LUDWIG BECK

Consolidated Interim Report 2016

for the 3rd Quarter and the 1st Nine Months of the Fiscal Year 2016
for the Period from January 1 – September 30, 2016

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KEY FIGURES OF THE GROUP

€m	1/1/2016 – 9/30/2016	1/1/2015 – 9/30/2015
Gross sales	118.2	100.9
Net sales	99.4	84.7
Earnings before interest, taxes, depreciation & amortization (EBITDA)	0.8	12.7
Earnings before interest & taxes (EBIT)	-2.4	9.9
Earnings before taxes (EBT)	-3.1	9.1
Earnings after taxes	-3.6	8.6
Equity (as per reporting date 9/30)	72.7	72.8
Equity ratio in % (as per reporting date 9/30)	52.9	49.1
Earnings per share (in €)	-0.98	2.34
Investments	4.0	1.3
Number of employees without apprentices (as per reporting date 9/30)	905	925
Number of apprentices (as per reporting date 9/30)	58	66

INTRODUCTION

LUDWIG BECK's financial reporting is based on the International Financial Reporting Standards (IFRS) and complies with Section § 37w Securities Trading Act (WpHG). Generally, the interim report is prepared as an update on the Annual Report focusing on the current reporting period. The Group accounts prepared in addition thereto in accordance with IFRS serve as a fundamental basis for LUDWIG BECK's financial reporting in compliance with IFRS as leading accounting system. Therefore, the Interim Report should be read together with the IFRS-compliant Group accounts and the Annual Report published for the year 2015.

With the takeover of 100% of the shares in WORMLAND Unternehmensverwaltung GmbH, Munich, by LUDWIG BECK AG on May 12, 2015, the subsidiaries WORMLAND Holding GmbH, Hanover, THEO WORMLAND GmbH & Co. KG, Hanover, as well as THEO WORMLAND GmbH, Hanover, became parts of the Group.

The integration of WORMLAND still has an effect on the comparability of the key figures at Group level which, consequently, is very limited in relation to the same period of the previous year.

GENERAL AND INDUSTRY-SPECIFIC FRAMEWORK CONDITIONS

Macroeconomic development

The German economy remained on a moderate growth track also in the third quarter. According to estimates by the Institute for Economic Research (DIW Berlin) the gross domestic product grew by almost 0.3% – as compared to 0.4% in the preceding quarter. The economic researchers see this slight decline as being caused by an earlier begin of this year's plant holidays during which production was considerably curbed. Even though these outages have meanwhile been compensated for, the DIW analysts have been observing generally subdued dynamics for a couple of months. Nevertheless the economic mood has remained relatively good. The ongoing poor development of investments and a rather minor increase in exports have a dampening effect, however. The British Brexit decision also made a noticeable difference. As reported by the Kiel-based Institute for World Economics (IfW), the German economy has been supported by a stable labor market and robust consumption.

Retail trade development

The Association for Consumption Research (GfK) speaks about a stable consumer climate at a high level, while also recognizing a slightly weakened consumer mood, this being the reason why consumers regard economic prospects with less optimism for the third time in a row. The consumption researchers attribute this trend not only to the Brexit vote; they also refer to the attacks in Bavaria which shook the consumers' confidence. However, a trend reversal is by no means an issue: *The propensity to buy is still unbroken.*

Once again, the German textile retail trade made an exception from this generally positive picture. Having already suffered from a negative balance in the summer months of the years 2014 and 2015, sales had slipped into the negative figure range by the beginning of the fall of 2016. Continuous rain and cold weather messed up the business for the retailers well into the month of August. The following hot weeks were not ideal for buying autumnal commodities. As reported by TW Testclub (TextilWirtschaft), the German fashion trade concluded the months of July and August almost 3% down. In September, sales even plunged by 16% (previous year: +8%).

According to GFK surveys, some textile discounters, multi-label chains and online traders emerged strengthened from this summer. However, traditional specialist stores, department houses and outlets were among the *losers* of the season. The most free-spending groups were the generation 50+ and the women of the target group of young adults up to 29 years. Beside bad or contracyclical weather the German Retail Federation (HDE) also blamed the online trade for the poor performance of brick-and-mortar businesses in recent months.

