



Baseball Hold | Reza Vahdati | Winner CEWE Photo Award 2019



Results Q2 2020

Analyst Conference Call

CEWE Stiftung & Co. KGaA

August 6, 2020

cewe

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 differences might occur.

The logo for cewe, featuring a stylized red 'M' icon followed by the word 'cewe' in a red, lowercase, cursive font.

M cewe



CEWE acts with clear priorities in Corona crisis

1

We focus on **health and safety** of our employees

2

We **secure production capabilities** of our laboratories and printing plants

3

We **keep online and mobile sites up** and **communicate with our customers**

4

We ensure **cost reductions** and **review investments**

5

We prepare the **re-start of Retail and Commercial Online-Print**

6

We seek „**Corona-upsides**“

Photofinishing overcompensates corona-driven declines in COD and Retail: EBIT in Q2 EUR 2.4 million ahead of PY

- Turnover in **Photofinishing** rose also due to coronavirus-related “stay-at-home” effect by **strong 13.8% to EUR 110.6 million**, **EBIT improved** by exceptional EUR 6.3 million to **EUR 5.1 million**. Sales of the CEWE PHOTOBOOK increased by 11.1% to 1.37 million copies. Besides additional contributions to profits from the increase in sales, the cost-reduction programme initiated as early as in March also improved the EBIT.
- **Commercial Online-Print** is **significantly affected by the corona crisis**, turnover at EUR 10.9 million is 56.5% below the previous year's level. Efficient cost management and the conversion to performance-oriented depreciation kept the decline in earnings under control: **EBIT of EUR -2.8 million** is EUR 1.7 million weaker than in the previous year.
- The **corona shutdown hits (Hardware-)Retail**, **turnover** declines by 28.8% to **EUR 7.6 million**. Continuation of the optimisation strategy accelerated: EBIT of EUR -3.2 million includes EUR -1.7 million for shop closures and EUR -1.5 million value adjustments on stocks.
- **Group EBIT is EUR 2.4 million ahead of last year's EBIT**: EUR -1.0 million (Q2 2019: EUR -3.4 million). All in all a good second quarter.

**CEWE recognized by
Deloitte, Wirtschaftswoche, Credit Suisse and BDI**



GERMANY
**BEST
MANAGED
COMPANIES**

Agenda

1. Corporate Development by Business Segments

1.1 Photofinishing

1.2 Retail

1.3 Commercial Online-Print

1.4 Other

2. Group Results

3. Financial Details

4. Q&A-Session



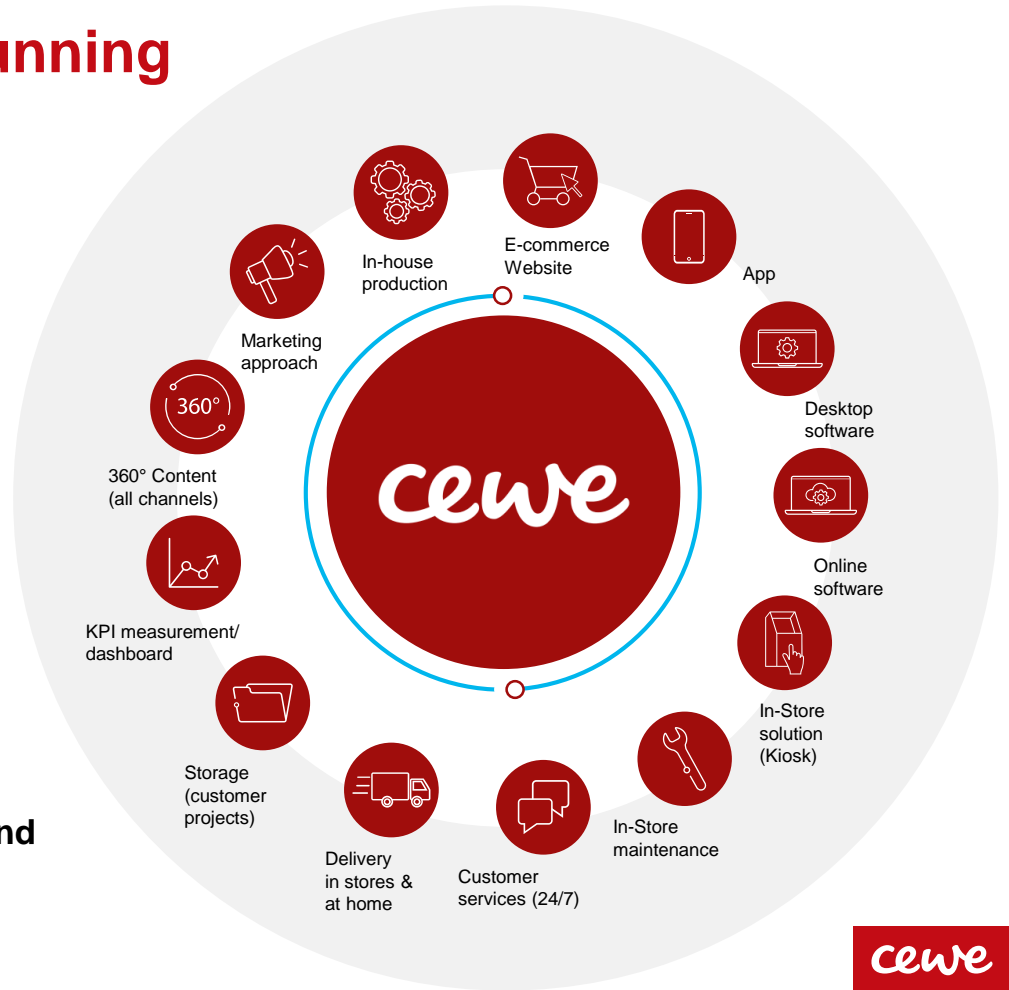
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1.1 Photofinishing

Boots: First shops up and running



- “Boots Photo powered by CEWE”
- New strategic partnership in UK and Ireland



CEWE ordering software with new layout features



mein
cewe fotobuch

Entdecken Sie die neuen Layout-Funktionen

Mit der aktuellsten Version unserer Bestellsoftware wurden einige Funktionen ergänzt, mit denen Sie Ihr CEWE FOTOBUCH noch einfacher gestalten können – zum Beispiel vom letzten Urlaub.

Im die Seiten in Ihrem Fotobuch einfach und ansprechend zu gestalten, können die Seitenlayouts der Gestaltungs- und Bestellsoftware CEWE Foto eine große Hilfe sein. Und mit der neuesten Version der CEWE Fotoalbum geht das ab sofort noch einfacher. Denn die neuen Layouts ermöglichen definieren die Anordnung

von Fotos und Texten automatisch und erleichtern Ihnen damit die Gestaltung. Ihre Layouts können in der neuen CEWE Fotowelt Software zudem auch abgespeichert werden. Sie sparen sich sowohl Zeit, als auch Arbeitsaufwand bei Ihrer Gestaltung. Dazu trägt auch die neue Funktion der automatischen Layoutanpassung bei. Am besten gleich ausprobieren!



Automatischer Layoutvorschlag

Am schnellsten gestalten Sie Ihr CEWE FOTOBUCH, wenn Sie die automatischen Seitenlayouts nutzen. Ziehen Sie dazu die gewünschten Fotos auf eine Seite. Wenn Sie auf den Button klicken, wird Ihre Fotouswahl automatisch angeordnet. Mit jedem Klick des Buttons sehen Sie einen neuen Layoutvorschlag, bis ein passendes Layout für Sie dabei ist.

Automatische Layoutanpassungen

Ist der Button aktiviert, dann wird das Layout immer automatisch angepasst. Ziehen Sie neue Fotos auf die Seite, ordnen sie sich automatisch an. Das Ganze passiert auch, wenn Sie Fotos entfernen. Das Layout wird automatisch auf die reduzierte Fotoanzahl angepasst.

Layout speichern

Sollten Sie in den Layouts der Software keine geeigneten Vorlagen finden, können Sie auch eigene Seitenlayouts erstellen und diese unter „Meine Layouts“ abspeichern. Diese bleiben dauerhaft gespeichert und können für das gleiche Buchformat wieder verwendet werden.



