FOURLIS
GROUP OF COMPANIES

# Corporate Presentation

**September 2019**



# Company Profile

- FOURLIS GROUP is a **leading retail group of companies** of quality consumer goods in Southeast Europe. The company was established in 1950.
- The Group is active in **retail sector**:
  - **Retail Home Furnishings** through the franchise of **IKEA** stores in Greece, Cyprus and Bulgaria,
  - **Retail Sporting Goods** through the franchise of **INTERSPORT** stores in Greece, Cyprus, Romania, Bulgaria and Turkey along with **THE ATHLETE'S FOOT** stores in Greece and Turkey.
- The Group is entering into Real Estate Investment sector, through the formation of a **Real Estate Investment Company (TRADE ESTATES REIC)**

## Our Business Activities

**Retail Home Furnishings** — IKEA

**Retail Sporting Goods** — INTERSPORT, the athlete's foot

**Real Estate Investment** — TRADE ESTATES




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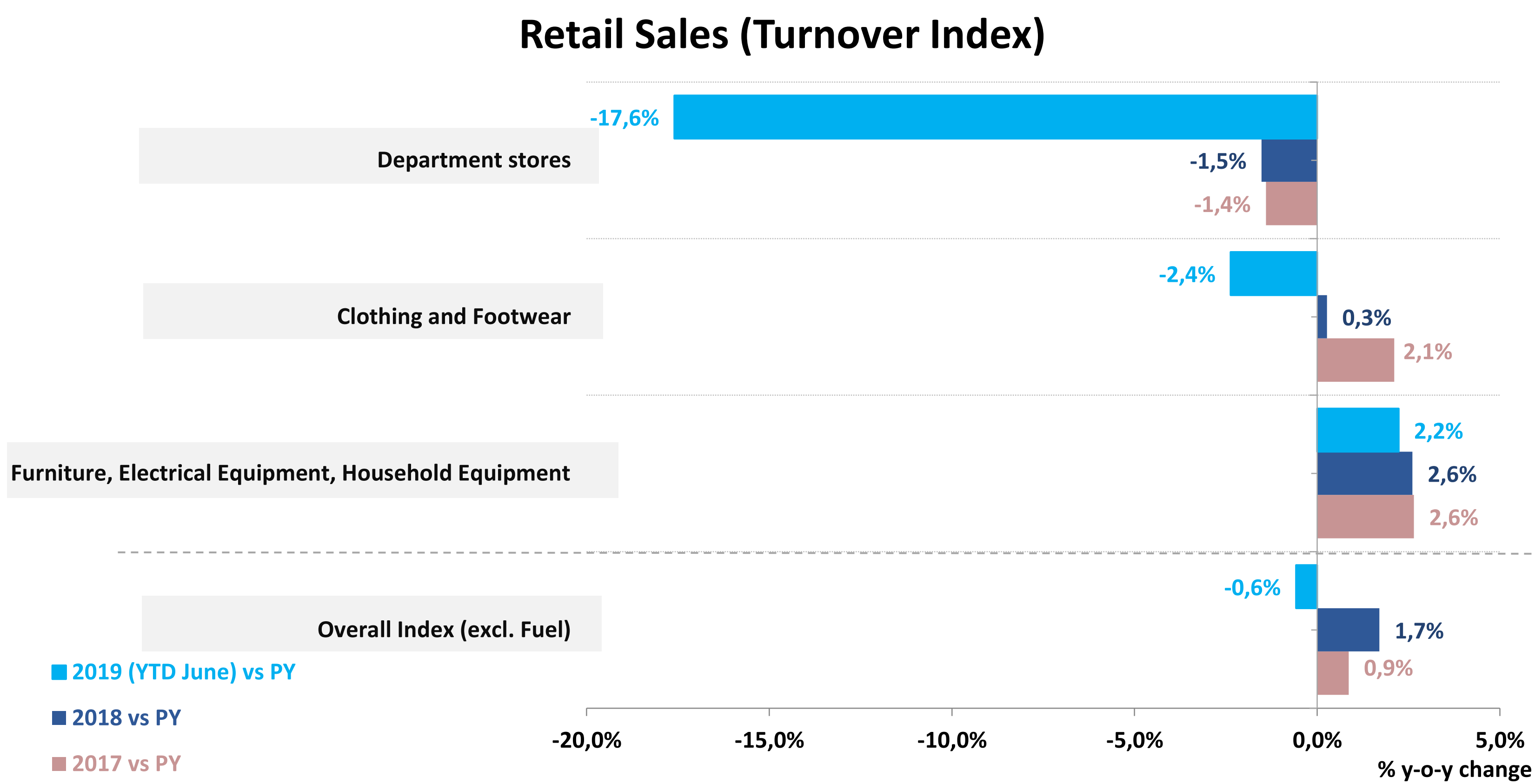
# Retail Sales in Greece




