# 2019

Interim report 1st quarter

SCHMOLZ + BICKENBACH
Group

SCHMOLZ + BICKENBACH is one of the leading producers of premium special long steel products, operating with a global sales and service network.

We focus on meeting our customers' specific needs. Solution. Innovation. Quality.

**We are the benchmark for special steel solutions.**

# Contents

# Key figures

| SCHMOLZ + BICKENBACH Group | Unit | Q1 2019 | Q1 2018 [1] | Δ in % |
|---|---|---|---|---|
| Sales volume | kilotons | 551 | 545 | 1.1 |
| Revenue | million EUR | 884.2 | 828.9 | 6.7 |
| Average sales price | EUR/t | 1,604.7 | 1,520.9 | 5.5 |
| Adjusted EBITDA | million EUR | 42.2 | 70.3 | – 40.0 |
| EBITDA | million EUR | 38.8 | 103.1 | – 62.4 |
| Adjusted EBITDA margin | % | 4.8 | 8.5 | – |
| EBITDA margin | % | 4.4 | 12.4 | – |
| EBIT | million EUR | 13.3 | 75.5 | – 82.4 |
| Earnings before taxes | million EUR | – 0.3 | 65.2 | – |
| Group result | million EUR | 0.7 | 59.0 | – 98.8 |
| Investments | million EUR | 22.5 | 15.1 | 49.0 |
| Free cash flow | million EUR | – 23.7 | – 102.7 | – 76.9 |
| | **Unit** | **31.3.2019** | **31.12.2018** | **Δ in %** |
| Net debt | million EUR | 751.9 | 654.8 | 14.8 |
| Shareholders' equity | million EUR | 697.7 | 707.7 | – 1.4 |
| Gearing | % | 107.8 | 92.5 | – |
| Net debt/adj. EBITDA LTM (leverage) | x | 3.6 | 2.8 | 29.0 |
| Balance sheet total | million EUR | 2,644.8 | 2,531.8 | 4.5 |
| Equity ratio | % | 26.4 | 28.0 | – |
| Employees as at closing date | Positions | 10,460 | 10,486 | – 0.2 |
| Capital employed | million EUR | 1,742.7 | 1,739.5 | 0.2 |
| | **Unit** | **Q1 2019** | **Q1 2018 [1]** | **Δ in %** |
| Earnings/share [2] | EUR/CHF | 0.00/0.00 | 0.06/0.07 | – |
| Shareholders' equity/share [3] | EUR/CHF | 0.74/0.83 | 0.75/0.88 | – |
| Share price high/low | CHF | 0.617/0.435 | 0.886/0.700 | – |

[2] Earnings per share are based on the result of the Group after deduction of the portions attributable to non-controlling interests.
[2] The Group result per share is based on the net income (loss) of the Group after deduction of the portions attributable to non-controlling interests.
[3] As at March 31, 2019 and as at December 31, 2018

# Five-quarter overview

| | Unit | Q1 2018 [1] | Q2 2018 | Q3 2018 | Q4 2018 | Q1 2019 |
|---|---|---|---|---|---|---|
| **Key operational figures** | | | | | | |
| Production volume | kilotons | 589 | 650 | 519 | 570 | 592 |
| Sales volume | kilotons | 545 | 580 | 470 | 498 | 551 |
| Order backlog | kilotons | 700[2] | 683 | 734 | 612 | 571 |
| **Income statement** | | | | | | |
| Revenue | million EUR | 828.9 | 908.3 | 780.0 | 795.5 | 884.2 |
| Average sales price | EUR/t | 1,520.9 | 1,566.0 | 1,659.6 | 1,597.4 | 1,604.7 |
| Gross profit | million EUR | 299.2 | 343.6 | 281.3 | 279.3 | 290.9 |
| Adjusted EBITDA | million EUR | 70.3 | 84.9 | 41.8 | 39.2 | 42.2 |
| EBITDA | million EUR | 103.1 | 81.8 | 38.5 | 28.0 | 38.8 |
| EBIT | million EUR | 75.5 | 55.5 | 11.7 | −108.0 | 13.3 |
| Earnings before taxes | million EUR | 65.2 | 45.3 | 3.2 | −122.4 | −0.3 |
| Group result | million EUR | 59.0 | 37.1 | −3.7 | −93.1 | 0.7 |
| **Cash flow/investments/depreciation/amortization** | | | | | | |
| Cash flow before changes in net working capital | million EUR | 50.7 | 72.6 | 42.3 | −10.8 | 47.8 |
| Cash flow from operating activities | million EUR | −80.7 | −37.1 | 38.2 | 84.9 | −2.9 |
| Cash flow from investing activities | million EUR | −22.0 | −31.1 | −40.8 | −71.3 | −20.8 |
| Free cash flow | million EUR | −102.7 | −68.2 | −2.6 | 13.6 | −23.7 |
| Investments | million EUR | 15.1 | 20.8 | 31.7 | 72.0 | 22.5 |
| Depreciation, amortization and impairments | million EUR | 27.6 | 26.3 | 26.8 | 136.0 | 25.5 |
| **Net assets and financial structure** | | | | | | |
| Non-current assets | million EUR | 930.2 | 933.8 | 936.8 | 889.5 | 956.9 |
| Current assets | million EUR | 1,556.4 | 1,708.4 | 1,680.6 | 1,642.3 | 1,687.9 |
| Net working capital | million EUR | 906.8 | 1,017.2 | 1,021.0 | 931.7 | 988.8 |
| Balance sheet total | million EUR | 2,486.6 | 2,642.2 | 2,617.4 | 2,531.8 | 2,644.8 |
| Shareholders' equity | million EUR | 772.3 | 818.7 | 818.6 | 707.7 | 697.7 |
| Non-current liabilities | million EUR | 720.0 | 754.8 | 842.4 | 808.2 | 929.9 |
| Current liabilities | million EUR | 994.3 | 1,068.7 | 956.4 | 1,015.9 | 1,017.2 |
| Net debt | million EUR | 556.5 | 625.9 | 651.0 | 654.8 | 751.9 |
| **Employees** | | | | | | |
| Employees as at closing date | Positions | 10,212 | 10,318 | 10,424 | 10,486 | 10,460 |
| **Value management** | | | | | | |
| Capital employed | million EUR | 1,764.1 | 1,876.0 | 1,891.9 | 1,739.5 | 1,742.7 |
| **Key figures on profit/net assets and financial structure** | | | | | | |
| Gross profit margin | % | 36.1 | 37.8 | 36.1 | 35.1 | 32.9 |
| Adjusted EBITDA margin | % | 8.5 | 9.3 | 5.4 | 4.9 | 4.8 |
| EBITDA margin | % | 12.4 | 9.0 | 4.9 | 3.5 | 4.4 |
| Equity ratio | % | 31.1 | 31.0 | 31.3 | 28.0 | 26.4 |
| Gearing | % | 68.9 | 69.0 | 79.5 | 92.5 | 107.8 |
| Net debt/adj. EBITDA LTM (leverage) | x | 2.5 | 2.6 | 2.7 | 2.8 | 3.6 |
| Net working capital/revenue (L3M annualized) | % | 27.4 | 28.0 | 32.7 | 29.3 | 28.0 |

[1] Including Ascometal for two months, fully consolidated since February 1, 2018
[2] Backlog excluding Ascometal

# Dear shareholders,

**As expected, the start to fiscal year 2019 was rather muted. Following a steep decline in business activity toward the end of fiscal year 2018, growth remained dented in our sales markets in the first three months of 2019. In the European automotive industry, especially, there has been no sign of any significant increase in demand, which remains poor. Given the simmering trade conflicts and political uncertainties in Europe, it is currently difficult to gauge when the economic situation in our core market, Europe, might improve. From our current perspective, we expect demand to gradually recover in the first half of 2019 and continue to improve throughout the second half.**

We responded to the challenging environment in the first quarter by curbing production and, consequently, reducing our inventories. This enabled us to stem the usually heavily negative free cash flow at the start of the year and thereby limit the increase in debt. In terms of structural improvements, we focused on the implementation of the first steps in the turnaround plan for Finkl Steel and on the continued integration of Ascometal. The success of these two initiatives will be a decisive factor in the Group's medium to long-term performance.

For 2019, we expect growth in the special long steel industry to continue, albeit at a significantly slower pace than in 2018. Based on this assumption, as well as the continued implementation of measures at Ascometal and Finkl Steel, we expect adjusted EBITDA of between EUR 190 million and EUR 230 million for the current fiscal year.

**Results are a reflection of the market**

The weakening market environment impacted the Group's results in the first quarter of 2019. Although the sales volume rose slightly to 551 kilotons over the 545 kilotons in the prior-year quarter, this is attributable to the additional volume contributed by Ascometal, which had only been consolidated for two months in the first-quarter results for 2018. Higher sales prices resulted in revenue growth of 6.7 % to EUR 884.2 million. Adjusted EBITDA fell by – 40.0 % compared with the first quarter of 2018, to EUR 42.2 million. Net debt increased as a result of the challenging market environment and amounted to EUR 751.9 million as at the end of March 2019.

**Thanks to our employees, shareholders, and customers**

On behalf of the Board of Directors and Executive Board, I would like to thank our shareholders for the confidence they have shown in our Company. I would also like to thank our employees, who work for the future success of our Group on a daily basis. Last but not least, allow me to thank our customers and business partners for the good and long-standing working relationship and the trust they have placed in us.

Clemens Iller, CEO

# Management report

## Business environment

**The situation in SCHMOLZ + BICKENBACH's sales markets continues to be marked by uncertainty. In the automotive industry, one of our most important end markets, the production of passenger cars declined year-on-year in Germany, the USA and China. In the European mechanical engineering sector, production was on a par with 2018, but also marked by a drop in incoming orders from, for example, Germany. Prices have risen slightly on the commodity markets since the beginning of the year but still remain beneath the prior-year average.**

Macroeconomic indicators, such as the purchasing manager indices (PMI) for manufacturing in the eurozone, the USA and China, for the first quarter were lower year-on-year. While the PMI in the USA pointed toward growth, PMIs in the eurozone and for some time also China dropped to below 50, the critical level that indicates a recession. At the same time, the International Monetary Fund in its latest outlook revised down its full-year forecast for 2019 for global gross domestic product (GDP) growth as well as for GDP growth in the major economies.