Automatic layout proposal



Automatic layout adjustment



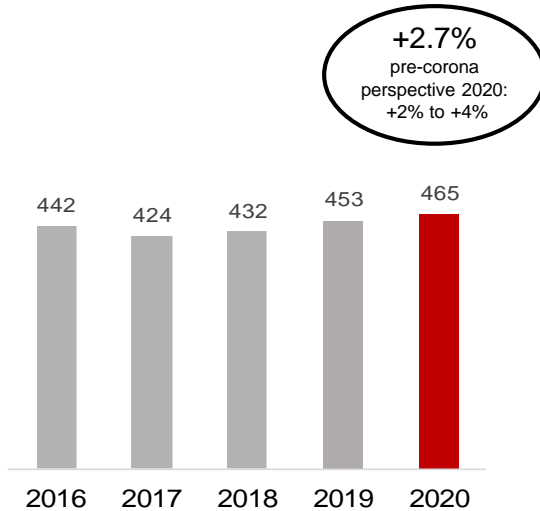
Save layout

CEWE Webinare
Gestaltungstipps
persönliche Ideen für Einbeleger
und referenzielle Anmerkungen
cewe.de/webinare

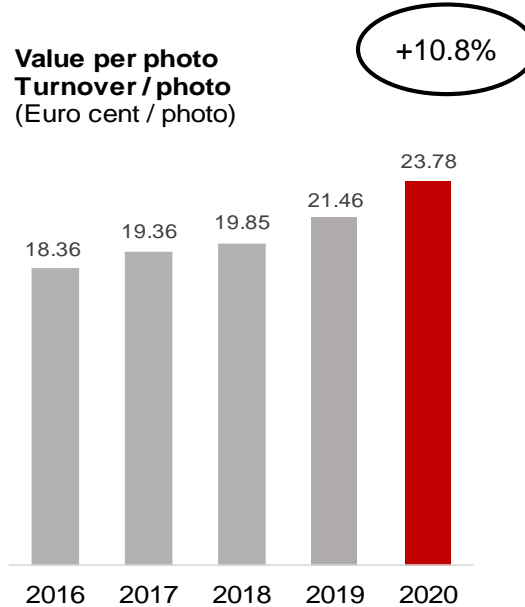


Number of prints and turnover Photofinishing Q2

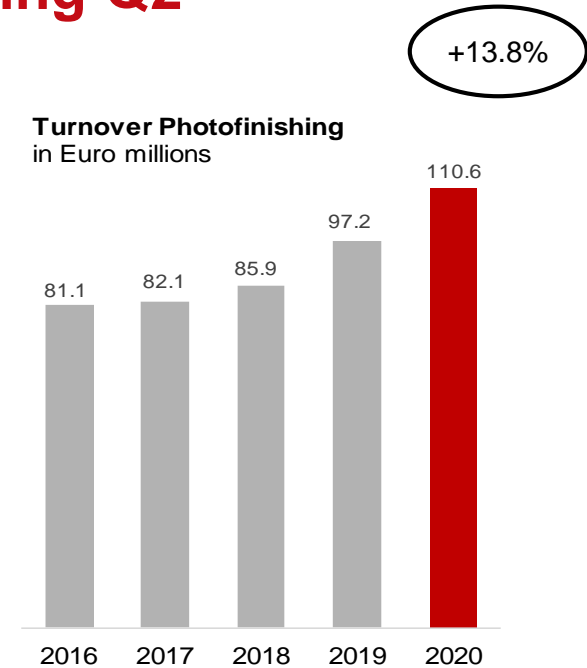
Total prints
in millions



**Value per photo
Turnover / photo**
(Euro cent / photo)

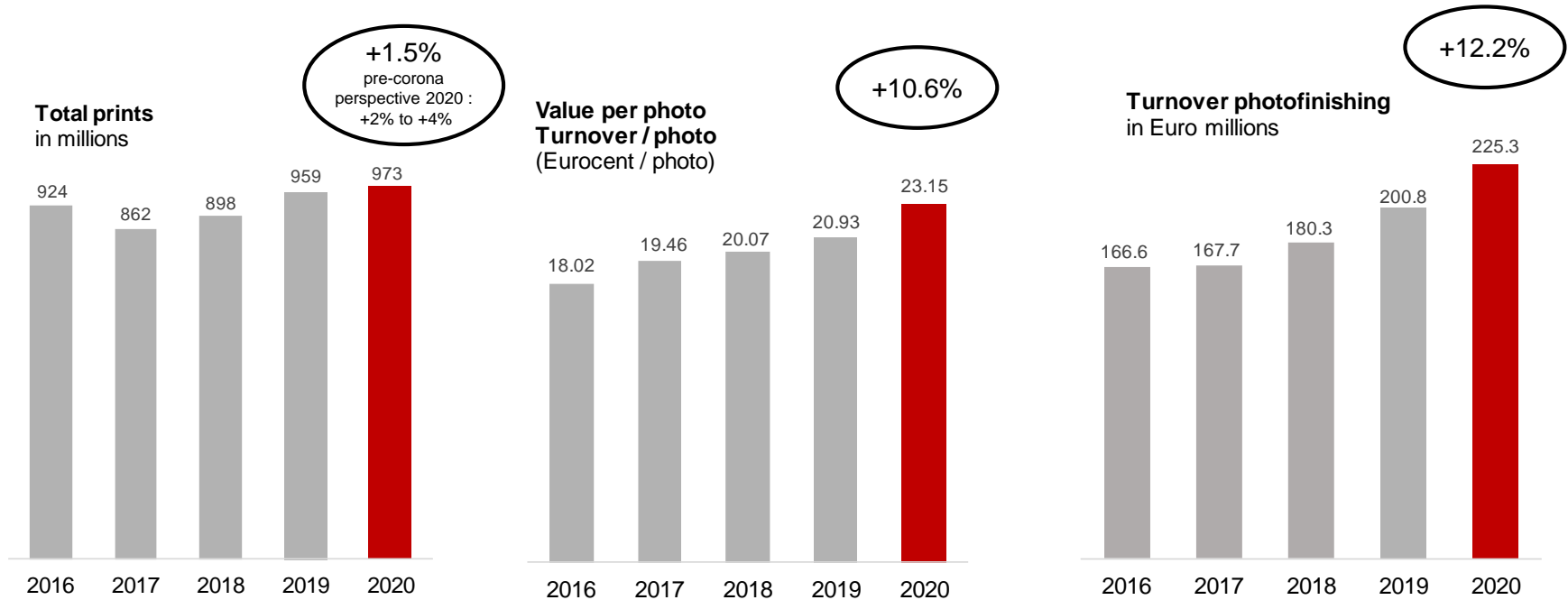


Turnover Photofinishing
in Euro millions



- > Rising share of value-added-products increases turnover per photo
- > WhiteWall supports increase of turnover per photo

Number of prints and turnover Photofinishing H1

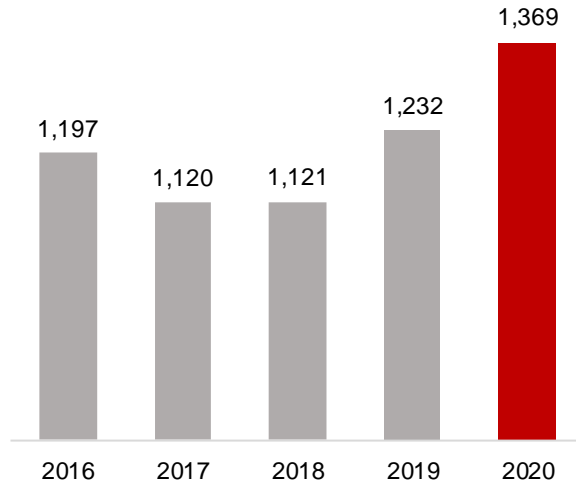


- > Rising share of value-added-products increases turnover per photo
- > WhiteWall supports increase of turnover per photo

Rounding differences may occur.

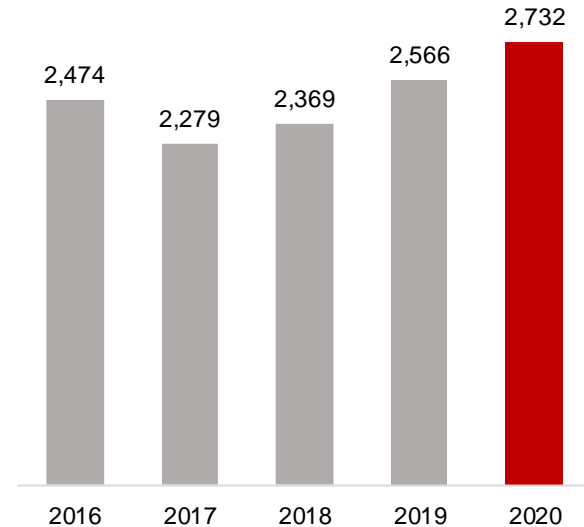
CEWE PHOTOBOOK Q2 und H1

Number of CEWE PHOTOBOOKS Q2
in thousands



+11.1%
pre-corona
perspective 2020:
+2% bis +4%

Number of CEWE PHOTOBOOKS H1
in thousands



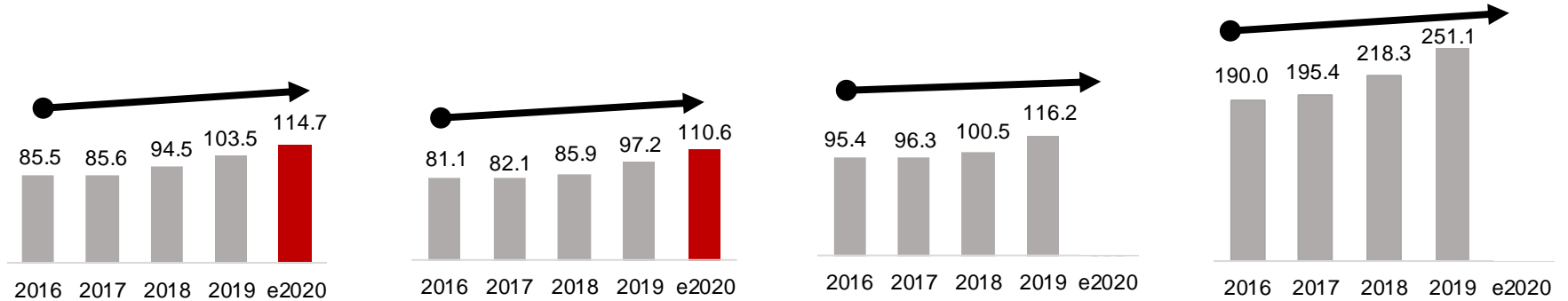
+6.5%
pre-corona
perspective 2020:
+2% bis +4%

Rounding differences may occur.