Source: Hellenic Statistical Authority

# Executive Summary H1 2019

- FOURLIS Group, during H1 2019 realized **sales € 207,3 million 2,6% higher** vs same period last year (€ 202,1 mio).
  - Retail Home Furnishings sales in Greece for H1 2019 decreased by 0,3 % y-o-y, while in the other countries sales increased by 4,9 % y-o-y.
  - Retail Sporting Goods sales in Greece for H1 2019 increased by 3,6 % y-o-y, while in the other countries sales increased by 5,4 % y-o-y average.

    *(All the countries Romania, Cyprus, Bulgaria and Turkey realized high growth rates in local currency)*

- **H1FY19 EBITDA was € 23,2 million** following implementation IFRS 16. The comparable EBITDA was **€ 13,1 million** vs € 12,8 million in H1FY18.

- Consolidated **Losses Before Taxes were € 1,0 million**, while on a comparable basis Profit before taxes were **€ 0,6 million** vs Profit of € 0,3 million in H1FY18.

- The Group realized **Net Loss of € 1,1** million.

- **Net Debt € 126** million vs € 116 million in H1 2019 and € 95 million in FY 2018.

- **CAPEX € 6,6 mio.**

# Consolidated Key Financial Figures

**Group Consolidated Key Financial Figures (in €mm)**

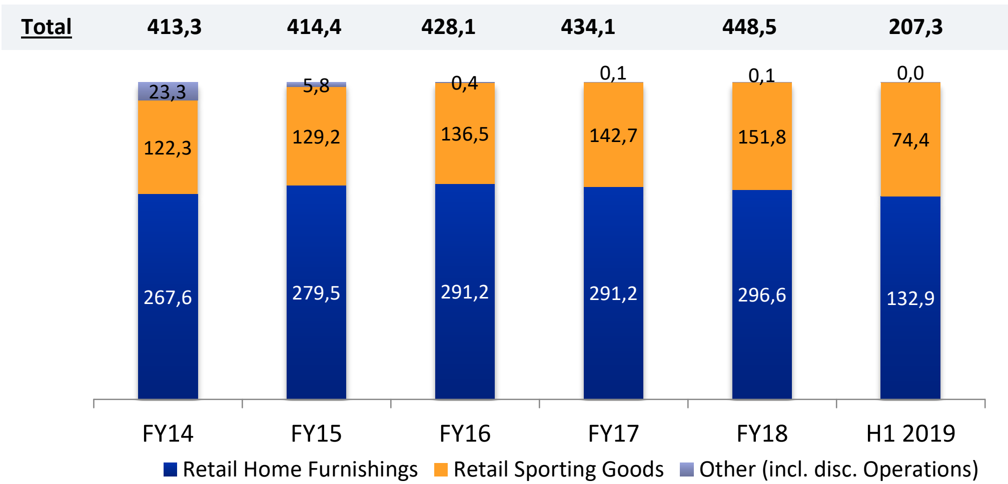
| Q2 CY 19 | Q2 PY 18 | Q2 Index | | H1 CY 19 | H1 PY 18 | H1 Index |
|---|---|---|---|---|---|---|
| 110,6 | 105,9 | 104 | Revenue | 207,3 | 202,1 | 103 |
| 49,0 | 46,7 | 105 | Gross Profit | 89,8 | 86,4 | 104 |
| *44,3%* | *44,1%* | | *Margin* | *43,3%* | *42,8%* | |
| 15,1 | 9,2 | 163 | EBITDA | 23,2 | 12,8 | 182 |
| *13,6%* | *8,7%* | | *Margin* | *11,2%* | *6,3%* | |
| 10,0 | 9,2 | 109 | Comparable EBITDA | 13,1 | 12,8 | 103 |
| 7,1 | 6,0 | 118 | EBIT | 7,3 | 6,1 | 119 |
| 3,0 | 3,3 | 93 | PBT | -1,0 | 0,3 | n/c |
| 3,9 | 3,3 | 120 | Comparable PBT | 0,6 | 0,3 | 209 |
| 2,2 | 2,7 | 84 | NP | -1,1 | 0,4 | n/c |