CONSOLIDATED EARNINGS SITUATION

Development of sales

In the first nine months of the fiscal year 2016, LUDWIG BECK was not able to defy the negative trend of the textile market. It is true that the Group generated gross sales of € 118.2m (previous year: € 100.9m); this increase in sales, however, has to be ascribed to the WORMLAND segment, which has formed part of the Group since May 2015 and has contributed an amount of € 51.1m (previous year: € 30.3m). Sales achieved by the LUDWIG BECK segment amounted to € 67.2m, and thus remained below last year's level of € 70.6m. The online trade at www.ludwigbeck.de has continued to fulfil its strategic role aimed at generating sales beside the brick-and-mortar business.

The third quarter was too rainy for the sell-off of summer ware, and yet too hot for the freshly arrived fall fashion to create any incentives to buy. At the same time, the flagship store at Marienplatz in Munich recorded a decline in customer frequency which occurred after the attacks in Paris, Brussels and Nice as well as the shooting spree in Munich and could be observed in many other German city centers, as well. Customers responded to the accumulating reports with a detectable purchasing reticence in central areas.

The opening of a new WORMLAND branch in Nuremberg, scheduled for October 26, 2016, will have a positive effect on the development of sales in the fourth quarter of 2016.

Earnings situation

After the first nine months of the fiscal year 2016, gross profit reached € 46.0m as compared to € 39.0m in the previous year. WORMLAND contributed a share of € 19.2m to this result (previous year: € 10.5m). With 46.3%, the gross profit margin was slightly above last year's level (previous year: 46.0%). This development was not only ascribable to the development of sales in the first nine months but also to the continuous sell-off of old goods to clear stock, as well as the clearance sale in the THEO branch in Oberhausen, which was closed on June 30, 2016, as scheduled.

As expected, other operating income dropped from € 12.2m in the previous year to € 3.1m. In the fiscal year 2015, this item had included extraordinary gains of € 9.8m from the acquisition of the WORMLAND Group.

Personnel expenses increased from € 18.4m in the previous year to € 22.9m. Other expenses came to € 25.3m after the first nine months of the year 2016 (previous year: 20.1m).

Earnings before interest and taxes (EBIT) amounted to € -2.4m (previous year: € 9.9m). Despite all those negative parameters, the LUDWIG BECK segment generated a positive share of € 2.8m (previous year: € 2.7m), thus slightly exceeding last year's result. The WORMLAND segment achieved an EBIT in the amount of € -5.2m (previous year: € 7.3m).

The consolidated financial result of € -0.7m remained at last year's level (€ -0.8m).

Group earnings before taxes (EBT) amounted to € -3.1m (previous year: € 9.1m).

Consolidated earnings after taxes were at € -3.6m (previous year: € 8.6m).

ASSET SITUATION

Balance sheet structure

As per September 30, 2016, the balance sheet total of the LUDWIG BECK Group was € 137.4m, thus exceeding last year's level of € 131.9m as per December 31, 2015.

Tangible fixed assets with € 100.8m in aggregate still form the largest item of long-term assets (December 31, 2015: € 100.4m). They include the real estate at Marienplatz in Munich carried at € 70m. Intangible assets amounting to € 5.1m remained basically unchanged and at last year's level (December 31, 2015: € 4.7m).

All in all, long-term assets in the value of € 106.0m exhibited a neutral trend as compared to the reporting date December 31, 2015 (€ 105.2m).

Among short-term assets, inventories registered an increase due to seasonal factors and came to € 26.4m in aggregate as per the reporting date September 30, 2016 (December 31, 2015: € 20.4m).

Cash and cash equivalents amounted to € 1.0m (December 31, 2015: € 2.0m).

All in all, short-term assets went up from € 26.7m (December 31, 2015) to € 31.4m.

