

HORNBACH Holding AG & Co. KGaA  
Group

1<sup>st</sup> QUARTER  
2023/24

Quarterly Statement  
as of May 31, 2023

# HORNBAACH HOLDING AG & CO. KGAA GROUP

## Statement on Q1 2023/24 (March 1 – May 31, 2023)

Key Figures of the HORNBAACH HOLDING AG & Co. KGaA Group (in € million, unless otherwise stated)	Q1 2023/24	Q1 2022/23	Change in %
<b>Net sales</b>	<b>1,773.5</b>	<b>1,813.4</b>	<b>(2.2)</b>
of which: in Germany	911.4	958.2	(4.9)
of which: in other European countries	862.1	855.3	0.8
Like-for-like sales growth (DIY) <sup>1)</sup>	(3.2)%	5.3%	
Gross margin as % of net sales	33.6%	34.2%	
EBITDA	165.0	202.2	(18.4)
<b>EBIT</b>	<b>109.9</b>	<b>148.6</b>	<b>(26.0)</b>
<b>Adjusted EBIT<sup>2)</sup></b>	<b>109.4</b>	<b>148.3</b>	<b>(26.2)</b>
Consolidated earnings before taxes	94.1	141.2	(33.4)
Consolidated net income <sup>3)</sup>	71.0	106.9	(33.6)
Basic/diluted earnings per share (€)	4.15	6.14	(32.4)
Investments	51.1	52.3	(2.3)

Misc. key figures of the HORNBAACH HOLDING AG & Co. KGaA Group (in € million, unless otherwise stated)	May 31, 2023	February 28, 2023	Change in %
Total assets	4,590.8	4,725.8	(2.9)
Shareholders' equity	1,965.0	1,897.1	3.6
Shareholders' equity as % of total assets	42.8%	40.1%	
Number of employees <sup>4)</sup>	25,535	25,118	1.7

Rounding up or down may lead to discrepancies between percentages and totals. Calculation of percentage figures based on € 000s.

<sup>1)</sup> Like-for like sales net of currency items; includes sales at all stores that have been open for at least one year and online sales

<sup>2)</sup> Adjusted to exclude non-operating income and expenses

<sup>3)</sup> Including minority interests pursuant to IFRS

<sup>4)</sup> Including passive employment relationships

## Outlook confirmed – subdued start to spring season in line with expectations

- At € 1,773.5 million, consolidated sales show slight year-on-year reduction of 2.2% in Q1 2023/24 due to subdued start to spring season on account of weather conditions
  - Net sales at HORNBAACH Baumarkt Subgroup down 2.2%
  - Net sales at HORNBAACH Baustoff Union Subgroup down 2.4%
- At € 109.4 million, adjusted operating earnings (adjusted EBIT) 26.2% lower than in previous year
- Full-year forecast for 2023/24 confirmed: sales at about previous year's level and risk of adjusted EBIT reducing by around 5% to 15%

The net sales of the HORNBAACH Group in the first quarter (Q1) of 2023/24 (March 1 to May 31, 2023) showed a slight year-on-year decrease of 2.2% to € 1,773.5 million (2022/23: € 1,813.4 million). Unusually poor weather conditions at the beginning of the main DIY season in March and April were one of the main reasons for this development. Sales at HORNBAACH Baumarkt AG, the largest operating Subgroup (DIY retail), declined by 2.2% to € 1,667.6 million (2022/23: € 1,705.3 million). On a like-for-like basis and net of currency items, three-month sales at the HORNBAACH Baumarkt AG Subgroup fell by 3.2%. Sales at the

HORNBACH Baustoff Union GmbH Subgroup decreased by 2.4% to € 105.4 million (2022/23: € 108.0 million). At € 109.4 million, operating earnings adjusted to exclude non-operating earning items (adjusted EBIT) fell 26.2% short of the previous year's figure (2022/23: € 148.3 million). Earnings per HORNBACH Holding share amounted to € 4.15 (2022/23: € 6.14). The full-year sales and earnings guidance for 2023/24 has been confirmed. Sales are expected at about the previous year's level. Adjusted EBIT is still subject to the risk of a 5% to 15% reduction compared with the previous year's figure.