# Consolidated Balance Sheet

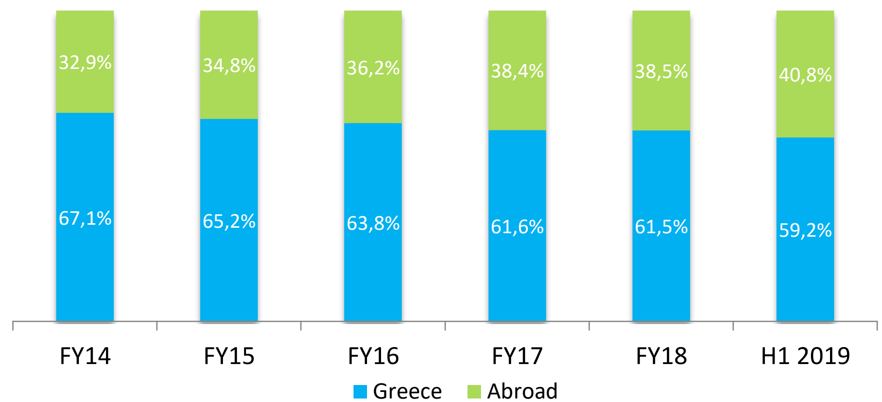
| *(in € million)* | Q2 2019 | Q2 2018 | FY 2018 |
|---|---|---|---|
| *Property, plant & equipment* | *209,1* | *209,1* | *209,6* |
| *Right of Use Assets* | *116.3* | *0,0* | *0,0* |
| *Other Non Current Assets* | *70,8* | *72,8* | *69,8* |
| **Non-current assets** | **396,2** | **281,8** | **279,4** |
| Inventories | *89,6* | *84,7* | *83,9* |
| Receivables | *20,5* | *21,1* | *21,0* |
| Cash & Cash Equivalent | *29,6* | *30,5* | *39,9* |
| **Current assets** | **139,7** | **136,2** | **144,7** |
| **Total Assets** | **535,9** | **418,0** | **424,1** |
| Loans and Borrowings | *124,0* | *118,5* | *113,8* |
| Long Term Lease Liabilities | *103,3* | *0,0* | *0,0* |
| Other non-current liabilities | *10,0* | *9,6* | *9,6* |
| **Non-current liabilities** | **237,3** | **128,0** | **123,4** |
| Loans and Borrowings | *31,6* | *28,7* | *21,1* |
| Short Term Lease Liability | *14,6* | *0,0* | *0,0* |
| Account Payables | *85,6* | *101,2* | *105,9* |
| **Current liabilities** | **131,8** | **129,9** | **127,0** |
| **Shareholders Equity** | **166,8** | **160,1** | **173,7** |
| **Shareholders Equity & Liabilities** | **535,9** | **418,0** | **424,1** |

