Q1 2019 INTERIM REPORT

JANUARY-MARCH 2019

EMPOWERING PEOPLE IN THEIR DAILY LIFE

COMMENTS FROM THE CEO

KRISTIN SKOGEN LUND
CEO

After a successful demerger and separate listing of our international marketplaces operations in Adevinta, I am happy to report that our operations continued to develop well in Q1. Schibsted excluding Adevinta continues its track record of solid digital growth and the revenue from digital products in Schibsted excluding Adevinta grew with 6 percent. The growth is good in all our operating segments.

Nordic Marketplaces is our most prominent growth engine, and in this quarter the market leading marketplace Finn in Norway continued to produce excellent results. At the same time, I am equally glad to report that Blocket in Sweden has returned to growth after several quarters of negative revenue development. The verticals are the primary growth drivers, and both in Finn and Blocket, product development and innovation are key ingredients to drive growth.

News Media continued to grow their digital revenue in the first quarter, especially driven by good take-up in digital news subscriptions. Going forward we will continue to work on product development and to improve our ability to grow the average revenue per subscriber. As a foundation lies our relentless focus on trustworthy and important journalism. The cost control in News Media is good, and we have been able to deliver on our ambition to keep EBITDA margin stable.

This is the first quarter where we report Financial Services separately, as it has become a sizable business. It is also an area with great potential for expansion. Lendo has now been launched in three new markets, and the results are as planned affected by the investments related to this. Our operations in the Growth segment have significant potential, and in this quarter the development was particularly good in the price comparison service Prisjakt.

After the successful demerger of Adevinta and subsequent share sale by Schibsted, we have a strong financial position. Going forward we see interesting investment opportunities across our digital portfolio. For example, within marketplaces there may be opportunities for in-market consolidation. At the same time, we will seek to maintain an optimal capital structure, and over time seek to be within our communicated range of financial leverage, which is higher than the current level.

SCHIBSTED MEDIA GROUP – HIGHLIGHTS

EBITDA in this report equals EBITDA (before other income and expenses, impairment, joint ventures and associates). All alternative performance measures (APM) used in this report are described and presented in the section Definitions and reconciliations at the end of the report.

KEY FIGURES FOR SCHIBSTED MEDIA GROUP

Year 2018	(NOK million) Key figures	First quarter 2019	First quarter 2018	YoY Δ %
	Schibsted excluding Adevinta			
12,511	Operating revenues	3,089	3,037	2 %
7,367	*- of which online revenues*	*1,842*	*1,739*	*6 %*
1,840	EBITDA	418	336	25 %
15 %	EBITDA margin	14 %	11 %	
	The effect of IFRS-16 on EBITDA for Schibsted excluding Adevinta in Q1 2019 is NOK 84 million			
	Consolidated Group Figures			
18,059	Operating revenues	4,576	4,357	5 %
3,268	EBITDA	856	610	40 %
18 %	EBITDA margin	19 %	14 %	
	The effect of IFRS-16 on EBITDA for Consolidated Group Figures in Q1 2019 is NOK 118 million			
1,794	Operating profit (loss) - EBIT	520	417	25 %
715	Profit (loss)	320	169	89 %
2.72	Earnings per share (EPS)	1.26	0.67	88 %
6.05	Adjusted earnings per share (EPS adj)	1.42	0.72	97 %
817	CAPEX	202	172	17 %
	Operating revenues - segments			
2,843	Nordic Marketplaces	722	651	11 %
7,733	News Media	1,855	1,897	-2 %
1,011	Financial Services	273	255	7 %
1,966	Growth	503	479	5 %
714	Other/Headquarters	192	178	8 %
5,665	Adevinta	1,545	1,351	14 %
-1,873	Eliminations	-515	-454	13 %
18,059	Schibsted Group	4,576	4,357	5 %
	EBITDA - segments			
1,267	Nordic Marketplaces	321	268	20 %
682	News Media	150	112	35 %
327	Financial Services	57	91	-37 %
99	Growth	12	12	2 %
-535	Other/Headquarters	-123	-147	-16 %
1,427	Adevinta	438	275	59 %
3,268	Schibsted Group	856	610	40 %

HIGHLIGHTS OF Q1 2019

- **Digital revenue growth, excluding Adevinta, of 6% in Q1**
- **Nordic Marketplaces: Revenues continue to grow, increased EBITDA**
  - Revenues up 11 percent; EBITDA margin up 4%-points to 45 percent
  - Marketplaces Norway with solid 18% revenue growth, in part helped by late Easter in 2019
  - Marketplaces Sweden with 2% revenue growth, driven by verticals
- **News Media: Growing online revenues driven by digital subscriptions**
  - 2 percent revenue decrease in Q1; 5% digital growth and increased EBITDA margin
- **Financial Services: Softer top-line development due to regulations**
  - Continued growth for Lendo, but with a lower rate than in previous quarters. Recent launch in Denmark, Poland and Austria affects margins negatively in the ramp-up phase
- **Schibsted Growth: Continues to expand**
  - Prisjakt with continued good development in Q1, 10% revenue growth and margin improvement
- **Expansion investments in Lendo and innovation within Distribution affecting EBITDA with in total around 25 million in Q1**
- **Adevinta: Successfully listed on Oslo Stock Exchange on 10 April 2019**
  - Continued revenue growth driven by France and Spain. Margin expansion driven by reduced investment phase losses.

ADEVINTA SUCCESSFULLY LISTED ON OSLO STOCK EXCHANGE

Schibsted announced 18 September 2018 the Board's resolution to initiate a process to reorganize the company into two growth-oriented companies. This process is now finalized with the separate listing of Adevinta.

The international online classifieds operations was spun off and established as an independent, listed company, Adevinta. The company is listed on Oslo Stock Exchange, Norway. First day of trading was 10 April 2019, and after one day of trading Adevinta was valued at NOK 60 billion, making it the third largest new listing on Oslo Stock Exchange historically.

