

**BASTEI LÜBBE AG  
CONSOLIDATED  
HALF-YEARLY  
FINANCIAL REPORT  
01 APRIL -  
30 SEPTEMBER 2020**



Michaela Grünig  
PALAIS HEILIGENDAMM

## At a glance

	01/04/2020 – 30/09/2020	01/04/2019 – 30/09/2019***	Change
<b>Key financial figures (IFRS) in EUR million</b>			
Group sales	41.1	38.3	7.3 %
EBIT	3.4	1.8	87.4 %
EBIT margin in %	8.2 %	4.7 %	3.5 ppt
Profit for the period from continuing operations	1.9	0.7	159.0 %
Profit for the period from discontinued operations	0.6	0.4	51.2 %
Group results	2.5	1.1	120.0 %
Earnings per share in EUR**	0.16	0.07	122.4 %
	<b>01/07/2020 – 30/09/2020</b>	<b>01/07/2019 – 30/09/2019***</b>	
<b>Key financial figures (IFRS) in EUR million</b>			
Group sales	22.6	19.4	16.4 %
EBIT	1.8	0.4	306.0 %
EBIT margin in %	7.9 %	2.3 %	5.6 ppt
Profit for the period from continuing operations	0.9	0.0	–
Profit for the period from discontinued operations	–	0.4	–
Group results	0.9	0.4	132.4 %
Earnings per share in EUR**	0.07	0.02	308.9 %
	<b>30/09/2020</b>	<b>31/03/2020</b>	
Balance sheet total	68.2	68.6	-0.5 %
Equity*	30.5	27.4	11.3 %
Equity ratio in %	44.6 %	39.9 %	4.7 ppt
Net debt	-0.6	0.6	–

\* incl. equity capital shares of non-controlling shareholders

\*\* Calculation see Annual Report 2019/2020: Notes to the Consolidated Financial Statements, Note 18

\*\*\* Prior-year figures adjusted

# Economic report

## General conditions

According to the EU Commission's Summer 2020 economic forecast, the European economic area will shrink by 8.7 % in 2020 as a result of the Covid-19 pandemic but will grow again by 6.1 % in 2021.<sup>1</sup> In the autumn 2020 joint diagnosis by the leading German economic research institutes, Germany's gross domestic product is expected to fall by 5.4 %. After the lockdown months of March and April, a strong countermovement set in in almost all sectors of the economy. However, in the opinion of the leading German economic research institutes, this catch-up process will lose momentum in the current calendar year. According to the above-mentioned diagnosis, growth of only 4.7 % is expected in 2021.<sup>2</sup>

## The industry environment in the Bastei Lübbe AG business segments

In the **book retailing** segment, sales in the sales channels retail bookselling, e-commerce, railway station bookselling, department shop, electrical goods and drugstore combined from January to September 2020 were 4.3 % below the level of the previous year due to the corona lockdown. While sales - i.e. the number of copies sold - fell just as sharply by 6.1 %, according to the German Publishers & Booksellers Association, book prices were 1.9 % higher in the same period.<sup>3</sup> After sales in the book market fell sharply in the lockdown months of March and April compared to the previous year, this shortfall has almost been made up since May.<sup>4</sup>

Sales of **e-books** increased significantly by 17.8 % in the period under review, mainly due to the closures of bookstores during the lockdown in March and April. Consequently, in the second quarter of 2020 alone, e-book sales increased by 38.9 %. Compared to the same period last year, both e-book sales grew by 15.3 % and the average price paid per e-book increased by 2.1 %. As a result, the share of e-books in the overall market increased from 6.0 % to 7.5 %. At 2.7 million, the number of e-book buyers remained at the same level as in the first half of 2019, although the purchasing intensity increased enormously. In the first six months of 2020, it increased by 15.0 %, which corresponds to about 6.9 copies per e-book buyer. Per-capita expenditure has also risen just as significantly to now EUR 44.31, a plus of 17.5 % compared to the same period last year.<sup>5</sup>

Sales of **physical audio books/audio books** fell by 27.0 % between January and September 2020.<sup>6</sup> Data for digital formats are not yet available for the calendar year 2020. However, it can be assumed that sales of storage-saving audio streaming in the audio book market will continue to rise, thus largely compensating for the aforementioned development of physical audio books physical area.