# Consolidated Key Financial Figures

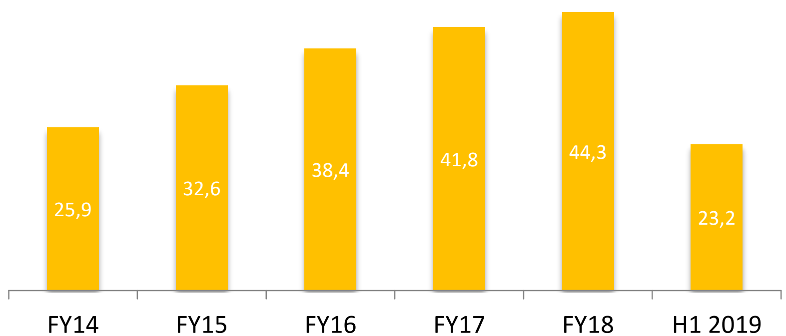
## Revenue Breakdown by Activity (in € mm)




## Revenue Breakdown by Geography (in € mm)




## EBITDA (in € mm)



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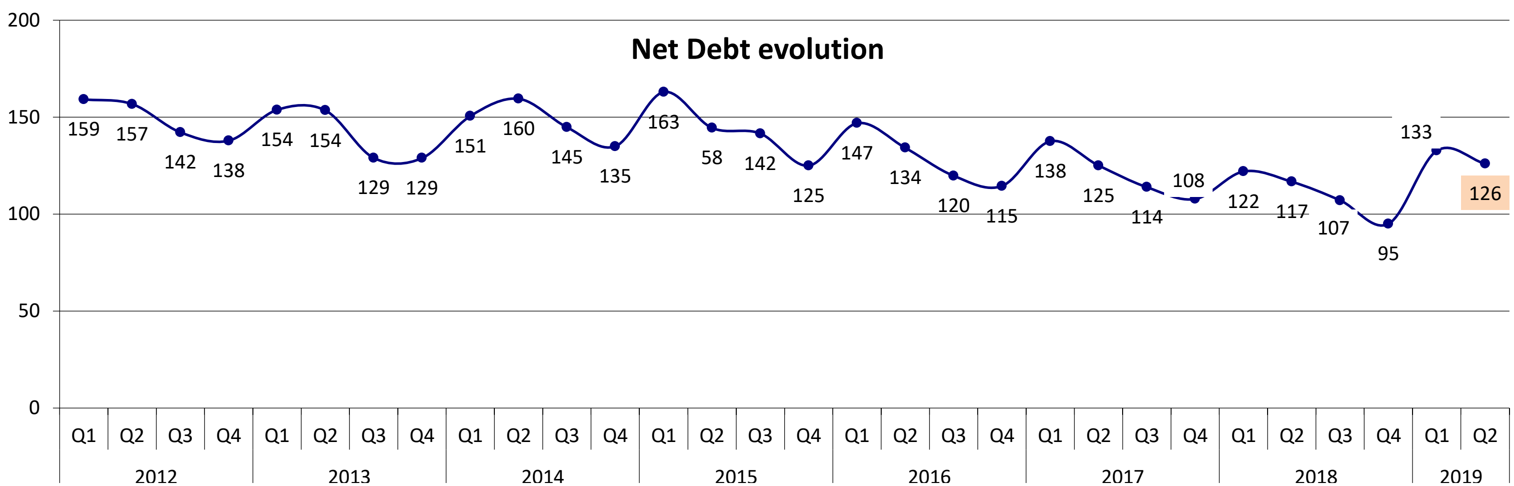
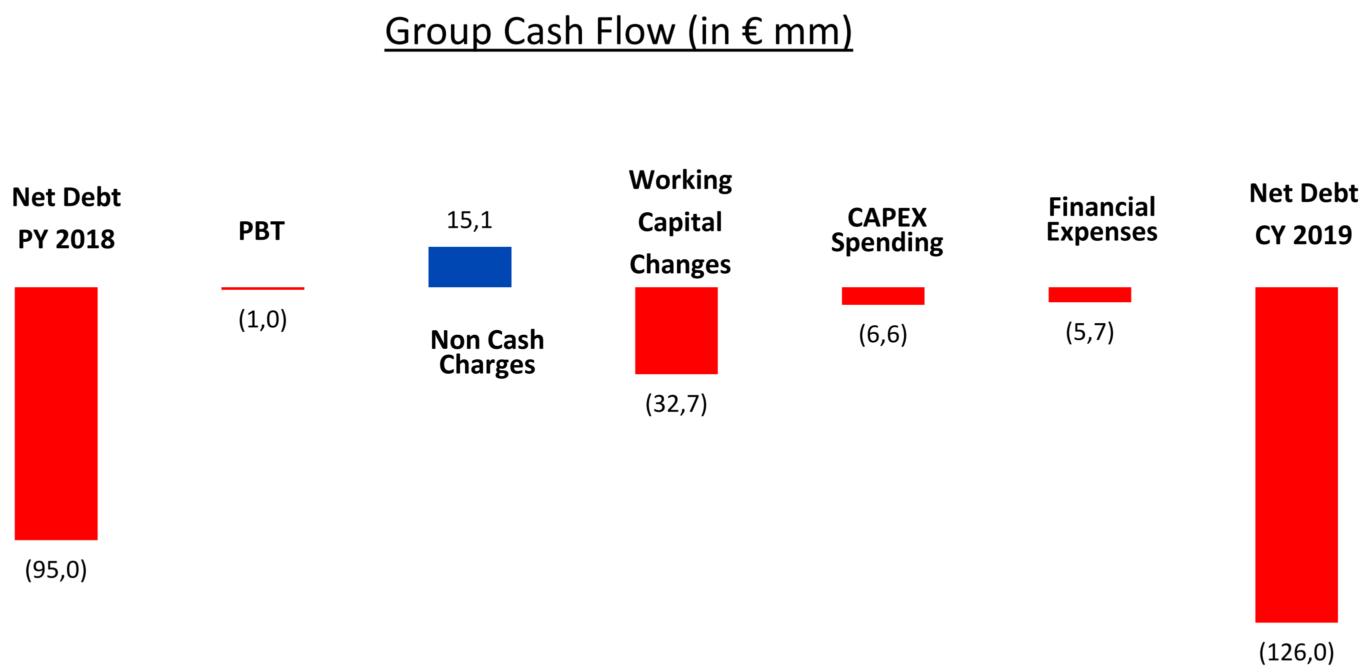
# Net Debt Structure by Segment & Evolution

