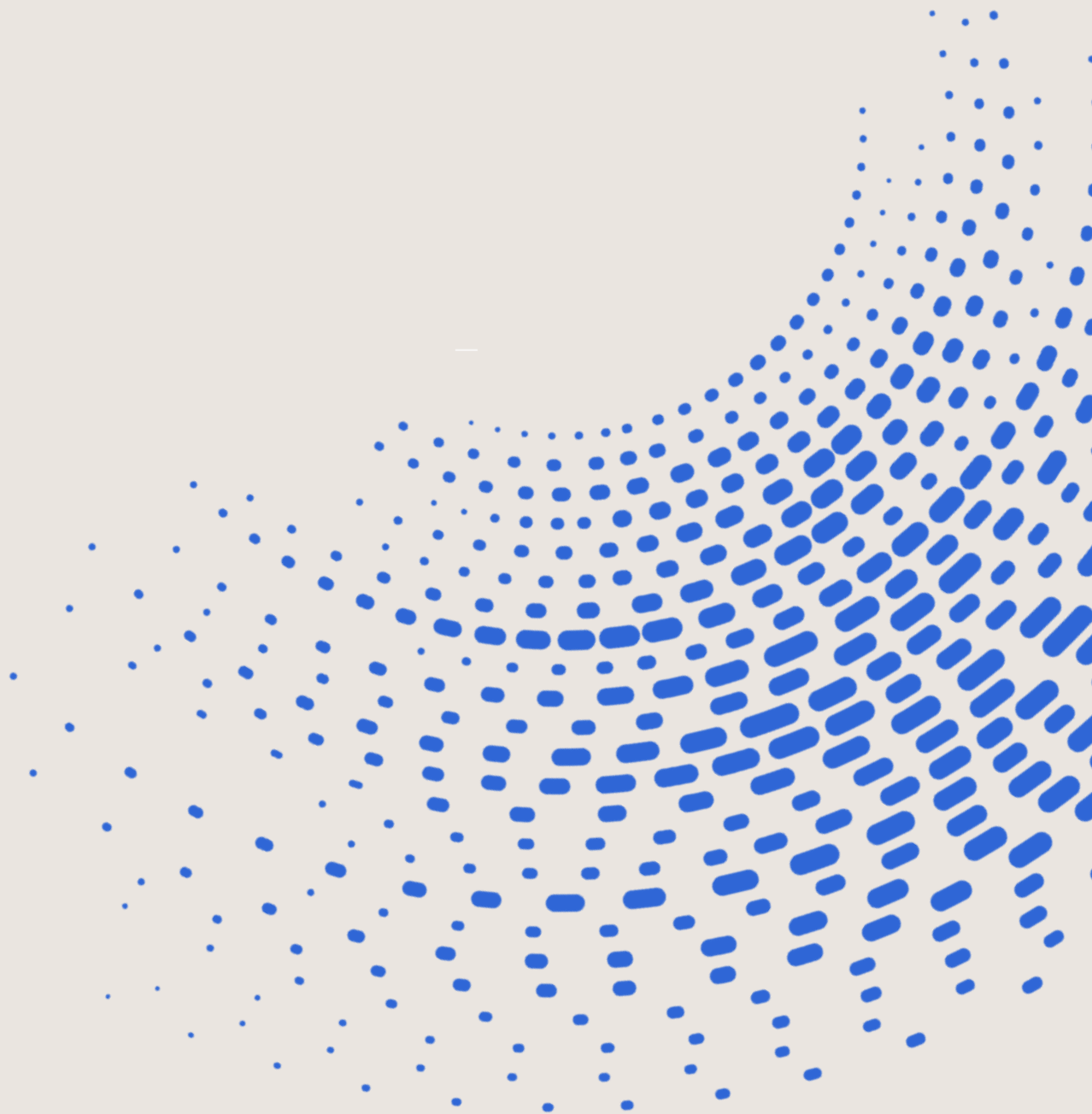


Interim Report

Q3 2020

January – September



THE QUARTER IN BRIEF

Comments from the CEO



KRISTIN SKOGEN LUND
CEO

Q3 marks an exceptional quarter for Schibsted. Based on a long-term strategy and efforts, and as a next major step after the spin-off in 2019, Adevinta announced in July a definitive agreement to acquire eBay Classifieds Group. The acquisition will create the largest online classifieds Group in the world and I, together with our Board of Directors and the management team, am confident that this will further strengthen the value creation potential for Schibsted and the rest of Adevinta's shareholders.

Related to the same transaction, Schibsted will acquire eBay Classifieds' leading online classifieds businesses DBA.dk and Bilbasen.dk in Denmark. Together with the recent acquisition of Oikotie in Finland, this will enhance our position as the Nordic online classifieds champion, well positioned for further growth.

Furthermore, we achieved a very strong quarterly EBITDA while currency adjusted revenues were flat compared to last year. Since the initial revenue contraction at the onset of the pandemic in Q1, revenues have improved, and our businesses are in good – some even in better – positions. Within Nordic Marketplaces, underlying revenues are still down compared to last year, but website traffic has stabilized at a higher level than pre-COVID-19 and listings have improved over the last couple of months. In News Media, both traffic and engagement figures are higher, and our subscriptions business – which is a key focus for the continued transformation of our media businesses – continues to grow. Distribution and Prisjakt, our e-commerce enabling businesses, have seen continued strong growth as well – driven by increased online shopping trends due to social distancing.

As a result of the revenue recovery, and strongly supported by tightened cost control and temporary cost savings, all business areas achieved good margins in the third quarter. In particular News Media delivered an extraordinary strong margin as the cost program has progressed faster than previously planned and due to lower costs driven by remote work.

Looking ahead, I am excited about our long-term possibilities based on our strong positions and capabilities. Nevertheless, visibility remains limited in the short-term. Revenue development throughout the third quarter was characterized by an exceptionally strong July when people vacationed in their home countries rather than going abroad. Furthermore, the last weeks' increase in COVID-19 infections in the Nordics and all over Europe has led to more volatility and uncertainty.

Highlights of the quarter

- Reaching the next major step for Adevinta, after the spin-off in 2019, as it announced the definitive agreement to acquire eBay Classifieds Group. Related to the transaction, Schibsted will acquire eBay Classifieds' leading online classifieds businesses DBA.dk and Bilbasen.dk in Denmark.
- Very strong EBITDA of NOK 678 million while currency adjusted revenues were flat compared to last year.
- Nordic Marketplaces: Revenues continued to improve compared to Q2 driven by Real estate and Motor, declining 3 percent YoY (on a foreign exchange neutral basis and adjusted for the acquisition of Oikotie) due to COVID-19. EBITDA margin of 47 percent in Norway and Sweden.
- News Media: Strong growth for digital subscriptions continued, advertising revenues with further improvement QoQ with digital advertising revenues increasing YoY. Extraordinary strong EBITDA margin of 15 percent driven by cost savings from the cost program which progresses faster than planned and reduced variable costs driven by remote work.
- Financial Services: Revenue growth still impacted by COVID-19, particularly in Lendo Sweden as banks have continued to be more restrictive in their lending practices, while Lendo Norway increased YoY. Strong EBITDA margin in Lendo due to improved cost and marketing efficiency, and lower expansion investments.
- Growth: Another quarter with good revenue growth due to Prisjakt and Distribution which have benefited from increased online shopping trends driven by COVID-19. EBITDA growing QoQ and YoY driven by higher revenues.

Key figures

(NOK million)	Third quarter			Year to date		
	2020	2019	Change	2020	2019	Change
Schibsted Group						
Operating revenues	3,188	3,032	5%	9,287	9,337	(1%)
- of which digital	1,971	1,771	11%	5,648	5,513	2%
EBITDA	678	542	25%	1,461	1,517	(4%)
EBITDA margin	21%	18%		16%	16%	
Operating revenues per segment						
Nordic Marketplaces	827	769	8%	2,324	2,304	1%
News Media	1,791	1,754	2%	5,337	5,521	(3%)
Financial Services	289	275	5%	834	794	5%
Growth	616	517	19%	1,801	1,530	18%
EBITDA per segment						
Nordic Marketplaces	356	373	(4%)	995	1,054	(6%)
News Media	266	165	61%	453	484	(6%)
Financial Services	86	51	68%	154	137	13%
Growth	40	16	>100%	51	43	18%
Other/Headquarters	(69)	(63)	(10%)	(192)	(200)	4%

Historical income statement figures have been re-presented due to the classification of Adevinta as a separate item under “Discontinued operations” (see Note 7). Alternative performance measures (APMs) used in this report are described at the end of the report.