According to the German Association of the Automotive Industry (Verband der Automobilindustrie, VDA) and the China Association of Automobile Manufacturers (CAAM), total passenger car production dropped in the major automotive markets Germany by 11.3 % and China by 12.5 % year-on-year. In the USA, total production was 7.5 % lower year-on-year in the period January to March 2019 according to the U.S. Bureau of Economic Analysis.

In the European mechanical engineering sector, Oxford Economics Forecasting is forecasting slight growth of 0.6 % year-on-year for the first quarter of 2019. The start of the current year was not very pleasing for the mechanical engineering industry in Germany. In the first quarter of 2019, orders were down 10 % in real terms compared to the same period last year. (source: German Engineering Federation).

After dropping to around USD 45 per barrel at the end of 2018, the price of crude oil (WTI) increased again over the course of the first quarter of 2019, reaching USD 60 by the end of March. Meanwhile, the number of rotary rigs in the oil and gas industry in North America fell from 1,153 at the end of December 2018 to 1,094 at the end of March 2019 (source: Baker Hughes).

Prices for shredded scrap (FOB Rotterdam), European ferrochrome and nickel dropped to their lowest that year in December 2018, but have since trended upward again. Nevertheless, the average prices for scrap and European ferrochrome in the first quarter of 2019 were a respective 2.4 % and 6.5 % below the prior-year quarter. The first-quarter average price for nickel, on the other hand, rose 7.4 % compared with the same quarter in 2018. Molybdenum oxide prices declined until mid-January, but were up again by mid-March. The average price of molybdenum oxide in the first quarter of 2019, however, was 2.2 % lower than in the fourth quarter of 2018.

# Business development of the Group

**The market environment remained difficult in the first quarter of 2019, which had a significant impact on our financial results. While revenue increased by 6.7 % on the back of higher sales volumes following the integration of Ascometal and higher sales prices, adjusted EBITDA was down 40.0 % on the prior-year quarter. This yielded a positive Group result of EUR 0.7 million. Free cash flow was negative at EUR −23.7 million, but significantly better than in the prior-year quarter thanks to an adjustment of stocks combined with a reduction in production. Net debt increased due to seasonal factors, although a large portion of the increase was attributable to the first-time application of IFRS 16.**

## Integration of Ascometal

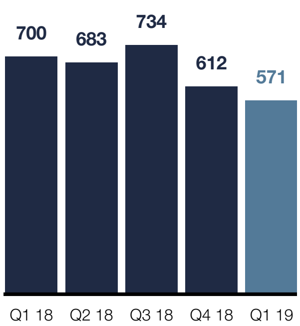
The results of Ascometal, which was recently acquired and is managed as a Business Unit within the Group, have been included in the Group figures since February 2018. As a result, Ascometal was only included for two months of the first quarter of 2018. This has an impact on quarterly comparisons as Ascometal was fully consolidated in the first-quarter results for 2019. This is reflected in higher sales volumes, revenue, and expenses. The integration also had a substantial impact on the key figures in the statement of cash flows.

## First-time application of IFRS 16

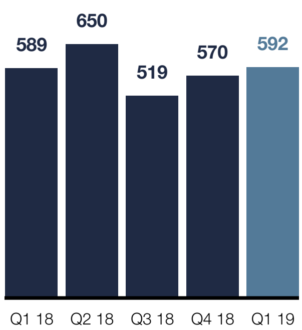
Accounting standard IFRS 16 "Leases" was first applied with effect from January 1, 2019. The new standard has a material influence on the financial statements overall as the majority of the leasing agreements in which SCHMOLZ + BICKENBACH acts as lessee are recognized as right-of-use (ROU) assets, and a leasing liability in the same amount is recognized. This effect increased net debt by EUR 59 million. The leasing liability is measured from the present value of future payments for the right of use up to the end of the contractual period. Please refer to notes 4, 12 and 15 for further details on the first-time application of IFRS 16.

## Production, sales and order situation

**Order backlog at quarter-end**
in kilotons




**Production volume in the quarter**
in kilotons



Order backlog at the end of March of 571 kilotons was 18.4 % below the prior-year level of 700 kilotons. This is attributable to weaker total demand. Crude steel production in the first quarter of 2019 remained largely unchanged at 592 kilotons although production was significantly reduced in some Business Units. However, the lower production was more than offset by Ascometal's contribution, which, in contrast to the two months in the prior-year quarter, accounted for three months of production volume.

| Sales volume by product group in kilotons | Q1 2019 | Q1 2018 [1] | Δ in % |
|---|---|---|---|
| Quality & engineering steel | 420 | 408 | 2.9 |
| Stainless steel | 94 | 96 | −2.1 |
| Tool steel | 37 | 40 | −7.5 |
| Others | 0 | 1 | – |
| **Total** | **551** | **545** | **1.1** |

[1] Including Ascometal for two months, fully consolidated since February 1, 2018

At 551 kilotons, 1.1 % more steel was sold in the first quarter of 2019 than in the prior-year quarter (Q1 2018: 545 kilotons). The rise was attributable to the increase of 2.9 % in sales volumes for quality & engineering steel, due to the full inclusion of the sales volumes of Ascometal in this product group. On a comparable basis (not including Ascometal), the sales volume was smaller. Sales volumes also decreased compared with the prior-year quarter in the two other product groups, stainless steel and tool steel.

## Key figures on the income statement

| in million EUR | Q1 2019 | Q1 2018 [1] | Δ in % |
|---|---|---|---|
| Revenue | 884.2 | 828.9 | 6.7 |
| Gross profit | 290.9 | 299.2 | −2.8 |
| Adjusted EBITDA | 42.2 | 70.3 | −40.0 |
| EBITDA | 38.8 | 103.1 | −62.4 |
| Adjusted EBITDA margin (%) | 4.8 | 8.5 | – |
| EBITDA margin (%) | 4.4 | 12.4 | – |
| EBIT | 13.3 | 75.5 | −82.4 |
| Earnings before taxes | −0.3 | 65.2 | – |
| Group result | 0.7 | 59.0 | −98.8 |

| Revenue by product group in million EUR | Q1 2019 | Q1 2018 [1] | Δ in % |
|---|---|---|---|
| Quality & engineering steel | 446.6 | 410.6 | 8.8 |
| Stainless steel | 295.1 | 288.4 | 2.3 |
| Tool steel | 114.1 | 108.4 | 5.3 |
| Others | 28.4 | 21.5 | 32.1 |
| **Total** | **884.2** | **828.9** | **6.7** |

[1] Including Ascometal for two months, fully consolidated since February 1, 2018

| Revenue by region in million EUR | Q1 2019 | Q1 2018 [1] | Δ in % |
|---|---|---|---|
| Germany | 339.4 | 310.3 | 9.4 |
| Italy | 111.0 | 114.1 | –2.7 |
| France | 96.2 | 85.2 | 12.9 |
| Switzerland | 15.3 | 11.9 | 28.6 |
| Other Europe | 160.0 | 155.6 | 2.8 |
| **Europe** | **721.9** | **677.1** | **6.6** |
| USA | 69.0 | 69.8 | –1.1 |
| Canada | 23.0 | 14.5 | 58.6 |
| Other America | 12.4 | 10.7 | 15.9 |
| **America** | **104.4** | **95.0** | **9.9** |
| China | 22.0 | 24.0 | –8.3 |
| India | 10.4 | 7.3 | 42.5 |
| Asia Pacific/Africa | 25.5 | 25.5 | 0.0 |
| **Africa/Asia/Australia** | **57.9** | **56.8** | **1.9** |
| **Total** | **884.2** | **828.9** | **6.7** |

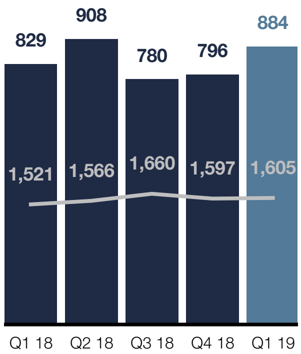
[1] Including Ascometal for two months, fully consolidated since February 1, 2018

The average sales price per ton of steel was EUR 1,604.7 in the first quarter of 2019, 5.5 % higher than in the prior-year quarter (Q1 2018: EUR 1,520.9 per ton), which was mainly due to scrap and alloy surcharges.

The positive development in prices and the higher sales volumes due to the consolidation of Ascometal led to revenue of EUR 884.2 million, up 6.7 % on the prior-year quarter. This growth was driven first and foremost by quality & engineering steel, which recorded a gain of 8.8 %. Revenue from stainless steel was up 2.3 %, and from tool steel up 5.3 %.

By region, revenue increased in all countries compared with the prior-year quarter. In Europe, revenue increased in France, Germany and Switzerland. The increase in France was due to the contribution by Ascometal. Italy, on the other hand, posted a slight decline in revenue. In the America region, revenue grew most significantly in the Canadian market, while India recorded double-digit percentage growth in Africa/Asia/Australia.

**Revenue and average sales prices**
in EUR million / in EUR/t




## Expenses

| in million EUR | Q1 2019 | Q1 2018 [1] | Δ in % |
|---|---|---|---|
| Cost of materials (incl. change in semi-finished and finished goods) | 593.3 | 529.7 | 12.0 |
| Personnel expenses | 178.6 | 167.1 | 6.9 |
| Other operating expenses | 91.2 | 87.9 | 3.8 |
| Depreciation, amortization and impairments | 25.5 | 27.6 | –7.6 |

[1] Including Ascometal for two months, fully consolidated since February 1, 2018

### Cost of materials and gross profit

Cost of materials – adjusted for the change in semi-finished and finished goods – increased by 12.0 % to EUR 593.3 million. In addition to higher prices for commodities, the integration of Ascometal was a contributing factor.

