

**salling** group





# **Financial highlights**

## **Annual report 2019**

# Our strong financial foundation gives us the possibility to act - also in a crisis situation

## The financial highlights of 2019



2nd highest “Net Result” ever in Salling Group



ROIC reached 16,4%, +1.7pp from 2018



Record profit in Netto DK and føtex



Record sales in Netto DK, Netto PL, føtex and Salling



EBITDA improved 0,6pp to 5,9%\* from 2018



# We will show two sets of numbers for 2019 - due to new IFRS 16 accounting standard

New IFRS 16 accounting standard will mean change in some key figures...



International Financial Reporting Standard (IFRS) is an international accounting standard which ensures that the financial statement is **understandable and comparable across international boundaries.**

Companies reporting under IFRS will from January 1st 2019 **introduce a new leasing standard – IFRS 16.** This standard means that all leasing agreements will be included in the balance sheet.

...therefore, two sets of numbers included to be able to compare to previous years



In 2019 Salling Group applied IFRS 16 regarding leases for the first time\*. By introducing **IFRS 16 several of Salling Group's key figures will change** and **direct comparison to previous years will not be possible.**

To help comparison to previous years we have included **two set of numbers** in the annual report (and this presentation) – 2019 numbers incl. and excl. IFRS 16.

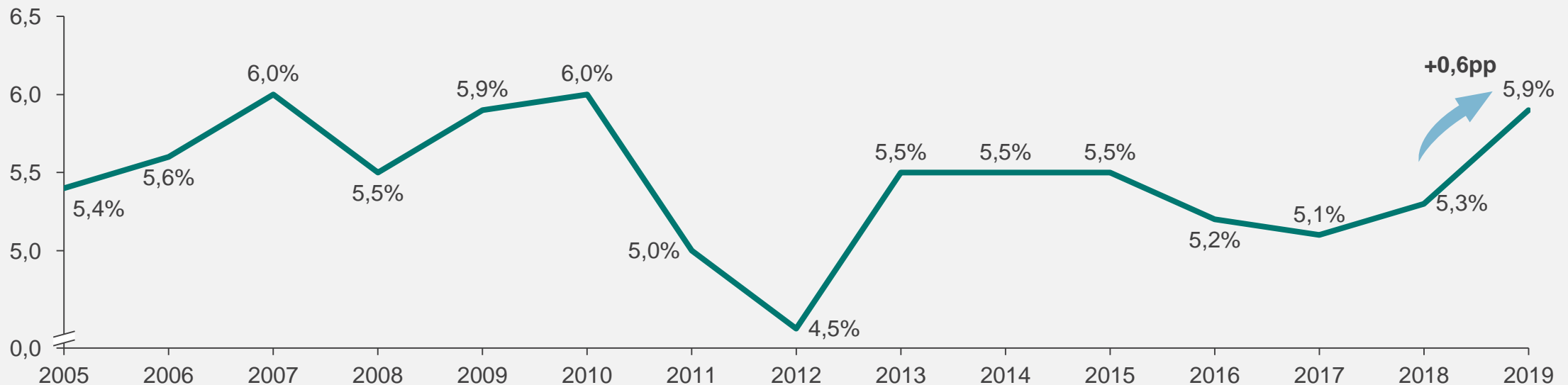
The new IFRS 16 standard will mean an increase in EBITDA and EBIT

# Financial highlights

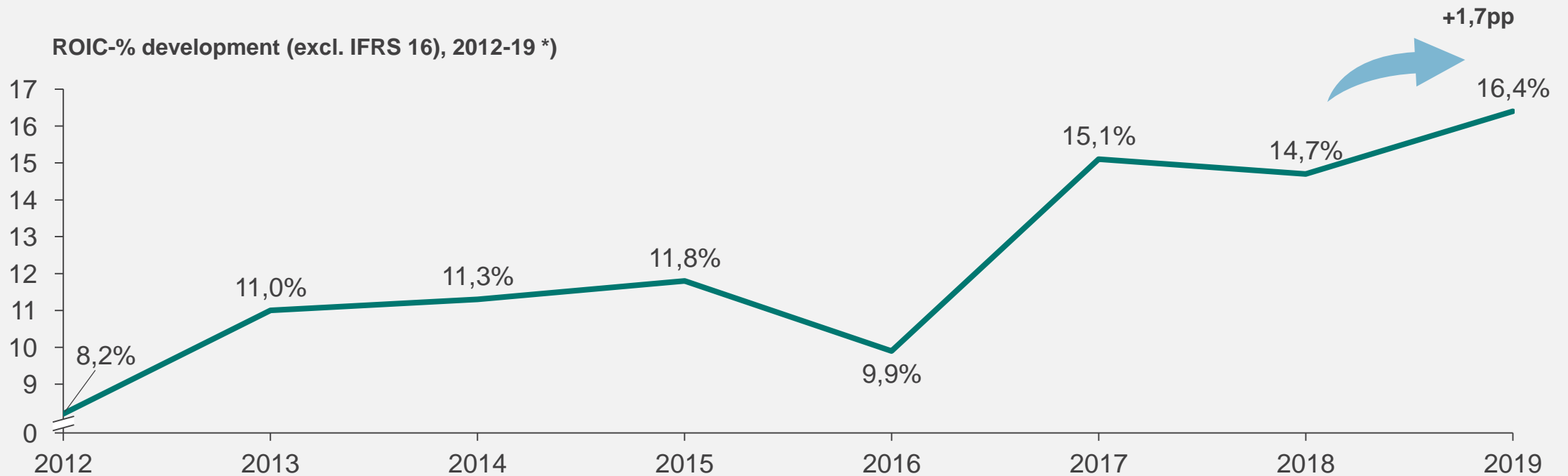
Key figures	2019 Excl. IFRS16	2019 Incl. IFRS16	Description
<b>Total Revenue</b>	56.689	56.689	The group's <b>total sales</b>
<b>EBITDA</b> <b>EBITDA %</b>	3.319 5.9%	4.105 7.2%	<b>Earnings before interest, tax, depreciation and amortisation</b> (Indtjening før renter, skat, afskrivninger på materielle og immaterielle aktiver)
<b>Operating profit (EBIT)</b> <b>EBIT %</b>	2.124 3.7%	2.272 4.0%	<b>Earning before interest and tax</b> (Indtjening før renter og skat)
<b>Profit before tax</b>	1.882	1.716	<b>Total profit</b> before tax
<b>Total profit for the year</b>	2.421	2.291	<b>Total profit</b> after all costs and tax
<b>ROIC</b>	16.4%	11.1%	<b>Return on Invested Capital</b> <b>(Afkast på investeret kapital)</b> This calculation is a profitability or performance ratio that aims to measure the percentage return that a company earns on the invested capital.
<b>Profit margin</b>	4.3%	4.0%	<b>Profit margin</b> is a measure of profitability. It is calculated by total profit for the year as a percentage of the revenue
<b>Net debt</b>	3.739	9.561	<b>Net debt</b> is interest-bearing debt minus interest-bearing liquid assets

# Our EBITDA has improved steadily since 2017 and is approaching our record levels from 2010

EBITDA-% development (excl. IFRS 16), 2012-19 \*)



# Our Return on Invested Capital (ROIC) reached the highest level in many years



# Our leverage has been reduced by 4,5 billion DKK since the high point in 2017

