

A detailed black and white illustration of a busy 19th-century street scene in Cologne, Germany. The street is filled with horse-drawn carriages, pedestrians, and various shops. The architecture is grand and multi-story. The scene is overlaid with a light, textured pattern.

Tom Finnek

VOR DEM ABGRUND

*Historischer
Roman*

**9 month statement
01 April – 31 December 2013
Bastei Lübbe AG
Cologne**

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Interim management report of Bastei Lübbe AG for the first nine months of the 2013/2014 financial year as at 31 December 2013

I. Company and business activity

Bastei Lübbe AG is a media company in the form of a trade publisher. The Company brings out books, audio books, e-books, digital products with fictional and popular scientific content as well as periodically released magazines in the form of paperback novels and puzzle books. The business activity of Bastei Lübbe also includes the licensing of rights and the development, production and distribution of gift, decorative and merchandising items.

The operations of Bastei Lübbe AG are divided into the segments: **books, non-books** and **paperback novels** and **puzzle books**. Hardcover, paperbacks, pocket books, audio books and e-books can be found in the books division. The channels of distribution here are classic retail bookselling, train station and airport bookshops. The book division also includes digital products (e-books, Apps and audio materials) that are distributed through appropriate online platforms. **Non-books** includes merchandising items and gift items; the latter are distributed under the label Räder. The classic channel of distribution here is also bookshops, but also includes furniture shops, stationery shops, gift shops etc. The **paperback novels** and **puzzle books** division includes romance and mystery novels and puzzle books. These are distributed by press wholesalers.

The subscribed capital of the Company amounts to 13,300,000.00 euros and is divided into 13,000,000 ordinary bearer shares (no-par value shares) with a notional interest in the share capital of 1.00 euro per no-par value share. The shares of the Company were admitted to trading on the regulated market on 07 October 2013 and simultaneously to the section of the regulated market with additional listing obligations (Prime Standard).

II. Framework conditions

1. Macroeconomic environment

The German economy is continuing to grow moderately. Economic output grew by 0.3% in the third quarter of 2013. As expected, growth was somewhat weaker than in the previous quarter, which was characterised by weather-related catch-up effects. Growth contributions in the third quarter only came from the domestic economy. Gross capital investments in particular once again provided a major boost. The contribution from net exports is curbing growth, as imports significantly increased while exports remained almost static. Moderate growth is expected in the final quarter of the year due to the decline in production in the manufacturing sector in October 2013. The framework conditions for a strong domestic recovery have continued to improve on the whole, however. There are still considerable, principally external, risks, nonetheless.

2. Market environment

The mood in the German book trade remains positive in spite of the insolvency of Weltbild. The trend of declining sales in the retail bookselling segment over the previous two years has reversed. 2013 sales increased by 0.9% in comparison with 2012. Online book sales slightly decreased. Sales of physical

books in 2013 were more or less at the same level as the previous year. Digital sales have once again greatly increased.

Weltbild GmbH filed an application for the opening of insolvency proceedings in mid-January 2014. Bastei Lübbe receivables from Weltbild amounted to approx. 590,000.00 euros on the reference date. A high level of bad debt is not expected, however, as 550,000.00 euros is covered by credit insurance (percentage excess of 10%). The expected loss has been taken into consideration in the balance sheet in the form of a provision.

Even though Weltbild GmbH was an important customer of Bastei Lübbe, the Management Board is not currently assuming that the insolvency of Weltbild GmbH will have long-term negative effects on the remainder of the financial year. For now, it remains to be seen what will become of the Weltbild Group.

The paperback novel division continued its slight decline in sales. Market volumes for puzzles and non-books were at the same level as the previous year.

III. Business performance and profit situation

1. Assessment of the reporting period

Bastei Lübbe was able to record a significant growth in sales in the first nine months of the 2013/2014 financial year in comparison with the same period of the previous year. Revenues increased from 73.2 million euros to 85.2 million euros (+16.4%). Earnings before interest and taxes (EBIT) rose from 9.3 million euros to 12.1 million euros (30.1%).

