

HORNBACH Baumarkt AG Group

Q3/9M
2021/22

Quarterly Statement
as of November 30, 2021



HORNBACH BAUMARKT AG GROUP

Statement on 3rd Quarter and 1st Nine Months of 2021/22 (March 1 – November 30, 2021)

Key figures of the HORNBACH Baumarkt AG Group (in € million, unless otherwise stated)	Q3 2021/22	Q3 2020/21	Change in %	9M 2021/22	9M 2020/21	Change in %
Net sales	1,299.7	1,275.2	1.9	4,385.0	4,224.2	3.8
of which in Germany	638.6	662.3	(3.6)	2,218.3	2,219.4	(0.1)
of which in other European countries	661.2	612.9	7.9	2,166.7	2,004.8	8.1
Like-for-like sales growth	(0.1)%	19.7%		2.3%	19.5%	
Gross margin as % of net sales	35.0%	35.4%		35.8%	36.0%	
EBITDA	102.2	109.2	(6.4)	523.0	528.8	(1.1)
Earnings before interest and taxes (EBIT)	43.1	52.8	(18.5)	347.4	359.8	(3.5)
Adjusted EBIT	43.1	52.8	(18.5)	347.4	359.8	(3.5)
Consolidated earnings before taxes	31.1	38.0	(18.1)	306.1	316.9	(3.4)
Consolidated net income	25.5	28.2	(9.3)	234.7	238.6	(1.6)
Basic/diluted earnings per share (€)	0.80	0.89	(10.1)	7.38	7.50	(1.6)
Investments	69.0	36.9	87.1	220.4	94.3	>100

Misc. key figures of the HORNBACH Baumarkt AG Group (in € million, unless otherwise stated)	November 30, 2021	February 28, 2021	Change in %
Total assets	4,015.1	3,765.2	6.6
Shareholders' equity	1,476.4	1,254.9	17.7
Shareholders' equity as % of total assets	36.8%	33.3%	
Number of stores	167	163	2.5
Sales area in 000 m ² (based on BHB)	1,974	1,918	2.9
Number of employees	22,993	22,136	3.9

Continued sales growth in Q3 – earnings remain well ahead of pre-pandemic level

- Consolidated sales grew by 1.9% to € 1,299.7 million in third quarter (Q3) of 2021/22 and once again exceed the previous year's record – like-for-like sales in line with last year's strong performance (minus 0.1%)
- Continuing to deliver strong growth in International markets (ex-Germany) in Q3, with year-on-year growth of 7.9% (net sales) – two new DIY stores and garden centers opened in the Netherlands and Switzerland
- Online sales (interconnected retail: ICR) grew by 9.7% in Q3 2021/22; ICR accounted for 17.5% of total DIY sales in the first nine months of the current 2021/22 financial year (2020/21: 13.2%)
- Good product availability despite challenges in supply chain
- At € 43.1 million in Q3 2021/22, adjusted EBIT lower than in previous year (€ 52.8 million), but significantly ahead of pre-pandemic level (2019/20: € 29.4 million)
- Upgraded full-year forecast confirmed for 2021/22: sales growth between 2% and 7%, adjusted EBIT between € 280 million and € 330 million
- HORNBACH Holding AG & Co. KGaA announced its intention to launch a public delisting takeover offer to all shareholders of HORNBACH Baumarkt AG

The HORNBACH Baumarkt AG Group again increased its consolidated net sales in the third quarter of 2021/22 (September 1 to November 30, 2021). With sales growth of 1.9% to € 1,299.7 million, the company exceeded the record sales generated in the third quarter of 2020/21. As a result, nine-month sales grew by 3.8% to € 4,385.0 million (2020/21: € 4,224.2 million).

On a like-for-like basis and net of currency items, consolidated sales were in line with the previous year's strong performance with a reduction of 0.1% in the third quarter of 2021/22. In the nine-month period, the HORNBACH Baumarkt Group generated like-for-like, constant-currency sales growth of 2.3%. Following record growth in the previous year (plus 25.5%), like-for-like sales in Germany fell by 4.3% in Q3 2021/22. In Other European Countries, like-for-like sales net of currency items rose 4.5% against very strong growth of 14.0% in Q3 2020/21.

