LUDWIG BECK

Consolidated Interim Report 2018

for the 2nd Quarter and the 1st Six Months of the Fiscal Year 2018
for the Period from January 1 – June 30, 2018

LUDWIG BECK
seit 1861

+ ISIN DE0005199905 + LUDWIG BECK am Rathauseck – Textilhaus Feldmeier AG + Marienplatz 11 + 80331 Munich +
+ Tel. +49. 89. 23691-0 + Fax +49. 89. 23691-600 + kaufhaus.ludwigbeck.de/english/ + info@ludwigbeck.com +

KEY FIGURES OF THE GROUP

€m	1/1/2018 – 6/30/2018	1/1/2017 – 6/30/2017
Gross sales	73.2	77.1
Net sales	61.6	64.8
Earnings before interest, taxes, depreciation & amortization (EBITDA)	-0.1	0.6
Earnings before interest & taxes (EBIT)	-2.2	-1.6
Earnings before taxes (EBT)	-2.6	-2.1
Earnings after taxes	-2.6	-2.3
Equity (as per reporting date 6/30)	74.2	74.0
Equity ratio in % (as per reporting date 6/30)	57.0	55.7
Earnings per share (in €)	-0.69	-0.62
Investments	0.9	1.3
Employees (average number without apprentices)	880	849
Apprentices (average number)	38	36

INTRODUCTION

LUDWIG BECK's financial reporting is based on the International Financial Reporting Standards (IFRS) and complies with Section § 37w Securities Trading Act (WpHG). Generally, the Interim Report is prepared as an update on the Annual Report focusing on the current reporting period. The Group accounts prepared in addition thereto in accordance with IFRS serve as a fundamental basis for LUDWIG BECK's financial reporting in compliance with IFRS as leading accounting system. Therefore, the Interim Report should be read together with the IFRS-compliant Group accounts and the Annual Report published for the 2017.

GENERAL ECONOMIC AND INDUSTRY-SPECIFIC FRAMEWORK CONDITIONS

Macroeconomic development

After the dynamics experienced in the previous year, the German economy, despite good utilization of capacities, has considerably lost momentum in the first half of 2018. This is the conclusion drawn be the German Institute for Economic Research (DIW), which, however, finds no indication of a sustained downswing. Based on their preliminary findings, the economic researchers assume that the gross domestic product (GDP) went up by 0.4% in the second quarter. In the first quarter of 2018, the GDP had risen by 0.3% as compared to the previous quarter, and by 1.6% as compared to the same period last year. Nevertheless, in June, the DIW's economic barometer reading showed less promising prospects once again. The drop in the business climate index of the Institute for Economic Research (ifo) to 101.8 points in June also reflects the growing skepticism of German businesses. The Institute for World Economics (IfW) refers to this a mere *economic dip*, not indicating the beginning of a downward tendency. In the opinion of the Kiel-based economic researchers the boom has not been fully exploited yet, even though its end seems near. Currently, the German economy, proceeding at a calm pace, finds itself in an *air pocket encountered on its soaring flight*. As the first half of the year showed, incoming orders as well as exports have decreased - considerably at times. Orders for capital goods made in Germany have already been declining for quite a while. The IfW not only points to the fear of an escalating trade conflict with the USA, considered to be the root cause thereof, but also to the effects, the wave of flu at the beginning of 2018, the high number of public holidays and the strikes had on economic dynamics. By and large, at the end of the first half of the year, order books are well filled, capacities are well utilized, employment rates are at a record high and consumer prices are stable, as the Federal Ministry of Economics, highlighting the solid basis of the domestic economy, has pointed out.

