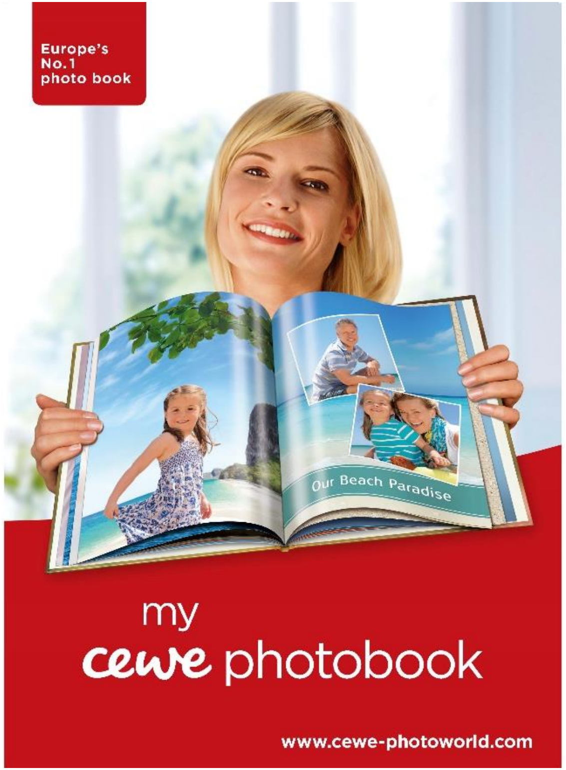
Quarterly Statement Q1 2019

CEWE Stiftung & Co. KGaA



Oldenburg

May 13, 2019

CEWE AT A GLANCE

26
EUROPEAN COUNTRIES

3.900
EMPLOYEES*

9
DISTRIBUTION OFFICES

18.000
CEWE PHOTOSTATIONS

14
PLANTS

6,18 MILLION
CEWE PHOTOBOOKS

2,23
BILLION PHOTOS PRODUCED

RETAILERS SUPPLIED
20.000

653,3
MILLION EUROS OF TURNOVER

* Average workforce in 2018 (FTE).

“Together with all of the company’s employees, we have ensured that the established market leader for industrial photofinishing of analogue photos and films is now also the market leader in the market for digital photo products. As the No. 1 product on the market, CEWE PHOTOBOOK is the outstanding symbol of this successful transformation. With CEWE CALENDARS, CEWE CARDS and CEWE WALL ART, we have now brought further brand products onto the market. We intend to build on this position. We have also added online offset printing to our expertise in the field of digital printing and developed our Commercial Online Printing business.”

Dr Christian Friege, Chairman of the Board of Management of Neumüller CEWE COLOR Stiftung

CEWE – Europe’s online printing and photo service

CEWE supplies consumers with photos and digital print products via over-the-counter trade as well as Internet sales. CEWE is the service partner for the leading brands on the European photography market. In 2018, the company developed and produced over 2.2 billion photos – including in around 6.2 million CEWE PHOTOBOOKS as well as photo gifts. CEWE PHOTOBOOK (Europe’s leading photo book brand) and the company’s other product brands CEWE CALENDARS, CEWE CARDS and CEWE WALL ART, easy-to-use ordering applications (PC, Mac and mobile iOS, Android and Windows), our high level of expertise in digital printing, the benefits of scale offered by our efficient industrial production and logistics system, broad distribution via the Internet, 20,000 retailers supplied and over 18,000 CEWE PHOTOSTATIONS are the key competitive advantages of CEWE’s Photofinishing business.

As well as these photo products, CEWE’s Retail business also distributes photographic hardware (e. g. cameras) in several countries.

Through its brands CEWE-PRINT.de, SAXOPRINT, viaprinto and LASERLINE, in its Commercial Online Printing business unit CEWE is increasingly serving customers as an online printing service provider through printed advertising media which can be ordered online, such as flyers, posters, brochures, business cards, etc.

cewe

At a glance: Q1 2019

- **CEWE Group EBIT rose** in the first quarter, by 1.7 million euros **to 1.9 million euros** (Q1 2018: 0.2 million euros*)

- Turnover in the **Photofinishing business segment grew** by an outstanding 9.6% **to 103.5 million euros**, **raising the EBIT contribution by around 1.6 million euros, to 3.0 million euros**. The CEWE PHOTOBOOK sales volume increased by a strong 6.9% with 1.33 million copies. A good first quarter.

- **Commercial Online-Print grows by 3.3%, to turnover of 25.3 million euros**. More than anything else, weak LASERLINE sales as a result of price pressure saw the reported EBIT falling slightly short of that of the previous year (by 36,000 euros). Commercial Online-Print achieved EBIT in the amount of -0.4 million euros after rounding off (Q1 2018: -0.3 million euros*)

- **Q1 validates the targets for 2019**: EBIT is to rise to up to 58 million euros

* adjusted prior-year figures based on the finalisation of purchase price allocations for Cheerz and Laserline

Highlights Q1 2019		Q1 2018	Q1 2019	Comment
Photofinishing				
Sales Volume **Turnover** **EBIT**	in photo m. in EUR m.	465.8 94.5 1.4	506.3 103.5 3.0	▪ First quarter increases again and confirms volume target for 2019 ▪ Turnover increase organically and through the Cheerz acquisition
Commercial Online-Print				
Turnover **EBIT**	in EUR m.	24.4 -0.3	25.2 -0.4	▪ COP grows by 3.3%, Laserline consolidated since January 2018 ▪ EBIT lower by EUR 36 thousand due to Laserline contribution
Retail				
Turnover **EBIT**	in EUR m.	10.8 -0.5	10.4 -0.4	▪ Focus on profitability and photofinishing reduces hardware sales ▪ EBIT slightly improved in seasonally traditionally negative first quarter
Other				
Turnover **EBIT**	in EUR m.	0.9 -0.4	1.3 -0.3	▪ Structure and company costs as well as the result from real estate holdings and investments are shown in the Other business segment
Group				
Turnover **EBIT**	in EUR m.	130.6 0.2	140.4 1.9	▪ Group turnover up by 7.5% ▪ EBIT increased especially due to the development in photofinishing ▪ Previous year's figure adjusted due to finalization of purchase price allocations
Free Cash Flow	in EUR m.	-58.7	-14.7	▪ Operating cash flow in the previous year reduced by outflows from acquisitions
ROCE	%	18.9	17.6	▪ ROCE remains strong, decline especially due to IFRS 16 first-time adoption
Equity ratio	%	57.1	54.9	▪ Solid equity ratio, decline due to IFRS 16 first-time adoption

Rounding differences might occur.

Q1 confirms the annual targets for 2019

Letter to our Shareholders

Dear Shareholders,

Another profitable first quarter ...

In the past, the first quarter of any given year was inevitably a loss-generator. The seasonal shift of our main business of photofinishing is not only seeing the fourth quarter (Christmas) becoming stronger; the first quarter is also steadily strengthening. We are in a position to report a profitable first quarter for the fourth time in succession.

… with a veritable profit contribution as well: a good start to the year!

And after at least being able to report figures in the black in recent years (such as Q1 2018: 0.2 million euros), the first quarter of 2019, at 1.9 million euros, has had a marked positive effect by supporting a first step towards the achievement of our annual targets. This is also based on the fantastic increase in turnover: +7.5% to 140.4 million euros. Your company CEWE got off to a good start in 2019.

The backbone of the Group, Photofinishing, produces strong results

You will see an increase in turnover of as much as 9.6%, to 103.5 million euros, and EBIT of 3.0 million euros – double the amount achieved in the same quarter of the previous year. A very presentable trend, the result of many perfect elements: Cheerz joined CEWE when it was acquired in February 2018 – so we still had an acquisition effect in January 2019. And the excellent work performed by our new fellow staff members with Cheerz means that February and March were also pleasing.

The CEWE PHOTOBOOK: the success story goes on

But especially the CEWE PHOTOBOOK success story continues. After a sales volume of 1.25 million units in the same quarter of the previous year, the first quarter of 2019 increased considerably: + 6.9% increase in sales to 1.33 million books. Never before have more copies of the CEWE PHOTOBOOK been sold in a first quarter. Over and above this, it is certain that "order-friendly" winter weather backs up the trend towards a profitable first quarter. Customers find time to design their photo products when the weather gets colder and rainier and the days shorter. This is also reflected in our figures.

Retailing continues to strengthen photofinishing

Operating purely hardware business, Retailing is maintaining its strategic direction, staying right on track. The focus on hardware with a stronger margin reduced turnover by 4.2% to 10.4 million euros, thus slightly increasing EBIT by as much as 117,000 euros, to -0.4 million euros. This is development in line with the season. In addition to this hardware business, Retailing has again contributed increased turnover to the Photofinishing segment with CEWE photo products. This is exactly in line with the strategically planned trend. Good!

Commercial Online-Print with virtually consistent earnings

Even a full year after the Laserline acquisition, Commercial Online-Print continues to grow organically, at +3.3%, hence combating the price pressure, above all also in Germany, and the ongoing weakening of UK business. It is mainly the price pressure in Germany that is proving to be a challenge for the somewhat higher-priced positioning of Laserline. This reduces the improvement in the result achieved elsewhere in Commercial Online-Print back to a virtually consistent figure (less 36,000 euros to -0.4 million euros). Our entire Commercial Online Printing team is working hard at improving the situation.

Strong ROCE in spite of IFRS 16 balance sheet inflation

Taking a first-time full account of the previous year's acquisitions in this calculation slightly reduces the ROCE in accordance with the accounting regulations of 2018 from 18.9% (Q1 2018) to 18.5% (Q1 2019), which is still a strong rate. The amendment to IFRS 16 to be applied as of the beginning of 2019 requires that companies report leased items, etc. as assets in their own balance sheets. This inflates the balance sheet for CEWE – as it does for many other companies as well: approx. +63 million euros. This also raises our capital employed by around the same amount, so that our ROCE, just like that of the large majority of other companies, is reduced in purely arithmetical terms. This means that the ROCE of 18.5% now amounts to 17.6%. As a result of the increasingly greater weighting of the new rule in the rolling 12-month average, the ROCE will be reduced ceteris paribus in purely arithmetical terms in the coming quarters. In spite of this, CEWE will still be able to offer a strong return.

10th consecutive dividend increase planned

Our high returns and earning power is also reflected in high CEWE dividends. In this regard we are approaching a special anniversary with the 2019 Annual General Meeting now pending. It gives us great pleasure to propose to you the 10th consecutive dividend increase. A fine series.