FINANCIAL SITUATION

Balance sheet structure

As per reporting date September 30, 2016, the equity base of the LUDWIG BECK Group stood at € 72.7m (December 31, 2015: € 79.4m). This corresponds to an equity ratio of 52.9% (December 31, 2015: 60.2%). In addition to the consolidated earnings the dividend payment (€ 0.75 per share) in the amount of € 2.8m as resolved by the Annual General Meeting on May 10, 2016 also had an equity reducing effect.

Long-term liabilities were reduced by € 4.5m from € 36.9m (December 31, 2015) to € 32.4m. This was achieved through scheduled redemption of financial liabilities as well as special repayments on higher-yielding mortgage loans in the amount of € 3.0m.

Short-term liabilities increased by € 16.6m from € 15.7m (December 31, 2015) to € 32.3m, still remaining € 7.1m below last year's liabilities as per September 30, 2015. The main reasons for this development not only lay in the financing of investments, stocks and special repayments on financial liabilities, but also in the financing of the negative result as well as the dividend payment.

The Group's total liabilities amounted to € 64.7m (December 31, 2015: € 52.5m) as per reporting date September 30, 2016.

Cash flow

Cash flow from current operating activities amounted to € -8.6m (previous year: € -18.3m) after the first nine months of 2016. The previous year had basically been marked by the acquisition of WORMLAND and the resulting changes in working capital.

Cash flow from investment activities came to € -4.0m (previous year: € -1.3m) in the period under report. Investments concerned the flagship store at Marienplatz in Munich and one new WORMLAND branch in Nuremberg on the one hand, and a new enterprise resource planning system on the other hand.

Cash flow from financing activities amounted to € 11.7m (previous year: € 22.1m). The acquisition of WORMLAND had also influenced this sector in the previous year.

EMPLOYEES

In the first nine months of the fiscal year 2016 the number of employees was 889 (without apprentices) in accordance with Section 267 par. 5 Commercial Code (HGB) (previous year: 920). The weighted number of full-time employees at group level went down from 616 to 577 as per the reporting date September 30, 2016. The LUDWIG BECK employed 58 apprentices (previous year: 66) as of September 30, 2016.

OPPORTUNITY AND RISK REPORT

In the course of its activities in the sales markets, the LUDWIG BECK Group is exposed to various opportunities and risks connected with entrepreneurial endeavors. A detailed description thereof is contained in the company's current Annual Report for the year 2015, page 56 et seq. You can find the report on the company's website **kaufhaus.ludwigbeck.de/english/** in the *Investor Relations* section under *Financial Publications*.

FORECAST REPORT

Economic framework conditions

Economic researchers believe that there are good reasons to expect a further economic upswing in Germany. The Kiel-based Institute for World Economics (IfW) attests to the labor market's good condition; almost half a million of new jobs will be newly created. Thus, private consumption is expected to remain stable. Also public spending for the integration of refugees is deemed to have a positive effect on the domestic economy. Furthermore, the Institute for Economic Research (DIW Berlin) draws attention to the dynamic development in consumer-oriented service areas and the marked boost due to pension increases. According to DIV, the sagging wage trend and an emerging inflation caused by rising energy costs will have a dampening effect, however. Yet, these influences are expected to be manageable. The IfW therefore confirms its forecast and anticipates the German gross domestic product to grow by 1.9%. The Institute in Kiel cites social currents questioning the integration of the world economy, in particular EU scepticism, as major economic risks. Furthermore, the Institute emphasizes that, unlike in former phases of recovery, the Germany industry's contribution so far has been well below average.

Retail trade development

The overall good framework conditions for consumption prompted the German Retail Federation (HDE) to raise its turnover forecast for 2016 by half a percentage point to 2.5% in comparison to the previous year. The Association for Consumption Research (GfK) confirms its annual forecast and expects private consumption to grow by approximately 2% in real terms.