Retail trade development

In the end, the exacerbating trade conflict between the USA and the EU had a depressing effect on the consumer mood in Germany. With income expectancy and buying propensity still at a high level, consumers' economic optimism seems to fade, as the Association for Consumption Research (GfK) has reported. Nevertheless the economic climate settled at a stable mark after two setbacks in a row, a development that is partly owed to the positive labor market. While framework conditions were excellent domestically, the precipitous rise of the inflation rate in May led to noticeable increases in energy prices. According to the Federal Office for Statistics, price-adjusted retail sales in Germany fell 2.1%, which is the strongest decline in seven years and the first dip into the red since October 2017. The poor showing of the German fashion trade dovetails with this development. The branch concluded the first half of the year with sales down 2% to 3% as compared to the equally weakly performing same period last year, as the Federal Association of German Textile Retailers (BTE) reported based on preliminary data. After cold temperatures in March had spoiled the start of the season, summerlike temperatures in April had a detrimental effect on the sale of transition clothes like jackets and knitwear. When the Soccer World Cup started at the end of June, consumers had a further reason to stay away from fashion stores. In comparison to the brick-and-mortar business, the online trade grew once again: According to a survey conducted by the Federal E-Commerce and Distance Selling Trade Association, retailers generated an online sales volume of almost € 15.6bn in the second quarter of 2018 (1st quarter: almost € 14bn). The winning sectors included also clothing and shoes with a growth in the amount of 9%.

CONSOLIDATED EARNINGS SITUATION

Development of sales

The LUDWIG BECK Group could not evade the restrained development of the branch, and generated gross sales of € 73.2m in the first half of 2018 (June 30, 2017: € 77.1m). The LUDWIG BECK segment accounted for sales of € 41.3m (June 30, 2017: € 43.2m), and the WORMLAND segment contributed sales in the amount of € 32.0m (June 30, 2017: € 33.9m). Thus, the loss of sales at Group level came to 5% in total. The online trade at www.ludwigbeck.de being the Group's second strategic pillar has continued to develop well and justifies an optimistic outlook into the future.

Earnings situation

In the first six months of the fiscal year 2018, gross profit reached € 29.4m as compared to € 30.7m in the previous year. The gross profit margin could be slightly improved from 47.4% to 47.7% as a result of moderate price reductions. Accordingly, the cost of sales came to € 32.2m (June 30, 2017: € 34.1m).

Other operating income was € 1.9m (June 30, 2017: € 1.7m).

In the first six months of the fiscal year 2018, personnel expenses slightly sank to € 14.6m as compared to the previous year (June 30, 2017: € 14.7). As a result of a stringent cost policy, other operational expenses could be reduced more significantly and came to only € 16.7m (June 30, 2017: € 17.2m).

On account of the decline in sales, earnings before interest and taxes (EBIT) amounted to € -2.2m (June 30, 2017: € -1.6m). The LUDWIG BECK segment contributed positively to this result with € 0.8m (June 30, 2017: € 1.4m), while the WORMLAND segment recorded a negative amount of € -3.0m (June 30, 2017: € -3.1m).

Since the financial result of € -0.4m fell slightly below last year's figure (€ -0.5m), earnings before taxes (EBT) amounted to € -2.6m (June 30, 2017: € -2.1m).

Earnings after taxes were at € -2.6m (June 30, 2017: € -2.3m).

Despite the negative trend in sales, the business development moved within the range expected by the management in the first six months of the reporting year 2018.

ASSET SITUATION

Balance sheet structure

As per June 30, 2018, the balance sheet total of the LUDWIG BECK Group was € 130.2m and thus at last year's level of € 130.5m (December 31, 2017).

As in the past, tangible fixed assets with € 98.5m in aggregate (December 31, 2017: € 99.3m) still formed the largest item of long-term assets. They include the real estate at Marienplatz in Munich carried at more than € 70m. The carrying amount for property and land has remained unchanged at € 68.8m since the acquisition of the real estate in 2001. The intrinsic value of land and property is confirmed by the value development that occurred between 2014 and 2016. Land values as deducible from the reference land values determined by the expert committee of the City of Munich rose approximately 45% in said period alone.

With € 4.9m, intangible assets fell below last year's level (December 31, 2017: € 5.1m).

Long-term assets amounted to € 103.5m (December 31, 2017: € 104.6m).

Short-term assets came to € 26.7m in aggregate (December 31, 2017: € 25.9m), which was basically due to an increase in seasonal inventory levels to € 21.6m (December 31, 2017: € 20.7m).