The Annual General Meeting: A CEWE family meeting

We can't emphasise it often enough: the Annual General Meeting is a great occasion, bringing together the various CEWE shareholders, in particular shareholders with the staff members, with the two groups ideally both being customers themselves. When these three groups have major similarities or are at least familiar with the viewpoint of the respective other groups and understand this viewpoint, an important foundation for working together constructively will have been created. This is also why, at the CEWE Annual General Meeting, we offer in-depth information to our shareholder base, our customers and our visitors wishing to inform themselves about job opportunities at CEWE.

High-end reinforcement: WhiteWall purchase agreement concluded

In the first quarter, we also worked on a project that was only communicated when the quarter had passed. At the end of April we signed an agreement to purchase WhiteWall, an enterprise specialising in high-end wall art in gallery quality. WhiteWall will continue to operate as its own brand with its own production. We are delighted about the new staff members who strengthen our company in the area of Photofinishing. The final completion of this acquisition is still contingent on the approval of the Monopoly and Merger commissions.

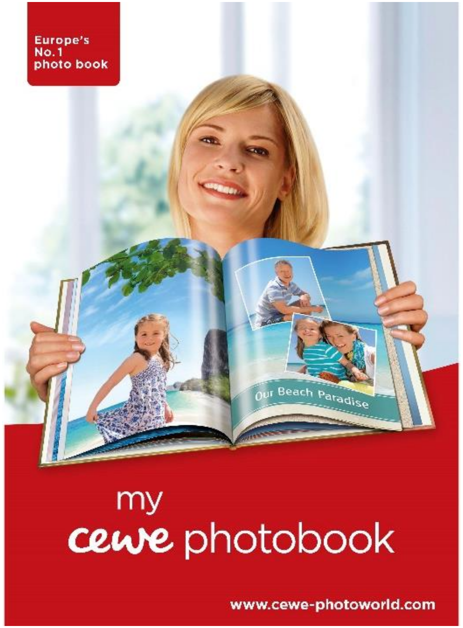
Summer's coming: time to take the best photos of the year

Dear shareholders, you see that your company CEWE has got off to a good start in 2019. We got many initiatives off the ground and teams in all the company divisions are working to make 2019 successful. Summer's around the corner. Make the most of the good light to take fantastic photos, which we will be delighted to promptly turn into photo products for you. Should we be facing another incredibly hot summer, with the weather being almost consistently "order unfriendly", we would also gladly turn your most beautiful photos into products in autumn. At the latest at Christmas we'll be delighted to provide you with perfect, personal gift ideas. And our fellow staff members in Commercial Online Printing are at your disposal for printed articles of (almost) any kind.

Lean back and enjoy time! Our staff members are all doing their utmost to make 2019 another successful year for CEWE.

Yours, Christian Friege

Agenda



Europe's No. 1 photo book
Our Beach Paradise
my cewe photobook
www.cewe-photoworld.com

Success Factor „Innovation“

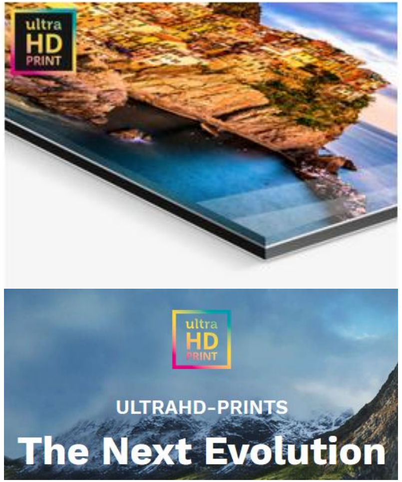
Success Factor „Innovation“

Official Opening with State Secretary Stefan Muhle and CEWE-MAIC-employees on January 22, 2019

CEWE Concludes Agreement to Purchase Wall Art Specialist “WhiteWall”

WHITE WALL

BEST IN CLASS



- The core business of WhiteWall lies in sophisticated **gallery-quality wall art**
- WhiteWall will remain an **independent brand** with its **own production**
- CEWE expects the acquisition to have a sustained positive effect on the value of the company as a whole
- CEWE will probably take over WhiteWall for a purchase price based on an enterprise value of 30 million euros as at 1 June 2019
- The transaction values the enterprise at around 0.9 times the turnover achieved on 2018 by the part of the enterprise to be taken over
- In 2019 CEWE Board of Management expects the takeover – including the purchase price allocation and the transaction costs – to initially still have a negative impact on the EBIT in the amount of around one million euros
- Completion of the transaction still also depends on approval by the relevant Monopoly and Merger commissions

› **CEWE expands in the prime segment for wall art**

Worldrecord: CEWE for the third time

» Best Photo Service Worldwide «

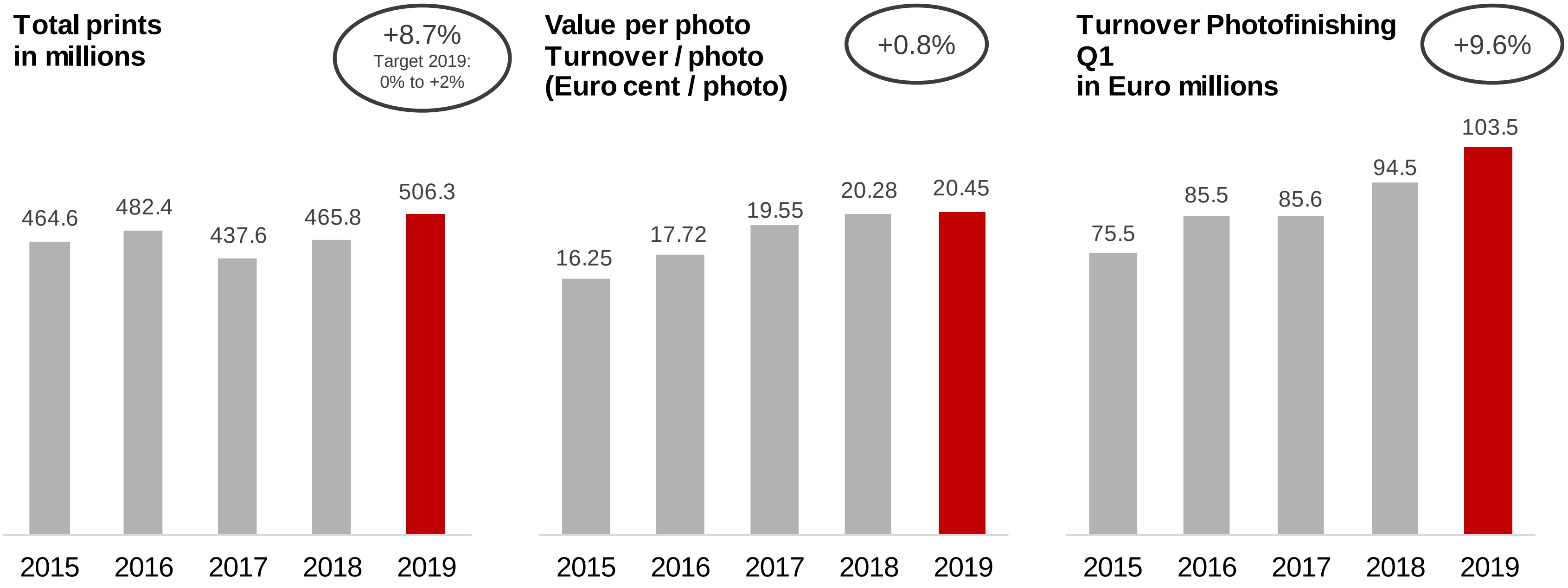
2008

2018

2019

Awarded by a jury of
30 international Photo-trade magazines

Number of prints and turnover Photofinishing Q1

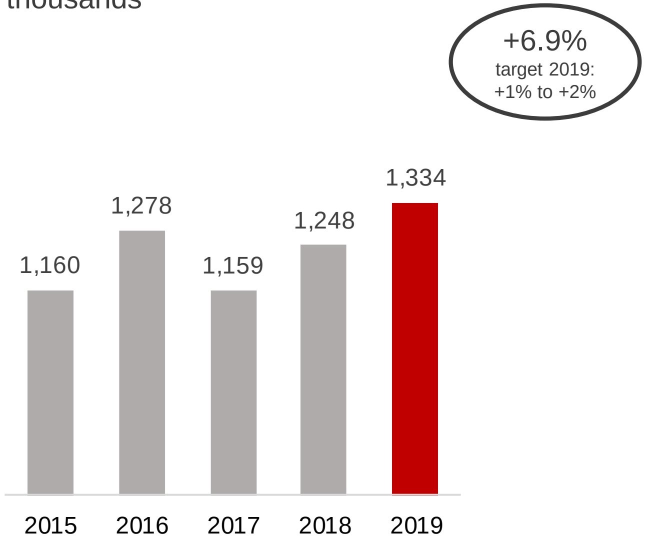


- **Rising photo volume - despite shift of Easter business into Q2**
- **Rising share of value added products increases turnover per photo**

Rounding differences may occur.

CEWE PHOTOBOOK

Number of CEWE PHOTOBOOKS Q1
in thousands

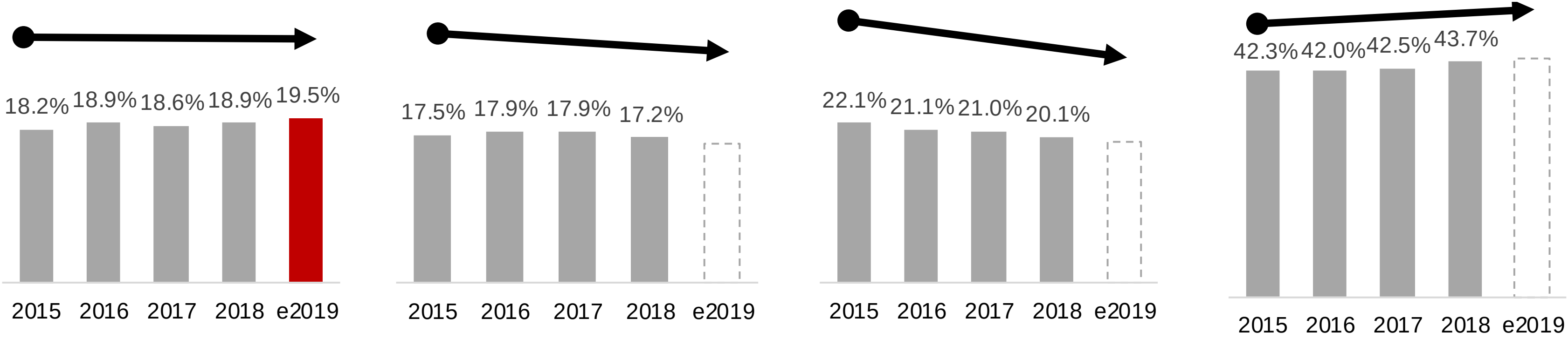


› **CEWE PHOTOBOOK – highest sales in a Q1**

Rounding differences may occur.