According to HDE, German retailers *across the board* assess the situation positively. The retail trade is deemed to be at a five-year high. The favorable employment situation and low interest rates are conducive to this development. This will again benefit the online trade in particular, which is estimated to score 11% plus this year. The fashion retail trade remains under pressure, however. So far this year only one quarter of retailers could increase their sales, while the other retailers' negative results were not only caused by internet competition and bad weather but also by a generally decreasing customer frequency in central city areas.

In this respect, the results of a survey conducted by TW Testclub within the scope of a study with 1,550 decision makers and experts of the fashion sector are of interest. According to this survey, 69% of the persons interviewed were of the opinion that within ten years more than one third of fashion sales will be generated online. In regards to the future of brick-and-mortar businesses, opinions are divided: While 42% expect retail shops to become mere showrooms in the future, an almost equally large group assumes that this would be rather unlikely. A vast majority is convinced that a shift in product lines and a move towards more lifestyle products will take place. As is known, LUDWIG BECK has served the growing demand in this field for many years at its flagship store at Marienplatz in Munich. The relevant product ranges are being expanded with dedication and their quality is being optimized, hand in hand with the diligent cultivation of the experience value provided by the *Store of the Senses*.

LUDWIG BECK in 2016

The LUDWIG BECK management shares the positive forecasts of the economic researchers regarding macro-economic conditions, but is at the same time aware of the challenges resulting from a bundling of factors which will shape the development of the German fashion trade in the years to come. Online shopping will gain further market shares in a conspicuous manner. By creating the e-commerce portal ludwigbeck.de, the Group set its course early on, in order to establish a second sales pillar beside the brick-and-mortar trade with this growth business. Continuous efforts have been made to expand this platform und enhance its attractiveness.

The integration of the WORMLAND branches also allows for an optimistic look ahead. After the losses of the past, the measures taken so far are beginning to show results.

There are also factors with short-term effects which cannot be strategically counteracted. These include problematic weather conditions, as the ones that prevailed in summer, because these lie beyond the sphere of influence of fashion retailers. Within the very same time frame consumers were shocked by news and political decisions which caused insecurity and had a rational as well as emotional effect on buying behavior. Being a lifestyle product, fashion still is an expression of the circumstances of the time, to which it will always be subjected.

As already announced in its Ad Hoc statement of October 1, 2016, LUDWIG BECK updates its forecast for 2016 on account of drooping sales in the third quarter: the Executive Board currently expects sales of goods at group level to reach approximately € 174m and earnings before interest and taxes (EBIT) to range between € 4m to € 5m.

Munich, October 2016
The Executive Board

NOTES

Accounting in compliance with International Financial Reporting Standards (IFRS)

The present quarterly consolidated accounts of LUDWIG BECK AG as per September 30, 2016 have been prepared in compliance with the provisions of the International Financial Reporting Standards (IFRS) and the interpretations by the International Financial Reporting Interpretation Committee (IFRIC).

Presentation method

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

Accounting and valuation methods

The quarterly accounts are based on the same methods of accounting and valuation as the group accounts as per December 31, 2015. A comprehensive description of these methods is published in the notes to the IFRS-compliant group accounts as per December 31, 2015.

General presentation of figures in the interim report

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME OF LUDWIG BECK AM RATHAUSECK – TEXTILHAUS FELDMEIER AG, MUNICH, FOR THE PERIOD JANUARY 1 – SEPTEMBER 30, 2016, ACC. TO IASB

