

BAS 
 TEI
LÜBBE 

QUARTERLY
STATEMENT
1 APRIL –
30 JUNE 2023



AT A GLANCE

Financial indicators (IFRS) in € millions	1 April - 30 June 2023	1 April - 30 June 2022	Change
Revenues	22.8	19.0	20.5%
EBIT	2.1	0.3	569.9%
EBIT margin (%)	9.2%	1.7%	7.6 Pp
Consolidated earnings	1.3	0.1	987.7%
Earnings (in €)	0.10	0.01	900.0%
	30 June 2023	31 March 2023	Change
Total assets	108.8	107.9	0.8%
Equity*	56.3	55.0	2.4%
Equity ratio (%)	51.8%	51.0%	0.8 Pp
Net financial assets	20.5	16.7	22.4%

* Including non-controlling interests

ECONOMIC REPORT

MACROECONOMIC ENVIRONMENT

The 2022/2023 winter half-year was marked by a significant economic slowdown in Germany. After two quarters of negative economic growth, the German economy is now in a “technical recession”. This is mainly due to the pressure exerted by higher energy prices, the muted global economy and increased borrowing costs. This combination of factors has led to a delay in the economic recovery in Germany.¹ The German Federal Statistical Office reported flat quarter-on-quarter growth (0.0%) for the second quarter of 2023, adjusted for price, seasonal and calendar effects. This at least means that the contraction emerging in the previous two quarters has come to a halt.²

Consumer price inflation slowed again in May, coming to 6.1%. Core inflation also declined slightly to 5.4%. In June, inflation rose again somewhat to 6.4% in Germany.³ Baseline effects should arise in the further course of the year as a result of the relief measures taken a year ago to place a damper on price increases and these are likely to rekindle inflation temporarily.⁴

With the high inflation declining only slowly, private households’ real incomes, and thus consumer spending, are dropping again, with a corresponding impact on domestic demand.⁵ Accordingly, all current economic indicators pointed to a subdued start to the second quarter. After softening noticeably in March (down 1%), retail sales (excluding motor vehicles) increased marginally by 0.5% in April. Overall, consumer confidence remained very muted, as high inflation continued to weigh on the economy. The retail sector reported a real decline of 4.5% in revenues compared to April 2022, something which reflects the high price increases to a considerable extent. Food continues to be the strongest driver of consumer prices.⁶ As the German Federal Statistical Office (Destatis) announced in July 2023, consumer spending by private households stabilised in the second quarter of 2023 after the weak winter half-year.⁷

SECTOR ENVIRONMENT

In the first half of 2023, of which the months of April to June are relevant for Bastei Lübbe’s current 2023/2024 financial year, conditions in the book market were predominantly upbeat, with revenues rising year-on-year as of the middle of the year. However, this is primarily due to a significant increase in the prices paid, while sales were down slightly. The lower sales were particularly apparent compared with the pre-pandemic year of 2019.⁸

In the book market, prices of fiction, children’s and young people’s books, guidebooks and non-fiction rose by more than 12% year-on-year.⁹ Prices are 4.9% higher across all product lines. As a result, revenues in the book market ultimately increased by 4.1% despite a 0.8% decline in sales.¹⁰

Revenues generated in bookstores, e-commerce, railway station bookstores, department stores, consumer electronics stores and pharmacies were 3.8% and 3.5% higher in May and June, respectively, than in the previous year, while April was the only month this year with a decline of 2.5%.¹¹

¹ <https://www.bmwk.de/Redaktion/DE/Pressemitteilungen/Wirtschaftliche-Lage/2023/20230614-die-wirtschaftliche-lage-in-deutschland-im-juni-2023.html>

² https://www.destatis.de/DE/Presse/Pressemitteilungen/2023/07/PD23_299_811.html

³ https://www.destatis.de/DE/Presse/Pressemitteilungen/2023/07/PD23_270_611.html

⁴ <https://www.bmwk.de/Redaktion/DE/Pressemitteilungen/Wirtschaftliche-Lage/2023/20230614-die-wirtschaftliche-lage-in-deutschland-im-juni-2023.html>