Shares in Turnover by Quarter – Photofinishing

Seasonal distribution: CEWE 2015 to 2019 – Share in turnover by quarter as a percentage



Turnover target 2018
Approx.
498 – 533 m€*

Q1 Target
97.1 – 104.0 Euro mill.

Q1 Actual
103.5 Euro mill. ✓

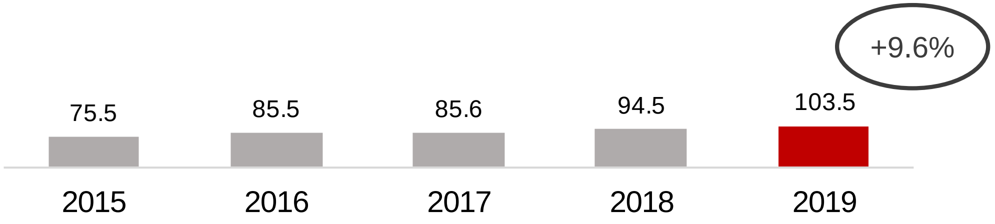
› **Value-added products keep photofinishing at the upper end of the expected sales range**

** Photofinishing turnover approx. on previous year´s level (2018: 499.0 Euro mill.). Planned group turnover w/o target turnover of segments retail, commercial online-print and other. Rounding differences may occur.*

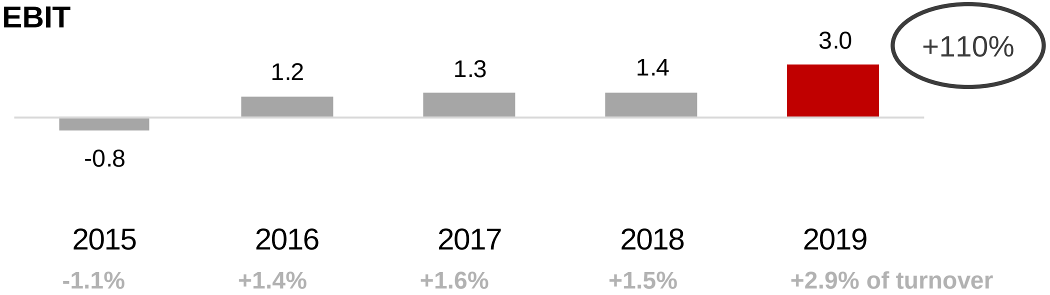
Business segment Photofinishing Q1

in euro millions

Turnover



EBIT



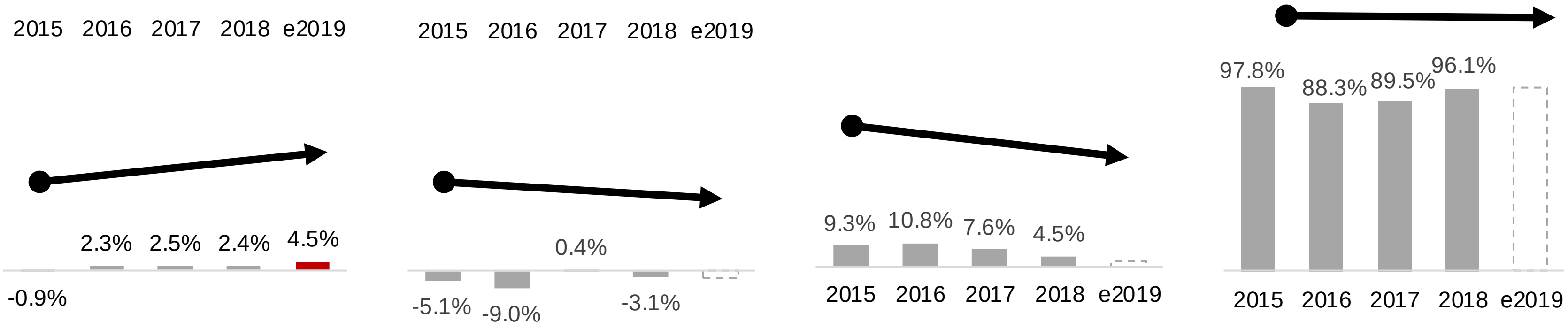
- Photofinishing grows organically in Q1 in the core business and through Cheerz acquisition (Cheerz has been consolidated since February 2018)
- A decent first quarter: Following the trend of the previous years, Q1 is growing once again
- Strong development of CEWE value-added products raises Q1 EBIT contribution by Euro 1.6 million to Euro 3.0 million
- Q1 2019 one-off effects: -0.6 million euros
  - PPA effects from DeinDesign purchase price allocation: -0.1 million euros
  - PPA effects from Cheerz purchase price allocation: -0.5 million euros
- Previous year Q1 2018 one-off effects: -0.4 million euros
  - PPA effects from DeinDesign purchase price allocation: -0.1 m.euros
  - PPA effects from DeinDesign purchase price allocation: -0.3 m.euros

Rounding differences may occur.

- **Photofinishing grows organically and through Cheerz acquisition**
- **Q1 EBIT contribution increases by EUR 1.6 million**

EBIT before Restructuring by Quarter – Photofinishing

Seasonal distribution: CEWE 2015 to 2019 – EBIT share by quarter as a percentage



EBIT target 2019 Photofinishing
51.5 – 57.5 Euro mill.*

Q1 Target
+2.3 – +2.6 Euro mill.

Q1 Actual
+3.0 Euro mill. ✓

› **Photofinishing EBIT exceeds expected range**

** 52.0-58.0 Euro mill. group EBIT-target less planned retail, online printing and from segment Others. Rounding differences may occur.*

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	- Photofinishing
	- Commercial Online-Print
	- Retail
	- Other
	- Group
2.	Financial Report
3.	Outlook
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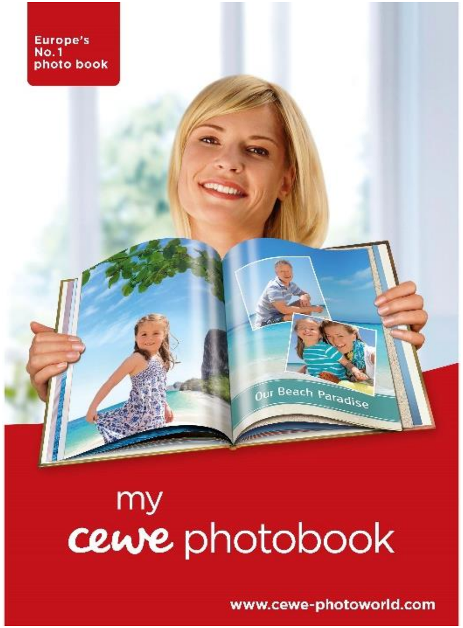
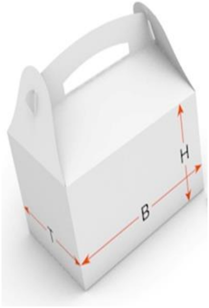


The CEWE online print brands

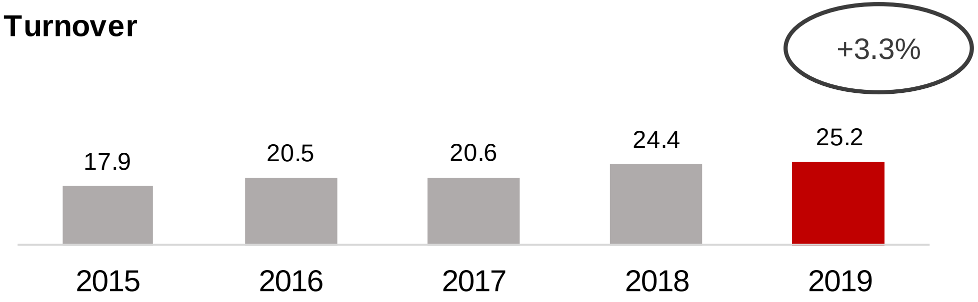
Flyer	Brochures	Folder	Business Cards	Easy-Box
				

- CEWE-Portals focus on different customer groups

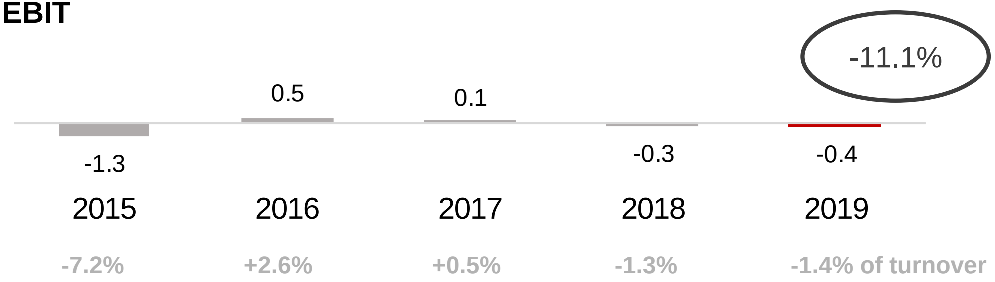
Business segment Commercial Online-Print Q1

in euro millions

Turnover



EBIT



- **COD turnover grows by 3.3% in Q1**
- **Negative LASERLINE contribution pushes EBIT almost exactly to last year's level**

- Commercial Online-Print grows organically by 3.3% in the first quarter (LASERLINE consolidated since January 2018)
- Furthermore, price pressure inhibits stronger growth in Germany
- UK business continues to be weakened by Brexit effects

- Above all, the sales weakness of LASERLINE driven by the price pressure causes reported EBIT to fall slightly (by EUR 36 thousand) below the previous year's result

- Q1 2019 one-off effects: -0.2 million euros
  - PPA effects from Saxoprint purchase price allocation: -0.1 million euros
  - PPA effects from Laserline purchase price allocation: -0.1 million euros

- Previous year Q1 2018 one-off effects: -0.4 million euros
  - PPA effects from Saxoprint purchase price allocation: -0.1 m.euros
  - PPA effects from Laserline purchase price allocation: -0.1 m.euros
  - Integration costs of Laserline: -0.2 m.euros

Rounding differences may occur.