Sales in the online business (including click & collect) grew by 9.7% to € 175.5 million in Q3 2021/22. In the first nine months of 2021/22, a period which was significantly affected by store closures in the first quarter, online sales rose by 37.5% to € 768.7 million. At the end of the first nine months of the current 2021/22 financial year, ICR sales thus accounted for 17.5% of total sales (2020/21; 13.2%).

Operating earnings adjusted to exclude non-operating earnings items (adjusted EBIT) fell by 18.5% to € 43.1 million in the third quarter of 2021/22 (2020/21: € 52.8 million). Adjusted EBIT nevertheless remained significantly ahead of the figure prior to the pandemic (2019/20: € 29.4 million). At € 347.4 million, nine-month adjusted EBIT was broadly in line with the previous year's figure (€ 359.8 million). The adjusted EBIT margin for the first nine months of 2021/22 stood at 7.9% (2020/21: 8.5%) significantly ahead of pre pandemic levels (2019/20: 5.7%). Nine-month earnings per Baumarkt share are reported at € 7.38 (2020/21: € 7.50).

The sales and earnings forecast of the HORNBACH Baumarkt AG Group for the 2021/22 financial year was updated on December 7, 2021: Consolidated net sales growth is expected to range between 2% and 7%. Adjusted consolidated operating earnings (adjusted EBIT) are expected to be between € 280 million and € 330 million. Given the ongoing unpredictability of the coronavirus pandemic and risk of further sales restrictions, considerable uncertainties remain in the assessment of the Group's business performance for the remainder of the financial year.

On December 20, 2021, HORNBACH Holding AG & Co. KGaA announced its intention to launch a public delisting takeover offer to all shareholders of HORNBACH Baumarkt AG for the acquisition of all outstanding shares not already held by HORNBACH Holding.

Earnings, Financial, and Asset Position

Impact of the coronavirus pandemic on the DIY retail business

Responding to the sharp rise in infection totals in Europe, several countries where HORNBAACH operates reintroduced sales restrictions in the third quarter (September 1 to November 30, 2021). At the end of November, Austria and Slovakia imposed national lockdowns lasting several weeks, which also led to all HORNBAACH stores being temporarily closed to private customers. Commercial customers in both countries were permitted to continue shopping at the stores. In Romania, Austria, and parts of Germany, only those customers who could show proof of vaccination or recent recovery were allowed to enter the stores. In the Netherlands, an evening lockdown requiring retailers to close from 5 p.m. onwards has been in force since November 28, 2021. Click and collect remained available for all customers throughout HORNBAACH's network.

Overview of duration and intensity of sales restrictions in third quarter of 2021/22 (9.1.2021 to 11.30.2021)

Country	Sales restrictions for private customers	No. of stores	Significant exceptions or special regulations
Germany	No significant sales restrictions	98	<ul style="list-style-type: none"> ■ Saxony: Access with proof of vaccination or recovery since 11.22.2021
Austria	Access only with proof of vaccination or recovery: 11.15. to 11.21.2021 Closed to private customers: 11.22. to 11.30.2021	14	<ul style="list-style-type: none"> ■ Open to commercial customers ■ Click and collect/deliver possible
Czech Republic	No sales restrictions	10	
Luxembourg	No sales restrictions	1	
Netherlands	No significant sales restrictions	16	<ul style="list-style-type: none"> ■ Evening lockdown since 11.28.2021: retailers required to close from 5 p.m.
Romania	Access only with proof of vaccination or recovery: 10.25. to 11.30.2021	8	<ul style="list-style-type: none"> ■ Access with proof of vaccination or recovery ■ Click and collect/deliver possible ■ Amended opening hours
Slovakia	Closed to private customers: 11.25. to 11.30.2021	4	<ul style="list-style-type: none"> ■ Open to commercial customers ■ Garden department open to all customers ■ Click and collect/deliver possible ■ Amended opening hours
Sweden	No sales restrictions	8	
Switzerland	No sales restrictions	8	
Group		167	

In the third quarter of the previous year, stores were closed to private customers in Austria (11.17. to 11.30.2020) and the Czech Republic (10.22. to 11.30.2020).

