Interim Report Q4 2019

January – December

Schibsted

THE QUARTER IN BRIEF

Comments from the CEO

KRISTIN SKOGEN LUND
CEO

Q4 2019 was a satisfactory quarter for Schibsted. Nordic Marketplaces had a revenue growth of 6 percent and EBITDA increased despite investments in Sweden. Revenue growth for this segment was slower than in previous quarters as Finn in Norway has seen slightly lower volumes for real estate and lower volumes for jobs compared to last year which have continued in the start of 2020.

In News Media, digital subscription revenues continued to grow well and our Norwegian operations continued to show stable margins. However, overall EBITDA for News Media was significantly lower compared to Q4 last year driven by a significant drop in advertising revenues, particularly in Sweden. As in previous quarters, this is primarily caused by the strong market contraction following the regulatory tightening of the gaming industry, mainly affecting Aftonbladet. News Media has started implementing initiatives to address the negative margin development by reinforcing our product offerings to strengthen the value proposition to our customers, and by initiatives to reduce costs and improve efficiencies throughout the whole value chain.

Financial Services delivered revenue growth of 4 percent (3 percent currency adjusted) compared to last year driven by continued double-digit growth for Lendo Sweden, while Lendo Norway and Finland declined compared to last year. Looking at the geographical expansion of Lendo, Denmark continued its positive development and on the back of this, we are planning a soft launch in Spain during 2020. As we have mentioned during Q3, Lendo will implement a new organization structure which is expected to be effective from Q1 2020. This is done to reduce complexity and costs and to strengthen the execution of Lendo’s ambitious international growth agenda.

Our Growth portfolio showed strong revenue growth driven by our new Distribution business and EBITDA came in significantly higher than last year. We are also happy to see that Prisjakt showed solid financial performance this quarter driven by high volumes during Black Week.

In order to create further growth and create new digital winners, which is at the core of Schibsted's strategy, we are further building capabilities within data and tech. We believe that this will help us to leverage our strong reach, market insights and vast access to data across our strong brands. At the same time, these initiatives have a negative financial impact on the HQ/Other operating segment, which had a larger EBITDA loss in Q4 compared to the same quarter in 2018 and Q3 2019.

Adevinta completed the year with another good quarter and reported a revenue growth of 16 percent and a stable EBITDA margin of 26 percent measured in EUR compared to Q4 last year, driven by the performance in France, Spain and Brazil.

As we have already presented last quarter, Schibsted is presently in a strong financial position. We still see interesting opportunities to deploy capital into M&A and other growth opportunities. Our previously communicated share buyback program will be continued as we have not reached our 2% target yet. In accordance with our dividend policy, the Board has proposed an ordinary dividend of NOK 2.00 per share for 2019.

Highlights of the quarter

- Group revenues increased by 8% in Q4 2019
  - Q4 revenues for Schibsted ex Adevinta increased 1%
  - Q4 EBITDA for Schibsted ex Adevinta came in 3% lower (-21% excluding IFRS 16) than last year at NOK 460m
- Nordic Marketplaces: Solid revenue growth at a somewhat lower pace, increased EBITDA despite investments in Sweden. Revenues in Norway +6 percent despite somewhat lower volumes in jobs, Sweden +8 percent.
- News Media: Continuous good growth in digital subscription revenues, reduced advertising revenues, in particular in Sweden, leading to a decline of 35% (excluding IFRS 16) in EBITDA year-over-year.
- Financial Services: Continued growth in Lendo Sweden, Norway with stable development compared to last quarter but down YoY.
- Growth: Solid revenue and EBITDA growth driven by Distribution and Prisjakt.
- Adevinta: Revenues increased by 16 percent, stable EBITDA margin of 26 percent compared to Q4 last year (based on Adevinta's stand-alone reporting in EUR).
- Proposed dividend of NOK 2.00 per share for 2019

Key figures

	Fourth quarter			Year		
(NOK million)	2019	2018	Change	2019	2018	Change
Schibsted Group excl. Adevinta						
Operating revenues	3,316	3,275	1%	12,653	12,511	1%
- of which online revenues	2,016	1,943	4%	7,661	7,367	4%
EBITDA	460	476	(3%)	1,977	1,840	7%
EBITDA margin	14%	15%		16%	15%	
EBITDA excl. IFRS 16	377	476	(21%)	1,639	1,840	(11%)
Schibsted Group incl. Adevinta						
Operating revenues	5,101	4,742	8%	19,075	18,059	6%
EBITDA	944	897	5%	3,906	3,268	20%
EBITDA margin	19%	19%		20%	18%	
EBITDA excl. IFRS 16	822	897	(8%)	3,427	3,268	5%
Operating revenues per segment						
Nordic Marketplaces	758	714	6%	3,062	2,843	8%
News Media	1,944	2,045	(5%)	7,465	7,733	(3%)
Financial Services	260	249	4%	1,054	1,011	4%
Growth	635	542	17%	2,165	1,966	10%
Adevinta	1,844	1,494	23%	6,664	5,665	18%
EBITDA per segment						
Nordic Marketplaces	323	294	10%	1,421	1,267	12%
News Media	185	214	(14%)	760	682	11%
Financial Services	33	63	(48%)	170	327	(48%)
Growth	63	34	82%	124	99	25%
Other/Headquarters	(144)	(130)	(11%)	(499)	(535)	7%
Adevinta	485	421	15%	1,929	1,427	35%

Alternative performance measures (APM) used in this report are described at the end of the report.