⁵ <https://www.bmwk.de/Redaktion/DE/Pressemitteilungen/Wirtschaftliche-Lage/2023/20230614-die-wirtschaftliche-lage-in-deutschland-im-juni-2023.html>

⁶ <https://www.bmwk.de/Redaktion/DE/Pressemitteilungen/Wirtschaftliche-Lage/2023/20230614-die-wirtschaftliche-lage-in-deutschland-im-juni-2023.html>

⁷ https://www.destatis.de/DE/Presse/Pressemitteilungen/2023/07/PD23_299_811.html

⁸ Börsenverein des deutschen Buchhandels, WIPK_2023_Presentation, p. 18

⁹ Börsenverein des deutschen Buchhandels, WIPK_2023_Presentation, p. 18

¹⁰ Börsenverein des deutschen Buchhandels, WIPK_2023_Presentation, p. 18

¹¹ Börsenverein des deutschen Buchhandels, WIPK_2023_Presentation, p. 18

As the largest sales channel, bookstores recorded an increase of 1.8% in sales and a rise of 4.7% in prices in first half of the year. Consequently, revenues climbed by 6.5% over the first half of 2022. Viewed in isolation, however, bookstores underperformed the distribution channels as a whole in June for the first time this year.¹²

In terms of product groups, fiction stands out with an increase of 10.7% in the first half of 2023.¹³

As it was previously difficult to track digital audiobook sales, market research company Media Control and the Börsenverein audiobook interest group conducted a survey of audiobook publishers a year ago to gauge market growth on an annual basis. Consequently, comprehensive figures for this market segment are now available for the first time. They show that the overall audiobook market expanded in 2022, with the individual categories performing disparately. According to the survey, revenues from audiobooks grew by 6.6% over the previous year in 2022 and by as much as 35.2% over the pre-pandemic year of 2019. This growth was driven by the digital audiobooks, which had consistently attracted 0.7 million customers up until 2016, according to the GfK Consumer Panel. This figure rose to 3.4 million in 2022. Around half of the market is accounted for by downloads (previous year: 45%), 37.5% by streaming (previous year: 32%) and only 13.3% by physical CDs (previous year: 23%).¹⁴

Current figures are available from industry association Börsenverein des Buchhandels for June 2023, showing that physical audiobooks continued to decline sharply by 22.2%, thus confirming the annual trend.¹⁵

¹² Branchen-Monitor BUCH, Juli 2023, <https://www.boersenverein.de/bmb-ausgabe-juli-2023/>

¹³ Branchen-Monitor BUCH, Juli 2023, <https://www.boersenverein.de/bmb-ausgabe-juli-2023/>

¹⁴ <https://www.buchreport.de/news/deutscher-hoerbuchmarkt-legt-weiter-zu/>

¹⁵ Branchen-Monitor BUCH, Juli 2023, <https://www.boersenverein.de/bmb-ausgabe-juli-2023/>

BUSINESS PERFORMANCE

RESULTS OF OPERATIONS

Despite the challenging macroeconomic situation and persistently high inflation, the first quarter of the 2023/2024 financial year was very pleasing for Bastei Lübbe AG. In the period from April to June of the 2023/2024 financial year, it posted Group revenues of €22.8 million, up from €19.0 million in the same period of the previous year. This represents an increase of 20.5% over the previous year. EBIT climbed to €1.9 million financial year, up from €0.3 million in the same period in the previous year.

Revenues of €21.1 million (previous year: €17.2 million) were achieved in the “Book” segment. Increases were particularly registered for fiction (up 35%), LYX (up 18%) and audio (up 41%). Significantly lower returns than in the previous year also had a positive effect. The proportion of revenues contributed by the community-driven business models remained flat at 32% in the first quarter of the 2023/2024 financial year, compared with 33% in the same period in the previous year. Segment EBIT rose from €0.4 million in the previous year to €2.0 million in the period under review, primarily as a result of higher revenues in tandem with very largely stable costs.

The “Novel Booklets” segment generated revenues of €1.8 million in the period under review, compared with €1.7 million in the previous year. At €0.1 million, segment EBIT was up on the previous year (€-0.1 million) in the quarter under review, reflecting a slight easing of printing and paper costs in particular.