Schibsted will continue to comprise all activities in Norway, Sweden and Finland – including the marketplaces Finn.no and Blocket.

Schibsted retains a 59.3% ownership in Adevinta after the listing. Schibsted intends to remain a significant long-term owner in Adevinta, and the size and time horizon of Schibsted's ownership will be tailored to support and develop shareholder value for both companies. Schibsted will seek to exercise its ownership through the shareholder meeting and representation on Adevinta's Board of Directors. Adevinta is one of the global leaders in online classifieds, fully equipped to achieve long-term growth with high profit margins.

OPERATIONAL DEVELOPMENT

NORDIC MARKETPLACES

Year 2018	(NOK million) Nordic Marketplaces	First quarter 2019	2018	YoY Δ %
2,843	Operating revenues	722	651	11 %
1,576	Operating expenses	-400	-383	5 %
1,267	EBITDA	321	268	20 %
45 %	EBITDA margin	45 %	41 %	

The effect of IFRS-16 on EBITDA for Nordic Marketplaces in Q1 2019 is NOK 12 million

Operating revenues in Nordic Marketplaces grew 11 percent in Q1 compared to Q1 last year (12 percent currency adjusted), driven by strong growth in Norway, positively affected by late Easter this year.

Marketplaces Norway

Year 2018	(NOK million) Marketplaces Norway	First quarter 2019	2018	YoY Δ %
1,826	Operating revenues	480	408	18 %
-1,013	Operating expenses	-258	-236	9 %
813	EBITDA	222	172	29 %
45 %	EBITDA margin	46 %	42 %	

The effect of IFRS-16 on EBITDA for Marketplaces Norway in Q1 2019 is NOK 8 million

Operating revenues in Norway increased by 18 percent in Q1, positively affected by late Easter this year. We continue to see a strong underlying development in the verticals jobs and real estate partly driven by new products.

EBITDA margin 46 percent (42%).

Marketplaces Sweden

Year 2018	(NOK million) Marketplaces Sweden	First quarter 2019	2018	YoY Δ %
925	Operating revenues	218	221	-1 %
-456	Operating expenses	-118	-119	-2 %
469	EBITDA	100	101	-1 %
51 %	EBITDA margin	46 %	46 %	

The effect of IFRS-16 on EBITDA for Marketplaces Sweden in Q1 2019 is NOK 2 million

Operating revenue in Sweden increased by 2 percent in SEK in Q1 (-1% in NOK). We continue to see a good underlying development in the jobs vertical, with 10 percent higher revenues in Q1 19 compared to the same period in 2018, measured in local currency. The growth in the car vertical was 6 percent Y/Y in Q1. Display advertising was still soft, but the development in Q1 was better than in previous quarters.

NEWS MEDIA

Year 2018	(NOK million) News Media	First quarter 2019	2018	YoY Δ %
7,733	Operating revenues	1,855	1,897	-2 %
-7,051	Operating expenses	-1,705	-1,785	-4 %
682	EBITDA	150	112	35 %
9 %	EBITDA margin	8 %	6 %	

The effect of IFRS-16 on EBITDA for News Media in Q1 2019 is NOK 46 million

In News Media, digital revenue grew 5 percent, while total revenue decreased by 2 percent in Q1 (-1% currency adjusted), as we saw continued decline in print revenues. News Media has a slight negative Easter-effect this year, as the Easter week normally is a week with high activity for the newspapers. The cost control was good, and the EBITDA margin was stable compared to last year, adjusted for IFRS-16.

VG (Verdens Gang)

Year 2018	(NOK million) VG	First quarter 2019	2018	YoY Δ %
1,839	Operating revenues	430	443	-3 %
-1,509	Operating expenses	-372	-363	2 %
331	EBITDA	57	80	-28 %
18 %	EBITDA margin	13 %	18 %	

The effect of IFRS-16 on EBITDA for VG in Q1 2019 is NOK 4 million

VG had a revenue decline of 3 percent in Q1 compared to last year. Online subscription revenues continued to improve in Q1, with a growth of 27 percent driven by higher volume combined with increased revenue per user (ARPU), while advertising, both print and digital, declined in a weak market.

The number of subscribers to the premium digital subscription product VG+ is growing steadily, and total subscriptions passed 180,000 in Q1.

The EBITDA margin is down from last year due to revenue decline, new product initiatives and increased central cost allocation. VG is investing significant amounts in future oriented products, among other things voice related services. These investments are primarily made as operating expenses.

Aftonbladet

Year 2018	(NOK million) Aftonbladet	First quarter 2019	2018	YoY Δ %
1,678	Operating revenues	378	415	-9 %
-1,487	Operating expenses	-342	-379	-10 %
190	EBITDA	36	35	3 %
11 %	EBITDA margin	10 %	9 %	

The effect of IFRS-16 on EBITDA for Aftonbladet in Q1 2019 is NOK 0 million

Aftonbladet revenues were down 6 percent in SEK compared to Q1 last year (-9% in NOK)). Online revenues increased 1 percent in SEK in Q1, partly affected negatively by GDPR on digital advertising. Print revenues were down 13 percent in SEK in the quarter.

Digital subscription revenues grew well, driven by higher ARPU.

Operating expenses were reduced in Q1, leading to an improved EBITDA margin.

Subscription based newspapers

Year 2018	(NOK million) Subscription Newspapers	First quarter 2019	2018	YoY Δ %
3,484	Operating revenues	862	859	0 %
-3,243	Operating expenses	-812	-828	-2 %
242	EBITDA	49	30	63 %
7 %	EBITDA margin	6 %	4 %	

The effect of IFRS-16 on EBITDA for Subscription Newspapers in Q1 2019 is NOK 8 million

In Subscription newspapers, operating revenues were flat compared to last year (+1% currency adjusted). The positive trend in subscriptions, mainly due to a growing base of digital subscribers combined with improved ARPU, continued in Q1. Advertising revenues declined as the negative trend in print continued.

