

HORNBACH Holding AG & Co. KGaA
Group

Q3/9M
2017/2018

Quarterly Statement
as of November 30, 2017

HORNBACH 
Holding

HORNBAACH HOLDING AG & CO. KGaA GROUP

Statement on 3rd Quarter and 1st Nine Months of 2017/2018 (March 1 – November 30, 2017)

Key Figures of the HORNBAACH Holding AG & Co. KGaA Group (in € million, unless otherwise stated)	3 rd Quarter 2017/2018	3 rd Quarter 2016/2017	Change %	Nine Months 2017/2018	Nine Months 2016/2017	Change %
Net sales	1,007.3	968.7	4.0	3,317.6	3,155.4	5.1
of which: in Germany	560.3	555.5	0.9	1,858.9	1,817.9	2.3
of which in other European countries	447.0	413.3	8.2	1,458.7	1,337.5	9.1
Like-for-like sales growth (DIY)	2.7%	3.0%		3.6%	4.0%	
Gross margin as % of net sales	35.6%	35.7%		36.4%	36.3%	
EBITDA	54.4	53.2	2.3	279.6	251.9	11.0
EBIT	29.2	29.8	(1.9)	205.0	182.3	12.4
Adjusted EBIT	28.8	30.0	(4.0)	203.1	181.9	11.7
Consolidated earnings before taxes	21.1	22.8	(7.4)	182.7	160.0	14.2
Consolidated net income	15.8	15.8	(0.1)	135.5	117.7	15.2
Earnings per share (€)	0.92	0.91	1.1	6.94	6.06	14.5
Investments	41.5	43.4	(4.5)	98.3	127.9	(23.2)

Misc. key figures of the HORNBAACH Holding AG & Co. KGaA Group (in € million, unless otherwise stated)	November 30, 2017	February 28, 2017	Change %
Total assets	2,682.5	2,648.3	1.3
Shareholders' equity	1,501.3	1,397.7	7.4
Shareholders' equity as % of total assets	56.0%	52.8%	
Number of employees	19,402	18,835	3.0

Rounding up or down may lead to discrepancies between percentages and totals. Calculation of percentage figures based on € 000s.

Summary

- Consolidated sales grow 5.1% to € 3.3 billion in first nine months of 2017/2018
- DIY stores with like-for-like growth of 3.6% – Builders' merchant business increases net sales by 8.2%
- Nine-month consolidated operating earnings (EBIT) up 12.4% to € 205.0 million
- Full-year sales and earnings forecasts for 2017/2018 confirmed

The HORNBAACH Holding AG & Co. KGaA Group (HORNBAACH Group) is on course to meet its full-year forecast given its business performance in the fall quarter (September 1 to November 30, 2017). Sales in the third quarter of 2017/2018 grew 4.0% to € 1,007.3 million. Cumulatively for the first nine months, consolidated sales rose 5.1% to € 3,317.6 million. The international HORNBAACH DIY stores with garden centers continued to act as the key growth driver in the current financial year, while the German stores reported less dynamic sales growth. The HORNBAACH Baustoff Union GmbH subgroup also posted pleasing growth rates. Mainly due a slightly lower gross margin, the consolidated operating earnings (EBIT) of € 29.2 million in the third quarter fell slightly short of the previous year's figure of € 29.8 million (minus 1.9%). EBIT for the nine-month period rose 12.4% to € 205.0 million. This was largely driven by like-for-like sales growth (DIY) shaped by the particularly dynamic performance in the first quarter, as well as by a slight rise in the gross margin and more favorable cost ratios in the nine-month period as a whole. The full-year sales and earnings forecast of the HORNBAACH Group for 2017/2018 has been confirmed.

Earnings, Financial, and Net Asset Situation

The HORNBAACH Holding AG & Co. KGaA Group comprises the HORNBAACH Baumarkt AG, HORNBAACH Baustoff Union GmbH, and HORNBAACH Immobilien AG subgroups.