Gross profit – revenue less cost of materials – declined by – 2.8 % to EUR 290.9 million (Q1 2018: EUR 299.2 million). The gross profit margin consequently fell to 32.9 % (Q1 2018: 36.1 %).

### Personnel expenses

Personnel expenses increased by 6.9 % to EUR 178.6 million (Q1 2018: EUR 167.1 million). This increase is due in part to the integration of Ascometal and to inflation-related adjustments. The Group now has 248 more employees than it had at the end of the first quarter of 2018, thus raising the headcount to 10,460. This is mainly attributable to the hiring of previously temporary staff in Germany. Compared with the end of 2018, the number of employees fell by 26.

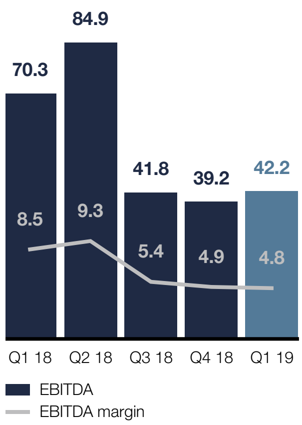
### Other operating income and expenses

At EUR 17.7 million, other operating income was significantly lower than in the prior-year quarter (Q1 2018: EUR 58.9 million). The reason for this was the inclusion of badwill from the acquisition of Ascometal of EUR 46.0 million in the prior-year quarter. Other operating expenses increased by 3.8 % to EUR 91.2 million (Q1 2018: EUR 87.9 million), due in part to the integration expenses related to Ascometal.

### Earnings before interest, taxes, depreciation and amortization (EBITDA)

Adjusted for one-time effects, EBITDA totaled EUR 42.2 million (Q1 2018: EUR 70.3 million), down – 40.0 % on the prior-year quarter. One-time effects amounted to EUR 3.4 million and are shown in the table below. Including these one-time effects, EBITDA fell by – 62.4 % to EUR 38.8 million (Q1 2018: EUR 103.1 million).

**Adj. EBITDA, adj. EBITDA margin**
in million EUR / in %




| in million EUR | Q1 2019 | Q1 2018 [1] | Δ in % |
|---|---|---|---|
| **EBITDA (IFRS)** | **38.8** | **103.1** | **– 62.4** |
| Performance improvement program, others | 0.4 | 0.0 | – |
| Reorganization and transformation processes | 0.6 | 0.3 | – |
| M&A and integration | 2.4 | – 33.1 | – |
| **Adjusted EBITDA** | **42.2** | **70.3** | **– 40.0** |

As a result, the adjusted EBITDA margin fell to 4.8 % (Q1 2018: 8.5 %), and the EBITDA margin to 4.4 % (Q1 2018: 12.4 %).

### Depreciation, amortization and impairments

Depreciation, amortization and impairments totaled EUR 25.5 million (Q1 2018: EUR 27.6 million) and thereby less than in the previous year, which is attributable to the impairment of the tangible assets of Finkl Steel and the consequently lower carrying amounts at the end of 2018.

### Financial result

At EUR – 13.6 million (Q1 2018: EUR – 10.3 million), the financial result fell short of the prior-year quarter due to higher financial expense.

### Tax expense

Due to the developments mentioned earlier, earnings before taxes (EBT) came to EUR – 0.3 million (Q1 2018: EUR 65.2 million). The negative EBT led to tax income of EUR 1.0 million, compared with a tax loss in the prior-year quarter (Q1 2018: EUR – 6.2 million).

### Group result

In the first quarter of 2019, the Group result amounted to EUR 0.7 million, compared with EUR 59.0 million in the first quarter of 2018.

## Key figures on the balance sheet

| | Unit | 31.3.2019 | 31.12.2018 | Δ in % |
|---|---|---|---|---|
| Shareholders' equity | million EUR | 697.7 | 707.7 | –1.4 |
| Equity ratio | % | 26.4 | 28.0 | – |
| Net debt | million EUR | 751.9 | 654.8 | 14.8 |
| Gearing | % | 107.8 | 92.5 | – |
| Net working capital (NWC) | million EUR | 988.8 | 931.7 | 6.1 |
| Balance sheet total | million EUR | 2,644.8 | 2,531.8 | 4.5 |

1) Including Ascometal for two months, fully consolidated since February 1, 2018

### Balance sheet total

The balance sheet total as at March 31, 2019 increased by EUR 113.0 million compared with December 31, 2018, to EUR 2,644.8 million, due mainly to the first-time application of IFRS 16 and the increase in net working capital.

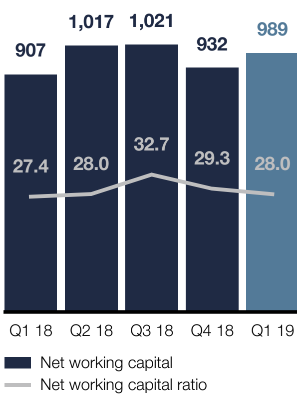
### Non-current assets

Non-current assets increased compared with December 31, 2018, rising by EUR 67.4 million to EUR 956.9 million. The increase was mainly the result of the application of the right of use as per IFRS 16, which came to EUR 59.0 million. Non-current assets accounted for 36.2 % of the balance sheet total, which was an increase on the prior year (12/31/2018: 35.1 %).

### Net working capital

Net working capital increased compared with December 31, 2018, rising from EUR 931.7 million to EUR 988.8 million due to seasonal effects. This development primarily resulted from increased trade accounts receivable (EUR 86.4 million) and a reduction of EUR 17.7 million in trade accounts payable, which could only be partially offset by the decline in inventories (EUR –47.0 million). The ratio of net working capital to revenue as at March 31, 2019 was 28.0 %, a decrease compared with year-end 2018 (29.3 %) due to higher revenue.

**Net working capital/revenue**
in million EUR / in %




### Shareholders' equity and equity ratio

As at the end of March 2019, a fall of –1.4 % in shareholders' equity was recorded compared with December 31, 2018. The modestly positive Group result of EUR 0.7 million and currency gains of EUR 5.4 million in the first three months of 2019 were more than offset by actuarial losses of EUR 16.8 million after tax. This led to a reduction in the equity ratio to 26.4 % (12/31/2018: 28.0 %).

### Liabilities

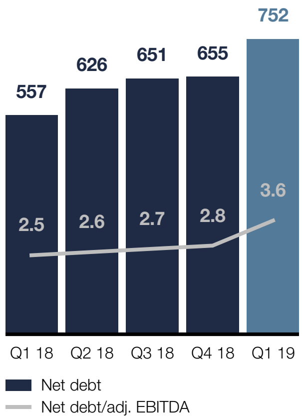
Non-current liabilities totaled EUR 929.9 million as at the reporting date, up EUR 121.7 million on the figure as at December 31, 2018. This was mainly due to higher non-current financial liabilities, which rose by EUR 101.9 million, partly as a result of the first-time application of IFRS 16. The share of non-current liabilities in the balance sheet total increased from 31.9 % to 35.2 %.

Current liabilities remained roughly on a par with the end of 2018, at EUR 1,017.2 million. The share of current liabilities in the balance sheet total fell to 38.5 % (12/31/2018: 40.1 %).

### Net debt

Net debt, comprising current and non-current financial liabilities less cash and cash equivalents, came to EUR 751.9 million, an increase on the figure as at December 31, 2018 (EUR 654.8 million). The reason was higher net working capital and the first-time application of IFRS 16. The latter contributed EUR 59.0 million to the increase. The ratio of net debt to adjusted EBITDA (leverage, on the basis of the last twelve months) thus rose from 2.8 to 3.6 compared with December 31, 2018. Of this increase, 0.2 percentage points were attributable to the first-time application of IFRS 16. On a comparable basis, leverage was 3.4.

**Net debt**
in EUR million / in relation to adj. EBITDA (last 12 months)




## Key figures on the cash flow statement

| in million EUR | Q1 2019 | Q1 2018 [1] | Δ in % |
|---|---|---|---|
| Cash flow before changes in net working capital | 47.8 | 50.7 | –5.7 |
| Cash flow from operating activities | –2.9 | –80.7 | –96.4 |
| Cash flow from investing activities | –20.8 | –22.0 | –5.5 |
| Free cash flow | –23.7 | –102.7 | –76.9 |
| Cash flow from financing activities | 26.5 | 112.1 | –76.4 |

[1] Including Ascometal for two months, fully consolidated since February 1, 2018

### Cash flow from operating activities

Compared with the prior year, operating cash flow before changes in net working capital fell to EUR 47.8 million. Cash flow from operating activities, meanwhile, improved markedly compared with the prior-year quarter, rising to EUR –2.9 million (Q1 2018: EUR –80.7 million). This reflects the decrease in inventories.

### Cash flow from investing activities

Cash flow from investing activities fell slightly short of the prior year, at EUR –20.8 million, which was mainly due to the outflow of EUR 8.1 million for the acquisition of Ascometal in the prior-year quarter. By contrast, investment in new plants and equipment was EUR 5.8 million higher than in the first quarter of 2018, with most of it spent on a new walking beam furnace at Swiss Steel, integration measures at Ascometal and a Nadcap-accredited heat treatment furnace at Ugitech. Free cash flow in the first quarter of 2019 improved to EUR –23.7 million compared with the prior-year quarter (Q1 2018: EUR –102.7 million).

### Cash flow from financing activities

At EUR 26.5 million, the total inflow from financing activities in the first quarter of 2019 was significantly lower than in the prior-year quarter (Q1 2018: EUR 112.1 million). This was due to the interim financing of EUR 40.1 million taken out in the first quarter of 2018 for the acquisition of Ascometal.