FINANCIAL SITUATION

Balance sheet structure

As per the reporting date June 30, 2018, the equity base of the LUDWIG BECK Group stood at € 74.2m (December 31, 2017: € 79.4m). This corresponds to an equity ratio of 57.0% (December 31, 2017: 60.8%). Consolidated income in the amount of € -2.6m in the first half of the year 2018 had an equity reducing effect as did the dividend payment (€ 0.65 per share) in the amount of € 2.4m as resolved by the Annual General Meeting on May 15, 2018.

Long-term liabilities were increased by € 2.9m from € 30.7m (December 31, 2017) to € 33.6m. The effect of LUDWIG BECK AG taking up a low interest loan of € 5.0m in aggregate was counter-directional to the scheduled redemption of loans within the real estate companies. The loan is earmarked for the improvement of the financial structure of the LUDWIG BECK Group.

Short-term liabilities increased by € 1.9m from € 20.4m (December 31, 2017) to € 22.3m. This development was not only due to the financing of dividend distributions and the seasonal increase in inventory levels but also to the trend of the operating result. The taking up of a loan to balance overdraft facilities had a counter-directional effect.

The Group's total liabilities amounted to € 56.0m (December 31, 2017: € 51.1m) as per the reporting date June 30, 2018.

Cash flow

Cash flow from current operating activities amounted to € -5.0m (June 30, 2017: € -2.8m) in the first six months of 2018. This decline of cash flow was due to the prevailing result trend on the one hand, and the increase in receivables and other assets as per the reporting date June 30, 2018 on the other hand, as compared to the decrease reported in the previous year.

Cash flow from investment activities came to € -0.9m (June 30, 2017: € -1.3m) in the period under report. Investments mainly concerned the flagship store at Marienplatz in Munich. Cash flow from financing activities amounted to € 5.5m (June 30, 2017: € 3.9m).

EMPLOYEES

In the first half of the year 2018 the number of employees (without apprentices) was 880 in accordance with Section 267 par. 5 Commercial Code (HGB) (June 30, 2017: 849). This development can be explained by the fact that the company relied increasingly on flexible part-time workers as regards the deployment of staff in the first half of the year under report. The weighted number of full-time employees at Group level went up from 556 in the previous year to 562. The number of apprentices employed by LUDWIG BECK Group was 38 (previous year: 36).

OPPORTUNITY AND RISK REPORT

In the course of its activities in the sales markets, the LUDWIG BECK Group is exposed to various opportunities and risks connected with entrepreneurial endeavors. A detailed description thereof is contained in the company's current annual report for the year 2017, page 32 et seq. You can find the report on the company's website https://kaufhaus.ludwigbeck.de/en/company/investor-relations under *Financial Publications*.

FORECAST REPORT

Economic framework conditions and retail trade development

After a half-year with mixed fortunes, renowned economic researchers corrected their annual forecasts for 2018. The Institute for World Economics (IfW) is still observing an economic boom for the German economy, with the end of this boom already clearly in the offing on account of restrained business expectancy and the dispute about punitive tariffs between economic areas. The IfW decisively lowered its economic projections for 2018 from 2.5% to 2.0%. Nevertheless, the Institute expects the economy to perform to capacity as of the middle of the year based on domestic strengths and a stable world economy. Despite of that, the German economy is getting close to the point where capacities become overtaxed and the upswing starts to *show cracks*. The construction sector already shows first signs of overheating. The domestic economy will remain the main factor spurring this trend. Exports are expected to increase, even though the geopolitical risks involved in a potential trade war are inestimable. Against this background, the Federal Government is providing support to numerous citizens by increasing benefits and reducing taxes. This is expected to result in an increase in private consumer spending of 1.6% in the current year, and of even 2.5% in the coming year.