The EBITDA margin is up from last year due to lower costs.

FINANCIAL SERVICES

Year 2018	(NOK million) Financial Services	First quarter 2019	2018	YoY Δ %
1,011	Operating revenues	273	255	7 %
-684	Operating expenses	-217	-164	32 %
327	EBITDA	57	91	-37 %
32 %	EBITDA margin	21 %	36 %	

The effect of IFRS-16 on EBITDA for Financial Services in Q1 2019 is NOK 3 million

Financial Services consists of a portfolio of digital growth companies in the personal finance space, mainly in Norway and Sweden. Total revenue was up 7 percent in Q1 (9% currency adjusted).

The EBITDA margin is down from last year due to investments and lower margin in Lendo, see below.

Lendo

Year 2018	(NOK million) Lendo	First quarter 2019	2018	YoY Δ %
852	Operating revenues	229	215	6 %
-530	Operating expenses	-178	-121	47 %
322	EBITDA	51	95	-46 %
38 %	EBITDA margin	22 %	44 %	

The effect of IFRS-16 on EBITDA for Lendo in Q1 2019 is NOK 1 million

Year 2018	(NOK million) Lendo established	First quarter 2019	2018	YoY Δ %
852	Operating revenues	228	215	6 %
-517	Operating expenses	-155	-121	28 %
335	EBITDA	72	95	-23 %
39 %	EBITDA margin	32 %	44 %	

The effect of IFRS-16 on EBITDA for Lendo established in Q1 2019 is NOK 1 million

Lendo Group established operations includes Sweden, Norway and Finland. Denmark, Poland and Austria were launched in Q4 2018 and Q1 2019, and are in an investment phase. The growth rate of Lendo Group was 6 percent compared to Q1 last year (8% currency adjusted), driven by higher volumes. In the largest market, Sweden, Lendo revenue grew with 14 percent. Compared to previous quarters, the growth in Established phase was partly curbed by regulatory initiatives in Norway and competition. The number of applications is reduced due to market dynamics, whereas the conversion rate is stable. The revenue in investment phase were limited in Q1, as the operations are still at an early stage.

The EBITDA margin decreased from last year, mainly driven by increased marketing, primarily related to geographic expansion, new product launches, and lower revenue growth. The geographical expansion affected the EBITDA margin with around 10 percentage points.

GROWTH

Year 2018	(NOK million) Growth	First quarter 2019	2018	YoY Δ %
1,966	Operating revenues	503	479	5 %
-1,867	Operating expenses	-491	-467	5 %
99	EBITDA	12	12	2 %
5 %	EBITDA margin	2 %	2 %	

The effect of IFRS-16 on EBITDA for Growth in Q1 2019 is NOK 8 million

Growth consists of a portfolio of digital growth companies, mainly in Norway and Sweden, and distribution operations in Norway. Total revenue was up 5 percent in Q1 2019 (6% currency adjusted).

In Q1, Distribution and Prisjakt continued with a double digit revenue growth.

The EBITDA margin is unchanged from last year. Investments in innovation within distribution, affecting EBITDA negatively with NOK 6 million, are included.

Prisjakt

Year 2018	(NOK million) Prisjakt	First quarter 2019	2018	YoY Δ %
308	Operating revenues	72	66	10 %
-211	Operating expenses	-53	-52	2 %
97	EBITDA	19	14	40 %
31 %	EBITDA margin	27 %	21 %	

The effect of IFRS-16 on EBITDA for Prisjakt in Q1 2019 is NOK 1 million

Prisjakt Group is present in nine markets, but the majority of the revenues come from Norway and Sweden. The growth rate of Prisjakt Group was 10 percent compared to Q1 last year (12 percent currency adjusted), driven by higher volumes.

The EBITDA margin increased from last year.

OTHER / HEADQUARTER

The Other/HQ segment had a negative EBITDA of NOK 123 million in Q1, compared to NOK -147 million in the same period last year. Around half of the EBITDA loss in the quarter was related to shared product & tech development resources.

ADEVINTA

Year 2018	(NOK million) Adevinta	First quarter 2019	2018	YoY Δ %
5,665	Operating revenues	1,545	1,351	14 %
-4,238	Operating expenses	-1,107	-1,076	3 %
1,427	EBITDA	438	275	59 %
25 %	EBITDA margin	28 %	20 %	

The effect of IFRS-16 on EBITDA for Adevinta in Q1 2019 is NOK 34 million

Adevinta showed revenue growth of 14 percent in Q1, driven by continued growth in France and Spain.

The EBITDA margin is up from last year, driven by reduced investment phase losses in Global Markets.

Please refer to Adevinta Q1 report published 14 May 2019 on www.adevinta.com/ir. Please note that in the table above, Adevinta is reported as a segment within Schibsted's consolidated figures, reported in NOK without currency adjustment, and without including JVs and Associates. The figures may differ from Adevinta's stand-alone reporting due to currency effects and elimination of transactions between Schibsted and Adevinta.

GROUP OVERVIEW

PROFIT AND LOSS

OPERATING PROFIT

Group consolidated revenues increased 5 percent in Q1. Consolidated operating expenses decreased by 1 percent in Q1 and consolidated Gross operating profit (EBITDA) increased by 40 percent. Adjusted for IFRS 16, consolidated Gross operating profit (EBITDA) increased by 21 percent.

Share of profit (loss) of joint ventures and associates was improved to NOK 22 million (-6 million), mainly related to positive result from OLX Brazil and positive revaluation of Indonesian assets after dilution. Other income and expenses in Q1 2019 was NOK -31 million (-10 million). Other income and expenses are disclosed in note 4 to the Condensed consolidated financial statements.

Operating profit in Q1 2019 amounted to NOK 520 million (389 million). Please also refer to note 3 to the Condensed consolidated financial statements.