Seasonal and calendar-related fluctuations

Weather conditions were slightly less favorable for the retail business in Germany and the eight countries in the Other European countries region in the third quarter (Q3) of the 2017/2018 financial year than in same period in the previous year. The volume of precipitation exceeded long-term averages across large parts of Europe. The third quarter of 2017/2018 had a group-wide average of 0.9 business days fewer than the previous year's period. For the first nine-months of 2017/2018, this resulted in an average year-on-year shortfall of 1.8 business days.

Sales performance of the HORNBAACH Group

Consolidated sales grew by 4.0% to € 1,007.3 million in the third quarter of 2017/2018 (2016/2017: € 968.7 million) and by 5.1% to € 3,317.6 million in the first nine months (2016/2017: € 3,155.4 million).

HORNBAACH Baumarkt AG subgroup

We opened two new DIY megastores with garden centers in the first nine months. Since April 2017, HORNBAACH has operated a store with sales areas of around 12,300 m² in The Hague (Netherlands). This was joined in November 2017 by a further location of almost 10,000 m² in Halle (Saale). We closed our store in Hanau at the end of October 2017 as the requirements for extending and modernizing the store were not met. Moreover, we launched two further online stores in Slovakia (August 2017) and Sweden (October 2017). As of November 30, 2017, HORNBAACH operated 156 retail stores (February 28, 2017: 155), of which an unchanged total of 98 stores in Germany, 58 stores in other European countries, and eight online stores.

Net sales at this subgroup grew by 4.0% to € 936.5 million in the third quarter of 2017/2018 (2016/2017: € 900.9 million), with a similar level of sales momentum to that in the second quarter. **On a like-for-like basis and net of currency items** [→ Glossary on Page 7], consolidated sales rose by 2.7% in the third quarter (including currency items: plus 2.4%). In the nine-month period, we improved our consolidated sales by 4.9% to € 3,109.6 million (2016/2017: € 2,963.4 million). On a like-for-like basis, group-wide net sales rose by 3.6% excluding and by 3.5% including currency items. From a geographical perspective, both the Germany region and the Other European countries region contributed to this growth.

The table below presents key sales performance data for the first three quarters of 2017/2018:

Key figures of the HORNBAACH Baumarkt AG subgroup (in € million, unless otherwise stated)	1 st Quarter 2017/2018	2 nd Quarter 2017/2018	3 rd Quarter 2017/2018	Nine Months 2017/2018
Net sales at subgroup	1,130.3	1,042.7	936.5	3,109.6
Year-on-year change (in %)	6.7	3.9	4.0	4.9
Like-for-like sales growth (in %) ¹⁾	5.4	2.6	2.7	3.6
Net sales in Germany region	613.4	552.7	492.2	1,658.4
Year-on-year change (in %)	3.6	0.3	0.5	1.6
Like-for-like sales growth (in %)	3.8	0.3	0.5	1.6
Domestic share of consolidated sales (in %)	54.3	53.0	52.6	53.3
Net sales in Other European countries region	516.9	490.0	444.3	1,451.3
Year-on-year change (in %)	10.7	8.3	8.1	9.1
Like-for-like sales growth (in %) ¹⁾	7.5	5.3	5.4	6.1
International share of consolidated sales (in %)	45.7	47.0	47.4	46.7

¹⁾ Excluding currency items

HORNBACK Baustoff Union GmbH subgroup

The HORNBACK Baustoff Union GmbH (HBU) subgroup, which focuses on the needs of professional customers in its key target groups in the main construction and subconstruction trades, as well as on private construction clients, increased its sales by 4.1% to € 70.2 million in the third quarter of 2017/2018 (2016/2017: € 67.4 million). Sales for the nine-month period rose by 8.2% to € 206.3 million (2016/2017: € 190.7 million). HBU opened two new outlets in the third quarter of 2017, of which one in Worms (September) and one in Baumholder (November). As of November 30, 2017, this subgroup therefore operated 27 builders' merchants outlets in south-western Germany and at two locations close to the border in France (Lorraine).

