



Baseball Hold | Reza Vahdati | Winner CEWE Photo Award 2019



About CEWE

Company Introduction

CEWE Stiftung & Co. KGaA
May 2020

cewe

The CEWE-Group

EUROPE'S LEADING PHOTO SERVICE AND ONLINE PRINTING PROVIDER

From its beginnings in 1912, CEWE has established itself as the first choice as a photo service for anyone looking to make more of their photos. The company's CEWE PHOTOBOOK in particular stands for this, with multiple awards and significantly more than six million copies sold every year. Customers can obtain further personalised photo products through the brands CEWE, WhiteWall and Cheerz, for instance – and from many leading European retailers. These brand worlds inspire customers to produce a wide range of creative designs with their personal photos, and customers entrust the company with around 2.4 billion photos every year.

In addition, for the still young online printing market the CEWE Group has established a highly efficient production system for printed advertising media and business stationery. Billions of quality printing products reliably reach their customers via the distribution platforms SAXOPRINT, CEWE-PRINT.de, LASERLINE and viaprinto every year.

The CEWE Group is committed to a sustainable corporate management philosophy which is also supported by the Neumüllers, the company's founding family and anchor investor, and has been recognised with multiple awards: for its long-term business focus; its fair, partnership-based relationships with customers, employees and suppliers; and for assuming social responsibility while pursuing an environmentally friendly approach and conserving resources. For instance, all CEWE brand products are produced on a climate-neutral basis.

The CEWE Group is present in more than 20 countries, with over 4,000 employees, and its turnover increased to 714.9 million euros in 2019. The CEWE share is listed in the SDAX index.

Key Indicators CEWE-Group



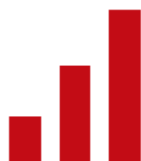
21

European countries¹



27

Distribution
offices



714.9 million euros
Turnover



6.6 million

CEWE
PHOTOBOOKS



4,200

Employees



14

Production plants

18,000

CEWE PHOTOSTATIONS



20,000

Retailers supplied



2.4 billion

Photos produced

Premium Quality with Leading Brands

PHOTOFINISHING

mein
cewe fotobuch

meine
cewe wandbilder

mein
cewe kalender

DeinDesign[®]

meine
cewe sofortfotos

meine
cewe cards

 **WHITE WALL**

CHERZ

RETAIL

cewe
JAPAN PHOTO

FOTOLAB
cewe

FOTOJOKER
cewe

wöltje

COMMERCIAL ONLINE PRINTING

cewe-print.de
Ihr Online Druckpartner

SAXOPRINT
Where print meets passion.

 **viaprinto**
Meine Art zu drucken.

 **LASERLINE**
WE PRINT IT, YOU LOVE IT!

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Business segments of CEWE



* including revenue from the "Other" segment in the amount of EUR 5.5 million

CEWE growth phases

CONCEPTUAL

CEWE continues to grow in 2019

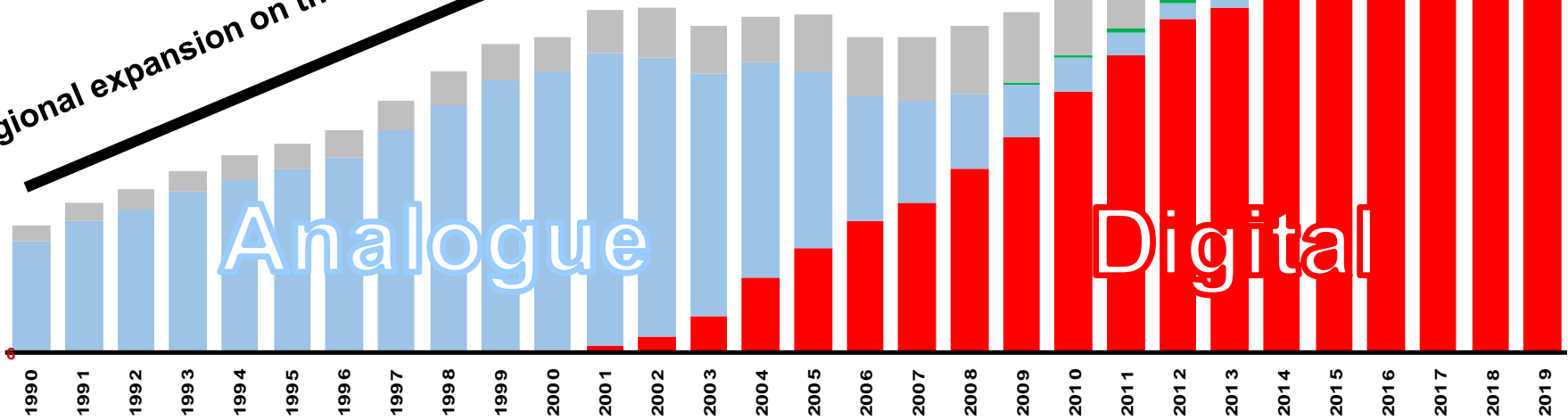
Revenue

- Photofinishing
- Commercial Online-Print
- Hardware Retail

Regional expansion on the analogue market

Transformation phase
Analogue / Digital

Growth through
digital photofinishing
& commercial online print



714.9
EUR mill.





Catching Some Morning Air | Richard Whitson | Winner CEWE Photo Award 2019

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Photofinishing

Retail

Commercial Online-Print

CEWE group

Share

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CEWE products: An extensive range of premium products



» **CEWE offers a 100% satisfaction guarantee on all products**

PRODUCT RANGE

- **CEWE PHOTOBOOK:** 8 formats, 6 paper types, hard and soft covers with special effects
- **Prints:** 6 formats, enlargements, square prints, stickers, retro prints, fine-art prints
- **Wall Art:** 9 different materials, from 20x20cm to 100x150cm, hanging fittings can be included
- **Calendars:** 6 formats, 4 paper types, up to A2 format
- **Cards:** 8 formats, envelopes included, pre-made templates or own customized design
- **Phone cases:** 11 different cases, for almost all phone types, new iPhone and Samsung types available
- **Photo gifts:** 35 products, 8 different mug types, for home and office

20,000 retail partners in Europe



Drugstores	       
Photo retailers	     
High street	      
Grocers	              
Travel business	    
Internet retailers	    

- » CEWE reaches consumers through strong retail brands
- » Retail partners invest in distribution and marketing
- » Retail sales channels with online retailers and system partners

