



At a glance

Key figures (IFRS)	01/04/2016-30/06/2016
Business development in € million	
Group turnover	28.6
EBITDA	-1.0
EBITDA margin in %	-3.4%
Consolidated earnings	-1.6
Share-related indicators in €	
Earnings per share (in €)	-0.09

Group quarterly report of Bastei Lübbe AG for the first three months of the 2016/2017 financial year of 30 June 2016

Important events in the period 1 April 2016 to 30 June 2016

By way of a notarised purchase contract dated 21 March 2016, Bastei Lübbe AG acquired a 51 % participation in BuchPartner GmbH, with its headquarters in Darmstadt. As a result, the latter must be incorporated as a fully consolidated company in the consolidated financial statements with effect from the 2016/2017 financial year. The purchase price for the 51 % participation totalled € 10.2 million. Other acquisition-related costs incurred were recognised in profit and loss. Goodwill of € 6.8 million was determined from the preliminary purchase price allocation (PPA). A portion of the difference in assets of € 2.7 million was transferred to inventories as a step-up.

By way of a purchase contract dated 4 May 2016, Bastei Lübbe acquired the brands "LYX" and "INK" from Egmont Verlagsgesellschaft mbH. As part of this takeover, seven

proofreading staff from Egmont accepted the takeover offer made by Bastei Lübbe. The purchase price of the asset deal was € 5.4 million.

To fund the purchase price for the shares in BuchPartner GmbH, the brands "LYX" and "INK", and for prefinancing various books, the credit lines granted by the banks have been increased. Consequently, on 15 April 2016, an amendment agreement regarding the syndicated loan agreement was concluded which includes a € 10 million increase in the existing volume from € 33 million to € 43 million. In addition, the banking consortium provided a further € 10 million, € 4 million of which will be used from 1 September to 15 December 2016 to prefinance newly acquired titles by prominent authors.

Significant events after the interim reporting date

On 26 and 29 July, the three Supervisory Board members Dr Friedrich Wehrle, Prof. Dr Michael Nelles and Prof. Dr Gordian Hasselblatt tendered their resignations to take effect at the close of the coming ordinary Annual General Meeting. At the proposal of the Supervisory Board, the vacant posts are to be taken up by Mr Robert Stein, Prof. Dr Friedrich L. Ekey and Dr Mirko Alexander Caspar. It is planned that Mr Stein will take over as chairman.

On 23 August 2016, the Supervisory Board and Board of Directors issued a resolution to amend the published consolidated financial statements 2015/2016. In consultation with the auditors KPMG, Bastei Lübbe will retrospectively expand the scope of consolidation to include the British Blue Sky Tech Ventures, including its underlying participations. The change in the scope of consolidation is based on a modified estimate by the auditors KPMG with regard to the relationship with Blue Sky, which with effect from 31 March 2015 acquired a total of 55 % of the shares in oolipo AG (formerly Beam AG) and with effect from 17 September 2015 acquired 3 % of the shares in Daedalic Entertainment GmbH (with an option for a further 5 %). Based on the rights to issue instructions and approval conditions attached to the resale

of shares by Blue Sky arising from the purchase agreement between Bastei Lübbe and Blue Sky, the auditors KPMG now believe that Bastei Lübbe held the right of control over Blue Sky within the meaning of IFRS 10 from the time of oolipo's disposal of shares.

The new financial statements of Bastei Lübbe will now be prepared, audited and subsequently approved by the Board of Directors and Supervisory Board. Due to the change in the annual financial statements of Bastei Lübbe AG, the ordinary Annual General Meeting cannot be held as planned. The Board of Directors will cancel the Annual General Meeting convened for 15 September 2016 and is expected to convene a new Annual General Meeting for 30 November 2016 in accordance with statutory formalities and time limits.

Due to the aforementioned amendment to the annual financial statements, the following provides only the financial performance of the Group – now consisting of Bastei Lübbe AG, oolipo AG, Daedalic Entertainment GmbH, BuchPartner GmbH, BookRix GmbH & Co. KG and BEAM Shop GmbH – and a forecast for the anticipated development of the Group.

Presentation of financial performance

1 Turnover

In the period from 1 April to 30 June 2016, Bastei Lübbe achieved a Group revenue of € 28.6 million, of which € 8.2 million was from BuchPartner GmbH, € 1.7 million from Daedalic Entertainment GmbH, € 0.6 million from BookRix GmbH & Co. KG and € 0.1 million from BEAM Shop GmbH.

2. Costs

Due to the takeovers of BuchPartner and the brands "LYX" and "INK" already mentioned, the main cost items of Bastei Lübbe have increased compared to the previous year.

Consequently, a material expense of € 17.0 million was incurred in the reporting period. Gross profit amounted to € 11.6 million. Personnel costs amounted to € 7.7 million.

3. Income

During the reporting period from 1 April to 30 June 2016, earnings before interest, taxes, depreciation and amortisation (EBITDA) were valued at € -1.0 million and were thus in line with expectations.

Outlook

The Management Board upholds its positive outlook for the financial year 2016/2017. The Board of Directors believes that there are no indications of a significant change to the forecasts for the financial year 2016/2017 made in the annual financial statement on 31 March 2016.

The resale of oolipo shares by Blue Sky will continue. Based on current estimates, this would result in substantial positive effects on profit on group level.

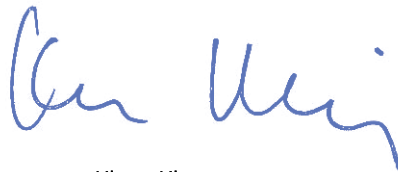
Cologne, 28 August 2016

Bastei Lübbe AG

Management Board



Thomas Schierack



Klaus Kluge

Consolidated profit and loss account of Bastei Lübbe AG, Cologne, for the period 1 April to 30 June 2016

	01/04- 30/06/2016 KEUR
Sales revenue	28,635
Change in inventories of finished goods and work in progress	2,133
Other operating income	725
Cost of materials	
a) Cost of raw materials and supplies and goods purchased for resale	-5,014
b) Expenses for purchased services	-8,067
c) Expenses for fees and depreciation to authoring licences	-3,923
	-17,004
Personnel costs	
a) Wages and salaries	-6,479
b) Social security contributions and pension costs	-1,235
	-7,714
Other operating expenses	-7,792
Result from at-equity accounted investments	0
Income from other investments	43
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	-974
Amortisation on intangible assets and property, plant and equipment	-1,040
Earnings before interest and taxes (EBIT)	-2,014
Financial result	-487
Earnings before taxes (EBT)	-2,501
Taxes on income and earnings	919
Net profit or loss for the period	-1,582
Non-controlling interest in consolidated earnings	353
Net period earnings attributable to shareholders of Bastei Lübbe AG	-1,229

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The Group 3-month financial report of Bastei Lübbe AG
can be downloaded as a PDF file at
www.luebbe.de.

You can also find further corporate information
online at www.luebbe.de.

www.luebbe.de