Operational development

NORDIC MARKETPLACES

(NOK million)	Third quarter			Year to date		
	2020	2019	Change	2020	2019	Change
Classifieds revenues	617	601	3%	1,759	1,779	(1%)
Advertising revenues	110	106	4%	317	331	(4%)
Other revenues	100	62	61%	247	193	28%
Operating revenues	827	769	8%	2,324	2,304	1%
EBITDA	356	373	(4%)	995	1,054	(6%)
EBITDA margin	43%	48%		43%	46%	

The revenue development in Nordic Marketplaces improved compared to the previous quarter, driven by Real estate and Motor. Listings continued to recover from COVID-19 effects, with an exceptional July due to people staying in their home country as a result of travel restrictions. The acquisition of Oikotie is also affecting the growth positively (total revenue effect NOK 52 million and EBITDA NOK 18 million in Q3 2020). Jobs and Travel, however, have continued to see substantial decline. Q3 has a positive currency effect compared to last year due to a large depreciation of NOK versus SEK and EUR, resulting in 4 percent currency adjusted revenue increase. Also adjusting for the acquisition of Oikotie, revenues are declining 3 percent.

EBITDA is declining compared to last year due to the negative COVID-19 effect on topline, partly offset by temporary cost savings in Norway and Sweden.

Marketplaces Norway

(NOK million)	Third quarter			Year to date		
	2020	2019	Change	2020	2019	Change
Classifieds revenues	359	398	(10%)	1,070	1,195	(10%)
Advertising revenues	45	48	(7%)	144	146	(2%)
Other revenues	83	59	41%	222	184	21%
Operating revenues	486	505	(4%)	1,436	1,525	(6%)
EBITDA	230	266	(14%)	685	760	(10%)
EBITDA margin	47%	53%		48%	50%	

Marketplaces Norway shows a revenue decline of 4 percent in Q3, which is an improvement from last quarter. The decline is driven by significant impact from COVID-19 in the Job and Travel verticals, in addition to advertising revenues. This is somewhat offset by growing Real estate and Motor revenues where we see recovering markets and exceptional listing levels in July due to people staying in their home country as a result of travel restrictions. Growth in Other revenues was driven by Nettbil which was acquired in December 2019.

Reduced EBITDA compared to last year driven by lower revenues, and ramp-up of investments to deliver on our growth ambition.

Marketplaces Sweden

(NOK million)	Third quarter			Year to date		
	2020	2019	Change	2020	2019	Change
Classifieds revenues	212	193	10%	621	558	11%
Advertising revenues	46	43	6%	128	136	(6%)
Other revenues	6	3	78%	14	8	65%
Operating revenues	263	240	10%	763	702	9%
EBITDA	125	118	6%	335	333	0%
EBITDA margin	47%	49%		44%	47%	

Revenue growth recovery was also seen in Marketplaces Sweden. Revenues are growing 10 percent compared to last year in NOK but adjusting for currency, revenues are declining 1 percent. Continued growth in the Motor vertical, offset by a decline in Jobs due to volume reduction as result of COVID-19 and Generalist decline due to removing listing fees for some product features in Q3 2019. In local currency, total classified revenues declined 2 percent. Somewhat improved trend in advertising revenues compared to the last quarter, increasing 6 percent in NOK (5 percent decline when adjusting for currency).

Temporary measures have dampened the cost increase, leading to improved EBITDA margin compared to previous quarters, but declining 2 percent points from last year.

Marketplaces Finland

(NOK million)	Third quarter			Year to date		
	2020	2019	Change	2020	2019	Change
Classifieds revenues	47	10	>100%	69	26	>100%
Advertising revenues	20	15	34%	45	49	(9%)
Other revenues	12	1	>100%	13	2	>100%
Operating revenues	79	25	>100%	127	77	66%
EBITDA	15	3	>100%	19	6	>100%
EBITDA margin	19%	11%		15%	8%	

Above table consists of Schibsted's Finnish Marketplaces Tori and newly acquired Oikotie. Oikotie figures were included from mid-July 2020 and contributed with NOK 52 million in revenues and NOK 18 million in EBITDA in Q3 2020, driving the growth compared to last year. Underlying revenues show growth in Real estate and Generalist, while Jobs and advertising are still down due to COVID-19 effects. Excluding currency effects, pro forma Oikotie revenues for Q3 declined 11 percent compared to last year, and Tori revenues declined 2 percent.

EBITDA improvement driven by the Oikotie acquisition, but like-for-like EBITDA declined due to revenue shortfall and operational expenses in line with last year.

NEWS MEDIA

(NOK million)	Third quarter			Year to date		
	2020	2019	Change	2020	2019	Change
Advertising revenues	496	519	(4%)	1,550	1,850	(16%)
- of which digital	355	330	8%	1,069	1,173	(9%)
Subscription revenues	673	648	4%	1,961	1,902	3%
- of which digital	285	239	19%	789	662	19%
Casual sales	331	355	(7%)	952	1,028	(7%)
Other revenues	291	233	25%	873	741	18%
Operating revenues	1,791	1,754	2%	5,337	5,521	(3%)
Personnel expenses	(558)	(583)	(4%)	(1,838)	(1,932)	(5%)
Other expenses	(968)	(1,006)	(4%)	(3,046)	(3,105)	(2%)
Operating expenses	(1,526)	(1,589)	(4%)	(4,884)	(5,037)	(3%)
EBITDA	266	165	61%	453	484	(6%)
EBITDA margin	15%	9%		8%	9%	

News Media is delivering a very strong quarter given the current market environment. Digital subscription revenues continued to grow well, driven by both volume and ARPU, and the digital advertising market is showing positive development compared to the previous quarter, particularly in Norway. The cost reduction program of NOK 500 million is on track, while savings have shown effect earlier than first planned.

Total News Media revenues increased 2 percent in the quarter (-2 percent currency adjusted, and +2 percent adjusting for both currency and assets sold to Polaris in Q4 2019). Please note that increased invoicing from News Media to other Schibsted segments has led to an increase in Other revenues throughout 2020, while this effect is eliminated looking at Group revenues.

An extraordinary strong EBITDA margin of 15% is primarily driven by savings from the cost program, reduced costs due to remote work and an improved revenue trend.

Split revenue per brand (NOK million)	Third quarter			Year to date		
	2020	2019	Change	2020	2019	Change
VG	441	418	5%	1,272	1,316	(3%)
Aftonbladet	367	347	6%	1,066	1,093	(2%)
Subscription Newspapers	767	830	(8%)	2,317	2,583	(10%)
Other	215	159	35%	682	529	29%
Operating revenues	1,791	1,754	2%	5,337	5,521	(3%)

VG

Strong revenue development in the quarter, driven by digital revenues from both subscription and advertising, particularly within content marketing. Total revenues are increasing 5 percent, which is a strong improvement from declining revenues in both previous quarters

Aftonbladet

Q3 revenues have a positive currency effect due to a large depreciation of NOK versus SEK, leading to a 6 percent increase in revenues in NOK while 5 percent decline in local currency. As in VG, this is a positive trend compared to previous quarters, and despite COVID-19 digital advertising revenues are in line with last year, driven by growth within FMCG (fast-moving consumer goods). This is a strong improvement from earlier development, which was heavily affected by regulatory tightening of the gaming industry. Aftonbladet received government grants of SEK 5 million in Q3 as compensation for negative COVID-19 effects in 2020 which affected revenues positively.

Subscription Newspapers

Also Subscription Newspapers experienced improvement compared to the previous quarter. Advertising revenues are still suffering from negative COVID-19 effects, however the revenue decline is somewhat improved. This is partly offset by continued growth in digital subscriptions revenues, in addition to government grants to Svenska Dagbladet of SEK 10 million, leaving total revenues 8 percent lower compared to last year (1 percent adjusted for both currency and assets sold to Polaris in Q4 2019).

Other

Consists of Schibsted's printing facilities and centralized functions in Norway and Sweden. There are fluctuations in revenues and costs due to changes in organizational structure. These changes mean increased invoicing from News Media to other Schibsted segments, and therefore increased revenues in News Media but limited effect in Schibsted Group as a total due to eliminations. Please also note that a big part of the increase from last year is explained by a positive currency effect due to a large depreciation of NOK versus SEK.

FINANCIAL SERVICES

(NOK million)	Third quarter			Year to date		
	2020	2019	Change	2020	2019	Change
Operating revenues	289	275	5%	834	794	5%
EBITDA	86	51	68%	154	137	13%
EBITDA margin	30%	19%		18%	17%	

The revenue development within Financial Services was somewhat mixed this quarter, but the overall EBITDA margin was strong due to improved marketing efficiency and lower expansion investments in Lendo.