Earnings performance

Key figures of the HORNBACK Holding AG & Co. KGaA Group (in € million, unless otherwise stated)	3 rd Quarter 2017/2018	3 rd Quarter 2016/2017	Change in %	Nine Months 2017/2018	Nine Months 2016/2017	Change in %
Net sales	1,007.3	968.7	4.0	3,317.6	3,155.4	5.1
Gross profit	358.8	346.1	3.7	1,206.9	1,145.2	5.4
Gross margin as % of net sales ¹⁾	35.6	35.7	(10 bp)	36.4	36.3	10 bp
EBITDA [↔ Glossary on Page 7]	54.4	53.2	2.3	279.6	251.9	11.0
Operating earnings (EBIT)	29.2	29.8	(1.9)	205.0	182.3	12.4
Non-operating income	0.4	-		1.9	0.7	
Non-operating expenses	-	0.2		-	0.3	
Adjusted EBIT [↔ Glossary on Page 7]	28.8	30.0	(4.0)	203.1	181.9	11.7
Consolidated net income	15.8	15.8	(0.1)	135.5	117.7	15.2
Store expenses as % of net sales ¹⁾	27.8	27.7	10 bp	25.6	26.0	(40 bp)
Pre-opening expenses as % of net sales ¹⁾	0.1	0.1	0 bp	0.1	0.1	0 bp
Administration expenses as % of net sales ¹⁾	5.1	5.1	0 bp	4.8	4.6	20 bp

¹⁾ Year-on-year change in base points (bp)

The following information refers to the earnings performance of the overall HORNBACK Holding AG & Co. KGaA Group.

3rd quarter of 2017/2018 (September 1 to November 30, 2017)

Key data concerning the earnings performance in the third quarter:

- Gross profit showed slightly less marked growth than sales in 2017/2018, rising by 3.7% to € 358.8 million (2016/2017: € 346.1 million). As a result, the gross margin decreased slightly from 35.7% to 35.6%. The reduction in the **gross margin** [↔ [Glossary](#) on Page 8] was mainly due to higher procurement prices partly resulting from exchange rate factors in the retail business at the HORNBACK Baumarkt AG subgroup.
- Selling and store expenses rose by 4.5%, and thus slightly faster than sales, in the period under report. The **store expense ratio** [↔ [Glossary](#) on Page 8] showed a correspondingly slight increase from 27.7% to 27.8%.
- General and administration expenses rose by 4.1%, and thus slightly faster than sales, a development due in particular to the disproportionate increase in expenses incurred to expand e-commerce activities at the HORNBACK Baumarkt AG subgroup. As in the previous year, the **administration expense ratio** [↔ [Glossary](#) on Page 8] came to 5.1%.
- **EBITDA** increased by 2.3% to € 54.4 million in the third quarter of 2017/2018 (2016/2017: € 53.2 million).
- Consolidated operating earnings (**EBIT**) fell by 1.9% to € 29.2 million (2016/2017: € 29.8 million). Non-operating income amounted to € 0.4 million in the third quarter, resulting in **adjusted operating earnings** (adjusted EBIT) of € 28.8 million (2016/2017: € 30.0 million).

- Mainly as a result of negative currency items, **net financial expenses** fell from minus € 7.0 million to minus € 8.1 million.
- **Consolidated earnings before taxes** fell by 7.4% to € 21.1 million (2016/2017: € 22.8 million).
- At € 15.8 million, **consolidated net income** was at the previous year's level. **Earnings per Holding share** came to € 0.92 in the third quarter of 2017/2018 (2016/2017: € 0.91).

1st nine months of 2017/2018

Following strong growth in the first half of the year, **operating earnings (EBIT)** for the nine-month period in 2017/2018 grew by 12.4% to € 205.0 million (2016/2017: € 182.3 million). **Adjusted operating earnings** showed cumulative growth of 11.7% to € 203.1 million (2016/2017: € 181.9 million).

At minus € 22.3 million, **net financial expenses** were roughly at the previous year's level. **Consolidated earnings before taxes** rose by 14.2% to € 182.7 million (2016/2017: € 160.0 million). Based on a tax rate of 25.8% (2016/2017: 26.5%), **consolidated net income** showed substantial growth of 15.2% to € 135.5 million (2016/2017: € 117.7 million). Cumulative **earnings per Holding share** came to € 6.94 (2016/2017: € 6.06).

