangible assets and € 0.8 million in intangible assets. The investment activities primarily concerned tools for new products, machines, streamlining investments for production plants, operating and business equipment, and software. There were no material disposals of assets in the reporting period.

The investment ratio – in other words, additions to assets related to the historic procurement and production costs – amounted to 3.0%. We invested € 4.7 million in Brand Business, while € 0.5 million of our investments were attributable to Volume Business. Investments were offset by depreciation and amortisation of € 4.4 million (previous year: € 4.6 million).

As at 30 September 2016, obligations from agreements concerning the acquisition of fixed assets stood at € 3,8 million, these were financed through cash and cash equivalents.

Forecast of anticipated development

The detailed forecast for the current financial year can be found in the most recently published annual financial report for the Leifheit Group for the financial year 2015. Please also refer to this report for explanations about the company's strategic orientation as well as opportunities and risks. It is available on our website at financial-reports.leifheit-group.com.

Global economy sees moderate growth with stabilisation in emerging markets

The International Monetary Fund (IMF) published an updated World Economic Outlook in early October. As was the case already in July, the growth forecast for the current year stands at 3.1% and 3.4% for 2017. At the beginning of the year, the outlook stood at growth of 3.4% (2016) and 3.6% (2017). The forecast for Eastern Europe was adjusted slightly to growth of 3.3% (previously: 3.5%). The IMF identified a positive trend in emerging market and developing economies.

According to the latest forecast from the ifo (Munich), Insee (Paris) and Istat (Rome) economic research institutes, the euro area's economy is expected to pick up slightly over the coming months. They believe that somewhat stronger foreign demand and a stabilisation in private consumption will drive this development. Their gross domestic product forecast for the current year stands at growth of 1.6%. In May, the European Commission also anticipated growth of 1.6% for the eurozone and of 1.8% for the European Union as a whole.

The German economic research institutes published their current joint forecast at the end of September. They now expect 1.9% gross domestic product growth for 2016. At the beginning of the year, they were still forecasting an increase of 1.6%.

Economy's business climate improves

Sentiment in the German economy improved at the end of the third quarter as measured by the Business Climate Index from the Munich-based ifo Institute. The business climate, featuring the components current business situation and business expectations, rose in virtually all industries, including wholesaling and retailing. The European Commission's Business Climate Indicator for the eurozone also increased through the end of September.

Consumer climate with slight losses

Consumer confidence in the European Union developed positively in September as measured by the EU Commission's Consumer Confidence Indicator. By contrast, the GfK market research institute's consumer climate indicator for Germany showed slight losses. The slight decline in the forecast by the GfK for consumer sentiment for November to 9.7 points is due less to the development of hard facts, such as income and employment, and more to growing difficulty with non-economic circumstances and international trouble spots.

US dollar exchange rate

At the beginning of the year, one euro traded for 1.085 US dollar on average. By early May, the exchange rate climbed to 1.16 US dollar. Significant factors impacting the exchange rate's further development were uncertainty in connection with the UK's referendum on EU membership, weak economic data from the US and the US central bank's decision at the end of July not to offer the prospect of a specific date for raising the benchmark interest rate. On 30 September 2016, the euro was trading at 1.11 US dollar. Our earnings forecast, adjusted slightly in August, was based on a closing rate of 1.08 US dollar.

Turnover and earnings forecast put in concrete terms

In our forecast for the financial year 2016, we expect moderate economic growth in our most important European sales markets. We regard the effects of existing conflicts in the Middle East and in South East Europe as factors of uncertainty. Despite the UK's vote in favour of Brexit, there has been no material change in the near-term economic conditions for our target markets in the past nine months.

The euro to dollar exchange rate has seen stronger than expected development year to date, however, which is why we adjusted our earnings forecast slightly after the first six months. We expect that our earnings before interest and taxes (EBIT) will no longer have a positive foreign currency result in this financial year. We had previously anticipated a contribution to earnings of around € 1 million.

In the first three quarters, we increased Group turnover by 3.6% year on year to € 179.5 million. Turnover in Brand Business rose by 5.4% to € 150.4 million. However, in Volume Business, we recorded a decline in turnover of 4.7% to € 29.1 million.

