

Implementation of IFRS 16 Leases, Kesko Group's restated comparison figures for January-September 2018

IFRS 16 Leases takes effect on 1 January 2019. The standard addresses the definition, recognition and measurement of lease agreements and other information given in relation to lease agreements in financial statements. According to the standard, the lessee recognises in its balance sheet right-of-use assets and financial liabilities. This release provides information on the impact of the implementation of the standard on Kesko Group's IFRS financial statements after the financial statements for the 2018 reporting period, as well as the restated comparison figures for January-September 2018 calculated in accordance with the standard that takes effect on 1 January 2019.

Kesko Group leases store sites and other properties for use in its business operations in all of its operating countries. Kesko has a significant number of lease agreements that before the implementation of IFRS 16 Leases are categorised as operating leases and are recognised as lease expenditure in the income statement on a time apportionment basis. According to the new standard that takes effect on 1 January 2019, assets and liabilities corresponding to the present value of minimum lease payments of most of these leases will be recognised in the balance sheet at the commencement date of the leases, meaning assets and liabilities recognised in the balance sheet will increase significantly. At the end of 2017, Kesko Group had over 1,500 leased properties, the lease liability for which was €2,892 million, in addition to which the Group had other lease liabilities of €21 million. At the end of September 2018, lease liabilities for Kesko Group's properties totalled €2,868 million and other lease liabilities amounted to €22 million. The content of lease agreements recognised in the balance sheet under IFRS 16 Leases differs from the current reporting of lease liabilities reported in the notes to balance sheet with regard to, for example, exemptions concerning short-term leases and asset items of low value. There are also timing-related differences, as lease liabilities reported under notes to the consolidated financial statements include also the nominal amount of liability for lease agreements that will enter into force in the future, while under IFRS 16 Leases, lease agreements are recognised in the balance sheet at the commencement date of the agreement.

According to IFRS 16, the measurement of the right-of-use assets and the lease liabilities is determined by discounting the minimum future lease payments. The Group will adopt the standard using a full retrospective method, and the impact on the date of transition (1 January 2018) has been calculated as if the standard had always been in effect. The discount rate should primarily be the interest rate implicit in the lease, if available. An interest rate implicit in the lease is not available for all lease agreements. In such cases, the Group will use the incremental borrowing rate, which comprises the reference rate, credit spread for the incremental borrowing, and a potential country and currency risk premium. With the full retrospective method, the incremental borrowing rate is determined and the minimum lease payments discounted at the commencement date of each lease agreement. IFRS 16 Leases includes exemptions for lease agreements with a term of less than 12 months and for asset items of low value, which the Group will adopt. The lessor's reporting remains unchanged, meaning lease agreements are still divided into finance lease agreements and operating leases.

The Group has completed the assessment of the impact of IFRS 16 Leases on its financial statements. The new standard has a significant impact on the Group's income statement and balance sheet and on some performance indicators. The implementation of IFRS 16 increases significantly the Group's EBITDA and comparable EBITDA and operating profit and comparable operating profit, when the lease expenditure recognised in the income statement is replaced by depreciation of right-of-use-assets and interest expenses for liability recognised in finance costs. In addition, change in deferred tax is recognised in income taxes. Assets in the consolidated statement of financial position increase by the right-of-use-asset calculated for the commencement date of each lease agreement, to be depreciated over their lease term. The amount of interest-bearing liabilities in the consolidated statement of financial position increases by the discounted amount of lease liabilities. In addition, the implementation of the new standard affects the cash flow from operating activities and cash flow from financing activities in the consolidated statement of cash flows, as realised rent payments are allocated to cash flow from operating activities for the portion corresponding to finance costs and to cash flow from financing activities for the portion corresponding to part payment of debt. The new standard does not have impact on Kesko Group's cash flows in practice, and the Group's cash flow as a whole will not change. The standard only changes the way different items in the statement of cash flows are presented. The retrospective implementation of the new accounting standard will result in an equity recording at the date of transition on 1 January 2018 as the values of assets and liabilities recognised in the balance sheet differ at the date of transition.