NET PROFIT AND EARNINGS PER SHARE

Net financial items are disclosed in note 5 to the Condensed consolidated financial statements.

The underlying tax rate is stable, slightly below 30%. The reported tax rate is 38% in the first quarter of 2019, compared to 57% in the same period in 2018. Generally, Schibsted reports a tax rate exceeding the applicable nominal tax rates primarily as an effect of losses for which no deferred tax asset is recognized. That effect has declined in the first quarter of 2019 compared to the first quarter of 2018.

Basic earnings per share in Q1 is NOK 1.26 compared to NOK 0.67 in Q1 2018. Adjusted earnings per share in Q1 is NOK 1.42 compared to NOK 0.72 in Q1 2018.

CASH FLOW AND CAPITAL FACTORS

CASH FLOW

Net cash flow from operating activities was NOK 778 million for the first quarter of 2019, compared to NOK 335 million in the same period of 2018. The increase is primarily related to increase in gross operating profit, including the effect of implementing IFRS 16 Leases, and improved working capital partly offset by increased tax payments. The significant improvement in working capital in the first quarter of 2019 (NOK 323 million) must be seen in connection with the significant negative development in working capital reported in the fourth quarter of 2018 (NOK 240 million) from trade receivables in transit from external cash collecting partner at year end.

Net cash outflows from investing activities was NOK 491 million for the first quarter of 2019, compared to NOK 158 million in the same period of 2018. The increase is primarily related to increased investments in joint ventures, associates and other equity instruments.

Net cash outflows from financing activities was NOK 1,387 million for the first quarter of 2019, compared to a net cash inflow of NOK 15 million in the same period of 2018. The increased net cash outflow is primarily related to increased ownership interest in subsidiaries, repayment of interest-bearing debt and payment of lease liabilities following the implementation of IFRS 16 Leases.

EQUITY AND DEBT

The carrying amount of the Group's assets increased by NOK 164 million to NOK 27,489 during the first quarter of 2019. The change includes an increase from the implementation of IFRS 16 Leases partly offset by reductions in working capital and cash and cash equivalents. The Group's net interest-bearing debt increased by NOK 808 million to NOK 3,191 million. The Group's equity ratio was 53% at the end of the first quarter of 2019, compared to 54% at the end of 2018.

Schibsted ASA has a well-diversified loan portfolio with loans from both the Norwegian bond market and the Nordic Investment bank. In addition, Schibsted has a revolving credit facility of EUR 300 million which is not drawn. During first quarter a NOK 300 million bond was repaid at maturity.

A dividend for 2018 of NOK 2.00 was resolved at the Annual General Meeting 3 May 2019.

IFRS 16 IMPLEMENTATION

As disclosed in note 1 to the condensed consolidated financial statements, Schibsted has implemented the accounting standard IFRS 16 Leases from 1 January 2019. At the date of implementation, total liabilities increased by NOK 1,843 million and total assets increased by NOK 1,975 million primarily from the recognition of lease liabilities and related right-of-use assets. In the first quarter of 2019, gross operating profit and operating profit increased by NOK 118 million and NOK 18 million respectively compared to what would have been reported under the formerly applicable accounting standards. The effect on net profit is insignificant. Comparable figures for 2018 are not restated applying the new accounting standard.

DATA PRIVACY

Schibsted is committed to be a trusted digital partner, contributing to and sharing best practices within data privacy and security, creating intuitive and seamless solutions that empower our customers. We believe in being transparent in how we work and have an ongoing dialogue with our customers around data and privacy. We also have a close dialogue with data protection and other relevant authorities and engage in legislative processes both on a national and international level. We believe that broad industry practice and solutions benefit both our customers and businesses and engage heavily in the development of this.

GDPR has involved major changes when it comes to transparency and user empowerment. Schibsted has spent considerable resources on the implementation of among other things automated solutions and flexible user options, as this is an important part of meeting customer needs when it comes to data and privacy. Continuous feedback from users will be key in the development of our data and privacy solutions. Privacy efforts will continue on an ongoing basis to ensure compliance, customer trust in our data driven innovations and privacy as an embedded part of the Schibsted culture.

OUTLOOK

The Nordic region is perceived to be a digital frontrunner region and as such, a good venture lab to test new digital and disruptive offerings. Schibsted will build on the track record of being able to create and scale new business models and leverage technological disruptions to evolve successfully in the Nordics and beyond. We increase our focus on leveraging the joint force that lies in our various operations, where well known consumer brands, large traffic, ability to harvest rich data and our ability to attract top talent serves as foundations.

Schibsted expects to see continued good revenue development for its marketplaces operations Finn.no, Blocket.se and Tori.fi. Increased monetization of verticals and development of value added services and adjacencies are expected to be key drivers. The medium to long term revenue target for Nordic Marketplaces is 8-12 percent annual revenue growth.

Within Schibsted Next, including Financial Services, Lendo is expected to continue to grow well, although a moderate expansion investment into new markets, like Denmark, Poland and Austria, will hamper margins somewhat. Prisjakt is expected to continue with solid top-line growth and healthy margins.

Lendo's international expansion expenses are expected to affect EBITDA negatively with around NOK 70-100 million in 2019.

The operations in News Media will continue to develop their digital business models based on strong editorial products. For its News Media business area, Schibsted has the ambition to keep EBITDA margin stable, on the back of continued digital revenue growth curbed by decline in print related revenue.

ADEVINTA

Adevinta endeavours to maintain and extend its favourable competitive positions and several markets while also capturing further core and adjacent growth opportunities. Adevinta will continue to benefit from organic online classifieds market growth particularly focused in taking out the untapped potential that lies in its strong verticals. At the same time, Adevinta is focused on driving initiatives to increase market share of traffic, listings and eventually monetization and profitability. France, Spain and Brazil are expected to be the key drivers for growth going forward, driven by continued strong development of its verticals.