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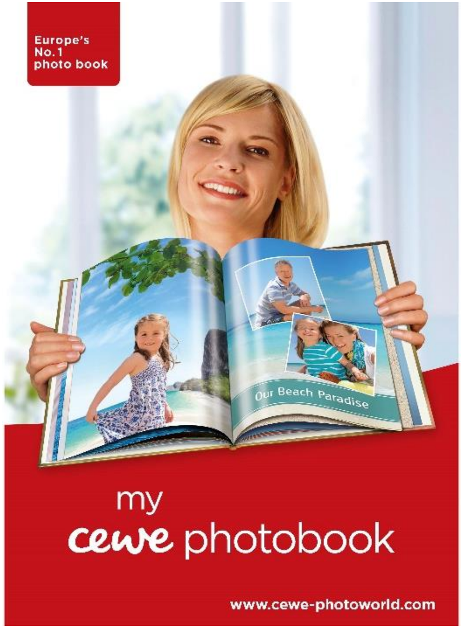


CEWE´s retail business

- 147 retail stores
- EUR 48.7 million revenue (2018) with photo-hardware (cameras, lenses, tripods, etc.)
- Sales of photofinishing products in photofinishing segment

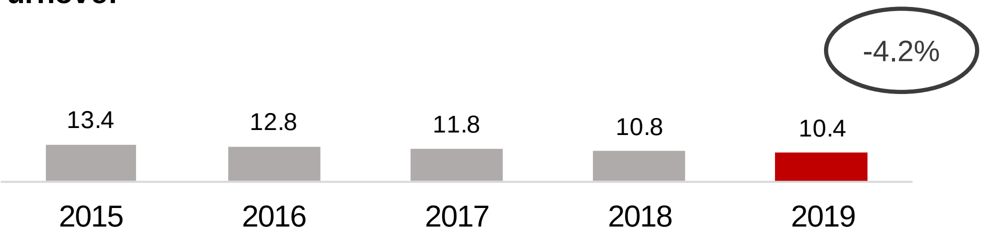
Retail segment contains hardware revenue only, photofinishing revenue is shown in photofinishing segment

Own retail business provides an excellent window to the market

Business segment Retail* Q1

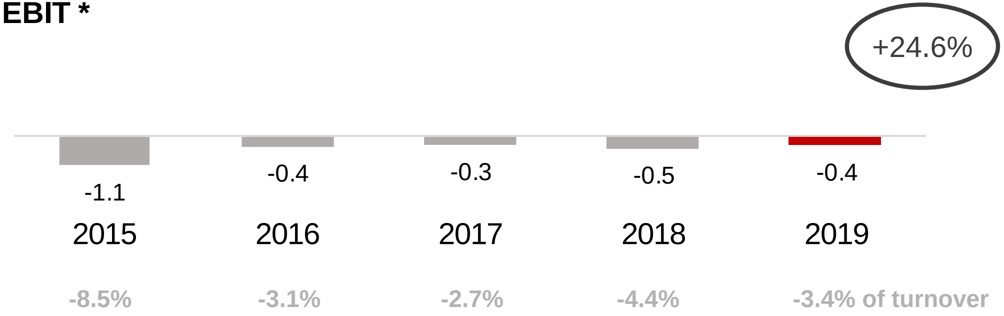
in euro millions

Turnover *



- Hardware retail sales (due to the focus on the photofinishing business and the abandonment of low-margin hardware business) were further reduced according to the strategy

EBIT *



- Due to margin focus, earnings even slightly better than in the previous year, despite a decline in sales
- Seasonally traditionally negative EBIT in the first quarter

› **Hardware turnover further reduced according to the strategy**

› **Q1 EBIT slightly improved due to margin focus**

** only hardware, no photofinishing. Rounding differences may occur.*

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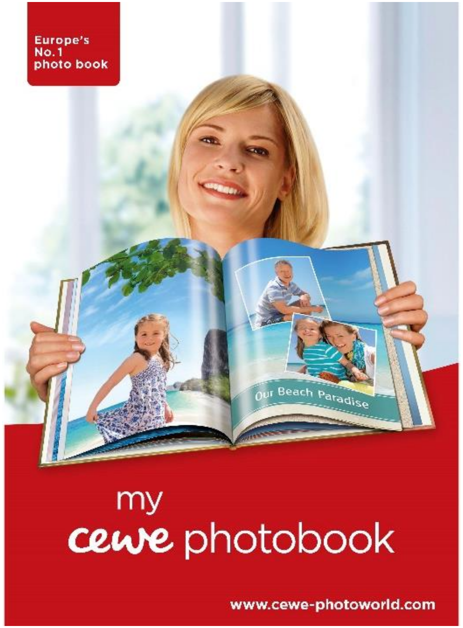

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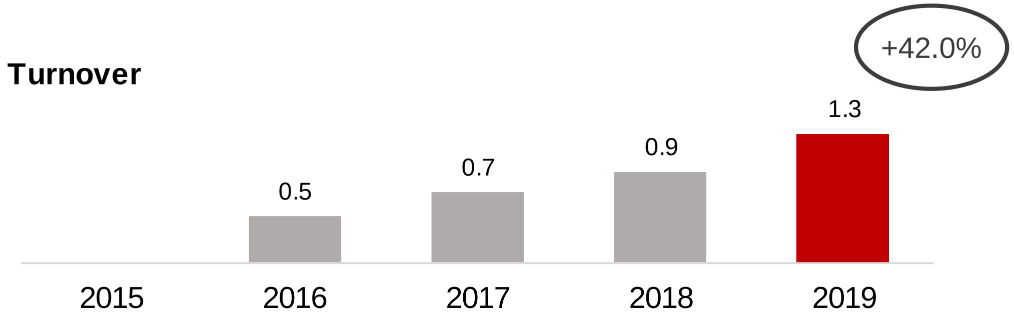
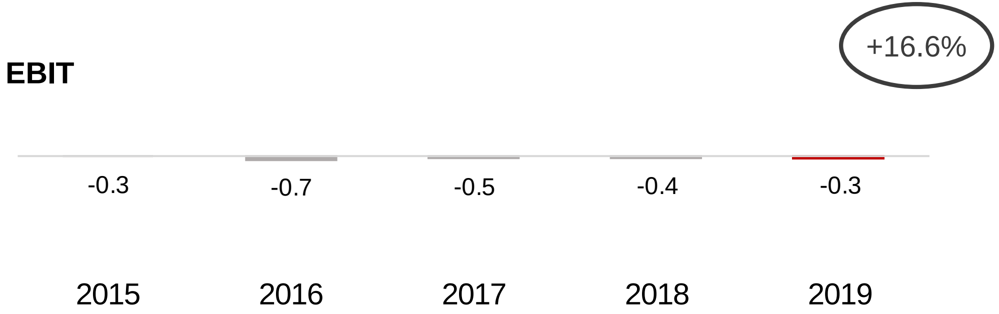
Business segment Other Q1

in euro millions

Structural and corporate costs and profits arising from real estate property and the acquisition of stocks are shown in the business segment Other.
Since August 2015 (date of initial consolidation), futalis has been reported in this business segment since the business activities cannot be allocated to the other business segments.



- The 1.3 million euros reported in turnover is to be exclusively allocated to futalis (Q1 2018: 0.9 million euros)



- EBIT slightly improved

› **Segment for other business raises turnover and improves earnings**

Rounding differences may occur.

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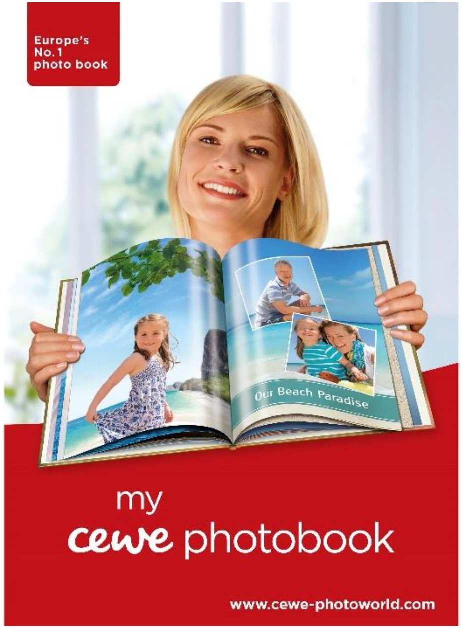
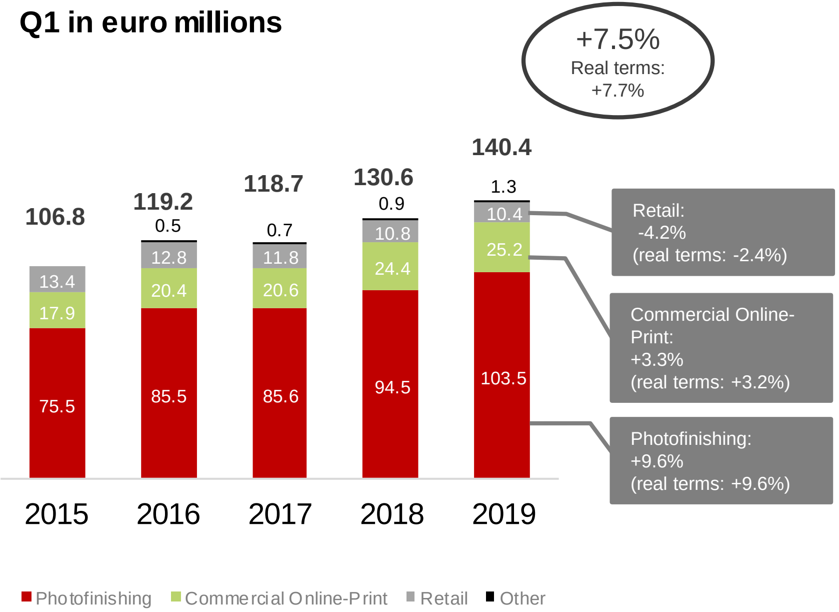


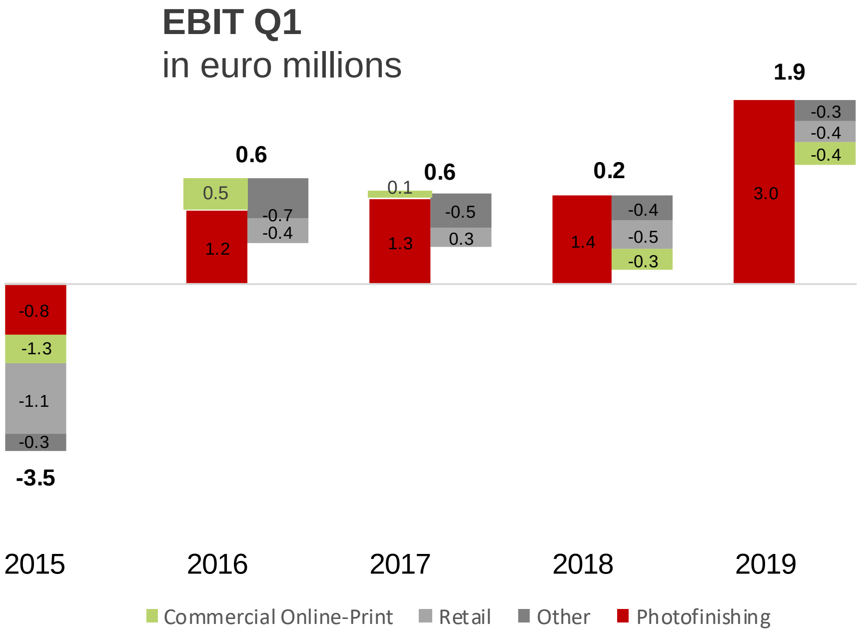
Turnover



› **Business segments of photofinishing and commercial online printing account for growth in Group turnover in Q1**

2014: Turnover after reclassification of advertising subsidies.
Rounding differences may occur.