In the opening balance of 1 January 2018 drawn in conjunction with the implementation of IFRS 16 and calculated in accordance with the standard, the Group's right-of-use-assets total €1,996 million, and the corresponding interest-bearing liabilities €2,214 million. At the end of September 2018, the right-of-use-assets amounted to €1,989 million and the corresponding interest-bearing liabilities to €2,213 million. The implementation of the standard results in a €72 million increase in the comparable operating profit for continuing operations in January-September, as the operating profit is burdened by depreciation instead of rents. The interest costs on interest-bearing liabilities calculated in accordance with the standard are recognised in the income statement, which increases finance costs for January-September by €76 million. The impact on the January-September profit before tax is €-3.2 million. The impact on the January-September comparable earnings per share is €-0.02/share. The right-of-use-assets recognised in the balance sheet based on lease agreements increases capital employed by €1 995 million (January-September, cumulative average). Due to the combined impact of the increase in operating profit and capital employed, return on capital employed at the end of September (pro forma rolling 12 months) decreases to 9.7%. Interest-bearing liabilities in the balance sheet increase in total to €2,761 million, and interest-bearing net debt to €2,442 million. The Group's net debt/EBITDA at the end of September (pro forma rolling 12 months) is 2.9 and equity ratio 30.8 %.

The table below depicts key performance indicators impacted by the implementation of IFRS 16 Leases. 'Reported' figures in the table refer to performance indicators calculated in accordance with the IFRS standards in force in 2018, and 'Restated' figures refer to performance indicators adjusted due to the implementation of IFRS 16, which takes effect on 1 January 2019. The latter will be used as comparison figures in 2019 following the implementation of IFRS 16.

	1-3/2018	4-6/2018	7-9/2018	1-9/2018
Continuing operations				
Reported EBITDA, comparable, € million	71.8	122.6	148.9	343.4
Impact of IFRS 16, € million	98.9	99.3	102.1	300.3
Restated EBITDA, comparable, € million	170.7	221.9	251.0	643.7
Reported operating profit, comparable, € million	40.0	89.0	112.6	241.7
Impact of IFRS 16, € million	23.8	24.2	24.4	72.3
Restated operating profit, comparable, € million	63.8	113.2	137.0	314.0
Reported operating profit, € million	36.6	81.6	110.0	228.2
Impact of IFRS 16, € million	23.8	24.2	24.4	72.3
Restated operating profit, € million	60.4	105.8	134.3	300.5
Reported profit before tax, comparable, € million	39.9	86.0	111.8	237.7
Impact of IFRS 16, € million	-1.6	-1.0	-0.6	-3.2
Restated profit before tax, comparable, € million	38.3	85.0	111.2	234.5
Reported profit before tax, € million	36.5	78.5	109.1	224.2
Impact of IFRS 16, € million	-1.6	-1.0	-0.6	-3.2
Restated profit before tax, € million	34.9	77.5	108.5	220.9
Reported earnings per share, comparable, €, basic	0.35	0.61	0.81	1.77
Restated earnings per share, comparable, €, basic	0.34	0.60	0.81	1.75
Reported earnings per share, €, basic	0.32	0.52	0.79	1.63
Restated earnings per share, €, basic	0.31	0.51	0.79	1.61
Reported return on capital employed, comparable, %, rolling 12 mo				13.8
Restated return on capital employed, comparable, %, rolling 12 mo, pro forma *)				9.7
Group				
Reported interest-bearing net debt, € million	-59	146	229	229
Restated interest-bearing net debt, € million	2,175	2,345	2,442	2,442
Reported interest-bearing net debt/EBITDA, rolling 12 mo				0.6
Restated interest-bearing net debt/EBITDA, rolling 12 mo, pro forma *)				2.9
Reported equity ratio, %	49.3	46.2	48.5	48.5

Restated equity ratio, %	31.4	29.3	30.8	30.8
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*) The pro forma rolling 12-month performance indicators have been calculated as indicative figures for 10/2017-9/2018.

The financial reporting for Kesko Group's 2018 reporting period and Q4/2018, to be published on 6 February 2019, will comply with the Group's IFRS accounting policies in force in the 2018 reporting period. After the implementation of IFRS 16 Leases on 1 January 2019, the restated 2018 figures presented in this release will be used in Kesko Group's financial reporting as the comparison figures for January-September 2018. IFRS 16-compliant comparison figures for the whole 2018 reporting period will be published before the publication of the Q1/2019 interim report, in April 2019 at the latest.