Development in HORNBAACH's store network

Two new DIY stores and garden centers were opened in the third quarter of 2021/22, namely in Apeldoorn (Netherlands) and Sirnach (Switzerland). Furthermore, an existing DIY store and garden center in Kerkrade (Netherlands) was extended to include a new specialist flooring store ("HORNBAACH Vloeren"). As of November 30, 2021, the HORNBAACH Baumarkt AG Group operated a total of 167 retail outlets with total sales areas of 1.97 million m², of which 98 stores in Germany and 69 in other European countries. Two new locations were already added in the second quarter of 2021/22, in this case in Trollhättan (Sweden) and Cluj (Romania).

Seasonal and calendar-related factors

Mostly sunny and dry, the fall offered favorable weather conditions overall for consumers to implement projects in their houses and gardens. There was a group-wide average of 0.3 business days more in the third quarter of the 2021/22 financial year than in the equivalent period in the previous year. Cumulatively for the first nine months of 2021/22 (March 1 to November 30, 2021), there were 1.8 business days more than one year earlier.

Sales performance

Consolidated sales rose by 1.9% to € 1,299.7 million in the third quarter of 2021/22 (2020/21: € 1,275.2 million). On a like-for-like basis and net of currency items [→ [Brief Glossary](#)], Q3 sales decreased by 0.1%, thus almost matching the previous year's high figure (2020/21: plus 19.7%). Including currency items for non-euro countries, namely the Czech Republic, Romania, Sweden, and Switzerland, sales grew by 0.4% (2020/21: plus 19.7%).

In the first nine months of 2021/22, consolidated sales grew by 3.8% to € 4,385.0 million (2020/21: € 4,224.2 million). On a like-for-like basis, group-wide net sales rose by 2.3% excluding and by 2.6% including currency items (2020/21: plus 19.5% in both cases). Based on GfK data for the period from January to October 2021, sales at HORNBACH's DIY stores and garden centers in Germany, Austria, the Netherlands and Switzerland significantly outperformed the DIY sector averages. In the Czech Republic, HORNBACH fell slightly short of the sector average. No sector data is available for the other countries in which HORNBACH operates. International sales accounted for 49.4% of consolidated sales at the end of the first three quarters (2020/21: 47.5%). The following table presents the like-for-like sales performance in the first three quarters of 2021/22:

Like-for-like sales performance¹⁾

(in percent)

2021/22 financial year 2020/21 financial year	1 st Quarter	2 nd Quarter	3 rd Quarter	9 Months
Group	4.3	2.5	(0.1)	2.3
	17.5	21.4	19.7	19.5
Germany	(0.1)	1.7	(4.3)	(0.8)
	24.4	24.1	25.5	24.6
Other European Countries	9.5	3.4	4.5	5.8
	10.3	18.6	14.0	14.3

¹⁾ Excluding currency items

Earnings performance

Key figures of the HORNBACH Baumarkt AG Group	Q3	Q3	Change	9M	9M	Change
(in € million, unless otherwise stated)	2021/22	2020/21	in %	2021/22	2020/21	in %
Net sales	1,299.7	1,275.2	1.9	4,385.0	4,224.2	3.8
Gross profit	454.9	451.2	0.8	1,568.3	1,522.0	3.0
Gross margin as % of net sales	35.0%	35.4%		35.8%	36.0%	
EBITDA	102.2	109.2	(6.4)	523.0	528.8	(1.1)
Earnings before interest and taxes (EBIT)	43.1	52.8	(18.5)	347.4	359.8	(3.5)
Non-operating income	0.0	0.0		0.0	0.0	
Non-operating expenses	0.0	0.0		0.0	0.0	
Adjusted EBIT	43.1	52.8	(18.5)	347.4	359.8	(3.5)
Consolidated earnings before taxes (EBT)	31.1	38.0	(18.1)	306.1	316.9	(3.4)
Consolidated net income	25.5	28.2	(9.3)	234.7	238.6	(1.6)
Store expenses as % of net sales	26.8	26.7		23.7	23.6	
Pre-opening expenses as % of net sales	0.5	0.1		0.3	0.1	
General and administration expenses as % of net sales	4.8	4.6		4.1	4.0	