Bastei Lübbe employed 316 workers as at 31/12/2013 (31/12/2012: 285 workers). The increase in the number of workers results in particular from the employment of new workers, particularly in the digital division.

Profit and loss account as at 31/12/2013

in €k	Apr.-Dec. FY 2014	Apr.-Dec. FY 2013	Change
Revenue	85.242	73.196	12.046
Changes in finished goods and work in progress	951	-686	1.637
Other operating income	364	330	34
Cost of materials	-40.523	-34.586	-5.937
Personnel expenses	-14.320	-11.473	-2.847
Depreciation	-1.275	-1.049	-226
Other operating expenses	-18.744	-17.484	-1.260
Result of participations	397	1.073	-676
Earnings before interest and taxes (EBIT)	12.092	9.321	2.771
Financial result	-1.818	-1.812	-6
Earnings before taxes (EBT)	10.274	7.509	2.765
Taxes on income and earnings	-2.654	-1.179	-1.475
Result for the period	7.620	6.330	1.290
Other comprehensive income (OCI)	-6	-6	0
Overall result	7.614	6.324	1.290

2. Sales developments

Bastei Lübbe generated a clear growth in sales of 16.4% in the period from 01/04/2013 to 31/12/2013. Sales increased from 73.2 million euros to 85.2 million euros in this period.

Increases in sales were achieved in all three segments (books, non-books, paperback novels and puzzle books). Sales increased from 60.2 million euros to 69.4 million euros (+15.3%) in the books division, from 7.1 million euros to 8.0 million euros (+12.7%) in the non-books division and from 5.9 million euros to 7.8 million euros (+32.2%) in the paperback novel and puzzle book division.

The breakdown of sales in the individual segments is as follows:

Segment sales as at 31/12/2013

	Apr.-Dec. FY 2014		Apr.-Dec. FY 2013		Change in €K
	in €K	in %	in €K	in %	
Book	69.399	81,4%	60.214	82,3%	9.185
- thereof hardcover/paperback	20.760	24,4%	16.306	22,3%	4.454
- thereof pocket book	19.612	23,0%	20.160	27,5%	-548
- thereof audio materials	7.832	9,2%	6.414	8,8%	1.418
- thereof entertainment (digital media)	8.495	10,0%	3.996	5,5%	4.499
- thereof children's and youths' books	12.671	14,9%	13.338	18,2%	-667
- thereof other	29	0,0%	0	0,0%	29
Non-book	8.034	9,4%	7.084	9,7%	950
Paperback novel and puzzle books	7.809	9,2%	5.898	8,1%	1.911
Total	85.242	100,0%	73.196	100,0%	12.046

3. Development of costs

Analogous to sales, the cost of materials increased from 34.6 million euros to 40.5 million euros (+17.1 %). Personnel costs increased from 11.5 million euros to 14.3 million euros (+24.3 %).

Other operating costs increased from 17.5 million euros to 18.7 million euros (+6.9%).

4. Development of earnings

Earnings before interest and taxes (EBIT) of 12.1 million euros were generated in the reporting period. EBIT in the same period of the previous year amounted to 9.3 million euros. This is a growth of 30.1%. The EBIT margin in the reporting period amounted to 14.2%, in comparison with 12.7% in the same period of the previous year.

The financial result remained unchanged at -1.8 million euros (previous year: -1.8 million euros). This is due to interest expenditures for the bond.

The result after taxes is 7.6 million euros, compared to 6.3 million euros in the previous year (+20.6%).

IV. Presentation of assets and the financial position

Assessment of the reporting period

The balance sheet total as at 31/12/2013 is 111.2 million euros, compared to 89.6 million euros at 31/03/2013. The increase amounts to 21.6 million euros and stems largely from the inflow of funds due to the initial public offering. Equity increased by 26.8 million euros to 50.6 million euros in the reporting period. The equity capital ratio accordingly increased from 29.9% to 45.6%.