| | 31.12.2018 | 30.6.2018 | 30.6.2019 | Δ vs PY end | Δ vs 30.6.2018 |
|---|---|---|---|---|---|
| IKEA | 67,8 | 81,5 | 88,0 | 20,1 | 6,5 |
| INTERSPORT | 28,7 | 37,4 | 38,2 | 9,5 | 0,9 |
| FOURLIS GROUP OF COMPANIES | -1,5 | -2,2 | -0,2 | 1,3 | 2,0 |
| **Total** | **95,0** | **116,7** | **126,0** | **31,0** | **9,3** |



# H1 2019 – Cash Flow Performance



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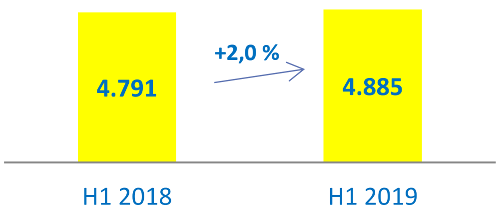
# HOUSEMARKET


**IKEA visitors (in 000's)**





**E-Commerce in all three countries**

# HOUSEMARKET – Financial Performance

**IKEA Key Financial Figures (in €mm)**

| Q2 | | | | H1 | | |
|---|---|---|---|---|---|---|
| CY19 | PY18 | Index | | CY19 | PY 18 | Index |
| 70,6 | 69,0 | 102 | Revenue | 132,9 | 130,8 | 102 |
| 29,4 | 28,6 | 103 | Gross Profit | 54,9 | 53,3 | 103 |
| *41,7%* | *41,5%* | | *Margin* | *41,3%* | *40,7%* | |
| 7,8 | 6,0 | 130 | EBITDA | 12,4 | 8,8 | 140 |
| *11,1%* | *8,7%* | | *Margin* | *9,3%* | *6,7%* | |
| 6,1 | 6,0 | 101 | Comparable EBITDA | 8,9 | 8,8 | 101 |
| 4,2 | 4,1 | 101 | EBIT | 5,1 | 4,7 | 108 |
| 2,1 | 2,4 | 90 | PBT | 0,7 | 1,2 | 58 |
| 2,5 | 2,4 | 104 | Comparable PBT | 1,4 | 1,2 | 116 |