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

The following comments refer to the earnings performance of the HORNBACH Baumarkt AG Group. Information about the "Retail" and "Real Estate" segments can be found in the segment report on Page 16.

3rd quarter of 2021/22 (September 1 to November 30, 2021)

Key data on the earnings performance of the HORNBACH Baumarkt AG Group in the third quarter are as follows:

- Gross profit showed a slight increase of 0.8 % to € 454.9 million (2020/21: € 451.2 million). The rise in procurement prices could mostly be offset with higher retail prices. The gross margin [↪ [Brief Glossary](#)], i.e. gross profit as a percentage of net sales, amounted to 35.0 % and thus fell slightly short of the previous year's figure (35.4 %).
- Selling and store expenses grew by 2.0 % to € 347.8 million (2020/21: € 340.9 million). The store expense ratio [↪ [Brief Glossary](#)] rose slightly from 26.7 % to 26.8 %. Due to greater expansion activity and new store openings, the pre-opening expense ratio [↪ [Brief Glossary](#)] rose from 0.1 % to 0.5 % (Q3 2020/21: one store opening). Driven in particular by higher material costs, general and administration expenses increased by 5.3 % to € 62.1 million (2020/21: € 59.0 million). The administration expense ratio [↪ [Brief Glossary](#)] rose from 4.6 % to 4.8 %. As in the previous year, store and administration expenses include one-off bonuses distributed to employees to acknowledge the personal commitment they showed during the exceptional conditions caused by the pandemic.
- At € 43.1 million, operating earnings adjusted to exclude non-operating items (adjusted EBIT) did not match the previous year's high level (€ 52.8 million) but were significantly higher than in the financial year prior to the coronavirus pandemic (2019/20: € 29.4 million). As in the previous year, there were no non-operating items in the quarter under report. Adjusted EBIT therefore corresponds to EBIT.
- Due to positive currency items, net financial expenses improved from minus € 14.8 million to minus € 11.9 million. As a result, consolidated earnings before taxes (EBT) came to € 31.1 million (2020/21: € 38.0 million).
- Consolidated net income amounted to € 25.5 million (2020/21: € 28.2 million). Third-quarter earnings per share stood at € 0.80 (2020/21: € 0.89).

9M 2021/22 (March 1 to November 30, 2021)

Thanks to the continued pleasing sales performance, the key earnings figures of the HORNBACH Baumarkt AG Group for the first nine months (March 1 to November 30, 2021) remained significantly ahead of pre-pandemic levels.

At € 347.4 million, operating earnings adjusted to exclude non-operating earnings items (adjusted EBIT) fell 3.5 % short of the previous year's figure (€ 359.8 million) but significantly exceeded the figure for the first nine months of 2019/20 (€ 200.9 million). As in the previous year, no non-operating expenses were incurred in the period under report. Adjusted EBIT therefore corresponds to EBIT. The adjusted EBIT margin amounted to 7.9 % (2020/21: € 8.5 %). Due to positive currency items (2020/21: negative currency items), cumulative net financial expenses improved from minus € 42.9 million to minus € 41.2 million.

Consolidated earnings before taxes amounted to € 306.1 million (2020/21: € 316.9 million). Given a tax rate of 23.3 % (2020/21: 24.7 %), consolidated net income decreased to € 234.7 million (2020/21: € 238.6 million). Cumulative earnings per Baumarkt share stood at € 7.38 (2020/21: € 7.50).