Cash flow from operating activities increased by almost 4.8 million euros from -1.6 million euros to +3.2 million euros in comparison with the same period of the previous year.

Balance sheet as at 31/12/2013

in €k	31.12.2013	31.03.2013	Change
Non-current assets	19.703	19.574	129
Current assets	91.450	70.058	21.392
Total assets	111.153	89.632	21.521
Equity	50.637	26.829	23.808
Non-current liabilities	30.124	30.178	-54
Short-term liabilities	30.392	32.625	-2.233
Total liabilities	111.153	89.632	21.521

Non-current **assets come to** 19.7 million euros as at 31/12/2013 (31/03/2013: 19.6 million euros).

Current **assets** amount to 91.5 million euros as at 31/12/2013 (31/03/2013: 70.1 million euros). In comparison with 31/03/2013, the items **accounts receivable trade** increased to 21.4 million euros (31/03/2013: 16.8 million euros), **financial assets** to 13.3 million euros (31/03/2013: 4.9 million euros) and **means of payment** to 15.2 million euros (31/03/2013: 0.1 million euros).

Equity amounts to 50.6 million euros at the end of the reporting period, compared to 26.8 million euros at 31/03/2013. The equity ratio is 45.6% (31/03/2013: 29.9%).

Non-current **liabilities** of 30.1 million euros have remained similar. This item includes the bond in particular.

Short-term **liabilities** have decreased in comparison with 31/03/2013 from 32.6 million euros to 30.4 million euros. This was due primarily to a decrease in the item **financial liabilities** from 9.5 million euros to 3.2 million euros.

Financial position

The financial position of Bastei Lübbe has developed favourably. Cash flow from operating activities amounted to +3.2 million euros in the reporting period, compared to -1.6 million euros in the first nine months of the 2012/2013 financial year.

V. Opportunities and risk report

No significant changes have occurred in the course of the first nine months of the 2013/2014 financial year with regards to opportunities and risks. The statements in the annual financial statement and the management report for the 2012/2013 financial year remain valid.

VI. Significant events after the end of the interim reporting period

No events of particular importance that had or are expected to have a significant effect on the Company's course of business took place after the reporting period.

VII. Outlook

It remains to be seen how the economic climate will develop in Germany. The outlook is positive on the whole.

Experience has shown that the book trade is about to experience low sales for a few months. This has been taken into consideration in plans. There are no signs that the planned results will not be achieved.

In this respect, the Management Board continues to view business prospects for the 2013/2014 financial year positively.

VIII. Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles, we guarantee that the annual financial statement gives a true and fair view of the asset, financial and earnings position of the Company and the interim management report gives a fair review of the development and performance of the business, together with a description of the significant opportunities and risks associated with the expected development of the Company.

Cologne, 12 February 2014

Bastei Lübbe AG

The Management Board



Thomas Schierack



Klaus Kluge



Felix Rudloff

PHILIPP MÖLLER

BIN ISCH
FREAK!
ODÄ WAS?!

Interim financial statements



**Statement of Financial Position of Bastei Lübbe AG, Cologne
(formerly: Bastei Lübbe GmbH & Co. KG, Cologne)
as at 31 December 2013**