20,000 retail partners in Europe



dm
Partner since **1998**
1.977 Stores

ROSSMANN
Partner since **1996**
2150 Stores

MIGROS
Partner since **1990**
617 Stores

E.LECLERC
Partner since **2001**
569 Stores

EDEKA
Partner since **1979**
11.308 Stores

Kruidvat
Partner since **1991**
1.135 Stores

SUPER U
Partner since **1997**
735 Stores

fnac
Partner since **2004**
160 Stores

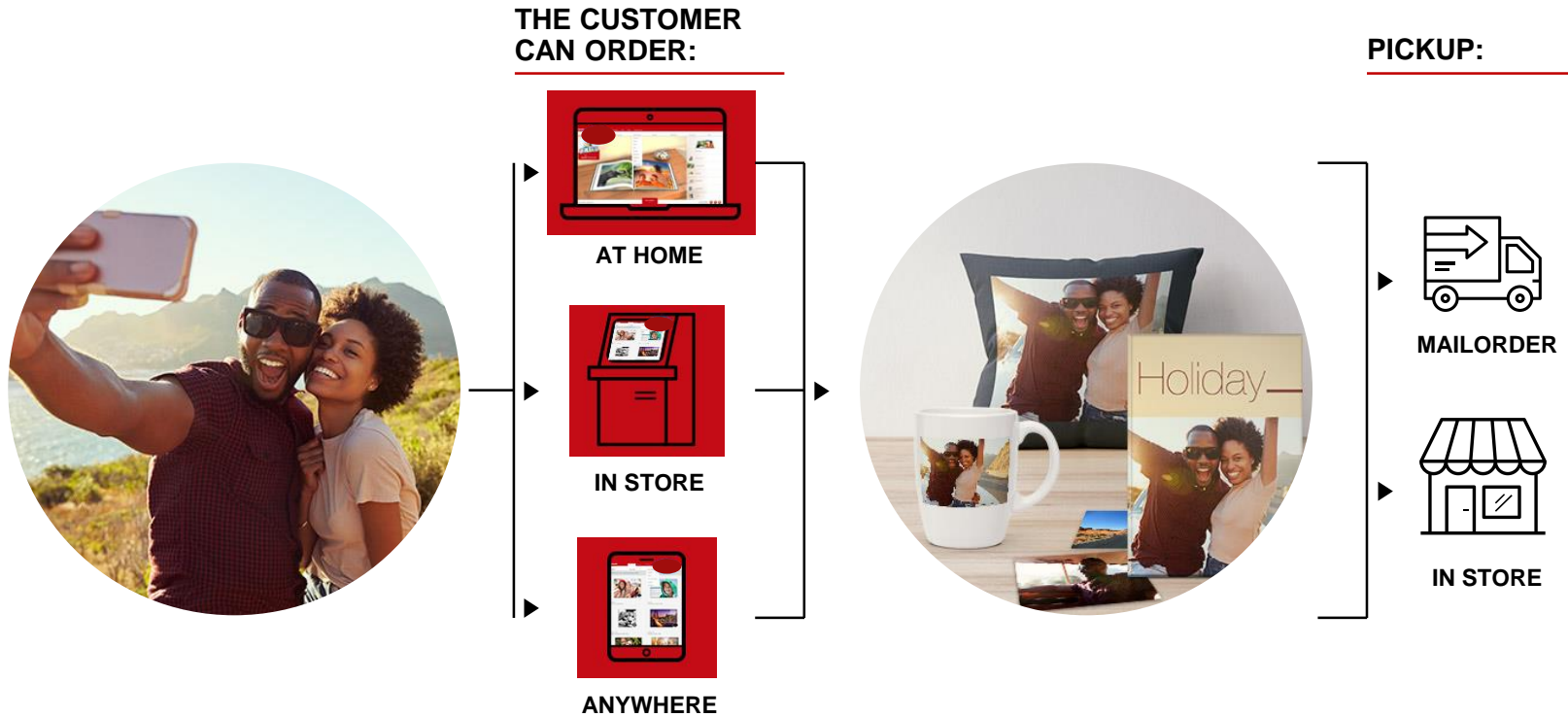
Müller
Partner since **2004**
533 Stores