Operational development

NORDIC MARKETPLACES

(NOK million)	Fourth quarter 2019	Fourth quarter 2018	Change	Year 2019	Year 2018	Change
Operating revenues	758	714	6%	3,062	2,843	8%
EBITDA	323	294	10%	1,421	1,267	12%
EBITDA margin	43%	41%		46%	45%	
EBITDA excl. IFRS 16	310	294	5%	1,370	1,267	8%

Revenues in Nordic Marketplaces increased 6 percent in Q4 driven by revenue growth within all main verticals in Norway and professional cars in Sweden, together with good development within digital advertising in Norway.

Marketplaces Norway

(NOK million)	Fourth quarter 2019	Fourth quarter 2018	Change	Year 2019	Year 2018	Change
Operating revenues	486	459	6%	2,012	1,826	10%
EBITDA	222	186	19%	981	813	21%
EBITDA margin	46%	41%		49%	45%	
EBITDA excl. IFRS 16	213	186	14%	947	813	16%

The three main verticals are all delivering solid growth in Q4, with motor as a major contributor. Rather flat volumes for real estate and somewhat lower volumes for jobs compared to last year is the main driver for somewhat lower growth rate than previous quarters. This has partly been compensated by increased revenues from performance products.

Margin improvement was supported by lower marketing spend in the quarter.

Marketplaces Sweden

(NOK million)	Fourth quarter 2019	Fourth quarter 2018	Change	Year 2019	Year 2018	Change
Operating revenues	248	230	8%	951	925	3%
EBITDA	100	110	(9%)	433	469	(8%)
EBITDA margin	40%	48%		46%	51%	
EBITDA excl. IFRS 16	97	110	(12%)	421	469	(10%)

Operating revenue in Sweden increased by 8 percent in the quarter, driven by continued positive development within the professional car segment. Quarterly improvements in the Generalist product with free edits and extra images were affecting revenues negatively.

The margin decline in EBITDA was impacted by increased investments in the form of personnel- and tech costs into short- to long-term growth initiatives.

NEWS MEDIA

(NOK million)	Fourth quarter 2019	Fourth quarter 2018	Change	Year 2019	Year 2018	Change
Operating revenues	1,944	2,045	(5%)	7,465	7,733	(3%)
EBITDA	185	214	(14%)	760	682	11%
EBITDA margin	10%	10%		10%	9%	
EBITDA excl. IFRS 16	138	214	(35%)	575	682	(16%)

In News Media, digital subscription revenues grew 21 percent and the Norwegian operations continued to show stable margins in the quarter compared to last year. However, the overall revenues decreased 5 percent due to a challenging advertising market, particularly in Sweden. Digital advertising revenues declined 11 percent in the quarter compared to last year. EBITDA ended 14 percent (35 percent excluding IFRS 16) below fourth quarter last year as cost reductions only partly outweighed the decline in revenues.

VG

(NOK million)	Fourth quarter 2019	Fourth quarter 2018	Change	Year 2019	Year 2018	Change
Operating revenues	477	493	(3%)	1,793	1,839	(3%)
EBITDA	82	75	10%	293	331	(11%)
EBITDA margin	17%	15%		16%	18%	
EBITDA excl. IFRS 16	78	75	5%	277	331	(16%)

VG's digital subscription revenues grew 11 percent compared to fourth quarter last year primarily driven by higher volume, but also by increased ARPU. The number of subscribers to the premium digital subscription product VG+ is growing steadily, and total subscriptions passed 200,000 in the quarter. Advertising revenues declined 6 percent partly explained by the strong comparable figures from fourth quarter last year, but also from a somewhat volatile market. Total operating revenues are 3 percent lower in the quarter compared to last year while EBITDA and EBITDA-margin increased mainly driven by lower cost level coupled with the increased subscription revenues.

Aftonbladet

(NOK million)	Fourth quarter 2019	Fourth quarter 2018	Change	Year 2019	Year 2018	Change
Operating revenues	383	438	(13%)	1,475	1,678	(12%)
EBITDA	24	81	(71%)	108	190	(43%)
EBITDA margin	6%	18%		7%	11%	
EBITDA excl. IFRS 16	20	81	(75%)	93	190	(51%)

Aftonbladet's revenues were down 14 percent in SEK in the quarter compared to last year. As in previous quarters this is primarily caused by the strong market contraction following the regulatory tightening of the gaming industry, hitting Aftonbladet. Digital subscription revenues grew 6 percent (26 percent adjusting for a one-off effect due to a change in revenue recognition) from last year. This is driven by significantly higher ARPU. With a stable cost base in SEK in the quarter compared to last year, the reduction in advertising revenues has a large effect on Q4 EBITDA. For the full-year 2019, the cost base has decreased by SEK 104 million year-over-year.

Subscription based newspaper

(NOK million)	Fourth quarter 2019	Fourth quarter 2018	Change	Year 2019	Year 2018	Change
Operating revenues	913	914	(0%)	3,496	3,484	0%
EBITDA	74	75	(1%)	309	242	28%
EBITDA margin	8%	8%		9%	7%	
EBITDA excl. IFRS 16	66	75	(12%)	277	242	15%

Operating revenues were stable in fourth quarter for the subscription-based newspapers. Total subscription revenues increased driven by 29 percent growth in digital subscription and by ARPU improvement. This was offset by declining advertising revenues as the negative trend in print advertising continued. Overall, the total costs are slightly higher in the quarter than last year. The EBITDA margin is stable compared to fourth quarter last year.

FINANCIAL SERVICES

(NOK million)	Fourth quarter 2019	Fourth quarter 2018	Change	Year 2019	Year 2018	Change
Operating revenues	260	249	4%	1,054	1,011	4%
EBITDA	33	63	(48%)	170	327	(48%)
EBITDA margin	13%	25%		16%	32%	
EBITDA excl. IFRS 16	30	63	(52%)	160	327	(51%)

Financial Services delivered revenue growth of 4 percent (3 percent currency adjusted) compared to fourth quarter last year driven by continued double-digit growth for Lendo Sweden. Lendo Norway had a stable development quarter by quarter but was still down year-on-year. The margin decline in EBITDA was impacted by investments in Lendo Denmark, Poland and Austria and lower margin in Lendo's established markets.