	1/1/2016 – 9/30/2016		1/1/2015 – 9/30/2015		7/1/2016 – 9/30/2016		7/1/2015 – 9/30/2015	
	€m		€m		€m		€m	
1. Sales revenues								
- Sales (gross)	118.2		100.9		38.7		44.1	
- minus VAT	18.9		16.2		6.2		7.0	
- Sales (net)		99.4		84.7		32.5		37.1
2. Other own work capitalized		0.1		0.0		0.1		0.0
3. Other operating income		3.0		12.2		0.8		0.9
		102.4		**97.0**		**33.5**		**38.0**
4. Cost of materials	53.4		45.8		17.8		21.4	
5. Personnel expenses	22.9		18.4		7.4		7.8	
6. Depreciation	3.2		2.7		1.0		1.0	
7. Other operating expenses	25.3	104.8	20.1	87.0	8.0	34.2	9.1	39.3
8. Earnings before interest and taxes (EBIT)		**-2.4**		**9.9**		**-0.8**		**-1.3**
9. Financial result		-0.7		-0.8		-0.2		-0.3
- Of which financing expenses: as of 9/30: € 0.8m (previous year: € 0.9m) 3rd quarter: € 0.3m (previous year: € 0.3m)								
10. Earnings before taxes (EBT)		**-3.1**		**9.1**		**-1.0**		**-1.6**
11. Taxes on income		0.5		0.5		0.2		0.5
12. Earnings after taxes		**-3.6**		**8.6**		**-1.2**		**-2.1**
13. Expenditures and income entered directly into equity		0.0		0.0		0.0		0.0
14. Consolidated comprehensive income		**-3.6**		**8.6**		**-1.2**		**-2.1**
Earnings per share (undiluted and diluted) in €		-0.98		2.34		-0.34		-0.58
Average number of outstanding shares in million		3.70		3.70		3.70		3.70

CONSOLIDATED BALANCE SHEET

CONSOLIDATED BALANCE SHEET OF LUDWIG BECK AM RATHAUSECK – TEXTILHAUS FELDMEIER AG, MUNICH, AS OF SEPTEMBER 30, 2016, ACC. TO IASB

Assets		**9/30/2016**	**12/31/2015**	**9/30/2015**
		€m	**€m**	**€m**
A.	**Long-term assets**			
I.	Intangible assets	5.1	4.7	4.8
II.	Property, plant and equipment	100.8	100.4	99.9
III.	Other assets	0.1	0.1	0.1
	Total long-term assets	**106.0**	**105.2**	**104.8**
B.	**Short-term assets**			
I.	Inventories	26.4	20.4	24.7
II.	Receivables and other assets	4.0	4.2	15.2
III.	Cash and cash equivalents	1.0	2.0	3.6
	Total short-term assets	**31.4**	**26.7**	**43.5**
		137.4	**131.9**	**148.3**

Liabilities		**9/30/2016**	**12/31/2015**	**9/30/2015**
		€m	**€m**	**€m**
A.	**Shareholders' equity**			
I.	Subscribed capital	9.4	9.4	9.4
II.	Capital reserves	3.5	3.5	3.5
III.	Profit accrued	60.2	66.8	60.4
IV.	Other equity components	-0.4	-0.4	-0.4
	Total shareholders' equity	**72.7**	**79.4**	**72.8**
B.	**Long-term liabilities**			
I.	Financial liabilities	27.9	32.0	32.4
II.	Accruals	3.7	3.9	3.3
III.	Deferred tax liabilities	0.8	0.9	0.4
	Total long-term liabilities	**32.4**	**36.9**	**36.1**
C.	**Short-term liabilities**			
I.	Financial liabilities	24.0	5.5	28.2
II.	Trade liabilities	2.1	2.6	3.6
III.	Tax liabilities	0.2	0.1	0.4
IV.	Other liabilities	6.0	7.5	7.2
	Total short-term liabilities	**32.3**	**15.7**	**39.4**
	Total debt (B. + C.)	**64.7**	**52.5**	**75.5**
		137.4	**131.9**	**148.3**

CONSOLIDATED SEGMENT REPORTING

CONSOLIDATED SEGMENT REPORTING OF LUDWIG BECK AM RATHAUSECK – TEXTILHAUS FELDMEIER AG, MUNICH, FOR THE PERIOD JANUARY 1 – SEPTEMBER 30, 2016, ACC. TO IASB