Earnings performance by segment

- Operating earnings (EBIT) at the **HORNBACH Baumarkt AG subgroup** fell by 10.2% to € 12.2 million in Q3 2017/2018 (2016/2017: € 13.6 million). EBIT for the nine month period rose by 15.6% to € 153.7 million (2016/2017: € 133.0 million). Further details on the earnings performance can be found in the quarterly statement separately published by the HORNBACH Baumarkt AG subgroup.
- At € 8.8 million, nine-month EBIT at the **HORNBACH Baustoff Union GmbH subgroup** was slightly ahead of the previous year's figure (€ 8.7 million).
- Nine-month EBIT at the **HORNBACH Immobilien AG subgroup** rose by 2.4% to € 44.9 million (2016/2017: € 43.8 million). This earnings growth was chiefly attributable to higher disposal gains from the sale of land, which rose to € 1.8 million (2016/2017: € 0.7 million).

Financial and asset situation

Investments fell from € 127.9 million in the previous year's period to € 98.3 million in the first nine months of the current 2017/2018 financial year, with this reduction mainly being due to a lower volume of investments in land and buildings. Overall, land and buildings accounted for around 56% of total investments (2016/2017: 70%). The remaining investments were channeled into plant and office equipment at new and existing stores and intangible assets (mainly IT software). Investments were fully financed by the cash flow of € 188.8 million from operations (2016/2017: € 223.4 million). Information about the financing and investing activities of the HORNBACH Group can be found in the cash flow statement on Page 12.

Total assets grew to € 2,682.5 million as of November 30, 2017, up 1.3% on the balance sheet date on February 28, 2017. The significant increase in cash and cash equivalents by € 44.0 million was largely due to the complete reclassification back to cash of current financial assets, which at the balance sheet date had still amounted to € 30.0 million. Shareholders' equity as reported in the balance sheet rose to € 1,501.3 million, up 7.4% compared with the balance sheet date. The **equity ratio** (↪ [Glossary](#) on Page 8) rose from 52.8% to 56.0% as of November 30, 2017. **Net financial debt** (↪ [Glossary](#) on Page 8) fell from € 476.2 million (including current financial assets) to € 407.5 million as of November 30, 2017.

Other Disclosures

Employees

The HORNBAACH Holding AG & Co. KGaA Group had a total of 19,402 employees across Europe at the reporting date on November 30, 2017 (February 28, 2017: 18,835).

Contingent liabilities and other financial obligations

These mainly involve obligations for rental, hiring, leasehold and leasing contracts for which the companies of the HORNBAACH Holding AG & Co. KGaA Group do not constitute the economic owners of the assets thereby leased pursuant to IFRS regulations (operating lease). These amounted to € 585.1 million at the end of the third quarter as of November 30, 2017 (February 28, 2017: € 596.9 million).

Information about figures stated

The figures reported have been rounded up or down to the nearest million euro amounts. Discrepancies may therefore arise between the various figures presented. Percentages have been calculated on the basis of thousand euro amounts.

Outlook

The outlook and other statements made concerning the expected performance of the Group in the 2017/2018 financial year have not changed materially compared with the assessments published in the 2016/2017 Annual Report of the HORNBAACH Holding AG & Co. KGaA Group.

The Board of Management can confirm the sales and earnings forecast for the 2017/2018 financial year published on Pages 93 to 96 of the 2016/2017 Annual Report.

Accordingly, the company still expects to generate consolidated sales growth in a medium single-digit percentage range. With regard to the earnings forecast, the company still expects its consolidated operating earnings (EBIT) to match or slightly exceed the figure for the previous year (€ 156.8 million) and its EBIT net of non-operating earnings items to roughly match the figure for the 2016/2017 financial year (€ 159.8 million).

Glossary of Alternative Key Performance Figures

In this quarterly statement we also refer to the following alternative key performance figures that are not defined under IFRS to comment on our asset, financial, and earnings situation. These figures should also be viewed in the overall context of the information published in the Annual Report concerning the Group's management system.