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Kesko Corporation

ATTACHMENTS

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Consolidated income statement (€ million), condensed	1-9/2018 reported	Impact of IFRS 16	1-9/2018 restated
Continuing operations			
Net sales	7,728		7,728
Cost of goods sold	-6,717		-6,717
Gross profit	1,011		1,011
Other operating income	583		583
Employee benefit expense	-507		-507
Depreciations and impairment charges	-106	-232	-338
Other operating expenses	-752	304	-448
Operating profit	228	72	300
Interest income and other finance income	10		10
Interest expense and other finance costs	-9	-76	-85
Foreign exchange differences	-2		-2
Share of results of associates and joint ventures	-3		-3
Profit before tax	224	-3	221
Income tax	-47	1	-47
Net profit for the period from continuing operations	177	-3	174
Discontinued operations			

Net profit for the period from discontinued operations	-54		-54
Net profit for the period	123	-3	120
Attributable to			
Owners of the parent	108	-2	106
Non-controlling interest	15	-1	15
Earnings per share (€) for profit attributable to owners of the parent			
Basic and diluted, continuing operations	1.63	-0.02	1.61
Basic and diluted, discontinued operations	-0.54		-0.54
Basic and diluted, Group total	1.09	-0.02	1.07
Consolidated statement of comprehensive income (€ million)			
Net profit for the period	123	-3	120
Continuing operations			
Items that will not be reclassified subsequently to profit or loss			
Actuarial gains/losses	12		12
Items that may be reclassified subsequently to profit or loss			
Currency translation differences related to a foreign operation	-1	0	-1
Cash flow hedge revaluation	1		1
Other items	0		0
Total other comprehensive income for the period, net of tax, continuing operations	12	0	12
Total other comprehensive income for the period, net of tax, discontinued operations	35		35
Total comprehensive income for the period	170	-2	167
Attributable to			
Owners of the parent	156	-2	154
Non-controlling interests	14	-1	13

Consolidated income statement (€ million), condensed	1-6/2018 reported	Impact of IFRS 16	1-6/2018 restated
Continuing operations			
Net sales	5,086		5,086
Cost of goods sold	-4,434		-4,434
Gross profit	651		651
Other operating income	391		391
Employee benefit expense	-342		-342
Depreciations and impairment charges	-70	-154	-224
Other operating expenses	-512	202	-310
Operating profit	118	48	166
Interest income and other finance income	7		7
Interest expense and other finance costs	-7	-51	-58
Foreign exchange differences	-1		-1
Share of results of associates and joint ventures	-2		-2
Profit before tax	115	-3	112
Income tax	-24	0	-23

Net profit for the period from continuing operations	91	-2	89
Discontinued operations			
Net profit for the period from discontinued operations	-51		-51
Net profit for the period	40	-2	38
Attributable to			
Owners of the parent	32	-2	30
Non-controlling interest	8	0	8
Earnings per share (€) for profit attributable to owners of the parent			
Basic and diluted, continuing operations	0.84	-0.02	0.82
Basic and diluted, discontinued operations	-0.52		-0.52
Basic and diluted, Group total	0.32	-0.02	0.30
Consolidated statement of comprehensive income (€ million)			
Net profit for the period	40	-2	38
Continuing operations			
Items that will not be reclassified subsequently to profit or loss			
Actuarial gains/losses	-1		-1
Items that may be reclassified subsequently to profit or loss			
Currency translation differences related to a foreign operation	-2	0	-2
Cash flow hedge revaluation	2		2
Other items	0		0
Total other comprehensive income for the period, net of tax, continuing operations	-1	0	-1
Total other comprehensive income for the period, net of tax, discontinued operations	35		35
Total comprehensive income for the period	74	-2	72
Attributable to			
Owners of the parent	66	-2	65
Non-controlling interests	8	0	8

Consolidated income statement (€ million), condensed	1-3/2018 reported	Impact of IFRS 16	1-3/2018 restated
Continuing operations			
Net sales	2,413		2,413
Cost of goods sold	-2,108		-2,108
Gross profit	306		306
Other operating income	182		182
Employee benefit expense	-168		-168
Depreciations and impairment charges	-32	-76	-109
Other operating expenses	-251	100	-151
Operating profit	37	24	60
Interest income and other finance income	3		3
Interest expense and other finance costs	-3	-25	-28
Foreign exchange differences	-1		-1