Adevinta's medium- long term target for annual revenue growth is 15-20 percent.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED INCOME STATEMENT

	First quarter		Year
	2019	2018	2018
Operating revenues	**4,576**	**4,357**	**18,059**
Raw materials and finished goods	(102)	(102)	(409)
Personnel expenses	(1,773)	(1,706)	(6,598)
Other operating expenses	(1,846)	(1,939)	(7,784)
Gross operating profit (loss)	**856**	**610**	**3,268**
Depreciation and amortisation	(316)	(172)	(731)
Share of profit (loss) of joint ventures and associates	22	(6)	60
Impairment loss	(12)	(5)	(747)
Other income and expenses	(31)	(10)	(55)
Operating profit (loss)	**520**	**417**	**1,794**
Net financial items	(6)	(28)	(113)
Profit (loss) before taxes	**514**	**389**	**1,681**
Taxes	(194)	(220)	(965)
Profit (loss)	**320**	**169**	**715**
Profit (loss) attributable to:			
Non-controlling interests	19	11	68
Owners of the parent	300	158	648
Earnings per share in NOK:			
Basic	1.26	0.67	2.72
Diluted	1.26	0.66	2.72
Weighted average number of shares outstanding (1,000)	238,353	238,220	238,329
Weighted average number of shares outstanding - diluted (1,000)	238,529	238,412	238,562

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	31 March		Year
	2019	2018	2018
Profit (loss)	**320**	**169**	**715**
Items not to be reclassified subsequently to profit or loss:			
Remeasurements of defined benefit pension liabilities	-	0	(27)
Income tax relating to remeasurements of defined benefit pension liabilities	-	(0)	7
Share of other comprehensive income of joint ventures and associates	(2)	(2)	(3)
Change in fair value of equity instruments	-	-	(2)
Items to be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations	(454)	(567)	(366)
Hedges of net investments in foreign operations	59	56	20
Income tax relating to hedges of net investments in foreign operations	(13)	(13)	(5)
Other comprehensive income	**(410)**	**(525)**	**(376)**
Comprehensive income	**(90)**	**(356)**	**339**
Comprehensive income attributable to:			
Non-controlling interests	13	3	65
Owners of the parent	(103)	(359)	274

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31 March 2019	31 March 2018	Year 2018
Intangible assets	16,287	16,637	16,521
Property, plant and equipment, investment property and right-of-use assets	2,634	938	870
Investments in joint ventures and associates	4,407	4,285	4,248
Other non-current assets	418	368	364
Non-current assets	**23,746**	**22,228**	**22,003**
Trade receivables and other current assets	3,015	2,962	3,478
Cash and cash equivalents	727	1,805	1,844
Current assets	**3,743**	**4,767**	**5,322**
Total assets	**27,489**	**26,995**	**27,325**
Equity attributable to owners of the parent	14,175	14,397	14,412
Non-controlling interests	272	278	262
Equity	**14,447**	**14,675**	**14,673**
Non-current interest-bearing borrowings	3,830	3,906	3,837
Other non-current liabilities	4,020	2,434	2,384
Non-current liabilities	**7,851**	**6,340**	**6,222**
Current interest-bearing borrowings	88	328	389
Other current liabilities	5,103	5,652	6,041
Current liabilities	**5,191**	**5,980**	**6,430**
Total equity and liabilities	**27,489**	**26,995**	**27,325**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	31 March 2019	31 March 2018	Year 2018
Profit (loss) before taxes	514	389	1,681
Depreciation, amortisation and impairment losses	328	177	1,479
Net effect pension liabilities	(65)	(70)	(90)
Share of loss (profit) of joint ventures and associates, net of dividends received	(21)	6	(20)
Taxes paid	(301)	(194)	(941)
Sales losses (gains) non-current assets and other non-cash losses (gains)	1	(7)	(23)
Change in working capital and provisions	323	33	(304)
Net cash flow from operating activities	**778**	**335**	**1,781**
Development and purchase of intangible assets and property, plant and equipment	(202)	(172)	(817)
Acquisition of subsidiaries, net of cash acquired	(32)	(9)	(38)
Proceeds from sale of intangible assets and property, plant and equipment	11	12	20
Proceeds from sale of subsidiaries, net of cash sold	-	-	1
Net sale of (investment in) other shares	(263)	(0)	(134)
Net change in other investments	(5)	11	15
Net cash flow from investing activities	**(491)**	**(158)**	**(953)**
Net cash flow before financing activities	**287**	**177**	**828**
Net change in interest-bearing loans and borrowings	(294)	3	11
Payment of lease liabilities	(117)	-	-
Change in ownership interests in subsidiaries	(977)	13	(97)
Net sale (purchase) of treasury shares	5	5	(13)
Dividends paid	(4)	(4)	(509)
Net cash flow from financing activities	**(1,387)**	**15**	**(608)**
Effects of exchange rate changes on cash and cash equivalents	(16)	(13)	(2)
Net increase (decrease) in cash and cash equivalents	**(1,116)**	**179**	**218**
Cash and cash equivalents at start of period	1,844	1,626	1,626
Cash and cash equivalents at end of period	**727**	**1,805**	**1,844**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Equity attributable to owners of the parent	Non-controlling interests	Equity
Equity as at 31 December 2017- as previously reported	14,793	261	15,054
Change in accounting principle IFRS 2	13	-	13
Change in accounting principle IFRS 15	(58)	(2)	(59)
Equity as at 1 January 2018	**14,749**	**260**	**15,008**
Comprehensive income	274	65	339
Transactions with the owners	(611)	(63)	(673)
Capital increase	*-*	*2*	*2*
Share-based payment	*32*	*(0)*	*32*
Dividends paid to owners of the parent	*(417)*	*-*	*(417)*
Dividends to non-controlling interests	*11*	*(92)*	*(81)*
Change in treasury shares	*(13)*	*-*	*(13)*
Changes in ownership of subsidiaries that do not result in a loss of control	*(220)*	*27*	*(192)*
Share of transactions with the owners of joint ventures and associates	*(4)*	*-*	*(4)*
Equity as at 31 December 2018 - as previously reported	**14,412**	**262**	**14,673**
Change in accounting principle IFRS 16 (note 1)	(131)	(2)	(132)
Equity as at 1 January 2019	**14,281**	**260**	**14,541**
Comprehensive income	(103)	13	(90)
Transactions with the owners	(2)	(1)	(4)
Share-based payment	*(3)*	*-*	*(3)*
Dividends to non-controlling interests	*-*	*(4)*	*(4)*
Change in treasury shares	*5*	*-*	*5*
Changes in ownership of subsidiaries that do not result in a loss of control	*(4)*	*3*	*(1)*
Equity as at 31 March 2019	**14,175**	**272**	**14,447**