Retail trade development

The consumer climate forecast by the Association for Consumption Research (GfK) is less optimistic than the one by the Kiel-based economic researchers. The GfK also expects the consumption boom in Germany to continue, yet foresees decelerating dynamics, the intensity of such deceleration depending, among other, on the settlement of intra-EU disputes, a potential reprise of the eurozone crisis and conflicts arising from the European asylum policy. Therefore, the GfK corrected its previous consumption forecast from 2% to 1.5%. The reading of the consumption barometer of the German Retail Federation (HDE), reflecting the expected consumption mood for the coming three months, was less promising in June. However, according to the HDE, German consumers appear to be relatively unimpressed by the current risky developments on the geopolitical stage. After the mishaps in the first half of the year, the stationary fashion trade hopes for weather conditions that are typical for the relevant seasons for the rest of the year, in order to be able to benefit from the definitely existing propensity to consume. The online trade is expected to act as the growth engine of the branch once again. According to a consumer study by the Federal E-Commerce and Distance Selling Trade Association, the online trade has already grown 11.1% in the first half of the year across all industries as compared to the same period last year and is considered a *warhorse* of the fashion sector, in particular. In classical fashion trade there is an emerging trend towards cheap goods, and consumers tend to disregard brand quality features. Textile discounters like Primark or KiK benefit from this trend. They try to further expand their market share and carry out lucrative discount battles. The German fashion trade is still undergoing far-reaching structural changes. The market is shaped by the unwaveringly dynamic online trade and an increasing verticalisation. The renowned strategy consultants, booz&co, analyzed European fashion businesses and came up with four sources for future value increase, stationary fashion businesses may benefit from: As the classical services provided by the stationary trade have been lost to online trade, the former will have to place more emphasis on staging experiential values. The cross-channel integration of stationary business and online shop will attract loyal customers via both channels. Growth will depend on the stringent focusing on core target Groups. And last not least, the requirement of operative excellency rounds off the recommendations for classical retailers.

The LUDWIG BECK Group in 2018

The management of LUDWIG BECK is well aware of the challenges the stationary fashion trade is faced with, and unabatedly relies on the company's strengths in these relentlessly difficult times. The management placed highest attention on the aforementioned four sources for future growth in the past, and is still pursuing them on the success track leading through the massive structural upheavals in the sector.

The company rests on sound foundations which will continuously guarantee stability despite all current and future challenges. Recently, the company used its best endeavors to sharpen the profile of the LUDWIG BECK brand, to benefit from the unique experiential ambience of the flagship store at Marienplatz and the WORMLAND stores, and to intensify the high-end quality of advice provided by its staff in an environment of premium selections. These endeavors together with the consideration that the conspicuous weather discords that had negatively affected sales in the first half of the year will not necessarily continue in the second half of the year, certainly justify a positive attitude.

With this in mind, the Executive Board reaffirms its forecast for the business development in 2018 and expects sales of goods at Group level to reach between € 170m and € 180m and the EBIT margin to range between € 3.5% to € 5% of net sales.

NOTES

Accounting in compliance with International Financial Reporting Standards (IFRS)

The present quarterly consolidated accounts of LUDWIG BECK AG as per June 30, 2018 have been prepared in compliance with the provisions of the International Financial Reporting Standards (IFRS) and the interpretations by the International Financial Reporting Interpretation Committee (IFRIC).

Presentation method

The quarterly accounts are prepared in compliance with IAS 34 (interim reporting).

Accounting and valuation methods

The quarterly accounts are based on the same methods of accounting and valuation as the Group accounts as per December 31, 2017. A comprehensive description of these methods is published in the notes to the IFRS-compliant Group accounts as per December 31, 2017.

The half-year financial report has not undergone a review or audit pursuant to Section 317 HGB (Commercial Code).

Corporate affidavit of the legal representatives pursuant to Section 37y WpHG (Securities Trading Act) in connection with Section 37w par. 2 No. 3 WpHG

To the best of our knowledge and in accordance with the accounting principles applicable to interim reporting, we assure that the interim consolidated financial statement gives a true and fair view of the Group's assets, financial and earnings positions, and the Group's interim management report presents a true and fair view 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 expected development of the Group for the rest of the fiscal year.