<sup>1</sup> [https://ec.europa.eu/germany/news/20200707-wirtschaftsprognose-sommer-2020\\_de](https://ec.europa.eu/germany/news/20200707-wirtschaftsprognose-sommer-2020_de)

<sup>2</sup> <https://www.ifo.de/node/58780>

<sup>3</sup> [https://www.boersenverein.de/tx\\_boev\\_newsletter\\_view?tx\\_boev\\_pi14\[uid\]=1630&tx\\_boev\\_pi14\[backend\\_layout\]=pagets\\_\\_newsletter](https://www.boersenverein.de/tx_boev_newsletter_view?tx_boev_pi14[uid]=1630&tx_boev_pi14[backend_layout]=pagets__newsletter)

<sup>4</sup> <https://www.buchreport.de/news/umsatztrend-fuer-deutschland-roman-konjunktur/>

<sup>5</sup> <https://www.boersenverein.de/presse/pressemitteilungen/detailseite/corona-krise-sorgt-fuer-aufschwung-auf-dem-e-book-markt/>

<sup>6</sup> [https://www.boersenverein.de/tx\\_boev\\_newsletter\\_view?tx\\_boev\\_pi14\[uid\]=1630&tx\\_boev\\_pi14\[backend\\_layout\]=pagets\\_\\_newsletter](https://www.boersenverein.de/tx_boev_newsletter_view?tx_boev_pi14[uid]=1630&tx_boev_pi14[backend_layout]=pagets__newsletter)

# Business performance

## Profit situation

As a result of the resolution of the Board of Management and the Supervisory Board in the previous year to dispose of the subsidiary Daedalic Entertainment GmbH, Daedalic was presented as a discontinued operation. Daedalic was sold with financial effect as of 31 May 2020 in a management buy-out. In the following explanations, we refer to the continuing operations in this respect. The previous year's figures in the income statement and in the cash flow statement were adjusted accordingly.

The first half of the 2020/2021 financial year continued to be dominated by the COVID 19 pandemic. Bastei Lübbe AG was able to develop well despite the difficult conditions and generated consolidated sales of EUR 41.1 million in the period from April to September of the 2020/2021 financial year, compared to EUR 38.3 million in the previous year. This was 7.3 % above the previous year's figure and thus almost in line with expectations despite the pandemic. Group EBIT improved to EUR 3.4 million in the first half of 2020/2021 compared to EUR 1.8 million in the same period of the previous year. The EBIT includes the income from the settlement with the former executive bodies amounting to EUR 1.1 million. The previous year's figure included extraordinary income of EUR 0.4 million from the sale of the puzzle magazines division.

Sales in the "Book" segment increased from EUR 34.2 million to EUR 37.5 million in the reporting period, in particular due to the strong fiction book autumn programme 2020. Sales in the audio segment and LYX also developed positively. The segment EBIT improved to EUR 2.6 million in the current financial year, following an EBIT of EUR 0.8 million in the same period last year.

In the first half of 2020/2021, the "Novel Booklets" segment achieved sales of EUR 3.6 million compared to EUR 4.1 million in the previous year. The sales revenues of the current financial year can only be compared with those of the previous year to a limited extent, as Bastei Lübbe sold the puzzle magazine division with effect as of 31 May 2019. Sales revenues of EUR 0.4 million were attributable to the puzzle magazine division in the previous year. The segment EBIT in the reporting period was EUR 0.7 million after EUR 1.0 million in the previous year. The previous year's figure includes the proceeds of EUR 0.4 million from the sale of the puzzle division.

At EUR -0.3 million, the change in inventories of finished goods and work in progress is EUR 1.4 million higher than in 2019 (previous year: EUR -1.7 million). As a result of the change in purchasing behaviour caused by the pandemic, excess inventories were not sold off at the previous year's level.

At EUR 1.2 million, other operating income is above the level of the previous year (previous year: EUR 0.5 million), which is mainly due to the aforementioned proceeds from the settlement with the former executive bodies amounting to EUR 1.1 million.

At EUR 22.1 million, the total cost of materials in the reporting period was significantly higher than in the previous year (EUR 18.4 million). This is due on the one hand to the higher level of sales and on the other hand to the increased scheduled depreciation on the guarantee fees of the top authors from the autumn programme in the "Book" segment.

Personnel expenses rose from EUR 7.8 million in the previous year to EUR 8.2 million. In addition to special effects in connection with the change of the Management Board, this is also due to the regular salary adjustments.

Other operating expenses fell from EUR 8.0 million in the previous year to EUR 7.4 million. This is due on the one hand to lower legal and consulting fees and on the other hand to lower delivery costs because of a higher proportion of revenues from the sale of digital products.



Depreciation on rights of use under leases amounted to EUR 0.6 million (previous year: EUR 0.7 million)

Consolidated earnings before interest and taxes (EBIT) for the period April to September amounted to EUR 3.4 million (previous year: EUR 1.8 million). The EBIT margin was 8.2 % after 4.7 % in the same period of the previous year. The result from investments accounted for using the equity method was EUR 0.3 million (previous year: EUR 0.2 million).