Like-for-like sales net of currency items (change in %)	<i>Alternative key performance figure to measure the operating business performance and indicate the organic growth achieved by our retail activities (stationary stores and online shops)</i>	The calculation of like-for-like sales is based on all DIY stores with garden centers that have been in operation for at least one full year. No account is taken of stores newly opened, closed, or subject to substantial conversion measures in the past twelve months. Like-for-like sales are calculated excluding sales tax (net) and based on the local currency for the reporting period under comparison (currency-adjusted). The rate of change in like-for-like sales net of currency items is therefore a performance indicator independent of exchange rate factors. On a euro basis, like-for-like sales are also calculated including currency items for those countries in our European store network that have currencies other than the euro.
EBITDA	<i>Alternative key performance figure to comment on earnings performance</i>	EBITDA stands for earnings before interest, taxes, depreciation and amortization (on property, plant and equipment and on intangible assets). EBITDA is a cash flow-based figure, as depreciation and amortization, which do not impact on liquidity, are added to operating earnings (EBIT).
Adjusted EBIT	<i>Alternative key performance figure to comment on operating earnings performance</i>	This key figure is calculated by deducting non-operating earnings items from earnings before interest and taxes (EBIT). Non-operating expenses (e.g. impairment losses on assets, additions to provisions for onerous contracts) are added to EBIT, while non-operating income (e.g. income from disposal of real estate, income from write-backs of assets impaired in previous years) are deducted from EBIT. The adjusted EBIT figure is therefore particularly useful for comparing the operating earnings performance over time or in forecasts.

Cost ratios	<i>Alternative key performance figures for the development in store, pre-opening, and administration expenses as a percentage of net sales</i>	<p>The store expense ratio is obtained by dividing selling and store expenses by net sales. Selling and store expenses comprise those costs incurred in connection with the operation of stationary DIY stores with garden centers and the online shops. They mainly include personnel expenses, costs of premises, and advertising expenses, as well as depreciation, amortization, and general operating expenses, such as transport expenses, service and maintenance.</p> <p>The pre-opening expense ratio is calculated by dividing pre-opening expenses by net sales. Costs incurred in connection with and upon the construction of a new stationary DIY store with a garden center through to opening are reported as pre-opening expenses. Pre-opening expenses largely comprise personnel expenses, costs of premises, and administration expenses.</p> <p>The administration expense ratio is the quotient of administration expenses and net sales. Administration expenses include all administrative expenses incurred in connection with the operation or construction of stationary DIY stores with garden centers and with the development and operation of online retail (e-commerce) and which cannot be directly allocated to such. They mainly consist of personnel expenses, legal and advisory expenses, depreciation and amortization, costs of premises, and IT, travel, and vehicle expenses. As well as purely administrative expenses, they also include project-related expenses and in particular the expenses incurred for the increasing digitization of our business model (multichannel retail).</p>
Equity ratio	<i>Alternative key performance figure to comment on asset situation</i>	The equity ratio is derived by dividing shareholders' equity as reported in the balance sheet (equity posted) by total capital (balance sheet total).
Net financial debt	<i>Alternative key performance figure to comment on financial situation</i>	Net financial debt is calculated as the total of current and non-current financial debt less cash and cash equivalents and – where applicable – less current financial assets. To avoid negative interest rates on cash deposits, from the beginning of the 2016/2017 financial year part of the company's cash and cash equivalents has been reclassified as near-liquid current financial assets with terms of more than three and up to a maximum of twelve months. These fixed-term deposit investments had been repaid in full as of November 30, 2017. The inclusion of current financial assets in the calculation of net financial debt enhances comparability with the previous period.
Gross margin	<i>Further key performance figure to comment on earnings performance</i>	The gross margin is defined as gross profit (net balance of sales and cost of goods sold) as a percentage of net sales. This key management figure is chiefly influenced by developments in procurement and retail prices, changes in the product mix, and currency items resulting from international procurement.