	31.12.2013 EUR thousands	31.3.2013 EUR thousands
Assets		
Non-current assets		
Intangible assets	9.773	10.182
Property, plant and equipment	3.695	3.344
Investments accounted for using the equity method	3.811	3.812
Trade receivables	1.020	1.207
Deferred tax assets	1.404	1.029
	19.703	19.574
Current assets		
Inventories	18.786	17.801
License agreements with authors	22.204	25.236
Trade receivables	21.443	16.852
Financial assets	13.338	4.859
Income tax receivables	104	125
Receivables from shareholders	0	3.972
Other receivables	399	1.134
Cash and cash equivalents	15.176	79
	91.450	70.058
Total assets	111.153	89.632
Equity		
Issued capital	0	1.534
Capital stock	13.249	0
Reserves	26.164	0
Accrued profits	0	14.401
Retained earnings	11.237	10.902
Accumulated other comprehensive income	-13	-8
Total equity	50.637	26.829
Liabilities		
Non-current liabilities		
Provisions	381	411
Financial liabilities	29.743	29.767
	30.124	30.178
Current liabilities		
Financial liabilities	3.168	9.512
Trade payables	17.001	14.356
Income tax liabilities	2.022	362
Provisions	7.094	6.536
Liabilities to limited partners	0	654
Other liabilities	1.107	1.205
	30.392	32.625
Total liabilities	60.516	62.803
Total equity and liabilities	111.153	89.632

**Statement of Profit or Loss and Other Comprehensive Income of Bastei Lübbe AG, Cologne
(formerly: Bastei Lübbe GmbH & Co. KG, Cologne)
for the interim report as at 31 December 2013**

	01 Oct to 31 Dec. 2013 EUR thousands	01 Oct to 31 Dec. 2012 EUR thousands	01 Apr. to 31 Dec. 2013 EUR thousands	01 Apr. to 31 Dec. 2012 EUR thousands
Revenue	29.291	32.610	85.242	73.196
Changes in finished goods and work in progress	-210	1.455	951	-686
Other operating income	122	117	364	330
Cost of materials				
a) Cost of raw materials, supplies and goods for resale	355	137	718	423
b) Cost of purchased services	6.276	7.705	21.616	18.690
c) Authors' fees and amortisation charges and impairment losses on license agreements with authors	5.489	7.370	18.189	15.473
	12.120	15.212	40.523	34.586
Staff costs				
a) Wages and salaries	4.298	3.827	12.437	9.798
b) Social security contributions, pensions and other benefits	669	617	1.883	1.675
	4.967	4.444	14.320	11.473
Depreciation	445	417	1.275	1.049
Other operating expenses	7.292	7.057	18.744	17.484
Share of profit of associates accounted for using the equity method	240	11	397	1.073
Earnings before interest and taxes (EBIT)	4.619	7.063	12.092	9.321
Financial result				
Income from other securities and loans included in financial assets				
Other interest and similar income	22	10	48	59
Interest and similar expense	632	644	1.866	1.871
Financial result	-610	-634	-1.818	-1.812
Profit/loss before tax (EBT)	4.009	6.429	10.274	7.509
Income taxes expense	1.636	921	2.654	1.179
Profit/loss for the period	2.373	5.508	7.620	6.330
Other comprehensive income				
Actuarial losses from partial retirement obligations	-2	-2	-6	-6
Total comprehensive income	2.371	5.506	7.614	6.324
Earnings per share	0,18		0,69	
Shares outstanding (in thousands)	13.248,8		11.004,2	

**Statement of changes in equity of Bastei Lübbe AG, Cologne
(formerly: Bastei Lübbe GmbH & Co. KG, Cologne)
for the interim financial statement as at 31 December 2013**

	Subscribed Capital TEUR	Capital Reserves	Generated Equity TEUR	Accumulated Other Result TEUR	Equity Income TEUR
Status as at 1 April 2012	1.534	0	22.115	0	23.649
Dividends paid			-4.736		-4.736
Net income for the period			6.330		6.330
Sums recorded directly in equity				-6	-6
Overall result			6.330	-6	6.324
Status as at 31 December 2012	1.534	0	23.709	-6	25.237
Status as at 1 April 2013	1.534	0	25.302	-8	26.828
Dividends paid / allocation to shareholders' accounts			-7.283		-7.283
Changes in equity due to the change in legal form to a listed stock corporation	8.466	5.935	-14.401		0
Issue of units	3.300	20.562			23.862
Share buybacks	-51	-333			-384
Other changes in equity				1	1
Net income for the period			7.620		7.620
Sums recorded directly in equity				-6	-6
Overall result			7.538	-6	7.532
Status as at 31 December 2013	13.249	26.164	11.238	-13	50.638

