



**INTERIM FINANCIAL  
STATEMENT AS OF  
SEPTEMBER 30TH**

**2015**

# SELECTED GROUP KEY FIGURES AT A GLANCE

	1/1 - 9/30/2015	1/1 - 9/30/2014	Change relative	1/1 - 9/30/2015	1/1 - 9/30/2014 (combined)*	Change relative
	k€	k€		k€	k€	
Revenues	636,992	418,146	52.3%	636,992	639,547	-0.4%
Wholesale	201,114	0	n/a	201,114	212,098	-5.2%
Retail	470,604	285,948	64.6%	470,604	450,778	4.4%
Gross margin	47.2%	53.4%		47.2%	48.0%	
EBITDA	10,753	18,920	-43.2%	10,753	14,793	-27.3%
Adjusted EBITDA	9,451	19,102	-50.5%	9,451	14,975	-36.9%
Adjusted EBITDA margin	1.5%	4.6%		1.5%	2.3%	
Net profit (+) / loss (-)	-30,239	-7,950	-280.4%	-30,239	-19,807	-52.7%
Net profit (+) / loss (-) attributable to shareholders of Steilmann SE	-19,318	-5,409	-257.1%	-19,318	-18,472	-4.6%
Net profit (+) / loss (-) attributable to non-controlling interest	-10,922	-2,541	-329.8%	-10,922	-1,335	-718.1%

\*The consolidated interim financial information for 9M 2014 included in the condensed consolidated interim financial statements as of and for the nine month period ended September 30, 2015, are not directly comparable with the financial information for 9M 2015 as they do not include Steilmann Fashion Group and Apanage Fashion Group (both acquired in December 2014). Therefore, Steilmann SE Group has prepared a combined income statement for the first nine months of 2014 to enable comparability and transparency, which can be found as a supplement at the end of this report.

## TABLE OF CONTENTS

Letter to the Shareholders	02
<b>INTERIM GROUP MANAGEMENT REPORT</b>	
I. Macroeconomic and sector-specific environment	03
II. Business performance	06
III. Events after the end of the reporting period	10
IV. Risks and opportunities	11
V. Forecast	11
<b>STATEMENTS OF FINANCIAL POSITIONS</b>	
Consolidated Statement of Financial Positions	12
Consolidated Income Statement	14
Consolidated Statement of Comprehensive Income	15
Consolidated Statement of Change in Equity 2015	16
Consolidated Statement of Change in Equity 2014	17
Consolidated Statement of Cash Flows	18
Notes to the Consolidated Financial Statements	19
Financial calendar	39
Supplement Report	40

Bergkamen, November 2015

**Dear Shareholders,**

We look back on an eventful quarter that includes, amongst other events, the listing of Steilmann SE in the Prime Standard of the Frankfurt Stock Exchange on November 5, 2015. Despite market conditions, a strategic management decision was taken to place the minimum volume required for a Prime Standard listing on the Deutsche Boerse; we currently have a circa 11% freefloat. Nevertheless, this is an important milestone in the history of our family-owned company, and one that creates valuable new strategic options and financing possibilities for our companies' future.

We continue on track with regard to our vertical integration strategy. Following the integration of Steilmann Fashion Group and Apanage Fashion Group, which was completed in December 2014, Steilmann SE is today a vertically integrated apparel manufacturer. We consequently cover the complete value chain – from procurement and production to operating the point of sale.

The integration has clearly impacted our key figures. Revenues rose by € 218.1 million from € 418.8 million in the prior year period to € 637.0 million in the first nine months of 2015. The strong increase is essentially attributable to the consolidation of Steilmann Fashion Group and Apanage Fashion Group.

Like-for-like revenues increased by 2.1%, which is especially gratifying in view of the challenging domestic and international environment.

The first nine months of the financial year 2015 also saw Steilmann SE expand its omni-channel distribution network and increase the number of POS by 60 to 1,386.

Our earnings were influenced by the anticipated integration costs resulting from Adlers acquisition of the Kressner and hefa fashion stores. EBITDA for the nine-month period totalled € 10.8 million.

To facilitate a comparison of the results and make the performance of the Steilmann SE Group as transparent as possible, we have compared the consolidated income statement of Steilmann SE for the first nine months of 2015 with the combined income statement for the first nine months of 2014. The financial information in the combined income statement represents the combined income statement of Steilmann-Boecker Fashion Point GmbH & Co. KG, Klaus Steilmann GmbH & Co. KG, Steilmann Beteiligungs GmbH and Apanage Fashion Group GmbH, including their respective direct and indirect subsidiaries. This supplement is added to this interim report at the end of the document.

We are now facing what is usually the strongest quarter due to seasonal factors. Despite volatile market conditions, we are convinced that we will exceed the results of the final quarter of the previous year.

We would like to thank all investors and business partners for the confidence placed in us and look forward to continuing on a successful journey of collaboration - together.

Yours sincerely,  
The Management Board of Steilmann SE

# INTERIM GROUP MANAGEMENT REPORT FOR THE PERIOD ENDED SEPTEMBER 30, 2015

The strategy of vertical integration initiated by Steilmann SE in the past years was furthered through the acquisitions of Steilmann Fashion Group and Apanage Fashion Group with effect from December 31, 2014. The resulting vertically integrated fashion retail company focusing on the 45+ segment was successfully listed on the Frankfurt Stock Exchange on November 5, 2015. The companies acquired at the end of 2014 are for the first time included in the income statement for the full year 2015.

In the first nine months of 2015, Steilmann SE generated revenues to amount of € 637 million, up € 218.9 million or 52% on the same period of the previous year (€ 418.1 million).

Like-for-like revenues grew by 2.1%; a particularly gratifying result against the backdrop of a struggling German textile retail sector. According to TW-Testclub, the German fashion retail panel with the highest number of participants, revenues in the first three quarters of 2015 declined by 2%.

EBITDA in the first nine months of 2015 amounted to € 10.8 million; adjusted for one-time effects, EBITDA in this period stood at € 9.5 million.

## I. MACROECONOMIC AND SECTOR-SPECIFIC ENVIRONMENT

### **Robust growth in global economy despite macroeconomic concerns**

The International Monetary Fund (IMF) sees major risks to the global economy through the continuing decline in commodity prices, an increase in key interest rates in the USA and a slowing in the Chinese economy. Accordingly, the IMF has downgraded its 2015 global growth forecast from 3.3% to 3.1%.

### **Eurozone back on growth path, Russia still on a negative trend**

The eurozone has returned to its growth path. According to IMF estimates, the eurozone's combined GDP will grow by 1.5 % in 2015. Quarter-on-quarter growth slowed down to 0.3 % in the third quarter, compared to 0.4% and 0.5% in the second and first quarter, respectively.

While Romania's growth of 1.4 % (compared to the second quarter of 2015) was ahead of most European countries, Germany and Spain also posted positive, but weaker, growth rates at 0.3% and 0.8%, respectively. The French and Italian economies, too, have started to grow again, albeit at a low level of 0.3% and 0.2%, respectively. In the case of Austria, the GfK consumer research firm expects no more than a weak recovery in the Austrian economy, given that consumer confidence will not improve materially. British GDP expanded by 0.5% in the third quarter of 2015, growing ahead of the EU average. At the same time, consumer confidence in the UK fell to a four-month low in October, pointing to a potentially challenging Christmas quarter. All told, however, consumer spending remains high by historic standards.

The Russian economy's poor outlook for the full year 2015 is driven by the continuing low prices of oil and gas, rouble weakness and high inflation and uncertainty related to the Ukraine crisis. While the Russian government anticipates a 3.9% contraction of GDP in 2015, it expects the economy to bottom out in 2016 and post 0.7% growth.

### **Strong advance in international labour costs halted**

According to Eurostat, Romanian unit labour costs fell from 109.80 index points in the first quarter to 102.90 index points in the second quarter of 2015, thereby returning to 2013 levels. This development strengthens the competitive positioning of our Romanian production facilities, whose proximity to Germany is an essential component for our fast fashion strategy.

In contrast, labour costs in Asia, and particularly in China, are set to further rise in the coming years. In order to mitigate the implications of the rising labour costs especially in manufacturing, the Chinese government has already taken measures including a devaluation of the Yuan against other key currencies. Economic growth in China will continue to slow down compared to previous years but still amount to 7.0% in 2016.

### **German economy remains stable and continues to grow**

From a top-down perspective, all key economic indicators for the German economy remain in positive territory. Year to date, Germany has continued its stable growth performance, albeit at a modest level. The third quarter of 2015 saw seasonally adjusted GDP expand by 0.3% compared to the second quarter of 2015. Employment rates, continued on a positive trajectory, rising by a seasonally adjusted 0.3% quarter-on-quarter. The IMF currently expects German GDP to increase by 1.5% during the full year 2015.

### **German economic indicators suggest a weaker trading environment in 2016**

Consumer spending in retail is primarily determined by forward-looking expectations based on key economic data. The indicators for the German consumer climate determined by GfK (economic growth, incomes, consumer spending). Consumer spending is primarily determined by forward-looking expectations based on key economic data. The indicators for the German consumer climate determined by GfK (economic growth, income, consumer spending) were negative in the four months to the end of September 2015. This trend indicates a decoupling of consumer confidence from the general economic trend; it has to be noted that all indicators are at a higher level than in September 2014.

In addition, consumers' spending propensity should benefit from the expected significant increase in pension levels. More than 20 million pensioners should see their pensions go up by an estimated 4.5% to 5% in 2016. This would be the most significant increase in the past 20 years.

## **SITUATION OF THE GERMAN RETAIL TRADE**

### **Strong growth in German retail sector**

Primarily supported by strong consumer demand, the German retail sector remains on its growth path, although the momentum has slowed marginally compared to the second quarter of 2015. Preliminary figures from the Federal Statistics Office put the inflation-adjusted rise in retail sales during the first nine months of 2015 at 2.8% compared to the same period of the previous year.

### **Challenging conditions in textile retailing**

The retail sector's generally positive situation is not reflected in textile retailing. A survey by Textilwirtschaft-Testclub, the survey panel with the largest number of participating stationary fashion retailers, showed sales in the first nine months of 2015 down 2% on the previous year's period.