Lendo

Lendo Group (NOK million)	Fourth quarter 2019	Fourth quarter 2018	Change	Year 2019	Year 2018	Change
Operating revenues	218	207	5%	882	852	4%
EBITDA	30	59	(49%)	155	322	(52%)
EBITDA margin	14%	28%		18%	38%	
EBITDA excl. IFRS 16	29	59	(51%)	150	322	(53%)

Revenues in Lendo Group were driven by good performance in Sweden with 14 percent revenue growth (11 percent currency adjusted) and incremental revenue contribution from new markets, primarily Denmark. This was curbed by a continued slowdown in the Norwegian market during transition to the new regulatory framework. However, the market seems to have stabilized and revenues increased slightly compared to third quarter 2019. Finland saw a decline in revenues and EBITDA in a competitive market environment, but also due to launching a new platform to improve conversion.

The EBITDA margin for Lendo Group decreased from last year, mainly driven by lower revenues in Norway and Finland, but also due to geographical expansion. The geographical expansion affected EBITDA negatively with NOK 19 million in fourth quarter and with NOK 6 million compared to fourth quarter last year.

Lendo Established (NOK million)	Fourth quarter 2019	Fourth quarter 2018	Change	Year 2019	Year 2018	Change
Operating revenues	211	207	2%	861	852	1%
EBITDA	50	72	(31%)	254	335	(24%)
EBITDA margin	24%	35%		30%	39%	
EBITDA excl. IFRS 16	48	72	(33%)	250	335	(25%)

Lendo Established includes Sweden, Norway and Finland. Denmark, Poland and Austria were launched in Q4 2018/Q1 2019 and are still in an investment phase. Lendo will implement a new organization structure expected to be effective from first quarter 2020. This is done to reduce complexity and cost and to strengthen the execution of Lendo's ambitious international growth agenda. This also includes moving the Lendo headquarters from Stockholm to Oslo.

GROWTH

(NOK million)	Fourth quarter 2019	2018	Change	Year 2019	2018	Change
Operating revenues	635	542	17%	2,165	1,966	10%
EBITDA	63	34	82%	124	99	25%
EBITDA margin	10%	6%		6%	5%	
EBITDA excl. IFRS 16	54	34	58%	91	99	(8%)

Growth portfolio showed strong revenue growth of 17 percent (16 percent currency adjusted) in the quarter driven primarily by Distribution business with 24 percent revenue growth. EBITDA and EBITDA-margin ended significantly higher than fourth quarter last year. In addition to the Distribution business our price comparison site Prisjakt showed solid financial performance this quarter.

Distribution

(NOK million)	Fourth quarter 2019	2018	Change	Year 2019	2018	Change
Operating revenues	355	285	24%	1,247	1,064	17%
EBITDA	16	9	76%	39	6	>100%
EBITDA margin	5%	3%		3%	1%	
EBITDA excl. IFRS 16	12	9	32%	24	6	>100%

Distribution currently has operations in Norway and consists of the legacy newspaper distribution and “Distribution new business” (mainly Helthjem Netthandel, Morgenlevering, Zoopit and Svosj). Our Distribution business revenues continued to grow well; 24 percent compared to fourth quarter last year. The development was driven by volume growth in our new, innovative services.

Prisjakt

(NOK million)	Fourth quarter 2019	2018	Change	Year 2019	2018	Change
Operating revenues	116	109	7%	325	308	6%
EBITDA	44	35	24%	95	97	(2%)
EBITDA margin	38%	33%		29%	31%	
EBITDA excl. IFRS 16	43	35	21%	90	97	(6%)

Prisjakt showed solid financial performance this quarter driven by high volumes during Black Week with revenues growing 7 percent compared to fourth quarter last year. The EBITDA margin is higher in the quarter compared to last year as a result of higher revenues and decreased cost related to personnel cost.

ADEVINTA

(NOK million)	Fourth quarter 2019	2018	Change	Year 2019	2018	Change
Operating revenues	1,844	1,494	23%	6,664	5,665	18%
EBITDA	485	421	15%	1,929	1,427	35%
EBITDA margin	26%	28%		29%	25%	
EBITDA excl. IFRS 16	446	421	6%	1,788	1,427	25%

Adevinta's revenue growth in the quarter was particularly driven by continued good performance in France and Spain.

The EBITDA margin was down from last year in Q4, mainly driven by higher headquarter cost due to the buildup of the independent organization.

For more details, refer to Adevinta Q4 report published 12 February 2020 on www.adevinta.com/ir. Note that the table above reports Adevinta as a segment within Schibsted's consolidated figures, reported in NOK. The figures may differ from Adevinta's stand-alone reporting due to currency effects and elimination of transactions between Schibsted and Adevinta.

OTHER/HEADQUARTERS

Further building capabilities within data and tech on the central level, had a negative financial impact on the HQ/Other operating segment, which had a larger EBITDA loss in Q4 compared to the same quarter in 2018. HQ /Other had EBITDA losses of NOK 144 million in Q4, compared to EBITDA losses of NOK 130 million in the same period last year. The effect of IFRS 16 on Other/HQ was NOK 12 million in Q4.

Outlook

Schibsted

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 forces that lies in our various operations, where well known consumer brands with large traffic, ability to harvest rich data and our ability to attract top talent serve as foundations.

Schibsted expects to see continued good revenue development for its Nordic Marketplaces operations Finn, Blocket and Tori, with some quarterly variations from seasonal effects. Increased monetization of verticals and development of value-added services and adjacencies are expected to be key drivers. The medium- to long-term target for Nordic Marketplaces is 8-12 percent annual revenue growth. A slower macro environment in Norway, affecting in particular Finn's job vertical, could lead to a slower growth in the short-term.