Lendo

Lendo Group (NOK million)	Third quarter			Year to date		
	2020	2019	Change	2020	2019	Change
Operating revenues	251	230	9%	709	664	7%
EBITDA	78	47	66%	146	124	17%
EBITDA margin	31%	20%		21%	19%	

Lendo Group has significant currency effects this quarter – total revenues increased 9 percent compared to last year in NOK, while flat when adjusting for currency. Large growth differences between the markets with Denmark and Norway performing well despite COVID-19, while underlying flattish revenues in Sweden compared to last year where banks continue to be more restrictive in their lending practices.

The geographical expansion affected EBITDA negatively with NOK 15 million in Q3, which is less compared to last year, as result of the decision to discontinue operations in Poland and significantly scale back Austria. Less expansion costs in addition to improved cost and marketing efficiency results in a significantly stronger margin in the quarter.

GROWTH

(NOK million)	Third quarter			Year to date		
	2020	2019	Change	2020	2019	Change
Operating revenues	616	517	19%	1,801	1,530	18%
EBITDA	40	16	>100%	51	43	18%
EBITDA margin	6%	3%		3%	3%	

Several Schibsted Growth operations continued to experience increased activity levels and demand during Q3 related to the COVID-19 pandemic, such as Prisjakt, Schibsted Distribution and the marketplace for services MittAnbud. The Growth portfolio showed a total revenue growth of 19 percent (15 percent currency adjusted) driven by the above-mentioned services, somewhat offset by advertising driven services, like Klart.se and TV.nu.

EBITDA is growing compared to last quarter and previous year driven by higher revenues.

Distribution

(NOK million)	Third quarter			Year to date		
	2020	2019	Change	2020	2019	Change
Operating revenues	368	307	20%	1,089	893	22%
EBITDA	9	10	(15%)	14	23	(38%)
EBITDA margin	2%	3%		1%	3%	

Distribution currently has operations in Norway and consists of the legacy newspaper distribution and "Distribution new business" (mainly Helthjem Netthandel, Morgenlevering, Zoopit and Svossj). The Distribution new business continued to see an increased activity level and demand during the third quarter, and revenues grew 118 percent compared to last year. This development is driven by volume growth in our new, innovative services that are experiencing positive COVID-19 effects in the number of customers.

Prisjakt

(NOK million)	Third quarter			Year to date		
	2020	2019	Change	2020	2019	Change
Operating revenues	86	64	34%	254	209	22%
EBITDA	26	13	>100%	74	51	45%
EBITDA margin	31%	20%		29%	25%	

Prisjakt's revenue growth continues to improve, where COVID-19 effects' impact on e-commerce has been one of the main contributors for the positive development. Revenues increased 34 percent (19 percent currency adjusted) in the quarter, driven by click-revenues. Margin landing at 31 percent, driven by the revenue increase.

OTHER/HEADQUARTERS

HQ/Other had a negative EBITDA of NOK 69 million in Q3, which is NOK 6 million above last year primarily due to lower invoicing to Adevinta and Schibsted entities. Certain costs within centralized product and technology development and services have previously been reported under the Other/Headquarters segment but have from 2020 been allocated to the operating segments (2019 financials have been restated accordingly).

DISCONTINUED OPERATIONS

Based on Adevinta's stand-alone reporting, revenue increased by 3% in Q3 2020, compared to Q3 2019, driven by organic and external growth in France offset by year-on-year decrease in other segments despite improving trends. Operating expenses increased by 3% in Q3 2020, compared to Q3 2019. Personnel expenses increased moderately compared to the same period last year as investments to invest in talents and resources continued to support the long-term development of the business. Other operating expenses retracted year-on-year due to further cost saving initiatives in the quarter. As a result gross operating profit (EBITDA) increased by 5% in Q3 2020, compared to Q3 2019. For more details, please refer to Adevinta's Q3 report published 27 October 2020 on www.adevinta.com/ir.

Outlook

Schibsted

The outbreak of the COVID-19 pandemic has had a tremendous impact on everyday life and economic activity worldwide. Besides these consequences, our businesses are in good – some even in better – positions. Driven by social distancing, consumers and businesses are seeking for convenient, reliable, and safe ways to buy and sell products or services. As a result, digital transformation has accelerated across many industries which brings new possibilities for our Nordic Marketplaces and businesses like Distribution or Prisjakt. Another trend which we have witnessed, is that consumers show higher interest than ever before in our independent, high quality journalism to stay informed about the pandemic, politics, and society at large.

While our Nordic Marketplaces will be affected by the pandemic in the shorter term, we remain confident in the resilience and growth potential of this business and keep our medium- to long-term target to grow annual revenues by 8-12 percent for this segment. We expect that the growth will be driven by three things. First, by leveraging our Nordic market positions driven by the development of better products and value-added services for our verticals. Second, the transformation to next generation marketplaces. And finally, by expanding into new marketplaces. The first three quarters in 2020 have shown that our Nordic Marketplaces operations are able to adjust its rather flexible cost base to a softer revenue trend. To deliver on our growth ambition, we have started to ramp up our recruitments and marketing investments again during the third quarter which will continue in Q4. In line with previous years, margins are expected to decline QoQ in Q4 driven by a combination of a seasonal revenue trend and the mentioned ramp-up of investments. Looking at the full-year 2020, our Norwegian operation targets an EBITDA margin of around 45 percent while the final outcome might fluctuate based on activity in the real estate, car and not least job market.

News Media has experienced a significant decline in digital advertising revenues through 2019 and the first half of 2020, particularly in Aftonbladet in Sweden. This was caused by a strong market contraction following the regulatory tightening of the gaming industry

in Sweden as well as continued strong competition from the large international search platforms and social networks. The pandemic has affected this negative trend further while Q3 showed first signs of improvements as digital advertising revenues grew YoY. Looking ahead, the most important matter is the continued transition to a future oriented, digital sustainable news organization with an even stronger focus on our subscription business. Already today, News Media has a strong and loyal customer base in Norway and Sweden with around 1.2 million subscriptions in total. We are currently pursuing opportunities to further capitalize on these positions which will enable us to secure News Media's long-term financial health and safeguard its high relevance for society. To accelerate this transition, we announced a cost program of around NOK 500 million at the Q1 2020 presentation. The implementation of the program started in Q2 and is ahead of plan, expecting around NOK 140 million of cost savings (the net effect will be reduced by inflation and wage increases) in 2020. Looking at EBITDA margin for News Media, we target 8-10% in the medium-term provided a more normalized advertising market, which is somewhat higher compared to our previous target.

Within Next (Financial Services and Growth), Lendo is expected to grow well over time. In the shorter term, the COVID-19 pandemic has led to a slower revenue development, as banks have been more restrictive due to increased macroeconomic uncertainty. The investment into new markets for Lendo will continue, but with scaled down investment levels. The expansion is expected to affect EBITDA negatively with around NOK 70 million in 2020. In Distribution, we will continue to focus on new and innovative product and tech solutions supporting the strong megatrend of growth within e-commerce. In 2020, investments for this area are expected to affect EBITDA negatively by around NOK 25 million.

Adevinta

Please refer to Adevinta's comprehensive outlook statement in its Q3 2020 report published 27 October 2020 on www.adevinta.com/ir.

Group overview

Operating profit

The Group's consolidated operating revenues increased by 5 percent in Q3 2020. Consolidated operating expenses increased by 1 percent and consolidated Gross operating profit (EBITDA) increased by 25 percent.

Depreciation and amortization were NOK -218 million (NOK -196 million). Share of profit (loss) of joint ventures and associates was NOK 2 million (NOK -8 million). Other income and expenses in Q3 2020 were NOK -95 million (NOK -47 million), mainly explained by transaction-related cost in connection with the acquisition of Oikotie and the announced acquisition of eBay Denmark. Other income and expenses are disclosed in note 4.

Operating profit in Q3 2020 amounted to NOK 360 million (NOK 290 million). Please also refer to note 3.

Net profit and earnings per share

The Group's underlying tax rate for continuing operations is stable slightly above 23%. The Group reports a tax expense of NOK -59 million in Q3 2020 compared to an expense of NOK -77 million in Q3 2019. The reduction in reported tax is mainly explained by reassessment of previously unrecognized deferred tax assets.

Profit (loss) after taxes from discontinued operations were NOK -209 million in Q3 2020 compared to NOK 213 million in Q3 2019. Profit (loss) after taxes from discontinued operations are positively affected by reversal of reported depreciation and amortization with NOK 99 million. For further details see note 2, note 7 and Adevinta's Q3 report published 27 October 2020 on www.adevinta.com/ir.

Basic earnings per share in Q3 2020 is NOK 0.48 compared to NOK 1.23 in Q3 2019. Basic earnings per share from continuing operations in Q3 2020 is NOK 1.05 compared to NOK 0.72 in Q3 2019.

Adjusted earnings per share from continuing operations in Q3 2020 is NOK 1.47 compared to NOK 0.89 in Q3 2019.