Financial and asset position

The cash flow from operating activities fell from € 574.9 million to € 414.9 million in 9M 2021/22. This was primarily due to the significantly lower inflow of funds from changes in working capital, which fell from € 170.3 million to € 1.3 million. In the first nine months of the previous 2020/21 financial year, trade payables and other liabilities rose by € 134.4 million. This chiefly resulted from the material growth in orders placed with suppliers due to the coronavirus pandemic. Moreover, liabilities were also increased by higher bonus payments to employees. By contrast, in the first nine months of 2021/22 liabilities to suppliers were settled earlier than in the past in order to avoid negative interest rates. Furthermore, liabilities also decreased on account of the lower volume of bonuses than in the previous year. In the period under report, the change in trade payables and other liabilities resulted in an outflow of funds amounting to € 6.8 million.

The outflow of funds for investing activities increased to € 218.1 million in 9M 2021/22 (2020/21: € 92.9 million). Largely due to the company's expansion, investments in land and buildings, plant and office equipment at new and existing stores, and intangible assets (mainly software) increased year-on-year from € 94.3 million to € 130.3 million in the first nine months of 2021/22. Of this total, around 59% was channeled into land and buildings. To optimize liquidity management, an amount of € 90.1 million was invested in short-term securities and cash investments in the period under report (2020/21: € 0.0 million).

The outflow of funds for financing activities, which totaled € 141.3 million (2020/21: € 127.4 million), includes an amount of € 115.3 million for repayments of current and non-current lease liabilities (2020/21: € 105.9 million), dividend payments of € 28.6 million (2020/21: € 21.6 million), incoming payments of € 50.0 million from taking up financial loans (2020/21: € 0.0 million), and outgoing payments of € 47.9 million for the redemption of financial loans (2020/21: € 0.0 million). Information about the financing and investing activities of the HORNBACH Baumarkt AG Group can be found in the cash flow statement on Page 15.

Total assets at the HORNBACH Baumarkt AG Group grew to € 4,015.1 million as of November 30, 2021, up 6.6% compared with the balance sheet date on February 28, 2021 (€ 3,765.2 million). The main reasons for this growth were the increases in property, plant and equipment (plus € 80.2 million), right-of-use assets (plus € 20.9 million), and inventories (plus € 13.2 million). These factors were accompanied by the investments of € 90.1 million in current financial assets (2020/21: € 0.0 million) and an increase in cash and cash equivalents (plus € 57.1 million). Shareholders' equity as posted in the balance sheet rose to € 1,476.4 million, up 17.7% compared with the previous reporting date. The equity ratio [[Brief Glossary](#)] rose significantly to 36.8% (February 28, 2021: 33.3%). Accounting for current financial assets, net financial debt [[Brief Glossary](#)] decreased from € 1,525.2 million to € 1,412.1 million. Excluding current and non-current lease liabilities pursuant to IFRS 16, the Group reported net financial debt of € 119.1 million as of November 30, 2021 (February 28, 2021: € 256.5 million).

Other Disclosures

Employees

A total of 22,993 employees across Europe were in fixed employment at HORNBACH Baumarkt AG or one of its subsidiaries as of the reporting date on November 30, 2021 (February 28, 2021: 22,136).

Statement of figures

Figures have been rounded up or down to the nearest million euro amount. Such rounding up or down may result in minor discrepancies between the various presentations. Percentages have been calculated on the basis of thousand euro figures.

Forecast Business Performance in 2021/22

Expansion

One DIY store and garden center is scheduled to be newly opened in the fourth quarter in Paderborn (Germany). This location will replace an older store that will be closed at the same time.

Sales and earnings forecast

The full-year forecast published on September 30, 2021 in the 2021/22 Half-Year Financial Report was raised on December 7, 2021. The Board of Management expects net sales and consolidated operating earnings adjusted for non-operating earnings items (adjusted EBIT) in the following ranges:

	Adjusted forecast for 2021/22 financial year	Previous forecast for 2021/22 financial year
Growth in net sales	2% – 7%	1% – 5% (upper third of range)
Adjusted EBIT	€ 280 million – € 330 million	€ 240 million – € 278 million (upper third of range)

This corresponds to an adjusted EBIT margin in a range of 5.4 % to 6.0 % in 2021/22. This would significantly exceed the figure for the financial year prior to the pandemic (2019/20: 4.1 %) and the average for the past 20 years (3.6 %).