Within Next (Financial Services and Growth), Lendo is expected to grow well over time, but there is uncertainty related to the timing of the recovery of growth in the Norwegian and Finnish markets. The investment into new markets for Lendo, like Denmark, Poland and Austria, will hamper margins and are expected to affect EBITDA negatively with around NOK 100 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. One product in this field which we believe has strong potential is Svosj, our subscription-based delivery service in Norway which leverages Schibsted's existing last mile home distribution network. The product was launched in November 2019 and will dilute Distribution's EBITDA margin in the first 2-3 years. In 2020, investments within Distribution will affect EBITDA negatively by around NOK 50 million.

News Media has experienced a significant decline in the digital advertising revenues through 2019 and into 2020, particularly in Aftonbladet in Sweden. This is caused by the strong market contraction following the regulatory tightening of the gaming industry in Sweden as well as continued strong competition from the large international search and social networks. We have decided upon and started implementing an improvement program, to turn around the negative margin development and secure long-term healthy profits from our News Media operations. The improvement program focuses on initiatives to reduce cost and improve efficiencies, together with new revenue generating initiatives where effects are expected to materialize more long-term. Increased investments in E24 is an example of such an initiative. We do expect though some margin contraction for News Media over the next few years compared to the levels that we saw in 2018 and 2019.

A significant part of HQ/Other costs stems from centralized product development and product services delivered but cost wise not allocated to the business segments. To create better transparency on what is driving these costs, these costs will as from Q1 2020 be allocated to the operating segments.

Adevinta

Adevinta endeavors to maintain and extend its favorable competitive positions in several markets while also capturing further core and adjacent growth opportunities. Adevinta will continue to benefit from organic online classifieds market growth with particular focus on 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 to long term target for annual revenue growth is 15-20 percent.

Group overview

Operating profit

The Group's consolidated operating revenues increased by 8 percent in the quarter. Consolidated operating expenses increased by 8 percent and consolidated Gross operating profit (EBITDA) increased by 5 percent. Adjusted for IFRS 16, consolidated Gross operating profit (EBITDA) decreased by 8 percent.

Depreciation and amortization were NOK 333 million (203 million). The increase is to a large extent explained by implementation of IFRS 16. Share of profit (loss) of joint ventures and associates was NOK 31 million (35 million), with strong contributions from Brazil positively affected by recognition of deferred tax assets in the current quarter. Other income and expenses in Q4 2019 was NOK -91 million (-37 million), mainly explained by headcount reductions in News Media and Adevinta, in addition to restructuring cost following the Adevinta spin-off. Other income and expenses are disclosed in note 4.

Impairment loss was NOK -272 million in Q4, mainly related to write-down of goodwill in marketplace operations in Mexico and Möteplatsen in Sweden. Operating profit in Q4 2019 amounted to NOK 279 million (75 million). Please also refer to note 3.

Net profit and earnings per share

Financial items are disclosed in note 5. Interest expense has increased following the implementation of IFRS 16.

The Group's underlying tax rate is stable on a year-to-date basis slightly below 30 percent, while the underlying tax rate in Schibsted ex. Adevinta was 24 percent. The Group's reported tax rate is 39 percent in 2019, compared to 57 percent in 2018. Generally, the Group reports a tax rate exceeding the applicable nominal tax rates primarily as an effect of losses for which no deferred tax asset is recognized.

Basic earnings per share in Q4 is NOK 0.36 compared to NOK -0.91 in Q4 2018. Adjusted earnings per share in Q4 is NOK 1.36 compared to NOK 1.84 in Q4 2018.

Financial position

The carrying amount of the Group's assets increased by NOK 5,452 million to NOK 32,778 million during 2019. The increase is mainly due to implementation of IFRS 16 and business combinations, as disclosed in note 1 and 2. The Group's net interest-bearing debt decreased by NOK 432 million to NOK 1,951 million. The Group's equity ratio was 52 percent at the end of 2019, compared to 54 percent 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 the first quarter of the year a NOK 300 million bond was repaid at maturity. A dividend of NOK 2.00 per share is proposed for 2019.

After the partial sale of Adevinta shares in connection with the demerger and listing, Schibsted increased its cash balance by around NOK 2.5 billion. In addition, Adevinta repaid its debt of EUR 150 million to Schibsted. Consequently, Schibsted ex. Adevinta increased its cash balance by around NOK 4.4 billion due to these transactions. Schibsted ex. Adevinta had a net interest-bearing debt of NOK 667 million at the end of Q4. Adevinta ASA has its own external financing in place and is therefore not included in the description of the financial situation of Schibsted.

Cash flow

Net cash flow from operating activities was NOK 759 million for the fourth quarter of 2019 compared to NOK 330 million in the same period of 2018. The cash flow is positively affected by decreased tax payments, a positive development in working capital and a positive effect from implementing IFRS 16 of NOK 111 million. Cash flow from operating activities of Schibsted excl. Adevinta was NOK 494 million.

Net cash outflow from investing activities was NOK 1,100 million for the fourth quarter of 2019 compared to NOK 357 million in the same period of 2018. The increased outflow is related to investments in subsidiaries. Net cash outflow from investing activities of Schibsted excl. Adevinta was NOK 250 million.

Net cash outflow from financing activities was NOK 196 million for the fourth quarter of 2019 compared to NOK 132 million in the same period of 2018. The increased outflow is primarily related to buyback of shares in addition to a negative effect from implementing IFRS 16 of NOK 111 million partly offset by net increase in interest bearing debt. Net cash outflow from financing activities excl. Adevinta was NOK 631 million.