### Change in cash and cash equivalents

The overall change in cash and cash equivalents in the first quarter of 2019 was EUR 3.5 million (Q1 2018: EUR 8.6 million).

# Business development of the divisions

| Key figures divisions in million EUR | Q1 2019 | Q1 2018 [1] | Δ in % |
|---|---|---|---|
| **Production** | | | |
| Revenue | 814.2 | 770.4 | 5.7 |
| Adjusted EBITDA | 34.0 | 65.5 | −48.1 |
| EBITDA | 32.0 | 94.3 | −66.1 |
| Adjusted EBITDA margin (%) | 4.2 | 8.5 | – |
| EBITDA margin (%) | 3.9 | 12.2 | – |
| Investments | 20.8 | 14.3 | 45.5 |
| Operating free cash flow | −34.3 | −79.9 | −57.1 |
| Employees as at closing date | 8,957 | 8,693 | 3.0 |
| **Sales & Services** | | | |
| Revenue | 182.8 | 176.6 | 3.5 |
| Adjusted EBITDA | 11.5 | 10.1 | 13.9 |
| EBITDA | 11.5 | 16.1 | −28.6 |
| Adjusted EBITDA margin (%) | 6.3 | 5.7 | – |
| EBITDA margin (%) | 6.3 | 9.1 | – |
| Investments | 1.0 | 0.5 | – |
| Operating free cash flow | 0.9 | 9.7 | −90.7 |
| Employees as at closing date | 1,397 | 1,406 | −0.6 |

[1] Including Ascometal for two months, fully consolidated since February 1, 2018

### *Production*

The *Production* division recorded an increase in revenue of 5.7 % compared with the prior-year period. This was primarily due to two factors: the increase in commodity prices and the increase in sales volumes due to the integration of Ascometal.

Adjusted EBITDA fell to EUR 34.0 million and the adjusted EBITDA margin fell to 4.2 % as a result of the change in the product mix (Q1 2018: 8.5 %). EBITDA adjusted for one-time effects was EUR 32.0 million, and the EBITDA margin came to 3.9 %. One-time effects amounted to EUR 2.0 million and comprised mainly integration costs.

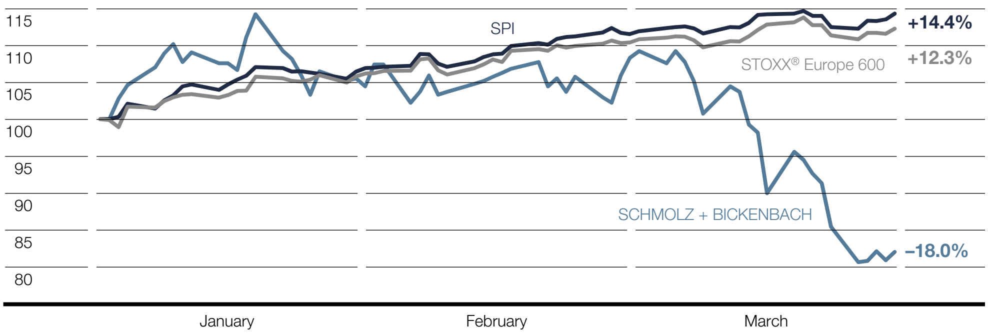
### *Sales & Services*

In the *Sales & Services* division, revenue increased 3.5 % compared with the prior-year quarter, to EUR 182.8 million.

Adjusted EBITDA rose to EUR 11.5 million and the adjusted EBITDA margin to 6.3 % (Q1 2018: 5.7 %). No one-time effects were recorded in the *Sales & Services* division.

# Capital market

**Share price development year-to-date**
indexed




The SCHMOLZ + BICKENBACH share price jumped nearly 15 % in January before trending sideways until early March. From mid-March until the end of the first quarter, the price dropped sharply, as did the share prices of competitors in the steel industry. This decline was driven in large part by uncertainties regarding global trade policies as well as concerns about economic developments, particularly in Europe. These concerns were founded on recent signs of weak industrial growth in Germany and France. Consequently, the outlook of SCHMOLZ + BICKENBACH for fiscal year 2019, published with the annual results for 2018, was only cautiously optimistic. This, too, put downward pressure on the share price. The closing price of the share on March 31, 2019, was CHF 0.443, down 18.0 % on the closing price at year-end 2018. In the same period, the Stoxx® Europe 600 index rose 12.3 % and the Swiss Performance Index (SPI), which includes the SCHMOLZ + BICKENBACH share, 14.4 %.

In the first three months of 2019, the average daily trading volume of shares of SCHMOLZ + BICKENBACH on the Swiss stock market was 0.5 million, compared with 0.8 million in the first quarter of 2018.

## Financing

SCHMOLZ + BICKENBACH's financing structure is built on three main pillars: a syndicated loan, an ABS financing program, and a corporate bond.

SCHMOLZ + BICKENBACH renewed all three financing lines in April 2017. A corporate bond of EUR 200 million with a coupon of 5.625 % p.a. was issued on April 24, 2017, and the proceeds used for the early repayment of an outstanding EUR 167.7 million corporate bond.

On June 25, 2018, SCHMOLZ + BICKENBACH topped up the corporate bond by EUR 150 million to EUR 350 million. The proceeds were primarily used to repay drawings under the EUR 375 million syndicated revolving credit facility, which was mainly set up in connection with the acquisition of Ascometal. The issue was made at 101.5 % with a commensurate effective interest rate of 5.2 %.

Thanks to unused financing lines and freely disposable funds of EUR 349.2 million as at March 31, 2019, the Company has sufficient financial resources.

| in million EUR | Credit line | Status as at 31.3.2019 | Total funds available |
|---|---|---|---|
| Syndicated loan (excl. transaction costs) | 375.0 | 153.8 | 221.2 |
| ABS financing (excl. transaction costs) | 296.9 | 225.7 | 71.2 |
| Cash and cash equivalents | | 56.8 | 56.8 |
| **Financial leeway** | | | **349.2** |

# Outlook

The focus of SCHMOLZ + BICKENBACH in 2019 will be on implementing the next steps of the industrial integration of Ascometal. The takeover has set the course for the further strengthening of SCHMOLZ + BICKENBACH's market position over the medium to long term. The Company intends to make full use of this opportunity, while at the same time working on improving its efficiency, profitability and optimization of inventories. A second focus will be the implementation of measures to strengthen the results of operations of Finkl Steel.

Given the many uncertainties and conflicting indications with regard to future global economic developments, reliable forecasts for fiscal year 2019 are difficult to make. Nevertheless, SCHMOLZ + BICKENBACH expects demand to gradually normalize in the coming months and continue to recover throughout the second half-year. Based on this assumption, as well as the continued implementation of measures at Ascometal and Finkl Steel, we expect adjusted EBITDA of between EUR 190 million and EUR 230 million for the current fiscal year.

# Additional information

Please refer to the Annual Report 2018 for further information, particularly in relation to the topics below:
Strategy and corporate management (pages 2-23), Business model (pages 5-9), Capital market (pages 61-64), Financing (page 65), Executive Board (page 89), Glossary (page 201)

The definitions and reconciliations of the alternative performance indicators contained in the management report can be found in the following documents:
Glossary Annual Report 2018 (page 201) (www.schmolz-bickenbach.com/investor-relations): Adjusted EBITDA margin, free cash flow, net working capital, net debt, capital employed,
gross profit margin, EBITDA margin, equity ratio, gearing, net debt/adj. EBITDA LTM (leverage), net working capital/revenue (L3M annualized), operating free cash flow
Earnings before interest, taxes, depreciation and amortization (EBITDA), page 11 Management Report: Adjusted EBITDA
Segment reporting (note 17) in Financial reporting: Investments

## Composition of the Board of Directors

On April 30, 2019, the Annual General Meeting of the Company elected the Board of Directors. It is now composed as follows:

### SCHMOLZ + BICKENBACH AG Board of Directors

| | | |
|---|---|---|
| **Jens Alder (CH)** | **Martin Haefner (CH)** | **Michael Büchter (DE)** |
| Year of birth 1957 | Year of birth 1954 | Year of birth 1949 |
| Chairman | Vice Chairman | |
| Compensation Committee (Chairman) | Audit Committee (Member) | Audit Committee (Member) |
| Member since 2019 | Member since 2016 | Member since 2013 |
| Elected until 2020 | Elected until 2020 | Elected until 2020 |
| **Isabel Corinna Knauf (DE)** | **Alexey Moskov (CYP)** [1] | **Dr. Oliver Thum (DE)** [2] |
| Year of birth 1972 | Year of birth 1971 | Year of birth 1971 |
| Compensation Committee (Member) | Compensation Committee (Member) | |
| Member since 2018 | Member since 2019 | Member since 2013 |
| Elected until 2020 | Elected until 2020 | Elected until 2020 |
| **Adrian Widmer (CH)** | | |
| Year of birth 1968 | | |
| Audit Committee (Chairman) | | |
| Member since 2019 | | |
| Elected until 2020 | | |

[1] Representative of Liwet Holding AG
[2] Representative of SCHMOLZ + BICKENBACH GmbH & Co. KG

# Financial reporting

## Consolidated income statement

| in million EUR | Note | Q1 2019 | Q1 2018 |
|---|---|---|---|
| Revenue | 7 | 884.2 | 828.9 |
| Change in semi-finished and finished goods | | –23.6 | 12.4 |
| Cost of materials | | –569.7 | –542.1 |
| **Gross profit** | | **290.9** | **299.2** |
| Other operating income | 8 | 17.7 | 58.9 |
| Personnel expenses | | –178.6 | –167.1 |
| Other operating expenses | 8 | –91.2 | –87.9 |
| **Operating result before depreciation, amortization and impairment (EBITDA)** | | **38.8** | **103.1** |
| Depreciation, amortization and impairments | 11, 12 | –25.5 | –27.6 |
| **Operating profit (EBIT)** | | **13.3** | **75.5** |
| Financial income | 9 | 0.4 | 0.1 |
| Financial expenses | 9 | –14.0 | –10.4 |
| **Financial result** | | **–13.6** | **–10.3** |
| **Earnings before taxes (EBT)** | | **–0.3** | **65.2** |
| Income taxes | 10 | 1.0 | –6.2 |
| **Group result** | | **0.7** | **59.0** |
| of which attributable to | | | |
| – shareholders of SCHMOLZ + BICKENBACH AG | | 0.6 | 58.8 |
| – non-controlling interests | | 0.1 | 0.2 |
| **Earnings per share in EUR (undiluted/diluted)** | | **0.00** | **0.06** |