➤ CEWE PHOTOBOOK with strong growth in Q2 also due to corona-related “stay-at-home” effect

Photofinishing-Turnover by Quarter

Seasonal distribution: CEWE 2016 to 2020 – Share in turnover by quarter as a million



Rounding differences may occur.

Turnover pre-corona perspective* 2020
approx. 588 to 613 m€**

Q1 pre-corona perspective*
111.7 to 116.5 m€

Q2 pre-corona perspective*
100.0 to 104.2 m€

Comparison against pre-corona perspective* 2020

Q1 Actual
114.7 m€

Q2 Actual
110.6 m€

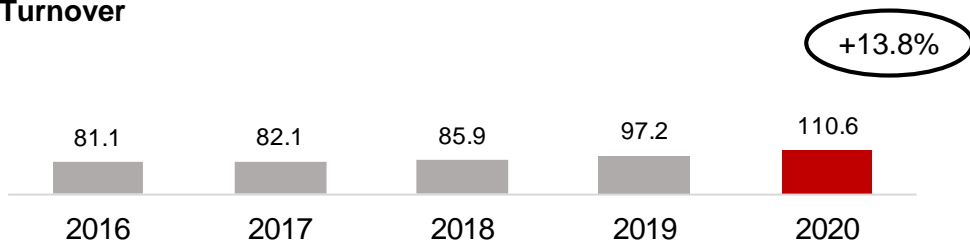
> Photofinishing turnover in Q2 is clearly above the range of pre-corona perspective* for 2020

* due to corona situation no targets have been set for 2020 so far
** group turnover w/o targets of segments retail, commercial online-print and other.

Business segment Photofinishing Q2

in Euro millions

Turnover



EBIT



➤ **Coronavirus-related “stay-at-home” results in additional sales in Q2 and, together with cost reductions, in a considerable improvement to earnings**

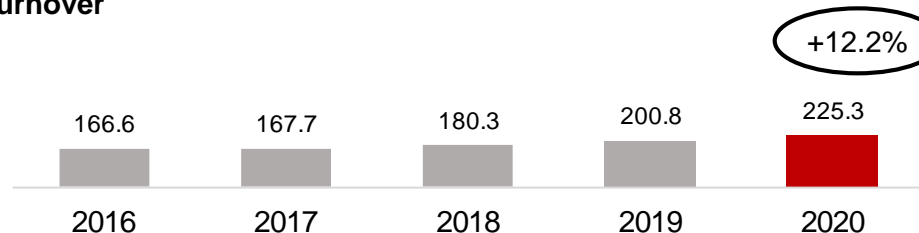
- Photofinishing also grew thanks to the coronavirus-related “stay-at-home” effect (customers used the time spent at home to order photo products - including products using older photos from the past) by a good 13.8% in Q2
- Acquired wall-art specialist WhiteWall still contributed non-organically to this growth in April and May

- Photofinishing EBIT grew by a highly presentable 6.3 million euros
- Besides additional contributions to profits from the increase in turnover, the cost-reduction programme initiated as early as in March also improved the EBIT against that of the previous year
- Q2 2020 special effects: -1.1 million euros
 - Effects from the DeinDesign purchase-price allocation: -0.1 million euros
 - Effects from the Cheerz purchase-price allocation: -0.5 million euros
 - Effects from the WhiteWall purchase-price allocation: -0.5 million euros
- Previous-year special effects in Q2 2019: -0.7 million euros
 - Effects from the DeinDesign purchase-price allocation: -0.1 million euros
 - Effects from the Cheerz purchase-price allocation: -0.5 million euros
 - Effects from the WhiteWall purchase-price allocation: -0.1 million euros

Business segment Photofinishing H1

in Euro millions

Turnover



EBIT



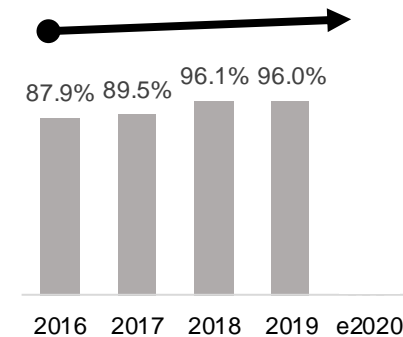
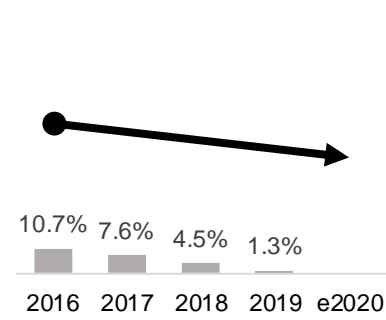
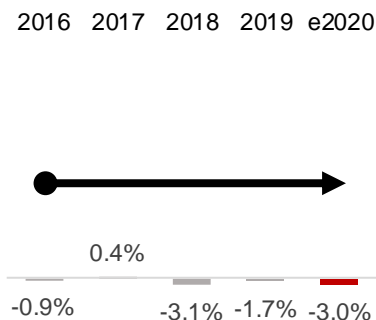
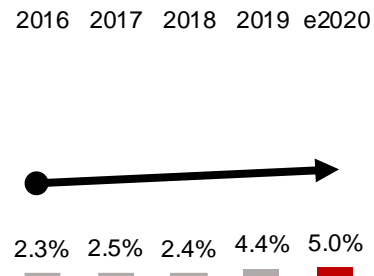
- > **Marked improvement in photofinishing earnings in HY1**
- > **Also staying at home due to the coronavirus resulted in additional sales and, together with cost reductions, to this outstanding improvement**

- Photofinishing grew by a very positive 12.2% in Q2 2020, with acquired wall-art specialist WhiteWall still contributing non-organically to this growth in the period from January to May
- As of mid-March the coronavirus pandemic also had an impact on photofinishing: Instant-print POS business was affected by shop closures, while online photofinishing business saw the “stay-at-home” effect having a positive influence on incoming orders

- Photofinishing EBIT grew by a highly presentable 6.6 million euros
- Besides additional contributions to profits from the increased turnover, the cost-reduction programme initiated as early as in March also improved the EBIT against that of the previous year
- HY1 2020 special effects: -2.2 million euros
 - Effects from the DeinDesign purchase-price allocation: -2.2 million euros
 - Effects from the Cheerz purchase-price allocation: -1.0 million euros
 - Effects from the WhiteWall purchase-price allocation: -1.0 million euros
- Previous year HY1 2019 special effects: -1.3 million euros
 - Effects from the DeinDesign purchase-price allocation: -0.2 million euros
 - Effects from the Cheerz purchase-price allocation: -1.0 million euros
 - Effects from the WhiteWall purchase-price allocation: -0.1 million euros

Photofinishing-EBIT by Quarter

Seasonal distribution: CEWE 2016 to 2020 – EBIT by quarter in % of full year EBIT



Rounding differences may occur.

EBIT pre-corona perspective* 2020
64.6 to 70.6 m€**

Q1 pre-corona perspective* 2020
+3.2 to +3.5 m€

Q2 pre-corona perspective* 2020
-1.9 to -2.1 m€

Comparison against pre-corona perspective* 2020

Q1 Actual
+3.3 m€



Q2 Actual
+5.1 m€



➤ **Q2-EBIT in Photofinishing due to „Corona-stay-at-home“-effect and cost management clearly above expectations of pre-corona perspective* 2020**

* due to corona situation no targets have been set for 2020 so far

** group EBIT w/o targets of segments retail, commercial online-print and other



1.2 Retail

Retail with focus on photofinishing business

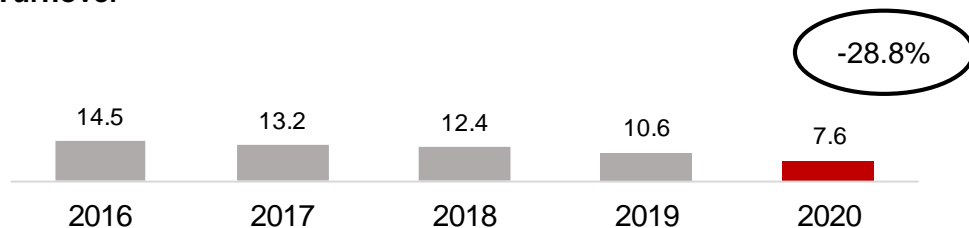


➤ Retail segment contains hardware revenue only, photofinishing business is shown in photofinishing segment

Business segment Retail* Q2

in Euro millions

Turnover *



EBIT *



- As a result of coronavirus-related business closures, hardware retailing was impacted strongly by the shutdown as of mid-March, with Q2 sales dropping by 28.8%
- Due to a focus on photofinishing business and refraining from low-margin hardware business, the active reduction in sales before the pandemic started was still at around a strategic 10% to -15%

- Coming out of the crisis stronger: CEWE is closing altogether more than 30 stores in all the countries in which the company conducts retail business
- Corona-induced accelerated continuation of optimisation strategy with focus on photofinishing and online business
- Around 1.7 million euros in restructuring provisions was allocated for shop closures in Q2
- Over and above this, around 1.5 million euros in value adjustments were undertaken on inventory in hardware retailing
- Before these one-off effects, retailing achieved an operative EBIT of 0.0 million euros in the second quarter of 2020, an improvement of 0.3 million euros (Q2 2019: -0.3 million euros)
- Q2 2020 special effects: -3.2 million euros
 - Restructuring provisions for retailing: -1.7 million euros
 - Allowances for inventories of stocks: -1.5 million euros
- Previous-year special effects in Q2 2019: none

➤ **Hardware retailing has been strongly affected by coronavirus-related shop closures**

➤ **Accelerated continuation of optimisation strategy initiated**

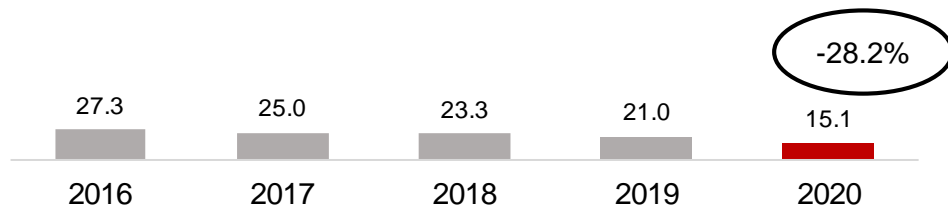
* only hardware, no photofinishing
Rounding differences may occur.