Share of results of associates and joint ventures	0		0
Profit before tax	37	-2	35
Income tax	-7	0	-7
Net profit for the period from continuing operations	29	-1	28
Discontinued operations			
Net profit for the period from discontinued operations	-23		-23
Net profit for the period	6	-1	4
Attributable to			
Owners of the parent	8	-1	7
Non-controlling interest	-3	0	-3
Earnings per share (€) for profit attributable to owners of the parent			
Basic and diluted, continuing operations	0.32	-0.01	0.31
Basic and diluted, discontinued operations	-0.24		-0.24
Basic and diluted, Group total	0.08	-0.01	0.07
Consolidated statement of comprehensive income (€ million)			
Net profit for the period	6	-1	4
Continuing operations			
Items that will not be reclassified subsequently to profit or loss			
Actuarial gains/losses	-1		-1
Items that may be reclassified subsequently to profit or loss			
Currency translation differences related to a foreign operation	0	0	0
Cash flow hedge revaluation	0		0
Other items	-		-
Total other comprehensive income for the period, net of tax, continuing operations	0	0	0
Total other comprehensive income for the period, net of tax, discontinued operations	-2		-2
Total comprehensive income for the period	3	-1	2
Attributable to			
Owners of the parent	6	-1	5
Non-controlling interests	-3	0	-3

Consolidated statement of financial position (€ million), condensed	30.9.2018 reported	Impact of IFRS 16	30.9.2018 restated
ASSETS			
Non-current assets			
Tangible assets	1,180		1,180
Intangible assets	488		488
Right-of use assets	-	1,989	1,989
Shares in associates and joint ventures and other financial assets	152		152
Loans and receivables	71	3	73
Pension assets	164		164
Total	2,053	1,992	4,045
Current assets			
Inventories	869		869
Trade receivables	937		937
Other receivables	233		233
Financial assets at fair value through profit or loss	51		51
Financial assets at amortised cost	68		68
Cash and cash equivalents	198		198
Total	2,357		2,357
Available-for-sale financial assets	88	4	92
Total assets	4,498	1,996	6,494
EQUITY AND LIABILITIES			
Equity	2,057	-172	1,886
Non-controlling interests	109	-5	103
Total equity	2,167	-178	1,989
Non-current liabilities			
Interest-bearing liabilities	181		181
Lease liabilities	-	1,904	1,904
Non-interest-bearing liabilities	30		30
Deferred tax liabilities	51	-40	11
Pension obligations	1		1
Provisions	24		24
Total	287	1,864	2,150
Current liabilities			
Interest-bearing liabilities	367		367
Lease liabilities	-	309	309
Trade payables	1,123		1,123
Other non-interest-bearing liabilities	506	7	514
Provisions	27	-6	20
Total	2,024	310	2,333
Liabilities related to non-current assets held for sale	21		21
Total equity and liabilities	4,498	1,996	6,494

Consolidated statement of financial position (€ million), condensed	30.6.2018 reported	Impact of IFRS 16	30.6.2018 restated
ASSETS			
Non-current assets			
Tangible assets	1,162		1,162
Intangible assets	366		366
Right-of use assets	-	1,976	1,976
Shares in associates and joint ventures and other financial assets	150		150
Loans and receivables	71	3	74
Pension assets	148		148
Total	1,897	1,978	3,875
Current assets			
Inventories	850		850
Trade receivables	960		960
Other receivables	243		243
Financial assets at fair value through profit or loss	141		141
Financial assets at amortised cost	78		78
Cash and cash equivalents	225		225
Total	2,497		2,497
Available-for-sale financial assets	110	4	114
Total assets	4,504	1,983	6,487
EQUITY AND LIABILITIES			
Equity	1,967	-172	1,795
Non-controlling interests	103	-5	97
Total equity	2,070	-177	1,893
Non-current liabilities			
Interest-bearing liabilities	98		98
Lease liabilities	-	1,902	1,902
Non-interest-bearing liabilities	30		30
Deferred tax liabilities	42	-40	2
Pension obligations	1		1
Provisions	24		24
Total	195	1,862	2,057
Current liabilities			
Interest-bearing liabilities	494		494
Lease liabilities	-	297	297
Trade payables	1,147		1,147
Other non-interest-bearing liabilities	508	7	515
Provisions	30	-6	23
Total	2,179	298	2,477
Liabilities related to non-current assets held for sale	60		60
Total equity and liabilities	4,504	1,983	6,487