m
Partner since **1995**
966 Stores

BIPA
Partner since **1986**
600 Stores

teta
Partner since **1999**
500 Stores

Success Factor: CEWE's omni-channel solution



The In-Store solution: On-site Printing via Mobile Devices



meine
cewe sofortfotos

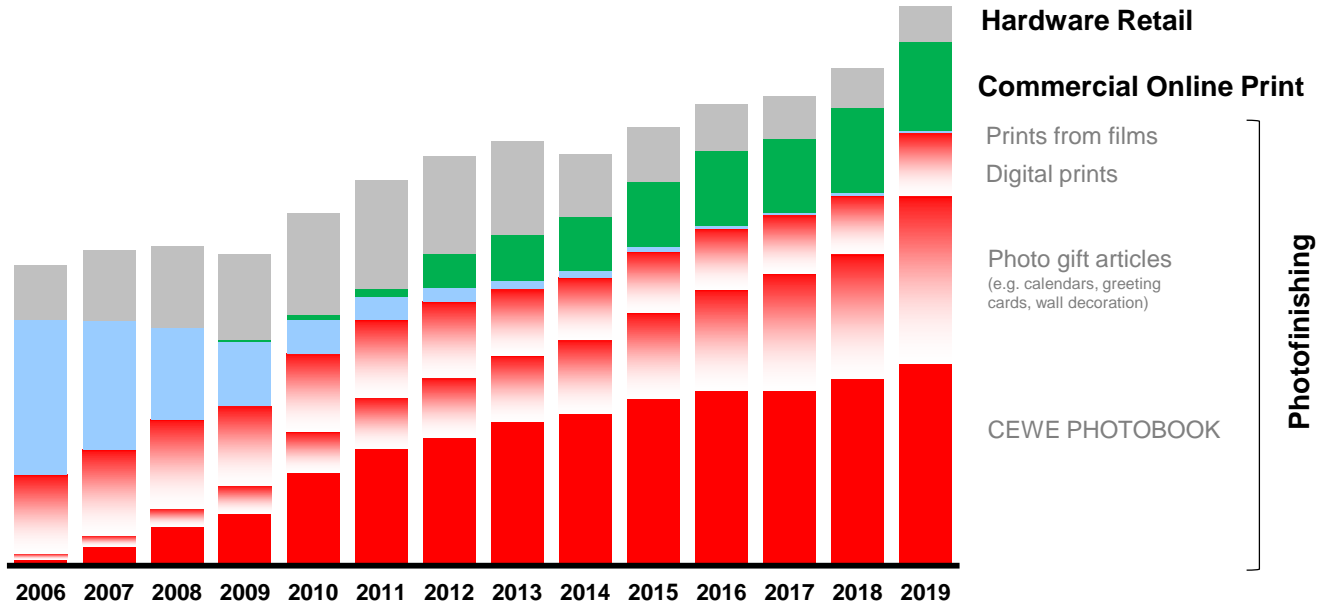


» Instant print orders
placed via mobile devices

Growth in revenue for various product groups

CONCEPTUAL

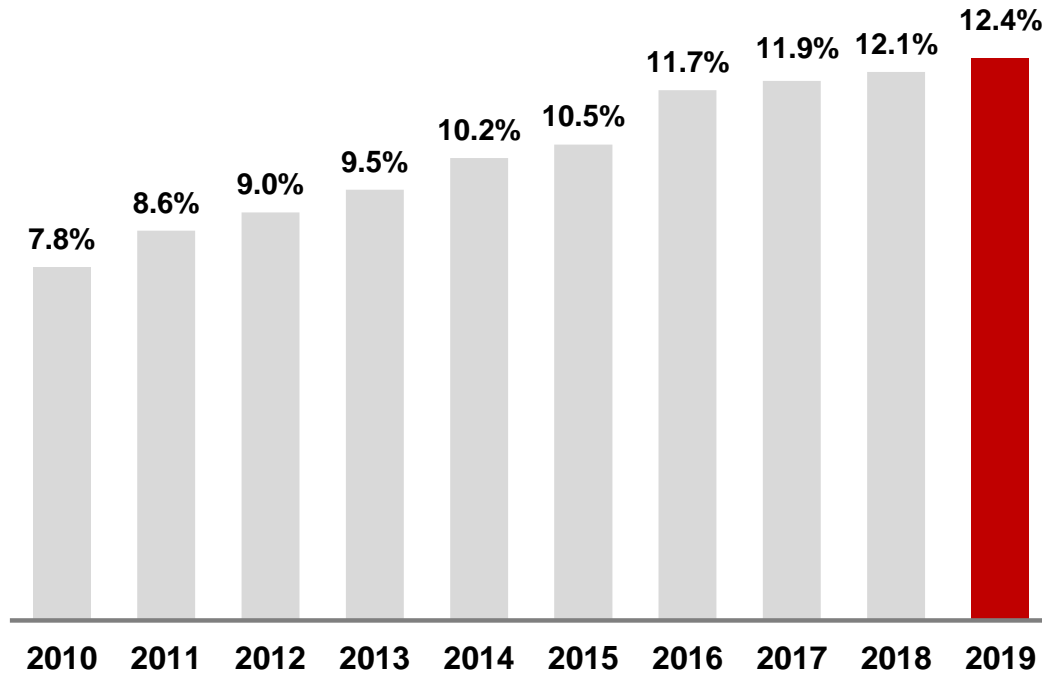
Revenue



» CEWE PHOTOBOOK and photo gift articles replace single-print revenue



Operational Photofinishing EBIT margin* continues to increase



* without special items shown in segment reporting (mainly PPA-effects)

Agenda

Photofinishing

Retail

Commercial Online-Print

CEWE group

Share



The Pool, Revisited | Anders Andersson | Winner CEWE Photo Award 2019

CEWE's retail business



- Retail segment contains hardware revenue only, photofinishing revenue is shown in photofinishing segment
- Own retail business provides an excellent window to the market

Retail strategy



- » Focus on photofinishing products in CEWE-retail shops
- » Adjustments in hardware pricing and product range to improve margins



Earn Your Turns | Christoph Oberschneider | Winner CEWE Photo Award 2019

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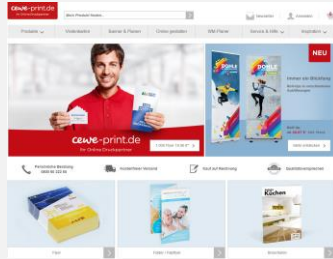


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The CEWE online print brands



Brand awareness CEWE



Industrial Printer



Small editions



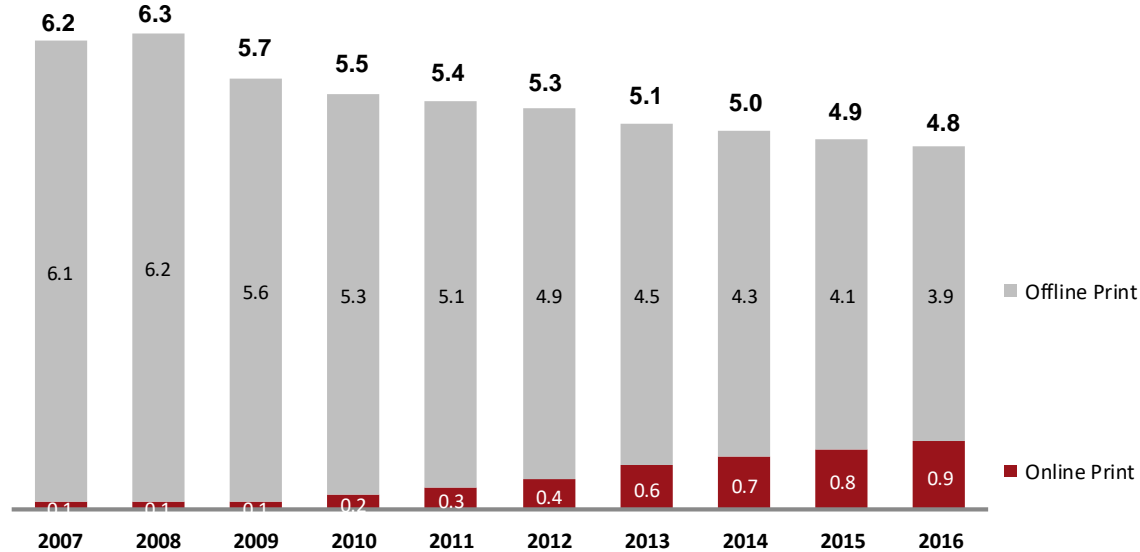
Metropolregion Berlin



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

Print market in Germany (job printing)

Market volume job printing in Germany in EUR billions



Source:

Market: Statistisches Bundesamt, bvdm

Online Print: Top 5 Creditreform + Top 6-20 & Vistaprint; estimation CEWE

» Online print market is increasing

Benefits of Online Printing

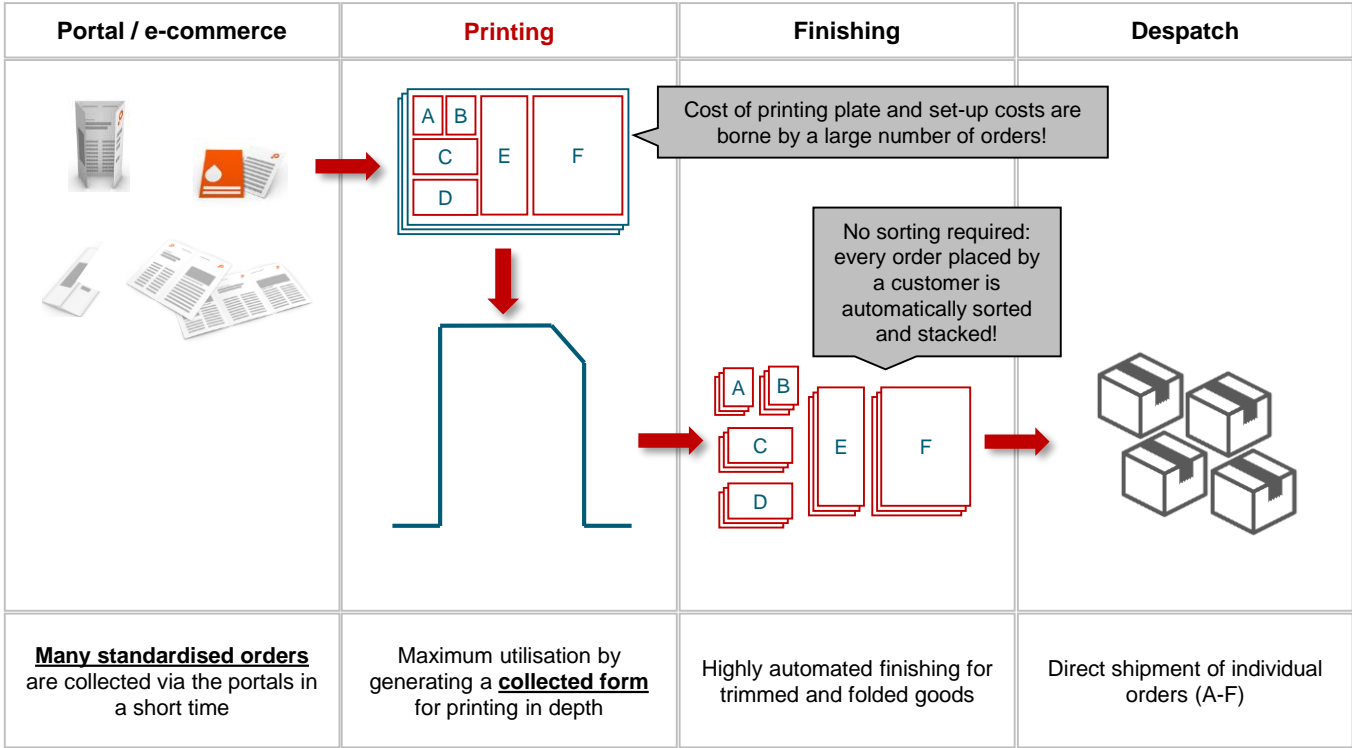
The sum of all advantages are directly handed over to our customers:

- € **Significant price advantage**
- 🗨️ **Printing quality**
- ✓ **Service quality/personal contact person**
- 🗨️ **Standard artwork check included**
- ✓ **Acceptance of print data until 6pm for next day delivery**
- 🍃 **Environmentally conscious printing**
- 🐷 **Reseller benefits**



» The internet makes printing more efficient

Economies of scale in the production of trimmed and folded goods



» The benefit results from a maximum utilisation of the printing paper, less waste per order and lean processes



CEWE's Commercial Online-Print activities in Europe

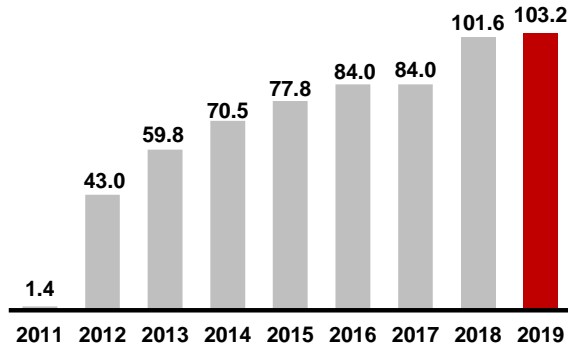


» CEWE operates with webshops in 10 different countries

Commercial Online-Print

Revenue

(in Euro millions)