Business segment Retail* H1

in Euro millions

Turnover *



EBIT *



- As a result of coronavirus-related business closures, hardware retailing was impacted strongly by the shutdown as of mid-March, with HY1 sales dropping by 28.2%
- Due to a focus on photofinishing business and refraining from low-margin hardware business, the active reduction in sales before the pandemic started was still at around a strategic 10% to -15%

- Coming out of the crisis stronger: CEWE is closing altogether more than 30 stores in all the countries in which the company conducts retail business
- Corona-induced accelerated continuation of optimisation strategy with focus on photofinishing and online business
- Around 1.7 million euros in restructuring provisions were allocated for shop closures in HY1
- Over and above this, around 1.5 million euros in value adjustments were undertaken on inventory in hardware retailing
- Before these one-off effects, retailing achieved an operative EBIT of -0.5 million euros in the first half of 2020, an improvement of 0.2 million euros (HY1 2019: -0.7 million euros)
- HY1 2020 special effects: -3.2 million euros
 - Restructuring provisions for retailing: -1.7 million euros
 - Allowances for inventories of stocks: -1.5 million euros
- Previous-year special effects in HY1 2019: none

> **Hardware retailing has been strongly affected by coronavirus-related shop closures**

> **Accelerated continuation of optimisation strategy initiated**



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1.3 Commercial Online-Print

Commercial Online-Print



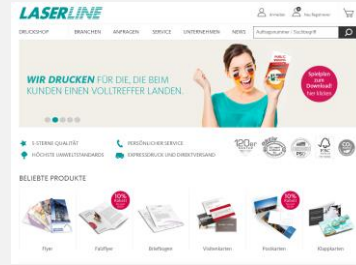
Industrial printer



Small editions



Metropolitan area Berlin

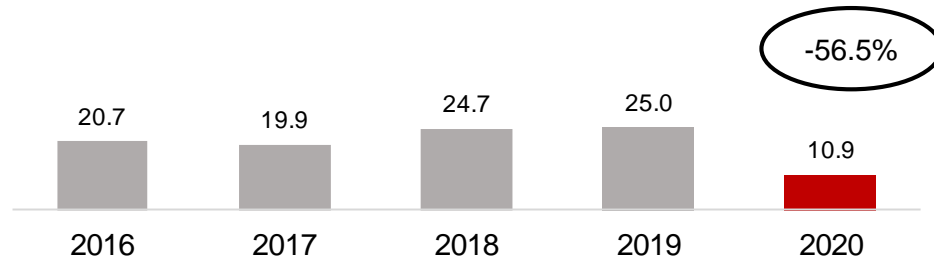


- **Business and advertising prints: flyers, business cards, stationery, packaging, promotional items, etc.**

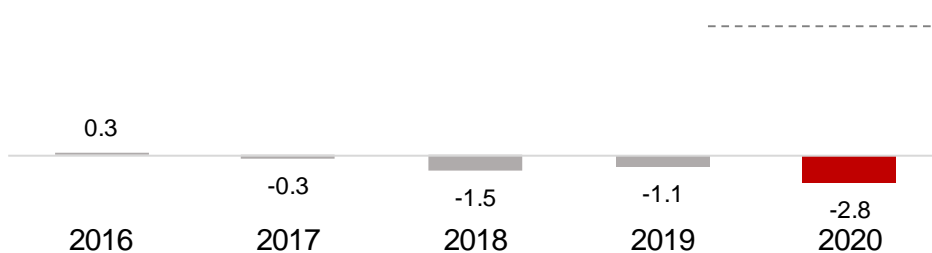
Business segment Commercial Online-Print Q2

in Euro millions

Turnover



EBIT



- Since as early as mid-March, COP in B2B printing business has been strongly impacted by the coronavirus, with sales declining very considerably in Q2, by 56.5%
- Aggregated as at the end of February, COP was still increasing at a single-digit growth rate

- The coronavirus-related decline in sales also caused the EBIT to fall below that of the previous year
- Efficient cost management and the conversion to performance-oriented depreciation kept the decline in earnings under control in spite of heavy losses in turnover
- Coming out of the crisis stronger: In order to ensure that a renewed stimulation of the online printing brands after the coronavirus crisis is focussed and efficient, CEWE will be streamlining the commercial online printing brand portfolio, with a focus on the Saxoprint, Viaprinto and Laserline brands
- Q2 2020 special effects: 0.4 million euros
 - Effects from the Laserline purchase-price allocation: -0.1 million euros
 - Conversion to performance-related AFD for Saxoprint: 0.5 million euros

➤ In a B2B business environment, COP was hit particularly strongly by the coronavirus crisis

➤ Efficient cost management kept the decline in earnings under control

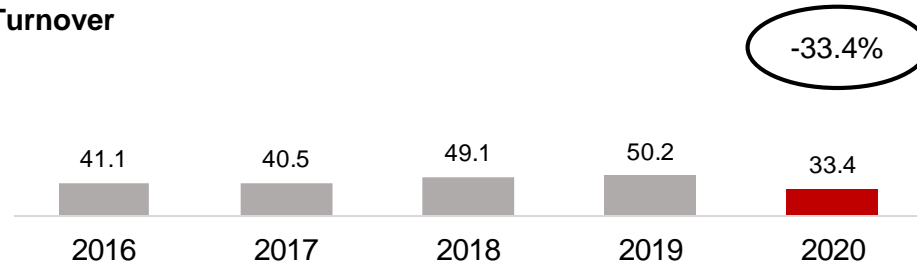
Previous-year special effects in Q2 2019: -0.2 million euros

- Effects from the Saxoprint purchase-price allocation: -0.1 million euros
- Effects from the Laserline purchase-price allocation: -0.1 million euros

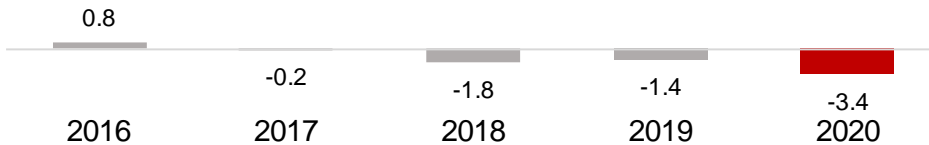
Business segment Commercial Online-Print H1

in Euro millions

Turnover



EBIT



- > In a B2B business environment, COP was hit particularly strongly by the coronavirus crisis
- > Efficient cost management kept the decline in earnings under control

- Since as early as mid-March, COP in B2B printing business has been strongly impacted by the coronavirus, with sales declining very considerably by 33.4% in HY1
- Aggregated as at the end of February, COP was still increasing at a single-digit growth rate
- The coronavirus-related decline in sales also caused the EBIT to fall below that of the previous year
- Efficient cost management and the conversion to performance-oriented depreciation kept the decline in earnings under control in spite of heavy losses in turnover
- Coming out of the crisis stronger: In order to ensure that a renewed stimulation of the online printing brands after the coronavirus crisis is focussed and efficient, CEWE will be streamlining the commercial online printing brand portfolio, with a focus on the Saxoprint, Viaprinto and Laserline brands
- HY1 2020 special effects: 0.5 million euros
 - Effects from the Laserline purchase-price allocation: -0.2 million euros
 - Conversion to performance-related AFD for Saxoprint: 0.6 million euros

Previous year HY1 2019 special effects: -0.3 million euros

- Effects from the Saxoprint purchase-price allocation: -0.1 million euros
- Effects from the Laserline purchase-price allocation: -0.2 million euros

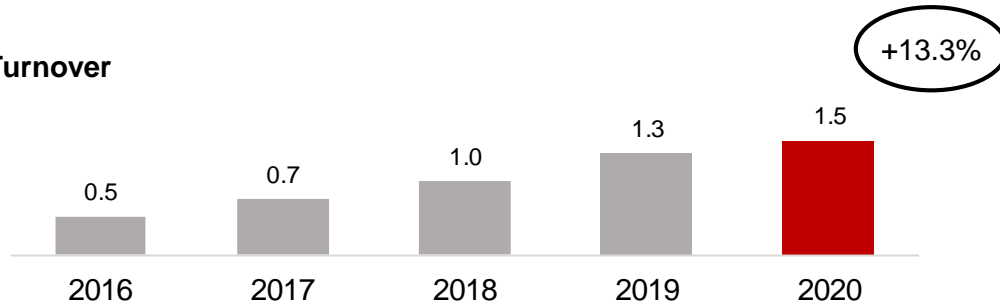


1.4 Other

Business segment Other Q2

in Euro millions

Turnover



EBIT



Structural and corporate costs and profits arising from real estate property and company investments are shown in the "other" business segment.