Events after the Balance Sheet Date

On December 20, 2021, HORNBACH Holding AG & Co. KGaA announced its intention to launch a public delisting takeover offer to all shareholders of HORNBACH Baumarkt AG for the acquisition of all outstanding shares not already held by HORNBACH Holding. The intention is to simplify the capital markets presence of the Group and to remove the inefficiencies of the legacy structure by way of delisting HORNBACH Baumarkt. To this effect, an agreement was signed the same day by both companies. HORNBACH Baumarkt shareholders will have the opportunity to tender their shares at a cash consideration in the subsequent delisting offer by HORNBACH Holding.

The offer document (once available) and other information pertaining to the takeover offer will be made available on the following website: www.pluto-offer.com.

Brief Glossary of 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>Major key performance figure to comment on operating earnings performance</i>	To calculate this key figure, EBIT is adjusted to exclude non-operating earnings items. Non-operating expenses (e.g. impairment losses on assets, expenses due to discontinuation of projects) are added to EBIT, while non-operating income (e.g. income from disposals of properties, income from write-ups of assets impaired in previous years) are deducted. Adjusted EBIT is therefore particularly useful for management purposes and for comparing the operating earnings performance over time or in forecasts.
EBT	<i>Alternative key performance figure to comment on operating earnings performance</i>	Given IFRS 16 lease accounting, consolidated earnings before taxes (EBT) are becoming increasingly important as an alternative key performance figure. EBT is the key earnings figure that shows the impact on the income statement of IFRS 16 effects; these comprise depreciation of right-of-use assets and interest expenses for financial debt.

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, advertising expenses, and general operating expenses (such as transport expenses, service and maintenance), as well as depreciation and amortization.</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 supplies and disposal, 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 and digitalization expenses.</p>
Equity ratio	<i>Alternative key performance figure to comment on asset position</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 position</i>	This key figure is calculated as total current and non-current financial debt less cash and cash equivalents and – where applicable – less current financial assets.
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.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Income Statement

€ million	Q3 2021/22	Q3 2020/21	Change in %	9M 2021/22	9M 2020/21	Change in %
Sales	1,299.7	1,275.2	1.9	4,385.0	4,224.2	3.8
Cost of goods sold	844.8	824.0	2.5	2,816.6	2,702.2	4.2
Gross profit	454.9	451.2	0.8	1,568.3	1,522.0	3.0
Selling and store expenses	347.8	340.9	2.0	1,040.7	998.1	4.3
Pre-opening expenses	5.9	1.7	>100	12.7	3.2	>100
General and administration expenses	62.1	59.0	5.3	179.2	170.3	5.2
Other income and expenses	4.0	3.1	26.1	11.7	9.5	22.7
Earnings before interest and taxes (EBIT)	43.1	52.8	(18.5)	347.4	359.8	(3.5)
Interest and similar income	0.0	0.0	38.5	0.1	0.2	(53.4)
Interest and similar expenses	14.4	14.2	1.6	42.9	41.3	3.6
Other financial result	2.4	(0.7)	>100	1.5	(1.8)	>100
Net financial expenses	(11.9)	(14.8)	(19.5)	(41.2)	(42.9)	(3.9)
Consolidated earnings before taxes	31.1	38.0	(18.1)	306.1	316.9	(3.4)
Taxes on income	5.6	9.8	(43.2)	71.4	78.3	(8.8)
Consolidated net income	25.5	28.2	(9.3)	234.7	238.6	(1.6)
Basic/diluted earnings per share (€)	0.80	0.89	(10.1)	7.38	7.50	(1.6)