Consolidated statement of financial position (€ million), condensed	31.3.2018 reported	Impact of IFRS 16	31.3.2018 restated
ASSETS			
Non-current assets			
Tangible assets	1,149		1,149
Intangible assets	365		365
Right-of use assets	-	2,016	2,016
Shares in associates and joint ventures and other financial assets	144		144
Loans and receivables	64	9	73
Pension assets	149		149
Total	1,871	2,024	3,896
Current assets			
Inventories	938		938
Trade receivables	930		930
Other receivables	239		239
Financial assets at fair value through profit or loss	191		191
Financial assets at amortised cost	122		122
Cash and cash equivalents	250		250
Total	2,670		2,670
Available-for-sale financial assets	233		233
Total assets	4,774	2,024	6,799
EQUITY AND LIABILITIES			
Equity	2,142	-171	1,971
Non-controlling interests	96	-5	90
Total equity	2,238	-176	2,062
Non-current liabilities			
Interest-bearing liabilities	127		127
Lease liabilities	-	1,937	1,937
Non-interest-bearing liabilities	31		31
Deferred tax liabilities	34	-34	0
Pension obligations	1		1
Provisions	25		25
Total	218	1,902	2,120
Current liabilities			
Interest-bearing liabilities	413		413
Lease liabilities	-	297	297
Trade payables	1,117		1,117
Other non-interest-bearing liabilities	517	7	524
Provisions	29	-6	23
Total	2,076	298	2,374
Liabilities related to non-current assets held for sale	243		243
Total equity and liabilities	4,774	2,024	6,799

Impact of IFRS 16 on the opening balance sheet (€ million)	Opening balance 1.1.2018 ¹⁾	Impact of IFRS 16	Opening balance 1.1.2018 restated
ASSETS			
Non-current assets			
Tangible assets	1,293		1,293
Intangible assets	376		376
Right-of use assets	-	1,996	1,996
Shares in associates and joint ventures and other financial assets	140		140
Loans and receivables	71	3	74
Pension assets	207		207
Total	2,088	1,999	4,087
Current assets			
Inventories	939		939
Trade receivables	834		834
Other receivables	209		209
Financial assets at fair value through profit or loss	181		181
Financial assets at amortised cost	46		46
Cash and cash equivalents	170		170
Total	2,380		2,380
Available-for-sale financial assets	2		2
Total assets	4,470	1,999	6,469
EQUITY AND LIABILITIES			
Equity	2,135	-169	1,966
Non-controlling interests	99	-6	93
Total equity	2,234	-175	2,059
Non-current liabilities			
Interest-bearing liabilities	129		129
Lease liabilities	-	1,922	1,922
Non-interest-bearing liabilities	31		31
Deferred tax liabilities	52	-40	12
Pension obligations	0		0
Provisions	25		25
Total	238	1,883	2,121
Current liabilities			
Interest-bearing liabilities	405		405
Lease liabilities	-	291	291
Trade payables	1,024		1,024
Other non-interest-bearing liabilities	537	8	545
Provisions	32	-8	24
Total	1,998	291	2,289
Liabilities related to non-current assets held for sale	0		0
Total equity and liabilities	4,470	1,999	6,469

*) The impacts of the new and amended IFRS 9 and IFRS 2 on the Group's opening balance sheet are included in the opening balance sheet of 1.1.2018.