## Earnings, Financial, and Asset Position

### Impact of macroeconomic conditions

The macroeconomic climate in Q1 2023/24 continued to be shaped by high inflation, albeit at lower levels than in the preceding months. The annual rate of inflation in the euro area (HICP) was estimated at 6.1% in May 2023, compared with 7.0% in April and 6.9% in March. In Germany, the inflation rate (CPI) eased from 7.4% in March to 7.2% in April and 6.1% in May. While grocery prices still rose at above-average rates, prices for mineral oil products in particular fell significantly. To date, wage growth has fallen short of inflation, thus further weakening the purchasing power of private households. Wages are nevertheless expected to rise significantly, particularly in Germany, during the further course of 2023. Collective wage negotiations for employees in the retail sector in Germany's federal states began in May 2023 and were still underway upon the preparation of this quarterly statement.

### Seasonal and calendar-related factors

The start to the spring season in the countries in which HORNBACH operates was severely impeded by unusually cold and rainy weather in March and April. This had a significant adverse impact on demand for garden products in particular. Sunny weather in May then influenced sales positively, especially those in the garden division.

As a result of calendar-related factors, there was a Group-wide average of 1.5 business days fewer in Q1 2023/24 than in the equivalent period in the previous year.

### Sales performance of the HORNBACH Group

A weather-induced dip in demand at the beginning of the spring season led the Group's **consolidated sales** of € 1,773.5 million to fall 2.2% short of the previous year's figure (2022/23: € 1,813.4 million).

### HORNBACH Baumarkt AG Subgroup

The HORNBACH Baumarkt AG Subgroup did not open any new locations in Q1 2023/24. As of May 31, 2023, we therefore operated 171 retail outlets (February 28, 2023: 171) with total sales areas of 2.0 million square meters. Of these, 99 stores are in Germany and 72 in Other European Countries.

**Net sales** at the HORNBACH Baumarkt AG Subgroup decreased overall by 2.2% to € 1,667.6 million in Q1 2023/24 (2022/23: € 1,705.3 million). Within the quarter, sales showed reductions in March and April and returned to year-on-year growth in May. Online sales (including click & collect) fell to € 221.0 million, down 18.1% on the previous year's quarter. Online sales therefore accounted for a 13.3% share of total sales in Q1 2023/24 (2022/23: 15.3%). **On a like-for-like basis and net of currency items** [[Brief Glossary](#) on Page 7], the Subgroup's sales declined by 3.2% in the first quarter (2022/23: plus 5.3%). Including currency items for non-euro countries, namely the Czech Republic, Romania, Sweden, and Switzerland, like-for-like sales across the Subgroup decreased by 2.8% (2022/23: plus 6.0%).

Sales in the individual regions developed as follows in Q1 2023/24 (March 1 to May 31, 2023):

### ■ Germany

Net sales in the Germany region decreased by 5.2% to € 808.5 million in Q1 2023/24 (2022/23: € 853.2 million). Like-for-like sales in Germany in Q1 2023/24 fell 5.7% short of the previous year's figure (2022/23: plus 4.4%).

### ■ Other European Countries

In the Other European Countries segment, net sales showed slight growth of 0.8% to € 859.2 million (2022/23: € 852.1 million). The international share of consolidated sales therefore rose year-on-year from 50.0% to 51.5%. Like-for-like sales net of currency items declined by 0.8% (2022/23: plus 6.2%). Including currency items, sales were at the same level as in the previous year's quarter (2022/23: plus 7.7%). Developments varied very widely between individual regions of the Other European Countries segment. Driven by rising customer totals, the Netherlands posted substantial like-for-like sales growth of 7.7%, while Austria and Sweden in particular fell notably short of the previous year's figures.

### HORNBACK Baustoff Union GmbH Subgroup

Sales at the HORNBACK Baustoff Union GmbH (HBU) Subgroup, which chiefly focuses on the needs of professional customers in the main construction and subconstruction trades, as well as on private construction clients, decreased by 2.4% to € 105.4 million in Q1 2023/24 (2022/23: € 108.0 million). As of May 31, 2023, this Subgroup operated 39 builders' merchant outlets, of which 37 locations in south-western Germany and two locations close to the border in France (Lorraine).