# Consolidated statement of comprehensive income

| in million EUR | Note | Q1 2019 | Q1 2018 |
|---|---|---|---|
| **Group result** | | **0.7** | **59.0** |
| Result from currency translation | | 5.4 | −7.0 |
| Change in unrealized result from cash flow hedges | | 0.5 | −0.1 |
| Tax effect from cash flow hedges | | −0.2 | 0.0 |
| **Items that may be reclassified subsequently to income statement** | | **5.7** | **−7.1** |
| Actuarial result from pensions and similar obligations | 14 | −24.3 | 4.3 |
| Tax effect from pensions and similar obligations | | 7.5 | −0.6 |
| **Items that will not be reclassified subsequently to income statement** | | **−16.8** | **3.7** |
| **Other comprehensive result** | | **−11.1** | **−3.4** |
| **Total comprehensive result** | | **−10.4** | **55.6** |
| of which attributable to | | | |
| – shareholders of SCHMOLZ + BICKENBACH AG | | −10.6 | 55.4 |
| – non-controlling interests | | 0.2 | 0.2 |

# Cons. statement of financial position

| | | 31.3.2019 | | 31.12.2018 | |
|---|---|---|---|---|---|
| | Note | in million EUR | % share | in million EUR | % share |
| **Assets** | | | | | |
| Intangible assets | | 25.1 | | 24.7 | |
| Property, plant and equipment | 11 | 785.8 | | 784.6 | |
| Right-of-use of leased assets | 12 | 60.5 | | 0.0 | |
| Other non-current assets | | 4.1 | | 0.7 | |
| Non-current income tax assets | | 6.1 | | 6.7 | |
| Other non-current financial assets | | 1.9 | | 4.1 | |
| Deferred tax assets | 10 | 73.4 | | 68.7 | |
| **Total non-current assets** | | **956.9** | **36.2** | **889.5** | **35.1** |
| Inventories | 13 | 964.8 | | 1,011.8 | |
| Trade accounts receivable | | 565.0 | | 478.6 | |
| Current financial assets | | 2.4 | | 2.6 | |
| Current income tax assets | | 7.1 | | 7.1 | |
| Other current assets | | 91.8 | | 88.9 | |
| Cash and cash equivalents | | 56.8 | | 53.3 | |
| **Total current assets** | | **1,687.9** | **63.8** | **1,642.3** | **64.9** |
| **Total assets** | | **2,644.8** | **100.0** | **2,531.8** | **100.0** |
| **Shareholders' equity and liabilities** | | | | | |
| Share capital | | 378.6 | | 378.6 | |
| Capital reserves | | 952.8 | | 952.8 | |
| Retained earnings (accumulated losses) | | –688.2 | | –672.5 | |
| Accumulated income and expenses recognized in other comprehensive income (loss) | | 46.3 | | 40.7 | |
| Treasury shares | | –1.4 | | –1.3 | |
| **Shareholders of SCHMOLZ + BICKENBACH AG** | | **688.1** | | **698.3** | |
| Non-controlling interests | | 9.6 | | 9.4 | |
| **Total equity** | | **697.7** | **26.4** | **707.7** | **28.0** |
| Pension liabilities | 14 | 316.2 | | 291.3 | |
| Other non-current provisions | | 42.9 | | 42.9 | |
| Deferred tax liabilities | 10 | 10.6 | | 15.6 | |
| Non-current financial liabilities | 15 | 559.8 | | 457.9 | |
| Other non-current liabilities | | 0.4 | | 0.5 | |
| **Total non-current liabilities** | | **929.9** | **35.2** | **808.2** | **31.9** |
| Current provisions | | 22.4 | | 26.3 | |
| Trade accounts payable | | 541.0 | | 558.7 | |
| Current financial liabilities | 15 | 248.9 | | 250.2 | |
| Current income tax liabilities | | 23.9 | | 23.6 | |
| Other current liabilities | | 181.0 | | 157.1 | |
| **Total current liabilities** | | **1,017.2** | **38.5** | **1,015.9** | **40.1** |
| **Total liabilities** | | **1,947.1** | **73.6** | **1,824.1** | **72.0** |
| **Total equity and liabilities** | | **2,644.8** | **100.0** | **2,531.8** | **100.0** |

# Consolidated statement of cash flows

| in million EUR | Calculation | Q1 2019 | Q1 2018 |
|---|---|---|---|
| Earnings before taxes | | –0.3 | 65.2 |
| Depreciation, amortization and impairments | | 25.5 | 27.6 |
| Result from the disposal of intangible assets, property, plant and equipment and financial assets | | –0.1 | –0.8 |
| Badwill from acquisition | | 0.0 | –46.0 |
| Increase/decrease in other assets and liabilities | | 9.6 | –1.9 |
| Financial income | | –0.4 | –0.1 |
| Financial expenses | | 14.0 | 10.4 |
| Income taxes paid (net) | | –0.5 | –3.7 |
| **Cash flow before changes in net working capital** | | **47.8** | **50.7** |
| Change in inventories | | 52.1 | –56.7 |
| Change in trade accounts receivable | | –83.2 | –159.0 |
| Change in trade accounts payable | | –19.6 | 84.3 |
| **Cash flow from operating activities** | **A** | **–2.9** | **–80.7** |
| Investments in property, plant and equipment | | –20.3 | –14.5 |
| Proceeds from disposal of property, plant and equipment | | 0.6 | 1.1 |
| Investments in intangible assets | | –1.4 | –0.6 |
| Acquisition of Group companies | | 0.0 | –8.1 |
| Interest received | | 0.3 | 0.1 |
| **Cash flow from investing activities** | **B** | **–20.8** | **–22.0** |
| Increase/decrease of other financial liabilities | | 43.1 | 80.3 |
| Interim financing | | 0.0 | 40.1 |
| Investment in treasury shares | | –0.1 | 0.0 |
| Investments in shares in previously consolidated companies | | –1.6 | –1.6 |
| Interest paid | | –14.9 | –6.7 |
| **Cash flow from financing activities** | **C** | **26.5** | **112.1** |
| **Net change in cash and cash equivalents** | **A+B+C** | **2.8** | **9.4** |
| Effect of foreign currency translation | | 0.7 | –0.8 |
| **Change in cash and cash equivalents** | | **3.5** | **8.6** |
| Cash and cash equivalents at the beginning of the period | | 53.3 | 47.1 |
| Cash and cash equivalents at the end of the period | | 56.8 | 55.7 |
| **Change in cash and cash equivalents** | | **3.5** | **8.6** |
| **Free cash flow** | **A+B** | **–23.7** | **–102.7** |

# Consolidated statement of changes in shareholders' equity

| in million EUR | Share capital | Capital reserves | Retained earnings | Accumulated income and expenses recognized in other comprehensive result | Treasury shares | Shareholders of SCHMOLZ + BICKENBACH AG | Non-controlling interests | Total equity |
|---|---|---|---|---|---|---|---|---|
| **As at 1.1.2018** | **378.6** | **952.8** | **−563.5** | **−60.9** | **−0.8** | **706.2** | **10.1** | **716.3** |
| Expenses from share-based payments | 0.0 | 0.0 | 0.4 | 0.0 | 0.0 | 0.4 | 0.0 | 0.4 |
| **Capital transactions with shareholders** | **0.0** | **0.0** | **0.4** | **0.0** | **0.0** | **0.4** | **0.0** | **0.4** |
| Group result | 0.0 | 0.0 | 58.8 | 0.0 | 0.0 | 58.8 | 0.2 | 59.0 |
| Other comprehensive result | 0.0 | 0.0 | 3.7 | −7.1 | 0.0 | −3.4 | 0.0 | −3.4 |
| **Total comprehensive result** | **0.0** | **0.0** | **62.5** | **−7.1** | **0.0** | **55.4** | **0.2** | **55.6** |
| **As at 31.3.2018** | **378.6** | **952.8** | **−500.6** | **−68.0** | **−0.8** | **762.0** | **10.3** | **772.3** |
| | | | | | | | | |
| **As at 1.1.2019** | **378.6** | **952.8** | **−672.5** | **40.7** | **−1.3** | **698.3** | **9.4** | **707.7** |
| **First adoption IFRS 16** | **0.0** | **0.0** | **0.1** | **0.0** | **0.0** | **0.1** | **0.0** | **0.1** |
| **As at 1.1.2019 (restated)** | **378.6** | **952.8** | **−672.4** | **40.7** | **−1.3** | **698.4** | **9.4** | **707.8** |
| Purchase of treasury shares | 0.0 | 0.0 | 0.0 | 0.0 | −0.1 | −0.1 | 0.0 | −0.1 |
| Expenses from share-based payments | 0.0 | 0.0 | 0.4 | 0.0 | 0.0 | 0.4 | 0.0 | 0.4 |
| **Capital transactions with shareholders** | **0.0** | **0.0** | **0.4** | **0.0** | **−0.1** | **0.3** | **0.0** | **0.3** |
| Group result | 0.0 | 0.0 | 0.6 | 0.0 | 0.0 | 0.6 | 0.1 | 0.7 |
| Other comprehensive result | 0.0 | 0.0 | −16.8 | 5.6 | 0.0 | −11.2 | 0.1 | −11.1 |
| **Total comprehensive result** | **0.0** | **0.0** | **−16.2** | **5.6** | **0.0** | **−10.6** | **0.2** | **−10.4** |
| **As at 31.3.2019** | **378.6** | **952.8** | **−688.2** | **46.3** | **−1.4** | **688.1** | **9.6** | **697.7** |

# Notes to the interim condensed consolidated financial statements

## About the company

SCHMOLZ + BICKENBACH AG (SCHMOLZ + BICKENBACH) is a Swiss company limited by shares which is listed on the SIX Swiss Exchange (SIX) and has its registered office at Landenbergstrasse 11 in Lucerne. SCHMOLZ + BICKENBACH is a global steel company operating in the special long steel business. Its activities are divided into two divisions: *Production* and *Sales & Services*.