General presentation of figures in the interim report

The sums and figures contained in the text and the tables were exactly computed and then rounded to € m. The percentages given in the text and in the tables were determined on the basis of the exact (not rounded) values.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME OF LUDWIG BECK AM RATHAUSECK – TEXTILHAUS FELDMEIER AG, MUNICH, FOR THE PERIOD JANUARY 1 – JUNE 30, 2018, ACC. TO IASB

	1/1/2018 – 6/30/2018		1/1/2017 – 6/30/2017		4/1/2018 – 6/30/2018		4/1/2017 – 6/30/2017	
	€m		€m		€m		€m	
1. Sales revenues								
- Sales (gross)	73.2		77.1		38.6		40.4	
- minus VAT	11.7		12.3		6.2		6.5	
- Sales (net)		61.6		64.8		32.5		34.0
2. Other own work capitalized		0.0		0.0		0.0		0.0
3. Other operating income		1.9		1.7		1.0		1.0
		63.4		**66.5**		**33.4**		**35.0**
4. Cost of materials	32.2		34.1		16.2		17.0	
5. Personnel expenses	14.6		14.7		7.4		7.5	
6. Depreciation	2.1		2.2		1.0		1.1	
7. Other operating expenses	16.7	65.6	17.2	68.2	8.3	33.0	8.5	34.2
8. Earnings before interest and taxes (EBIT)		**-2.2**		**-1.6**		**0.5**		**0.8**
9. Financial result		-0.4		-0.5		-0.2		-0.2
- Of which financing expenses: as of 6/30: € 0.4m (previous year: € 0.5m) 2nd quarter: € 0.2m (previous year: € 0.2m)								
10. Earnings before taxes (EBT)		**-2.6**		**-2.1**		**0.3**		**0.6**
11. Taxes on income		0.0		0.2		0.2		0.3
12. Earnings after taxes		**-2.6**		**-2.3**		**0.0**		**0.3**
13. Expenditures and income entered directly into equity		0.0		0.0		0.0		0.0
14. Consolidated comprehensive income		**-2.6**		**-2.3**		**0.0**		**0.3**
Earnings per share (undiluted and diluted) in €		-0.69		-0.62		0.01		0.08
Average number of outstanding shares in million		3.70		3.70		3.70		3.70

CONSOLIDATED BALANCE SHEET

CONSOLIDATED BALANCE SHEET OF LUDWIG BECK AM RATHAUSECK – TEXTILHAUS FELDMEIER AG, MUNICH, AS OF JUNE 30, 2018, ACC. TO IASB

Assets		**6/30/2018**	**12/31/2017**	**6/30/2017**
		€m	**€m**	**€m**
A.	**Long-term assets**			
I.	Intangible assets	4.9	5.1	5.1
II.	Property, plant and equipment	98.5	99.3	100.4
III.	Other assets	0.1	0.1	0.1
	Total long-term assets	**103.5**	**104.6**	**105.6**
B.	**Short-term assets**			
I.	Inventories	21.6	20.7	22.1
II.	Receivables and other assets	4.0	3.7	3.6
III.	Cash and cash equivalents	1.2	1.6	1.4
	Total short-term assets	**26.7**	**25.9**	**27.2**
		130.2	**130.5**	**132.8**

Liabilities		**6/30/2018**	**12/31/2017**	**6/30/2017**
		€m	**€m**	**€m**
A.	**Shareholders' equity**			
I.	Subscribed capital	9.4	9.4	9.4
II.	Capital reserves	3.5	3.5	3.5
III.	Profit accrued	61.8	67.0	61.6
IV.	Other equity components	-0.5	-0.5	-0.5
	Total shareholders' equity	**74.2**	**79.4**	**74.0**
B.	**Long-term liabilities**			
I.	Financial liabilities	29.7	26.2	26.9
II.	Accruals	3.5	3.7	3.9
III.	Deferred tax liabilities	0.4	0.8	0.4
	Total long-term liabilities	**33.6**	**30.7**	**31.2**
C.	**Short-term liabilities**			
I.	Financial liabilities	13.7	9.2	18.6
II.	Trade liabilities	1.9	2.9	1.7
III.	Tax liabilities	0.1	0.1	0.1
IV.	Other liabilities	6.7	8.1	7.1
	Total short-term liabilities	**22.3**	**20.4**	**27.5**
	Total debt (B. + C.)	**56.0**	**51.1**	**58.8**
		130.2	**130.5**	**132.8**

CONSOLIDATED SEGMENT REPORTING

CONSOLIDATED SEGMENT REPORTING OF LUDWIG BECK AM RATHAUSECK – TEXTILHAUS FELDMEIER AG, MUNICH, FOR THE PERIOD JANUARY 1 – JUNE 30, 2018, ACC. TO IASB