### Earnings performance of the HORNBACK Group in the first quarter of 2023/24

- Gross profit decreased by 3.9% to € 596.0 million in Q1 2023/24 (2022/23: € 620.1 million). At 33.6%, the gross margin fell short of the previous year's figure (34.2%). This reduction in the **gross margin** [↪ **Brief Glossary** on Page 7] was mainly attributable to higher procurement prices and transport costs, factors which could not be fully offset by adjusting retail prices.
- Selling and store expenses increased by 2.2% to € 412.7 million in the period under report (2022/23: € 404.0 million). Due to the Group's expansion, as well as to pay rises and inflation bonuses, store personnel expenses grew by 4.8%, while operating expenses dropped by 3.5%. Advertising expenses were at around the same level as in the previous year. The **store expense ratio** [↪ **Brief Glossary** on Page 7] thus rose from 22.3% to 23.3%. Driven in particular by higher technology expenses, general and administration expenses increased by 8.2% to € 75.4 million (2022/23: € 69.7 million). The **administration expense ratio** [↪ **Brief Glossary** on Page 7] therefore stood at 4.3% (2022/23: 3.8%). Pre-opening expenses rose from € 1.6 million to € 2.1 million.
- **EBITDA** [↪ **Brief Glossary** on Page 8] declined by 18.4% to € 165.0 million (2022/23: € 202.0 million).
- Consolidated operating earnings (**EBIT**) amounted to € 109.9 million (2022/23: € 148.6 million). Non-operating earnings items of € 0.4 million resulted from disposal gains on the level of the HORNBACK Baumarkt AG Subgroup (2022/23: disposal gains of € 0.2 million at the HORNBACK Immobilien AG Subgroup). **Adjusted EBIT** [↪ **Brief Glossary** on Page 7] showed a year-on-year reduction of 26.2% to € 109.4 million (2022/23: € 148.3 million). The adjusted EBIT margin stood at 6.2% in Q1 2023/24 (2022/23: 8.2%).
- **Net financial expenses** declined from minus € 7.3 million to minus € 15.8 million, with this reduction largely due to negative currency items of € 3.7 million (2022/23: positive currency items of € 3.6 million). At minus € 12.1 million, the interest result was also slightly lower than the previous year's figure (minus € 10.9 million).
- **Consolidated earnings before taxes (EBT)** [↪ **Brief Glossary** on Page 8] fell by 33.4% to € 94.1 million (2022/23: € 141.2 million).
- **Consolidated net income** stood at € 71.0 million in Q1 2023/24 (2022/23: € 106.9 million). Minority interests amounted to € 4.7 million (2022/23: € 8.6 million). **Earnings per HORNBACK Holding share** are reported at € 4.15 in Q1 2023/24 (2022/23: € 6.14).

### Earnings performance by segment

- Adjusted EBIT at the **HORNBACH Baumarkt AG Subgroup** fell by 27.8% to € 96.5 million in Q1 2023/24 (2022/23: € 133.7 million). The Subgroup posted non-operating earnings items of € 0.4 million in the quarter under report (2022/23: none).
- At the **HORNBACH Baustoff Union GmbH Subgroup**, adjusted EBIT came to € 2.8 million (2022/23: € 5.1 million). As in the previous year, no non-operating earnings items arose in the quarter under report.
- Adjusted EBIT at the **HORNBACH Immobilien AG Subgroup** grew by 10.8% to € 16.3 million in the period under report (2022/23: € 14.7 million). There were no non-operating earnings items (2022/23: disposal gains of € 0.2 million).

### Financial and asset position

The inflow of funds from operating activities fell from € 176.5 million in the previous year's quarter to € 30.6 million in Q1 2023/24. The change in working capital resulted in an outflow of € 98.5 million (2022/23: plus € 11.2 million), which mainly resulted from liabilities to suppliers being reduced. Funds from operations decreased from € 164.4 million to € 129.1 million. The outflow of funds for investing activities amounted to € 48.3 million (2022/23: € 49.2 million). This figure includes gross capital expenditure of € 51.1 million (2022/23: € 52.3 million). At € 29.4 million, around 58% of capital expenditure involved land and buildings (2022/23: € 37.4 million), while the remainder was channeled into plant and office equipment at new and existing stores (€ 20.1 million) and into intangible assets, mainly software (€ 1.6 million).