» Commercial Online-Print with increase in 2019



Reisterrassen | Ute Matern | Winner CEWE Photo Award 2019

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Photofinishing

Retail

Commercial Online-Print

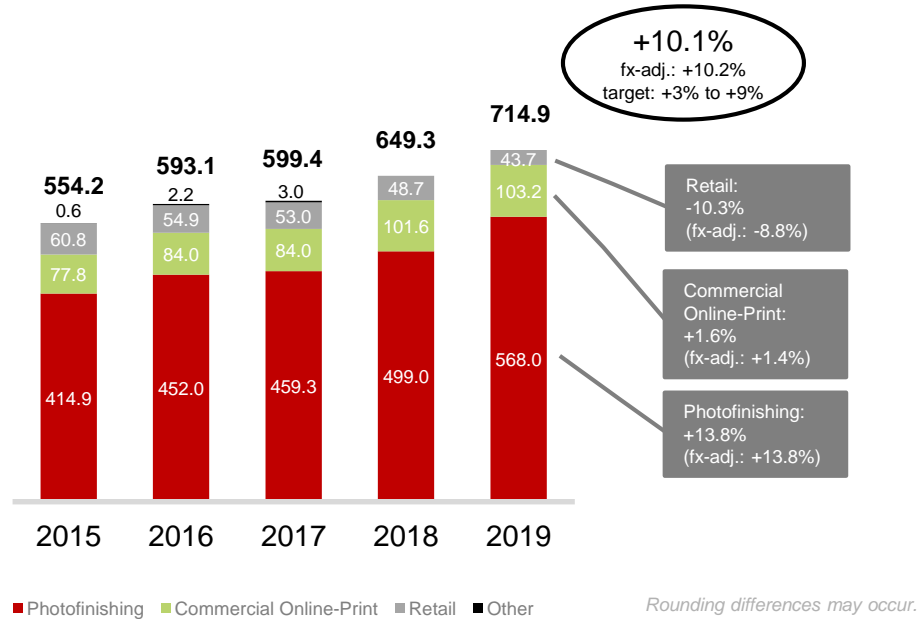
CEWE group

Share

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Turnover

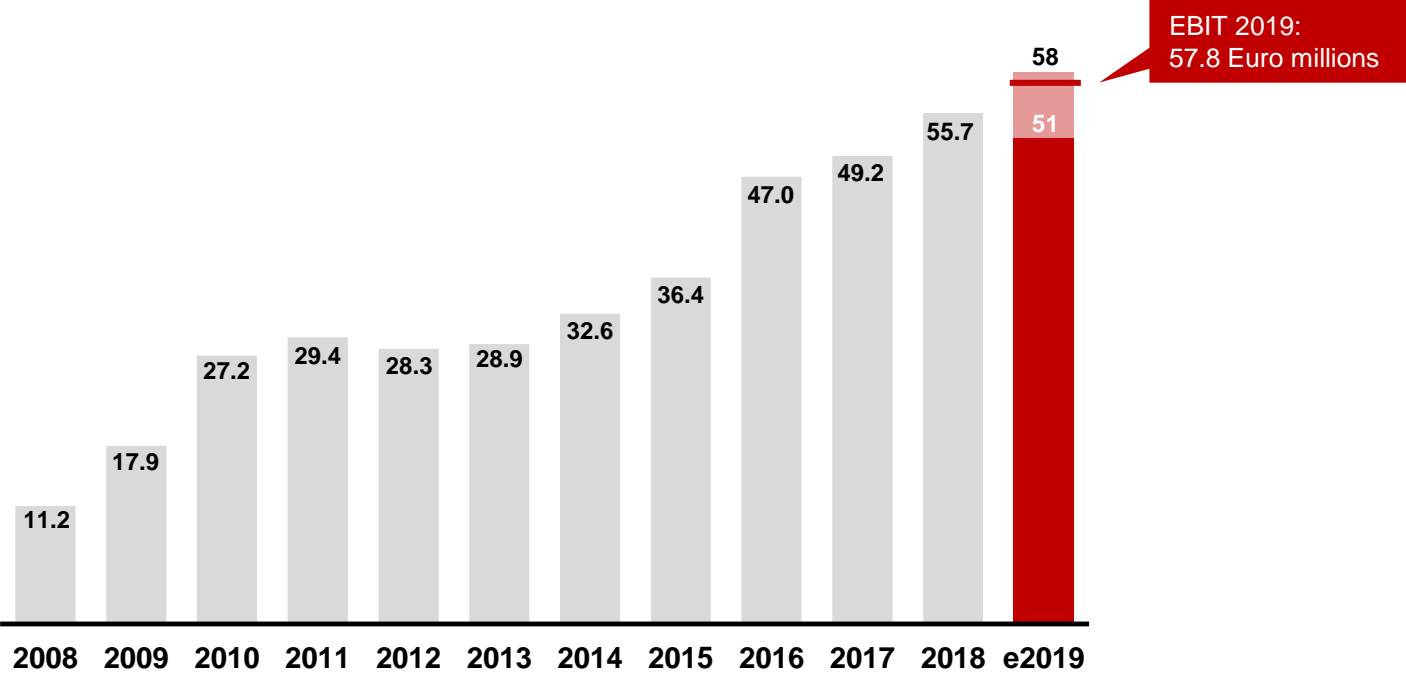
in Euro millions



» Photofinishing accounts for the rise in Group turnover

EBIT Development

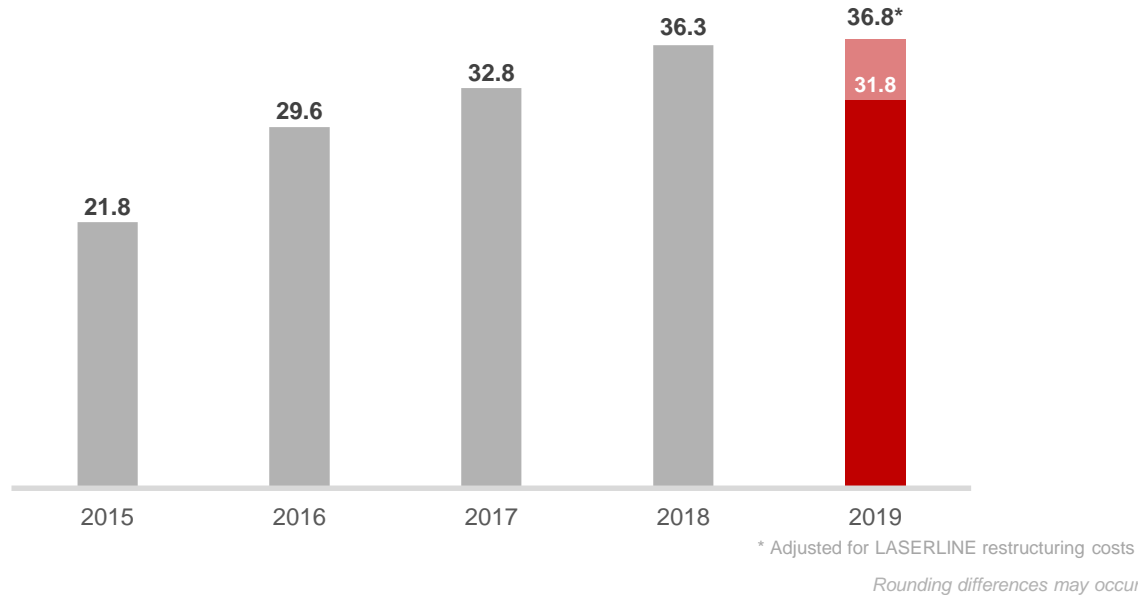
in Euro millions



* 2018 updated EBIT without futalis acc. to IFRS 5