The third quarter of 2015 was characterised by substantial fluctuations. Rising sales in July (+4%) were followed by the strongest monthly slump in 15 years in August, when business contracted by -16%. This was followed by a recovery of 8% in September.

## II. BUSINESS PERFORMANCE

### First-time inclusion of new companies in the Steilmann SE Group

After the acquisition of Steilmann Fashion Group and Apanage Fashion Group with effect from December 31, 2014, the acquired companies are for the first time included in the income statement for the full year 2015. Given that Steilmann Fashion Group and Apanage Fashion Group were not consolidated in the same period of 2014, a meaningful comparison with the income statement and cash flow statement for the first nine months of 2014 is not possible. The explanations of the income statement and cash flow statement therefore deliberately include no comparison with the previous year.

In the first nine months of 2015, Steilmann SE generated revenues in the amount of € 637 million, up € 218.9 million or 52% on the same period of the previous year (€ 418.1 million).

With 60 new points of sale (POS) opened in the first nine months of this year, thereof 8 in Q3/2015, Steilmann SE is on track with respect to its POS growth target for 2015.

Like-for-like revenues grew by 2.1%. This increase is particularly gratifying as it clearly exceeded the performance of the German textile retail sector.

## 1. RESULT OF OPERATIONS

In the first nine months of 2015, Group revenues amounted to € 637 million. This breaks down into € 470.5 million for the Retail segment and € 166.2 million for the Wholesale and Production segment. In addition, a total of 60 new points of sale were opened in the reporting period. Like-for-like revenues increased by 2.1%. This increase is all the more gratifying as it clearly exceeded the overall performance of the German textile retail sector.

Other operating income totalled € 14.4 million in the reporting period. This included the proceeds from a property sale in the amount of € 3.9 million. In view of the favourable real estate price trend in the past months, the Group decided to sell the property in order to reduce its leverage.

The cost of sales ratio in the first nine months of 2015 stood at 52.8%. The cost of sales reflects the consolidation of Steilmann Fashion Group and Apanage Fashion Group acquired with effect from December 31, 2014. These companies operate in the Wholesale and Production segment as well as in the Retail segment. The Wholesale and Production segment generates lower gross profits than the Retail segment.

The integration of the Kressner fashion stores had the anticipated adverse impact on the cost of sales.



Personnel expenses amounted to € 122.7 million. In addition to the personnel expenses of the Retail segment, this also included the personnel expenses of the Wholesale and Production segment in 2015. The personnel expenses of the Retail segment increased due to the integration of the Kressner fashion stores into the Adler Group and the new points of sale opened by the Steilmann companies. The same applies to other operating expenses, which stood at € 177.8 million.

EBITDA in the first nine months of 2015 amounted to € 10.8 million. Extraordinary expenses and de-consolidation effects had a material impact on the income statement, however. In order to reflect these extraordinary effects, EBITDA has been adjusted as follows:

in k€	January-September 2015
	<b>EBITDA</b>
<b>Reported figures</b>	<b>+10,753</b>
Extraordinary depreciation and amortization	+0
Extraordinary expenses resulting from the purchase price allocation of new stores and companies	+2,831
Extraordinary costs	+1,830
Transaction costs	+174
Extraordinary income from disposal of assets	-3,937
Extraordinary income from debt waiver	-2,200
<b>Adjusted EBITDA as of Q3/2015</b>	<b>+9,451</b>

Due to its business model, Steilmann SE generates most of its EBITDA in the second half of the year, with the main focus on the last quarter.

After the deduction of depreciation and amortisation in the amount of € 27.0 million and the financial result of € -14.6 million, earnings before tax stood at € -30.8 million as expected. At € -30.2 million, the result for the period was also negative.

### Performance in the third quarter of 2015

Group revenues in the third quarter of 2015 amounted to € 220.0 million. This consists of € 155.7 million for the Retail segment and € 64.3 million for the Wholesale and Production segment.

In the third quarter of 2015, the Steilmann companies furthermore opened a total of 8 new points of sale.

Other operating income totalled € 3.8 million and the cost of sales ratio stood at 52.8%. Personnel expenses amounted to € 39.4 million and other operating expenses to € 8.4 million.

In the third quarter of 2015, the Group generated EBITDA in the amount of € 3.4 million. Extraordinary expenses and deconsolidation effects had a material impact on the income statement, however. In order to reflect these extraordinary effects, EBITDA have been adjusted as follows:

in k€	July-September 2015
	<b>EBITDA</b>
<b>Reported figures</b>	<b>+ 3,364</b>
Extraordinary depreciation and amortization	+ 0
Extraordinary expenses resulting from the purchase price allocation of new stores and companies	+ 944
Extraordinary costs	+ 50
Transaction costs	+ 174
Extraordinary income from disposal of assets	+ 0
Extraordinary income from debt waiver	+ 0
<b>Adjusted EBITDA in Q3/2015</b>	<b>+ 4,532</b>

Depreciation and amortisation totalled € 8.4 million and the financial loss amounted to € 5.2 million. This resulted in both negative earnings before tax of € -10.2 million and a negative result for the quarter of € -10.8 million.

## 2. NET ASSETS AND FINANCIAL POSITION

Total assets amounted to € 743.8 million as of the balance sheet date September 30, 2015, up € 26.1 million on the € 717.7 million reported as of December 31, 2014.

Non-current assets totalled € 331.6 million, down € 4.8 million compared to December 31, 2014. Property, plant and equipment increased by € 6.8 million from € 101.9 million on December 31, 2014 to € 108.7 million. This increase was essentially due to Adler Orange, the acquisition of an investment property of the Adler Group in St. Pölten (Austria), the modernisation of existing points of sale and the related purchase of shop fittings and furniture. These were offset by systematic depreciation and amortisation as well as the sale of buildings of Klaus Steilmann GmbH & Co. KG.

As a result of systematic depreciation and amortisation, intangible assets decreased by € 12.2 million from € 175.7 million on December 31, 2014 to € 163.5 million.

Due to the sale of buildings of Klaus Steilmann KG, investment properties declined by € 2.5 million from € 36.7 million on December 31, 2014 to € 34.2 million.

Financial investments accounted for using the equity method (€ 5.3 million compared to € 4.8 million on December 31, 2014) and other financial assets (€ 4.8 million compared to € 4.3 million on December 31, 2014) changed only insignificantly compared to December 31, 2014.

Deferred tax assets increased by € 2.0 million from € 13.0 million on December 31, 2014 to € 15 million.

Current assets increased by € 30.8 million from € 381.3 million on December 31, 2014 to € 412.1 million. This rise was due to a seasonal increase in inventories (by € 20.4 from € 227.3 million on December 31, 2014 to € 247.7 million), a seasonal increase in trade receivables (by € 5.3 million from € 23.1 million on December 31, 2014 to € 28.4 million), higher income tax receivables (up € 2.4 million from € 2.2 million on December 31, 2014 to € 4.6 million), increased other assets (up € 44.7 million from € 30.2 million to € 74.9 million) as well as a seasonal decline in cash and cash equivalents (down € 42.1 million from € 98.6 million to € 56.5 million).

Equity stood at € 220.7 million as of the balance sheet date. The decline of € 11.7 million compared to December 31, 2014 was due to dividend payments and the loss for the reporting period, which were partly offset by the capital increase. The equity ratio declined from 32.4% to 29.5%.

Non-current liabilities increased by € 37.4 million from € 182.6 million on December 31, 2014 to € 220.0 million. This rise was essentially due to an increase in financial liabilities by € 9.1 million from € 22.9 million on December 31, 2014 to € 32.0 million, an increase in finance lease obligations by € 4.5 million from € 48.6 million on December 31, 2014 to € 53.1 million and an increase in liabilities from bond issuance by € 24.3 million from € 60.9 million to € 85.2 million.

Current liabilities increased by a moderate € 0.4 million from € 302.7 million on December 31, 2014 to € 303.1 million. This rise essentially resulted from a seasonal increase in trade payables by € 46.0 million from € 142.8 million on December 31, 2014 to € 188.8 million. In contrast, other liabilities decreased by € 34.2 million from € 88.4 million to € 54.2 million. This decline was primarily attributable to the formation of a capital reserve in the amount of € 30 million, which reduced the remaining purchase price payable for the acquisition of Klaus Steilmann GmbH & Co. KG by € 30 million. Financial liabilities decreased by € 9.5 million from € 52.3 million on December 31, 2014 to € 42.8 million on September 30, 2015.

### **3. CASH FLOW INFORMATION:**

In the reporting period, Steilmann SE generated cash flow from operating activities in the amount of € 7.3 million.

The cash outflow from investing activities amounted to € 38.8 million. This included € 11.2 million for investments in property, plant and equipment as well as intangible assets. The Adler Group accounted for a material share of these investments.

The balance of payments from the issue of loans and proceeds from the redemption of loans amounted to € 31.4 million. Proceeds from the sale of assets reduced the cash outflow from investing activities by € 7.6 million.

The cash flow from financing activities amounted to € 2.2 million. Cash outflows for dividends paid (€ 15,3 million), the repayment of borrowings (€ 9.4 million), the payment of finance lease obligations (€ 8.6 million) and interest paid (€ 8.1 million) were offset by proceeds from the issuance of bonds (€ 24.4 million) and proceeds from borrowings and financial liabilities (€ 19.2 million).

## 4. CAPITAL EXPENDITURES

Capital expenditures in the first nine months of 2015 totalled € 11.2 million. Most of these capital expenditures were accounted for by the Adler Group for the modernisation of existing fashion stores as well as for the acquisition of a property in St. Pölten.

## 5. STAFF

In the first nine months of the year, Steilmann SE employed an average of 8,526 people worldwide (December 31, 2014: 8,311 people).

# III. EVENTS AFTER THE END OF THE REPORTING PERIOD

In November 2015, Steilmann SE was successfully listed on the Frankfurt Stock Exchange. 2,250,000 newly issued ordinary bearer shares as well as 250,000 shares from an over-allotment were placed with institutional investors by way of a bookbuilding process. The shares have been traded in the regulated market segment (Prime Standard) under the German Securities Identification Number (WKN) A14KR5 and the International Securities Identification Number (ISIN) DE000A14KR50 since November 5, 2015. Based on the assumption that the Greenshoe Option will be fully exercised, about 11% of the share capital of Steilmann SE will be in free float after the IPO.