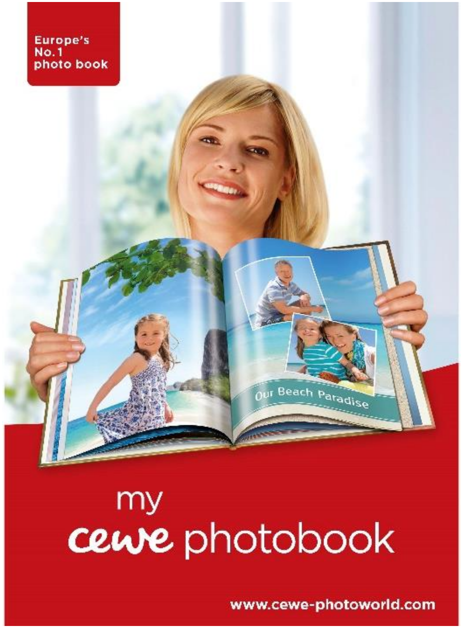
EBIT



Group EBIT Q1 exceeds previous year mostly by further improvement in photofinishing

Rounding differences may occur.

Agenda



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my
cewe photobook
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First time adoption of IFRS 16

Balance sheet was adjusted as of January 01, 2019

The new standard for accounting of leasing agreements (IFRS 16) has been applied in the CEWE Group since January 1, 2019. Under IFRS 16, for lease agreements with a term of more than twelve months lessees are obliged to report assets for the respective right of use and also leasing liabilities. CEWE has exercised the option to exclude low-value assets, intangible assets and short-term leases beginning after December 31, 2018 from the scope of IFRS 16. CEWE applies IFRS 16 for the first time using the simplification available for lessees ("modified retrospective method"), an adjustment of the previous year's figures does not take place.

Restated opening balance at 01 January 2019

Figures in thousand of euros	Dec. 31, 2018	Adjustment IFRS 16	Jan. 01, 2019
Assets			
Property, plant and equipment	160,242	65,307	225,549
Liabilities			
Non-current other accruals	0	407	407
Non-current interest-bearing financial liabilities	1,148	-65	1,083
Non-current leasing liabilities	0	55,449	55,449
Current interest-bearing financial liabilities	2,665	-21	2,644
Current leasing liabilities	0	9,537	9,537

Consolidated profit and loss account Q1

Figures in millions of euros	Q1 2018	Q1 2019	∆ as %	∆ as m€
Revenues	130.6	140.4	7.5%	9.8
Increase / decrease in finished and unfinished goods	-0.1	-0.2	201%	-0.1
Other own work capitalised	0.2	0.2	-20.0%	0.0
Other operating income	3.9	4.7	18.7%	0.7
Cost of materials	-37.4	-38.8	3.9%	-1.5
Gross profit	**97.3**	**106.2**	**9.1%**	**8.9**
Personnel expenses	-41.9	-44.7	6.7%	-2.8
Other operating expenses	-45.4	-46.8	3.1%	-1.4
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**10.0**	**14.7**	**46.9%**	**4.7**
Amortisation of intangible assets, depreciation of property, plant and equipment	-9.8	-12.7	30.6%	-3.0
Earnings before interest, taxes (EBIT)	**0.2**	**1.9**	**756%**	**1.7**
Financial income	0.1	0.0	-82.2%	-0.1
Financial expenses	-0.5	-0.3	-49.1%	0.2
Financial result	**-0.4**	**-0.2**	**-40.7%**	**0.2**
Earnings before taxes (EBT)	**-0.2**	**1.7**	**-**	**1.9**

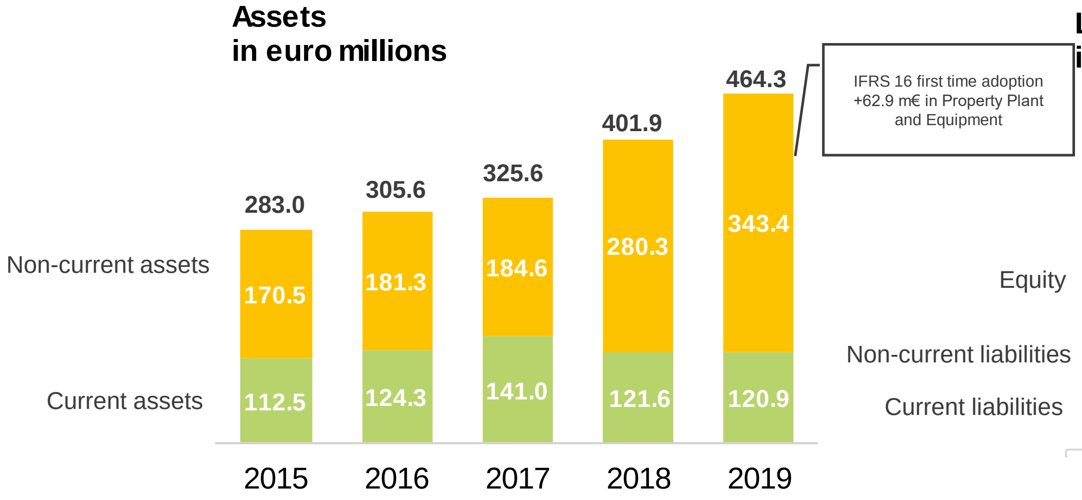
Sales growth in photofinishing and commercial online printing exceeds decline in retail

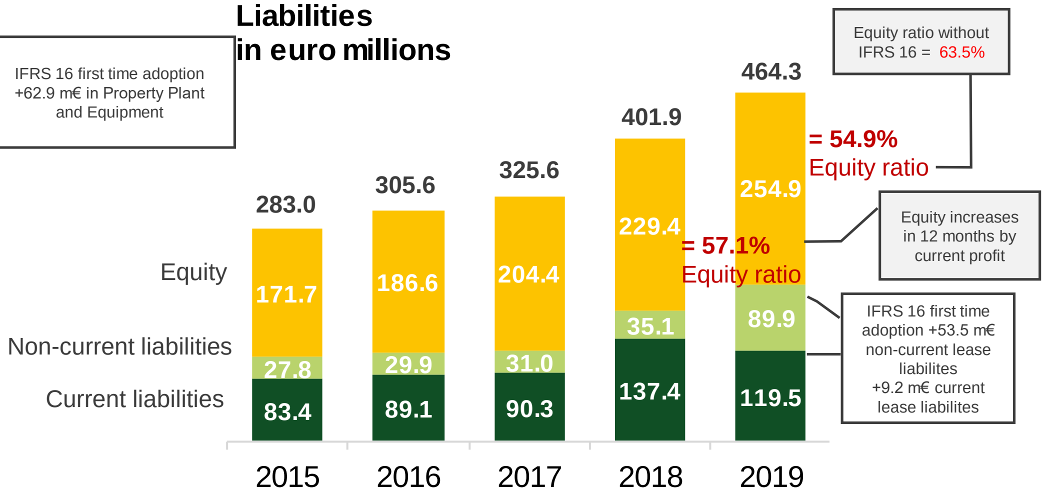
Increase in expenses driven by business increase

IFRS 16 first-time adoption: Reduction of rental expenses, capitalisation of right-of-use assets increases depreciation by € 2.7 million

Rounding differences may occur.

Balance Sheet at 31 March

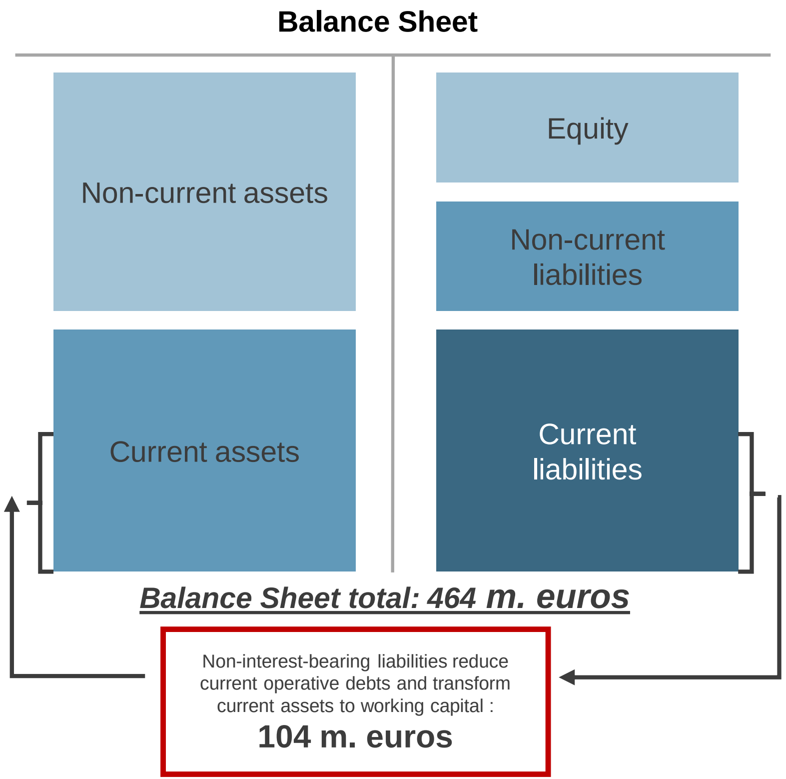


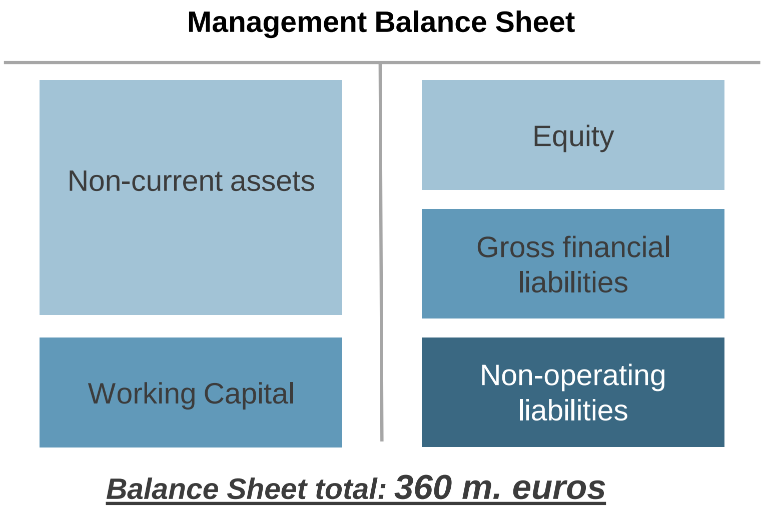


Rounding differences may occur.