Based on the development of business so far, we believe that we are progressing as planned and we are well on our way to reach our targets in our strategically important Brand Business. However, our Volume Business does not meet our expectations. Primarily due to the shift of promotional business planned for the end of the fourth quarter into the next year we will not be able to compensate the decline in this segment anymore. We therefore put our forecast for the financial year 2016 into concrete terms. We now anticipate growth in Group turnover to be at the lower end of the forecast corridor of 3% to 4%. In Brand Business, we expect a strong rise in turnover of around 5% and therefore a growth at the upper end of the forecast. However, in our smaller Volume Business segment we anticipate a decline in turnover of about 7%. Previously we assumed turnover of this segment to be on par with 2015. In addition, we put our earnings expectations in concrete terms: We now expect earnings before interest and taxes (EBIT) to be at the lower end of the forecast corridor of € 21 million to € 22 million. We anticipate that EBIT will not include a positive foreign currency result.

Statement of profit or loss and statement of comprehensive income

k€	1 Jul to 30 Sep 2015	**1 Jul to 30 Sep 2016**	1 Jan to 30 Sep 2015	**1 Jan to 30 Sep 2016**
Turnover	60,035	58,390	173,186	179,498
Cost of turnover	–31,014	–31,136	–91,959	–94,641
Gross profit	**29,021**	**27,254**	**81,227**	**84,857**
Research and development costs	–1,244	–1,429	–3,435	–3,707
Distribution costs	–16,760	–16,207	–51,270	–51,921
Administrative costs	–3,569	–3,909	–11,126	–12,950
Other operating income	417	176	1,178	829
Other operating expenses	–20	–85	–204	–206
Foreign currency result	–288	–225	1,572	–1,179
EBIT	**7,557**	**5,575**	**17,942**	**15,723**
Interest income	29	25	91	69
Interest expenses	–382	–391	–1,181	–1,176
Net other financial result	–	–3	–1	–6
EBT	**7,204**	**5,206**	**16,851**	**14,610**
Income taxes	–2,087	–1,556	–4,971	–4,368
Net result for the period	**5,117**	**3,650**	**11,880**	**10,242**
Contributions that are not reclassified in future periods in the statement of profit or loss				
Actuarial gains/losses on defined benefit pension plans	–1,051	–1,542	2,099	–9,869
Effect from income taxes	307	449	–508	2,872
Contributions that may be reclassified in future periods in the statement of profit or loss				
Currency translation of foreign operations	16	14	234	–47
Currency translation of net investments in foreign operations	39	48	240	4
Net result of cash flow hedges	–1,052	–1,573	4,014	–4,487
Effect from income taxes	294	452	–1,257	1,319
Other comprehensive income	**–1,447**	**–2,152**	**4,822**	**–10,208**
Comprehensive income after taxes	**3,670**	**1,498**	**16,702**	**34**
Earnings per share based on net result for the period (diluted and undiluted)	**€ 1.08**	**€ 0.76**	**€ 2.50**	**€ 2.15**
Earnings per share based on comprehensive income after taxes (diluted and undiluted)	**€ 0.77**	**€ 0.32**	**€ 3.51**	**€ 0.01**

Balance sheet

k€	31 Dec 2015	30 Sep 2016
Current assets		
Cash and cash equivalents	64,200	59,843
Financial assets	4,000	4,000
Trade receivables	46,063	51,318
Inventories	42,985	40,973
Income tax receivables	224	493
Derivative financial instruments	5,639	3,814
Other current assets	4,441	1,147
Total current assets	**167,552**	**161,588**
Non-current assets		
Tangible assets	36,086	36,347
Intangible assets	18,738	19,096
Deferred tax assets	9,837	12,806
Income tax receivables	762	–
Derivative financial instruments	4,773	854
Other non-current assets	156	150
Total non-current assets	**70,352**	**69,253**
Total assets	**237,904**	**230,841**
Current liabilities		
Trade payables and other liabilities	50,816	48,676
Derivative financial instruments	11	242
Income tax liabilities	947	518
Provisions	6,540	6,540
Total current liabilities	**58,314**	**55,976**
Non-current liabilities		
Provisions	2,075	2,092
Employee benefit obligations	66,448	76,236
Deferred tax liabilities	4,262	2,641
Derivative financial instruments	3	214
Other non-current liabilities	100	15
Total non-current liabilities	**72,888**	**81,198**
Equity		
Subscribed capital	15,000	15,000
Capital surplus	16,984	16,984
Treasury shares	–7,493	–7,493
Retained earnings	90,536	87,709
Other reserves	–8,325	–18,533
Total equity	**106,702**	**93,667**
Total equity and liabilities	**237,904**	**230,841**