Consolidated statement of changes in equity (€ million)								
	Share capital	Reserves	Currency translation differences	Re-valuation reserve	Treasury shares	Retained earnings	Non-controlling interests	Total
Balance at 31.12.2017	197	465	-50	0	-14	1,539	99	2,234
Impact of IFRS 16						-169	-6	-166
Restated opening balance 1.1.2018	197	465	-50	0	-14	1,369	93	2,069

Consolidated statement of cash flows (€ million), condensed			
	1-9/2018 reported	Impact of IFRS 16	1-9/2018 restated
Net cash from operating activities, total	286	230	516
Net cash used in investing activities, total	-152	-	-152
Net cash used in financing activities, total	-102	-230	-332
Change in cash and cash equivalents	32	0	32

Consolidated statement of cash flows (€ million), condensed			
	1-6/2018 reported	Impact of IFRS 16	1-6/2018 restated
Net cash from operating activities, total	176	153	328
Net cash used in investing activities, total	67	-	67
Net cash used in financing activities, total	-180	-153	-333
Change in cash and cash equivalents	63	0	63

Consolidated statement of cash flows (€ million), condensed			
	1-3/2018 reported	Impact of IFRS 16	1-3/2018 restated
Net cash from operating activities, total	73	77	149
Net cash used in investing activities, total	125	-	125
Net cash used in financing activities, total	-33	-77	-109
Change in cash and cash equivalents	165	0	165

Segment information, continuing operations

Operating profit by segment, (€ million)	1-3/2018	1-6/2018	1-9/2018
Grocery trade			
Reported	37.6	85.9	149.4
Impact of IFRS 16 on leases and depreciations	16.5	33.1	49.8
Restated	54.1	119.0	199.2
Building and technical trade			
Reported	-4.2	26.8	71.4
Impact of IFRS 16 on leases and depreciations	6.9	14.1	21.5
Restated	2.7	40.9	92.9
Car trade			
Reported	11.0	19.7	27.5
Impact of IFRS 16 on leases and depreciations	0.2	0.4	0.5
Restated	11.1	20.1	28.0
Common functions and eliminations			
Reported	-7.7	-14.1	-20.2
Impact of IFRS 16 on leases and depreciations	0.2	0.3	0.5
Restated	-7.5	-13.8	-19.7
Continuing operations, total			
Reported	36.6	118.2	228.2
Impact of IFRS 16 on leases and depreciations	23.8	47.9	72.3
Restated	60.4	166.1	300.5

Operating profit by segment, comparable, (€ million)	1-3/2018	1-6/2018	1-9/2018
Grocery trade			
Reported	38.7	91.5	156.2
Impact of IFRS 16 on leases and depreciations	16.5	33.1	49.8
Restated	55.2	124.7	206.0
Building and technical trade			
Reported	-2.2	31.2	77.1
Impact of IFRS 16 on leases and depreciations	6.9	14.1	21.5
Restated	4.7	45.3	98.6
Car trade			
Reported	11.0	19.7	27.5
Impact of IFRS 16 on leases and depreciations	0.2	0.4	0.5
Restated	11.1	20.1	28.0
Common functions and eliminations			
Reported	-7.4	-13.3	-19.1
Impact of IFRS 16 on leases and depreciations	0.2	0.3	0.5
Restated	-7.2	-13.0	-18.6
Continuing operations, total			
Reported	40.0	129.1	241.7
Impact of IFRS 16 on leases and depreciations	23.8	47.9	72.3
Restated	63.8	177.0	314.0

Operating margin by segment, comparable (%)	1-3/2018	1-6/2018	1-9/2018
Grocery trade			
Reported	3.0	3.5	3.9
Restated	4.3	4.8	5.2
Building and technical trade			
Reported	-0.3	1.6	2.5
Restated	0.5	2.3	3.2
Car trade			
Reported	4.2	3.9	3.9
Restated	4.3	4.0	4.0
Continuing operations, total			
Reported	1.7	2.5	3.1
Restated	2.6	3.5	4.1

EBITDA by segment, comparable, (€ million)	1-3/2018	1-6/2018	1-9/2018
Grocery trade			
Reported	54.1	123.4	204.5
Impact of IFRS 16 on leases and depreciations	65.0	130.2	196.9
Restated	119.1	253.6	401.4
Building and technical trade			
Reported	6.0	48.2	103.1
Impact of IFRS 16 on leases and depreciations	32.2	64.7	98.5
Restated	38.3	112.9	201.6
Car trade			
Reported	13.3	24.7	36.0
Impact of IFRS 16 on leases and depreciations	1.0	1.9	2.9
Restated	14.3	26.6	38.9
Common functions and eliminations			
Reported	-1.6	-1.8	-0.3
Impact of IFRS 16 on leases and depreciations	0.7	1.3	2.0
Restated	-0.9	-0.5	1.7
Continuing operations, total			
Reported	71.8	194.5	343.4
Impact of IFRS 16 on leases and depreciations	98.9	198.2	300.3
Restated	170.7	392.7	643.7