Income Statement

€ million ¹⁾	3 rd Quarter 2017/2018	3 rd Quarter 2016/2017	Change %	Nine Months 2017/2018	Nine Months 2016/2017	Change %
Sales	1,007.3	968.7	4.0	3,317.6	3,155.4	5.1
Cost of goods sold	648.5	622.6	4.2	2,110.8	2,010.3	5.0
Gross profit	358.8	346.1	3.7	1,206.9	1,145.2	5.4
Selling and store expenses	280.5	268.6	4.5	850.5	821.9	3.5
Pre-opening expenses	0.8	1.2	(30.3)	2.9	4.0	(27.1)
General and administration expenses	51.2	49.2	4.1	157.5	144.4	9.1
Other income and expenses	3.0	2.6	15.1	9.2	7.5	21.9
Earnings before interest and taxes (EBIT)	29.2	29.8	(1.9)	205.0	182.3	12.4
Interest and similar income	0.2	0.2	(6.5)	0.5	0.9	(47.3)
Interest and similar expenses	5.9	6.2	(3.8)	18.6	20.9	(11.4)
Other financial result	(2.4)	(1.0)	>(100)	(4.2)	(2.3)	84.6
Net financial expenses	(8.1)	(7.0)	16.1	(22.3)	(22.3)	(0.3)
Consolidated earnings before taxes	21.1	22.8	(7.4)	182.7	160.0	14.2
Taxes on income	5.3	7.0	(24.1)	47.2	42.3	11.6
Consolidated net income	15.8	15.8	(0.1)	135.5	117.7	15.2
of which: income attributable to shareholders	14.6	14.5	1.1	111.1	97.0	14.5
of which: non-controlling interest	1.2	1.3	(13.2)	24.4	20.7	18.2
Basic/diluted earnings per share (€)	0.92	0.91	1.1	6.94	6.06	14.5

¹⁾ Previous year's figures adjusted; please see "Amendments in statement" in 2016/2017 Annual Report (Page 103).

Statement of Comprehensive Income

€ million	3 rd Quarter 2017/2018	3 rd Quarter 2016/2017	Nine Months 2017/2018	Nine Months 2016/2017
Consolidated net income	15.8	15.8	135.5	117.7
Actuarial gains and losses on defined benefit plans	1.2	6.2	3.2	0.0
Deferred taxes on actuarial gains and losses on defined benefit plans	(0.2)	(1.1)	(0.6)	0.0
Other comprehensive income that will not be recycled at a later date	1.0	5.0	2.6	0.0
Measurement of derivative financial instruments (cash flow hedge)				
Measurement of derivative hedging instruments directly in equity ¹⁾	0.1	(0.1)	0.0	(0.8)
Gains and losses from measurement of derivative financial instruments transferred to profit or loss	0.2	0.2	0.5	1.3
Exchange differences arising on the translation of foreign subsidiaries	(0.4)	(0.1)	(5.7)	(1.0)
Deferred taxes on gains and losses recognized directly in equity	(0.1)	0.0	(0.2)	(0.1)
Other comprehensive income that will be recycled at a later date	(0.3)	(0.1)	(5.4)	(0.7)
Total comprehensive income	16.5	20.7	132.7	116.9
of which: attributable to shareholders	15.0	18.0	108.8	96.0
of which: attributable to non-controlling interest	1.5	2.7	23.9	20.9

¹⁾ Represents the residual value of fair value changes and recognized changes in the value of corresponding hedge instruments in the period under report.

Balance Sheet

Assets	November 30, 2017		February 28, 2017	
	€ million	%	€ million	%
Non-current assets				
Intangible assets	19.3	0.7	15.4	0.6
Property, plant, and equipment	1,606.6	59.9	1,599.8	60.4
Investment property	38.1	1.4	36.2	1.4
Financial assets	0.0	0.0	0.0	0.0
Non-current receivables and other assets	6.0	0.2	5.5	0.2
Deferred tax assets	10.5	0.4	10.1	0.4
	1,680.5	62.6	1,667.0	62.9
Current assets				
Inventories	655.8	24.4	662.0	25.0
Current financial assets	0.0	0.0	30.0	1.1
Trade receivables	38.7	1.4	29.5	1.1
Other current assets	62.4	2.3	53.2	2.0
Income tax receivables	10.8	0.4	15.3	0.6
Cash and cash equivalents	234.0	8.7	190.1	7.2
Non-current assets held for sale and disposal groups	0.3	0.0	1.2	0.0
	1,002.0	37.4	981.2	37.1
	2,682.5	100.0	2,648.3	100.0