Statement of cash flow

k€	1 Jan to 30 Sep 2015	**1 Jan to 30 Sep 2016**
Net result for the period	11,880	10,242
Adjustments for depreciation and amortisation	4,576	4,430
Change in provisions	–46	–64
Result from disposal of fixed assets and other non-current assets	–96	–25
Change in inventories, trade receivables and other assets not classified as investment or financing activities	–3,942	549
Change in trade payables and other liabilities not classified as investment or financing activities	195	–2,656
Other non-cash income	648	1,298
Cash flow from operating activities	**13,215**	**13,774**
Acquisition of tangible and intangible assets	–4,903	–5,241
Proceeds from the sale of tangible assets and other non-current assets	334	220
Cash flow from investment activities	**–4,569**	**–5,021**
Cash flow from financing activities	**–8,475**	**–13,071**
Effects of exchange rate differences	**–181**	**–39**
Net change in cash and cash equivalents	–10	–4,357
Cash and cash equivalents at the start of the reporting period	58,808	64,200
Cash and cash equivalents at the end of the reporting period	**58,798**	**59,843**

Segment reporting

Key figures by divisions as at 30 September 2016		Brand Business	Volume Business	**Total**
Turnover	€m	150.4	29.1	179.5
Gross margin	%	49.9	33.8	47.3
Contribution margin	€m	63.3	8.6	71.9
Segment result (EBIT)	€m	12.9	2.8	15.7
Segment result (EBIT) adjusted [1]	€m	13.9	3.0	16.9
Depreciation and amortisation	€m	3.7	0.7	4.4

[1] Adjusted for foreign currency result.

Key figures by divisions as at 30 September 2015		Brand Business	Volume Business	Total
Turnover	€m	142.7	30.5	173.2
Gross margin	%	50.1	32.1	46.9
Contribution margin	€m	59.9	8.7	68.6
Segment result (EBIT)	€m	14.5	3.4	17.9
Segment result (EBIT) adjusted [1]	€m	14.1	2.3	16.4
Depreciation and amortisation	€m	4.0	0.6	4.6

[1] Adjusted for foreign currency result.

Information on the segments and their management is available in our 2015 annual financial report.

Additional information

This quarterly statement was neither audited by an auditor, nor was it subject to an audit review. The results of the current reporting quarter do not necessarily make it possible to draw conclusions regarding the development of future results.

With the exception of accounting regulations to be applied potentially for the first time, the accounting and valuation principles used by Leifheit correspond to those of the most recently published consolidated financial statements as at the end of the past financial year. A detailed description can be found in the notes to the 2015 annual financial report of the Leifheit Group, which is available on our website at financial-reports.leifheit-group.com.

Effective 1 January 2016, Leifheit Aktiengesellschaft acquired from the minority shareholder the remaining 29% of the shares of Leifheit CZ a.s., Hostivice, Czech Republic, which is already controlled and fully consolidated.

The wholly-owned subsidiary Leifheit Österreich GmbH, with its registered office in Wiener Neudorf, Austria, was founded in Q2 2016. On 6 June 2016, Leifheit AG included the permanent establishments of the Austrian branch in Leifheit Österreich GmbH.

There were no other changes in the scope of consolidation or major changes in the organisational structure or business model in the reporting period.

Disclaimer

Forward-looking statements

This quarterly statement contains forward-looking statements which are based on the management's current estimates with regard to future developments. Such statements are subject to risks and uncertainties which are beyond Leifheit's ability to control or estimate precisely, such as statements on the future market environment and economic conditions, the behaviour of other market participants and government measures. If one of these or other uncertain or unforeseeable factors occur, or if the assumptions on which these statements are based prove inaccurate, actual results could differ materially from the results cited explicitly or contained implicitly in these statements. Leifheit neither intends to, nor does it accept any specific obligation to, update forward-looking statements to reflect events or developments after the date of this report.

In the event of any discrepancies between this English translation of the quarterly statement and the German version, the German version shall take precedence.

Financial calendar

21 – 23 NOVEMBER 2016
PRESENTATION TO INVESTORS AND FINANCIAL ANALYSTS
German Equity Forum, Frankfurt/Main, Germany

29 MARCH 2017
ANNUAL FINANCIAL REPORTS 2016

29 MARCH 2017
ANALYSTS' CONFERENCE
Frankfurt/Main, Germany

11 MAY 2017
QUARTERLY STATEMENT
for the period ending 31 March 2017

24 MAY 2017
ANNUAL GENERAL MEETING
German National Library, Frankfurt/Main, Germany

10 AUGUST 2017
FINANCIAL REPORT FOR THE FIRST HALF-YEAR
ending 30 June 2017

9 NOVEMBER 2017
QUARTERLY STATEMENT
for the period ending 30 September 2017

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