Financial position

The carrying amount of the Group's assets increased by NOK 5,426 million to NOK 38,204 million during the first three quarters of 2020. The Group's equity ratio was 44 percent at the end of Q3 2020, compared to 52 percent at the end of 2019.

Schibsted ASA has a well-diversified loan portfolio with loans from both the Norwegian bond market and the Nordic Investment bank. A new bond (FRN) of NOK 1 billion was issued in April 2020 and replaced the bond (FRN) of NOK 1 billion that expired in June. A new bridge loan facility of EUR 350 million was entered into during the third quarter. This facility will be used to finance the acquisition of the Danish eBay classifieds companies with expected closing in Q1 2021. In addition, Schibsted has a revolving credit facility of EUR 300 million. None of the facilities are drawn as of 30 September 2020.

The cash balance at the end of the third quarter of 2020 was NOK 1,021 million giving a net interest-bearing debt of NOK 2,811 million. Including the undrawn facilities, the liquidity reserve amounts to NOK 8,236 million.

To maintain maximum financial flexibility in a time with great uncertainty related to the financial effect and duration of the COVID-19 pandemic, Schibsted decided to cancel its previously announced proposal to pay a dividend for 2019 of NOK 2.00 per share.

Cash flow from continuing operations

Net cash flow from operating activities was NOK 293 million for Q3 2020 compared to NOK 457 million in the same period of 2019. The cash flow is affected by negative development in working capital and increased tax payments due to delayed payments of income tax from Q2 to Q3 due to COVID-19 relief measures.

Net cash outflow from investing activities was NOK -2 125 million for Q3 2020 compared to NOK -163 million in the same period of 2019. The increased cash outflow is primarily related to the acquisition of Oikotie.

Net cash outflow from financing activities was NOK -71 million compared to NOK -698 million in the same period of 2019. The change is mainly explained by reduced purchase of treasury shares. See note 8 for more details.

Discontinued operations

In July 2020, Schibsted announced that its subsidiary Adevinta ASA had signed an agreement to acquire 100% of eBay Classified Group being the global classifieds operations of eBay Inc (eBay). Schibsted will lose control of Adevinta and cease to consolidate Adevinta with effect from closing of the acquisition, expected in the first quarter of 2021. Adevinta represents a separate major line of business and is therefore classified as a discontinued operation with effect from signing of the agreement. The post-tax profits of discontinued operations are presented in a separate line item in the income statement. Previous periods are re-presented. See note 2 and note 7 for further details.

Condensed consolidated financial statements

Income statement

(NOK million)	Third quarter		Year to date		Full year
	2020	2019	2020	2019	2019
Operating revenues	3,188	3,032	9,287	9,337	12,653
Raw materials and finished goods	(109)	(101)	(303)	(305)	(416)
Personnel expenses	(1,130)	(1,078)	(3,540)	(3,524)	(4,793)
Other operating expenses	(1,271)	(1,311)	(3,984)	(3,991)	(5,467)
Gross operating profit (loss)	678	542	1,461	1,517	1,977
Depreciation and amortisation	(218)	(196)	(611)	(612)	(813)
Share of profit (loss) of joint ventures and associates	2	(8)	(32)	(45)	(58)
Impairment loss	(7)	-	(20)	(9)	(35)
Other income and expenses	(95)	(47)	(36)	(99)	(151)
Operating profit (loss)	360	290	762	751	920
Financial income	14	22	27	70	89
Financial expenses	(52)	(47)	(152)	(132)	(179)
Profit (loss) before taxes	321	266	637	690	829
Taxes	(59)	(77)	177	(222)	(275)
Profit (loss) after taxes from continuing operations	262	189	814	468	554
Profit (loss) after taxes from discontinued operations	(209)	213	(677)	607	642
Profit (loss)	53	402	137	1,075	1,196
Profit (loss) attributable to:					
Non-controlling interests	(58)	109	(231)	211	247
Owners of the parent	112	292	368	863	949
Earnings per share in NOK:					
Basic	0.48	1.23	1.58	3.63	4.00
Diluted	0.48	1.23	1.58	3.62	3.99
Earnings per share from continuing operations in NOK:					
Basic	1.05	0.72	3.30	1.75	2.05
Diluted	1.05	0.72	3.30	1.74	2.04

Statement of comprehensive income

(NOK million)	Third quarter		Year to date		Year
	2020	2019	2020	2019	2019
Profit (loss)	53	402	137	1,075	1,196
Items that will not be reclassified to profit or loss:					
Remeasurements of defined benefit pension liabilities	175	(252)	(218)	(252)	45
Cash flow hedges	(478)	-	(478)	-	-
Change in fair value of equity instruments	(3)	3	(20)	3	(3)
Share of other comprehensive income of joint ventures and associates	-	3	(1)	-	-
Income tax relating to items that will not be reclassified	(64)	55	23	55	(10)
Items that may be reclassified to profit or loss:					
Foreign exchange differences	126	185	918	(259)	(256)
Cash flow hedges and hedges of net investments in foreign operations	(94)	(49)	(361)	26	7
Share of other comprehensive income of joint ventures and associates	-	-	1	-	-
Income tax relating to items that may be reclassified	19	11	84	(6)	(1)
Other comprehensive income	(320)	(43)	(54)	(432)	(218)
Total comprehensive income	(267)	358	83	643	978
Total comprehensive income attributable to:					
Non-controlling interests	(301)	177	(225)	320	340
Owners of the parent	34	181	308	323	638

Statement of financial position

(NOK million)	30 Sep 2020	30 Sep 2019	31 Dec 2019
Intangible assets	6,153	16,748	17,369
Property, plant and equipment and investment property	492	857	849
Right-of-use assets	1,641	2,374	2,317
Investments in joint ventures and associates	906	4,470	4,529
Deferred tax assets	702	274	179
Other non-current assets	88	182	241
Non-current assets	9,981	24,904	25,483
Contract assets	178	335	224
Trade receivables and other current assets	1,839	2,732	3,047
Cash and cash equivalents	1,021	4,403	3,866
Assets held for sale	25,184	-	157
Current assets	28,222	7,470	7,294
Total assets	38,204	32,374	32,778
Paid-in equity	7,011	6,948	6,967
Other equity	3,738	3,737	3,531
Equity attributable to owners of the parent	10,749	10,685	10,498
Non-controlling interests	6,111	6,367	6,383
Equity	16,860	17,052	16,882
Deferred tax liabilities	335	852	944
Pension liabilities	1,235	1,438	1,095
Non-current interest-bearing loans and borrowings	3,139	4,286	4,729
Non-current lease liabilities	1,550	2,262	2,192
Other non-current liabilities	290	367	355
Non-current liabilities	6,550	9,204	9,314
Current interest-bearing loans and borrowings	693	1,080	1,089
Income tax payable	235	334	234
Current lease liabilities	275	356	352
Contract liabilities	585	1,126	1,109
Other current liabilities	2,279	3,222	3,660
Liabilities held for sale	10,727	-	138
Current liabilities	14,793	6,118	6,582
Total equity and liabilities	38,204	32,374	32,778

Statement of cash flows

The statement of cash flows is prepared in accordance with applicable accounting standards and includes cash flows from discontinued operations. For detailed information on cash flows from continuing operations, see note 8.