The outflow of funds for financing activities, amounting to € 51.2 million (2022/23: € 13.1 million), includes outflows of € 27.0 million for the repayment of financial loans (2022/23: € 3.6 million), as well as outflows of € 24.2 million to redeem lease liabilities (2022/23: € 26.7 million). The free cash flow [↪ [Brief Glossary](#) on Page 8] amounted to minus € 17.7 million (2022/23: € 126.4 million).

Total assets at the HORNBACH Group decreased to € 4,590.8 million as of May 31, 2023, down 2.9% compared with the balance sheet date on February 28, 2023. Key reasons for this were the reduction in inventories (minus € 71.4 million) and the repayment of liabilities. Shareholders' equity as posted in the balance sheet rose to € 1,965.0 million, up 3.6% compared with the previous balance sheet date. At 42.8%, the **equity ratio** [↪ [Brief Glossary](#) on Page 8] remained at a high level (February 28, 2023: 40.1%). Including current and non-current lease liabilities pursuant to IFRS 16, **net financial debt** [↪ [Brief Glossary](#) on Page 8] increased from € 1,343.3 million at the previous balance sheet date to € 1,375.4 million. Excluding current and non-current lease liabilities, the Group reported net financial debt of € 464.9 million as of May 31, 2023 (February 28, 2023: € 415.9 million).

## Other Disclosures

### Employees

The HORNBACH Group had a total of 25,535 employees in fixed employment across Europe as of the reporting date on May 31, 2023 (February 28, 2023: 25,118).

### Statement of figures

Figures have been rounded up or down to the nearest million euro amount. Such rounding up or down may result in minor discrepancies between the various presentations. Percentages have been calculated on the basis of thousand euro figures.

## Forecast business performance

The full-year sales and earnings guidance published for the 2023/24 financial year on May 16, 2023 continues to apply without amendment.

In view of ongoing macroeconomic challenges in terms of inflation and product pricing and given the subdued start to the spring season due to unsettled weather, we continue to expect **sales** at the overall HORNBACH Holding AG & Co. KGaA Group to approximately match the figure reported for the 2022/23 financial year (€ 6,263 million).

Given the challenging macroeconomic climate and based on our performance in Q1 2023/24, we cannot rule out the possibility that **adjusted EBIT** will decrease by around 5% to 15% compared with the previous year. This potential reduction in adjusted EBIT is due in particular to the fact that, given the effects of inflation, real-term wage developments, and interest rates, as well as of the efficiency measures we have implemented, we currently cannot assess the impact of future consumer behavior with any degree of certainty.

The HORNBACH Baumarkt AG Subgroup plans to open a further DIY store and garden center in Nijmegen in Q2 2023/24. One DIY store and garden center in Nuremberg is to be closed in December 2023 and then rebuilt and expanded at the same location. The reopening is scheduled for early 2025.

## Brief Glossary of Key Performance Figures

**HORNBACH prepares its financial reporting in accordance with International Financial Reporting Standards (IFRS). As well as the financial key figures pursuant to IFRS, in our management of the company and our external communications and reporting we also refer to alternative key performance indicators that are not defined in IFRS. The Group's management system is explained in the Annual Report.**