Equity as at 31 December 2017- as previously reported	14,793	261	15,054
Change in accounting principle IFRS 2	13	-	13
Change in accounting principle IFRS 15	(58)	(2)	(59)
Equity as at 1 January 2018	**14,749**	**260**	**15,008**
Comprehensive income	(359)	3	(356)
Transactions with the owners	8	15	23
Share-based payment	*10*	*-*	*10*
Dividends to non-controlling interests	*-*	*(4)*	*(4)*
Change in treasury shares	*5*	*-*	*5*
Changes in ownership of subsidiaries that do not result in a loss of control	*(7)*	*19*	*13*
Equity as at 31 March 2018	**14,397**	**278**	**14,675**

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 summarize due to roundings.

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 2018 except for the implementation of IFRS 16 Leases as disclosed below.

IFRS 16 Leases

Schibsted has implemented IFRS 16 Leases with effect from 1 January 2019. IFRS 16 replaces IAS 17 Leases and related interpretations and sets out the principles for recognition, measurement, presentation and disclosure of leases. Under IFRS 16, all leases, except for short-term leases and leases of low value assets, are accounted for under a single on-balance sheet model. At the commencement date of a lease, a lease liability is recognised for the net present value of remaining lease payments and a right-of-use asset is recognised for the right to use the underlying asset during the remaining lease term. The right-of-use asset is depreciated over the lease term. The lease liability is increased by interest expenses and reduced by lease payments. For short-term leases and leases of low value assets, lease payments are recognized on a straight-line or other systematic basis over the lease term. The Group separates non-lease components from lease components and accounts for each component separately.

Under IAS 17, lease payments for operating leases were recognized on a straight-line or other systematic basis over the lease term.

IFRS 16 Leases was implemented retrospectively by using the modified retrospective approach with the accumulated effect of implementation charged against equity at 1 January 2019. Comparable figures for previous periods are not restated. In the condensed consolidated statement of financial position, the right-of use assets are reported in the line item

Property, plant and equipment, investment property and right-of-use assets. Lease liabilities are reported in the line items Other non-current liabilities and Other current liabilities.

At the date of initial application, the right-of-use assets of significant office leases are measured as if IFRS 16 had been applied since the commencement date of the related lease. For other leases, the right-of-use asset is measured at an amount equal to the lease liability adjusted for any prepaid or accrued lease payments at 31 December 2018. Initial direct costs are excluded from the measurement of right-of-use assets at the date of initial application. Certain leases with a remaining lease term of less than 12 months at the date of initial application are accounted for similarly as short-term leases.

The Group has, as an alternative to performing an impairment review at the date of initial application, used the practical expedient of IFRS 16 to adjust the carrying amount of right-of-use assets by any provisions for onerous lease contracts recognised under IAS 37 at 31 December 2018.

The lease liability related to leases in force at the date of initial application is measured applying the incremental borrowing rate as of that date.

Below is presented the effects by line items of the condensed consolidated statement of financial position at 1 January 2019 from implementing IFRS 16 Leases:

Statement of financial position	**1 January 2019**
Property, plant and equipment, investment property and right-of-use assets	1,826
Investments in joint ventures and associates	(5)
Other non-current assets	31
Trade receivables and other current assets	(10)
Total assets	**1,843**
Equity attributable to owners of the parent	(131)
Non-controlling interests	(2)
Other non-current liabilities	1,779
Other current liabilities	196
Total equity and liabilities	**1,843**

Below is presented the effects on the condensed consolidated income statement of applying IFRS 16 compared to the amounts that would have been reported applying the former accounting policies applied until 31 December 2018:

Income statement	**First quarter 2019**
Other operating expenses	118
Gross operating profit (loss)	118
Depreciation and amortisation	(101)
Share of profit (loss) of joint ventures and associates	1
Operating profit (loss)	18
Net financial items	(17)
Profit (loss) before taxes	1
Taxes	(0)
Profit (loss)	1
Earnings per share in NOK - basic	0.00
Earnings per share in NOK - diluted	0.00

Below is presented the effects on the condensed consolidated statement of cash flows of applying IFRS 16 compared to the amounts that would have been reported applying the former accounting policies applied until 31 December 2018:

Statement of cash flows	**First quarter 2019**
Net cash flow from operating activities	117
Net cash flow from financing activities	(117)

NOTE 2 CHANGES IN THE COMPOSITION OF THE GROUP

Business combinations 2019

During the first quarter of 2019, Schibsted has invested NOK 32 million related to acquisition of businesses (business combinations). The amount comprises cash consideration transferred reduced by cash and cash equivalents of the acquiree. The consideration transferred (including contingent consideration) is allocated primarily to intangible assets.

Other changes in the composition of the Group 2019

Schibsted has the first quarter of 2019 paid NOK 977 million related to increases in ownership interests in subsidiaries. The amount invested is primarily related to increasing the ownership interest in Schibsted Classified Media Spain SL to 100%.