**Statement of Cash Flows of Bastei Lübbe AG, Cologne
(formerly: Bastei Lübbe GmbH & Co. KG, Cologne)
for the interim report as at 31 December 2013**

	1/4-/31/12/ 2013 thousands	1/4-/31/12/ 2012 thousands
Total comprehensive income	7.614	6.324
+/- Write-offs/write-ups on intangible assets and property, plant and equipment	1.275	1.049
+/- Increase/decrease of non-current provisions	-30	-10
+/- Other non-cash expenses/income	-305	-305
+/- Increase/decrease of current provisions	558	834
-/+ Profit/loss on disposal of intangible assets and property, plant and equipment	14	150
-/+ Increase/decrease of income tax receivables and liabilities, including deferred tax assets and deferred tax liabilities	1.304	58
-/+ Increase/decrease of inventories, trade receivables and other assets not related to investing or financing activities	-10.101	-13.132
+/- Increase/decrease of trade payables and other liabilities not related to investing or financing activities	2.846	3.444
Cash flow from operating activities	3.175	-1.588
- Purchase of intangible assets	-199	-20
+ Proceeds from disposals of property, plant and equipment	139	4
- Purchase of property, plant and equipment	-1.171	-565
- Purchase of financial investments	0	-3.161
Cash flow from investing activities	-1.231	-3.742
+ Cash proceeds from issuing shares	23.862	0
- Purchase of own shares	-384	0
+/- Contributions/Cash payments to owners	-3.964	-4.406
+ Cash proceeds from issuing bonds and borrowings	0	7.648
- Cash repayments of bonds and borrowings	-6.361	-249
Cash flow from financing activities	13.153	2.993
Net change in cash and cash equivalents from operating, financing and investing activities	15.097	-2.337
+/- Changes in cash and cash equivalents from merger/merger of partnerships by way of accrual	0	89
+ Cash and cash equivalents at the beginning of period	79	2.735
= Cash and cash equivalents at the end of period	15.176	487

Bastei Lübbe AG, Cologne
(formerly: Bastei Lübbe GmbH & Co. KG, Cologne)
Abridged notes on the interim financial statement
as at 31 December 2013

1. General information

The registered offices of Bastei Lübbe AG (hereinafter „Bastei Lübbe AG“ or „the Company“) are at Schanzenstrasse 6 – 20, 51063 Cologne, Germany.

The former Bastei Lübbe GmbH & Co. KG resolved on its change of legal form to Bastei Lübbe AG on 9 July 2013. The change of legal form was entered in the Commercial Register on 14 August 2013. Bastei Lübbe AG was listed on the Prime Standard of the German stock exchange for the first time on 8 October 2013. As a listed stock corporation, it is required to compile both annual financial statements and the interim financial statements required here-tofore by the International Financing Reporting Standards (IFRS) adopted by the European Union (EU) from the 2013/2014 financial year onwards in accordance with Article 4 of the Regulation (EC) No. 1606/2002 of the European Parliament and Council of 19 July 2002 on the adoption of international accounting standards (Official Journal EC No. L 243 p. 1). An IFRS annual financial statement has already been produced for the 2012/2013 financial year as preparation for the listing. In order to be able to determine the IFRS-based reference figures of the previous year for the statement of comprehensive income, the IFRS opening balance sheet was set at 1 April 2011 (day of transfer to IFRS according to IFRS 1, First-time Adoption of International Financial Reporting Standards).

The present interim financial statement will neither be audited nor subject to an audit review in accordance with Article 37w para. 5 German Securities Trading Act (WpHG).