<b>Sales</b>	<p><b>Sales</b> are the central management figure for the operating business and a key indicator of our success with customers. The sales performance is reported in euros as net sales (excluding sales tax). Sales generated in countries outside the euro area in the period under report are translated using the relevant average exchange rate. Sales are a major key figure referred to when calculating the one-year variable remuneration for members of the Board of Management.</p>
<b>Adjusted EBIT</b>	<p><b>Adjusted EBIT</b> (adjusted earnings before interest and taxes) is the Group's most important earnings figure. This corresponds to earnings before interest and taxes (EBIT) adjusted to exclude non-operating earnings items. The elimination of non-operating earnings items involves adding non-operating expenses (e.g. impairment losses on right-of-use assets, properties, or advertising-related assets) and deducting non-operating income (e.g. income from disposals of properties, income from write-ups of assets impaired in previous years). Adjusted EBIT is therefore particularly useful for management purposes and for comparing the operating earnings performance over time or in forecasts.</p>
<b>Like-for-like sales net of currency items (change in %)</b>	<p>The <b>rate of change in like-for-like sales net of currency items</b> serves to indicate the organic growth in our retail activities (stationary stores and online shops).</p> <p>The calculation of like-for-like sales is based on all DIY stores with garden centers that have been in operation for at least twelve months and on sales in the online business. By contrast, no account is taken of stores newly opened, closed, or subject to substantial conversion work in the past twelve months. Like-for-like sales are calculated without sales tax (net) and based on the local currency for the reporting period under comparison (currency-adjusted). In addition, we also calculate like-for-like sales on a euro basis and including currency items in the non-euro countries within our European store network.</p>
<b>Gross margin</b>	<p>The development in the <b>gross margin</b> offers information about our gross trading performance. This margin is defined as gross profit (net balance of sales and cost of goods sold) as a percentage of net sales. The gross margin is chiefly influenced by developments in procurement and retail prices, changes in the product mix, and currency items resulting from international procurement.</p>
<b>Cost ratios</b>	<p>The <b>store expense ratio</b> corresponds to selling and store expenses divided by net sales. Selling and store expenses involve those costs incurred in connection with operating stationary DIY stores with garden centers and online shops. These mainly involve personnel expenses, costs of premises and advertising expenses, as well as depreciation and amortization. Moreover, this item also includes general operating expenses, such as transport costs and expenses for maintenance and upkeep.</p> <p>The <b>pre-opening expense ratio</b> is obtained by dividing pre-opening expenses by net sales. Pre-opening expenses relate to those expenses arising at or close to the time of the construction up to the opening of new stationary DIY stores with garden centers. Pre-opening expenses mainly consist of personnel expenses, costs of premises, and administration expenses.</p> <p>The <b>administration expense ratio</b> corresponds to the quotient of administration expenses and net sales. General and administration expenses include all costs incurred by administration departments in connection with the operation or construction of stationary DIY stores with garden centers and with the development and operation of online retail (e-business) which cannot be directly allocated to such. They mainly consist of personnel expenses, legal and advisory expenses, depreciation and amortization, costs of premises, and IT, travel and vehicle expenses. As well as purely administrative expenses, these expenses also include project-related expenses, and in particular expenses for digitalization and interconnected retail.</p>

<b>EBITDA</b>	<b>EBITDA</b> stands for earnings before interest, taxes, depreciation, amortization and write-ups. EBITDA is calculated on the basis of EBIT and by adding depreciation and amortization recognized through profit and loss on property, plant and equipment, right-of-use assets, and intangible assets and subtracting any write-ups recognized through profit on loss on these items. This neutralizes any distortive effects resulting from different methods of depreciation and amortization and from discretionary valuation scope.
<b>EBIT</b>	<b>EBIT</b> , which stands for earnings before interest and taxes, is calculated on the basis of gross profit in euros and by subtracting expenses (store, pre-opening, and administration expenses) and adding other income/expenses. Due to its independence from different forms of financing and tax systems, EBIT is referred to when comparing earnings with those at other companies.
<b>EBT</b>	<b>EBT</b> refers to earnings before taxes in the period under report. This key figure is independent of different management systems but also includes interest items. EBT is a major key figure referred to when calculating the one-year variable remuneration for members of the Board of Management.
<b>Equity ratio</b>	The <b>equity ratio</b> is calculated by dividing shareholders' equity as posted in the balance sheet by total capital (total assets). To safeguard its financial stability and independence, HORNBAACH basically aims to maintain an equity ratio that is permanently stable and high by sector standards. HORNBAACH has entered into covenants towards certain debt providers that require the company to maintain an equity ratio of at least 25%.
<b>Net financial debt and debt ratio</b>	<b>Net financial debt</b> is calculated as total current and non-current financial debt (including lease liabilities) less cash and cash equivalents and – where applicable – less current financial assets (financial investments). The <b>debt ratio</b> is determined by stating net financial debt as a proportion of EBITDA.
<b>Capital expenditure and free cash flow (FCF)</b>	In managing its financial and asset position, the HORNBAACH Holding AG & Co. KGaA Group pursues the objective of safeguarding the Group's liquidity at all times and covering the financing requirements for the Group's sustainable growth at the least possible expense. Other key management figures relevant in this respect include cash-effective <b>capital expenditure</b> on land, buildings, plant and office equipment for new and existing DIY stores with garden centers, and intangible assets (CAPEX). Here, we aim to finance capital expenditure wherever possible from the cash flow from operations to enable a <b>free cash flow (FCF)</b> to be generated. The FCF is calculated as the cash flow from operations plus proceeds from disposals of non-current assets and less capital expenditure and dividends paid.