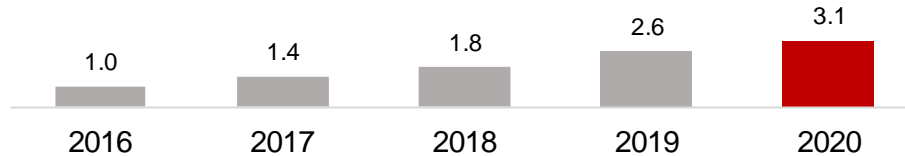
- The 1.5 million euros in turnover is to be exclusively allocated to futalis (Q2 2019: 1.3 million euros)
- EBIT mainly improved through futalis: futalis continues to grow most positively, with earnings clearly moving towards break even
- IR costs lower than in the previous year as AGM was moved to October 6, due to the pandemic

➤ Segment for other business raises turnover and improves earnings

Business segment Other H1

in Euro millions

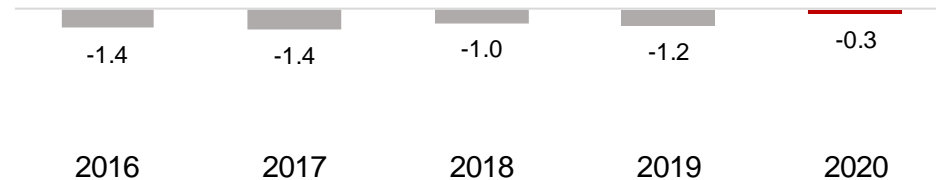
Turnover



+20.0%

Structural and corporate costs and profits arising from real estate property and company investments are shown in the "other" business segment.

EBIT



- The 3.1 million euros in turnover is to be exclusively allocated to futalis (HY1 2019: 2.6 million euros)
- EBIT mainly improved through futalis: futalis continues to grow most positively, with earnings clearly moving towards break even
- IR costs lower than in the previous year as AGM was moved to October 6, due to the pandemic

> Segment for other business raises turnover and improves earnings

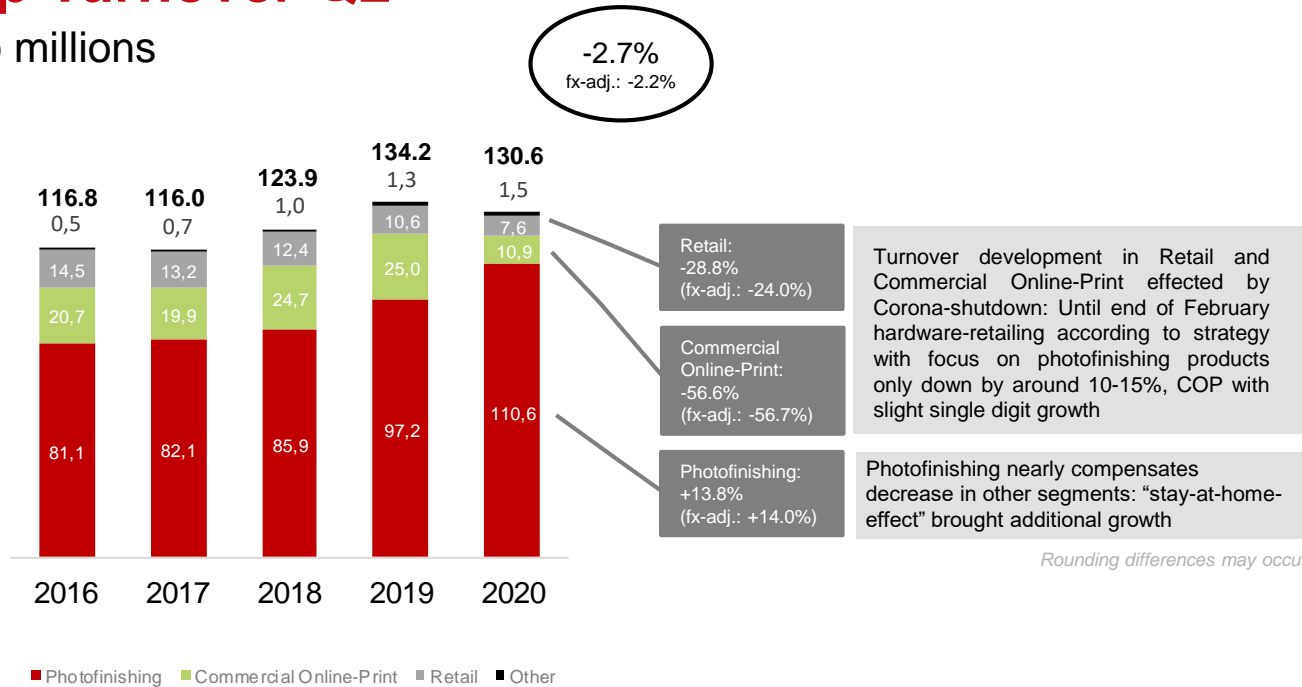


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2. Group Results Q2 2020

Group Turnover Q2

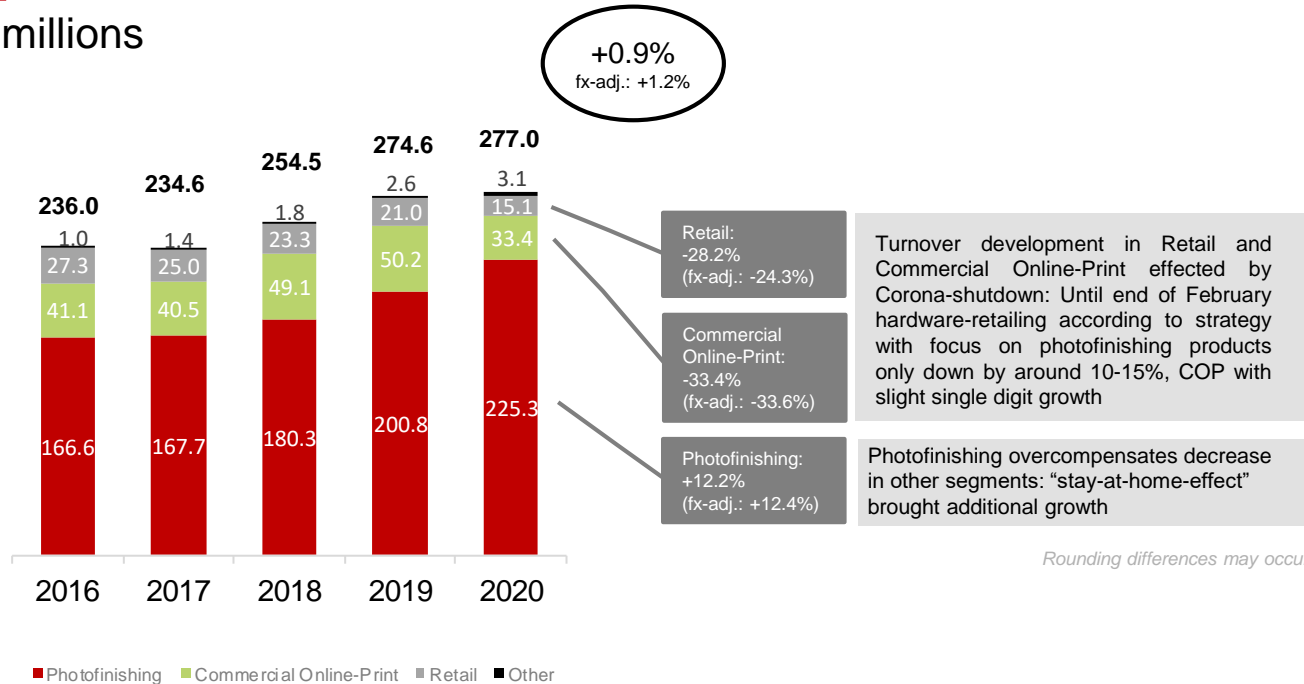
in Euro millions



> Photofinishing nearly compensates decrease in other segments

Group Turnover H1

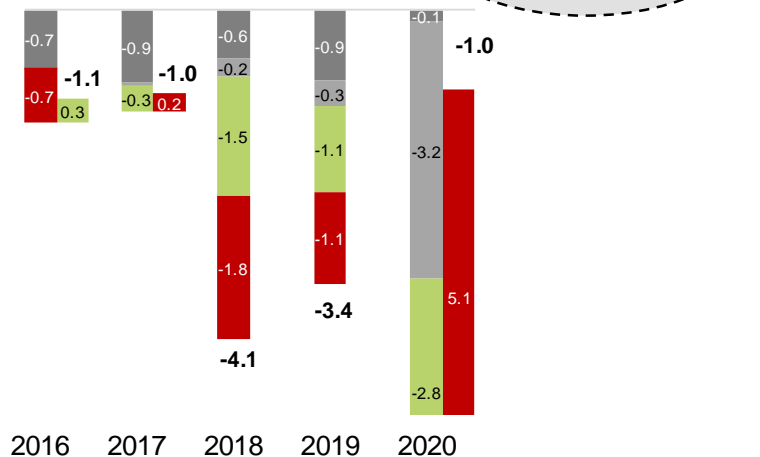
in Euro millions



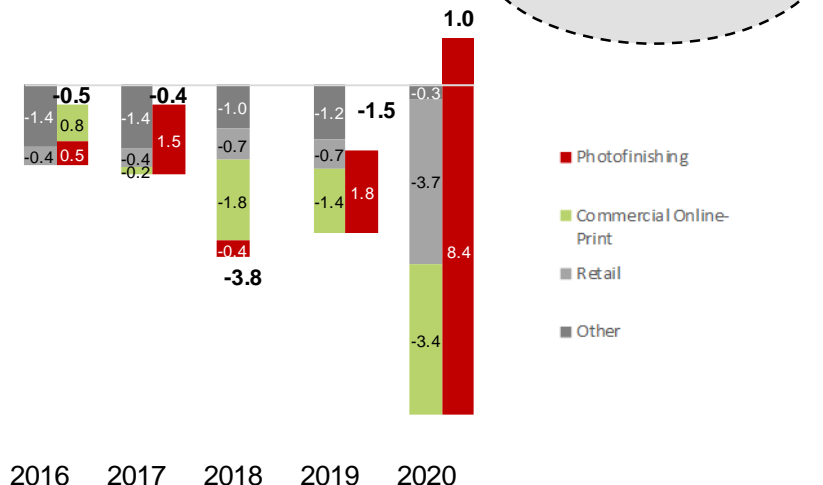
> Photofinishing overcompensates decrease in other segments

EBIT

Q2 in Euro millions



H1 in Euro millions



- Photofinishing increases significantly in Q2, COP and Retail with a more negative contribution to earnings than in the previous year due to the coronavirus and retailing burdened by restructuring and value adjustments on stocks
- Operating profit before special items* considerably increased

* explained in detail in the segment reporting

Rounding differences may occur.