IFRS 16 implementation

As disclosed in note 1, Schibsted has implemented the accounting standard IFRS 16 Leases from 1 January 2019. At the date of implementation, total liabilities increased by NOK 1,975 million and total assets increased by NOK 1,843 million primarily from the recognition of lease liabilities and related right-of-use assets. In the fourth quarter of 2019, gross operating profit and operating profit increased by NOK 122 million and NOK 11 million respectively compared to what would have been reported under the formerly applicable accounting standards. The effect on net profit is NOK -8 million. Comparable figures for 2018 are not restated applying the new accounting standard.

Digital Service Tax

The French Digital Services Tax legislation (DST) was enacted in July 2019 and retrospectively applies to digital services revenue as of 1 January 2019. If applicable for Schibsted Group (including Adevinta Group), the DST will negatively impact the Group's EBITDA. The DST amount payable is deductible for corporate income tax purposes.

The French tax authorities have not yet published administrative guidelines regarding the scope of the DST law. Due to its complexity and the absence of guidelines, the assessment of whether DST is applicable to Schibsted Group (including Adevinta Group) is highly uncertain. However, management currently assesses that it is more likely than not that DST is not applicable and hence no provision has been recognized for DST as at 31 December 2019.

The main uncertainties relate to whether the services which Schibsted Group (including Adevinta Group) provide to its users are within the scope of the DST. It is expected that should the guidelines and interactions with the French Tax Authorities conclude differently, the DST applicable to Schibsted Group (including Adevinta Group), should not exceed €9 million for 2019. Management will continue to work with the French tax authorities to obtain further clarification on this matter. During Q4 Italy and Austria approved legislation introducing similar taxes proposed to apply beginning 1 January 2020. For further details, see Adevinta Q4 report published 12 February 2020 on www.adevinta.com/ir.

Condensed consolidated financial statements

Income statement

(NOK million)	Fourth quarter 2019	Fourth quarter 2018	Year 2019	Year 2018
Operating revenues	**5,101**	**4,742**	**19,075**	**18,059**
Raw materials and finished goods	(111)	(109)	(416)	(409)
Personnel expenses	(1,932)	(1,714)	(7,101)	(6,598)
Other operating expenses	(2,113)	(2,022)	(7,652)	(7,784)
Gross operating profit (loss)	**944**	**897**	**3,906**	**3,268**
Depreciation and amortisation	(333)	(203)	(1,253)	(731)
Share of profit (loss) of joint ventures and associates	31	35	1	60
Impairment loss	(272)	(617)	(283)	(747)
Other income and expenses	(91)	(37)	(278)	(55)
Operating profit (loss)	**279**	**75**	**2,093**	**1,794**
Financial income	17	17	78	29
Financial expenses	(69)	(45)	(222)	(142)
Profit (loss) before taxes	**227**	**47**	**1,948**	**1,681**
Taxes	(106)	(246)	(752)	(965)
Profit (loss)	**121**	**(199)**	**1,196**	**715**
Profit (loss) attributable to:				
Non-controlling interests	36	18	247	68
Owners of the parent	85	(216)	949	648
Earnings per share in NOK:				
Basic	0.36	(0.91)	4.00	2.72
Diluted	0.36	(0.91)	3.99	2.72

Statement of comprehensive income

(NOK million)	Fourth quarter 2019	Fourth quarter 2018	Year 2019	Year 2018
Profit (loss)	**121**	**(199)**	**1,196**	**715**
Items not to be reclassified subsequently to profit or loss:				
Remeasurements of defined benefit pension liabilities	297	5	45	(27)
Income tax relating to remeasurements of defined benefit pension liabilities	(65)	(1)	(10)	7
Share of other comprehensive income of joint ventures and associates	-	(1)	-	(3)
Change in fair value of equity instruments	(6)	(1)	(3)	(2)
Items to be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	4	916	(256)	(366)
Hedges of net investments in foreign operations	(19)	(58)	7	20
Income tax relating to hedges of net investments in foreign operations	4	13	(1)	(5)
Other comprehensive income	**214**	**875**	**(218)**	**(376)**
Comprehensive income	**335**	**677**	**978**	**339**
Comprehensive income attributable to:				
Non-controlling interests	20	27	340	65
Owners of the parent	315	649	638	274

Statement of financial position

(NOK million)	31 Dec 2019	31 Dec 2018
Intangible assets	17,369	16,521
Property, plant and equipment and investment property	849	870
Right-of-use assets	2,317	-
Investments in joint ventures and associates	4,529	4,248
Deferred tax assets	179	233
Other non-current assets	241	131
Non-current assets	**25,483**	**22,003**
Contract assets	224	280
Trade receivables and other current assets	3,047	3,199
Cash and cash equivalents	3,866	1,844
Assets held for sale	157	-
Current assets	**7,294**	**5,322**
Total assets	**32,778**	**27,325**
Paid-in equity	6,969	6,927
Other equity	3,529	7,484
Equity attributable to owners of the parent	**10,498**	**14,412**
Non-controlling interests	6,383	262
Equity	**16,882**	**14,673**
Deferred tax liabilities	944	901
Pension liabilities	1,095	1,241
Non-current interest-bearing borrowings	4,729	3,837
Non-current lease liabilities	2,192	-
Other non-current liabilities	355	242
Non-current liabilities	**9,314**	**6,222**
Current interest-bearing borrowings	1,089	389
Income tax payable	234	381
Current lease liabilities	352	-
Contract liabilities	1,109	1,085
Other current liabilities	3,660	4,575
Liabilities held for sale	138	-
Current liabilities	**6,582**	**6,430**
Total equity and liabilities	**32,778**	**27,325**