The other financial result rose from EUR -0.7 million in the previous year to EUR -0.4 million in the reporting period due to lower credit liabilities. Interest expenses from leasing liabilities amounted to EUR -0.1 million (previous year: EUR -0.1 million).

Earnings before taxes (EBT) amounted to EUR 3.2 million (previous year: EUR 1.2 million).

The net result for the period of the continuing operations amounts to EUR 1.9 million (previous year: EUR 0.7 million). The result for the period of the discontinued business units amounts to EUR 0.6 million (previous year: EUR 0.4 million). This includes expenses from the deconsolidation of Daedalic amounting to EUR -0.2 million. The consolidated result for the period amounts to EUR 2.5 million (previous year: EUR 1.4 million). The consolidated result for the period attributable to the shareholders of Bastei Lübbe AG amounts to EUR 2.1 million (previous year: EUR 1.0 million). Earnings per share are therefore now EUR 0.16 after EUR 0.07 in the previous year. This was based on a number of 13,200,100 shares in circulation in the reporting period (unchanged from the previous year).

## Asset position

Compared to 31 March 2020, the consolidated balance sheet total decreased by EUR 0.4 million from EUR 68.6 million to EUR 68.2 million.



At EUR 30.3 million, the share of equity attributable to the shareholders of the parent company is higher than on 31 March 2020 (EUR 28.3 million). The increase results from the positive net result for the period of EUR 2.5 million (of which EUR 2.1 million is attributable to the shareholders of Bastei Lübbe AG).

Non-current liabilities amount to EUR 6.8 million after EUR 7.3 million as of 31 March 2020. Leasing liabilities within non-current liabilities amount to EUR 5.5 million (31 March 2020: EUR 6.0 million).

Current liabilities amount to EUR 31.0 million as of 30 September 2020 compared to EUR 33.9 million as of 31 March 2020, which is mainly the result of two opposing effects. On the one hand, current liabilities are reduced by

the disposal of liabilities in connection with assets held for sale in the amount of EUR 10.3 million as part of the deconsolidation of Daedalic. On the other hand, trade payables increase from EUR 10.3 million as of 31 March 2020 to EUR 18.5 million as of 30 September 2020 due to the recognition of additional liabilities to authors amounting to EUR 6.3 million. In addition, loan liabilities in the amount of EUR 1.4 million were repaid. Leasing liabilities within non-current liabilities amount to EUR 1.1 million (31 March 2020: EUR 1.2 million).

At EUR 0.6 million, net financial assets as of 30 September 2020 are EUR 1.2 million higher than on 31 March 2020 (net financial debt: EUR 0.6 million).

## Liquidity situation and investments

The cash flow from operating activities of the continuing operations fell from EUR 3.4 million in the previous year to EUR 1.5 million in the year under review. This is mainly due to higher investments in prepaid royalties.

The cash flow from investment activities changed in the reporting year from EUR 2.2 million to EUR - 0.7 million compared to the previous year. In the previous year, the Bastei Lübbe Group received cash of EUR 1.9 million from the disposal of intangible assets.

The cash flow from financing activities of EUR -2.0 million (previous year EUR -4.6 million) includes in particular the repayment of loan liabilities of EUR 1.4 million and the repayment of leasing liabilities within the scope of IFRS 16 amounting to EUR 0.6 million.

## Supplementary report

No events of particular significance for the assessment of the net assets, financial position and results of operations of the Bastei Lübbe AG Group occurred after the reporting period.

## Opportunity and risk report

Compared to the risk situation described in the Annual Report 2019/2020, a further significant risk has been added.

### Changes in the audio book market

The audio book market and the usage habits of customers are changing materially. Digital usage formats are becoming increasingly important, both as download-to-own and in various streaming models. There is a risk that the remuneration models and the increasing negotiating power of the streaming portals will have a negative impact on Bastei Lübbe. In this context there is also the risk that streaming rights cannot be acquired for all titles at the necessary conditions.

We continue to assume that this environment will also reduce the marketing potential of physical audio books, with a corresponding impact on the achievable prices and the valuation of the corresponding products.

The risk arising from this is classified as a B-risk with a high probability of occurrence and a low level of damage.

Otherwise, the risk situation of Bastei Lübbe AG and its opportunities have basically not changed compared to the presentation in the 2019/2020 annual report.

The COVID-19 pandemic remains a risk that is difficult to quantify. On the one hand, there is a short-term risk of a weak Christmas business due to the expected significant reduction in visitor frequency in stationary bookstores.

On the other hand, in a worst-case scenario there is the risk of repeated retail closures over a period of several weeks, which would result in a material loss of sales in stationary book retailing - despite a probable increase in e-commerce and e-book business.

## Forecast

Compared with the presentation in the 2019/2020 annual report and the announcements made in the first quarter, the Management Board's forecast for the 2020/2021 financial year has not changed significantly.