(NOK million)	Third quarter		Year to date		Full year
	2020	2019	2020	2019	2019
Profit (loss) before taxes from continuing operations	321	266	637	690	829
Profit (loss) before taxes from discontinued operations	(24)	374	(272)	1,031	1,119
Depreciation, amortisation and impairment losses	258	297	968	932	1,537
Net effect pension liabilities	14	(5)	(28)	(56)	(84)
Share of loss (profit) of joint ventures and associates, net of dividends received	31	10	40	72	40
Taxes paid	(189)	(182)	(522)	(779)	(978)
Sales losses (gains) non-current assets and other non-cash losses (gains)	(14)	(4)	(138)	(2)	(1)
Non-cash items and change in working capital and provisions	257	63	974	196	382
Net cash flow from operating activities	654	820	1,659	2,085	2,844
-of which from discontinued operations	361	363	948	1,047	1,312
-of which from continuing operations	293	457	711	1,038	1,532
Development and purchase of intangible assets and property, plant and equipment	(239)	(200)	(791)	(632)	(908)
Acquisition of subsidiaries, net of cash acquired	(1,951)	(17)	(2,027)	(150)	(884)
Proceeds from sale of intangible assets, investment property and property, plant and equipment	1	1	116	13	13
Proceeds from sale of subsidiaries, net of cash sold	(2)	(1)	96	(1)	(1)
Net sale of (investment in) other shares	(39)	(65)	(178)	(389)	(460)
Net change in other investments	(9)	5	(164)	14	(5)
Net cash flow from investing activities	(2,240)	(277)	(2,947)	(1,144)	(2,244)
-of which from discontinued operations	(115)	(114)	(474)	(506)	(1,356)
-of which from continuing operations	(2,125)	(163)	(2,473)	(638)	(888)
Net change in interest-bearing loans and borrowings	8	17	2,538	1,086	1,546
Payment of principal portion of lease liabilities	(114)	(104)	(307)	(328)	(438)
Change in ownership interests in subsidiaries	-	(81)	(61)	1,964	1,964
Capital increase	-	-	8	-	9
Net sale (purchase) of treasury shares	7	(558)	(97)	(552)	(1,069)
Dividends paid	-	-	(60)	(545)	(583)
Net cash flow from financing activities	(99)	(726)	2,022	1,626	1,429
-of which from discontinued operations	(28)	(28)	2,413	(223)	210
-of which from continuing operations	(71)	(698)	(391)	1,849	1,219
Effects of exchange rate changes on cash and cash equivalents	69	9	67	(7)	(7)
Net increase (decrease) in cash and cash equivalents	(1,616)	(174)	801	2,560	2,022
Cash and cash equivalents at start of period	6,282	4,578	3,866	1,844	1,844
Cash and cash equivalents at end of period	4,666	4,403	4,666	4,403	3,866
-of which cash and cash equivalents in assets held for sale	3,645	-	3,645	-	-
-of which cash and cash equivalents excluding assets held for sale	1,021	4,403	1,021	4,403	3,866

In the first three quarters of 2020, Non-cash items and change in working capital and provisions include net unrealised loss of NOK 842 million on derivatives hedging the foreign currency exposure of the commitment of Adevinta mainly related to the Grupo Zap acquisition.

Statement of changes in equity

(NOK million)

	Attributable to owners of the parent	Non-controlling interests	Equity
Equity as at 31 Dec 2019	10,498	6,383	16,882
Profit (loss) for the period	368	(231)	137
Other comprehensive income	(60)	6	(54)
Total comprehensive income	308	(225)	83
Capital increase	-	12	12
Share-based payment	44	12	56
Dividends paid to non-controlling interests	15	(60)	(45)
Change in treasury shares	(97)	-	(97)
Loss of control of subsidiaries	-	(2)	(2)
Changes in ownership of subsidiaries that do not result in a loss of control	(1)	(10)	(10)
Share of transactions with the owners of joint ventures and associates	(20)	-	(20)
Equity as at 30 Sep 2020	10,749	6,111	16,860
Equity as at 31 Dec 2018- as previously reported	14,411	262	14,673
Change in accounting principle IFRS 16	(131)	(2)	(132)
Equity as at 1 Jan 2019	14,281	260	14,541
Profit (loss) for the period	863	211	1,075
Other comprehensive income	(541)	109	(432)
Total comprehensive income	323	320	643
Share-based payment	21	3	24
Dividends paid to owners of the parent	(477)	-	(477)
Dividends paid to non-controlling interests	15	(68)	(54)
Change in treasury shares	(552)	-	(552)
Loss of control of subsidiaries	-	(1)	(1)
Changes in ownership of subsidiaries that do not result in a loss of control	(2,906)	5,854	2,947
Share of transactions with the owners of joint ventures and associates	(19)	-	(19)
Equity as at 30 Sep 2019	10,685	6,367	17,052

Notes

Note 1 - Corporate information, basis of preparation and changes to accounting policies

The condensed consolidated interim financial statements comprise the Group and the Group's interests in joint ventures and associates. The interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting.

The interim financial statements are unaudited. All numbers are in NOK million unless otherwise stated. Tables may not summarise due to rounding.

The accounting policies adopted in preparing the condensed consolidated financial statements are consistent with those followed in preparing the Group's annual financial statements for 2019.

Adevinta is classified as a discontinued operation at the end of the current reporting period as disclosed in Note 2 Changes in the composition of the group. Previous periods are re-presented, reflecting Adevinta as discontinued for all reported periods. The re-presentation affects the income statement and related note disclosures.

Note 2 - Changes in the composition of the group

Business combinations

During the first three quarters, Schibsted has invested NOK 1 951 million related to acquisition of businesses (business combinations). The amount comprises cash consideration transferred reduced by cash and cash equivalents of the acquiree.

In July 2020, Schibsted, entered into an agreement to purchase 100% of the shares in Oikotie Oy, a Finnish multi-vertical online marketplace. Oikotie holds the number one position in the job vertical in Finland and a strong market share in real estate. Through the acquisition of Oikotie, Schibsted aims to expand its presence in the Finnish online marketplaces segment with a focus on growth and ambitious innovation. The company was consolidated into the Group's financial statements as of 16 July 2020.

The Norwegian Competition Authority (NCA) have in September 2020 notified of a possible intervention against the business combination between Schibsted and Nettbil, which was acquired in December 2019. Schibsted has in a reply to NCA addressed the authority's concerns. The final decision is due mid-November 2020, with possibility to appeal if NCA should maintain its position.

The table below summarizes the consideration transferred and the preliminary amounts recognized for assets acquired and liabilities assumed in the business combinations. The amounts are in its entirety related to the acquisition of Oikotie Oy and there might be changes to the preliminary amounts including the amount allocated to goodwill.

	Total business combinations
Consideration:	
Cash	2,037
Total	2,037
Amounts for assets and liabilities recognised:	
Intangible assets	1,003
Other non-current assets	2
Cash and cash equivalents	86
Trade and other receivables	15
Non-current liabilities	(194)
Current liabilities	(54)
Total identifiable net assets	857
Non-controlling interests	-
Goodwill	1,180
Total	2,037

The intangible assets consist mainly of brand, customer relations and technology, of which approximately 40 % is amortized over a period from 3-10 years. The goodwill recognised is attributable to inseparable non-contractual customer relationships, the assembled workforce of the companies and synergies. None of the goodwill recognised is expected to be deductible for income tax purposes. The business combinations are carried out as part of the Group's growth strategy, and the businesses acquired are good strategic fits with existing operations within the Schibsted Group.

Other changes in the composition of the Group

In July 2020, Schibsted announced that its subsidiary Adevinta ASA had signed an agreement to acquire 100% of eBay Classified Group being the global classifieds operations of eBay Inc (eBay). The transaction is expected to close in the first quarter of 2021. Under the terms of the agreement, eBay will receive a consideration of USD 2.5 billion in cash (subject to closing adjustments) and approximately 540 million shares in Adevinta representing an ownership interest of 44.1% of the capital and 33.3% of the votes.

Following the acquisition by Adevinta, Schibsted's ownership interest will be reduced to 33.1% of the capital and 39.5% of the votes and the acquisition will have the following effects for the consolidated financial statements of Schibsted:

Schibsted will lose control of Adevinta and will cease to consolidate Adevinta with effect from closing of the acquisition.

Gain on loss of control will be recognized on closing. As part of recognising such gain, the retained interest in Adevinta will be recognised at its fair value.

Subsequent to closing of the acquisition, the retained interest in Adevinta will be accounted for as an associate applying the equity method of accounting. Share of profit recognised will reflect Schibsted's share of profit (loss) as reported by Adevinta with appropriate adjustments for depreciation and amortization of non-current assets based on their fair values when equity accounting commences.

Adevinta is classified as a disposal group held for sale with effect from signing of the agreement (20 July 2020). The assets and liabilities of Adevinta are presented separately within current items in the statement of financial position. Previous periods are not re-presented. Non-current assets are not depreciated or amortised while being part of a disposal group classified as held for sale.

Adevinta represents a separate major line of business and is therefore classified as a discontinued operation with effect from signing of the agreement. The post-tax profits of discontinued operations are presented in a separate line item in the income statement. Previous periods are re-presented. The gain on loss of control to be recognized on closing will be reported in the same line item.

See note 7 Assets held for sale and discontinued operations for further information.

Related to Adevinta's transaction, Schibsted has entered into an agreement with Adevinta to acquire the Danish operations of eBay Classifieds Group immediately after closing of Adevinta's acquisition. The agreement values eBay Classifieds Denmark at USD 330 million on an enterprise value basis.

In January 2020, Schibsted closed the sale of the newspaper operations in Agder to Polaris Media. Schibsted has a 29% ownership in Polaris Media, which is accounted for as an associated company using the equity method. A gain of NOK 59 million is recognised in the line item Other income and expenses.

In June 2020, Schibsted disposed of an investment property in Stavanger through the sale of 100% of the shares in Stokkamyrveien 30 AS. A gain on sale of NOK 51 million is recognised in profit or loss in the line item Other income and expenses.

Schibsted has during the first half of 2020, paid NOK 39 million related to increases in ownership interests in subsidiaries.