	LUDWIG BECK		**WORMLAND**		**Consol.**	**Group**	
1/1/2016 – 9/30/2016 *Previous year*	**€m**	**%**	**€m**	**%**		**€m**	**%**
Sales (gross)	**67.2**	**119.0**	**51.1**	**119.0**	**0.0**	**118.2**	**119.0**
Previous year	*70.6*	*119.0*	*30.3*	*119.0*	*0.0*	*100.9*	*119.0*
VAT	-10.7	19.0	-8.2	19.0	0.0	-18.9	19.0
Previous year	*-11.3*	*19.0*	*-4.8*	*19.0*	*0.0*	*-16.2*	*19.0*
Sales (net)	**56.4**	**100.0**	**42.9**	**100.0**	**0.0**	**99.4**	**100.0**
Previous year	*59.3*	*100.0*	*25.4*	*100.0*	*0.0*	*84.7*	*100.0*
Cost of sales	-29.7	52.6	-23.7	55.3	0.0	-53.4	53.7
Previous year	*-30.9*	*52.0*	*-14.9*	*58.7*	*0.0*	*-45.8*	*54.0*
Gross profit	**26.8**	**47.4**	**19.2**	**44.7**	**0.0**	**46.0**	**46.3**
Previous year	*28.5*	*48.0*	*10.5*	*41.3*	*0.0*	*39.0*	*46.0*
Other income	2.2	3.9	0.9	2.1	0.0	3.1	3.1
Previous year	*2.2*	*3.7*	*10.0*	*39.4*	*0.0*	*12.2*	*14.4*
Personnel expenses	-13.5	24.0	-9.3	21.7	0.0	-22.9	23.0
Previous year	*-13.5*	*22.7*	*-4.9*	*19.3*	*0.0*	*-18.4*	*21.7*
Depreciation	-2.3	4.1	-0.9	2.1	0.0	-3.2	3.2
Previous year	*-2.3*	*3.9*	*-0.4*	*1.6*	*0.0*	*-2.7*	*3.2*
Other expenses	-10.3	18.2	-15.1	35.1	0.0	-25.3	25.5
Previous year	*-12.2*	*20.6*	*-7.9*	*31.1*	*0.0*	*-20.1*	*23.8*
EBIT	**2.8**	**4.9**	**-5.2**	**-12.1**	**0.0**	**-2.4**	**-2.4**
Previous year	*2.7*	*4.5*	*7.3*	*28.7*	*0.0*	*9.9*	*11.7*

CONSOLIDATED SEGMENT REPORTING OF LUDWIG BECK AM RATHAUSECK – TEXTILHAUS FELDMEIER AG, MUNICH, FOR THE PERIOD JULY 1 – SEPTEMBER 30, 2016, ACC. TO IASB

	LUDWIG BECK		**WORMLAND**		**Consol.**	**Group**	
7/1/2016 – 9/30/2016 *Previous year*	**€m**	**%**	**€m**	**%**		**€m**	**%**
Sales (gross)	**22.7**	**119.0**	**16.0**	**119.0**	**0.0**	**38.7**	**119.0**
Previous year	*25.0*	*119.0*	*19.1*	*119.0*	*0.0*	*44.1*	*119.0*
VAT	-3.6	19.0	-2.6	19.0	0.0	-6.2	19.0
Previous year	*-4.0*	*19.0*	*-3.0*	*19.0*	*0.0*	*-7.0*	*19.0*
Sales (net)	**19.1**	**100.0**	**13.5**	**100.0**	**0.0**	**32.5**	**100.0**
Previous year	*21.0*	*100.0*	*16.0*	*100.0*	*0.0*	*37.1*	*100.0*
Cost of sales	-10.2	53.6	-7.5	55.9	0.0	-17.8	54.6
Previous year	*-11.1*	*52.5*	*-10.4*	*64.6*	*0.0*	*-21.4*	*57.7*
Gross profit	**8.8**	**46.4**	**5.9**	**44.1**	**0.0**	**14.8**	**45.4**
Previous year	*10.0*	*47.5*	*5.7*	*35.4*	*0.0*	*15.7*	*42.3*
Other income	0.8	4.1	0.1	1.0	0.0	0.9	2.8
Previous year	*0.8*	*3.7*	*0.1*	*0.8*	*0.0*	*0.9*	*2.3*
Personnel expenses	-4.5	23.4	-3.0	22.0	0.0	-7.4	22.8
Previous year	*-4.5*	*21.6*	*-3.3*	*20.3*	*0.0*	*-7.8*	*21.1*
Depreciation	-0.7	3.9	-0.3	2.2	0.0	-1.0	3.2
Previous year	*-0.8*	*3.6*	*-0.3*	*1.7*	*0.0*	*-1.0*	*2.8*
Other expenses	-3.2	16.9	-4.8	35.4	0.0	-8.0	24.6
Previous year	*-3.9*	*18.3*	*-5.2*	*32.6*	*0.0*	*-9.1*	*24.6*
EBIT	**1.2**	**6.3**	**-1.9**	**-14.5**	**0.0**	**-0.8**	**-2.3**
Previous year	*1.6*	*7.6*	*-2.9*	*-18.4*	*0.0*	*-1.3*	*-3.5*