	LUDWIG BECK		**WORMLAND**		**Consol.**	**Group**	
1/1/2018 – 6/30/2018 *Previous year*	**€m**	**%**	**€m**	**%**		**€m**	**%**
Sales (gross)	**41.3**	**119.0**	**32.0**	**119.0**	**0.0**	**73.2**	**119.0**
Previous year	*43.2*	*119.0*	*33.9*	*119.0*	*0.0*	*77.1*	*119.0*
VAT	-6.6	19.0	-5.1	19.0	0.0	-11.7	19.0
Previous year	*-6.9*	*19.0*	*-5.4*	*19.0*	*0.0*	*-12.3*	*19.0*
Sales (net)	**34.7**	**100.0**	**26.9**	**100.0**	**0.0**	**61.6**	**100.0**
Previous year	*36.3*	*100.0*	*28.5*	*100.0*	*0.0*	*64.8*	*100.0*
Cost of sales	-18.1	52.1	-14.1	52.5	0.0	-32.2	52.3
Previous year	*-19.0*	*52.3*	*-15.1*	*53.0*	*0.0*	*-34.1*	*52.6*
Gross profit	**16.6**	**47.9**	**12.8**	**47.5**	**0.0**	**29.4**	**47.7**
Previous year	*17.3*	*47.7*	*13.4*	*47.0*	*0.0*	*30.7*	*47.4*
Other income	1.5	4.5	0.3	1.1	0.0	1.9	3.0
Previous year	*1.4*	*3.8*	*0.4*	*1.3*	*0.0*	*1.7*	*2.7*
Personnel expenses	-8.8	25.3	-5.8	21.7	0.0	-14.6	23.7
Previous year	*-8.8*	*24.1*	*-5.9*	*20.9*	*0.0*	*-14.7*	*22.7*
Depreciation	-1.4	4.0	-0.7	2.6	0.0	-2.1	3.4
Previous year	*-1.5*	*4.2*	*-0.7*	*2.3*	*0.0*	*-2.2*	*3.4*
Other expenses	-7.2	20.7	-9.5	35.5	0.0	-16.7	27.2
Previous year	*-7.0*	*19.2*	*-10.2*	*35.9*	*0.0*	*-17.2*	*26.5*
EBIT	**0.8**	**2.3**	**-3.0**	**-11.1**	**0.0**	**-2.2**	**-3.5**
Previous year	*1.4*	*3.9*	*-3.1*	*-10.7*	*0.0*	*-1.6*	*-2.5*

CONSOLIDATED SEGMENT REPORTING OF LUDWIG BECK AM RATHAUSECK – TEXTILHAUS FELDMEIER AG, MUNICH, FOR THE PERIOD APRIL 1 – JUNE 30, 2018, ACC. TO IASB

	LUDWIG BECK		WORMLAND		Consol.	Group	
4/1/2018 – 6/30/2018 *Previous year*	**€m**	**%**	**€m**	**%**		**€m**	**%**
Sales (gross)	**21.8**	**119.0**	**16.8**	**119.0**	**0.0**	**38.6**	**119.0**
Previous year	*22.4*	*119.0*	*18.0*	*119.0*	*0.0*	*40.4*	*119.0*
VAT	-3.5	19.0	-2.7	19.0	0.0	-6.2	19.0
Previous year	*-3.6*	*19.0*	*-2.9*	*19.0*	*0.0*	*-6.5*	*19.0*
Sales (net)	**18.3**	**100.0**	**14.1**	**100.0**	**0.0**	**32.5**	**100.0**
Previous year	*18.9*	*100.0*	*15.1*	*100.0*	*0.0*	*34.0*	*100.0*
Cost of sales	-9.3	50.7	-6.9	48.7	0.0	-16.2	49.9
Previous year	*-9.6*	*50.8*	*-7.4*	*49.1*	*0.0*	*-17.0*	*50.1*
Gross profit	**9.0**	**49.3**	**7.2**	**51.3**	**0.0**	**16.3**	**50.1**
Previous year	*9.3*	*49.2*	*7.7*	*50.9*	*0.0*	*17.0*	*49.9*
Other income	0.8	4.3	0.2	1.4	0.0	1.0	3.1
Previous year	*0.7*	*3.8*	*0.2*	*1.6*	*0.0*	*1.0*	*2.8*
Personnel expenses	-4.5	24.6	-2.9	20.6	0.0	-7.4	22.9
Previous year	*-4.5*	*23.9*	*-3.0*	*19.9*	*0.0*	*-7.5*	*22.1*
Depreciation	-0.7	3.8	-0.3	2.5	0.0	-1.0	3.2
Previous year	*-0.8*	*4.1*	*-0.3*	*2.2*	*0.0*	*-1.1*	*3.2*
Other expenses	-3.6	19.4	-4.8	33.9	0.0	-8.3	25.7
Previous year	*-3.4*	*18.1*	*-5.1*	*33.7*	*0.0*	*-8.5*	*25.0*
EBIT	**1.1**	**5.8**	**-0.6**	**-4.3**	**0.0**	**0.5**	**1.4**
Previous year	*1.3*	*6.9*	*-0.5*	*-3.3*	*0.0*	*0.8*	*2.4*