These interim condensed consolidated financial statements were authorized for issue by the Board of Directors on May 8, 2019.

## 1 Accounting policies

The Group prepared these interim condensed consolidated financial statements of SCHMOLZ + BICKENBACH AG in accordance with IAS 34 “Interim Financial Reporting”. They contain all the information required of interim condensed consolidated financial statements in accordance with the International Financial Reporting Standards (IFRSs). More detailed disclosures on accounting policies can be found in the consolidated financial statements as at December 31, 2018. This quarterly report is presented in euro. Unless otherwise stated, monetary amounts are denominated in millions of euro.

Due to rounding-off differences, some figures may not exactly match the total, and the percentage figures may not reflect the underlying absolute figures.

## 2 Significant accounting judgments, estimates and assumptions

In preparing these interim condensed consolidated financial statements in accordance with IAS 34, assumptions and estimates have been made which affect the carrying amounts and disclosure of the recognized assets and liabilities, income and expenses, and contingent liabilities. Actual amounts may differ from the estimates.

## 3 Standards and interpretations applied

The relevant accounting policies applied in the interim condensed consolidated financial statements are consistent with those used for the most recent consolidated financial statements prepared as at the end of the fiscal year 2018, with the exception of those standards that were applied for the first time with effect from January 1, 2019. The first-time application of IFRS 16 is explained in more detail in note 4.

## 4 IFRS 16: “Leases”

The new standard IFRS 16 “Leases” was issued at the beginning of 2016, which replaces IAS 17 “Leases” and presents the principles relating to the recognition, measurement, presentation, and disclosure of leases. The new standard has a material influence on the financial statements overall as the majority of the leasing agreements in which SCHMOLZ + BICKENBACH acts as lessee are recognized as right-of-use (ROU) assets, and a leasing liability in the same amount is recognized. The leasing liability is measured from the present value of future payments for the right of use up to the end of the contractual period.

SCHMOLZ + BICKENBACH introduced the standard with effect from January 1, 2019 and used the modified retrospective approach, according to which the information for the comparative period 2018 is not adjusted retrospectively.

Since January 1, 2019, a portion of operating leasing expenses previously accounted for in Other operating expenses is being reported as interest expense and recognized in the consolidated statement of cash flows as Interest paid. The remaining portion of leasing payments was recognized as a repayment of the leasing debt and reported as Cash flow from financing activities in the consolidated statement of cash flows.

The first-time recognition in the statement of financial position was carried out in line with the requirements of IFRS 16.C8(b) (ii), i.e. the rights of use were recognized at the same value as lease liabilities. Consequently, retained earnings (accumulated losses) were unaffected.

Overall, the impact of the first-time adoption of IFRS 16 on retained earnings was insignificant, as advance payments, accruals or other one-off effects for leases, which were first recognized as of 1 January 2019, were only negligible.

ROU assets with an acquisition value exceeding a defined threshold and a remaining term of use of more than a year from January 1, 2019 were capitalized. The expense for leasing agreements with a term of less than one year and a low acquisition value continues to be reported completely in Other operating expenses (short-term leasing/low-value leasing). This expense item also includes variable leasing payments that were not included in the first-time measurement of rights of use. These expenses are disclosed in note 8.

The capitalized ROU assets consist mostly of rented buildings/land as well as machinery, facilities, vehicles and IT hardware.

The rights of use recognized as of January 1, 2019, were recognized separately as rights of use in the consolidated statement of financial position. The effect of the first-time application of IFRS 16 as at January 1, 2019 was EUR 59.0 million from leases previously recognized as operating and EUR 2.6 million from reclassification of assets from leasing contracts that were formerly qualified as finance leases (note 12). The corresponding short-term and long-term leasing liability is shown in note 15.

There were also changes to other standards, and other IFRS interpretations (IFRIC) were published. None of these changes had or are expected to have a significant influence on the consolidated financial statements.

## 5 Seasonal effects

There are slight seasonal effects on sales and revenue in both segments of the Group. These effects are attributable to the number of working days in the second half of the year, which is lower due to vacation periods in July and August, as well as in the second half of December. These periods are associated with plant downtime in some cases. The effects are particularly pronounced in the third quarter, which is affected by the summer vacation period. Fixed costs are distributed fairly equally over all four quarters, however. Furthermore, the majority of general overhaul work on production and processing plants is carried out over the summer during plant downtime. As a result, expenses for servicing and maintenance as well as capital expenditures are usually at their highest in the third quarter. Inventories of semi-finished and finished goods are usually increased over the summer months. This safeguards our customers' supply after the end of the vacation period and has the effect that net working capital usually peaks around this time.

In contrast, trade accounts receivable and payable, and with them net working capital, tend to reach their lowest level at year-end due to the reduction in inventories typically seen at the end of the year. Furthermore, the amount of net working capital is significantly affected by commodity prices. The cyclical nature of the economy has a much more pronounced impact than seasonal effects on the development of the Group's sales, revenue and results, however.

## 6 Scope of consolidation and company acquisitions

There was no change in the scope of consolidation in the first three months of 2019 compared with year-end 2018.

SCHMOLZ + BICKENBACH acquired the locations and plants of the French firm Ascometal in the first quarter of 2018. Ascometal is a steel group specializing in the production and processing of special long steel for the market segments of oil and gas, automotive and machine construction, and the production of ball-bearing steel. The associated plants and locations were acquired as part of an asset deal; the assets were subsequently transferred to the *Production* segment. As part of the transaction, SCHMOLZ + BICKENBACH also acquired the five sales companies Ascometal North America Inc. (USA), Ascometal GmbH (DE), Ascometal Iberica S.L. (ES), Ascometal Polska z.o.o. (PL), and Ascometal Italia S.r.l. (IT) through a share deal. These five sales units were allocated to the *Sales & Services* segment.

The ultimate purchase price of the assets and share certificates amounted to EUR 35.3 million. The transaction resulted in definitive badwill (bargain purchase) of EUR 45.1 million; this was offset against planned restructuring expenses and investment commitments. The figures of EUR 35.1 million for the purchase price and EUR 46,0 million for badwill reported in the interim report for the first quarter of 2018 were provisional values, estimated at the time of the acquisition. They were adjusted slightly at the end of 2018 but not edited in the comparison columns for the first quarter of 2018 for reasons of materiality.

Revenue generated between February 1 and March 31, 2018 by the companies acquired was EUR 79.8 million. The loss came to EUR 11.3 million (excluding badwill).

Furthermore, in the first quarter of 2019, the final installment of EUR 1.6 million (2018: EUR 1.6 million) was paid for the acquisition of non-controlling interests in SCHMOLZ + BICKENBACH s.r.o. (CZ), which was fully consolidated in December 2016. The total purchase price amounted to EUR 6.1 million.

## 7 Revenue

SCHMOLZ + BICKENBACH's revenue can be broken down by product group and region as follows:

| | Production | | Sales & Services | |
|---|---|---|---|---|
| in million EUR | Q1 2019 | Q1 2018 | Q1 2019 | Q1 2018 |
| Quality & engineering steel | 381.3 | 346.8 | 65.3 | 63.8 |
| Stainless steel | 242.5 | 238.6 | 52.6 | 49.8 |
| Tool steel | 60.8 | 54.9 | 53.3 | 53.5 |
| Others | 24.3 | 18.5 | 4.1 | 3.0 |
| **Total** | **708.9** | **658.8** | **175.3** | **170.1** |

| | Production | | Sales & Services | |
|---|---|---|---|---|
| in million EUR | Q1 2019 | Q1 2018 | Q1 2019 | Q1 2018 |
| Germany | 310.1 | 280.3 | 29.3 | 30.0 |
| Italy | 100.4 | 104.5 | 10.6 | 9.6 |
| France | 84.4 | 73.0 | 11.8 | 12.2 |
| Switzerland | 15.3 | 11.9 | 0.0 | 0.0 |
| Other Europe | 111.4 | 105.9 | 48.6 | 49.7 |
| **Europe** | **621.6** | **575.6** | **100.3** | **101.5** |
| USA | 29.2 | 32.8 | 39.8 | 37.0 |
| Canada | 11.9 | 7.7 | 11.1 | 6.8 |
| Other America | 4.9 | 4.0 | 7.5 | 6.7 |
| **America** | **46.0** | **44.5** | **58.4** | **50.5** |
| China | 12.4 | 13.7 | 9.6 | 10.3 |
| India | 7.1 | 4.4 | 3.3 | 2.9 |
| Asia Pacific/Africa | 21.8 | 20.6 | 3.7 | 4.9 |
| **Africa/Asia/Australia** | **41.3** | **38.7** | **16.6** | **18.1** |
| **Total** | **708.9** | **658.8** | **175.3** | **170.1** |

## 8 Other operating income and expenses

Other operating income of EUR 17.7 million (2018: EUR 58.9 million) includes various items, such as rental income, income from maintenance and repair services and government grants. In the first quarter of 2018, it mainly comprised the badwill of EUR 46.0 million resulting from the acquisition of Ascometal.