NOTE 3 OPERATING SEGMENTS

Schibsted's reportable operating segments are Nordic Marketplaces, News Media, Financial Services, Growth and Adevinta. The operating segments correspond to the management structure and the internal reporting to the Group's chief operating decision maker, defined as the CEO. Reportable operating segments were changed from 1 January 2019 and are restated retrospectively to give comparable information.

Nordic Marketplaces comprises online classified operations in Norway, Sweden and Finland.

News Media comprises news operations in Norway and Sweden.

Financial Services consists of a portfolio of digital growth companies in the personal finance space, mainly in Norway and Sweden.

Growth consists of a portfolio of digital growth companies, mainly in Norway and Sweden, and distribution operations in Norway.

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

Adevinta comprises online classifieds operations outside the Nordic countries.

Eliminations comprise intersegment sales. Transactions between operating segments are conducted on normal commercial terms.

	Nordic Marketplaces	News Media	Financial Services	Growth	Other / Headquarters	Eliminations	Schibsted excl. Adevinta	Adevinta	Eliminations	Total
First quarter 2019										
Operating revenues from external customers	699	1,720	273	355	4	-	3,052	1,524	-	4,576
Operating revenues from other segments	22	135	-	148	188	(457)	37	21	(58)	-
Operating revenues	**722**	**1,855**	**273**	**503**	**192**	**(457)**	**3,089**	**1,545**	**(58)**	**4,576**
Gross operating profit (loss) excl. IFRS 16	309	104	54	4	(138)	-	334	404	-	737
Gross operating profit (loss)	321	150	57	12	(123)	0	418	438	0	856
Operating profit (loss)	**286**	**60**	**31**	**(11)**	**(197)**	**0**	**168**	**350**	**2**	**520**
First quarter 2018										
Operating revenues from external customers	627	1,784	255	336	5	-	3,007	1,349	-	4,357
Operating revenues from other segments	24	112	0	143	173	(423)	29	2	(31)	(0)
Operating revenues	**651**	**1,897**	**255**	**479**	**178**	**(423)**	**3,037**	**1,351**	**(31)**	**4,357**
Gross operating profit (loss)	268	112	91	12	(147)	(0)	336	275	(0)	610
Operating profit (loss)	**252**	**52**	**81**	**0**	**(180)**	**(0)**	**205**	**211**	**(0)**	**417**
Year 2018										
Operating revenues from external customers	2,756	7,207	1,010	1,397	28	-	12,398	5,660	-	18,059
Operating revenues from other segments	87	527	1	569	685	(1,756)	112	5	(117)	-
Operating revenues	**2,843**	**7,733**	**1,011**	**1,966**	**714**	**(1,756)**	**12,511**	**5,665**	**(117)**	**18,059**
Gross operating profit (loss)	1,267	682	327	99	(535)	0	1,840	1,427	0	3,268
Operating profit (loss)	**1,200**	**532**	**149**	**51**	**(762)**	**0**	**1,170**	**623**	**(0)**	**1,794**

Operating revenues from external customers, by category:

	First quarter 2019	First quarter 2018	Year 2018
Circulation revenues online	235	203	859
Advertising revenues online	538	573	2,422
Online classifieds revenues	596	522	2,272
Other online revenues	473	440	1,813
Total online revenues excl. Adevinta	**1,842**	**1,739**	**7,367**
Circulation revenues offline	711	750	2,967
Advertising revenues offline	234	265	1,042
Other offline revenues	265	253	1,023
Total offline revenues excl. Adevinta	**1,209**	**1,268**	**5,032**
Total external operating revenues excl. Adevinta	**3,052**	**3,007**	**12,398**
Advertising revenues Adevinta	296	311	1,294
Classifieds revenues Adevinta	1,213	1,030	4,327
Other revenues Adevinta	16	9	39
Total external operating revenues Adevinta	**1,524**	**1,349**	**5,660**
Total consolidated operating revenues	**4,576**	**4,357**	**18,059**

NOTE 4 OTHER INCOME AND EXPENSES AND IMPAIRMENT LOSS

	First quarter		Year
	2019	2018	2018
Restructuring costs	(14)	(17)	(74)
Gain (loss) on sale of subsidiaries, joint ventures and associates	-	-	13
plant and equipment and investment property	(1)	7	10
Gain (loss) on amendment of pension plans	-	-	6
Transaction-related costs	(16)	(0)	(3)
Other	-	(0)	(7)
Total other income and expenses	**(31)**	**(10)**	**(55)**

NOTE 5 NET FINANCIAL ITEMS

	First quarter		Year
	2019	2018	2018
Net interest income (expenses)	(38)	(25)	(92)
Net foreign exchange gain (loss)	34	(0)	(12)
Net other financial income (expenses)	(2)	(3)	(9)
Net financial items	**(6)**	**(28)**	**(113)**

NOTE 6 EVENTS AFTER THE REPORTING PERIOD

Adevinta comprises Schibsted's international online classifieds operations outside the Nordics. In connection with the listing of Adevinta ASA on the Oslo Stock Exchange on 10 April 2019, Schibsted reduced its ownership interest in Adevinta from 100% to 59.25% through a demerger and a sale of shares. In a demerger of Schibsted ASA, ownership of 35% of Adevinta was distributed to the shareholders of Schibsted. In a private placement, Schibsted sold shares representing 5.75% of the capital of Adevinta ASA. Gross proceeds from the sale of shares amounted to NOK 3,055 million.

The transactions above will in the consolidated accounts of Schibsted be accounted for as transactions with non-controlling interests and will be recognized in equity. The carrying amount of non-controlling interests will be adjusted to reflect the change in their relative share in the subsidiary. The difference between the amount by which the non-controlling interests is adjusted and the consideration received from the sale of shares will be recognized in equity and attributed to the owners of the parent.

Adevinta will continue to be consolidated by Schibsted. Profit or loss will therefore not be affected other than indirectly from return on the sales proceeds. Earnings per share will be affected through the allocation of profit or loss to the non-controlling interests of Adevinta.