# INTERSPORT

## Greece

| | |
|---|---|
| Intersport stores | 50 |
| The Athlete's Foot stores | 13 |

## Turkey

| | |
|---|---|
| Intersport stores | 23 |
| The Athlete's Foot stores | 3 |

## Romania

| | |
|---|---|
| Intersport stores | 31 |

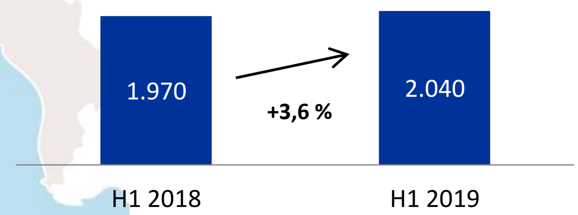
## Bulgaria

| | |
|---|---|
| Intersport stores | 8 |

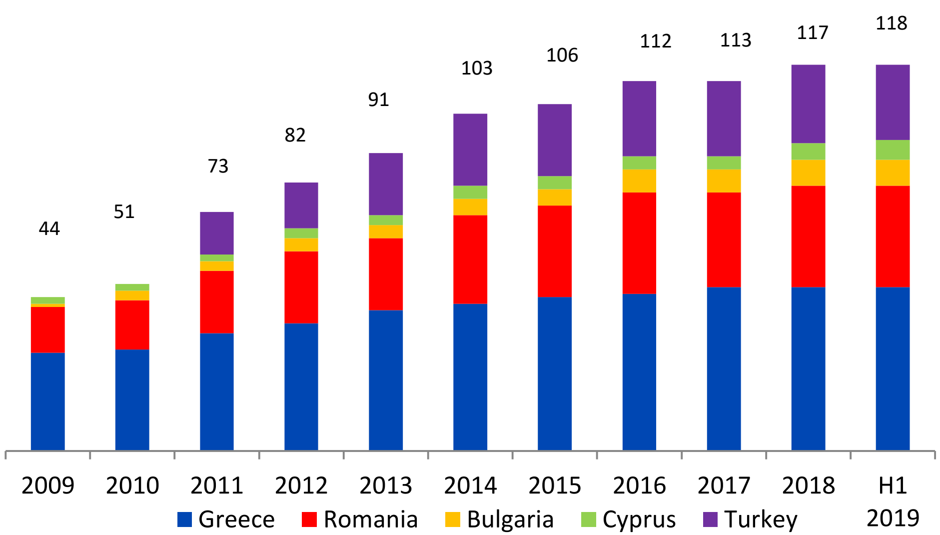
## Cyprus

| | |
|---|---|
| Intersport stores | 6 |

**INTERSPORT Customers (in 000's)**




**Intersport Stores by geography**




# INTERSPORT – Expansion Plan

## A Target of 160+ Stores

**Greece**

now 50 stores → ❑ 55 stores

**Cyprus**

now 6 stores → ❑ 6 stores

**Bulgaria**

now 8 stores → ❑ 10 stores

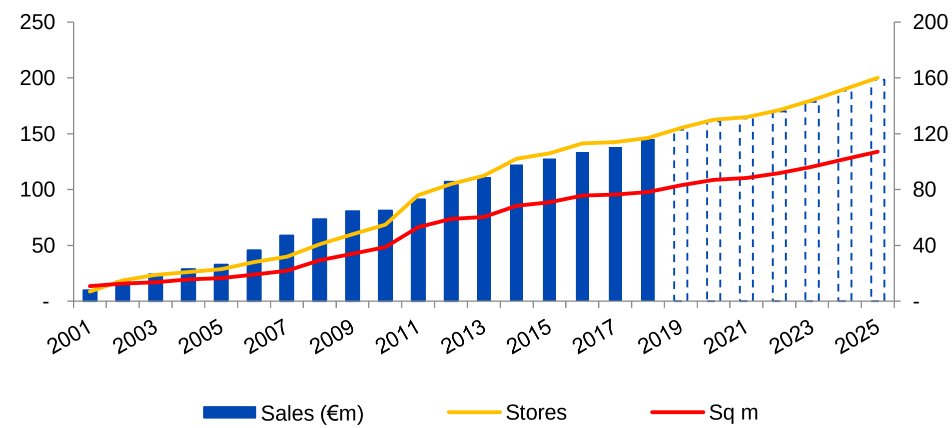
**Romania**

now 31 stores → ❑ 40 stores

**Turkey**

now 23 stores → ❑ 55 stores

**Expansion Plan**




** Expansion plan will be re-evaluated based on macro economic environment*

# the athlete's foot


- A global retailer for fashionable athletic footwear and apparel.
- 518 stores in 29 countries.
- Carrying some of the world's most renowned brands.
- Sport with style.
- Fourlis Group has the franchise rights to develop **The Athlete's Foot** store network in the five countries (currently Greece & Turkey)
- Today operates 13 stores in Greece and 3 stores in Turkey.
- A target of 40 stores in Greece & Turkey in the next 3 to 5 years

# INTERSPORT – Financial Performance

INTERSPORT