Other operating expenses can be broken down as follows:

| in million EUR | Q1 2019 | Q1 2018 |
|---|---|---|
| Freight, commission | 25.2 | 21.5 |
| Maintenance, repairs | 22.6 | 19.9 |
| Holding and administration expenses | 9.6 | 12.1 |
| Fees and charges | 7.1 | 5.4 |
| Rent and lease income | 3.1 | 5.3 |
| Consultancy and audit services | 6.2 | 6.1 |
| IT expenses | 6.4 | 5.5 |
| Losses on disposal of intangible assets, property, plant and equipment, and financial assets | 0.0 | 0.3 |
| Non-income taxes | 4.9 | 5.8 |
| Foreign exchange loss (net) | 1.6 | 0.0 |
| Miscellaneous expenses | 4.5 | 6.0 |
| **Total** | **91.2** | **87.9** |

Miscellaneous expenses of EUR 4.5 million (2018: EUR 6.0 million) comprise a number of individual immaterial items that cannot be allocated to any other category. All exchange gains and losses on receivables and liabilities or derivative currency contracts concluded to hedge these are reported under Other operating expenses or income. Rent and lease expenses include rental costs not reported as rights of use as per IFRS 16 due to their being insignificant or short-term. Also, this position includes expenses for variable rental payments which did not go into the initial or subsequent valuation of such right-of-use assets.

## 9 Financial result

| in million EUR | Q1 2019 | Q1 2018 |
|---|---|---|
| Interest income | 0.3 | 0.1 |
| Other financial income | 0.1 | 0.0 |
| **Financial income** | **0.4** | **0.1** |
| Interest expenses on financial liabilities | –10.5 | –5.9 |
| Interest expenses on lease liabilities | –0.8 | –0.1 |
| Net interest expenses on pension provisions and plan assets | –1.2 | –1.1 |
| Capitalized borrowing costs | 0.4 | 0.0 |
| Other financial expenses | –1.9 | –3.3 |
| **Financial expenses** | **–14.0** | **–10.4** |
| **Financial result** | **–13.6** | **–10.3** |

Other financial expenses in the first quarter of 2019 include a loss of EUR 0.5 million from the measurement of the call option on the bond issued in May 2017 (2018: EUR 1.9 million).

## 10 Income taxes

| in million EUR | Q1 2019 | Q1 2018 |
|---|---|---|
| Current taxes | 1.3 | 6.5 |
| Deferred taxes | –2.3 | –0.3 |
| **Income tax effect (income(-) / expenses(+)** | **–1.0** | **6.2** |

The local tax rates used to determine current and deferred taxes have not changed materially in comparison with the prior year. The effective Group tax rate for the first quarter of 2019 was 333.3% (Q1 2018: 9.5%). This rate derives from the tax rates of the individual countries in which the Group operates, weighted for earnings before taxes.

The following table presents the net change in deferred tax assets and liabilities.

| in million EUR | Q1 2019 | 2018 | Q1 2018 |
|---|---|---|---|
| Opening balance at the beginning of the period | 53.1 | 32.5 | 32.5 |
| Change in accounting policy IFRS 9 | 0.0 | 0.3 | 0.0 |
| Change in scope of consolidation | 0.0 | –20.5 | –20.5 |
| Changes recognized in profit and loss | 2.3 | 40.6 | 0.3 |
| Changes recognized in other comprehensive income | 7.3 | 1.3 | –0.6 |
| Foreign currency effects | 0.1 | –1.1 | 0.8 |
| **Closing balance at the end of the period** | **62.8** | **53.1** | **12.5** |

## 11 Property plant and equipment

The breakdown of property, plant and equipment into their subcategories can be seen in the tables below. Most of the additions are attributable to the *Production* division.

As at January 1, 2019, costs and accumulated depreciation and amortization were adjusted by EUR 6.2 million and EUR 3.6 million respectively as a result of the first-time application of IFRS 16. This refers to leasing contracts that were treated as finance leases until December 31, 2018 and that are recognized separately as rights of use as of January 1, 2019.

| | Land and buildings | Plant and equipment | Prepayments for property and plants under construction | Total |
|---|---|---|---|---|
| **Cost value as at 1.1.2019** | **702.2** | **2,459.5** | **116.1** | **3,277.8** |
| Reclassification to Right-of-use of leased assets | 0.0 | –6.2 | 0.0 | –6.2 |
| **Cost value as at 1.1.2019 (restated)** | **702.2** | **2,453.3** | **116.1** | **3,271.6** |
| Additions | 0.0 | 5.2 | 15.5 | 20.7 |
| Disposals | 0.0 | –6.2 | 0.0 | –6.2 |
| Reclassifications | 0.9 | 7.5 | –8.4 | 0.0 |
| Foreign currency effects | 5.7 | 15.7 | 0.7 | 22.1 |
| **Cost value as at 31.3.2019** | **708.8** | **2,475.5** | **123.9** | **3,308.2** |
| **Accumulated depreciation and impairments as at 1.1.2019** | **–450.7** | **–2,042.5** | **0.0** | **–2,493.2** |
| Reclassification to Right-of-use of leased assets | 0.0 | 3.6 | 0.0 | 3.6 |
| **Accumulated depreciation and impairments as at 1.1.2019 (restated)** | **–450.7** | **–2,038.9** | **0.0** | **–2,489.6** |
| Scheduled depreciation and amortization | –3.1 | –19.0 | 0.0 | –22.1 |
| Disposals | 0.0 | 6.0 | 0.0 | 6.0 |
| Foreign currency effects | –3.8 | –12.9 | 0.0 | –16.7 |
| **Accumulated amortization and impairments as at 31.3.2019** | **–457.6** | **–2,064.8** | **0.0** | **–2,522.4** |
| **Net carrying amount as at 31.12.2018** | **251.5** | **414.4** | **116.1** | **784.6** |
| **Net carrying amount as at 31.3.2019** | **251.2** | **410.7** | **123.9** | **785.8** |

## 12 Rights of use

| in million EUR | Land and buildings | Plant and equipment | Total |
|---|---|---|---|
| **First adoption IFRS 16** | | | |
| Former operating leases | 50.9 | 8.1 | 59.0 |
| Reclassification of former finance leases | 0.0 | 2.6 | 0.0 |
| **Net carrying amount as at 1.1.2019** | **50.9** | **10.7** | **61.6** |
| Additions | 0.3 | 0.6 | 0.9 |
| Foreign currency effects | 0.2 | 0.1 | 0.3 |
| Scheduled depreciation and amortization | –1.2 | –1.1 | –2.3 |
| **Net carrying amount as at 31.3.2019** | **50.2** | **10.3** | **60.5** |

## 13 Inventories

Inventories as at March 31, 2019 and as at December 31, 2018 break down as follows:

| in million EUR | 31.3.2019 | 31.12.2018 |
|---|---|---|
| Raw materials, consumables and supplies | 181.5 | 214.9 |
| Semi-finished goods and work in progress | 378.1 | 381.2 |
| Finished products and merchandise | 405.2 | 415.7 |
| **Total** | **964.8** | **1,011.8** |

## 14 Pensions

The Group has both defined benefit plans and defined contribution plans, where contractually defined amounts are transferred to an external pension institution. Most of the plans are defined benefit plans, however, in which the employer undertakes to deliver the agreed pension benefits to its employees.

Since the beginning of the year, the following significant changes have occurred:

### Pension liabilities, plan assets and funded status

| | Defined benefit obligation | | Fair value of plan assets | | Net liability | |
|---|---|---|---|---|---|---|
| in million EUR | 31.3.2019 | 31.12.2018 | 31.3.2019 | 31.12.2018 | 31.3.2019 | 31.12.2018 |
| **Present value of defined benefit obligations/fair value of plan assets at the beginning of the period** | **591.2** | **579.1** | **300.5** | **302.7** | **290.7** | **276.4** |
| Current service cost | 2.4 | 10.8 | 0.0 | 0.0 | 2.4 | 10.8 |
| Administration expenses | 0.0 | 0.0 | −0.2 | −0.7 | 0.2 | 0.7 |
| Interest result | 2.1 | 7.6 | 0.9 | 3.0 | 1.2 | 4.6 |
| Past service costs | 0.0 | −4.9 | 0.0 | 0.0 | 0.0 | −4.9 |
| **Net pension result** | **4.5** | **13.5** | **0.7** | **2.3** | **3.8** | **11.2** |
| Return on plan assets less interest income | 0.0 | 0.0 | 8.3 | −12.9 | −8.3 | 12.9 |
| Actuarial result from changes in demographic assumptions | 0.0 | 2.2 | 0.0 | 0.0 | 0.0 | 2.2 |
| Actuarial result from changes in financial assumptions | 32.6 | −11.4 | 0.0 | 0.0 | 32.6 | −11.4 |
| Actuarial result from experience-based assumptions | 0.0 | 2.3 | 0.0 | 0.0 | 0.0 | 2.3 |
| **Remeasurement effects included in other comprehensive income** | **32.6** | **−6.9** | **8.3** | **−12.9** | **24.3** | **6.0** |
| Employer contributions | 0.0 | 0.0 | 2.1 | 8.3 | −2.1 | −8.3 |
| Employee contributions | 1.2 | 4.7 | 1.2 | 4.7 | 0.0 | 0.0 |
| Change in scope of consolidation | 0.0 | 11.3 | 0.0 | 0.0 | 0.0 | 11.3 |
| Benefits paid | −6.9 | −21.7 | −4.9 | −14.5 | −2.0 | −7.2 |
| Foreign currency effects | 4.8 | 11.2 | 4.0 | 9.9 | 0.8 | 1.3 |
| **Present value of defined benefit obligations/fair value of plan assets at the end of the period** | **627.4** | **591.2** | **311.9** | **300.5** | **315.5** | **290.7** |
| Provisions from obligations similar to pensions | 0.7 | 0.6 | | 0.0 | 0.7 | 0.6 |
| **Total provisions for pensions and obligations similar to pensions** | **628.1** | **591.8** | **311.9** | **300.5** | **316.2** | **291.3** |

Actuarial losses primarily result from the decrease in discount rates as at March 31, 2019 compared with December 31, 2018 for the pension plans in all currency areas.