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3. Financial details

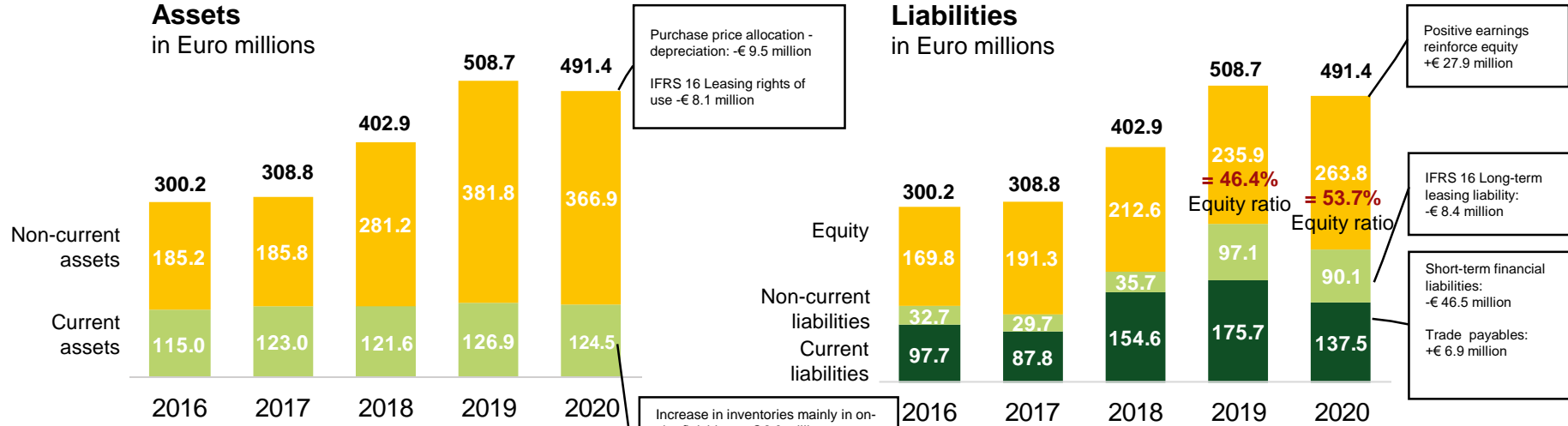
Consolidated profit and loss account Q2

| Figures in millions of euros | Q2 2019 | Q2 2020 | Δ as % | Δ as m€ | |
|--|-------------|--------------|---------------|-------------|--|
| Revenues | 134.2 | 130.6 | -2.7% | -3.6 | → Increase of turnover in Photofinishing does not quite balance corona driven decrease in segments Commercial Online-Print and Retail |
| Increase / decrease in finished and unfinished goods | -0.1 | 0.1 | 172% | 0.2 | |
| Other own work capitalised | 0.2 | 0.4 | 105% | 0.2 | |
| Other operating income | 4.9 | 4.2 | -14.2% | -0.7 | |
| Cost of materials | -40.7 | -33.5 | -17.6% | 7.2 | → (+) Cost of material following reduced turnovers in Retail and Commercial Online-Printing |
| Gross profit | 98.4 | 101.7 | 3.4% | 3.3 | |
| Personnel expenses | -44.8 | -43.4 | 3.1% | 1.4 | → (+) Cost containment (e.g. delayed replacement, overtime reduction, short-time allowance) |
| Other operating expenses | -43.6 | -45.4 | -4.2% | -1.9 | → (+) Integration of Laserline printing facility into Saxoprint production (-) Restructuring retail (-) Acquisition of WhiteWall |
| EBITDA | 10.0 | 12.9 | 28.3% | 2.8 | |
| Amortisation/Depreciation | -13.4 | -13.8 | -3.2% | -0.4 | |
| Earnings before interest, taxes (EBIT) | -3.4 | -1.0 | -71.1% | 2.4 | |
| Financial income | 0.2 | 0.0 | -99.4% | -0.2 | |
| Financial expenses | -0.3 | -0.3 | 0.4% | 0.0 | |
| Financial result | -0.1 | -0.3 | -201% | -0.2 | → (-) Acquisition of WhiteWall (+) Cost containment (e.g. marketing) |
| Earnings before taxes (EBT) | -3.5 | -1.2 | -64.3% | 2.2 | → (-) Mailorder costs |

Rounding differences may occur.

- “Stay-at-home” effect in Photofinishing and broad cost containment – partly initiated last year (Commercial Online-Print) – improve profit situation

Balance Sheet at 30 June



Rounding differences may occur.

- > **Assets reduced due to planned depreciation**
- > **Equity ratio strong at 53.7%, w/o IFRS 16 even at 61.3%**

Increase in inventories mainly in on-site-finishing: +€ 2.3 million

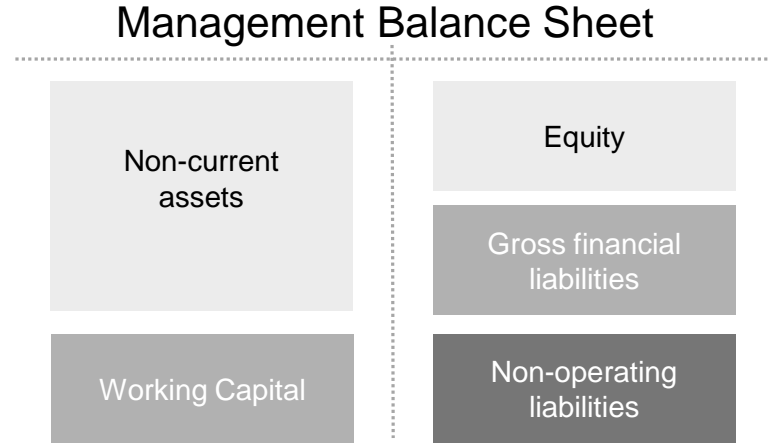
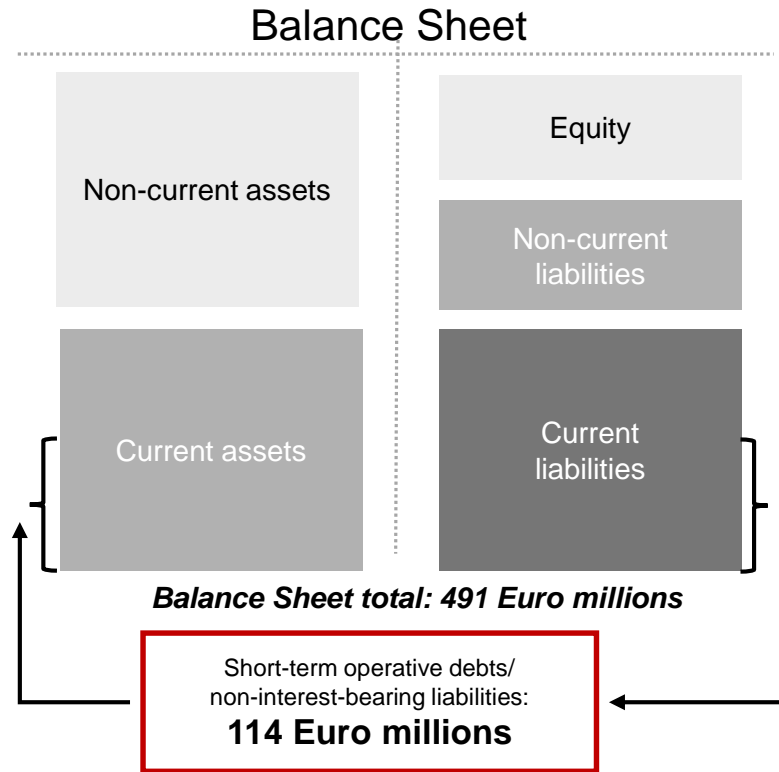
-€ 5.2 million in receivables from income tax refunds resulting from deferred advance tax payments

Trade receivables: -€ 11.7 million Corona-driven reduction.