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

Balance Sheet

Assets	November 30, 2021		February 28, 2021	
	€ million	%	€ million	%
Non-current assets				
Intangible assets	18.7	0.5	17.0	0.5
Property, plant, and equipment	1,225.3	30.5	1,145.1	30.4
Investment property	8.7	0.2	7.9	0.2
Right-of-use assets	1,196.7	29.8	1,175.8	31.2
Financial assets	9.5	0.2	6.7	0.2
Other non-current receivables and assets	1.3	0.0	1.7	0.0
Deferred tax assets	12.3	0.3	11.3	0.3
	2,472.6	61.6	2,365.4	62.8
Current assets				
Inventories	957.8	23.9	944.6	25.1
Current financial assets	90.1	2.2	0.0	0.0
Trade receivables	16.8	0.4	14.6	0.4
Contract assets	1.7	0.0	1.2	0.0
Other current assets	81.1	2.0	98.3	2.6
Income tax receivables	3.5	0.1	6.5	0.2
Cash and cash equivalents	391.7	9.8	334.6	8.9
	1,542.5	38.4	1,399.8	37.2
	4,015.1	100.0	3,765.2	100.0

Equity and liabilities	November 30, 2021		February 28, 2021	
	€ million	%	€ million	%
Shareholders' equity				
Share capital	95.4	2.4	95.4	2.5
Capital reserve	143.6	3.6	143.6	3.8
Revenue reserves	1,237.4	30.8	1,015.9	27.0
	1,476.4	36.8	1,254.9	33.3
Non-current liabilities				
Non-current financial debt	542.1	13.5	541.6	14.4
Non-current lease liabilities	734.4	18.3	675.4	17.9
Non-current lease liabilities related to affiliated companies	411.6	10.3	453.6	12.0
Pensions and similar obligations	19.5	0.5	19.1	0.5
Deferred tax liabilities	8.7	0.2	10.4	0.3
Other non-current liabilities	40.7	1.0	39.6	1.1
	1,756.9	43.8	1,739.6	46.2
Current liabilities				
Current financial debt	58.8	1.5	49.5	1.3
Current lease liabilities	87.6	2.2	82.2	2.2
Current lease liabilities related to affiliated companies	59.4	1.5	57.5	1.5
Trade payables	231.3	5.8	293.1	7.8
Contract liabilities	44.1	1.1	44.1	1.2
Other current liabilities	131.6	3.3	91.1	2.4
Income tax liabilities	57.6	1.4	25.2	0.7
Other provisions and accrued liabilities	111.4	2.8	127.8	3.4
	781.7	19.5	770.6	20.5
	4,015.1	100.0	3,765.2	100.0

Statement of Changes in Equity

9M 2020/21 in € million	Share capital	Capital reserve	Cumulative currency translation	Other revenue reserves	Total equity
Balance at March 1, 2020	95.4	143.6	47.8	845.2	1,132.1
Consolidated net income				238.6	238.6
Actuarial gains and losses on defined benefit plans, net after taxes				2.8	2.8
Measurement of equity instruments, net after taxes				(3.2)	(3.2)
Exchange differences arising on the translation of foreign subsidiaries			(7.6)		(7.6)
Total comprehensive income			(7.6)	238.2	230.6
Dividend distribution				(21.6)	(21.6)
Treasury stock transactions				(0.2)	(0.2)
Balance at November 30, 2020	95.4	143.6	40.2	1,061.5	1,340.8

9M 2021/22 in € million	Share capital	Capital reserve	Cumulative currency translation	Other revenue reserves	Total equity
Balance at March 1, 2021	95.4	143.6	37.9	978.0	1,254.9
Consolidated net income				234.7	234.7
Actuarial gains and losses on defined benefit plans, net after taxes				1.0	1.0
Measurement of equity instruments, net after taxes				2.8	2.8
Exchange differences arising on the translation of foreign subsidiaries			11.3		11.3
Total comprehensive income			11.3	238.5	249.8
Dividend distribution				(28.6)	(28.6)
Treasury stock transactions	0.0	0.0		0.3	0.4
Balance at November 30, 2021	95.4	143.6	49.2	1,188.2	1,476.4