Earnings after tax

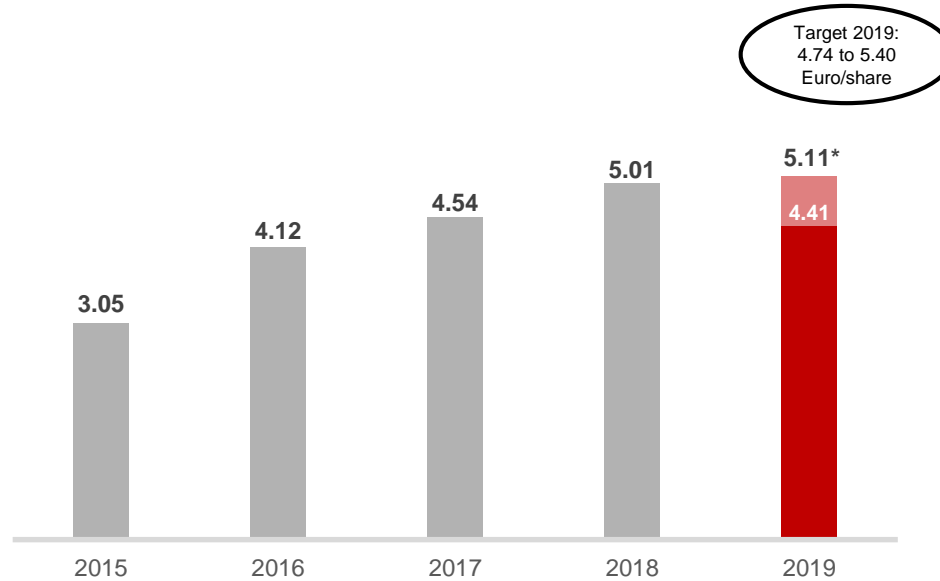
in Euro millions



» LASERLINE restructuring sees earnings after tax decline to 31.8 million euros; when adjusted for LASERLINE restructuring costs after-tax earnings rise to 36.8 million euros

Earnings per share

in Euro

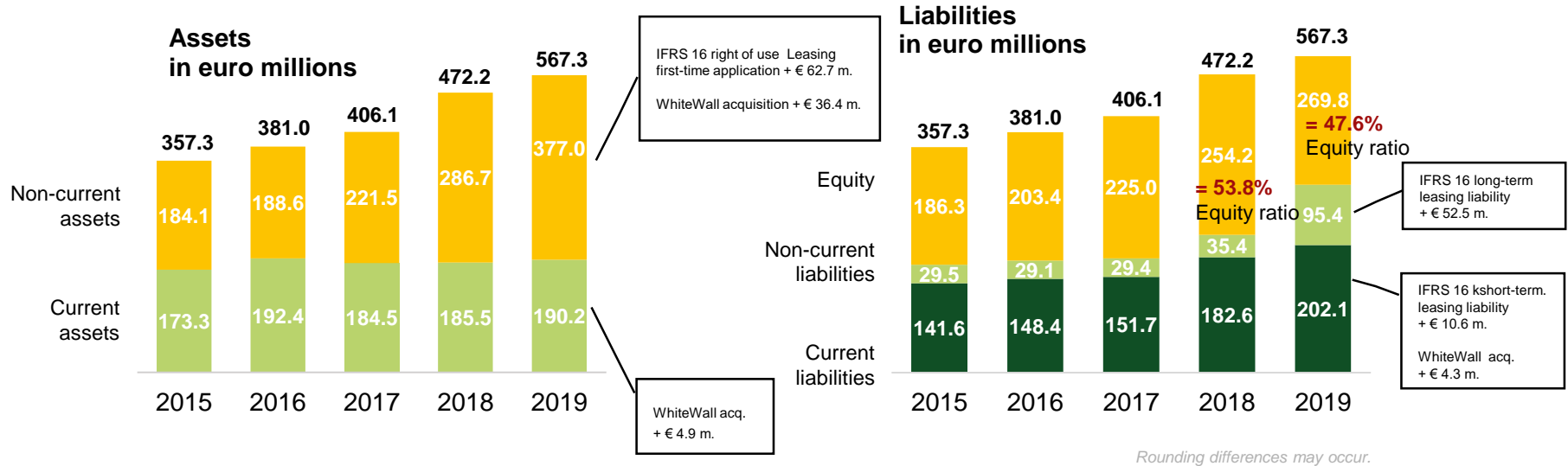


* Adjusted for LASERLINE restructuring costs

Rounding differences may occur.

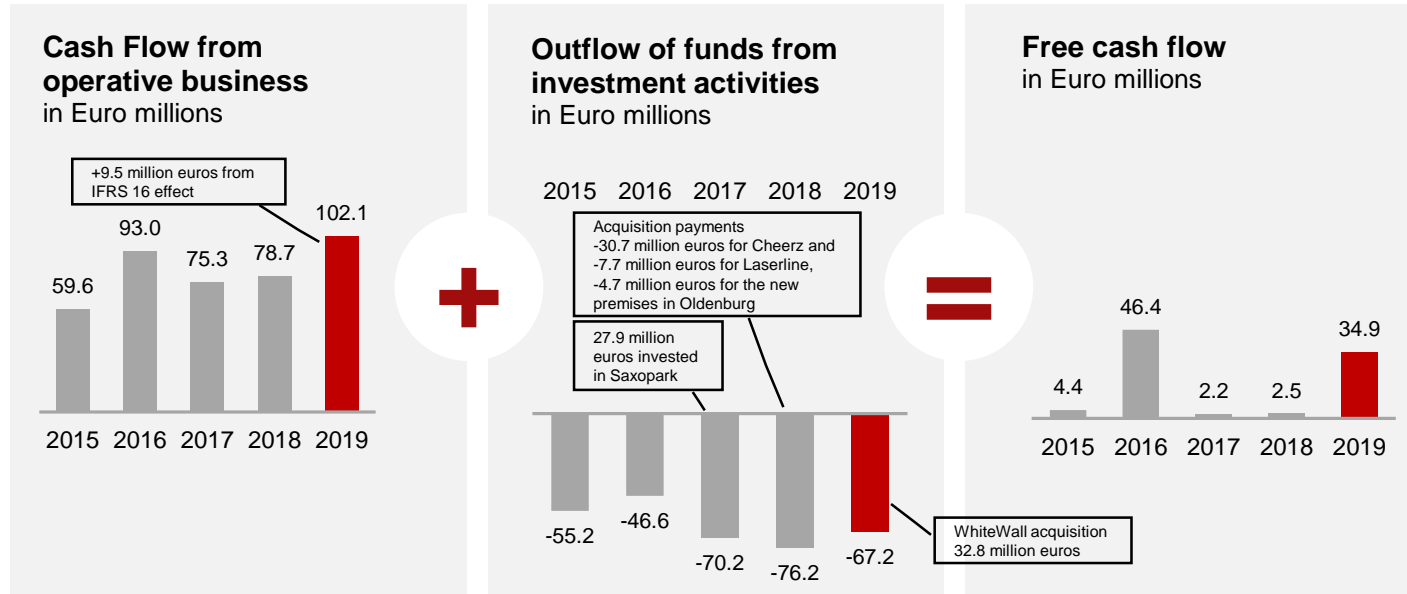
» Earnings per share fall short of the target corridor; within the target corridor when adjusted for LASERLINE restructuring costs