Note 3 - Operating segments and disaggregation of revenues

As announced on 1 April 2020, Schibsted has adjusted the reporting structure effective Q1 2020. The main change is that costs from centralised product and technology developments and services, which have previously been reported under the Other/Headquarters segment, is now allocated to the operating segments. In addition, digital revenues will replace online revenues which included an allocation of combined subscription revenues in the past. Operating segments and disaggregation of revenues for 2019 were restated retrospectively to give comparable information.

Schibsted's operating segments are Nordic Marketplaces, News Media, Financial Services and Growth. With effect from Q3 2020, Adevinta is excluded from the operating segment disclosures and disaggregation of revenues as it is classified and presented as discontinued operations. See note 2 for further information.

Nordic Marketplaces comprises online classified operations in Norway (Finn), Sweden (Blocket) and Finland (Tori and Oikotie from 16 July 2020). These operations provide technology-based services to connect buyers and sellers and facilitate transactions, from job offers to real estate, cars, consumer goods and more. Nordic Marketplaces also include the adjacent businesses Nettbil and Qasa.

News Media comprises news brands in Norway and Sweden both in digital and paper formats, in addition to printing plant operations in the Norwegian market.

Financial Services consists of a portfolio of digital growth companies in the personal finance space, mainly in Norway and Sweden. Lendo is the key brand in the portfolio, offering digital marketplaces for consumer lending in the Nordics.

Growth consists of a portfolio of digital growth companies, mainly in Norway and Sweden, and the distribution operations (legacy and new business) in Norway.

Other / Headquarters comprises operations not included in the other reported operating segments, including the Group's headquarter Schibsted ASA and other centralised functions.

Eliminations comprise intersegment sales. Transactions between operating segments are conducted on normal commercial terms. In the operating segment information presented, Gross operating profit (loss) is used as measure of operating segment profit (loss). For internal control and monitoring, Operating profit (loss) is also used as measure of operating segment profit (loss).

	Nordic Marketplaces	News Media	Financial Services	Growth	Other / Headquarters	Eliminations	Schibsted
Third quarter 2020							
Operating revenues	827	1,791	289	616	162	(498)	3,188
-of which internal	20	193	1	137	147	(498)	-
Gross operating profit (loss)	356	266	86	40	(69)	-	678
Operating profit (loss)	217	173	59	6	(94)	-	360
Year to date 2020							
Operating revenues	2,324	5,337	834	1,801	507	(1,515)	9,287
-of which internal	61	599	1	407	447	(1,515)	-
Gross operating profit (loss)	995	453	154	51	(192)	-	1,461
Operating profit (loss)	782	212	62	(35)	(258)	-	762
Third quarter 2019							
Operating revenues	769	1,754	275	517	143	(427)	3,032
-of which internal	19	150	-	148	110	(427)	-
Gross operating profit (loss)	373	165	51	16	(63)	-	542
Operating profit (loss)	348	61	25	(2)	(142)	-	290
Year to date 2019							
Operating revenues	2,304	5,521	794	1,530	435	(1,248)	9,337
-of which internal	65	423	-	439	321	(1,248)	-
Gross operating profit (loss)	1,054	484	137	43	(200)	-	1,517
Operating profit (loss)	964	199	59	(24)	(446)	-	751
Year 2019							
Operating revenues	3,062	7,465	1,054	2,165	579	(1,672)	12,653
-of which internal	93	570	1	589	418	(1,672)	-
Gross operating profit (loss)	1,360	633	169	98	(284)	-	1,977
Operating profit (loss)	1,238	241	74	(16)	(617)	-	920

Disaggregation of revenues:

Third quarter 2020	Nordic Marketplaces	News Media	Financial Services	Growth	Other / Headquarters	Eliminations	Schibsted
Classifieds revenues	617	-	-	-	-	-	617
Advertising revenues	110	496	-	65	-	(41)	630
-of which digital	110	355	-	65	-	(39)	490
Subscription revenues	-	673	-	65	-	(1)	737
-of which digital	-	285	-	64	-	-	349
Casual sales	-	331	-	-	-	-	331
Other revenues	100	250	289	486	146	(428)	843
Revenues from contracts with customers	827	1,750	289	616	146	(470)	3,158
Revenues from lease contracts, government grants and others	-	41	-	-	16	(28)	30
Operating revenues	827	1,791	289	616	162	(498)	3,188

Year to date 2020							
Classifieds revenues	1,759	-	-	-	-	(1)	1,758
Advertising revenues	317	1,550	-	186	-	(118)	1,935
-of which digital	317	1,069	-	186	-	(114)	1,459
Subscription revenues	-	1,961	-	184	-	(2)	2,144
-of which digital	-	791	-	183	-	-	974
Casual sales	-	952	-	-	-	-	952
Other revenues	246	782	834	1,431	459	(1,313)	2,440
Revenues from contracts with customers	2,323	5,247	834	1,801	459	(1,434)	9,229
Revenues from lease contracts, government grants and others	1	90	-	-	48	(81)	58
Operating revenues	2,324	5,337	834	1,801	507	(1,515)	9,287

Third quarter 2019							
Classifieds revenues	601	-	-	-	-	-	601
Advertising revenues	106	519	-	49	-	(34)	639
-of which digital	106	330	-	49	-	(34)	451
Subscription revenues	-	648	-	54	-	(1)	701
-of which digital	-	239	-	54	-	-	293
Casual sales	-	355	-	-	-	-	355
Other revenues	62	213	275	414	105	(348)	721
Revenues from contracts with customers	769	1,734	275	517	105	(383)	3,017
Revenues from lease contracts, government grants and others	-	20	-	-	38	(44)	15
Operating revenues	769	1,754	275	517	143	(427)	3,032

Year to date 2019							
Classifieds revenues	1,779	-	-	-	-	(1)	1,778
Advertising revenues	331	1,850	-	171	-	(105)	2,248
-of which digital	331	1,173	-	171	-	(90)	1,586
Subscription revenues	-	1,902	-	157	-	(2)	2,057
-of which digital	-	662	-	157	-	-	819
Casual sales	-	1,028	-	-	-	-	1,028
Other revenues	192	680	794	1,202	321	(1,010)	2,180
Revenues from contracts with customers	2,303	5,460	794	1,530	321	(1,117)	9,290
Revenues from lease contracts, government grants and others	1	61	-	-	114	(130)	46
Operating revenues	2,304	5,521	794	1,530	435	(1,248)	9,337

Year 2019	Nordic Marketplaces	News Media	Financial Services	Growth	Other / Headquarters	Eliminations	Schibsted
Classifieds revenues	2,350	-	-	-	-	(2)	2,349
Advertising revenues	457	2,559	-	258	-	(140)	3,134
-of which digital	457	1,634	-	258	-	(123)	2,227
Subscription revenues	-	2,550	-	212	-	(2)	2,760
-of which digital	-	901	-	212	-	-	1,113
Casual sales	-	1,358	-	-	-	-	1,358
Other revenues	253	917	1,053	1,695	441	(1,368)	2,991
Revenues from contracts with customers	3,061	7,384	1,054	2,165	441	(1,512)	12,592
Revenues from lease contracts, government grants and others	1	81	-	-	138	(160)	61
Operating revenues	3,062	7,465	1,054	2,165	579	(1,672)	12,653

Note 4 - Other income and expenses

(NOK million)	Third quarter		Year to date		Year
	2020	2019	2020	2019	2019
Gain on sale of subsidiaries, joint ventures and associates	(2)	1	64	1	1
Gain on sale of intangible assets, property, plant and equipment and investment property	-	-	51	-	-
Gain on amendments and curtailment of pension plans	1	-	14	-	10
Other income or gain	(1)	1	129	1	11
Restructuring costs	(16)	(46)	(86)	(63)	(122)
Transaction-related costs	(77)	-	(78)	(34)	(35)
Loss on sale of subsidiaries, joint ventures and associates	(1)	-	(2)	-	-
Loss on sale of intangible assets, property, plant and equipment and investment property	-	(2)	-	(4)	(4)
Other expenses or loss	(94)	(48)	(165)	(101)	(162)
Total	(95)	(47)	(36)	(99)	(151)

During first three quarters of 2020 Schibsted recognized a gain of NOK 59 million related to the sale of Fædrelandsvennen, Lindesnes Avis, Lister and the distribution business in Agder, as well as a gain of NOK 51 million from sale of investment property. Restructuring costs are mainly expenses related to headcount reductions in News Media. Transaction-related costs mainly relate to the acquisitions of Oikotie and eBay Denmark.