Cash Position: +€ 11.7 million



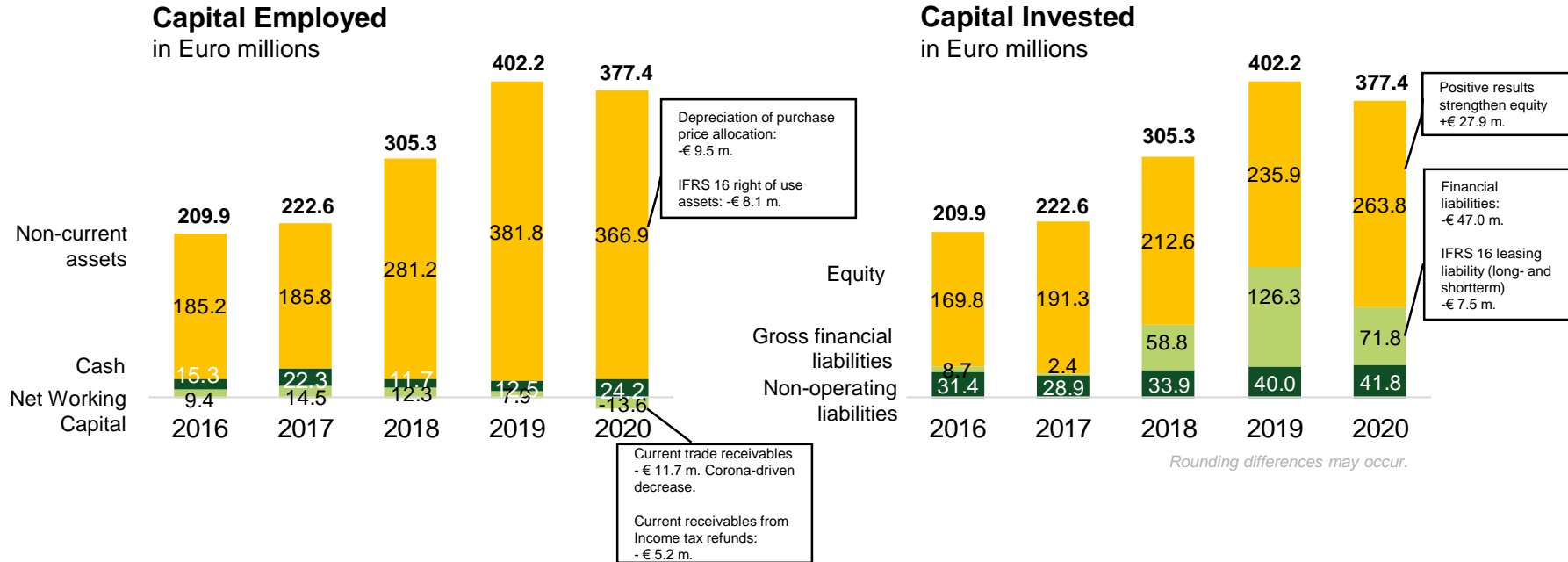
From Balance Sheet to Management Balance Sheet



Balance sheet total: 377 Euro millions

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

Management-Balance Sheet at 30 June



➤ **“Stay-at-home” effect reduces current trade receivables (faster payment methods in Photofinishing and less turnover in Commercial Online-Print and Retail)**

Capital employed I: T-3

| Figures in millions of euros | Mar. 31, 2020 | Jun. 30, 2020 | Δ as % | Δ as m€ | |
|--|---------------|---------------|---------------|-------------|--|
| Property, plant and equipment | 213.6 | 214.6 | 0.5% | 1.0 | → (-) Scheduled depreciation > Investments |
| Investment properties | 17.2 | 17.5 | 1.4% | 0.2 | |
| Goodwill | 77.8 | 77.8 | 0.0% | 0.0 | |
| Intangible assets | 37.2 | 35.0 | -5.9% | -2.2 | → (-) Scheduled depreciation purchase price allocation-assets and software |
| Financial assets | 6.2 | 6.3 | 1.7% | 0.1 | |
| Non-current financial assets | 1.3 | 1.4 | 6.1% | 0.1 | |
| Non-current other receivables and assets | 0.1 | 0.5 | 764% | 0.4 | (+) Paper stock for Onsite Finishing |
| Deferred tax assets | 14.0 | 14.0 | 0.2% | 0.0 | (-) Inventory RETAIL |
| Non-current assets | 367.2 | 366.9 | -0.1% | -0.3 | |
| Inventories | 44.5 | 48.4 | 8.9% | 3.9 | → (-) Receivables from B2B photofinishing as more online business with shorter payment terms |
| Current trade receivables | 35.0 | 29.6 | -15.4% | -5.4 | → (-) Receivables income Commercial Online Print |
| Operating gross working capital | 79.5 | 78.1 | -1.8% | -1.5 | |
| Current trade payables | 55.6 | 59.9 | 7.8% | 4.3 | → (+) Financing inventories for photo kiosks |
| Operating net working capital | 23.9 | 18.2 | -24.1% | -5.8 | |

Rounding differences may occur.

> Corona driven trade receivables reduction reduces net working capital ...

Capital employed II: T-3

| Figures in millions of euros | Mar. 31, 2020 | Jun. 30, 2020 | Δ as % | Δ as m€ | |
|---|---------------|---------------|---------------|-------------|--|
| Current receivables from income tax refunds | 6.2 | 6.9 | 12% | 0.7 | |
| Current financial assets | 3.4 | 4.5 | 32.9% | 1.1 | (+) Claims against social security insurance related to short-time allowance |
| Other Current receivables and assets | 12.2 | 10.9 | -10.7% | -1.3 | (-) VAT claims |
| Other gross working capital | 21.8 | 22.3 | 2.5% | 0.5 | |
| Current tax liabilities | 7.3 | 6.5 | -11.7% | -0.9 | (-) Payment of income tax for previous years |
| Current other accruals | 6.4 | 7.2 | 12.3% | 0.8 | (+) Provisions for restructuring RETAIL |
| Current financial liabilities | 8.5 | 6.8 | -20.5% | -1.7 | (-) Payment of purchase price CHEERZ |
| Current other liabilities | 32.0 | 33.6 | 4.9% | 1.6 | (+) Deferral of social security contributions France |
| Other net working capital | -32.6 | -31.8 | -2.4% | 0.8 | |
| Operating net working capital | 23.9 | 18.2 | -24.1% | -5.8 | |
| Other net working capital | -32.6 | -31.8 | -2.4% | 0.8 | |
| Net working capital | -8.6 | -13.6 | -57.7% | -5.0 | |
| Non-current assets | 367.2 | 366.9 | -0.1% | -0.3 | |
| Net working capital | -8.6 | -13.6 | -57.7% | -5.0 | |
| Cash and cash equivalents | 19.7 | 24.2 | 22.7% | 4.5 | |
| Capital employed | 378.2 | 377.4 | -0.2% | -0.8 | |

Rounding differences may occur.