## Income Statement

€ million	Q1 2023/24	Q1 2022/23	Change in %
Sales	1,773.5	1,813.4	(2.2)
Cost of goods sold	1,177.5	1,193.3	(1.3)
<b>Gross profit</b>	<b>596.0</b>	<b>620.1</b>	<b>(3.9)</b>
Selling and store expenses	412.7	404.0	2.2
Pre-opening expenses	2.1	1.6	28.7
General and administration expenses	75.4	69.7	8.2
Other income and expenses	4.2	3.8	9.5
<b>Earnings before interest and taxes (EBIT)</b>	<b>109.9</b>	<b>148.6</b>	<b>(26.0)</b>
Interest and similar income	1.2	0.3	>100
Interest and similar expenses	13.3	11.2	18.5
Other financial result	(3.7)	3.6	>100
<b>Net financial expenses</b>	<b>(15.8)</b>	<b>(7.4)</b>	<b>&gt;100</b>
<b>Consolidated earnings before taxes</b>	<b>94.1</b>	<b>141.2</b>	<b>(33.4)</b>
Taxes on income	23.1	34.3	(32.8)
<b>Consolidated net income</b>	<b>71.0</b>	<b>106.9</b>	<b>(33.6)</b>
of which: income attributable to shareholders	66.3	98.3	(32.5)
of which: non-controlling interests	4.7	8.6	(45.4)
<b>Basic/diluted earnings per share (€)</b>	<b>4.15</b>	<b>6.14</b>	<b>(32.4)</b>

## Balance Sheet

Assets	May 31, 2023		February 28, 2023	
	€ million	%	€ million	%
<b>Non-current assets</b>				
Intangible assets	24.5	0.5	24.3	0.5
Property, plant, and equipment	1,828.4	39.8	1,806.1	38.2
Investment property	25.8	0.6	25.9	0.5
Right-of-use assets	801.6	17.5	819.6	17.3
Financial assets	0.2	0.0	0.2	0.0
Other non-current receivables and assets	7.2	0.2	6.8	0.1
Deferred tax assets	35.1	0.8	35.1	0.7
	<b>2,722.8</b>	<b>59.3</b>	<b>2,718.0</b>	<b>57.5</b>
<b>Current assets</b>				
Inventories	1,310.9	28.6	1,382.3	29.3
Trade receivables	55.9	1.2	57.2	1.2
Contract assets	1.8	0.0	2.0	0.0
Other current assets	104.9	2.3	105.4	2.2
Income tax receivables	24.3	0.5	20.9	0.4
Cash and cash equivalents	368.8	8.0	437.0	9.2
Non-current assets held for sale and disposal groups	1.4	0.0	2.9	0.1
	<b>1,868.0</b>	<b>40.7</b>	<b>2,007.8</b>	<b>42.5</b>
	<b>4,590.8</b>	<b>100.0</b>	<b>4,725.8</b>	<b>100.0</b>