Note 5 - Financial items

(NOK million)	Third quarter		Year to date		Year
	2020	2019	2020	2019	2019
Interest income	3	17	26	58	74
Net foreign exchange gain	10	5	-	9	12
Other financial income	-	-	1	3	4
Total financial income	14	22	27	70	89
Interest expenses	(45)	(44)	(134)	(120)	(163)
Net foreign exchange loss	-	-	(2)	-	-
Other financial expenses	(7)	(2)	(15)	(12)	(16)
Total financial expenses	(52)	(47)	(152)	(132)	(179)
Net financial items	(39)	(25)	(125)	(62)	(90)

Note 6 - COVID-19 pandemic

Although Q3 is affected by the COVID-19 pandemic, the results are better than prognosed in the beginning of the crisis. It is however apparent that the pandemic will impact the full year figures for 2020.

Most exposed to the effects of the COVID-19 pandemic and the macroeconomic slowdown are the travel and job verticals in Nordic Marketplaces and advertising revenues for Schibsted in general. The latter is particularly important for News Media but has also affected the Group's other businesses areas. In addition, the print newspaper business has experienced negative volume effects.

Schibsted has made use of certain relief and support measures available from governments in different territories to mitigate the effects of COVID-19. Such measures primarily relate to reduced social security contributions, reimbursement of salaries to employees on sick leave or temporarily laid off and delays in payment terms of taxes and other levies.

For contributions received accounted for as government grants related to income under IAS 20, the accounting policy of Schibsted is to recognise such grants when there is reasonable assurance that the conditions attaching to the grant will be complied with and that the grants will be received. The grants are recognised as income unless directly related to specific items of expense. Government grants in Sweden has had a positive effect on operating profit of NOK 16 million in Q3.

The COVID-19 pandemic is identified as an impairment indicator for certain cash generating units (CGUs) in News Media and Next and management has estimated the recoverable amount and compared this to the carrying amount for the relevant CGUs. Based on the impairment tests performed, no impairment is identified in Q3 2020. Depending on the duration of the COVID-19 pandemic, and to what extent the business is affected in the medium to long term perspective, it may have an impact on assumptions applied for calculating the recoverable amount for fixed and intangible assets, including goodwill.

Schibsted has during Q3 2020 also reviewed the valuation of certain other financial assets, and recognised minor impairment losses related to associates.

During Q3 2020 Schibsted has also reassessed the loss rates to be applied when estimating provisions for expected credit loss. Schibsted does not expect losses on trade receivables to increase significantly.

Schibsted ASA has a well-diversified loan portfolio with loans from both the Norwegian bond market and the Nordic Investment bank. A new bond (FRN) of NOK 1 billion was issued in April 2020 and replaced the bond (FRN) of NOK 1 billion that expired in June. A new bridge loan facility of EUR 350 million was entered into during the third quarter. This facility will be used to finance the acquisition of the Danish eBay classifieds companies with expected closing in Q1 2021. In addition, Schibsted has a revolving credit facility of EUR 300 million. None of the facilities are drawn as of 30 September 2020. Measures implemented, including reductions in costs and dividends, will reduce any negative effects on financial flexibility and covenants.

Note 7 - Assets held for sale and discontinued operations

Adevinta is classified as a disposal group held for sale and a discontinued operation at the end of the current reporting period as disclosed in note 2 Changes in the composition of the group. Adevinta was previously reported as a separate operating segment.

The amounts presented as held for sale as per 31 December 2019 are related to the sale of the newspaper operations Fædrelandsvennen, Lindesnes Avis and Lister as well as the distribution business in Agder. For further information see Annual report 2019 note 32.

The following assets and liabilities of Adevinta are included in the disposal group presented separately in the statement of financial position:

(NOK million)	30 Sep 2020
Assets	
Intangible assets	15,489
Property, plant and equipment	259
Right-of-use assets	1,044
Investments in joint ventures and associates	2,959
Other non-current assets	273
Trade receivables and other current receivables	1,515
Cash and cash equivalents	3,645
Assets held for sale	25,184
Liabilities	
Deferred tax liabilities	931
Non-current interest-bearing loans and borrowings	2,161
Non-current lease liabilities	939
Other non-current liabilities	255
Current interest-bearing loans and borrowings	2,492
Current lease liabilities	185
Other current liabilities	3,764
Liabilities held for sale	10,727
Net assets directly associated with disposal group	14,457

Profit (loss) after tax from discontinued operations can be analysed as follows:

(NOK million)	Third quarter		Year to date		Full year
	2020	2019	2020	2019	2019
Operating revenues	1,812	1,568	5,176	4,637	6,422
Operating expenses	(1,247)	(1,064)	(3,776)	(3,193)	(4,493)
Gross operating profit (loss)	565	503	1,400	1,444	1,929
Depreciation and amortisation	(33)	(100)	(337)	(308)	(440)
Share of profit (loss) of joint ventures and associates	(10)	11	15	16	59
Impairment loss	-	-	-	(3)	(248)
Other income and expenses	(267)	(13)	(316)	(87)	(127)
Operating profit (loss)	255	400	763	1,062	1,173
Net financial items	(279)	(26)	(1,034)	(31)	(54)
Profit (loss) before taxes	(24)	374	(272)	1,031	1,119
Taxes	(184)	(161)	(405)	(424)	(477)
Profit (loss) after taxes from discontinued operations	(209)	213	(677)	607	642
Other comprehensive income from discontinued operations	(661)	132	(278)	(149)	(198)
Total comprehensive income from discontinued operations	(869)	345	(955)	459	444
Total comprehensive income from discontinued operations attributable to:					
Non-controlling interests	(318)	159	(270)	270	274
Owners of the parent	(551)	186	(684)	189	170
Earnings per share from discontinued operations in NOK:					
Basic	(0.57)	0.51	(1.72)	1.88	1.95
Diluted	(0.57)	0.51	(1.72)	1.88	1.95

Intra-group eliminations between continuing and discontinued operations are attributed to discontinued operations as that approach is considered to provide the most relevant information related to results of continuing operations on an ongoing basis. This attribution results in certain deviations in amounts presented for discontinued operations above and amounts previously reported for Adevinta as an operating segment.

Adevinta was classified as a disposal group held for sale in July 2020 and no depreciation or amortisation of non-current assets is consequently included in profit (loss) from discontinued operations subsequent to that classification. This affects profit (loss) from discontinued operations positively by NOK 123 million before taxes and by NOK 99 million after taxes.

Note 8 - Statement of cash flows from continuing operations

The consolidated statement of cash flows includes the following cash flow related to continuing operations:

(NOK million)	Third quarter		Year to date		Full year
	2020	2019	2020	2019	2019
Profit (loss) before taxes from continuing operations	321	266	637	690	829
Depreciation, amortisation and impairment losses	225	196	631	621	848
Net effect pension liabilities	11	(5)	(39)	(65)	(98)
Share of loss (profit) of joint ventures and associates, net of dividends received	(2)	9	32	75	88
Taxes paid	(91)	(54)	(275)	(376)	(334)
Sales losses (gains) non-current assets and other non-cash losses (gains)	3	-	(113)	2	2
Non-cash items and change in working capital and provisions	(175)	46	(162)	92	196
Net cash flow from operating activities from continuing operations	293	457	711	1,038	1,532
Development and purchase of intangible assets and property, plant and equipment	(129)	(100)	(438)	(304)	(429)
Acquisition of subsidiaries, net of cash acquired	(1,951)	(9)	(1,951)	(43)	(102)
Proceeds from sale of intangible assets, investment property and property, plant and equipment	1	2	116	13	13
Proceeds from sale of subsidiaries, net of cash sold	(2)	(1)	94	(1)	(1)
Net sale of (investment in) other shares	(26)	(46)	(127)	(303)	(353)
Net change in other investments	(17)	(8)	(166)	1	(16)
Net cash flow from investing activities from continuing operations	(2,125)	(163)	(2,473)	(638)	(888)
Net change in interest-bearing loans and borrowings	-	16	-	(349)	(395)
Payment of principal portion of lease liabilities	(78)	(75)	(203)	(238)	(312)
Change in ownership interests in subsidiaries	-	(81)	(39)	2,941	2,941
Capital increase	-	-	8	-	9
Net financing from (to) Adevinta	-	-	-	592	592
Net sale (purchase) of treasury shares	7	(558)	(97)	(552)	(1,069)
Dividends paid	-	-	(60)	(545)	(546)
Net cash flow from financing activities from continuing operations	(71)	(698)	(391)	1,849	1,219

Definitions and reconciliations

The condensed consolidated financial statements are prepared in accordance with international financial reporting standards (IFRS). In addition, management uses certain alternative performance measures (APMs). The APMs are regularly reviewed by management and their aim is to enhance stakeholders' understanding of the company's performance and financial position alongside IFRS measures.

APMs should not be considered as a substitute for, or superior to, measures of performance in accordance with IFRS.