2. Accounting principles

The interim financial statement as at 31 December 2013 has been produced in line with IAS 34 - Interim Financial Reporting and covers the period from 1 April to 31 December 2013.

On compiling the interim financial statement, accounting and valuation methods were not amended, in contrast to the IFRS statement for the 2012/2013 financial year. This also applies to the principles and methods applied for the required assumptions and estimates in the interim financial statement. The changes explained in the following, based on new or revised IFRS standards, form exceptions:

IAS 1 – Presentation of Financial Statements

The changes concern the presentation of other comprehensive income. The significant change is that the enterprise must separate its comprehensive income into constituent parts in the future; into those that, under certain conditions, are to be reclassified in the profit and loss account and those that are not to be reclassified.

IAS 19 - Employee Benefits

The changes concern personnel-related liabilities (early retirement obligations) and principally have the following effects: past service costs are to be recognised immediately; interest expenditures and anticipated income from plan assets are to be calculated net, taking into consideration the interest rate underpinning the defined benefit obligation. Actuarial gains and losses are no longer to be recorded in the profit and loss account within the statement of comprehensive income and shall be recorded in other comprehensive earnings with no effect on income.

IFRS 13 - Fair Value Measurement

This standard outlines how fair value is to be defined, how the valuation is to be ascertained, and which disclosures are to be made. In adopting the standard from the 2013/2014 financial year onwards, additional disclosure requirements shall arise during the course of the year for information on financial instruments, which previously only had to be reported in the annual financial statement.

All IFRS standards to be adopted for the first time in the 2013/2014 financial year have been fully implemented but have otherwise not had any considerable effect on the interim financial statement.

A detailed description of these standards and the accounting and valuation methods can be found in the notes for the 2012/2013 financial year.

3. Shareholdings of the Company

No changes were made to the shareholdings of the Company in the first nine months of the 2013/2014 financial year.

4. Equity

As part of the change of legal form of Bastei Lübbe GmbH & Co. KG to Bastei Lübbe AG, the previous equity of Bastei Lübbe GmbH & Co. KG, comprising limited partners' contributions (TEUR 1,534) and reserves (TEUR 14,401), was converted and reallocated to the share capital of Bastei Lübbe AG (TEUR 10,000), while the exceeding amount (TEUR 5,935) was allocated to capital reserves.

3,300,000 no-par value shares with a notional interest in the share capital of EUR 1.00 each were placed on the German stock exchange at an introductory price of EUR 7.50 per share as part of the listing. The share capital of Bastei Lübbe AG accordingly increased by TEUR 3,300 to TEUR 13,300. The surplus amount of $(3,300,000 \times \text{EUR } 6.50 =)$ TEUR 21,450 was allocated to capital reserves. The costs of TEUR 1,314 incurred for the capital increase were offset against the capital reserves (balanced at TEUR 888) in consideration of the amount of tax payable thereon (TEUR 426).

Bastei Lübbe AG assumed 51,200 of its own shares at the introductory price of EUR 7.50 upon its flotation on the stock market. The corresponding interest in the notional share capital of EUR 51,200.00 was deducted from the share capital and the remaining amount of $(51,200 \times \text{EUR } 6.50 =)$ EUR 332,800.00 was deducted from the capital reserves.

5. Earnings per share

When calculating the earnings per share, the number of average shares in circulation was set as a weighted average of the number of shares until flotation on the stock exchange (7 October 2013, 10,000,000 units) and following the first listing (8 October 2013, 13,300,000 units), offsetting the shares (51,200 units) acquired by the Company on the latter date. In this respect, the calculation was made as if the Company were already a listed stock corporation at the start of the financial year.