Changes in inventories of finished goods and work in progress came to €-0.4 million, compared with €0.1 million in the previous year.

At €10.7 million in the quarter under review, the cost of materials was up on the previous year (€9.2 million). This was mainly due to the higher revenues.

Personnel expenses climbed from €5.1 million in the previous year to €5.2 million. This increase is due to regular salary increases.

At €3.9 million, other operating expenses were unchanged over the previous year (€3.8 million).

Amortisation and depreciation dropped from €0.7 million in the previous year to €0.6 million in the period under review.

Group earnings before interest and taxes (EBIT) came to €2.1 million in the period from April to June (previous year: €0.3 million). The EBIT margin stands at 9.2%, compared with 1.7% in the same period of the previous year.

Other financial result came to a total of €-0.2 million (previous year: €-0.1 million). Earnings before taxes (EBT) amounted to €1.9 million (previous year: €0.2 million).

Consolidated net profit for the period reached €1.3 million (previous year: €0.1 million). The portion of this attributable to Bastei Lübbe AG’s equity holders amounts to €1.3 million (previous year: €0.1 million). Earnings per share reached €0.10, compared with €0.01 in the previous year. This is based on 13,200,100 shares outstanding in the period under review (unchanged over the previous year).

NET ASSETS

Total Group assets rose by €0.9 million compared with 31 March 2023 from €107.9 million to €108.8 million.

Non-current assets were valued at €54.8 million, down from €56.1 million as of 31 March 2023. Author advances fell by €0.9 million. Right-of-use assets under leases amount to €6.5 million (31 March 2023: €6.6 million).

Current assets rose from €51.8 million as of 31 March 2023 to €54.0 million as of 30 June 2023. This increase was primarily due to higher cash and cash equivalents (up €3.5 million).

At €56.1 million, the share of equity attributable to the equity holders of the parent company is slightly higher than on 31 March 2023 (€54.8 million). This reflects the net profit for the period of €1.3 million (of which €1.3 million is attributable to the equity holders of Bastei Lübbe AG).

Non-current liabilities are valued at €8.3 million as of the reporting date, down from €8.8 million as of 31 March 2023. Non-current lease liabilities dropped by €0.2 million from €5.8 million on 31 March 2023 to €5.6 million. In addition, loan liabilities of €0.3 million were repaid.

Current liabilities are valued at €44.2 million as of 30 June 2023 and are thus unchanged over the figure of €44.2 million as of 31 March 2023. Current lease liabilities amount to €1.2 million (31 March 2023: €1.1 million).

Net financial assets stood at €20.5 million as of 30 June 2023, up €3.8 million on 31 March 2023 (€16.7 million).

MATERIAL EVENTS OCCURRING AFTER THE REPORTING DATE

No events of particular significance for the assessment of the Bastei Lübbe AG Group's net assets, financial position and results of operations occurred after the reporting period.

OPPORTUNITY AND RISK REPORT

There has been no fundamental change in Bastei Lübbe AG's risk situation and opportunities compared to the details provided in the annual report for 2022/2023.

OUTLOOK

Compared to the information provided in the annual report for 2022/2023, the forecast for the 2023/2024 financial year remains unchanged. The Executive Board continues to expect revenues in a range of €100 – 105 million and EBIT of €9.0 – 10.0 million.