- **Non-current assets and liabilities increase due to IFRS 16 first time adoption**
- **Equity ratio at solid 54.9% despite new leasing standard (even up to strong 63.5% before IFRS 16)**

From Accounting Balance Sheet to Management Balance Sheet

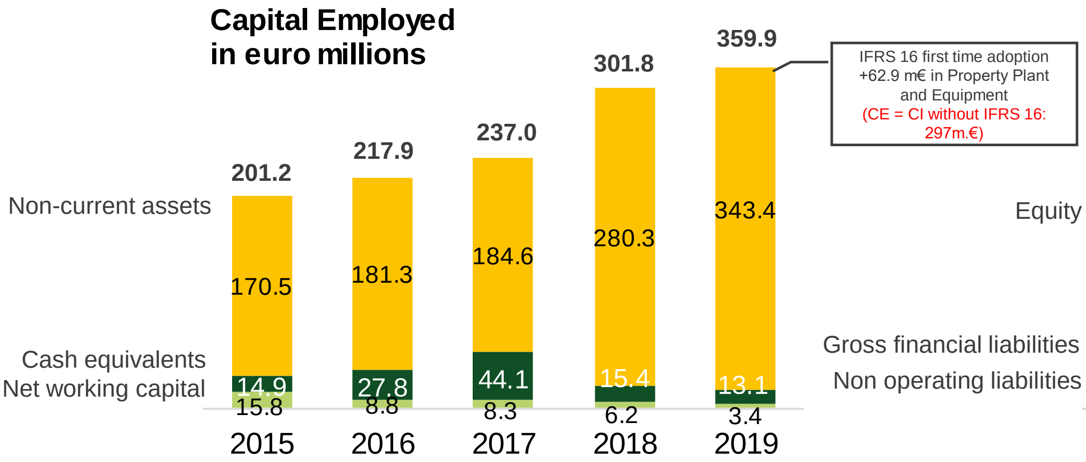


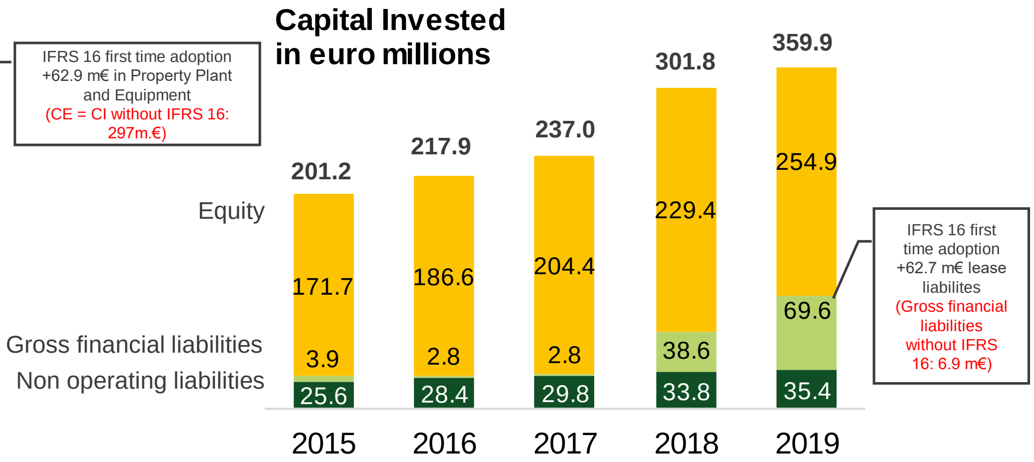


- **The Balance Sheet total is reduced to capital elements „to be paid for“ (by way of dividends or interest) in the management balance sheet**

Rounding differences might occur.

Management Balance Sheet at 31 March





- **Long-term assets and gross financial debt increased due to IFRS 16 first time adoption**
- **Without IFRS 16: Reduction of gross financial debt by -31.7 million Euros**

Rounding differences may occur.

Capital employed I: T-3

Figures in millions of euros	Dec. 31, 2018	Mar. 31, 2019	∆ as %	∆ as m€
Property, plant and equipment	160.2	218.2	36.2%	58.0
Investment properties	17.6	17.5	-0.6%	-0.1
Goodwill	59.7	59.7	0.0%	0.0
Intangible assets	28.5	27.4	-3.9%	-1.1
Financial assets	6.9	7.0	2.2%	0.2
Non-current financial assets	1.3	1.3	3.2%	0.0
Non-current other receivables and assets	0.3	0.2	-8.6%	0.0
Deferred tax assets	12.3	12.1	-1.8%	-0.2
Non-current assets	**286.7**	**343.4**	**19.8%**	**56.7**
Inventories	49.0	45.4	-7.4%	-3.6
+ Current trade receivables	92.9	42.0	-54.8%	-50.9
= Operating gross working capital	**141.9**	**87.4**	**-38.4%**	**-54.5**
- Current trade payables	112.7	53.4	-52.6%	-59.3
= Operating net working capital	**29.2**	**34.0**	**16.3%**	**4.8**

First-time adoption of IFRS 16: Capitalisation of real estate, technical equipment, factory and office equipment

Mainly scheduled depreciation of PPA assets and software

Decline in stocks after Christmas business

Collecting of receivables from Christmas business

Seasonal decline due to settlement of liabilities from Christmas business

Rounding differences may occur.

Capital employed II: T-3

Figures in millions of euros	Dec. 31, 2018	Mar. 31, 2019	Δ as %	Δ as m€
+ Current receivables from income tax refunds	2.7	7.2	168%	4.5
+ Current financial assets	3.4	2.8	-17.4%	-0.6
+ Other Current receivables and assets	9.5	10.4	10.0%	0.9
= Other gross working capital	**15.5**	**20.4**	**31.5%**	**4.9**
- Current tax liabilities	8.2	8.1	-1.1%	-0.1
- Current other accruals	3.5	4.3	23.9%	0.8
- Current financial liabilities	10.2	10.2	0.0%	0.0
- Current other liabilities	45.4	28.4	-37.4%	-17.0
= Other net working capital	**-51.8**	**-30.6**	**-40.8%**	**21.1**
Operating net working capital	29.2	34.0	16.3%	4.8
- Other net working capital	-51.8	-30.6	-40.8%	21.1
= Net working capital	**-22.5**	**3.4**	**-**	**25.9**
Non-current assets	286.7	343.4	19.8%	56.7
+ Net working capital	-22.5	3.4	-	25.9
+ Cash and cash equivalents	28.1	13.1	-53.3%	-15.0
= Capital employed	**292.3**	**359.9**	**23.1%**	**67.6**

Capitalization of tax prepayments on balance sheet date

Capitalization of prepaid expenses and deferred charges

After strong Christmas business: Settlement of tax payments and payroll liabilities

Reduction of liabilities from Christmas business causes decline in liquid funds

Rounding differences may occur.

Capital invested: T-3

Figures in millions of euros	Dec. 31, 2018	Mar. 31, 2019	∆ as %	∆ as m€
Equity	**254.2**	**254.9**	**0.3%**	**0.7**
Non-current accruals for pensions	29.2	29.6	1.4%	0.4
+ Non-current deferred tax liabilities	2.9	3.3	12.4%	0.4
+ Non-current financial liabilities	1.6	1.6	0.0%	0.0
+ Non-current other liabilities	0.6	0.6	-7.8%	0.0
= Non-operating liabilities	**34.3**	**35.0**	**2.1%**	**0.7**
Non-current interest-bearing financial liabilities	1.1	1.0	-11.4%	-0.1
Non-current leasing liabilities	0.0	53.5	-	53.5
+ Current interest-bearing financial liabilities	2.7	5.9	121%	3.2
Current leasing liabilities	0.0	9.2	-	9.2
= Gross financial liabilities	**3.8**	**69.6**	**>1000%**	**65.8**
= Capital invested	**292.3**	**359.5**	**23.0%**	**67.2**

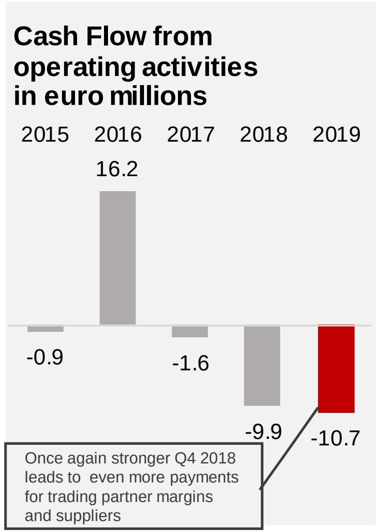
First-time adoption of IFRS 16: Recognition of non-current leasing liabilities

Increase in currect financial liabilities

First-time adoption of IFRS 16: Recognition of current leasing liabilities

Rounding differences may occur.