6. Tax expense

After the conversion into a capital company, both current and deferred tax expenses are no longer to be calculated on the basis of trade tax alone, and must also include corporation tax and solidarity tax. Current profit taxes shall be calculated this way from the conversion date (retroactively to 31 March 2013). Deferred tax receivables and tax liabilities were adapted to the new overall tax rate (32.45%, previously 16.625%) on the conversation date, affecting net income.

7. Notes on the cash flow statement

The total amount (balance) of profit taxes paid in the first six months of the financial year amounts to TEUR 1,350 (previous year: TEUR 1,121). Interest payments amount to TEUR 2,202 (previous year: TEUR 2,218).

8. Segment reporting

Segment reporting includes information in accordance with IAS 34.16A (g). Segmentation is a consequence of the internal management and reporting of the Company, which remains unchanged in comparison to 31 March 2013.

The segments performed as follows over the past quarter:

(TEUR)	Book		Non-Book		Paperback novel and puzzle books		Total	
	10-12/2013	10-12/2012	10-12/2013	10-12/2012	10-12/2013	10-12/2012	10-12/2013	10-12/2012
Segment sales	24.228	28.197	2.357	2.656	2.706	1.757	29.291	32.610
Internal sales	0	0	0	0	0	0	0	0
External sales	24.228	28.197	2.357	2.656	2.706	1.757	29.291	32.610
EBITDA	4.858	8.028	-157	-609	363	61	5.064	7.480
Result of participations	-1	0	227	0	14	11	240	11
Write-offs	184	253	212	139	49	25	445	417
EBIT	4.674	7.775	-369	-748	314	36	4.619	7.063
Financial result							-610	-634
Earnings before taxes (EBT)							4.009	6.429
Taxes on income and earnings							1.636	921
Net income for the period							2.373	5.508

The cumulated segment figures for the first nine months of the financial year are as follows:

(TEUR)	Book		Non-Book		Paperback novel and puzzle books		Total	
	04-12/2013	04-12/2012	04-12/2013	04-12/2012	04-12/2013	04-12/2012	04-12/2013	04-12/2012
Segment sales	69.399	60.214	8.034	7.084	7.809	5.898	85.242	73.196
Internal sales	0	0	0	0	0	0	0	0
External sales	69.399	60.214	8.034	7.084	7.809	5.898	85.242	73.196
EBITDA	12.571	8.185	-244	1.325	1.040	860	13.367	10.370
Result of participations	69	44	227	905	101	124	397	1.073
Write-offs	481	664	678	323	116	62	1.275	1.049
EBIT	12.090	7.521	-922	1.002	924	798	12.092	9.321
Financial result							-1.818	-1.812
Earnings before taxes (EBT)							10.274	7.509
Taxes on income and earnings							2.654	1.179
Net income for the period							7.620	6.330

9. Financial instruments

The following financial instruments are shown in the interim financial statement, broken down into categories as stipulated in IAS 39:

(TEUR)	Book value		Cash value	
	31.12.2013	31.03.2013	31.12.2013	31.03.2013
Assets				
Loans and receivables				
Cash and cash equivalents	15.176	79	15.176	79
Accounts receivable trade	22.463	18.059	22.463	18.059
Bonds	5.000	0	5.000	0
Other original financial assets	8.338	4.859	8.338	4.859
Available for sale				
Other participations	108	108	108	108
Held for trading				
Derivatives with no balance hedging relationship	0	0	0	0
	51.085	23.105	51.085	23.105
Liabilities				
Liabilities				
Accounts payable trade	17.001	14.356	17.001	14.356
Liabilities from the bond issued	29.613	29.918	32.463	33.218
... amounts owed to credit institutions	5	6.164	5	6.164
... liabilities from financial leasing	796	1.006	802	1.019
Liabilities to shareholders	0	654	0	654
Liabilities to shareholders	2.497	2.191	2.497	2.191
	49.912	54.289	52.768	57.602

The methods and assumptions applied to determine fair values are as follows:

- Means of payment, trade receivables, other current assets, accounts payable, short-term liabilities to banks and other current liabilities come very close to their book value, mainly due to the short maturities of these instruments.
- Long-term receivables and receivables arising from bonds that are not traded on an active market are valued by the Company using parameters such as interest rates and credit worthiness. At the balance sheet date, the book values of these receivables were the same as their fair values.
- The fair value of the listed bond is based on price quotations on the reporting dates.
- The fair value of obligations under finance leases is estimated by discounting future cash flows using interest rates currently available for loan capital with comparable terms, default risks and remaining maturities.
- The fair value of other shareholdings available for sale is not calculated as there are no listed market prices in an active market and the fair value cannot be reliably determined. These financial assets available for sale are strategic shareholdings in press distribution companies. The absence of market transactions and a lack of knowledge of the parameters significantly influencing the fair value of the assets render the calculation thereof undone. The Company does not currently intend to sell the assets.

Bastei Lübbe uses the following hierarchy to determine and disclose fair values:

- Step 1: Listed (not adjusted) prices on active markets for similar assets or liabilities,
- Step 2: Input factors - excluding prices according to Step 1 - that can either be observed directly or indirectly for the asset or liability and
- Step 3: Factors not based on observable market data for the valuation of the asset or liability.
The calculation of the fair value of all financial instruments recorded in the balance sheet and explained in these notes is based on either Stage 1 listed prices (excluding the bond issued) or on the Stage 2 information and input factors described above. Using observable market parameters means that the valuation does not differ from general market assumptions. There are no financial instruments pertaining to Stage 3 of the fair value hierarchy.

10. Management

Bastei Lübbe AG was converted from Bastei Lübbe GmbH & Co. KG as a result of the resolution to change legal form of 9 July 2013. The conversion was entered in the Commercial Register on 14 August 2013.

The founders appointed the members of the Supervisory Board, who were to be chosen from the shareholders. The members are:

- Dr. Friedrich Wehrle, Stuttgart (Chairman),
- Prof. Dr. Michael Nelles, Essen (Vice Chairman),
- Prof. Dr. Gordian Hasselblatt, Cologne.

The following were appointed members of the Management Board of Bastei Lübbe AG:

- Thomas Schierack, Köln (Chairman),
- Klaus Kluge, Cologne,
- Felix Rudloff, Cologne.

Until the conversion was entered in the Commercial Register, the management of Bastei Lübbe GmbH & Co. KG was the responsibility of its general partner. This was Bastei Lübbe Verwaltungs GmbH, Cologne until 9 July 2013. In turn represented by its Managing Directors:

- Stefan Lübbe, Bergisch Gladbach, publisher (Chairman)
- Thomas Schierack, Cologne, lawyer
- Klaus Kluge, publishing director
- Hartmut Räder, Bochum, entrepreneur
- Felix Rudloff, Cologne, publishing director

On 9 July 2013, Bastei Lübbe Verwaltungs GmbH retired from acting as the general partner of Bastei Lübbe KG and joined DENUS Einhundertundneunzig Unternehmensverwaltungs GmbH (in short: DENUS GmbH), acting as their general partner. The Managing Director of DENUS GmbH is Mr Stefan Lübbe.

11. Appropriation of net income

In accordance with the decision of the shareholders of 10 April 2013, the annual result determined on the basis of commercial law of Bastei Lübbe GmbH & Co. KG was credited in its entirety (TEUR 7,283) to its shareholders' accounts.


12. Events after the balance sheet date

There are no further events taking place after 31 December 2013 to report here.

Cologne, 12 February 2013

Bastei Lübbe AG

The Management Board



Thomas Schierack



Klaus Kluge



Felix Rudloff

Company details

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9 month statement on the Internet

The 9 month statement of the Bastei Lübbe AG is available on www.luebbe.de as PDF data file.

More company information is available on www.luebbe.de

www.luebbe.de

DARTH PAPER SCHLÄGT ZURÜCK