Statement of cash flows

(NOK million)	Fourth quarter 2019	Fourth quarter 2018	Year 2019	Year 2018
Profit (loss) before taxes	227	47	1,948	1,681
Depreciation, amortisation and impairment losses	605	820	1,537	1,479
Net effect pension liabilities	(29)	(37)	(84)	(90)
Share of loss (profit) of joint ventures and associates, net of dividends received	(32)	(35)	40	(20)
Taxes paid	(199)	(342)	(978)	(941)
Sales losses (gains) non-current assets and other non-cash losses (gains)	1	(4)	(1)	(23)
Change in working capital and provisions	186	(120)	382	(304)
Net cash flow from operating activities	**759**	**330**	**2,844**	**1,781**
Development and purchase of intangible assets and property, plant and equipment	(276)	(266)	(908)	(817)
Acquisition of subsidiaries, net of cash acquired	(734)	(15)	(884)	(38)
Proceeds from sale of intangible assets and property, plant and equipment	-	7	13	20
Proceeds from sale of subsidiaries, net of cash sold	-	-	(1)	1
Net sale of (investment in) other shares	(71)	(58)	(460)	(134)
Net change in other investments	(19)	(24)	(5)	15
Net cash flow from investing activities	**(1,100)**	**(357)**	**(2,244)**	**(953)**
Net cash flow before financing activities	**(341)**	**(27)**	**600**	**828**
Net change in interest-bearing loans and borrowings	461	16	1,546	11
Payment of lease liabilities	(111)	-	(438)	-
Change in ownership interests in subsidiaries	-	(109)	1,964	(97)
Capital increase	9	-	9	-
Net sale (purchase) of treasury shares	(518)	(24)	(1,069)	(13)
Dividends paid	(38)	(15)	(583)	(509)
Net cash flow from financing activities	**(196)**	**(132)**	**1,429**	**(608)**
Effects of exchange rate changes on cash and cash equivalents	-	28	(7)	(2)
Net increase (decrease) in cash and cash equivalents	**(537)**	**(130)**	**2,022**	**218**
Cash and cash equivalents at start of period	4,403	1,974	1,844	1,626
Cash and cash equivalents at end of period	**3,866**	**1,844**	**3,866**	**1,844**

Statement of changes in equity

(NOK million)	Attributable to owners of the parent	Non-controlling interests	Equity
Equity as at 31 Dec 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 Jan 2018	**14,749**	**260**	**15,008**
Profit (loss)	648	68	715
Other comprehensive income	(373)	(3)	(376)
Comprehensive income	**274**	**65**	**339**
Capital increase	-	2	2
Share-based payment	32	-	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 Dec 2018	**14,412**	**262**	**14,673**
Equity as at 31 Dec 2018 - as previously reported	**14,412**	**262**	**14,673**
Change in accounting principle IFRS 16 (note 1)	(131)	(2)	(132)
Equity as at 1 Jan 2019	**14,281**	**260**	**14,541**
Profit (loss)	949	247	1,196
Other comprehensive income	(311)	93	(218)
Comprehensive income	**638**	**340**	**978**
Capital increase	-	9	9
Share-based payment	42	9	51
Dividends paid to owners of the parent	(477)	-	(477)
Dividends to non-controlling interests	14	(106)	(92)
Change in treasury shares	(1,069)	-	(1,069)
Business combinations	-	12	12
Loss of control of subsidiaries	-	(1)	(1)
Changes in ownership of subsidiaries that do not result in a loss of control	(2,912)	5,860	2,948
Share of transactions with the owners of joint ventures and associates	(19)	-	(19)
Equity as at 31 Dec 2019	**10,498**	**6,383**	**16,882**

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. The Group's leases are primarily related to office buildings.

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. The weighted average incremental borrowing rate was 3.5% at the implementation date.

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

Income statement	Fourth quarter 2019	Year 2019
Other operating expenses	122	479
Gross operating profit (loss)	122	479
Depreciation and amortisation	(105)	(407)
Other income and expenses	(5)	(5)
Operating profit (loss)	11	67
Financial expenses	(21)	(76)
Profit (loss) before taxes	(9)	(10)
Taxes	1	2
Profit (loss)	(8)	(7)
Earnings per share in NOK - basic	(0.03)	(0.02)
Earnings per share in NOK - diluted	(0.03)	(0.02)

Statement of financial position	31 Dec 2019	1 Jan 2019
Right-of-use assets	2,317	1,826
Investments in joint ventures and associates	(4)	(5)
Deferred tax assets	32	31
Trade receivables and other current assets	(29)	(10)
Assets held for sale	18	-
Total assets	**2,334**	**1,843**
Equity attributable to owners of the parent	(131)	(131)
Non-controlling interests	(8)	(2)
Deferred tax liabilities	(7)	(6)
Non-current lease liabilities	2,192	1,690
Other non-current liabilities	(26)	(32)
Current lease liabilities	352	403
Other current liabilities	(57)	(80)
Liabilities held for sale	17	-
Total equity and liabilities	**2,334**	**1,843**

Statement of cash flows	Fourth quarter 2019	Year 2019
Net cash flow from operating activities	111	438
Net cash flow from financing activities	(111)	(438)

Note 2 – Changes in the composition of the group

Business combinations

During 2019, Schibsted has invested NOK 884 million related to acquisition of businesses (business combinations). The amount comprises cash consideration transferred reduced by cash and cash equivalents of the acquiree. The largest business combination in Schibsted excluding Adevinta is the acquisition of 100% of Qasa AB, a service complementing Blocket's real estate rental service. In addition, Schibsted excluding Adevinta acquired 67.5% of the shares of Nettbil AS in December. The company operates within the second-hand car market and offers synergies with Schibsted marketplaces such as Finn and Blocket.