Free-Cash Flow Q1



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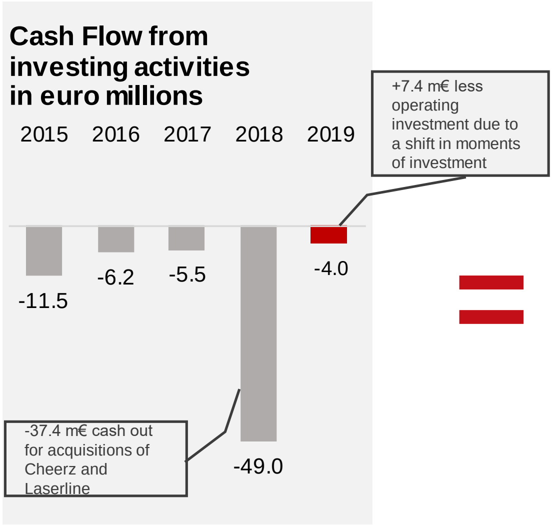

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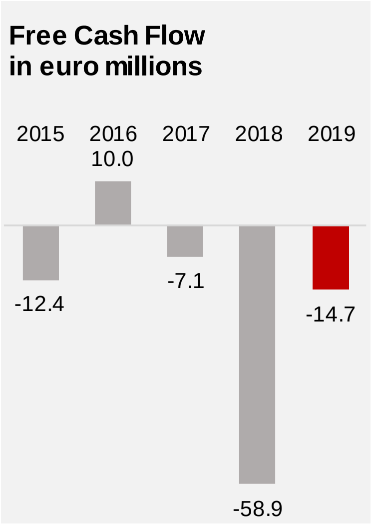


- The success of the Christmas business in the previous year once again reduces cash flow from operating activities
- Following acquisition-related charges in the previous year, changed investment dates relieve the cash outflow from investing activities
- Free cash flow increases by Euro 44.2 million

Rounding differences may occur.

Consolidated free cash flow Q1

	Figures in millions of euros	Q1 2018	Q1 2019	Δ as %	Δ as m€
=	**EBITDA**	**10.0**	**14.7**	**46.9%**	**4.7**
+/-	Non-cash factors	2.8	0.5	-80.9%	-2.2
+/-	Decrease (+) / increase (-) in operating net working capital	6.4	-4.8	-	-11.1
+	Decrease (+) in other net working capital (excluding income tax items)	-24.2	-16.5	-31.7%	7.7
-	Taxes paid	-4.9	-4.6	-5.9%	0.3
+	Interest received	0.1	0.0	-84.4%	-0.1
=	**Cash flow from operating activities**	**-9.9**	**-10.7**	**8.0%**	**-0.8**
-	Outflows from investments in fixed assets	-11.2	-3.9	-65.6%	7.4
-	Outflows from purchases of consolidated interests / acquisitions	-37.4	0.0	-100%	37.4
+/-	Outflows (-) / inflows (+) from investments in financial assets	-0.3	-0.2	-54.2%	0.2
-	Outflows from investments in non-current financial instruments	-0.4	0.0	-90.9%	0.4
+	Inflows from the sale of property, plant and equipment and intagible assets	0.4	0.1	-77.9%	-0.3
=	**Cash flow from investing activities**	**-49.0**	**-4.0**	**-91.9%**	**45.0**
=	**Free cash flow**	**-58.9**	**-14.6**	**-75.2%**	**44.2**

(+) Increased earnings situation

(-) Seasonally higher decrease in trade payables

(+) Q1 2018 Liabilities acquired through acquisitions

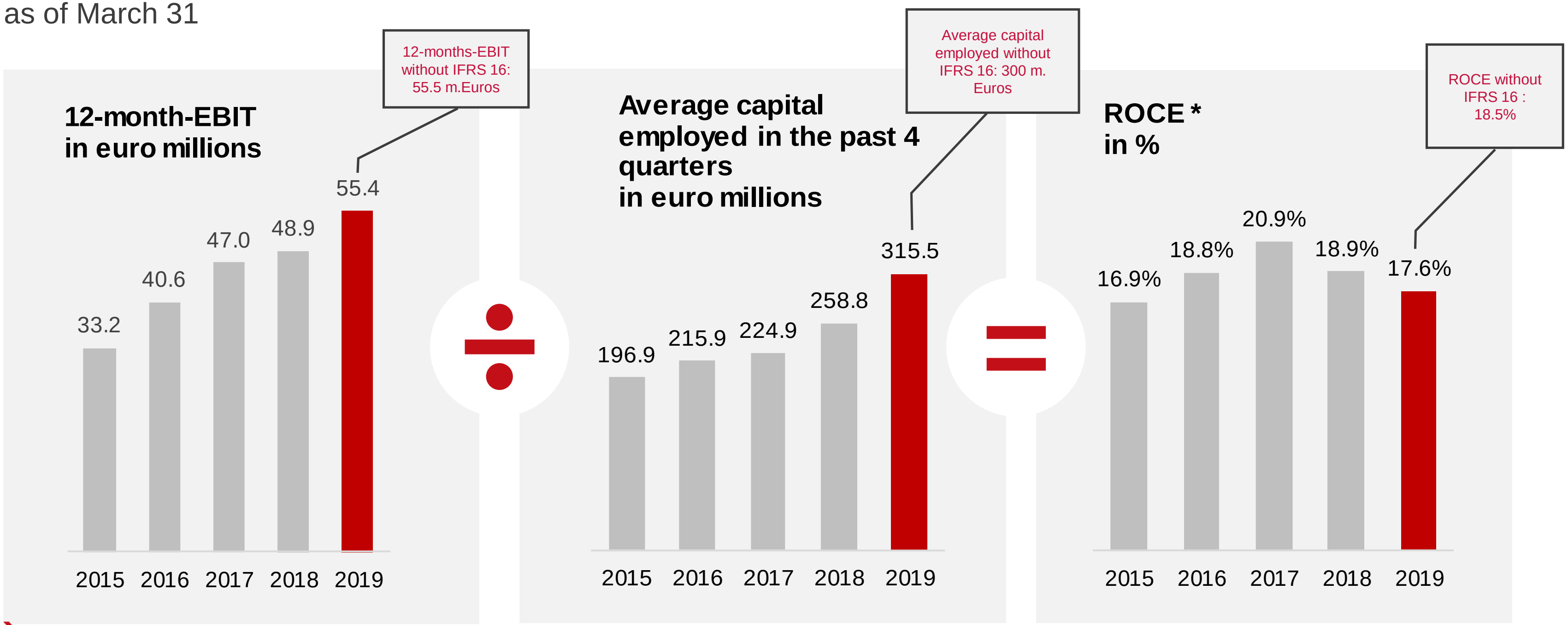
(+) Q1 2018 Acquisition of previously leased operating properties

(+) Q1 2018 Cash outflows from acquisitions of Cheerz and Laserline

Rounding differences may occur.

ROCE

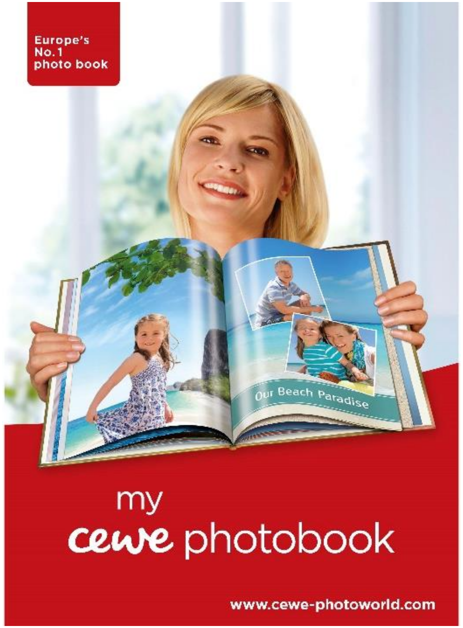
as of March 31



- **The recent acquisitions of Cheerz and Laserline and the first-time application of IFRS 16 increase average capital employed and therefore lower ROCE**
- **ROCE before IFRS 16 adoption at a strong 18.5%**

ROCE = EBIT / ∅ Capital Employed.
Rounding differences might occur.

Agenda



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CEWE Group Targets 2019: Adjustments after WhiteWall acquisition

Targets		2018	Target 2019	*NEW* Target 2019 incl. WhiteWall
Photos	billion photos	2.23	2.22 to 2.26	
CEWE PHOTO BOOK	millions	6.18	6.24 to 6.31	
Investments*	Euro millions	49.6	around 55	
Revenue	**Euro millions**	**653.3**	**655 to 690**	**675 to 710**
EBIT	**Euro millions**	**53.7**	**52 to 58**	**51 to 58**
EBT	Euro millions	53.3	51.5 to 57.5	50.5 to 57.5
Earnings after tax	Euro millions	36.3	35 to 39	35 to 39**
Earnings per share	Euro	5.06	4.84 to 5.40	4.74 to 5.40

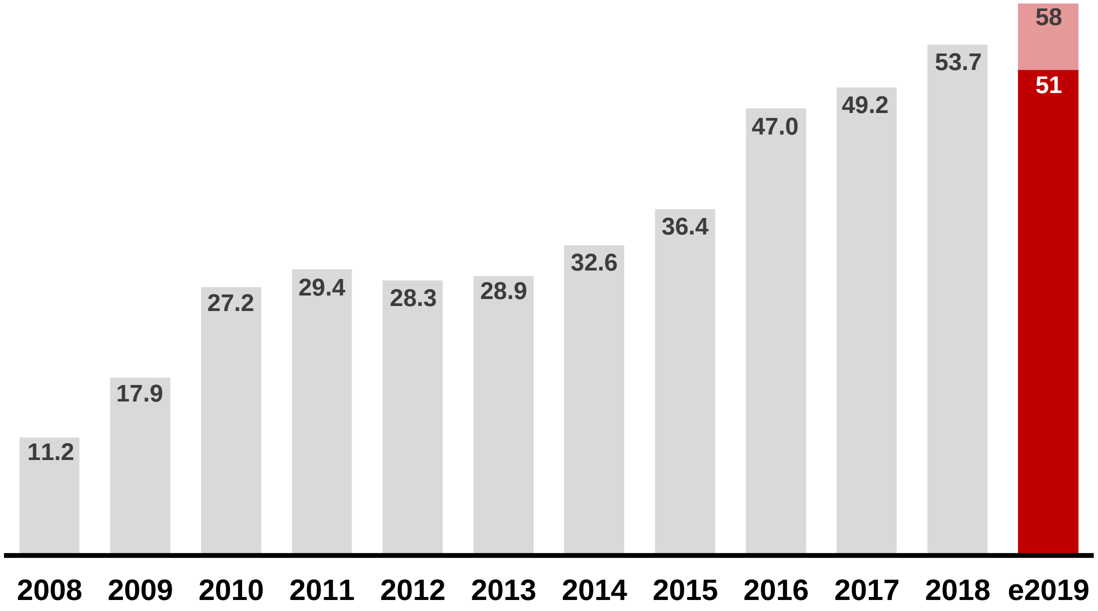
* Operative investments without potential investments in expanding the business volume and, for example, corporate acquisitions and/or additional customer-base acquisitions
** Due to rounding, the interval remains unchanged

Rounding differences might occur.