APMs are calculated consistently over time and are based on financial data presented in accordance with IFRS and other operational data as described and reconciled below.

As APMs are not uniformly defined, the APMs set out below might not be comparable to similarly labelled measures by other companies.

Operating segments were changed from 1 January 2020, and effected APMs are restated retrospectively to give comparable information. See note 3 Operating segments and disaggregation of revenues for more information.

Measure	Description	Reason for including
EBITDA	EBITDA is earnings before depreciation and amortization, other income and expenses, impairment, joint ventures and associates, interests and taxes. The measure equals gross operating profit (loss).	Shows performance regardless of capital structure, tax situation and adjusted for income and expenses related transactions and events not considered by management to be part of operating activities. Management believes the measure enables an evaluation of operating performance.
EBITDA margin	Gross operating profit (loss) / Operating revenues	Shows the operations' performance regardless of capital structure and tax situation as a ratio to operating revenue.

Reconciliation of EBITDA	Third quarter		Year to date		Year
	2020	2019	2020	2019	2019
Gross operating profit (loss)	678	542	1,461	1,517	1,977
= EBITDA	678	542	1,461	1,517	1,977

Measure	Description	Reason for including
Underlying tax rate	Underlying tax rate is calculated as adjusted tax expense as a percentage of an adjusted tax base. The adjusted tax base excludes significant non-taxable and non-deductible items as well as losses for which no deferred tax benefit is recognised. Adjusted taxes exclude the effect of reassessing unrecognized deferred tax assets.	Management believes that the adjusted tax rate provides increased understanding of deviations between accounting and taxable profits and a more understandable measure of taxes payable by the Group.

Underlying tax rate	Third quarter		Year to date		Year
	2020	2019	2020	2019	2019
Profit (loss) before taxes from continuing operations	321	266	637	690	829
Share of profit (loss) of joint ventures and associates	(2)	8	32	45	58
Basis for changes in unrecognized deferred tax assets	14	70	140	197	266
Gain on sale and remeasurement of subsidiaries, joint ventures and associates	2	-	(115)	-	-
Impairment losses	7	-	14	-	19
Non-deductible transaction-related costs	74	-	74	-	-
Adjusted tax base	416	345	782	933	1,173
Taxes	59	77	(177)	222	275
Reassessment of unrecognized deferred tax assets	38	-	358	-	-
Adjusted taxes	97	77	181	222	275
Underlying tax rate	23.3%	22.3%	23.2%	23.8%	23.5%

Measure	Description	Reason for including
Liquidity reserve	Liquidity reserve is defined as the sum of cash and cash equivalents and Unutilised drawing rights on credit facilities.	Management believes that liquidity reserve shows the total liquidity available for meeting current or future obligations.

	30 Sep		31 Dec
	2020	2019	2019
Liquidity reserve			
Cash and cash equivalents	1,021	4,403	3,866
Unutilized drawing rights	3,330	2,969	3,946
Liquidity reserve	4,351	7,372	7,811

Measure	Description	Reason for including
Net interest-bearing debt	Net interest-bearing debt is defined as interest-bearing loans and borrowings less cash and cash equivalents and cash pool holdings. Interest-bearing loans and borrowings do not include lease liabilities.	Management believes that net interest-bearing debt provides an indicator of the net indebtedness and an indicator of the overall strength of the statement of financial position. The use of net interest-bearing debt does not necessarily mean that the cash and cash equivalent and cash pool holdings are available to settle all liabilities in this measure.

	30 Sep		31 Dec
	2020	2019	2019
Net interest-bearing debt			
Non-current interest-bearing loans and borrowings	3,139	4,286	4,729
Current interest-bearing loans and borrowings	693	1,080	1,089
Cash and cash equivalents	(1,021)	(4,403)	(3,866)
Net interest-bearing debt	2,811	963	1,951

Measure	Description	Reason for including
Earnings per share adjusted (EPS (adj.))	Earnings per share adjusted for items reported as other income and expenses and impairment loss, net of any related taxes and non-controlling interests.	The measure is used for presenting earnings to shareholders adjusted for transactions and events not considered by management to be part of operating activities. Management believes the measure enables evaluating the development in earnings to shareholders unaffected by such non-operating activities.

	Third quarter		Year to date		Year
	2020	2019	2020	2019	2019
Earnings per share - adjusted - total					
Profit (loss) attributable to owners of the parent	112	292	368	863	949
Other income and expenses	362	61	352	186	278
Impairment loss	7	-	20	12	283
Taxes and Non-controlling interests related to Other income and expenses and Impairment loss	(106)	(14)	(153)	(54)	(183)
Profit (loss) attributable to owners of the parent - adjusted	375	339	588	1,007	1,327
Earnings per share – adjusted (NOK)	1.60	1.43	2.52	4.23	5.59
Diluted earnings per share – adjusted (NOK)	1.60	1.43	2.51	4.22	5.58

Earnings per share - adjusted - continuing operations	Third quarter		Year to date		Year
	2020	2019	2020	2019	2019
Profit (loss) attributable to owners of the parent	245	171	773	416	486
Other income and expenses	95	47	36	99	151
Impairment loss	7	-	20	9	35
Taxes and Non-controlling interests related to Other income and expenses and Impairment loss	(5)	(7)	(19)	(21)	(32)
Profit (loss) attributable to owners of the parent - adjusted	343	211	811	503	640
Earnings per share – adjusted (NOK)	1.47	0.89	3.47	2.11	2.70
Diluted earnings per share – adjusted (NOK)	1.46	0.89	3.46	2.11	2.69

Measure	Description	Reason for including
Revenues adjusted for currency fluctuations and effect of sale certain regional and local newspapers	Revenues in News Media segment adjusted for revenues in operations disposed of (Fædrelandsvennen, Lindesnes Avis and Lister), adjusted for currency similarly as in the APM Revenues adjusted for currency fluctuations.	Enables comparability of development in revenues over time excluding the effect of operations disposed of and currency fluctuations.

Sale of certain regional and local newspapers	Third quarter		Year to date		Year
	2020	2019	2020	2019	2019
Operating revenues News Media	1,791	1,754	5,337	5,521	7,465
Operating revenues in certain regional and local newspapers	-	(68)	-	(213)	(285)
Operating revenues News Media adjusted for effect of disposal of certain regional and local newspapers	1,791	1,686	5,337	5,308	7,180
Currency effect	(77)	-	(198)	-	-
Currency adjusted revenues in News Media adjusted for effect of disposal of certain regional and local newspapers	1,714	1,686	5,139	5,308	7,180
Currency adjusted revenue growth adjusted for effect of disposal of certain regional and local newspapers	2%		(3%)		
Advertising revenues News Media	496	519	1,550	1,850	2,559
<i>of which digital</i>	355	330	1,069	1,173	1,634
Advertising revenues in certain regional and local newspapers	-	(25)	-	(87)	(118)
<i>of which digital</i>	-	(8)	-	(27)	(37)
Advertising revenues News Media adjusted for effect of disposal of certain regional and local newspapers	496	494	1,550	1,763	2,441
<i>of which digital</i>	355	322	1,069	1,146	1,597
Subscription revenues News Media	673	648	1,961	1,902	2,550
<i>of which digital</i>	285	239	791	662	901
Subscription revenues in certain regional and local newspapers	-	(38)	-	(110)	(148)
<i>of which digital</i>	-	(11)	-	(31)	(42)
Subscription revenues News Media adjusted for effect of disposal of certain regional and local newspapers	673	610	1,961	1,792	2,403
<i>of which digital</i>	285	228	791	631	859

Measure	Description	Reason for including
Revenues adjusted for currency fluctuations	Growth rates on revenue adjusted for currency effects are calculated using the same foreign exchange rates for the period last year and this year.	Enables comparability of development in revenues over time excluding the effect of currency fluctuation.

Reconciliation of currency adjusted revenue growth	Nordic Marketplaces	News Media	Financial Services	Growth	Other/HQ, Eliminations	Total
Revenues current quarter 2020	827	1,791	289	616	(336)	3,188
Currency effect	(29)	(77)	(20)	(19)	-	
Currency adjusted revenues	798	1,714	270	597	-	
Currency adjusted revenue growth	4%	(2%)	(2%)	15%		
Revenues current quarter 2019	769	1,754	275	517	(283)	3,032

Currency rates used when converting profit or loss	Third quarter		Year to date		Year
	2020	2019	2020	2019	2019
Swedish krona (SEK)	1.0296	0.9237	1.0143	0.9247	0.9306
Euro (EUR)	10.6704	9.8511	10.7142	9.7698	9.8503

Stavanger Aftenblad



Harvest

hygglo



Bergens Tidende

The Mindfulness App

GoodOnes

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