Capital employed by segment, cumulative average, (€ million)	1-3/2018	1-6/2018	1-9/2018
Grocery trade			
Reported	897	907	911
Restated	2,253	2,254	2,245
Building and technical trade			
Reported	883	885	927
Restated	1,521	1,526	1,577
Car trade			
Reported	173	167	160
Restated	181	175	167
Common functions and eliminations			

Reported	364	349	354
Restated	368	353	358
Continuing operations, total			
Reported	2,317	2,308	2,352
Restated	4,324	4,308	4,348

Return on capital employed by segment, comparable (%)	1-3/2018	1-6/2018	1-9/2018
Grocery trade			
Reported	17.3	20.2	22.9
Restated	9.8	11.1	12.2
Building and technical trade			
Reported	-1.0	7.0	11.1
Restated	1.2	5.9	8.3
Car trade			
Reported	25.3	23.6	22.9
Restated	24.6	23.0	22.3
Continuing operations, total			
Reported	6.9	11.2	13.7
Restated	5.9	8.2	9.6

Segment information by quarter, continuing operations

Operating profit by segment, € million	1-3/2018	4-6/2018	7-9/2018
Grocery trade			
Reported	37.6	48.3	63.5
Impact of IFRS 16 on leases and depreciations	16.5	16.6	16.7
Restated	54.1	65.0	80.2
Building and technical trade			
Reported	-4.2	31.0	44.7
Impact of IFRS 16 on leases and depreciations	6.9	7.2	7.4
Restated	2.7	38.2	52.0
Car trade			
Reported	11.0	8.7	7.8
Impact of IFRS 16 on leases and depreciations	0.2	0.2	0.2
Restated	11.1	8.9	8.0
Common functions and eliminations			
Reported	-7.7	-6.4	-6.1
Impact of IFRS 16 on leases and depreciations	0.2	0.2	0.2
Restated	-7.5	-6.3	-5.9
Continuing operations, total			
Reported	36.6	81.6	110.0
Impact of IFRS 16 on leases and depreciations	23.8	24.2	24.4
Restated	60.4	105.8	134.3

Operating profit by segment, comparable, € million	1-3/2018	4-6/2018	7-9/2018
Grocery trade			
Reported	38.7	52.8	64.7
Impact of IFRS 16 on leases and depreciations	16.5	16.6	16.7
Restated	55.2	69.5	81.3
Building and technical trade			
Reported	-2.2	33.4	45.9
Impact of IFRS 16 on leases and depreciations	6.9	7.2	7.4
Restated	4.7	40.6	53.3
Car trade			
Reported	11.0	8.7	7.8
Impact of IFRS 16 on leases and depreciations	0.2	0.2	0.2
Restated	11.1	8.9	8.0
Common functions and eliminations			
Reported	-7.4	-5.9	-5.8
Impact of IFRS 16 on leases and depreciations	0.2	0.2	0.2
Restated	-7.2	-5.7	-5.6
Continuing operations, total			
Reported	40.0	89.0	112.6
Impact of IFRS 16 on leases and depreciations	23.8	24.2	24.4
Restated	63.8	113.2	137.0

Operating margin by segment, %, comparable	1-3/2018	4-6/2018	7-9/2018
Grocery trade			
Reported	3.0	4.0	4.8
Restated	4.3	5.2	6.0
Building and technical trade			
Reported	-0.3	3.0	4.2
Restated	0.5	3.7	4.9
Car trade			
Reported	4.2	3.6	3.9
Restated	4.3	3.7	4.0
Continuing operations, total			
Reported	1.7	3.3	4.3
Restated	2.6	4.2	5.2