Cologne, 10 August 2023
Bastei Lübbe AG



Soheil Dastyari
Chief Executive Officer



Simon Decot
Chief Programme Officer



Sandra Dittert
Chief Marketing and Sales Officer

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 30 JUNE 2023

€k	30 June 2023	31 March 2023
Intangible assets	8,098	8,204
Author advances	23,068	23,931
Property, plant and equipment (including right-of-use assets)	7,107	7,307
Financial assets	15,293	15,338
Deferred tax assets	1,251	1,285
Non-current assets	54,816	56,066
Inventories	12,655	13,001
Trade receivables	15,794	16,114
Financial assets	47	135
Income tax refund claims	238	203
Other receivables and assets	2,249	2,912
Cash and cash equivalents	22,980	19,482
Current assets	53,963	51,848
Total assets	108,780	107,914
Subscribed capital	13,200	13,200
Share premium	9,045	9,045
Unappropriated surplus/accumulated deficit	18,602	17,314
Other comprehensive income	15,268	15,219
Equity attributable to Bastei Lübbe AG shareholders	56,116	54,778
Shares held by non-controlling shareholders	209	215
Equity	56,325	54,993
Provisions	318	318
Deferred tax liabilities	690	705
Financial liabilities	7,128	7,593
Trade payables	149	149
Non-current liabilities	8,285	8,766
Financial liabilities	4,884	4,273
Trade payables	21,311	21,838
Income tax liabilities	8,540	8,010
Provisions	7,816	8,014
Other liabilities	1,619	2,021
Current liabilities	44,169	44,156
Total liabilities	52,454	52,921
Total equity and liabilities	108,780	107,914

CONSOLIDATED INCOME STATEMENT FOR THE PERIOD FROM 1 APRIL 2023 TO 30 JUNE 2023

€k	1 April - 30 June 2023	1 April - 30 June 2022
Revenues	22,838	18,953
Changes in inventories of finished goods and work in progress	-393	141
Other operating income	33	29
Cost of materials	-10,702	-9,225
Personnel expenses	-5,222	-5,101
Other operating expenses	-3,880	-3,800
Share of profit of associates	-	-
Earnings before interest, income taxes, depreciation and amortisation (EBITDA)	2,674	998
Amortisation and depreciation	-570	-684
Impairment/remeasurement gains on financial assets	-	-
Earnings before interest and income taxes (EBIT)	2,104	314
Share of profit of associates	-	-
Net finance income/expenses	-171	-89
Earnings before taxes (EBT)	1,933	225
Income taxes	-628	-106
Consolidated net profit for the period	1,305	119
Of which attributable to:		
Equity holders of Bastei Lübbe AG	1,288	106
Shares held by non-controlling shareholders	17	13
Earnings per share in euros (basic = diluted) (based on the net profit for the period attributable to the shareholders of Bastei Lübbe AG)	0.10	0.01

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD FROM 1 APRIL 2023 TO 30 JUNE 2023

€k	1 April - 30 June 2023	1 April - 30 June 2022
Consolidated net profit for the period	1,305	119
Amounts that cannot be recycled to profit and loss in the future	–	–
Changes in the fair value of equity instruments	–	–
Amounts that can be recycled to profit and loss in the future	55	-45
Foreign currency translation differences	55	-45
Other comprehensive income	55	-45
Consolidated comprehensive income	1,360	74
Of which attributable to:		
Equity holders of Bastei Lübbe AG	1,337	65
Shares held by non-controlling shareholders	23	9

SEGMENT REPORT FOR THE PERIOD FROM 1 APRIL 2023 TO 30 JUNE 2023

€k	Book		Novel booklets		Group	
	04-06/2023	04-06/2022	04-06/2023	04-06/2022	04-06/2023	04-06/2022
Segment revenues	21,194	17,340	1,755	1,723	22,948	19,064
Internal revenues	-110	-110	-	-	-110	-110
External revenues	21,083	17,230	1,755	1,723	22,838	18,953
EBITDA	2,550	1,038	125	-41	2,674	998
Amortisation and depreciation	-529	-630	-41	-54	-570	-684
Impairment/writeups of financial assets	-	-	-	-	-	-
EBIT	2,021	409	83	-95	2,104	314

FINANCIAL CALENDAR 2023/2024

Date	Event
13 September 2023	Annual general meeting
9 November 2023	Half-year financial report as of 30 September 2023 (HY1)
8 February 2024	Quarterly statement (Q3)

LEGAL NOTICE

We have very largely avoided references to individual genders in the interests of readability. All professional and personal designations apply equally to all genders.

PUBLISHED BY:

Bastei Lübbe AG
Schanzenstraße 6-20
51063 Cologne, Germany
Tel: +49 (0)221 82 00 22 88
Fax: +49 (0)221 82 00 12 12
E-Mail: investorrelations@luebbe.de

Further information on the Company can also be found on the Internet at www.bastei-luebbe.de.

PHOTO CREDITS:

Title: Jikaboom / istockphoto