No other events of special importance occurred.

## IV. RISKS AND OPPORTUNITIES

In the context of its business activities, Steilmann SE is exposed to numerous risks and opportunities. Steilmann SE uses a risk management system to identify opportunities at an early stage and to avoid risks to the extent possible or mitigate them by taking suitable measures. Detailed information about the opportunities and risks as well as a description of the risk management system can be found on pages 12 et seq. of the management report for the fiscal year 2014. There are currently no risks that could jeopardise the continued existence of Steilmann SE.

## V. FORECAST

The consolidation of Steilmann Fashion Group and Apanage Fashion Group acquired with effect from December 31, 2014 will result in a significant increase in revenues in the full year 2015 compared to 2014. This revenue increase will also have a positive effect on the bottom line. The company currently expects the previous year's result to be exceeded.\*

\*This view results from the comparison of consolidated figures on group level, while the still valid outlook displayed in Steilmann SE's prospectus results from the comparison of combined financial figures on group level.

# **CONSOLIDATED STATEMENT OF FINANCIAL POSITION - UNAUDITED -**

ASSETS	Notes	9/30/2015 k€	12/31/2014 k€
<b>Non-current assets</b>			
Intangible assets	(6)	163,534	175,706
Property, plant and equipment	(7)	108,744	101,885
Investment property		34,236	36,656
Investments in associates		5,312	4,835
Other financial assets		4,777	4,326
Deferred tax assets		15,040	12,957
		<b>331,643</b>	<b>336,365</b>
<b>Current assets</b>			
Inventories	(8)	247,675	227,254
Trade receivables		28,432	23,062
Income tax receivables		4,612	2,247
Other receivables and other assets	(9)	74,902	30,151
Cash and cash equivalents		56,509	98,605
		<b>412,130</b>	<b>381,319</b>
		<b>743,773</b>	<b>717,684</b>

# **CONSOLIDATED STATEMENT OF FINANCIAL POSITION - UNAUDITED -**

LIABILITIES & EQUITY	Notes	9/30/2015 k€	12/31/2014 k€
<b>Equity</b>			
Share Capital*		20,000	1,310
Capital reserves		122,516	78,949
Retained earnings		-17,763	16,855
Accumulated consolidated earnings		-19,318	-2,098
Accumulated other comprehensive income/loss		69	-304
<b>Equity attributable to equity holders of the parent</b>		<b>105,504</b>	<b>94,712</b>
Equity attributable to non-controlling interest		115,199	137,650
		<b>220,703</b>	<b>232,362</b>
<b>Non-current liabilities</b>			
Financial liabilities	(13)	32,046	22,870
Finance lease obligations		53,101	48,618
Provisions for pensions and similar obligations		8,314	8,448
Other provisions	(12)	1,304	1,294
Liabilities from bond issuance	(14)	85,226	60,929
Deferred tax liabilities		39,277	39,589
Other liabilities		709	866
		<b>219,977</b>	<b>182,614</b>
<b>Current liabilities</b>			
Financial liabilities	(13)	42,780	52,279
Finance lease obligations		6,762	6,876
Trade payables		188,788	142,767
Other provisions	(12)	3,711	3,270
Income tax payable		6,887	9,115
Other liabilities		54,165	88,401
		<b>303,093</b>	<b>302,708</b>
		<b>743,773</b>	<b>717,684</b>

\*As of December 31, 2014 to be titled as capital shares of limited partners since the absorption of Steilmann - Boecker Fashion Point GmbH & Co. KG, Herne, into Steilmann SE, Bergkamen, has taken place on August 21, 2015.

# **CONSOLIDATED INCOME STATEMENT - UNAUDITED -**

	Notes	1/1 - 9/30 2015 k€	1/1 - 9/30 2014 k€	7/1 - 9/30 2015 k€	7/1 - 9/30 2014 k€
Revenues		636,992	418,146	219,997	133,705
Other operating income		14,445	6,890	3,849	2,755
Changes in inventory		-4,070	0	-4,509	0
<b>Operating income</b>		<b>647,367</b>	<b>425,036</b>	<b>219,337</b>	<b>136,460</b>
Cost of materials		336,108	195,042	116,050	63,437
Personnel expenses		122,682	76,555	39,394	24,454
Depreciation and amortization		26,998	19,663	8,381	6,641
Other operating expenses		177,824	134,519	60,529	42,826
<b>Operating result</b>		<b>-16,245</b>	<b>-743</b>	<b>-5,017</b>	<b>-898</b>
Investment result		52	0	48	0
Share of the profit or loss of associates accounted for using the equity method		321	0	155	0
Financial income		4,625	949	1,511	334
Financial expenses		19,571	8,490	6,899	2,907
<b>Financial result</b>		<b>-14,573</b>	<b>-7,541</b>	<b>-5,185</b>	<b>-2,573</b>
<b>Loss before tax</b>		<b>-30,818</b>	<b>-8,284</b>	<b>-10,202</b>	<b>-3,471</b>
Income tax	(19)	-579	-334	555	-662
<b>Net profit (+) / loss (-)</b>		<b>-30,239</b>	<b>-7,950</b>	<b>-10,757</b>	<b>-2,809</b>
<b>Net profit (+) / loss (-) attributable to shareholders of Steilmann SE</b>		<b>-19,318</b>	<b>-5,409</b>	<b>-6,565</b>	<b>-3,996</b>
<b>Net profit (+) / loss (-) attributable to non-controlling interest</b>		<b>-10,922</b>	<b>-2,541</b>	<b>-4,193</b>	<b>1,187</b>



# **CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME - UNAUDITED -**

Notes	1/1 - 9/30 2015 k€	1/1 - 9/30 2014 k€	7/1 - 9/30 2015 k€	7/1 - 9/30 2014 k€
<b>Net profit (+) / loss (-) after income taxes (= consolidated profit)</b>	-30,239	-7,950	-10,757	-2,809
<b>Items that may be reclassified subsequently to the income statement</b>				
Currency translation differences	713	13	-54	5
<b>Other comprehensive income</b>	<b>713</b>	<b>13</b>	<b>-54</b>	<b>5</b>
<b>Total comprehensive income for the period</b>	<b>-29,526</b>	<b>-7,937</b>	<b>-10,811</b>	<b>-2,804</b>
Total comprehensive income attributable to shareholders of Steilmann SE	-18,944	-6,593	-5,403	-1,677
Total comprehensive income attributable to non-controlling interests	-10,582	-4,218	-2,534	-1,127

# **CONSOLIDATED STATEMENT OF CHANGE IN EQUITY AS OF SEPTEMBER 30, 2015 - UNAUDITED -**

Amounts in k€	Attributable to shareholders of Steilmann SE*							Non-controlling interests	Total equity
	Share capital*	Capital reserve	Retained Earnings	Annual profit	Difference from foreign exchange translations	Actuarial gains / losses and deferred taxes	Total		
Balance at January 1, 2015	1,310	78,949	16,855	-2,098	-1	-303	94,712	137,650	232,362
Reclassification	0	0	-2,098	2,098	0	0	0	0	0
Net profit/loss	0	0	0	-19,317	0	0	-19,317	-10,922	-30,239
Other comprehensive income	0	0	0	0	373	0	373	340	713
Comprehensive income	0	0	0	0	0	0	-18,944	-10,582	-29,526
Dividends	0	0	0	0	0	0	0	-11,875	-11,875
Changes in scope of consolidation	18,690	43,567	-32,257	0	0	0	30,000	0	30,000
Other changes	0	0	-264	0	0	0	-264	6	-258
<b>September 30, 2015</b>	<b>20,000</b>	<b>122,516</b>	<b>-17,764</b>	<b>-19,318</b>	<b>372</b>	<b>-303</b>	<b>105,504</b>	<b>115,199</b>	<b>220,703</b>

\*As of January 1, 2015 to be titled as capital shares of limited partners since the absorption of Steilmann - Boecker Fashion Point GmbH & Co. KG, Herne, into Steilmann SE, Bergkamen, has taken place on August 21, 2015. For further information please refer to the prospectus regarding the initial public offering of Steilmann SE.

## **CONSOLIDATED STATEMENT OF CHANGE IN EQUITY AS OF SEPTEMBER 30, 2014 - UNAUDITED -**

Amounts in k€	Attributable to shareholders of Steilmann – Boecker Fashion Point GmbH & Co. KG							Non-controlling interests	Total equity
	Share capital*	Capital reserve	Retained Earnings	Annual profit	Difference from foreign exchange translations	Actuarial gains / losses and deferred taxes	Total		
Balance at January 1, 2014	1,294	5,962	11,005	5,718	0	41	24,020	85,661	109,681
Reclassification	0	0	5,718	-5,718	0	0	0		0
Net profit / loss	0	0	0	-5,409	0	0	-5,409	-2,541	-7,950
Other comprehensive income	0	0	0	0	4	0	4	9	13
Comprehensive income	0	0	0	0	0	0	-6,593	-4,218	-7,937
Dividends	0	0	0	0	0	0	0	-4,985	-4,985
Other changes	0	0	-264	0	0	0	161	8,697	8,858
<b>September 30, 2014</b>	<b>1,294</b>	<b>5,962</b>	<b>16,884</b>	<b>-5,409</b>	<b>4</b>	<b>41</b>	<b>18,782</b>	<b>86,848</b>	<b>105,630</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS

- UNAUDITED -

	1/1 - 9/30/2015 k€	1/1 - 9/30/2014 k€
<b>OPERATING CASH FLOW</b>		
Profit before taxes	-30,818	-8,284
Interest result	14,573	7,542
<b>Operating result</b>	<b>-16,245</b>	<b>-742</b>
Income from associated entities	321	0
Depreciation and amortization of tangible and intangible assets	26,998	19,663
Changes in provisions	-947	-633
Other non-cash (income) expenses, net	1,239	-1,110
Gains / losses on sales and disposals of property, plant and equipment	-3,959	719
Changes in inventories	-15,760	-27,134
Changes in receivables and other assets	-16,544	-2,813
Changes in payables and other liabilities	39,347	28,252
Interest received	576	86
Income taxes paid	-6,526	-5,854
<b>Cash flow from operating activities</b>	<b>8,499</b>	<b>10,434</b>
<b>INVESTING CASH FLOW</b>		
Additions to property, plant and equipment and intangible assets	-11,175	-10,094
Proceeds from sale of intangible and tangible assets	7,623	240
Payment from issue of loans	-47,262	-17,210
Proceeds from redemption of loans	15,893	75
Payments from mergers less acquired cash and cash equivalents	-3,877	0
<b>Cash flow from investing activities</b>	<b>-38,798</b>	<b>-26,989</b>
<b>FINANCING CASH FLOW</b>		
Dividends	-15,269	-4,985
Proceeds from the sale of the (Adler) shares	0	8,888
Proceeds from the issuance of bonds	24,400	33,000
Proceeds from the issuance of promissory note bonds	12,000	0
Proceeds from loans of consolidated entities	7,258	0
Repayment of borrowings	-5,303	0
Repayment of promissory note bonds	-1,444	-10,223
Payment of finance lease obligations	-8,638	-7,722
Interest paid	-8,121	-3,799
Repayment of liabilities to banks	-2,694	0
<b>Cash flow from financing</b>	<b>2,189</b>	<b>15,159</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>-28,110</b>	<b>-1,396</b>
Effect of foreign currency exchange rates on cash and cash equivalents	369	0
Cash and cash equivalents at the beginning of the period	61,287	58,525
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>33,546</b>	<b>57,129</b>
<b>COMPOSITION OF CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents	56,509	57,129
Short-term financial debt with initial maturity < 3 months	-22,963	0
	33,546	57,129

# EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD JANUARY 1 TO SEPTEMBER 30, 2015

## **(1) INFORMATION REGARDING THE GROUP AND BUSINESS ACTIVITIES**

The parent company of Steilmann SE, Bergkamen, is MR Hometextile GmbH, Bergkamen (until June 17, 2015 known as Miro Radici Hometextile GmbH).

Steilmann SE, Bergkamen, is an indirect 100% subsidiary of Steilmann Holding AG, Bergkamen. The subsidiary is included in the consolidated financial statements of Steilmann Holding AG as the ultimate parent company.

As of September 30, 2015, Steilmann SE, Bergkamen, is the parent company of 45 (December 31, 2014: 44) fully consolidated companies operating in the fashion industry (Steilmann Group).

Pursuant to a purchase agreement dated December 17, 2014, during the first six months of the financial year 2015, Kressner GmbH & Co. KG, Wissen, was acquired by Adler Modemärkte AG, Haibach, an indirect subsidiary of Steilmann SE, Bergkamen. The shares were transferred on January 12 and 14, 2015, respectively. The Bekleidungshaus Kressner GmbH & Co. KG, Wissen, is a textile retail chain with actually nine stores. The offices have an average size of 2,400 square meters and are located in Hessen, North Rhine-Westphalia, Saxony and Thuringia. All locations are rented, the company does not own any real estate.

With contractual agreement dated May 11, 2015, MR Hometextile GmbH, Bergkamen (until June 17, 2015 known as Miro Radici Hometextile GmbH), purchased 100% of the shares in the shelf company Atrium 76. Europäische VV SE, Frankfurt am Main.

By resolution of the extraordinary shareholders' meeting on May 27, 2015, the name of the shelf company was changed into "Steilmann SE". The same extraordinary shareholders' meeting also resolved on the change of the registered office of Steilmann SE from Frankfurt am Main to Bergkamen. These resolutions were registered in the commercial register on July 2, 2015.

Pursuant to the resolution of the extraordinary shareholders' meeting on July 19, 2015, the subscribed capital of the Company was increased by k€ 19,880 from k€ 120 to k€ 20,000, by issuing 19,880,000 no-par value bearer shares against a contribution in kind.

In the extraordinary shareholders' meeting on July 24, 2015, MR Hometextile GmbH, Bergkamen, signed the transfer agreement regarding transfer of its limited partner interest ("Kommanditanteil") in Steilmann -Boecker Fashion Point GmbH & Co. KG, Herne, to Steilmann SE, Bergkamen, with contractual effect as of July 1, 2015. MR Hometextile GmbH, Bergkamen, has thus paid its contribution in kind at the amount of T€ 78,800 (the net asset value of Steilmann - Boecker Fashion Point GmbH & Co. KG). This amount comprises the increase of subscribed capital of Steilmann SE, Bergkamen, at the amount of K€ 19,880 as well as a residual amount of T€ 58,920 displaying an increase in additional paid-in capital. The increase of Steilmann SE's subscribed capital to T€ 20,000 has been registered in the commercial register as of August 24, 2015.

Further as of August 21, 2015, Steilmann - Boecker Verwaltungs- und Geschäftsführungs GmbH, Bergkamen, retired as general partner (Komplementär) of Steilmann - Boecker Fashion Point GmbH & Co KG, Herne. This resulted in Steilmann - Boecker Fashion Point GmbH & Co KG, Herne, ceasing to exist as well as in the simultaneous transfer of its assets (Anwachsung) to Steilmann SE. Steilmann - Boecker Fashion Point GmbH & Co. KG, Herne, has thus been struck from the commercial register as of August 21, 2015.

Steilmann SE continues the operating business of former Steilmann – Boecker Fashion Point GmbH & Co. KG. Therefore the comparative information, disclosed in these explanatory notes, refer to the consolidated financial statements of Steilmann – Boecker Fashion Point GmbH & Co. KG as of December 31, 2014.

## **(2) GENERAL INFORMATION**

The interim financial statements as at September 30, 2015 of Steilmann SE, Bergkamen, are prepared in compliance with IAS 34 (*Interim Financial Reporting*). The same accounting policies and valuation principles are applied as in the consolidated financial statements of former Steilmann - Boecker Fashion Point GmbH & Co. KG, Herne, for the year ended December 31, 2014. Steilmann SE, Bergkamen, applied the accounting policy choice to prepare condensed interim financial statements.

Certain financial information that are included in the audited consolidated financial statements but not required for interim reporting purposes has been condensed. The condensed interim financial statements should be read in conjunction with the consolidated financial statements of the Steilmann Group for the year ended December 31, 2014.

The explanatory notes comprise selected notes of events and transactions that are significant from an understanding of changes in financial position and performance of Steilmann Group, Bergkamen, since the end of reporting period as of December 31, 2014.

Within selected explanatory notes comparative financial information is only included when comparison is deemed necessary. This is due to the fact that during the second half of the financial year 2014 several entities were acquired and therefore the comparability of financial information is restricted.

For the first time the Steilmann Group, Bergkamen, classified assets as assets held for sale. Assets held for sale are presented separately in the balance sheet in accordance with IFRS 5 (*Non-current assets held for sale and discontinued operations*) if it is highly probable that the carrying amount of the assets will be recovered primarily through a sale rather than through continuing use. This situation only arises if the assets can be sold immediately at their present condition, the sale is expected to be completed within one year from the date of classification and the sale is highly probable. The assets held for sale are measured at the lower of

their carrying amount and fair value less costs of disposal. Assets classified as held for sale are not depreciated on a straight-line basis. Impairment losses from initial classification as held-for-sale are recognized in profit or loss. The Assets classified as held for sale have been derecognized during the third quarter of financial year 2015 since the corresponding sales transaction of these assets has been finalized.

New, revised and amended standards that are effective for the 2015 reporting year are either not relevant for Steilmann Group, Bergkamen, or do not have a material impact on the condensed interim financial statements.

The preparation of the condensed interim financial statements in conformity with IFRS, as adopted by the European Union, requires legal representatives to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The judgements, estimates and assumptions do not differ from those applied to the consolidated financial statements of Steilmann – Boecker Fashion Point GmbH & Co. KG for the year ended December 31, 2014.

The condensed interim financial statements of Steilmann SE, Bergkamen, were approved by the respective shareholders and authorized for issuance on November 26, 2015.

### **(3) SEASONALITY OF OPERATIONS**

The revenues of the Group are subject to seasonal fluctuations for particular product categories, hence it might be possible that different revenues will be generated, resulting in different profits during the financial year. The revenues and the profit of the second half of the financial year, especially during the fourth quarter, are higher than during the other quarters due to the sale of winter goods with higher average sales prices per product.

### **(4) SCOPE OF CONSOLIDATION**

The condensed interim financial statements include the financial information of Steilmann SE, Bergkamen, and its subsidiaries, which are directly or indirectly controlled by Steilmann SE, Bergkamen. Steilmann SE, Bergkamen, controls its subsidiaries, because it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Control exists over subsidiaries of which the Steilmann SE, Bergkamen, has the power to govern the financial and operating policies based on voting rights or other rights, as well as the rights to variable returns from a subsidiary and the ability to use its power to influence those returns. Subsidiaries are fully consolidated from the date on which control is transferred to the Steilmann SE, Bergkamen. They are deconsolidated from the date that control ceases.

### **(5) ACQUISITIONS AND OTHER CHANGES IN THE SCOPE OF CONSOLIDATION**

#### **Acquisition of the Bekleidungshaus Kressner GmbH, Dillenburg**

With the purchase agreement dated December 17, 2014, the Adler Modemärkte AG, Haibach, has acquired the shares in the Bekleidungshaus Kressner GmbH, Dillenburg, and the limited partnership interests in the

Bekleidungshaus Kressner GmbH & Co. KG, Wissen, as part of a share deal. After approval of the merger by the relevant antitrust authorities, the transfer of shares took place on January 12, 2015, (Bekleidungshaus Kressner GmbH, Dillenburg) and on January 14, 2015, (Bekleidungshaus Kressner GmbH & Co. KG, Wissen). The lease of one store was terminated with effect of December 31, 2015. Another store was sold within the group of Steilmann SE, Bergkamen, on March 1, 2015 as an asset deal. The Bekleidungshaus Kressner GmbH, Dillenburg, is the general partner of the Bekleidungshaus Kressner GmbH & Co. KG, Wissen. The transfer of the company's domicile to Haibach and changes to the company name to Adler Orange Verwaltung GmbH as well as to Adler Orange GmbH & Co. KG took place with the entry in the commercial register of the district court Aschaffenburg on March 13 respectively 17, 2015. The valuation of the transaction is still provisional. The determination of all acquired assets and liabilities fair values is still not finalized. Therefore fair value adjustments within the measurement period under IFRS 3.45 and goodwill adjustments may still arise in the consolidated financial statements of the year 2015. According to the purchase price of k€ 4,000, the goodwill so far amounts to k€ 417.