Balance Sheet



- » New leasing standard and the acquisition of WhiteWall cause increase in the balance sheet total
- » Equity ratio strong at 47.6%, w/o IFRS 16 even at 53.6%

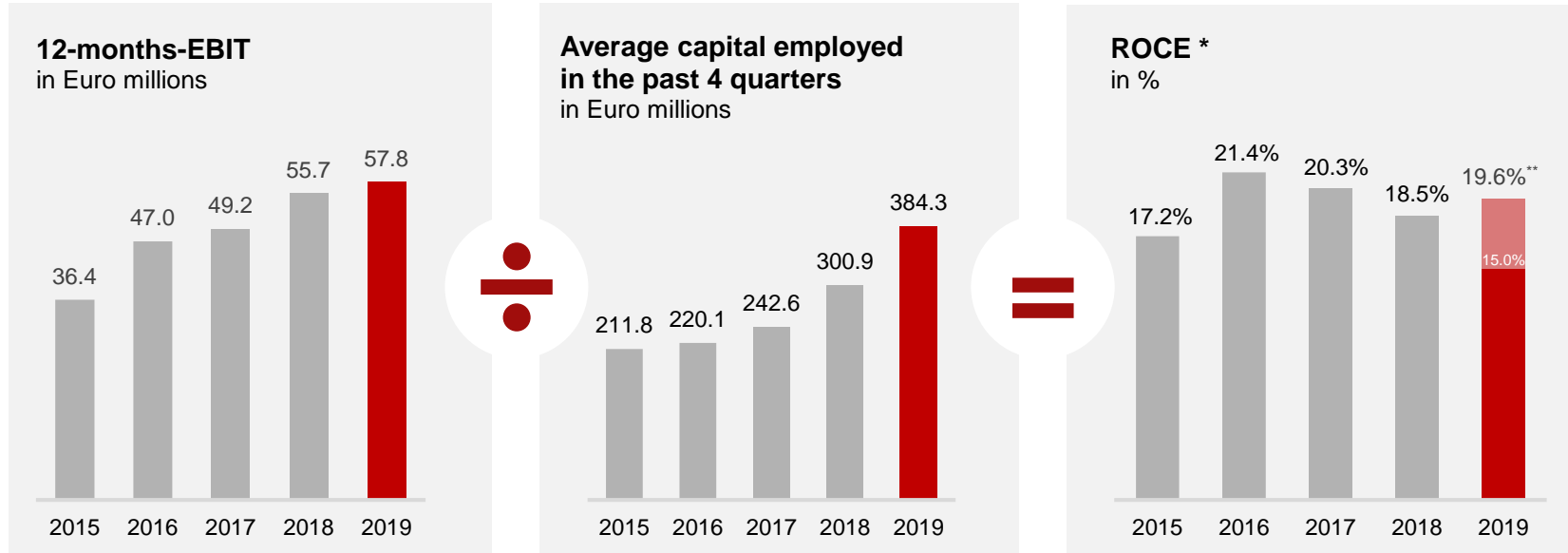
Free cash flow



Rounding differences may occur.

- » Increase in EBITDA raises cash flow from operative business
- » Acquisitions almost double the cash flow from investment activities of earlier years
- » Free cash flow reflects increase in cash flow from operations

ROCE



- » Average capital employed increases to 384.3 million euros through IFRS 16 and WhiteWall acquisition
- » Positive development of earnings sees ROCE before IFRS 16 and restructuring increasing to 19.6%

* ROCE = EBIT / \div Capital Employed. Rounding differences may result

** Before IFRS 16 balance sheet extension and LASERLINE restructuring costs



Lightpainting am See | Nicole Glasner | Winner CEWE Photo Award 2019

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Share

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Share data

CEWE Stiftung & Co. KGaA ISIN DE0005403901, WKN 540390, CWC

Market segment	regulated market Prime Standard
Index	SDAX DAXplus Family 30
ISIN	DE 0005403901
Symbol	CWC
Reuters	CWCG.DE
Bloomberg	CWC GR
Date of initial listing	March 24, 1993
Number of shares	7,400,020