In the current financial year 2020/2021, consolidated revenues are expected to be at the lower end of the range of EUR 85 to 90 million (previous year: EUR 81 million) and EBIT is expected to remain positive in a range between EUR 5 and 6 million (previous year: EUR 4.1 million).

Due to the extraordinary termination of the factoring of receivables from "digital" sales revenues, the financial planning of the Bastei Lübbe Group continues to assume that a free cash flow at the lower end of the range of EUR 5 to 8 million (previous year: EUR 10.4 million) can be achieved in the current financial year.

In the opinion of the Executive Board, the effects of the possible renewed tightening of measures to contain the COVID 19 pandemic described in the opportunities and risks report lead to potential risks with regard to the forecast mentioned above. Every day, new findings are emerging worldwide that could lead to a different risk assessment. Nonetheless, the measures already initiated and the strong book economy<sup>7</sup> that has been observed to date following the initial lockdown are leading to a reduction in potential risks. In future quarterly announcements the management board will again communicate its expectations and the outlook for the future as usual on the basis of current developments.

Cologne, 12 November 2020  
Bastei Lübbe AG



Joachim Herbst  
Spokesman of the  
Management Board  
Chief Financial Officer



Sandra Dittert  
Director  
Sales and Marketing



Simon Decot  
Director  
Programme

<sup>7</sup> <https://www.buchreport.de/news/umsatztrend-fuer-deutschland-roman-konjunktur/>

## Consolidated balance sheet as of 30 September 2020

	30/09/2020 KEUR	31/03/2020 KEUR
<b>Long-term assets</b>		
Intangible assets	1,109	1,130
Inventory of pre-paid royalties	21,567	15,347
Tangible assets (incl. rights of use)	7,705	8,415
Investments accounted for under the equity method	1,171	999
Financial investments	3,440	3,276
Trade receivables	330	420
Deferred tax claims	1,865	3,043
	<b>37,187</b>	<b>32,629</b>
<b>Short-term assets</b>		
Inventories	11,647	11,959
Trade receivables	13,404	8,482
Financial assets	1,587	1,053
Income tax receivables	242	374
Other receivables and assets	1,561	1,815
Cash and cash equivalents	2,608	2,765
Assets held for sale	–	9,501
	<b>31,050</b>	<b>35,950</b>
<b>Total assets</b>	<b>68,237</b>	<b>68,579</b>
<b>Equity</b>		
Share of equity attributable to parent company shareholders		
Subscribed capital	13,200	13,200
Capital reserves	9,045	9,045
Net profit/loss	6,178	4,055
Accumulated other income	1,915	1,995
	<b>30,339</b>	<b>28,295</b>
Equity capital shares of non-controlling shareholders	113	-940
<b>Total equity</b>	<b>30,452</b>	<b>27,354</b>
<b>Long-term liabilities</b>		
Accruals	86	86
Financial liabilities	6,008	6,448
Trade payables	696	768
	<b>6,790</b>	<b>7,302</b>
<b>Short-term liabilities</b>		
Financial liabilities	4,008	5,581
Trade payables	18,479	10,338
Income tax liabilities	402	266
Accruals	6,327	5,748
Other liabilities	1,780	1,668
Liabilities in connection with assets classified as held for sale	–	10,321
	<b>30,995</b>	<b>33,922</b>
<b>Total debt</b>	<b>37,785</b>	<b>41,225</b>
<b>Total liabilities</b>	<b>68,237</b>	<b>68,579</b>



## Consolidated profit and loss account and consolidated statement of income for the period from 01 April to 30 September 2020

	01/04/ – 30/09/20	01/04/ – 30/09/19
	KEUR	KEUR
<b>Continuing operations</b>		
Sales revenue	41,125	38,326
Change in inventories of finished goods and work in progress	-321	-1,778
Other operating income	1,179	481
Material expenses	-22,075	-18,397
Personnel expenses	-8,198	-7,753
Other operating expenses	-7,357	-8,043
Operating profit	14	42
<b>Earnings before interest, taxes, depreciation and amortisation (EBITDA)</b>	<b>4,368</b>	<b>2,878</b>
Amortisation of intangible assets and property, plant and equipment	-1,015	-1,088
Amortisation of financial assets	-	-
<b>Earnings before interests and taxes (EBIT)</b>	<b>3,353</b>	<b>1,789</b>
Result from equity valuation	266	188
Other financial result	-391	-687
<b>Earnings before taxes (EBT) from continuing operations</b>	<b>3,229</b>	<b>1,290</b>
Taxes on income and earnings	-1,343	-562
<b>Profit for the period from continuing operations</b>	<b>1,886</b>	<b>728</b>
<b>Profit for the period from discontinued operations</b>	<b>624</b>	<b>413</b>
<b>Consolidated net profit for the period</b>	<b>2,510</b>	<b>1,141</b>
Of which is attributable to:		
<b>Shareholders of Bastei Lübbe AG</b>		
Earnings from continuing operations	1,881	745
Earnings from discontinued operations	242	210
	2,124	955
<b>Equity capital shares of non-controlling shareholders</b>		
Earnings from continuing operations	5	-17
Earnings from discontinued operations	382	203
	387	186
Profit per share (undiluted = diluted) (with reference to the net period earnings attributable to shareholders of Bastei Lübbe AG)	0.16	0.07