The acquired assets primarily comprise property, plant and equipment amounting € 2,6 million, inventories totaling € 4,7 million and receivables in the amount of € 2,2 million. The acquired liabilities amount to € 6,7 million, € 3,1 million of which is bank loans and € 3,6 million of which is provisions and other liabilities.

In the first nine months of 2015, the ADLER Orange stores generated revenue totaling € 14,6 million. Earnings before taxes amounted to € -4,0 million, including restructuring costs.

The fashion store Mömlingen has been acquired by Hefa Moden Heinrich Faust GmbH & Co. KG in the financial year 2015. This fashion store was transferred to Adler Mode GmbH, Haibach, in terms of an asset deal on January 31, 2015. The purchase price for the fixed assets and goodwill amounted to k€ 455. At the moment, the goodwill amounts to k€ 329. The initial accounting of this transaction is still provisional. The identification and measurement of all acquired assets and liabilities is accounted for using provisional amounts. Therefore fair value adjustments within the measurement period under IFRS 3.45 and goodwill adjustments may still arise in subsequent financial statements (latest as on December 31, 2015).

The fashion store Lollar has also been acquired by Hefa Moden Heinrich Faust GmbH & Co. KG, Mömlingen. This fashion store was transferred to Adler Mode GmbH, Haibach, as part of an asset deal on June 29, 2015. The purchase price amounted to k€ 25. The goodwill currently amounts to k€ 25.

## **(6) INTANGIBLE ASSETS**

### **Capital expenditure and disposals**

From January 1 until September 30, 2015, Steilmann Group acquired intangible assets in the amount of k€ 1.187. The capital expenditures mainly relate to the acquisition of a license within Adler Group in the amount of k€ 719 as well as k€ 454 as customer bases resulting from the acquisitions by Adler Group.

### **Allocation and additions regarding goodwill**

For further information regarding the allocation and additions of goodwill please see note (4) and (5).



## **(7) PROPERTY, PLANT AND EQUIPMENT**

### **Capital expenditure and disposals**

From January 1 until September 30, 2015, Steilmann Group acquired property, plant and equipment in the amount of k€ 6,859. The capital expenditures mainly relate to the acquisition of a portfolio property in St. Pölten, Austria, the acquisition of business equipment and refurbishment of existing stores of the Adler Group, as well as the acquisition of Adler Orange.

## **(8) INVENTORIES**

As of September 30, 2015, Steilmann Group recognized an impairment loss on inventories in the amount of k€ 3,337. The impairment loss is mainly related to an impairment of goods held for sale.

## **(9) OTHER RECEIVABLES AND OTHER ASSETS**

The other receivables and other assets as of September 30, 2015, amount to k€ 74,902 (December 31, 2014 k€ 30,151). The increase is mainly related to receivables from shareholders and affiliates and is further explained in note (18) *Related party disclosures*.

## **(10) NON-CURRENT ASSETS HELD FOR SALE**

On June 26, 2015, Klaus Steilmann GmbH & Co. Kommanditgesellschaft, Bergkamen, entered into contractual agreements regarding the sale of land and buildings with transfer of legal and economical ownership in the second half of the financial year 2015. The assets were previously recognized as property, plant and equipment and investment properties and are transferred to assets held for sale as of June 30, 2015. The assets held for sale are measured with their carrying amount except for two buildings which were recognized as investment properties. These assets were accounted for using the fair value model in accordance with IAS 40 (*Investment properties*). For further information please refer to note (14) of the consolidated financial statements as of December 31, 2014. The assets were previously recognized in property, plant and equipment amounting to k€ 2,071 as of June 30, 2015 and in investment properties amounting to k€ 2,420 as of June 30, 2015. The sales prices amount to k€ 8,427. The buildings were attributed to the segment wholesale and production. Their classification as held for sale did not result in an impairment loss. The economical ownership was transferred in the third quarter of 2015. In the course of this transfer the sales price was paid and the assets held for sale have been derecognized. The corresponding receivable was also derecognized, since the income (sales price higher than book value) was already recognized in the previous period.

## **(11) EQUITY**

Pursuant to the resolution of the extraordinary shareholders' meeting on July 19, 2015, the subscribed capital of the Company was increased by € 19,880,000 from € 120,000 to € 20,000,000, by issuing 19,880,000 no-par value bearer shares against a contribution in kind. In August 2015, in order to further improve the capital structure of Steilmann SE, Bergkamen, the management of Steilmann Holding AG, Bergkamen assigned a purchase price claim against Steilmann SE, Bergkamen, relating to the sale of 100% of the shares

of Klaus Steilmann GmbH & Co. Kommanditgesellschaft to the Company on December 31, 2014 11:59 pm in an amount of k€ 30,000 to MR Hometextile GmbH, Bergkamen, who contributed this claim to Steilmann SE's free capital reserves effective as of September 1, 2015.

Steilmann SE has further conducted an Initial Public Offering. For further information please see the Consolidated Statement of Changes in Equity and explanatory note (20) *Events after the reporting date*.

## (12) OTHER PROVISIONS

### Restructuring

Steilmann SE, Bergkamen, has recognized provisions for restructuring in the amount of k€ 1,504 as of September 30, 2015 (December 31, 2014: k€ 951). For the first half of the financial year 2015, the provisions for restructuring were utilized in the amount of k€ 881. Unused provisions for restructuring in the amount of k€ 344 were dissolved through profit and loss as of September 30, 2015.

The additions in the provisions for restructuring in the amount of k€ 1,250 as of September 30, 2015, mainly relate to personnel restructuring in ADLER Orange- as well as Adler Modemärkte AG, Haibach. Adler Modemärkte AG, Haibach, has acquired ADLER Orange with effect as of January 14, 2015. For further information regarding the acquisition of ADLER Orange (formerly known as Bekleidungshaus Kressner GmbH, Dillenburg) , please see note (5).

### Stock Appreciation Rights (SAR's) in Adler AG

During the first half of the financial year 2015 50,000 units of Stock Appreciation Rights (SAR's) were granted. The current income for the period from January 1 to September 30, 2015 is k€ 35.

## (13) FINANCIAL LIABILITIES

	9/30/2015 k€	12/31/2014 k€
Liabilities to banks	24,314	39,217
Liabilities to Adler loyalty card	15,100	9,875
Shareholder loan	3,053	2,885
Liabilities to METRO Finance B.V.	313	302
<b>Short-term financial liabilities</b>	<b>42,780</b>	<b>52,279</b>
Liabilities to banks	2,070	4,653
Promissory note bond	12,000	0
Loans from minority shareholdings of subsidiaries	15,000	15,000
Liabilities to METRO Finance B.V.	2,976	3,217
<b>Long-term financial liabilities</b>	<b>32,046</b>	<b>22,870</b>
<b>Total financial liabilities</b>	<b>74,826</b>	<b>75,149</b>

The increase in long-term financial liabilities relates to a newly issued promissory note bond with a total amount of k€ 12,000 maturing in 2020. The issue split is done into three tranches between February 6 and March 18, 2015, at interest rates of 5.300%, 4.803% and 5.279%.

## (14) LIABILITIES FROM BOND ISSUANCE

As of March 9, 2015, Steilmann SE has placed a further corporate bond in a private placement. A total issuance volume of k€ 10,000 was purchased by German and certain other European institutional investors. The short-dated corporate bond has a maturity of two years with an annual interest of 7.00%.

The bond is quoted in the Entry Standard on the Frankfurt Stock Exchange with the following data:

Subscription level €	10,000,000.00
Transaction costs €	375,385.50
Coupon	7.00%
Effective interest rate	9.14%
Maturity	2 years
Issuing date	03/09/2015
Final maturity	03/08/2017

The following table presents the development of the issued bond:

in k€	2015
<b>As on 1/1</b>	<b>0</b>
Issue (3/9/2015)	10,000
Transaction costs	-375
Transaction costs which are recognized in income statement according to the effective interest rate method	56
<b>Bond net value as on 09/30</b>	<b>9,681</b>

As of March 31, 2015, the corporate bond issued in 2012, which was raised in 2013 for the first time, was raised by a nominal volume of k€ 9,400. This corporate bond was raised by a nominal volume of k€ 5,000 again on August 7, 2015. Therefore the total outstanding amount of the bond with maturity in June 2017 and a coupon of 6.75% was raised to k€ 45,000. Thus the total of all listed bonds increased to a gross amount of k€ 88,000.