EBITDA by segment, comparable, (€ million)	1-3/2018	4-6/2018	7-9/2018
Grocery trade			
Reported	54.1	69.4	81.1
Impact of IFRS 16 on leases and depreciations	65.0	65.2	66.7
Restated	119.1	134.6	147.8
Building and technical trade			
Reported	6.0	42.2	54.9
Impact of IFRS 16 on leases and depreciations	32.2	32.5	33.8
Restated	38.3	74.7	88.7
Car trade			
Reported	13.3	11.4	11.4
Impact of IFRS 16 on leases and depreciations	1.0	1.0	1.0

Restated	14.3	12.3	12.3
Common functions and eliminations			
Reported	-1.6	-0.3	1.6
Impact of IFRS 16 on leases and depreciations	0.7	0.7	0.7
Restated	-0.9	0.4	2.2
Continuing operations, total			
Reported	71.8	122.6	148.9
Impact of IFRS 16 on leases and depreciations	98.9	99.3	102.1
Restated	170.7	221.9	251.0

Reconciliation of restated performance indicators to restated IFRS financial statements

€ million	1-3/2018	4-6/2018	7-9/2018	1-9/2018
Continuing operations				
Items affecting comparability				
Gains on disposal	2.5	4.3	0.0	6.7
Losses on disposal	0.0	-	0.0	-0.1
Impairment charges	-	-3.4	-	-3.4
Structural arrangements	-5.8	-8.4	-2.6	-16.8
Items in operating profit affecting comparability	-3.4	-7.5	-2.7	-13.5
Items in financial items affecting comparability	-	-	-	-
Items in income taxes affecting comparability	0.4	2.0	0.3	2.6
Items in net profit attributable to non-controlling interests affecting comparability	-	-3.7	0.5	-3.2
Total items affecting comparability	-3.0	-9.2	-1.8	-14.1
Total items affecting comparability in EBITDA	-1.5	-1.2	-2.5	-5.1
Operating profit, comparable				
Operating profit	60.4	105.8	134.3	300.5
Net of				
Items in operating profit affecting comparability	-3.4	-7.5	-2.7	-13.5
Operating profit, comparable	63.8	113.2	137.0	314.0
EBITDA				
Operating profit	60.4	105.8	134.3	300.5
Plus				
Depreciation and impairment charges	108.9	114.9	114.2	338.1
EBITDA	169.2	220.7	248.6	638.5
EBITDA, comparable				
EBITDA	169.2	220.7	248.6	638.5
Net of				
Items in EBITDA affecting comparability	-1.5	-1.2	-2.5	-5.1
EBITDA, comparable	170.7	221.9	251.0	643.7
Profit before tax, comparable				
Profit before tax	34.9	77.5	108.5	220.9
Net of				
Items in operating profit affecting comparability	-3.4	-7.5	-2.7	-13.5

Items in financial items affecting comparability	-	-	-	-
Profit before tax, comparable	38.3	85.0	111.2	234.5
Net profit, comparable				
Profit before tax, comparable	38.3	85.0	111.2	234.5
Net of				
Income tax	7.0	16.1	23.4	46.5
Items in income tax affecting comparability	0.4	2.0	0.3	2.6
Net profit, comparable	30.9	66.9	87.5	185.3
Net profit attributable to owners of the parent, comparable				
Net profit, comparable	30.9	66.9	87.5	185.3
Net of				
Net profit attributable to non-controlling interests	-2.9	10.7	6.7	14.6
Items in net profit attributable to non-controlling interests affecting comparability	-	-3.7	0.5	-3.2
Net profit attributable to owners of the parent, comparable	33.8	59.9	80.2	173.9
Earnings per share, comparable, €				
Net profit attributable to the owners of the parent, comparable	33.8	59.9	80.2	173.9
Average number of shares, basic, 1,000 pcs	99,468	99,347	99,237	99,237
Earnings per share, comparable, €	0.34	0.60	0.81	1.75
Group				
Equity ratio, %				
Shareholders' equity	2,062	1,893	1,989	1,989
Total assets	6,799	6,487	6,494	6,494
Advances received	240	28	30	30
Equity ratio, %	31.4	29.3	30.8	30.8
Return on capital employed, comparable, %				Rolling 12 months, pro forma
Continuing operations				
Operating profit, comparable				417.6
Capital employed, average				4,327
Return on capital employed, comparable, %				9.7