\* adjusted (see segment reporting)

## Consolidated profit and loss account and consolidated statement of income for the period from 01 July to 30 September 2020

	01/07/ – 30/09/20	01/07/ – 30/09/19
	KEUR	KEUR
<b>Continuing operations</b>		
Sales revenue	22,633	19,449
Change in inventories of finished goods and work in progress	-292	-346
Other operating income	1,124	34
Material expenses	-13,141	-9,964
Personnel expenses	-4,188	-3,999
Other operating expenses	-3,855	-4,169
Operating profit	5	9
<b>Earnings before interest, taxes, depreciation and amortisation (EBITDA)</b>	<b>2,286</b>	<b>1,013</b>
Amortisation of intangible assets and property, plant and equipment	-508	-575
Amortisation of financial assets	-	-
<b>Earnings before interests and taxes (EBIT)</b>	<b>1,777</b>	<b>438</b>
Result from equity valuation	212	77
Other financial result	-187	-385
<b>Earnings before taxes (EBT) from continuing operations</b>	<b>1,802</b>	<b>129</b>
Taxes on income and earnings	-902	-122
<b>Profit for the period from continuing operations</b>	<b>901</b>	<b>7</b>
<b>Profit for the period from discontinued operations</b>	<b>-</b>	<b>380</b>
<b>Consolidated net profit for the period</b>	<b>901</b>	<b>388</b>
Of which is attributable to:		
<b>Shareholders of Bastei Lübbe AG</b>		
Earnings from continuing operations	909	36
Earnings from discontinued operations	-	186
	<b>909</b>	<b>222</b>
<b>Equity capital shares of non-controlling shareholders</b>		
Earnings from continuing operations	-9	-29
Earnings from discontinued operations	-	194
	<b>-9</b>	<b>165</b>
Profit per share (undiluted = diluted) (with reference to the net period earnings attributable to shareholders of Bastei Lübbe AG)	0.07	0.02

## Consolidated statement of comprehensive income for the period from 01 April 2020 to 30 September 2020

	01/04/ – 30/09/20	01/04/ – 30/09/19
	KEUR	KEUR
<b>Results for the period</b>	<b>2,510</b>	<b>1,141</b>
<b>Amounts that cannot be reclassified to the income statement in the future</b>	<b>–</b>	<b>–</b>
Changes in fair value of available-for-sale financial assets	–	–
<b>Amounts that can be reclassified to the income statement in the future</b>	<b>-71</b>	<b>16</b>
Currency differences	-71	16
<b>Other income</b>	<b>-71</b>	<b>16</b>
<b>Consolidated comprehensive income</b>	<b>2,439</b>	<b>1,157</b>
Of which is attributable to:		
Shareholders of Bastei Lübbe AG	2,044	972
Equity capital shares of non-controlling shareholders	395	185

## Consolidated statement of comprehensive income for the period from 01 July 2020 to 30 September 2020

	01/07/ – 30/09/20	01/07/ – 30/09/19
	KEUR	KEUR
<b>Results for the period</b>	<b>901</b>	<b>388</b>
<b>Amounts that cannot be reclassified to the income statement in the future</b>	<b>–</b>	<b>–</b>
Changes in fair value of available-for-sale financial assets	–	–
<b>Amounts that can be reclassified to the income statement in the future</b>	<b>32</b>	<b>0</b>
Currency differences	32	0
<b>Other income</b>	<b>32</b>	<b>0</b>
<b>Consolidated comprehensive income</b>	<b>932</b>	<b>388</b>
Of which is attributable to:		
Shareholders of Bastei Lübbe AG	945	223
Equity capital shares of non-controlling shareholders	-13	164