Original bond issuance:

Subscription level €	25,600,000.00
Transaction costs €	1,888,322.60
Coupon	6.75%
Effective interest rate	8.63%
Maturity	5 years
Issuing date	06/27/2012
Final maturity	06/27/2017

Subscription level €	5,000,000.00
Transaction costs €	275,787.34
Coupon	6.75%
Effective interest rate	8.43%
Maturity	4 years
Issuing date	06/27/2013
Final maturity	06/27/2017

Raise by a nominal value of k€ 9,400:

Subscription level €	9,400,000.00
Transaction costs €	335,800.62
Coupon	6.75%
Effective interest rate	8.77%
Maturity	2 years
Issuing date	03/31/2015
Final maturity	06/27/2017

Raise by a nominal value of k€ 5,000:

Subscription level €	5,000,000.00
Transaction costs €	---
Coupon	6.75%
Effective interest rate	---
Maturity	---
Issuing date	08/07/2015
Final maturity	06/27/2017

in k€	2015	2014
<b>As on 1/1</b>	29,386	28,962
Increase of mid-cap (03/31/2015)	9,400	0
Increase of mid-cap (07/08/2015)	5,000	0
Transaction costs	-549	0
Transaction costs which are recognized in income statement according to the effective interest rate method	472	424
<b>Bond net value as on 09/30</b>	<b>43,709</b>	<b>29,386</b>

The development of liabilities arising from the issuance of bonds in total was as follows:

in k€	2015	2014
<b>As on 1/1</b>	60,929	28,962
Issue and increase of mid-cap	24,400	33,000
Transaction costs	-924	-1,548
Transaction costs which are recognized in income statement according to the effective interest rate method	821	515
<b>Bond net value as on 09/30 in total</b>	<b>85,226</b>	<b>60,929</b>

## (15) OTHER INFORMATION ON FINANCIAL INSTRUMENTS

### Carrying amounts, valuation rates and fair values according to valuation categories

The following tables comprise the carrying amounts and fair values of each category of financial assets and liabilities on September 30, 2015, and December 31, 2014. They also contain information about the fair value of financial assets and liabilities that were not measured at fair value. The carrying amount constitutes an appropriate approximate value of their fair value.

in k€	Measurement category	Carrying amount 09/30/2015	Recognition in accordance with IAS 39				Fair value 09/30/2015
			Amortized costs	Costs	Fair value through OCI	Fair value through profit or loss	
<b>Financial assets</b>							
Investments in non-consolidated subsidiaries	<b>AfS</b>	1,718	1,718	0	0	0	1,718
Securities held as fixed assets	<b>AfS</b>	45	0	0	45	0	45
Other non-current financial assets	<b>LaR</b>	3,014	3,014	0	0	0	3,014
Trade receivables	<b>LaR</b>	28,432	28,432	0	0	0	28,432
Other current financial assets excluding derivative financial instruments	<b>LaR</b>	69,910	69,910	0	0	0	69,910
Cash and cash equivalents	<b>LaR</b>	56,509	56,509	0	0	0	56,509
Derivative financial instruments	<b>FAHfT</b>	800	0	0	0	800	800
<b>Total financial assets</b>		<b>160,428</b>	<b>159,583</b>	<b>0</b>	<b>45</b>	<b>800</b>	<b>160,428</b>
<b>Financial liabilities</b>							
Liabilities to banks	<b>OL</b>	74,826	74,826	0	0	0	74,826
Finance lease obligations	<b>OL</b>	59,863	59,863	0	0	0	59,863
Liabilities arising from the issuance of bonds	<b>OL</b>	85,226	85,226	0	0	0	85,973
Trade payables	<b>OL</b>	188,788	188,788	0	0	0	188,788
Other financial liabilities excluding derivative financial instruments	<b>OL</b>	41,800	41,800	0	0	0	41,800
Derivative financial instruments	<b>FLHfT</b>	26	0	0	0	26	26
<b>Total financial liabilities</b>		<b>450,529</b>	<b>450,503</b>	<b>0</b>	<b>0</b>	<b>26</b>	<b>451,276</b>
<b>Aggregated by measurement categories in accordance with IAS 39:</b>							
Loans and receivables	<b>LaR</b>	158,665	158,665	0	0	0	158,665
Available for Sale	<b>AfS</b>	1,763	1,718	0	45	0	1,763
Financial Liabilities at amortized costs	<b>OL</b>	450,503	450,503	0	0	0	451,250
Financial Assets Held for Trading	<b>FAHfT</b>	800	0	0	0	800	800
Financial Liabilities Held for Trading	<b>FLHfT</b>	26	0	0	0	26	26

in k€	Measurement category	Carrying amount 12/31/ 2014	Recognition in accordance with IAS 39				Fair value 12/31/ 2014
			Amortized costs	Costs	Fair value through OCI	Fair value through profit or loss	
<b>Financial assets</b>							
Investments in non-consolidated subsidiaries	<b>AfS</b>	1,364	1,364	0	0	0	1,364
Securities held as fixed assets	<b>AfS</b>	69	0	0	69	0	69
Other non-current financial assets	<b>LaR</b>	2,893	2,893	0	0	0	2,893
Trade receivables	<b>LaR</b>	23,062	23,062	0	0	0	23,062
Other current financial assets excluding derivative financial instruments	<b>LaR</b>	25,494	25,494	0	0	0	25,494
Cash and cash equivalents	<b>LaR</b>	98,605	98,605	0	0	0	98,605
Derivative financial instruments	<b>FAHfT</b>	800	0	0	0	800	800
<b>Total financial assets</b>		<b>152,287</b>	<b>151,418</b>	<b>0</b>	<b>69</b>	<b>800</b>	<b>152,287</b>
<b>Financial liabilities</b>							
Liabilities to banks	<b>OL</b>	75,149	75,149	0	0	0	75,149
Finance lease obligations	<b>OL</b>	55,494	55,494	0	0	0	55,494
Liabilities arising from the issuance of bonds	<b>OL</b>	60,929	60,929	0	0	0	61,786
Trade payables	<b>OL</b>	142,767	142,767	0	0	0	142,767
Other financial liabilities excluding derivative financial instruments	<b>OL</b>	71,397	71,397	0	0	0	71,397
Derivative financial instruments	<b>FLHfT</b>	26	0	0	0	26	26
<b>Total financial liabilities</b>		<b>405,762</b>	<b>405,736</b>	<b>0</b>	<b>0</b>	<b>26</b>	<b>406,619</b>
<b>Aggregated by measurement categories in accordance with IAS 39:</b>							
Loans and receivables	<b>LaR</b>	150,854	150,854	0	0	0	150,854
Available for Sale	<b>AfS</b>	1,433	1,364	0	69	0	1,433
Financial Liabilities at amortized costs	<b>OL</b>	405,736	405,736	0	0	0	406,593
Financial Assets Held for Trading	<b>FAHfT</b>	800	0	0	0	800	800
Financial Liabilities Held for Trading	<b>FLHfT</b>	26	0	0	0	26	26

### **Fair value measurement**

The carrying amount of short-term financial instruments such as trade receivables and trade payables as well as other receivables, assets or liabilities equals the fair value due to their short-term maturity.

Some of the liabilities due to banks have floating interest rates. With respect to these liabilities, the fair value is mostly equivalent to the carrying amount.

Impaired financial assets are assigned to level 3. Those assets are valued using the discounted cash flow method. The valuation technique considers the present value of expected payment, discounted using a risk-adjusted discount rate. Credit risk of the debtor is the essential input factor. The estimated fair values would increase (decrease) due to an improvement (reduction) of the borrower's credit rating.

The company monitors the performances of current- and non-current liabilities with fixed- and variable interest rates. Further, the business- and finance risks are examined on a continuous basis.

In order to hedge interest rate fluctuations from liabilities with variable interest rates, the company has negotiated interest rate swap agreements. The fair values of interest rate swaps are calculated using quoted market prices for similar assets or liabilities in active markets (Level 2 inputs). The fair values of these interest rate swaps are determined as discounted expected cash flows. The expected cash flows are discounted using interest rates reflecting market conditions over the remaining term of the instruments. The present values of the interest rate swaps are determined at each reporting date. In the financial statements, these swap agreements are not designated as hedging instruments according to IAS 39. Changes in fair value are immediately recognized in income statement.

The fair values of foreign currency forward transactions are calculated using quoted market prices for similar assets or liabilities in active markets (Level 2 inputs). The fair value of forward currency transactions is determined on the basis of the middle spot exchange rate applicable as of the reporting date and taking account of forward premiums or discounts arising for the respective remaining contract term compared to the contracted forward exchange rate. In the financial statements, these foreign currency forward transactions are not designated as hedging instruments according to IAS 39. Changes in fair value are immediately recognized in income statement.

Securities held as fixed assets which are classified as available for sale, are measured in accordance with Level 2.

Steilmann SE Group does not recognize any financial assets or liabilities whose fair value is measured due to a valuation technique assigned to Level 1 in the reporting period.



### Notes to the income statement

The following table shows the net income (+) and net loss (-) from financial instruments recognized in the income statement:

in k€	2015	2014
<b>Loans and Receivables (LaR)</b>	<b>2,798</b>	<b>1,555</b>
Impairment loss	-2,390	-218
Income from the reversal of allowances	3	369
Income from derecognized receivables and payables	264	172
Interest income	4,921	1,487
<b>Available for Sale (AfS)</b>	<b>-312</b>	<b>-0</b>
Income from investments	52	0
Impairment loss	-364	0
<b>Financial Liabilities at amortized costs (OL)</b>	<b>-16,491</b>	<b>-7,238</b>
Interest expenses	-16,491	-7,238
<b>Net income (+) and net loss (-) as on 09/30</b>	<b>-14,005</b>	<b>-5,683</b>

## (16) CALCULATION OF ADJUSTED EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION (EBITDA) AND ADJUSTED EARNINGS BEFORE TAXES (EBT)

In this note a normalized presentation of earnings before interest, taxes, depreciation and amortization and adjusted earnings before taxes is carried out by the adjustment of major non-recurring effects to achieve an improved presentation of the operating result from the perspective of the Steilmann SE, Bergkamen.

in k€	EBITDA	EBT
Reported figures	<b>+ 10,753</b>	<b>- 30,818</b>
Extraordinary depreciation and amortization	+ 0	+ 8,110
Extraordinary expenses resulting from the purchase price allocation of new stores and companies	+ 2,831	+ 6,852
Extraordinary costs	+ 1,830	+ 1,830
Transaction costs	+ 174	+ 956
Extraordinary income from disposal of assets	- 3,937	- 3,937
Extraordinary income from debt waver	- 2,200	- 2,200
<b>Adjusted EBT / EBITDA Q3 / 2015</b>	<b>+ 9,451</b>	<b>- 19,207</b>

### **Nine months period of the financial year 2015 (EBITDA)**

The extraordinary expenses derive from the purchase price allocation of new stores and companies in the amount of k€ 2,831. This amount relates to reversal of step-ups on inventories resulting from acquisitions of Apanage Fashion Group GmbH, Gelsenkirchen, and Klaus Steilmann GmbH & Co. Kommanditgesellschaft, Bergkamen.

Extraordinary costs amounting k€ 1,830 mainly reflect non-recurring expenses with regard to IPO-costs and non-recurring restructuring costs.

Extraordinary income from the disposal of assets amounting k€ 3,937 mainly reflects the disposal of investment properties as well as property plant and equipment.