Equity and liabilities	November 30, 2017		February 28, 2017	
	€ million	%	€ million	%
Shareholders' equity				
Share capital	48.0	1.8	48.0	1.8
Capital reserve	130.4	4.9	130.4	4.9
Revenue reserves	1,066.2	39.7	981.4	37.1
Equity of shareholders of HORNBACH HOLDING AG & Co. KGaA	1,244.6	46.4	1,159.8	43.8
Non-controlling interest	256.7	9.6	237.9	9.0
	1,501.3	56.0	1,397.7	52.8
Non-current liabilities				
Non-current financial debt	595.2	22.2	620.5	23.4
Provisions for pensions	11.7	0.4	15.2	0.6
Deferred tax liabilities	52.6	2.0	51.9	2.0
Other non-current liabilities	37.9	1.4	36.4	1.4
	697.3	26.0	724.0	27.3
Current liabilities				
Current financial debt	46.3	1.7	75.8	2.9
Trade payables	198.9	7.4	259.3	9.8
Other current liabilities	119.2	4.4	88.4	3.3
Income tax liabilities	39.1	1.5	22.7	0.9
Other provisions and accrued liabilities	80.4	3.0	80.3	3.0
	483.9	18.0	526.5	19.9
	2,682.5	100.0	2,648.3	100.0

Statement of Changes in Equity

Nine Months 2016/2017 € million	Share capital	Capital reserve	Hedging reserve	Cumulative currency translation	Other revenue reserves	Equity attributable to shareholders	Non-controlling interest	Total group equity
Balance at March 1, 2016	48.0	130.4	(1.8)	21.6	906.0	1,104.3	229.3	1,333.6
Consolidated net income					97.0	97.0	20.7	117.7
Actuarial gains and losses on defined benefit plans, net after taxes					0.0	0.0	0.0	0.0
Measurement of derivative financial instruments (cash flow hedge), net after taxes			0.2			0.2	0.1	0.3
Foreign currency translation				(1.1)		(1.1)	0.1	(1.0)
Total comprehensive income	0.0	0.0	0.2	(1.1)	97.0	96.0	20.9	116.9
Dividend distribution					(24.0)	(24.0)	(5.1)	(29.1)
Transactions with shareholders					(0.2)	(0.2)	0.1	(0.2)
Treasury stock transactions					0.1	0.1	0.0	0.1
Balance at November 30, 2016	48.0	130.4	(1.6)	20.5	978.9	1,176.1	245.2	1,421.3

Nine Months 2017/2018 € million	Share capital	Capital reserve	Hedging reserve	Cumulative currency translation	Other revenue reserves	Equity attributable to shareholders	Non-controlling interest	Total group equity
Balance at March 1, 2017	48.0	130.4	(1.5)	22.4	960.5	1,159.8	237.9	1,397.7
Consolidated net income					111.1	111.1	24.4	135.5
Actuarial gains and losses on defined benefit plans, net after taxes					2.0	2.0	0.6	2.6
Measurement of derivative financial instruments (cash flow hedge), net after taxes			0.3			0.3	0.0	0.3
Foreign currency translation				(4.5)		(4.5)	(1.2)	(5.7)
Total comprehensive income	0.0	0.0	0.3	(4.5)	113.1	108.8	23.9	132.7
Dividend distribution					(24.0)	(24.0)	(5.1)	(29.1)
Treasury stock transactions					0.0	0.0	0.0	(0.1)
Balance at November 30, 2017	48.0	130.4	(1.2)	17.9	1,049.5	1,244.6	256.7	1,501.3