## Consolidated cash flow statement for the period from 01 April 2020 to 30 September 2020

	01/04/ 30/09/20 KEUR	01/04/ 30/09/19 KEUR
Results for the period	2,510	1,141
+/- Depreciation/appreciation of intangible assets and property, plant and equipment	1,015	3,026
+/- Depreciation/appreciation on author royalties	7,263	5,105
+/- Other non-cash expenses/income	-54	-81
+/- Result from financial investments accounted for using the equity method	-266	-188
+/- Increase/decrease in provisions	578	-54
-/+ Profit/loss from the disposal of intangible assets and fixed assets	-	-365
-/+ Profit/loss from the sale of consolidated companies	155	-
-/+ Increase/decrease in income tax receivables and liabilities, incl. deferred tax claims and liabilities	1,554	728
- Investments in prepaid royalties	-13,484	-4,106
-/+ Increase/decrease in inventories, trade receivables and other assets not associated with investment or financing activities	-4,664	2,156
+/- Increase/decrease in trade liabilities and other liabilities not associated with investment or financing activities	8,481	-1,893
<b>Cash flow from current business activities</b>	<b>3,088</b>	<b>5,469</b>
<b>Of which cash flow from operating activities of continuing operations</b>	<b>1,594</b>	<b>3,442</b>
+ Proceeds from disposal of intangible assets	-	1,900
- Payments for investments in intangible assets	-639	-2,332
+ Proceeds from disposal of property, plant and equipment	-	-
- Cash outflows for investments in property, plant and equipment	-110	-595
+ Proceeds from disposal of financial assets	-	809
- Payments made for investments in financial assets	-	-271
+/- Sale of fully consolidated companies, less cash and cash equivalents sold	-674	-
+ Dividends from companies accounted for using the equity method	94	46
<b>Cash flow from investment activities</b>	<b>-1,301</b>	<b>-443</b>
<b>Of which cash flow from investing activities of continuing operations</b>	<b>-748</b>	<b>2,238</b>
- Payments to non-controlling shareholders (dividends)	-31	-38
- Payments for the repayment of leasing liabilities	-640	-636
+ Proceeds from the issuance of bonds and obtaining (financial) credit	-	-
- Outflow of funds for the repayment of bonds and (financial) credit	-1,410	-4,000
<b>Cash flow from financing activities</b>	<b>-2,082</b>	<b>-4,674</b>
<b>Of which cash flow from financing activities of continuing operations</b>	<b>-2,060</b>	<b>-4,597</b>
Cash-effective changes in cash and cash equivalents	-295	351
+/- Consolidation-related change in cash and cash equivalents	-	35
+ Cash and cash equivalents at start of period	2,903	3,356
<b>= Cash and cash equivalents at end of period</b>	<b>2,608</b>	<b>3,741</b>

## Consolidated statement of change in equity for the period from 01 April 2020 to 30 September 2020

(all sums in KEUR)	Parent company					Shares of non- con- trolling share- holders	Group equity capital	
	Sub- scribed capital	Capital reserves	Net profit	Other compre- hensive income	Cur- rency compen- sation items	Equity	Equity	
As at 01/04/2019	13,200	26,804	-7,245	1,989	-11	34,737	1,363	36,100
Changes in the consolidated Group	-	-	201	-	-	201	60	261
Dividends paid	-	-	-	-	-	0	-38	-38
Other income	-	-	955	-	-	955	186	1,141
Result of the periods	-	-	-	-	17	17	-1	16
<b>Total result</b>	-	-	<b>955</b>	-	<b>17</b>	<b>972</b>	<b>185</b>	<b>1,157</b>
<b>As of 30/09/2019</b>	<b>13,200</b>	<b>26,804</b>	<b>-6,090</b>	<b>1,989</b>	<b>6</b>	<b>35,910</b>	<b>1,570</b>	<b>37,480</b>
As of 01/04/2020	13,200	9,045	4,055	1,989	5	28,295	-940	27,354
Changes in the consolidated Group	-	-	-	-	-	-	706	706
Dividends paid	-	-	-	-	-	-	-31	-31
Result of the periods	-	-	2,124	-	-	2,124	387	2,510
Other income	-	-	-	-	-80	-80	-9	-88
<b>Total result</b>	-	-	<b>2,124</b>	-	<b>-80</b>	<b>2,044</b>	<b>378</b>	<b>2,422</b>
<b>As of 30/09/2020</b>	<b>13,200</b>	<b>9,045</b>	<b>6,178</b>	<b>1,989</b>	<b>-74</b>	<b>30,339</b>	<b>113,180</b>	<b>30,452</b>

## Segment reporting for the period from 01 April to 30 September 2020

	Book		Novel Booklets		Games (discontinued)		Total	
	04-09/ 2020	04-09/ 2019	04-09/ 2020	04-09/ 2019	04-09/ 2020	04-09/ 2019	04-09/ 2020	04-09/ 2019
	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR
Segment sales	37,542	34,239	3,603	4,106	2,358	4,990	43,503	43,335
Internal sales	20	19	-	-	-	147	20	166
<b>External sales</b>	<b>37,522</b>	<b>34,220</b>	<b>3,603</b>	<b>4,106</b>	<b>2,358</b>	<b>4,844</b>	<b>43,483</b>	<b>43,169</b>
<b>EBITDA</b>	<b>3,562</b>	<b>1,756</b>	<b>805</b>	<b>1,107</b>	<b>878</b>	<b>2,610</b>	<b>5,246</b>	<b>5,473</b>
Depreciation	-915	-966	-100	-123	-	-1,937	-1,015	-3,026
<b>EBIT</b>	<b>2,648</b>	<b>790</b>	<b>706</b>	<b>984</b>	<b>878</b>	<b>673</b>	<b>4,232</b>	<b>2,447</b>