Analysts

/ BAADER /


BERENBERG
PARTNERSHIP SINCE 1590

Deutsche Bank
Markets Research 

 Kepler
Cheuvreux

GSC 


Bankhaus Lampe

 ODDO BHF

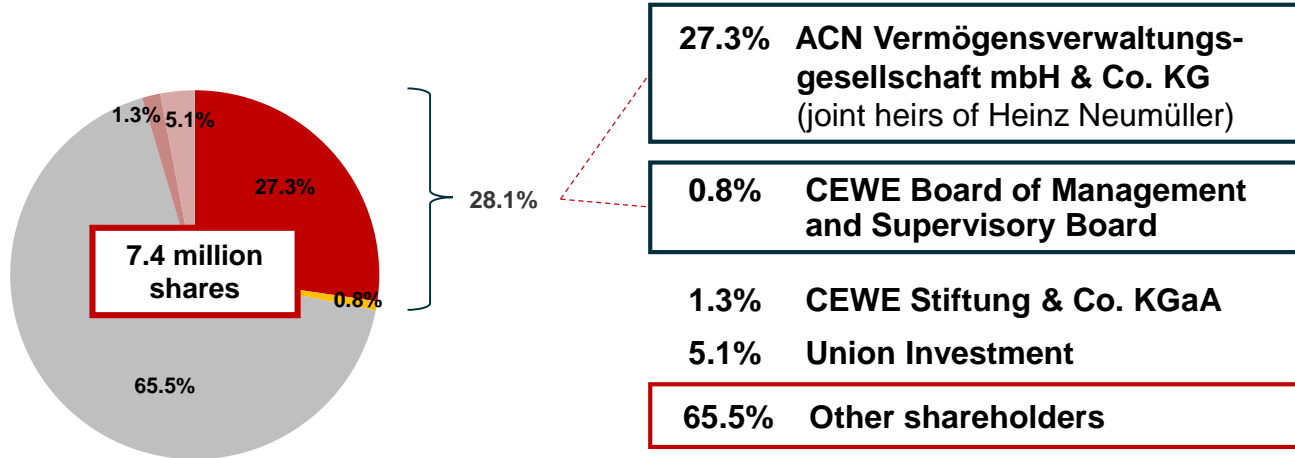

M.M. WARBURG & CO
BANK

FMR | Frankfurt Main
Research AG

» **Broad analyst coverage**

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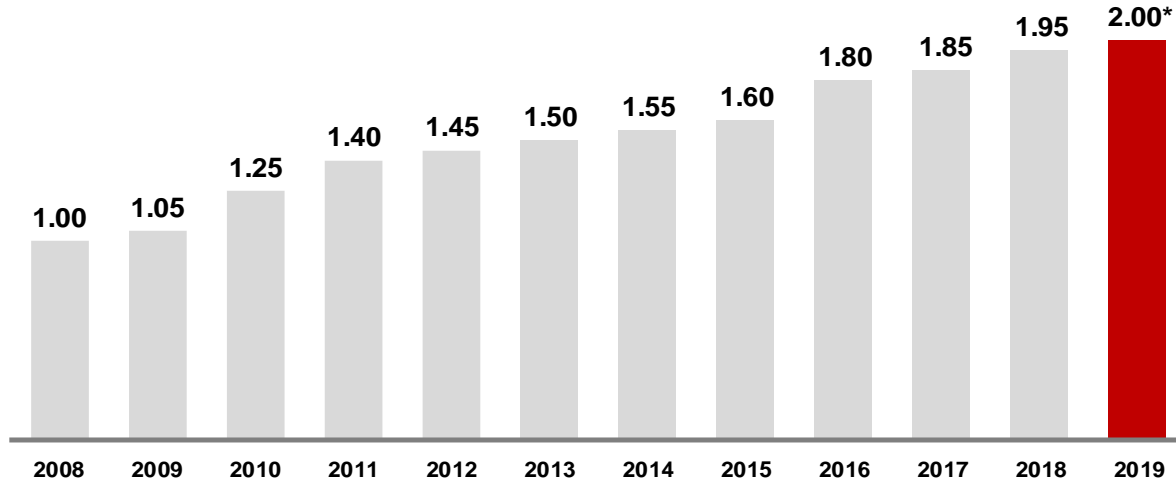
Shareholder structure



- » Joint heirs of company founder are the main shareholders in CEWE
- » 28.1% of the shares are present in the Supervisory Board and the Board of Management

Dividend

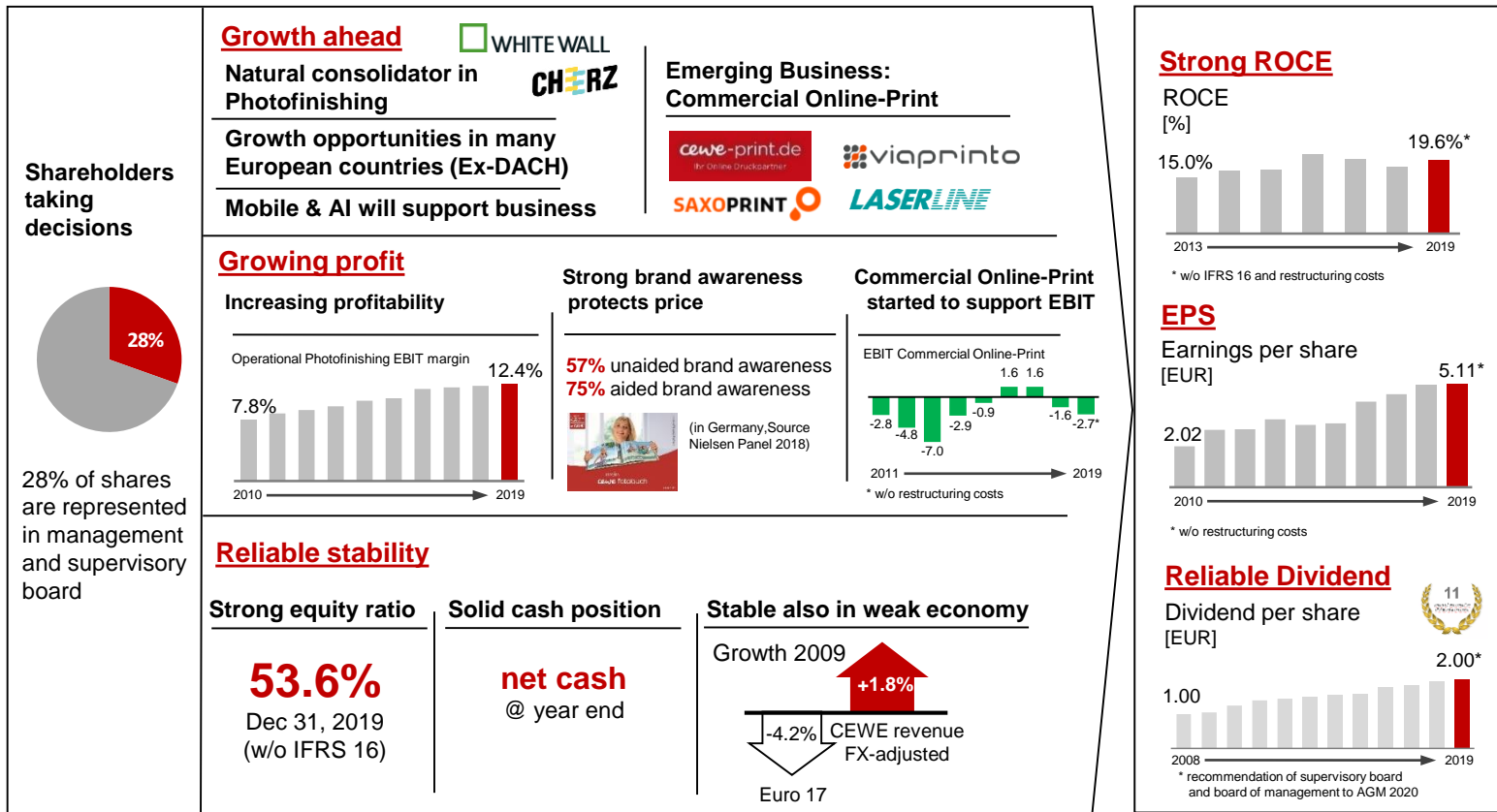
in Euro



* recommendation of supervisory board and board of management to AGM 2020

- » Dividend for the 2019 business year is to be increased to 2.00 euros
- » Since analogue/digital transformation: eleventh consecutive dividend increase

CEWE Equity Story



Reliable stability

Strong equity ratio

53.6%
Dec 31, 2019
(w/o IFRS 16)

Solid cash position

net cash
@ year end

Stable also in weak economy

Growth 2009



Euro 17

» Reliable stability, growing profitability, growth ahead



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. Figures may not sum to 100, because of rounding.



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