- **EBIT is expected to rise in 2019: up to 58 Euro millions**
- **Although CEWE expects WhiteWall 2019 to contribute with an EBIT of -1 million euros (including PPA effects), the Management Board still considers the upper end of the earnings corridor to be justified**

EBIT Development

in Euro millions



- **EBIT-target for 2019 continues the trend**

Financial schedule
(insofar as already scheduled)

05.06.2019	Annual General Meeting 2019
13.08.2019	Publication of Interim Report H1-2019
13.08.2019	Press release on the Interim Report H1-2019
24.09.2019	Berenberg & Goldman Sachs German Corporate Conference 2019
25.09.2019	Baader Investment Conference 2019
12.11.2019	Publication of Quarterly Statement Q3 2019
12.11.2019	Press release on Quarterly Statement Q3 2019
25.11.2019	2019 German Equity Forum

IMPRINT

This interim report is also available in German. We will be pleased to send you a copy upon request.

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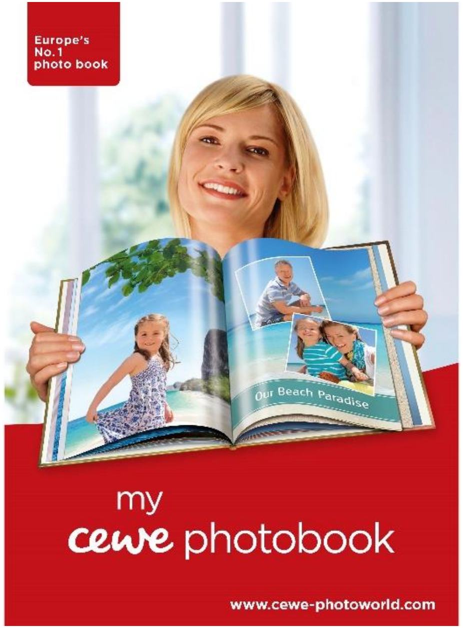
All numbers are calculated as exactly as possible and rounded for the presentation. Figures may not sum to 100, because of rounding.

Agenda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Consolidated profit and loss account

Figures in thousands of euros	Q1 2018	Q1 2019	Δ as %
Revenues	130,620	140,408	7.5%
Increase / decrease in finished and unfinished goods	-69	-208	201%
Other own work capitalised	190	152	-20.0%
Other operating income	3,933	4,670	18.7%
Cost of materials	-37,373	-38,844	3.9%
Gross profit	**97,301**	**106,178**	**9.1%**
Personnel expenses	-41,948	-44,746	6.7%
Other operating expenses	-45,369	-46,766	3.1%
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	**9,984**	**14,666**	**46.9%**
Amortisation of intangible assets, depreciation of property, plant and equipment	-9,759	-12,741	30.6%
Earnings before interest, taxes (EBIT)	**225**	**1,925**	**756%**
Financial income	101	18	-82.2%
Financial expenses	-499	-254	-49.1%
Financial result	**-398**	**-236**	**-40.7%**
Earnings before taxes (EBT)	**-173**	**1,689**	**-**
Income taxes	67	-558	-
Earnings after taxes	**-106**	**1,131**	**-**
Earnings per share (in euros)			
undiluted	-0.01	0.16	-
diluted	-0.01	0.16	-

Rounding differences may occur.

Consolidated balance sheet: Assets

Figures in thousands of euros	Mar. 31, 2018	Dec. 31, 2018	Mar. 31, 2019	∆ Dec. 31, 2018 as %	∆ Mar. 31, 2018 as %
Property, plant and equipment	151,260	160,242	218,212	36.2%	44.3%
Investment properties	17,854	17,643	17,530	-0.6%	-1.8%
Goodwill	59,718	59,718	59,718	0.0%	0.0%
Intangible assets	29,753	28,489	27,365	-3.9%	-8.0%
Financial assets	10,829	6,855	7,006	2.2%	-35.3%
Non-current financial assets	835	1,253	1,293	3.2%	54.9%
Non-current other receivables and assets	103	256	234	-8.6%	127%
Deferred tax assets	9,898	12,289	12,072	-1.8%	22.0%
Non-current assets	**280,250**	**286,745**	**343,430**	**19.8%**	**22.5%**
Inventories	47,512	49,027	45,392	-7.4%	-4.5%
Current trade receivables	39,640	92,883	41,986	-54.8%	5.9%
Current receivables from income tax refunds	6,296	2,699	7,226	168%	14.8%
Current financial assets	2,547	3,363	2,777	-17.4%	9.0%
Other current receivables and assets	8,864	9,457	10,401	10.0%	17.3%
Cash and cash equivalents	15,377	28,061	13,103	-53.3%	-14.8%
Assets held for sale	1,409	0	0	-	-100%
Current assets	**121,645**	**185,490**	**120,885**	**-34.8%**	**-0.6%**
Assets	**401,895**	**472,235**	**464,315**	**-1.7%**	**15.5%**

Rounding differences may occur.

Consolidated balance sheet: Equity and liabilities

Figures in thousands of euros	Mar. 31, 2018	Dec. 31, 2018	Mar. 31, 2019	∆ Dec. 31, 2018 as %	∆ Mar. 31, 2018 as %
Subscribed capital	19,240	19,240	19,240	0.0%	0.0%
Capital reserve	73,686	75,334	73,903	-1.9%	0.3%
Treasury shares at acquisition cost	-7,757	-7,176	-6,917	-3.6%	-10.8%
Retained earnings and unappropriated profits	144,200	166,802	168,630	1.1%	16.9%
Equity of the shareholders of CEWE KGaA	**229,369**	**254,200**	**254,856**	**0.3%**	**11.1%**
Non-current accruals for pensions	27,680	29,150	29,569	1.4%	6.8%
Non-current deferred tax liabilities	3,727	2,945	3,310	12.4%	-11.2%
Non-current other accruals	0	0	414	-	-
Non-current interest-bearing financial liabilities	1,310	1,148	1,017	-11.4%	-22.4%
Non-current leasing liabilities	0	0	53,506	-	-
Non-current financial liabilities	1,617	1,552	1,552	0.0%	-4.0%
Non-current other liabilities	784	628	579	-7.8%	-26.1%
Non-current liabilities	**35,118**	**35,423**	**89,947**	**154%**	**156%**
Current tax liabilities	5,559	8,221	8,129	-1.1%	46.2%
Current other accruals	2,839	3,473	4,303	23.9%	51.6%
Current interest-bearing financial liabilities	37,317	2,665	5,887	121%	-84.2%
Current leasing liabilities	0	0	9,220	-	-
Current trade payables	52,753	112,664	53,378	-52.6%	1.2%
Current financial liabilities	12,159	10,158	10,158	0.0%	-16.5%
Current other liabilities	26,781	45,431	28,437	-37.4%	6.2%
Current liabilities	**137,408**	**182,612**	**119,512**	**-34.6%**	**-13.0%**
Equity and liabilities	**401,895**	**472,235**	**464,315**	**-1.7%**	**15.5%**

Rounding differences may occur.

Multi-Year-Overview

Volumes and employees

		Q1 2014	Q1 2015	Q1 2016	Q1 2017	Q1 2018	**Q1 2019**
Total volume of photos	*millions of units*	469	465	482	438	466	**506**
CEWE PHOTOBOOKS	*millions of units*	1,141.5	1,159.7	1,277.7	1,159.1	1,235.0	**1,334.0**
Employees (as of the reporting date)	*vonverted to full-time equivale*	3,156	3,229	3,293	3,433	3,759	**3,790**

Income

		Q1 2014	Q1 2015	Q1 2016	Q1 2017	Q1 2018	**Q1 2019**
Turnover	*millions of euros*	103.0	106.8	119.2	118.6	130.6	**140.4**
EBITDA	*millions of euros*	3.9	4.8	9.6	9.1	10.0	**14.7**
EBITDA margin	*as % of turnover*	3.8	4.5	8.1	7.7	7.6	**10.4**
EBIT	*millions of euros*	-4.2	-3.5	0.6	0.6	0.2	**1.9**
EBIT margin	*as % of turnover*	-4.1	-3.3	0.5	0.5	0.2	**1.4**
Restructuring expenses	*in millions of euros*	0.0	1.0	0.0	0.0	0.0	**0.0**
EBIT prior to restructuring	*in millions of euros*	-4.2	-2.5	0.6	0.6	0.2	**1.9**
EBT	*millions of euros*	-4.5	-3.7	0.6	0.7	-0.2	**1.7**
Earnings after taxes	*millions of euros*	-4.2	-3.6	0.4	0.5	-0.1	**1.1**

Capital

		Q1 2014	Q1 2015	Q1 2016	Q1 2017	Q1 2018	**Q1 2019**
Total assets	*millions of euros*	273.6	283.0	305.6	325.6	401.9	**464.3**
Capital employed (CE)	*millions of euros*	189.7	201.2	217.9	237.0	301.8	**359.9**
Equity	*in Mio. Euro*	138.7	171.7	186.6	204.4	229.4	**254.9**
Equity ratio	*as % of the balance sheet tot*	50.7	60.7	61.1	62.8	57.1	**54.9**
Net financial liabilities	*in million euros*	11.2	-11.0	-25.0	-41.3	23.3	**-6.2**
ROCE (previous 12 months)	*as % of average capital employed)*	16.2	16.9	18.8	20.9	18.9	**17.6**

Multi-Year-Overview

Cash Flow

		Q1 2014	Q1 2015	Q1 2016	Q1 2017	Q1 2018	**Q1 2019**
Cash flow from operating activities	*in million euros*	9.0	-0.9	16.2	-1.6	-9.9	**-10.7**
Net cash used in investing activities	*in million euros*	-3.7	-11.5	-6.2	-5.5	-49.0	**-4.0**
Net cash flow	*millions of euros*	5.3	-12.5	9.9	-7.0	-58.9	**-14.7**
Cash flow from financing activities	*millions of euros*	-5.3	-0.5	-3.9	2.7	35.3	**-0.3**

Share

		Q1 2014	Q1 2015	Q1 2016	Q1 2017	Q1 2018	**Q1 2019**
Number of shares (nominal value: 2.60 euros)	*in units*	7,400,020	7,400,020	7,400,020	7,400,020	7,400,020	**7,400,020**
Earnings per share							
undiluted	*in euros*	-0.64	-0.51	0.06	0.07	-0.01	**0.16**
diluted	*in euros*	-0.64	-0.51	0.06	0.07	-0.01	**0.16**

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