Extraordinary income amounting k€ 2,200 results from a debt waiver of Steilmann Holding AG.

### **Nine months period of the financial year 2015 (EBT)**

Non-recurring expenses in the amount of k€ 956 relating to transaction costs result from the reversal of accrued transaction costs upon of the course of the bond issuances.

The extraordinary expenses derive from the purchase price allocation of new stores and companies in the amount of k€ 6,852. This amount relates mainly to reversal of step-ups on intangible assets resulting from acquisitions of Apanage Fashion Group GmbH, Gelsenkirchen and Klaus Steilmann GmbH & Co. Kommanditgesellschaft, Bergkamen.

Extraordinary depreciation and amortization in the amount of k€ 8,110 mainly result from depreciation related to step-ups on intangible assets related to the purchase price allocation of the Adler Group, Haibach, (k€ 5,723) and the acquisitions of new Boecker retail stores (k€ 2,144) in prior financial years.

Extraordinary costs amounting k€ 1,830 mainly reflect non-recurring expenses with regard to IPO-costs and non-recurring restructuring costs.

Extraordinary income from the disposal of assets amounting k€ 3,937 mainly reflects the disposal of investment properties as well as property plant and equipment.

Extraordinary income amounting k€ 2,200 results from a debt waiver of Steilmann Holding AG.

## **(17) SEGMENT REPORTING**

The segment reporting is prepared in accordance with IFRS 8 (Operating Segments). Segment reporting is based on the internal management and reporting structure of the Steilmann Group, Bergkamen. The Steilmann Group, Bergkamen, separates in the segment reporting between “retail” as well as “wholesale and production”.

The segment “retail” contains the retail stores, mono-label stores and concession areas, operated by itself. The segment “wholesale and production” contains sales organizations with external trading partners. This includes the key account business with major customers, area partnerships in form of franchise stores

and shop-in-shop concepts as well as the wholesale business with individual customers. Furthermore, the procurement platforms in Asia and Eastern Europe are allocated to this segment.

Internal reporting is based on the respective local GAAP of all consolidated entities within the scope of consolidation. EBITDA (operating result) displays the key management performance indicator for the management of Steilmann Group and is defined by earnings from usual business activities before interests, taxes, depreciation, amortization and impairments. Further key performance indicators (KPIs) are projected by the revenues and the material input, which is defined as material consumption including changes in inventory, according to the internal reporting within the Steilmann Group.

September 30, 2015 in k€	Retail	Wholesale	IFRS reconciliation	Consolidation entries	Steilmann Group, Bergkamen
<b>Revenue</b>	<b>470,604</b>	201,114	342	-35,068	636,992
<i>Thereof with external third parties</i>	<b>470,487</b>	166,163			
<i>Thereof with other segments</i>	<b>117</b>	34,951			
<b>Cost of materials</b>	<b>237,865</b>	130,488	2,831	-35,076	336,108
<b>EBITDA</b>	<b>-6,920</b>	12,565	5,108		10,753

September 30, 2014 in k€	Retail	Wholesale	IFRS reconciliation	Consolidation entries	Steilmann Group, Bergkamen
<b>Revenue</b>	<b>285,948</b>	0	-1,507	0	284,441
<i>Thereof with external third parties</i>	<b>285,948</b>	0	0	0	0
<i>Thereof with other segments</i>	<b>0</b>	0	0	0	0
<b>Cost of materials</b>	<b>131,605</b>	0	0	0	131,605
<b>EBITDA</b>	<b>9,942</b>	0	3,235	0	13,177

As the internal reporting is based on the accounting provisions of local GAAP reportings, the information contained in the segment reporting is prepared accordingly. In accordance with the requirements of IFRS 8.28 a reconciliation to the accounting methodology used in the consolidated financial statements (IFRS) is conducted within the section "IFRS reconciliation". Thus the resulting amounts presented correspond to the figures within the condensed interim consolidated income statement.

The caption “IFRS reconciliation” includes differences arising from a different account allocation for internal control purposes as well as differences between the local GAAP amounts and the financial accounting according to IFRS. In the first nine months of financial year 2015 adjustments with regard to revenues mainly relate to customer discounts, whereas the adjustments in the cost of materials of the current financial year 2015 mainly result from the development of identified hidden reserves within inventories in the amount of k€ 2,831 in the context with the acquisitions of Apanage Fashion Group GmbH, Gelsenkirchen, Klaus Steilmann GmbH & Co. Kommanditgesellschaft, Bergkamen, as well as Kirsten France Sarl, Bischwiller, in 2014. These adjustments effect with a negative impact on earnings are essentially offset with a contrary and hence positive impact on earnings in the amount of k€ 7,939 in the first half of financial year 2015, which mainly results from different accounting policies for leasing and provisions for pensions between local GAAP figures and IFRS.

“Consolidation entries” illustrate the elimination of transactions affecting the consolidated income statement between reporting segments.

Revenues from third parties and non-current assets, defined as intangible assets, property, plant and equipment, investment property and at equity accounted investments, are distributed among regions as follows:

<b>September 30, 2015 in k€</b>	<b>Germany</b>	<b>EU</b>	<b>Rest of world</b>	<b>Group</b>
Revenues with third parties	471,179	141,248	24,565	636,992
Non-current assets	216,471	80,222	15,133	311,826

<b>September 30, 2014 in k€</b>	<b>Germany</b>	<b>EU</b>	<b>Rest of world</b>	<b>Group</b>
Revenues with third parties	350,771	66,066	1,309	418,146

<b>January 1, 2015 in k€</b>	<b>Germany</b>	<b>EU</b>	<b>Rest of world</b>	<b>Group</b>
Non-current assets	221,575	82,352	15,155	319,082

## (18) RELATED PARTY DISCLOSURE

The following transactions took place with related parties:

### Related party transactions with ultimate parent company, subsidiaries outside scope of consolidation, associates and other investments:

Income and expenses with the Steilmann Holding AG, Bergkamen, (Ultimate controlling party):

in k€	09/30/2015
Revenue and other operating income	22
Other operating expenses	964
Interest expenses	5,470
Interest income	3,533

Income and expenses with subsidiaries of Steilmann Holding AG, Bergkamen, outside scope of consolidation:

in k€	09/30/2014
Revenue and other operating income	11,554
Purchasing of goods	12,083
Other operating expenses	6,088
Interest expenses	750
Interest income	2,467

Income and expenses with subsidiaries of Steilmann Group, Bergkamen, outside scope of consolidation:

in k€	09/30/2015
Revenue and other operating income	2,961
Other operating expenses	474

Revenues and other operating income in 2015 resulted mainly from rebilling of costs to subsidiaries.

Services are usually made available to subsidiaries on the basis of actual cost plus a profit mark-up (cost plus). Goods and services are purchased from related parties on usual market terms.

Open items from the purchase / sale of goods and services and other business transactions at the year end:

in k€	09/30/2015
<b>Receivables</b>	
from other subsidiaries of Steilmann Holding AG outside scope of consolidation	15,155
from other associates and investments of the Steilmann Holding AG	26
from other subsidiaries of Steilmann Group outside scope of consolidation	5,344
<b>Liabilities</b>	
to Steilmann Holding AG	6,355
to other subsidiaries of Steilmann Holding AG outside scope of consolidation	10,653
to other subsidiaries of Steilmann Group outside scope of consolidation	1,182

The liabilities to subsidiaries outside scope of consolidation include liabilities of several consolidated companies resulting from the VAT group with the Steilmann Holding AG, Bergkamen, amounting to k€ 2,883.

All other receivables and liabilities to subsidiaries and shareholders resulted mainly from goods and services.

Overview of loans to shareholders and subsidiaries:

in k€	09/30/2015
<b>Loan receivables</b>	
from other subsidiaries of Steilmann Holding AG outside scope of consolidation	39,202
from other subsidiaries of Steilmann SE Group outside scope of consolidation	86

in k€	09/30/2015
<b>Borrowings</b>	
to Steilmann Holding AG	44,604
to other subsidiaries of Steilmann Holding AG outside scope of consolidation	7,911

The receivables from shareholders mainly result from a granted loan to the MR Hometextile GmbH, Bergkamen.

### **Related party transactions with related individuals**

The members of the Management Board of the group are:

- Dr. Michele Puller, Bergkamen
- Paola Viscardi-Giazzi, Dortmund
- Jens Brüggemann, Münster

The members of the Management Board are also members of the Board of Steilmann Holding AG, Bergkamen. There are no transactions with regard to other members of the Executive Board and Supervisory Board of Steilmann Holding AG, Bergkamen.

Dr. Puller, Mrs. Giazzi and Mr. Brüggemann did not receive any remuneration for their activities as members of the Management Board of Steilmann SE, Bergkamen.

Contingent liabilities in favor of the legal representatives do not exist.

## **(19) TAX EXPENSES**

Interim period income tax expenses are accrued using the tax rate that would be applicable to expected total annual earnings, that is, the estimated average annual effective income tax rate applied to the pre-tax income of the interim period. As of September 30, 2015, the weighted-average annual trade tax and corporate tax amounted to 32.6%.

## **(20) EVENTS AFTER THE REPORTING PERIOD**

As of October 12, 2015, Steilmann SE, Bergkamen, published a securities prospectus for the public offer and the admission of shares to trading on the regulated market segment of the Frankfurt Stock Exchange with simultaneous admission to the subsegment of the regulated market with addition post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange.

As of October 29, 2015, Steilmann SE, Bergkamen, published a supplement to the prospectus to announce that 2,250,000 ordinary bearer shares and 250,000 shares as part of the over-allotment option were newly issued. The offer price was € 3.50 per share. Total gross proceeds from the IPO amounted to approximately k€ 8,800.

Steilmann SE started trading on the regulated market (Prime Standard) of the Frankfurt Stock Exchange on November 5, 2015 under the German Securities Code (WKN) A14KR5 and International Securities Identification Number (ISIN) DE000A14KR50.