DEFINITIONS AND RECONCILIATIONS

The company presents alternative performance measures (APM). The APMs are regularly reviewed by management and their aim is to enhance stakeholders' understanding of the company's performance. APMs are calculated consistently over time and are based on financial data presented in accordance with IFRS and other operational data as described below.

Operating segments were changed from 1 January 2019, and effected APM's are restated retrospectively to give comparable information. See note 3 Operating Segments for more information.

Measure	*Description*	*Reason for including*
EBITDA	EBITDA is before other income and expenses, impairment, joint ventures and associates, interest, tax and depreciation and amortisation. 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 excl. IFRS 16	EBITDA is before other income and expenses, impairment, joint ventures and associates, interest, tax, depreciation and amortisation and excl. IFRS 16. This measure equals gross operating profit (loss) adjusted for IFRS 16 effects (see note 1). IFRS 16 effects consist mainly of office rent which is reducing the current years APM in order for comparable treatment to prior year.	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 and effects from recently implemented standards. 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.
EBITDA margin excl. IFRS 16	Gross operating profit (loss) excl. IFRS 16 / Operating revenues. IFRS 16 effects consist mainly of office rent costs which reduce current years measure in order for comparability to prior period.	Shows the operations' performance regardless of capital structure, tax situation and effects from IFRS 16 implementation as a ratio to operating revenue.
Underlying tax rate	Underlying tax rate is defined as tax cost excluding effects that do not result in current tax payables.	Management believes that adjusted tax rate represent a more understandable measure of what is tax payable by the Group.
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.
Net interest-bearing debt	Net interest-bearing debt is defined as interest bearing liabilities less cash and cash equivalents and cash pool holdings.	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.
Earnings per share adjusted (EPS (adj.))	Earnings per share adjusted for other income and expenses, impairment loss, non-controlling interests related to other income and expenses and impairment loss and taxes.	The measure is used for comparing earnings to shareholders adjusted for income and expenses related transactions and events net of tax not considered by management to be part of operating activities. Management believes the measure enables an evaluation of value created to shareholder excluding effects of non operating events and transactions.
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.
Schibsted excl. Adevinta	Consolidated amounts of all Schibsted segments except Adevinta segment. See note 3 reportable operating segments.	Shows performance of the operations in main focus to Schibsted ASA management.

Reconciliation of EBITDA	31 March 2019	2018	Year 2018
Gross operating profit (loss)	856	610	3,268
= EBITDA	856	610	3,268

Reconciliation of EBITDA excl. IFRS 16	31 March 2019	2018	Year 2018
Gross operating profit (loss)	856	610	3,268
IFRS 16 effects	(118)	-	-
= Gross operating profit (loss) excl. IFRS 16	738	610	3,268
= EBITDA excl. IFRS 16	738	610	3,268

Underlying tax rate	First quarter 2019	2018	Year 2018
Profit (loss) before taxes	514	389	1,681
Share of profit (loss) of joint ventures and associates	(22)	6	(60)
Other losses for which no deferred tax benefit is recognised	168	360	1,035
Gain on sale and remeasurement of subsidiaries, joint ventures and associates	-	-	(13)
Impairment losses	-	-	731
Adjusted tax base	660	755	3,375
Taxes	194	220	965
Underlying tax rate	29.4 %	29.2 %	28.6 %

Liquidity reserve	31 March 2019	2018	Year 2018
Cash and cash equivalents	727	1,805	1,844
Unutilized drawing rights	2,898	2,893	2,984
Liquidity reserve	3,625	4,698	4,828

Net interest-bearing debt	31 March 2019	2018	Year 2018
Non-current interest-bearing borrowings	3,830	3,906	3,837
Current interest-bearing borrowings	88	328	389
Cash and cash equivalents	(727)	(1,805)	(1,844)
Net interest-bearing debt	3,191	2,429	2,383

Earnings per share - adjusted	First quarter 2019	2018	Year 2018
Profit (loss) attributable to owners of the parent	300	158	648
Other income and expenses	31	10	55
Impairment loss	12	5	747
Taxes and Non-controlling interests related to Other income and expenses and Impairment loss	(8)	(3)	(8)
Profit (loss) attributable to owners of the parent - adjusted	335	171	1,442
Weighted average number of shares outstanding (1,000)	238,353	238,220	238,329
Weighted average number of shares outstanding - diluted (1,000)	238,529	238,412	238,562
Earnings per share (NOK)	1.26	0.67	2.72
Diluted earnings per share (NOK)	1.26	0.66	2.72
Earnings per share – adjusted (NOK)	1.42	0.72	6.05
Diluted earnings per share – adjusted (NOK)	1.41	0.72	6.05

Currency rates used when converting profit or loss	First quarter 2019	2018	Year 2018
Swedish krona (SEK)	0.9352	0.9665	0.9364
Euro (EUR)	9.7421	9.6322	9.5995

Reconciliation of currency adjusted revenue growth

	Nordic Marketplaces	**News Media**	*Subscription Newspapers*	**Financial Services**	*Lendo Group*	**Growth**	*Prisjakt Group*	**Other/HQ, Adevinta, Eliminations**	**Total**
Revenues Q1 19	**722**	**1,855**	*862*	**273**	*228*	**503**	*72*	**1,223**	**4,576**
Currency effect	7	19	*5*	6	*5*	4	*1*		
Currency adjusted revenues	728	1,874	*866*	278	*232*	509	*74*		
Currency adjusted revenue growth	12 %	-1 %	*1 %*	9 %	*8 %*	6 %	*12 %*		
Revenues Q1 18	**651**	**1,897**	*859*	**255**	*215*	**479**	*66*	**1,075**	**4,357**

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Financial calendar

Q2 report 2019	16 July 2019
Q3 report 2019	25 October 2019

For information regarding conferences, roadshows etc., please visit www.schibsted.com/en/ir/Financial-calendar/