	Group Total		Continuing operations		Discontinued operations	
	04-09/ 2020	04-09/ 2019	04-09/ 2020	04-09/ 2019	04-09/ 2020	04-09/ 2019
	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR
Segment sales	43,503	43,335	41,145	38,345	2,358	4,990
Internal sales	20	166	20	19	-	147
<b>External sales</b>	<b>43,483</b>	<b>43,169</b>	<b>41,125</b>	<b>38,326</b>	<b>2,358</b>	<b>4,844</b>
<b>EBITDA</b>	<b>5,246</b>	<b>5,473</b>	<b>4,368</b>	<b>2,878</b>	<b>878</b>	<b>2,595</b>
Depreciation	-1,015	-3,026	-1,015	-1,088	-	-1,937
<b>EBIT</b>	<b>4,232</b>	<b>2,447</b>	<b>3,353</b>	<b>1,789</b>	<b>878</b>	<b>658</b>
Result from at-equity valued investments	266	188	266	188	-	-
Financial result	-508	-764	-391	-687	-117	-77
<b>Income before income taxes</b>	<b>3,990</b>	<b>1,871</b>	<b>3,229</b>	<b>1,290</b>	<b>761</b>	<b>581</b>
Taxes on income and earnings	-1,479	-730	-1,343	-562	-137	-168
<b>Result for the period</b>	<b>2,510</b>	<b>1,141</b>	<b>1,886</b>	<b>728</b>	<b>624</b>	<b>413</b>



## Segment reporting for the period from 01 July to 30 September 2020

	Book		Novel Booklets		Games (discontinued)		Total	
	07-09/ 2020	07-09/ 2019	07-09/ 2020	07-09/ 2019	07-09/ 2020	07-09/ 2019	07-09/ 2020	07-09/ 2019
	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR
Segment sales	20,815	17,544	1,832	1,925	-	2,641	22,647	22,109
Internal sales	14	19	-	-	-	147	14	166
<b>External sales</b>	<b>20,801</b>	<b>17,524</b>	<b>1,832</b>	<b>1,925</b>	<b>-</b>	<b>2,494</b>	<b>22,633</b>	<b>21,943</b>
<b>EBITDA</b>	<b>1,814</b>	<b>723</b>	<b>471</b>	<b>275</b>	<b>-</b>	<b>1,702</b>	<b>2,286</b>	<b>2,700</b>
Depreciation	-458	-514	-50	-61	-	-1,168	-508	-1,743
<b>EBIT</b>	<b>1,356</b>	<b>209</b>	<b>421</b>	<b>214</b>	<b>-</b>	<b>534</b>	<b>1,777</b>	<b>957</b>

	Group Total		Continuing operations		Discontinued operations	
	07-09/ 2020	07-09/ 2019	07-09/ 2020	07-09/ 2019	07-09/ 2020	07-09/ 2019
	KEUR	KEUR	KEUR	KEUR	KEUR	KEUR
Segment sales	22,647	22,109	22,647	19,468	-	2,641
Internal sales	14	166	14	19	-	147
<b>External sales</b>	<b>22,633</b>	<b>21,943</b>	<b>22,633</b>	<b>19,449</b>	<b>-</b>	<b>2,494</b>
<b>EBITDA</b>	<b>2,286</b>	<b>2,700</b>	<b>2,286</b>	<b>1,013</b>	<b>-</b>	<b>1,687</b>
Depreciation	-508	-1,743	-508	-575	-	-1,168
<b>EBIT</b>	<b>1,777</b>	<b>957</b>	<b>1,777</b>	<b>438</b>	<b>-</b>	<b>519</b>
Result from at-equity valued investments	212	77	212	77	-	-
Financial result	-187	-379	-187	-385	-	6
<b>Income before income taxes</b>	<b>1,802</b>	<b>654</b>	<b>1,802</b>	<b>129</b>	<b>-</b>	<b>524</b>
Taxes on income and earnings	-902	-266	-902	-122	-	-144
<b>Result for the period</b>	<b>901</b>	<b>388</b>	<b>901</b>	<b>7</b>	<b>-</b>	<b>380</b>

# Abridged notes on the consolidated statements for the Bastei Lübbe AG, Cologne as of 30 September 2020

## General information

Bastei Lübbe AG (hereinafter also referred to as "Parent Company") has its registered office at Schanzenstraße 6 - 20, 51063 Cologne, Germany.