Bergkamen, November 26, 2015

Dr. Michele Puller

Paola Viscardi-Giazzi

Jens Brüggemann

Management Board of Steilmann SE, Bergkamen



<b>Financial calendar</b>	
March 28, 2016	Annual Report 2015
May 26, 2016	Interim financial report as of March 31, 2016
August 29, 2016	Interim financial report as of June 30, 2016
November 28, 2016	Interim financial report as of 30, 2016



# SUPPLEMENT REPORT

**COMPARISON OF CONSOLIDATED  
INCOME STATEMENT FOR THE FIRST  
NINE MONTHS 2015 WITH COMBINED  
INTERIM INCOME STATEMENT FOR  
THE FIRST NINE MONTHS 2014.**

# SUPPLEMENT REPORT

**Dear Sir or Madam,**

to facilitate a comparison of the results and make the performance of the Steilmann SE Group as transparent as possible, we have compared the consolidated income statement of Steilmann SE for the first nine months of 2015 with the combined income statement for the first nine months of 2014. The financial information in the combined income statement represents the combined income statement of Steilmann-Boecker Fashion Point GmbH & Co. KG, Klaus Steilmann GmbH & Co. KG, Steilmann Beteiligungs GmbH and Apanage Fashion Group GmbH, including their respective direct and indirect subsidiaries.

The Management Board of Steilmann SE

# SELECTED INCOME STATEMENTS

## GROUP LEVEL - INCOME STATEMENT

in K€	01/01 - 09/30/2015	01/01/ - 09/30/2014 <sup>1)</sup>
Revenues	636,992	639,547
Cost of material / Revenues	52.8%	52.0%
EBITDA	10,753	14,793
EBITDA adjusted	9,451	14,975
Adjusted EBITDA margin	1.5%	2.3%

1) combined income statement

## KPI - SEGMENTS

### Retail

in k€	01/01/ - 09/30/2015	01/01/ - 09/30/2014 <sup>2)</sup>
Revenues 1)	470,604	450,778
Cost of material / revenues 1)	50.5%	46.4%
EBITDA (IFRS)	1,019	17,734
EBITDA adjusted	2,208	17,932
Adjusted EBITDA margin	0.5%	4.0%

1) prior to consolidation

2) combined income statement

## KPI - SEGMENTS

### Wholesale & Production

in k€	01/01/ - 09/30/2015	01/01/ - 09/30/2014 <sup>2)</sup>
Revenues 1)	201,114	212,098
Cost of material / revenues 1)	64.9%	68.7%
EBITDA (IFRS)	9,734	-2,941
EBITDA adjusted	7,243	-2,957
Adjusted EBITDA margin	3.6%	-1.4%

1) prior to consolidation

2) combined income statement

## KPI - STEILMANN EXCL. ADLER

in k€	01/01/ - 09/30/2015	01/01/ - 09/30/2014 <sup>1)</sup>
Revenues	238,333	261,696
Cost of material / Revenues	56.4%	61.5%
EBITDA	5,941	-4,963
EBITDA adjusted	4,639	-4,781
Adjusted EBITDA margin	1.9%	-1.8%

1) combined income statement

# **CONSOLIDATED INCOME STATEMENT**

**for the period from January 1 to September 30, 2015 in  
comparison with Combined Interim Income Statement for the  
period from January 1 to September 30, 2014**

**– UNAUDITED –**

	1/1 - 9/30 2015 k€	1/1 - 9/30 2014 k€	7/1 - 9/30 2015 k€	7/1 - 9/30 2014 k€
Revenues	636,992	639,547	219,997	225,582
Other operating income	14,445	9,044	3,849	3,998
Changes in inventory	-4,070	-3,556	-4,509	-3,003
<b>Operating income</b>	<b>647,367</b>	<b>645,035</b>	<b>219,337</b>	<b>226,577</b>
Cost of materials	336,108	332,743	116,050	119,738
Personnel expenses	122,682	116,405	39,394	37,970
Depreciation and amortization	26,998	23,045	8,381	7,772
Other operating expenses	177,824	181,094	60,529	59,687
<b>Operating result</b>	<b>-16,245</b>	<b>-8,252</b>	<b>-5,017</b>	<b>1,410</b>
<b>Financial result</b>	<b>-14,573</b>	<b>-12,220</b>	<b>-5,185</b>	<b>-2,655</b>
<b>Loss before tax</b>	<b>-30,818</b>	<b>-20,472</b>	<b>-10,202</b>	<b>-1,245</b>
Income tax	-579	-665	555	-891
<b>Net profit (+) / loss (-)</b>	<b>-30,239</b>	<b>-19,807</b>	<b>-10,757</b>	<b>-354</b>

\*The consolidated interim financial information for 9M 2014 included in the condensed consolidated interim financial statements as of and for the nine month period ended September 30, 2015, are not directly comparable with the financial information for 9M 2015 as they do not include Steilmann Fashion Group and Apanage Fashion Group (both acquired in December 2014). Therefore, Steilmann SE Group has prepared a combined income statement for the first nine months of 2014 to enable comparability and transparency.

## CALCULATION OF ADJUSTED EBITDA:

in k€	2015	2014
	<b>EBITDA</b>	<b>EBITDA</b>
<b>Reported figures</b>	<b>10,753</b>	<b>14,793</b>
Extraordinary depreciation and amortization	0	0
Extraordinary expenses resulting from the purchase price allocation of new stores and companies	2,831	0
Extraordinary costs	1,830	198
Transaction costs	174	0
Extraordinary income from disposal of assets	-3,937	-16
Extraordinary income from debt waiver	-2,200	0
<b>Adjusted EBITDA as of 09/30</b>	<b>9,451</b>	<b>14,975</b>

## SEGMENT REPORTING FOR THE PERIOD FROM JANUAR 1 TO SEPTEMBER 30, 2015 (CONSOLIDATED):

2015/09/30 in k€	Retail	Wholesale	IFRS reconciliation	Consolidation entries	Steilmann SE
<b>Revenue</b>	<b>470,604</b>	<b>201,114</b>	<b>342</b>	<b>-35,068</b>	<b>636,992</b>
<i>Thereof with external third parties</i>	470,487	166,163	0	0	0
<i>Thereof with other segments</i>	117	34,951	0	0	0
<b>Cost of materials</b>	<b>237,865</b>	<b>130,488</b>	<b>2,831</b>	<b>-35,076</b>	<b>336,108</b>
<b>EBITDA</b>	<b>-6,920</b>	<b>12,565</b>	<b>5,108</b>	<b>0</b>	<b>10,753</b>

2015/09/30 in k€	Retail	Wholesale
<b>Revenue local GAAP</b>	<b>470,604</b>	<b>201,114</b>
IFRS reconciliation	342	0
Consolidation entries	-117	-34,951
<b>IFRS Revenue with external third parties</b>	<b>470,829</b>	<b>166,163</b>
<b>Cost of materials local GAAP</b>	<b>237,865</b>	<b>130,488</b>
IFRS reconciliation	0	2,831
Consolidation entries	-35,076	0
<b>IFRS cost of materials with external third parties</b>	<b>202,789</b>	<b>133,319</b>
<b>EBITDA local GAAP</b>	<b>-6,920</b>	<b>12,565</b>
IFRS reconciliation	7,939	-2,831
Consolidation entries	0	0
<b>IFRS EBITDA</b>	<b>1,019</b>	<b>9,734</b>

## CALCULATION OF ADJUSTED EBITDA PER SEGMENT:

in k€	Retail	Wholesale
<b>Unadjusted EBITDA</b>	<b>1,019</b>	<b>9,734</b>
Extraordinary expenses resulting from the purchase price allocation of new stores and companies	0	2,831
Extraordinary costs	1,015	815
Transaction costs	174	0
Extraordinary income from disposal of assets	0	-3,937
Extraordinary income from debt waver	0	2,200
<b>Adjusted EBITDA as of 09/30/2015</b>	<b>2,208</b>	<b>7,243</b>



## SEGMENT REPORTING FOR THE PERIOD FROM JANUAR 1 TO SEPTEMBER 30, 2014 (COMBINED):

2014/09/30 in k€	Retail	Wholesale	IFRS reconciliation	Consolidation entries	Steilmann Boecker Group
<b>Revenue</b>	<b>450,778</b>	<b>212,098</b>	<b>-945</b>	<b>-22,384</b>	<b>639,547</b>
<i>Thereof with external third parties</i>	450,587	189,910	0	0	0
<i>Thereof with other segments</i>	196	22,188	0	0	0
<b>Cost of materials</b>	<b>209,282</b>	<b>145,730</b>	<b>0</b>	<b>-22,269</b>	<b>332,743</b>
<b>EBITDA</b>	<b>10,811</b>	<b>-2,941</b>	<b>6,929</b>	<b>-6</b>	<b>14,793</b>

30.09.2014 in k€	Retail	Wholesale
<b>Revenue local GAAP</b>	<b>450,778</b>	<b>212,098</b>
IFRS reconciliation	-945	0
Consolidation entries	-196	-22,188
<b>IFRS Revenue with external third parties</b>	<b>449,637</b>	<b>189,910</b>
<b>Cost of materials local GAAP</b>	<b>209,282</b>	<b>145,730</b>
IFRS reconciliation	0	0
Consolidation entries	-22,269	0
<b>IFRS cost of materials with external third parties</b>	<b>187,013</b>	<b>145,730</b>
<b>EBITDA local GAAP</b>	<b>10,811</b>	<b>-2,941</b>
IFRS reconciliation	6,929	0
Consolidation entries	-6	0
<b>IFRS EBITDA</b>	<b>17,734</b>	<b>-2,941</b>

## CALCULATION OF ADJUSTED EBITDA PER SEGMENT:

in k€	Retail	Wholesale
<b>Unadjusted EBITDA</b>	<b>17,734</b>	<b>-2,941</b>
Extraordinary costs	198	0
Extraordinary income from disposal of assets	0	-16
<b>Adjusted EBITDA as of 09/30/2014</b>	<b>17,932</b>	<b>-2,957</b>

CONTACT:

**Steilmann SE**

Industriestr. 42

Germany

59192 Bergkamen

Tel.: +49 (0) 23 89 783-0

Fax: +49 (0) 23 89 783-112

E-Mail: [ir@steilmann-se.com](mailto:ir@steilmann-se.com)

[www.steilmann-se.com](http://www.steilmann-se.com)