CONSOLIDATED CASH FLOW STATEMENT

CONSOLIDATED CASH FLOW STATEMENT OF LUDWIG BECK AM RATHAUSECK – TEXTILHAUS FELDMEIER AG, MUNICH, FOR THE PERIOD JANUARY 1 – SEPTEMBER 30, 2016, ACC. TO IASB

in €m	1/1/2016 – 9/30/2016	1/1/2015 – 9/30/2015
Cash flow from operating activities:		
Earnings before taxes	-3.1	9.1
Adjustments for:		
+ Depreciation of fixed assets	3.2	2.7
- Non-cash earnings from corporate acquisition	0.0	-9.8
- Interest earnings	-0.1	-0.1
+ Interest expenses	0.8	0.9
Operating result before changes to working capital	**0.8**	**2.8**
Increase/decrease (-/+) in assets	-4.3	-12.4
Increase/decrease (+/-) in liabilities	-2.2	-4.7
Cash flow from operating activities (before interest and tax payments)	**-5.6**	**-14.3**
Interest paid	-0.8	-0.8
Disbursements to other shareholders	-0.2	-0.3
Taxes on income paid	-2.0	-2.9
A. Cash flow from operating activities	**-8.6**	**-18.3**
Disbursements for investments in fixed assets	-4.0	-1.3
B. Cash flow from investing activities	**-4.0**	**-1.3**
Divident payments	-2.8	-2.8
Acceptance/repayment of bank loans and loans from insurance companies	14.9	25.1
Acceptance/repayment of other financial liabilities	-0.4	-0.2
C. Cash flow from financing activities	**11.7**	**22.1**
D. Changes in cash and cash equivalents affecting cash flows (A.+B.+C.)	**-1.0**	**2.5**
Cash and cash equivalents at beginning of period	2.0	0.8
Adjustments in cash and cash equivalents due to consolidation	0.0	0.3
Changes D.	-1.0	2.5
Cash and cash equivalents at the end of period	**1.0**	**3.6**

CONSOLIDATED EQUITY STATEMENT

CONSOLIDATED EQUITY STATEMENT OF LUDWIG BECK AM RATHAUSECK – TEXTILHAUS FELDMEIER AG, MUNICH, FOR THE PERIOD JANUARY 1 – SEPTEMBER 30, 2016, ACC. TO IASB

in €m	Subscribed capital	Capital reserve	Accumulated profit	Other equity components	Total
Balance as of 1/1/2016	**9.4**	**3.5**	**66.8**	**-0.4**	**79.4**
Earnings after taxes			-3.6		-3.6
Divident payments			-2.8		-2.8
Disbursements to other shareholders			-0.2		-0.2
Balance as of 9/30/2016	**9.4**	**3.5**	**60.2**	**-0.4**	**72.7**
Balance as of 1/1/2015	**9.4**	**3.5**	**54.8**	**-0.4**	**67.2**
Earnings after taxes			8.6		8.6
Divident payments			-2.8		-2.8
Disbursements to other shareholders			-0.3		-0.3
Balance as of 9/30/2015	**9.4**	**3.5**	**60.4**	**-0.4**	**72.8**