Bastei Lübbe AG is a German public publishing company based in Cologne, which specialises in the publication of books, audio books and e-books with fiction and popular science content as well as periodicals in the form of novel booklets. The licensing of rights is also part of Bastei Lübbe's business activities.

The interim financial statements and the interim management report have neither been audited in accordance with § 317 HGB nor reviewed by an auditor.

## Accounting principles

The interim consolidated financial statements for the period ended 30 September 2020 have been prepared in accordance with IAS 34 - Interim Financial Reporting and cover the period from 1 April to 30 September 2020.

The accounting policies applied are essentially the same as those used for the last consolidated financial statements at the end of the financial year. A detailed description of these methods is published in the Annual Report 2019/2020.

With regard to the content of new standards and interpretations as well as amendments to existing standards, please refer to the comments in the 2019/2020 annual report. The application of the amended standards and interpretations has no material impact on the net assets, financial position, results of operations or cash flow of the Group. During the year, cyclical items are deferred, if material, on the basis of corporate planning.

## Consolidation principles

All consolidation principles are unchanged from the 2019/2020 financial year and can be found in the notes to the consolidated financial statements for the year ended 31 March 2020.

## Shareholding and consolidated companies

Bastei Lübbe AG has sold 41 % of the shares in Daedalic Entertainment GmbH, Hamburg, by notarised contract dated 15 May 2020 and with financial effect from 1 June 2020.

There have been no other changes to the consolidated group compared to the consolidated financial statements 2019/2020.

## Equity

Bastei Lübbe AG holds 99,900 treasury shares at the date of this report. Accordingly, 13,200,100 issued and fully paid-up no-par shares of Bastei Lübbe AG are outstanding at the balance sheet date.

## Changes in the Executive Board and Supervisory Board

There have been no changes in the composition of the Supervisory Board since 31 March 2020. There have been significant changes in the composition of the Management Board. With the beginning of the new financial year on 1 April 2020, Mr. Simon Decot took up his duties as a member of the Management Board. On 1 August 2020, Ms. Sandra Dittert and Mr. Joachim Herbst commenced their activities as Management Board members for Marketing and Sales and Finance, respectively. With the retirement of CEO Mr. Carel Halff on 15 September 2020, Mr. Herbst also assumed the role of Spokesman of the Management Board.

## Information on relationships with related parties

As described in the notes to the consolidated financial statements 2019/2020, legal transactions are conducted with related parties as defined in IAS 24.5. There were no material changes at the balance sheet date. The members of the Supervisory Board and the Management Board do not hold any shares or voting rights attributable to them.

## Notes on the cash flow statement

The total amount (balance) of income tax payments made in the first half of the financial year was KEUR 20 (previous year: KEUR 35). Interest payments amount to KEUR 282 (previous year: KEUR 813).

## Events after the reporting date for the interim financial statements

No events of particular significance for the assessment of the asset, financial and earnings position of Bastei Lübbe AG and the Group - as defined in IAS 10 - occurred after the end of the reporting period.

## Assurance by the board of directors

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the consolidated financial statements of Bastei Lübbe AG, Cologne, as of 30 September 2020 give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the remaining months of the financial year.

Cologne, 12 November 2020

Bastei Lübbe AG  
The Executive Board



Joachim Herbst  
Spokesman of the  
Management Board  
Chief Financial Officer



Sandra Dittert  
Director  
Sales and Marketing



Simon Decot  
Director  
Programme

## Financial calendar 2020/2021

Date	Event
11 February 2021	Quarterly statement (Q3)
13 July 2021	Annual Results Press Conference
12 August 2021	Quarterly statement (Q1)
15 September 2021	Annual General Meeting
11 November 2021	Semi-annual Report as of 30 September 2020 (HY1)
10 February 2021	Quarterly statement (Q3)

## Legal Notice

For reasons of better readability, the simultaneous use of the language forms male, female and diverse (m/f/d) is largely omitted. All job and personal designations apply equally to all genders.

### Published by:

Bastei Lübbe AG  
 Schanzenstraße 6-20  
 51063 Cologne, Germany  
 Tel: +49 (0)221 82 00 22 88  
 Fax: +49 (0)221 82 00 12 12  
 E-Mail: [investorrelations@luebbe.de](mailto:investorrelations@luebbe.de)

### Contact:

The consolidated half-year financial report 2020/2021 of Bastei Lübbe AG can be downloaded as a PDF file at [www.luebbe.com/en](http://www.luebbe.com/en). You can also find further corporate information at [www.luebbe.com/en](http://www.luebbe.com/en).

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