Equity and liabilities	May 31, 2023		February 28, 2023	
	€ million	%	€ million	%
<b>Shareholders' equity</b>				
Share capital	48.0	1.0	48.0	1.0
Capital reserve	130.5	2.8	130.5	2.8
Revenue reserves	1,660.2	36.2	1,596.9	33.8
<b>Equity of shareholders of HORNBACH HOLDING AG &amp; Co. KGaA</b>	<b>1,838.6</b>	<b>40.1</b>	<b>1,775.4</b>	<b>37.6</b>
Non-controlling interests	126.4	2.8	121.7	2.6
	<b>1,965.0</b>	<b>42.8</b>	<b>1,897.1</b>	<b>40.1</b>
<b>Non-current liabilities</b>				
Non-current financial debt	548.5	11.9	552.1	11.7
Non-current lease liabilities	809.4	17.6	826.6	17.5
Pensions and similar obligations	0.9	0.0	0.1	0.0
Deferred tax liabilities	33.2	0.7	33.6	0.7
Other non-current liabilities	51.4	1.1	50.0	1.1
	<b>1,443.4</b>	<b>31.4</b>	<b>1,462.5</b>	<b>30.9</b>
<b>Current liabilities</b>				
Current financial debt	285.1	6.2	300.7	6.4
Current lease liabilities	101.2	2.2	100.8	2.1
Trade payables	369.3	8.0	384.7	8.1
Liabilities for reverse factoring program	0.0	0.0	250.0	5.3
Contract liabilities	53.7	1.2	49.5	1.0
Other current liabilities	180.7	3.9	116.6	2.5
Income tax liabilities	38.0	0.8	35.2	0.7
Other provisions and accrued liabilities	154.2	3.4	128.7	2.7
	<b>1,182.3</b>	<b>25.8</b>	<b>1,366.2</b>	<b>28.9</b>
	<b>4,590.8</b>	<b>100.0</b>	<b>4,725.8</b>	<b>100.0</b>

## Statement of Changes in Equity

3M 2022/23 in € million	Share capital	Capital reserve	Hedging reserve	Cumulative currency translation	Other revenue reserves	Equity attributable to shareholders	Non- controlling interests	Total Group equity
<b>Balance at March 1, 2022</b>	48.0	130.4	(0.3)	35.8	1,416.5	1,630.3	131.0	1,761.3
Consolidated net income					98.3	98.3	8.6	106.9
Actuarial gains and losses on defined benefit plans, net after taxes					6.0	6.0	0.6	6.6
Measurement of derivative financial instruments (cash flow hedge), net after taxes			0.0			0.0	0.0	0.0
Exchange differences arising on the translation of foreign subsidiaries				3.5		3.5	0.3	3.8
<b>Total comprehensive income</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>3.5</b>	<b>104.3</b>	<b>107.9</b>	<b>9.5</b>	<b>117.3</b>
<b>Balance at May 31, 2022</b>	<b>48.0</b>	<b>130.4</b>	<b>(0.3)</b>	<b>39.3</b>	<b>1,520.8</b>	<b>1,738.2</b>	<b>140.4</b>	<b>1,878.6</b>

3M 2023/24 in € million	Share capital	Capital reserve	Hedging reserve	Cumulative currency translation	Other revenue reserves	Equity attributable to shareholders	Non- controlling interests	Total Group equity
<b>Balance at March 1, 2023</b>	48.0	130.5	0.0	53.6	1,543.3	1,775.4	121.7	1,897.1
Consolidated net income					66.3	66.3	4.7	71.0
Actuarial gains and losses on defined benefit plans, net after taxes					(0.8)	(0.8)	(0.1)	(0.9)
Measurement of derivative financial instruments (cash flow hedge), net after taxes						0.0		0.0
Exchange differences arising on the translation of foreign subsidiaries				(2.2)		(2.2)	0.1	(2.1)
<b>Total comprehensive income</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>(2.2)</b>	<b>65.5</b>	<b>63.3</b>	<b>4.7</b>	<b>68.0</b>
<b>Balance at May 31, 2023</b>	<b>48.0</b>	<b>130.5</b>	<b>0.0</b>	<b>51.3</b>	<b>1,608.8</b>	<b>1,838.6</b>	<b>126.4</b>	<b>1,965.0</b>