An improvement in earnings was recognized in the income statement in 2018. This resulted from the reduction of pension conversion rates in Switzerland, which as a result of the recalculation of the present value of the defined benefit obligation led to a non-recurring gain of EUR 4.4 million for 2018 that was posted immediately to other comprehensive income. Other minor plan changes are included in past service costs.

As at the reporting date, the main driver of the measurement of the defined benefit obligations, the discount rates, were evaluated critically and adjusted if not within the appropriate range. The following valuation assumptions were used:

### Valuation assumptions for pensions

| | Switzerland | | Euro area | | USA | | Canada | |
|---|---|---|---|---|---|---|---|---|
| in million EUR | 31.3.2019 | 31.12.2018 | 31.3.2019 | 31.12.2018 | 31.3.2019 | 31.12.2018 | 31.3.2019 | 31.12.2018 |
| Discount rate | 0.5 | 0.8 | 1.3 | 1.8 | 3.7 | 4.1 | 3.7 | 3.9 |
| Salary trend | 1.3 | 1.3 | 2.5-3.0 | 2.5-3.0 | nm | nm | 3.0 | 3.0 |

## 15 Financial liabilities

As at March 31, 2019, financial liabilities were as follows:

| in million EUR | 31.3.2019 | 31.12.2018 |
|---|---|---|
| Syndicated loan | 150.3 | 94.9 |
| Other bank loans | 9.3 | 10.7 |
| Bond | 344.5 | 343.9 |
| Lease liabilities | 53.2 | 6.1 |
| Other financial liabilities | 2.5 | 2.3 |
| **Total non-current** | **559.8** | **457.9** |
| Other bank loans | 6.0 | 6.8 |
| ABS financing program | 225.6 | 232.8 |
| Lease liabilities | 11.7 | 1.0 |
| Other financial liabilities | 5.6 | 9.6 |
| **Total current** | **248.9** | **250.2** |

### Change in leasing liabilities

| in million EUR | |
|---|---|
| **As at 1.1.2019** | **7.1** |
| First adoption IFRS 16 | 58.9 |
| **As at 1.1.2019 (restated)** | **66.0** |
| Increase in lease liabilities | 0.9 |
| Repayment of lease liabilities | −2.1 |
| Foreign currency effects | 0.1 |
| **As at 31.3.2019** | **64.9** |

Other current financial liabilities include accrued interest of EUR 4.1 million for the bond (December 31, 2018: EUR 9.0 million).

## 16 Fair value measurement considerations

SCHMOLZ + BICKENBACH regularly reviews the procedure for measuring items at fair value. If the material input parameters change, the Group assesses whether an item needs to be transferred between the levels.

There were no transfers between the individual levels during the reporting period. As at March 31, 2019, the bonds had a fair value (Level 1) of EUR 308.4 million (December 31, 2018: EUR 334.8 million). The carrying amount of the bonds as at March 31, 2019 was EUR 344.5 million (December 31, 2018: EUR 343.9 million).

As at March 31, 2019, a positive fair value of EUR 0.1 million (December 31, 2018: EUR 0.7 million) was recognized for embedded derivative financial instruments (Level 2). This figure is attributable to the call option on the bond issued by SCHMOLZ + BICKENBACH Luxembourg S.A.: (LU) in April 2017 and topped up in the first quarter of 2018. The effect recognized in the income statement from the measurement of this call option was EUR 0.5 million in the first quarter of 2019 and is reported under Other financial expenses (note 9).

The fair value of the repayment options for the bonds was calculated using an option pricing model. The main drivers of fair value are the change in market interest rates, the change in the credit spread, and the volatility of market interest rates and the credit spread. The payment profile of the repayment options is determined on each exercise date, taking into account the deviation in the present value of future interest and principal repayments from the repayment amount at each date of termination. The acquisition costs recognized for the bond take into consideration the value determined for the embedded option during the issue.

## 17 Segment reporting

The Group is presented in accordance with its internal reporting and organizational structure, comprising the two divisions *Production* and *Sales & Services*.

The total adjustment effect amounted to EUR −3.4 million and comprised mainly consulting and integration costs related to acquisitions and further restructuring expenses. The adjustment effect of EUR 32.8 million for the first quarter of 2018 primarily comprised the correction of badwill in the amount of EUR 46.0 million (divided into EUR 39.6 million in the *Production* segment and EUR 6.4 million in *Sales & Services*). In addition, EUR 10.8 million was recognized in the Production segment in 2018 for the booking of existing, onerous supply contracts with Ascoval as well as transaction costs in connection with the integration of the acquired assets and companies.

The table below shows the segment reporting as at March 31, 2019.

| | Production | | Sales & Services | |
|---|---|---|---|---|
| **in million EUR** | **Q1 2019** | **Q1 2018** | **Q1 2019** | **Q1 2018** |
| Third-party revenue | 708.9 | 658.8 | 175.3 | 170.1 |
| Internal revenue | 105.3 | 111.6 | 7.5 | 6.5 |
| **Total revenue** | **814.2** | **770.4** | **182.8** | **176.6** |
| **Segment result (= adjusted EBITDA)** | **34.0** | **65.5** | **11.5** | **10.1** |
| Adjustments | −2.0 | 28.8 | 0.0 | 6.0 |
| Operating profit before depreciation and amortization (EBITDA) | 32.0 | 94.3 | 11.5 | 16.1 |
| Depreciation and amortization of intangible assets, property, plant and equipment | −22.7 | −25.6 | −2.1 | −1.2 |
| **Operating profit (EBIT)** | **9.3** | **68.7** | **9.4** | **14.9** |
| Financial income | 0.8 | 0.1 | 0.9 | 0.7 |
| Financial expenses | −12.2 | −7.9 | −1.8 | −1.6 |
| **Earnings before taxes (EBT)** | **−2.1** | **60.9** | **8.5** | **14.0** |
| Segment investments [1] | 20.8 | 14.3 | 1.0 | 0.5 |
| Segment operating free cash flow [2] | −34.3 | −79.9 | 0.9 | 9.7 |
| **in million EUR** | **31.3.2019** | **31.12.2018** | **31.3.2019** | **31.12.2018** |
| Segment assets [3] | 2,164.1 | 2,082.9 | 335.7 | 299.2 |
| Segment liabilities [4] | 538.0 | 562.8 | 157.6 | 144.4 |
| **Segment assets less segment liabilities (capital employed)** | **1,626.1** | **1,520.1** | **178.1** | **154.8** |
| Employees as at closing date (positions) | 8,957 | 8,977 | 1,397 | 1,405 |

[1] Segment investments: Additions to intangible assets (excluding goodwill) + additions to property, plant and equipment (without reclassification from assets held for sale) without acquisitions + additions to right-of-use of leased assets

[2] Segment operating free cash flow: Adjusted EBITDA +/– change in net working capital (inventories, trade accounts receivable and payable valued at spot rate), less segment investments less capitalized borrowing costs

[3] Segment assets: Intangible assets (excluding goodwill) + property, plant and equipment + right-of-use of leased assets + inventories + trade accounts receivable (total matches total assets in the statement of financial position)

[4] Segment liabilities: Trade accounts payable (total matches total liabilities in the statement of financial position)

| | | | Reconciliation | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Total operating segments | | Corporate activities | | Eliminations/adjustments | | Total | |
| | Q1 2019 | Q1 2018 | Q1 2019 | Q1 2018 | Q1 2019 | Q1 2018 | Q1 2019 | Q1 2018 |
| | 884.2 | 828.9 | 0.0 | 0.0 | 0.0 | 0.0 | 884.2 | 828.9 |
| | 112.8 | 118.1 | 0.0 | 0.0 | −112.8 | −118.1 | 0.0 | 0.0 |
| | **997.0** | **947.0** | **0.0** | **0.0** | **−112.8** | **−118.1** | **884.2** | **828.9** |
| | **45.5** | **75.6** | **−3.7** | **−4.8** | **0.4** | **−0.5** | **42.2** | **70.3** |
| | −2.0 | 34.8 | −1.4 | −2.0 | 0.0 | 0.0 | −3.4 | 32.8 |
| | 43.5 | 110.4 | −5.1 | −6.8 | 0.4 | −0.5 | 38.8 | 103.1 |
| | −24.8 | −26.8 | −1.1 | −0.8 | 0.4 | 0.0 | −25.5 | −27.6 |
| | **18.7** | **83.6** | **−6.2** | **−7.6** | **0.8** | **−0.5** | **13.3** | **75.5** |
| | 1.7 | 0.8 | 12.3 | 8.1 | −13.6 | −8.8 | 0.4 | 0.1 |
| | −14.0 | −9.5 | −13.6 | −9.7 | 13.6 | 8.8 | −14.0 | −10.4 |
| | **6.4** | **74.9** | **−7.5** | **−9.2** | **0.8** | **−0.5** | **−0.3** | **65.2** |
| | 21.8 | 14.8 | 0.7 | 0.3 | 0.0 | 0.0 | 22.5 | 15.1 |
| | −33.4 | −70.2 | 1.3 | −5.9 | −0.4 | −0.1 | −32.5 | −76.2 |
| | 31.3.2019 | 31.12.2018 | 31.3.2019 | 31.12.2018 | 31.3.2019 | 31.12.2018 | 31.3.2019 | 31.12.2018 |
| | 2,499.8 | 2,382.1 | 81.0 | 82.1 | 64.0 | 67.6 | 2,644.8 | 2,531.8 |
| | 695.6 | 707.2 | 15.7 | 13.8 | 1,235.8 | 1,103.1 | 1,947.1 | 1,824.1 |
| | **1,804.2** | **1,674.9** | | | | | | |
| | 10,354 | 10,382 | 106 | 104 | 0 | 0 | 10,460 | 10,486 |

# Legal notice

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