Cash Flow Statement

€ million	9M 2021/22	9M 2020/21
Consolidated net income	234.7	238.6
Depreciation and amortization of property, plant, and equipment and intangible assets	57.5	55.4
Depreciation of right-of-use assets	118.2	113.6
Change in provisions	1.8	1.7
Gains/losses on disposals of non-current assets and of non-current assets held for sale	(0.7)	(0.7)
Change in inventories, trade receivables and other assets	8.1	36.0
Change in trade payables and other liabilities	(6.8)	134.4
Other non-cash income/expenses	2.1	(4.1)
Cash flow from operating activities	414.9	574.9
Proceeds from disposal of non-current assets and of non-current assets held for sale	2.3	1.4
Payments for investments in property, plant, and equipment	(125.6)	(90.7)
Payments for investments in intangible assets	(4.7)	(3.6)
Repayment of securities and money investments	(90.1)	0.0
Cash flow from investing activities	(218.1)	(92.9)
Dividends paid	(28.6)	(21.6)
Proceeds from taking up long-term debt	50.0	0.0
Repayment of long-term debt	(47.9)	0.0
Repayment of current and non-current lease liabilities	(115.3)	(105.9)
Change in current financial debt	0.5	0.1
Cash flow from financing activities	(141.3)	(127.4)
Cash-effective change in cash and cash equivalents	55.4	354.6
Change in cash and cash equivalents due to changes in exchange rates	1.7	(1.3)
Cash and cash equivalents at March 1	334.6	302.2
Cash and cash equivalents at November 30	391.7	655.4

Segment Report

9M 2021/2 in € million 9M 2020/21 in € million	Retail	Real Estate	Headquarters	Consolidation	HORNBACH Baumarkt AG Group
Segment sales	4,383.9	218.8	0.0	(217.8)	4,385.0
	4,222.1	211.6	0.0	(209.5)	4,224.2
Sales to third parties	4,383.9	0.0	0.0	0.0	4,383.9
	4,222.1	0.0	0.0	0.0	4,222.1
Rental income from third parties	0.0	1.0	0.0	0.0	1.0
	0.0	2.1	0.0	0.0	2.1
Rental income from affiliated companies	0.0	217.8	0.0	(217.8)	0.0
	0.0	209.5	0.0	(209.5)	0.0
EBIT	278.8	86.4	(17.8)	0.0	347.4
	292.5	85.9	(18.6)	0.1	359.8
of which: depreciation and amortization	42.0	126.9	6.8	0.0	175.7
	38.0	123.5	7.5	0.0	169.0
Segment earnings (adjusted EBIT)	278.8	86.4	(17.8)	0.0	347.4
	292.5	85.9	(18.6)	0.1	359.8
EBITDA	320.7	213.3	(11.0)	0.0	523.0
	330.5	209.4	(11.1)	0.1	528.8
Segment assets	1,422.5	2,244.4	332.4	0.0	3,999.3
	1,204.1	2,118.6	517.7	0.0	3,840.3

Reconciliation in € million	9M 2021/22	9M 2020/21
Segment earnings (adjusted EBIT)	347.4	359.8
Net financial expenses	(41.2)	(42.9)
Consolidated earnings before taxes	306.1	316.9

Financial Calendar

January 6-7, 2022	ODDO BHF Forum
January 12, 2022	Commerzbank German Investment Seminar
January 19, 2022	UniCredit/Kepler Cheuvreux German Corporate Conference
February 10, 2022	Hamburger Investorentag (Montega)
March 22, 2022	Trading Statement 2021/22 as of February 28, 2022
May 17, 2022	Annual Report 2021/22 as of February 28, 2022 Annual Results Press Conference for the 2021/22 Financial Year
June 29, 2022	Quarterly Statement: 1 st Quarter of 2022/23 as of May 31, 2022
July 7, 2022	Annual General Meeting of HORNBACH Baumarkt AG
July 8, 2022	Annual General Meeting of HORNBACH Holding AG & Co. KGaA

Updates at: <https://www.hornbach-holding.de/de/calendar.html>

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