## Cash Flow Statement

€ million	3M 2023/24	3M 2022/23
<b>Consolidated net income</b>	<b>71.0</b>	<b>106.9</b>
Depreciation and amortization of property, plant, and equipment and intangible assets	26.9	26.1
Depreciation of right-of-use assets	28.2	27.6
Change in provisions	1.6	0.4
Gains/losses on disposals of non-current assets and of non-current assets held for sale	(0.9)	(0.3)
Change in inventories, trade receivables, and other assets	67.8	(65.6)
Change in trade payables and other liabilities	(166.3)	76.8
Other non-cash income/expenses	2.2	3.7
<b>Cash flow from operating activities</b>	<b>30.6</b>	<b>175.6</b>
Proceeds from disposal of non-current assets and of non-current assets held for sale	2.9	3.1
Payments for investments in property, plant, and equipment	(49.5)	(51.1)
Payments for investments in intangible assets	(1.6)	(1.2)
<b>Cash flow from investing activities</b>	<b>(48.3)</b>	<b>(49.2)</b>
Proceeds from taking up long-term debt	0.0	208.0
Repayment of long-term debt	(27.0)	(3.6)
Repayment of current and non-current lease liabilities	(24.2)	(26.7)
Payments for transaction costs	0.0	(0.3)
Change in level of shareholding in subsidiary with no change in control	0.0	(190.6)
<b>Cash flow from financing activities</b>	<b>(51.2)</b>	<b>(13.1)</b>
Cash-effective change in cash and cash equivalents	(68.9)	113.3
Change in cash and cash equivalents due to changes in exchange rates	(0.5)	0.6
Cash and cash equivalents at March 1	427.1	332.3
<b>Cash and cash equivalents at May 31</b>	<b>357.7</b>	<b>446.1</b>

## Segment Reporting

3M 2023/24 in € million 3M 2022/23 in € million	HORNBACH Baumarkt AG Subgroup	HORNBACH Baustoff Union GmbH Subgroup	HORNBACH Immobilien AG Subgroup	Central Functions	Consolidation adjustments	HORNBACH HOLDING AG & Co. KGaA Group
<b>Segment sales</b>	<b>1,667.6</b>	<b>105.4</b>	<b>21.5</b>	<b>0.0</b>	<b>(21.1)</b>	<b>1,773.5</b>
	1,705.3	108.0	20.3	0.0	(20.2)	1,813.4
Sales to third parties	1,667.3	105.3	0.0	0.0	0.0	1,772.6
	1,704.9	107.7	0.0	0.0	0.0	1,812.6
Rental income from third parties	0.3	0.0	0.5	0.0	0.0	0.8
	0.4	0.0	0.5	0.0	0.0	0.8
Rental income from affiliated companies	0.0	0.0	21.0	0.0	(21.0)	0.0
	0.0	0.0	19.9	0.0	(19.9)	0.0
<b>EBIT</b>	<b>97.0</b>	<b>2.8</b>	<b>16.3</b>	<b>(1.5)</b>	<b>(4.8)</b>	<b>109.9</b>
	133.7	5.1	15.0	(1.7)	(3.5)	148.6
Depreciation and amortization	63.6	2.5	4.3	0.0	(15.2)	55.1
	62.6	2.4	4.3	0.0	(15.6)	53.7
<b>Segment earnings (adjusted EBIT)</b>	<b>96.5</b>	<b>2.8</b>	<b>16.3</b>	<b>(1.5)</b>	<b>(4.8)</b>	<b>109.4</b>
	133.7	5.1	14.7	(1.7)	(3.5)	148.3
<b>EBITDA</b>	<b>160.6</b>	<b>5.3</b>	<b>20.6</b>	<b>(1.5)</b>	<b>(20.0)</b>	<b>165.0</b>
	196.3	7.5	19.3	(1.6)	(19.2)	202.2
<b>Segment assets</b>	<b>4,281.0</b>	<b>240.6</b>	<b>457.1</b>	<b>14.9</b>	<b>(462.2)</b>	<b>4,531.4</b>
	4,221.2	219.5	456.2	32.5	(458.2)	4,471.2

Reconciliation in € million	<b>3M 2023/24</b>	3M 2022/23
<b>Segment earnings (adjusted EBIT)</b>	<b>109.4</b>	<b>148.3</b>
Non-operating items	0.4	0.2
Net financial expenses	(15.8)	(7.4)
<b>Consolidated earnings before taxes</b>	<b>94.1</b>	<b>141.2</b>

## FINANCIAL CALENDAR

July 7, 2023	Annual General Meeting of HORNBACH Holding AG & Co. KGaA
September 27, 2023	Half-Year Financial Report 2023/24 as of August 31, 2023
December 20, 2023	Financial Update: 3rd Quarter of 2023/24 as of November 30, 2023

Updates: [www.hornbach-holding.de/en/investor-relations/financial-calendar/](http://www.hornbach-holding.de/en/investor-relations/financial-calendar/)

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