Cash Flow Statement

€ million	Nine Months 2017/2018	Nine Months 2016/2017
Consolidated net income	135.5	117.7
Depreciation and amortization of non-current assets	74.7	69.6
Change in provisions	2.6	3.2
Gains/losses on disposals of non-current assets and of non-current assets held for sale	(2.4)	(0.3)
Change in inventories, trade receivables and other assets	(13.7)	4.1
Change in trade payables and other liabilities	(11.2)	27.8
Other non-cash income/expenses	3.2	1.3
Cash flow from operating activities	188.8	223.4
Proceeds from disposal of non-current assets and of non-current assets held for sale	7.8	3.4
Payments for investments in property, plant, and equipment	(91.3)	(123.3)
Payments for investments in intangible assets	(6.9)	(4.5)
Cash received/paid for investments in connection with short-term finance planning	30.0	(60.0)
Cash flow from investing activities	(60.5)	(184.5)
Dividends paid	(29.1)	(29.1)
Proceeds from taking up long-term debt	0.0	7.5
Repayment of long-term debt	(24.9)	(102.4)
Change in ownership interest in a subsidiary without a change in control	0.0	(0.1)
Change in current financial debt	(28.9)	(12.9)
Cash flow from financing activities	(82.8)	(137.0)
Cash-effective change in cash and cash equivalents	45.4	(98.1)
Change in cash and cash equivalents due to changes in exchange rates	(1.5)	0.0
Cash and cash equivalents at March 1	190.1	349.7
Cash and cash equivalents at November 30	234.0	251.6

Segment Report

Nine Months 2017/2018 in € million Nine Months 2016/2017 in € million	HORNBACH Baumarkt AG subgroup	HORNBACH Baustoff Union GmbH subgroup	HORNBACH Immobilien AG subgroup	Headquarters and consolidation	HORNBACH Holding AG & Co. KGaA Group
Segment sales	3,109.6	206.2	59.7	(57.9)	3,317.6
	2,963.4	190.7	59.3	(57.9)	3,155.4
Sales to third parties	3,108.6	206.1	0.0	0.0	3,314.7
	2,962.1	190.1	0.0	0.0	3,152.3
Sales to affiliated companies	0.0	0.1	0.0	(0.1)	0.0
	0.0	0.5	0.0	(0.5)	0.0
Rental income from third parties	1.0	0.0	1.9	0.0	2.9
	1.2	0.0	1.9	0.0	3.1
Rental income from affiliated companies	0.0	0.0	57.8	(57.8)	0.0
	0.0	0.0	57.4	(57.4)	0.0
Segment earnings (EBIT)	153.7	8.8	44.9	(2.4)	205.0
	133.0	8.7	43.8	(3.2)	182.3
Depreciation and amortization/write-ups	59.5	4.8	10.3	0.0	74.6
	55.2	3.9	10.4	0.0	69.6
EBITDA	213.2	13.6	55.2	(2.4)	279.6
	188.2	12.6	54.3	(3.2)	251.9
Segment assets	1,995.4	176.4	473.9	15.6	2,661.3
	1,995.9	159.6	483.9	29.1	2,668.3
of which: credit balances at banks	152.4	1.8	37.0	20.5	211.7
	173.1	3.9	27.1	24.2	228.3

Reconciliation in € million	Nine Months 2017/2018	Nine Months 2016/2017
Segment earnings (EBIT) before "Headquarters and consolidation"	207.4	185.5
Headquarters	(2.6)	(2.6)
Consolidation adjustments	0.3	(0.6)
Net financial expenses	(22.3)	(22.3)
Consolidated earnings before taxes	182.7	160.0

FINANCIAL CALENDAR 2018

March 22, 2018	Trading Statement 2017/2018
May 24, 2018	Annual Results Press Conference 2017/2018 Publication of Annual Report
June 22, 2018	Quarterly Statement: 1 st Quarter of 2018/2019 as of May 31, 2018
July 6, 2018	Annual General Meeting Festhalle Landau, Landau/Pfalz
September 27, 2018	Half-Year Financial Report 2018/2019 as of August 31, 2018 DVFA Analysts' Conference
December 20, 2018	Quarterly Statement: 3 rd Quarter of 2018/2019 as of November 30, 2018

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