CONSOLIDATED CASH FLOW STATEMENT

CONSOLIDATED CASH FLOW STATEMENT OF LUDWIG BECK AM RATHAUSECK – TEXTILHAUS FELDMEIER AG, MUNICH, FOR THE PERIOD JANUARY 1 – JUNE 30, 2018, ACC. TO IASB

in €m	**1/1/2018 – 6/30/2018**	**1/1/2017 – 6/30/2017**
Cash flow from operating activities:		
Earnings before taxes	-2.6	-2.1
Adjustments for:		
+ Depreciation of fixed assets	2.1	2.2
- Interest earnings	0.0	0.0
+ Interest expenses	0.4	0.5
Operating result before changes to working capital	**-0.1**	**0.6**
Increase/decrease (-/+) in assets	-0.5	0.6
Increase/decrease (+/-) in liabilities	-2.6	-2.1
Cash flow from operating activities (before interest and tax payments)	**-3.2**	**-1.0**
Interest paid	-0.4	-0.5
Disbursements to other shareholders	-0.2	-0.2
Taxes on income paid	-1.1	-1.1
A. Cash flow from operating activities	**-5.0**	**-2.8**
Disbursements for investments in fixed assets	-0.9	-1.3
B. Cash flow from investing activities	**-0.9**	**-1.3**
Divident payments	-2.4	-2.4
Acceptance/repayment of bank loans and loans from insurance companies	8.1	6.5
Acceptance/repayment of other financial liabilities	-0.2	-0.2
C. Cash flow from financing activities	**5.5**	**3.9**
D. Changes in cash and cash equivalents affecting cash flows (A.+B.+C.)	**-0.4**	**-0.1**
Cash and cash equivalents at the beginning of period	1.6	1.5
Changes D.	-0.4	-0.1
Cash and cash equivalents at the end of period	**1.2**	**1.4**

CONSOLIDATED EQUITY STATEMENT

CONSOLIDATED EQUITY STATEMENT OF LUDWIG BECK AM RATHAUSECK – TEXTILHAUS FELDMEIER AG, MUNICH, FOR THE PERIOD JANUARY 1 – JUNE 30, 2018, ACC. TO IASB

in €m	**Subscribed capital**	**Capital reserve**	**Accumulated profit**	**Other equity components**	**Total**
Balance as of 1/1/2018	**9.4**	**3.5**	**67.0**	**-0.5**	**79.4**
Earnings after taxes			-2.6		-2.6
Divident payments			-2.4		-2.4
Disbursements to other shareholders			-0.2		-0.2
Balance as of 6/30/2018	**9.4**	**3.5**	**61.8**	**-0.5**	**74.2**
Balance as of 1/1/2017	**9.4**	**3.5**	**66.6**	**-0.5**	**79.0**
Earnings after taxes			-2.3		-2.3
Divident payments			-2.4		-2.4
Disbursements to other shareholders			-0.2		-0.2
Balance as of 6/30/2017	**9.4**	**3.5**	**61.6**	**-0.5**	**74.0**