**INTERSPORT Key Financial Figures (in €mm)**

| Q2 CY19 | Q2 PY18 | Q2 Index | | H1 CY19 | H1 PY 18 | H1 Index |
|---|---|---|---|---|---|---|
| 40,0 | 36,9 | 108 | Revenue | 74,4 | 71,2 | 104 |
| 19,6 | 18,1 | 109 | Gross Profit | 34,9 | 33,1 | 105 |
| *49,0%* | *48,9%* | | *Margin* | *46,9%* | *46,5%* | |
| 7,6 | 3,5 | 216 | EBITDA | 11,5 | 4,5 | 253 |
| *18,9%* | *9,5%* | | *Margin* | *15,4%* | *6,4%* | |
| 4,3 | 3,5 | 122 | comparable EBITDA | 4,9 | 4,5 | 108 |
| 3,3 | 2,2 | 150 | EBIT | 3,0 | 2,0 | 147 |
| 1,3 | 1,2 | 106 | PBT | -0,9 | -0,3 | 318 |
| 1,8 | 1,2 | 151 | comparable PBT | -0,1 | -0,3 | 18 |

- The Hellenic Capital Market Commission during its meeting held at 838/28.02.2019 resolved on **granting a license** to the company under formation **"TRADE ESTATES REAL ESTATES INVESTMENT COMPANY".**

- Fourlis Group subsidiaries will contribute to TRADE ESTATES REIC **a gross value of real estate assets €176 million approximately**

- Trade Estates REIC will invest purely in **quality retail properties and E-Commerce infrastructure**

- Trade Estates REIC, **will grow by acquiring new retail assets from the market**, which along with the existing Fourlis assets, will represent a high quality retail property portfolio.

- Fourlis Group aims to maximize flexibility in accessing real estate equity, improving overall returns on assets, centralizing ownership and management, streamlining tax planning**.**