> ... and enhances the cash position at the end of Q2

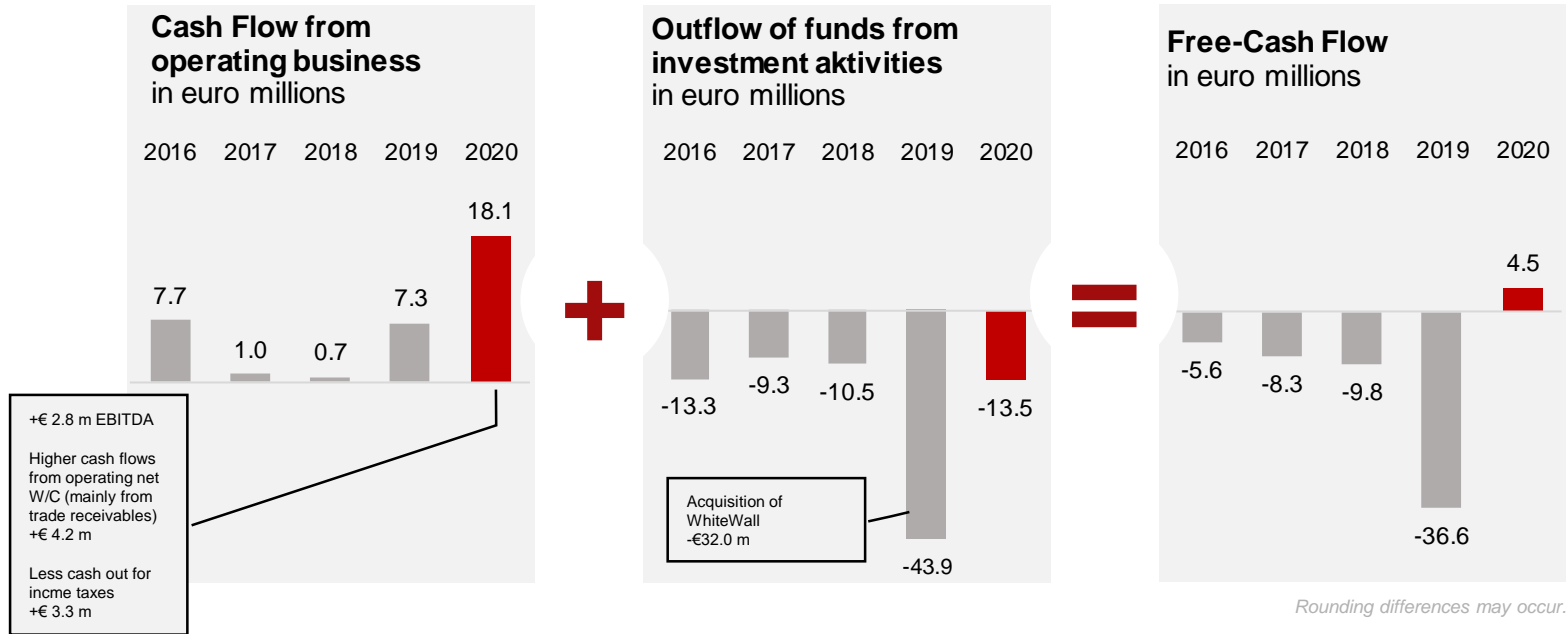
Capital invested: T-3

| <i>Figures in millions of euros</i> | Mar. 31, 2020 | Jun. 30, 2020 | Δ as % | Δ as m€ | |
|--|---------------|---------------|--------------|-------------|---|
| Equity | 263.4 | 263.8 | 0.1% | 0.3 | (+) Positive overall result of the last four quarters |
| Non-current accruals for pensions | 35.9 | 36.3 | 1.2% | 0.4 | (+) Dividend payout for 2019 outstanding |
| Non-current deferred tax liabilities | 3.4 | 2.7 | -19.3% | -0.7 | (-) Release of deferred tax liabilities due to planned depreciation of purchase price allocation assets |
| Non-current other accruals | 0.4 | 0.5 | 3.7% | 0.0 | |
| Non-current financial liabilities | 1.9 | 1.9 | 0.0% | 0.0 | |
| Non-current other liabilities | 0.5 | 0.5 | 0.0% | 0.0 | |
| = non operating liabilities | 42.0 | 41.8 | -0.5% | -0.2 | |
| Non-current interest-bearing financial liabilities | 1.0 | 1.0 | -2.9% | 0.0 | |
| Non-current leasing liabilities | 48.6 | 47.4 | -2.6% | -1.3 | (-) Payment of lease liabilities |
| Current interest-bearing financial liabilities | 12.9 | 12.6 | -2.4% | -0.3 | (+) Accrual for termination payments for lease contracts of restructured RETAIL shops |
| Current leasing liabilities | 10.2 | 10.9 | 6.6% | 0.7 | |
| brutto financial debt | 72.8 | 71.8 | -1.3% | -0.9 | |
| Capital Invested | 378.2 | 377.4 | -0.2% | -0.8 | |

Rounding differences may occur.

➤ **Composition of capital invested nearly unchanged during Q2**

Free cash flow Q2



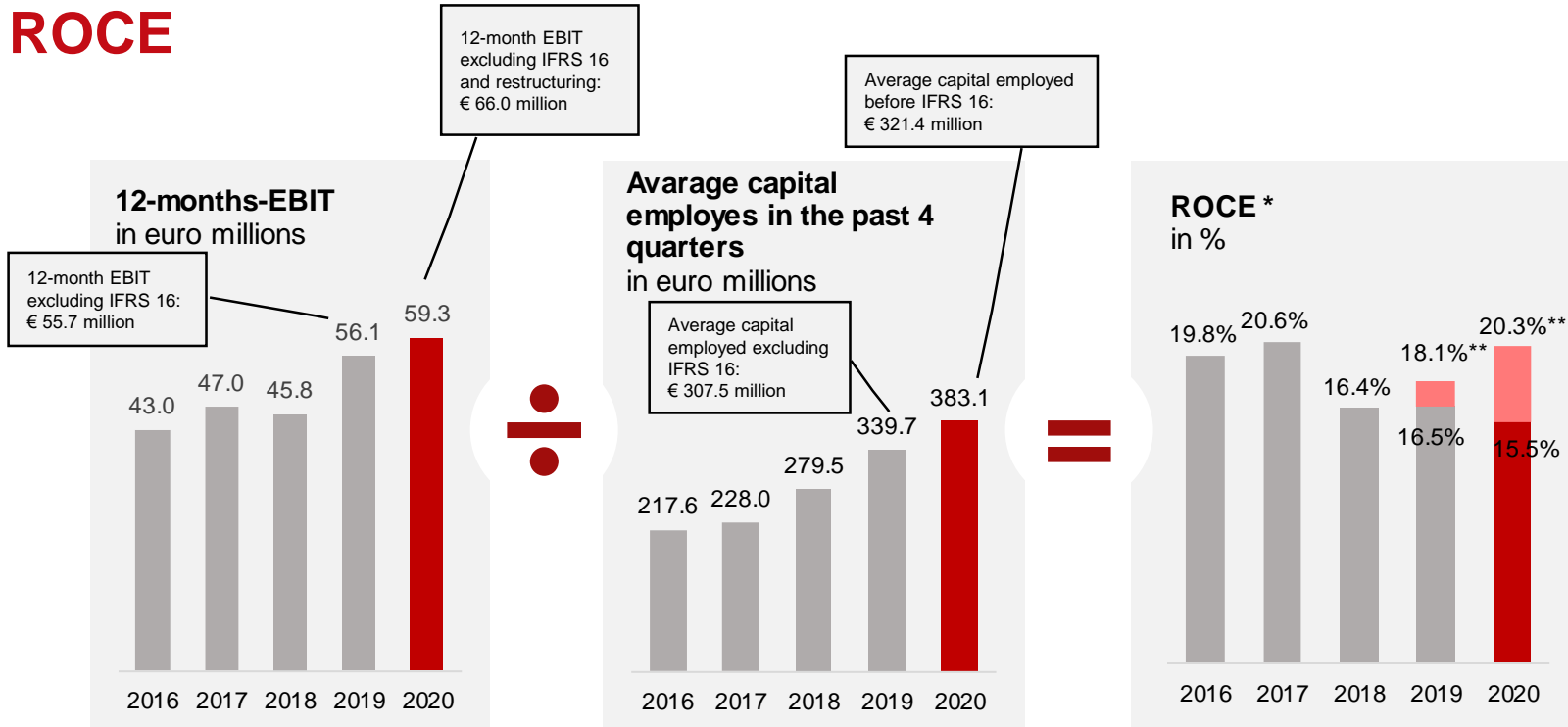
- > **+2.8 Euro million more operational profit plus substantial working capital and tax payment reductions increase cash from operative business**
- > **Investments in fixed assets at regular level after acquisition of WhiteWall previous year**
- > **Free cash flow turns positive**

Consolidated free cash flow Q2

| <i>Figures in millions of euros</i> | Q2 2019 | Q2 2020 | Δ in % | Δ as m€ | |
|--|--------------|--------------|--------------|-------------|--|
| EBITDA | 10.0 | 12.9 | 28.3% | 2.8 | → (+) Increased income |
| Non-cash factors | -2.4 | -1.2 | 49.7% | 1.2 | |
| Decrease (+) / increase (-) in operating net working capital | 1.6 | 5.8 | -262% | 4.2 | → (+) Reduction in trade receivables in commercial online printing |
| Decrease (+) in other net working capital (excluding income tax items) | 3.1 | 2.3 | 25.4% | -0.8 | |
| Taxes paid | -5.0 | -1.7 | 66.3% | 3.3 | → (+) Reduction in advance tax payments |
| Interest received | 0.0 | 0.0 | 69.2% | 0.0 | |
| Cash flow from operating activities | 7.3 | 18.1 | -146% | 10.7 | |
| Outflows from investments in fixed assets | -10.8 | -13.8 | -26.9% | -2.9 | → (-) Investments for the roll-out for Boots (UK) |
| Outflows from purchases of consolidated interests / acquisitions | -34.0 | -1.5 | 96% | 32.5 | → (+) Q2 2019 acquisition of WhiteWall |
| Outflows (-) / inflows (+) from investments in financial assets | 0.0 | -0.1 | - | -0.1 | → (-) Payments for put/call options for CHEERZ |
| Outflows (-) / inflows (+) from investments in financial instruments | 0.0 | -0.1 | 664% | -0.1 | |
| Inflows from the sale of property, plant and equipment and intangible assets | 0.9 | 1.9 | -107% | 1.0 | |
| Cash flow from investing activities | -43.9 | -13.5 | 69.2% | 30.4 | |
| Free cash flow | -36.6 | 4.5 | 112% | 41.1 | |

Rounding differences may occur.

ROCE



- > IFRS 16 and the WhiteWall acquisition increase average capital employed to 383.1 million euros
- > Positive development of earnings increases ROCE before IFRS 16 and restructuring to 20.3 %

* ROCE = EBIT / ⌀ Capital Employed. Rounding differences may occur.

** before IFRS 16 balance sheet total increase and restructuring costs



Outlook

Due to corona situation, no targets for 2020 have been set so far

| CEWE | | PY 2019 | Pre-Corona Perspective 2020 |
|--------------------|----------------------|--------------|-----------------------------|
| Photos | billion photos | 2.40 | 2.4 to 2.5 |
| CEWE PHOTO BOOK | millions | 6.62 | 6.7 to 6.9 |
| Investments | Euro millions | 39.3 | 57 |
| Revenue | Euro millions | 714.9 | 725 to 755 |
| EBIT | Euro millions | 57.8 | 58 to 64 |
| EBT | Euro millions | 54.3 | 56.5 to 62.5 |
| Earnings after tax | Euro millions | 31.8 | 38 to 43 |
| Earnings per share | Euro | 4.41 | 5.34 to 5.90 |

- **CEWE is stable and expects to achieve a solid annual result in 2020, as well**
- **How the corona pandemic will continue to impact the company's business in the next few months cannot be predicted reliably – within the usual confidence interval**
- **Q3, in which turnover as a percentage of annual sales has already been declining for years, could see an additional negative impact in 2020 resulting from changed holiday-travel behavior due to the coronavirus**



Baseball Hold | Reza Vahdati | Winner CEWE Photo Award 2019

4. Q&A-Session

Analyst Conference Call Q2 2020

cewe