Adevinta has acquired 100% of Locasun SARL (France) and Locasun Spain SLU, a holiday rental and travel specialist marketplace operating across Europe and 68.8% of Paycar SAS, a French startup specializing in peer-to-peer payments for second-hand vehicle purchases. In October 2019, Adevinta closed the acquisition of Argus Group, further enhancing Leboncoin's position in the French car market segment.

The table below summarises the consideration transferred and the preliminary amounts recognised for the assets acquired and liabilities assumed after the business combinations:

	Total business combinations
Consideration:	
Cash	1,048
Other assets	1
Contingent consideration	169
Deferred consideration	67
Total	**1,285**
Amounts for assets and liabilities recognised:	
Intangible assets	447
Other non-current assets	37
Current assets	278
Non-current liabilities	(177)
Current liabilities	(182)
Total identifiable net assets	**403**
Non-controlling interests	(12)
Goodwill	894
Total	**1,285**

Other changes in the composition of the Group

Schibsted has during 2019 paid NOK 1,058 million related to increases in ownership interests in subsidiaries. The amount invested is primarily related to Adevinta's increase of ownership interest in Schibsted Classified Media Spain SL to 100%.

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. Net proceeds from the sale of shares amounted to NOK 3,037 million.

The transactions above are, in the consolidated accounts of Schibsted, accounted for as transactions with non-controlling interests and recognized in equity. The carrying amount of non-controlling interests is adjusted by NOK 5,874 million to reflect the change in their relative share in the subsidiary. The difference between the amount by which the non-controlling interests are adjusted and the consideration received from the sale of shares is recognized in equity and attributed to the owners of the parent. Adevinta continues to be consolidated by Schibsted. Profit or loss is therefore not affected other than indirectly from return on the sales proceeds. Earnings per share is affected through the allocation of profit or loss to the non-controlling interests of Adevinta.

In September 2019, Schibsted entered into an agreement with Polaris Media to sell the newspaper operations Fædrelandsvennen, Lindesnes Avis and Lister as well as the distribution business in Agder. The transaction was closed in January 2020. Assets and liabilities related to these operations are presented separately in the balance sheet in the line items Assets held for sale and Liabilities held for sale. Schibsted has a 29% ownership in Polaris Media, which is accounted for as an associated company using the equity method.

Note 3 – Operating segments and disaggregation of revenues

Reportable operating segments were changed from 1 January 2019 because of the Adevinta spin-off 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 centralized 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.

Q4 2019	Nordic Marketplaces	News Media	Financial Services	Growth	Other / Headquarters	Eliminations	Schibsted excl. Adevinta	Adevinta	Eliminations	Total
Operating revenues	**758**	**1,944**	**260**	**635**	**206**	**(487)**	**3,316**	**1,844**	**(60)**	**5,101**
-of which internal	29	150	1	151	190	(487)	34	26	(60)	-
Gross operating profit (loss)	**323**	**185**	**33**	**63**	**(144)**	**-**	**460**	**485**	**-**	**944**
Gross operating profit (loss) excl. IFRS 16	310	138	30	54	(156)	-	377	446	-	822
Operating profit (loss)	291	79	16	16	(233)	-	168	109	2	279
Q4 2018										
Operating revenues	**714**	**2,045**	**249**	**542**	**184**	**(459)**	**3,275**	**1,494**	**(27)**	**4,742**
-of which internal	30	140	-	146	169	(459)	25	2	(27)	-
Gross operating profit (loss)	**294**	**214**	**63**	**34**	**(130)**	**-**	**476**	**421**	**-**	**897**
Operating profit (loss)	274	221	(78)	20	(209)	-	228	(153)	(1)	75
Year 2019										
Operating revenues	**3,062**	**7,465**	**1,054**	**2,165**	**797**	**(1,890)**	**12,653**	**6,664**	**(242)**	**19,075**
-of which internal	97	580	1	590	774	(1,890)	151	91	(242)	-
Gross operating profit (loss)	**1,421**	**760**	**170**	**124**	**(499)**	**-**	**1,977**	**1,929**	**-**	**3,906**
Gross operating profit (loss) excl. IFRS 16	1,370	575	160	91	(557)	-	1,639	1,788	-	3,427
Operating profit (loss)	1,298	369	75	10	(832)	-	920	1,167	7	2,093
Year 2018										
Operating revenues	**2,843**	**7,733**	**1,011**	**1,966**	**714**	**(1,756)**	**12,511**	**5,665**	**(117)**	**18,059**
-of which internal	87	527	1	569	685	(1,756)	112	5	(117)	-
Gross operating profit (loss)	**1,267**	**682**	**327**	**99**	**(535)**	**-**	**1,840**	**1,427**	**-**	**3,268**
Operating profit (loss)	1,200	532	149	51	(762)	-	1,170	623	-	1,794

Operating revenues from external customers, by category:

	Nordic Marketplaces	News Media	Financial Services	Growth	Other / Headquarters	Schibsted excl. Adevinta	Adevinta	Total
Q4 2019								
Online circulation revenues	-	272	-	0	-	272	-	272
Online advertising revenues	122	433	-	87	-	641	391	1,032
Classifieds revenues	570	-	-	39	-	610	1,328	1,938
Other online revenues	37	47	259	150	-	493	97	591
Total online revenues	**729**	**752**	**259**	**276**	**-**	**2,016**	**1,816**	**3,833**
Offline circulation revenues	-	694	-	-	-	694	-	694
Offline advertising revenues	-	246	-	-	-	246	-	246
Other offline revenues	-	102	-	208	16	326	2	328
Total offline revenues	**-**	**1,042**	**-**	**208**	**16**	**1,266**	**2**	**1,268**
Total external revenues	**729**	**1,794**	**259**	**484**	**16**	**3,282**	**1,819**	**5,101**
Q4 2018								
Online circulation revenues	-	227	-	-	-	227	-	227
Online advertising revenues	124	488	-	72	-	684	361	1,045
Classifieds revenues	526	-	-	37	-	563	1,115	1,678
Other online revenues	34	45	249	142	-	470	14	485
Total online revenues	**684**	**760**	**249**	**250**	**-**	**1,943**	**1,491**	**3,434**
Offline circulation revenues	-	727	-	-	-	727	-	727
Offline advertising revenues	-	292	-	-	-	292	-	292
Other offline revenues	-	125	-	145	15	286	2	288
Total offline revenues	**-**	**1,145**	**-**	**145**	**15**	**1,306**	**2**	**1,308**
Total external revenues	**684**	**1,905**	**249**	**396**	**15**	**3,249**	**1,493**	**4,742**
Year 2019								
Online circulation revenues	-	1,031	-	-	-	1,031	-	1,031
Online advertising revenues	438	1,532	-	256	-	2,227	1,325	3,552
Classifieds revenues	2,349	-	-	150	-	2,498	5,097	7,595
Other online revenues	178	179	1,053	495	-	1,905	141	2,046
Total online revenues	**2,965**	**2,742**	**1,053**	**901**	**-**	**7,661**	**6,563**	**14,224**
Offline circulation revenues	-	2,824	-	-	-	2,824	-	2,824
Offline advertising revenues	-	907	-	-	-	907	-	907
Other offline revenues	-	412	-	675	23	1,109	10	1,119
Total offline revenues	**-**	**4,143**	**-**	**675**	**23**	**4,841**	**10**	**4,851**
Total external revenues	**2,965**	**6,885**	**1,053**	**1,576**	**23**	**12,502**	**6,573**	**19,075**
Year 2018								
Online circulation revenues	-	859	-	-	-	859	-	859
Online advertising revenues	457	1,708	-	256	-	2,422	1,285	3,707
Classifieds revenues	2,134	-	-	138	-	2,272	4,327	6,600
Other online revenues	164	148	1,010	491	-	1,813	38	1,851
Total online revenues	**2,756**	**2,715**	**1,010**	**886**	**-**	**7,367**	**5,650**	**13,017**
Offline circulation revenues	-	2,967	-	-	-	2,967	-	2,967
Offline advertising revenues	-	1,042	-	-	-	1,042	-	1,042
Other offline revenues	-	482	-	511	29	1,023	10	1,033
Total offline revenues	**-**	**4,491**	**-**	**511**	**29**	**5,032**	**10**	**5,042**
Total external revenues	**2,756**	**7,206**	**1,010**	**1,397**	**29**	**12,398**	**5,660**	**18,059**

Note 4 – Other income and expenses and impairment loss

	Fourth quarter		Year	
(NOK million)	2019	2018	2019	2018
Restructuring costs	(96)	(105)	(216)	(136)
Gain (loss) on sale of subsidiaries, joint ventures and associates	-	-	6	13
Gain (loss) on sale of intangible assets, property, plant and equipment and investment property	-	3	(5)	10
Gain (loss) on amendment and curtailment of pension plans	10	67	10	67
Transaction-related costs	(4)	(2)	(72)	(3)
Other	(1)	-	1	(7)
Total other income and expenses	**(91)**	**(37)**	**(278)**	**(55)**

The majority of the sum of restructurings costs and transaction-related costs in 2019 are related to the spin-off and listing process of Adevinta, and restructurings costs following the spin-off, as well as headcount reductions in News Media and Adevinta.

Impairment loss of NOK -283 million in 2019 includes impairment of goodwill with NOK -247 million, whereof NOK -227 million related to marketplace operations in Mexico and NOK – 19 million related to Mötesplatsen in Sweden and impairment of internally generated intangible assets of in total NOK -22 million.

Note 5 – Financial items

	Fourth quarter		Year	
(NOK million)	2019	2018	2019	2018
Interest income	16	17	49	25
Other financial income	1	-	5	5
Net foreign exchange gain	-	-	24	-
Total financial income	**17**	**17**	**78**	**29**
Interest expenses	(56)	(30)	(197)	(116)
Other financial expenses	(10)	(4)	(25)	(13)
Net foreign exchange loss	(4)	(11)	-	(12)
Total financial expenses	**(69)**	**(45)**	**(222)**	**(142)**

Definitions and reconciliations

The company presents alternative measures (APMs). The APMs are regularly reviewed by management and their aim is to enhance the 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 APMs are restated retrospectively to give comparable information. See note 3 Operating Segments 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 excl. IFRS 16	EBITDA is earnings before depreciation and amortization, other income and expenses, impairment, joint ventures and associates, interests, taxes, 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 year's 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 year's 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 calculated as 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 recognized.	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.
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 Operating segments.	Shows performance of the operations in main focus to Schibsted ASA management.

Reconciliation of EBITDA	Fourth quarter 2019	Fourth quarter 2018	Year 2019	Year 2018
Gross operating profit (loss)	944	897	3,906	3,268
= EBITDA	944	897	3,906	3,268

Reconciliation of EBITDA excl. IFRS 16	Fourth quarter 2019	Fourth quarter 2018	Year 2019	Year 2018
Gross operating profit (loss)	944	897	3,906	3,268
IFRS 16 effects	(122)	-	(479)	-
= Gross operating profit (loss) excl. IFRS 16	822	897	3,427	3,268
= EBITDA excl. IFRS 16	822	897	3,427	3,268

Underlying tax rate	Fourth quarter 2019	Fourth quarter 2018	Year 2019	Year 2018
Profit (loss) before taxes	227	47	1,948	1,681
Share of profit (loss) of joint ventures and associates	(31)	(35)	(1)	(60)
Basis for changes in unrecognized deferred tax assets	10	227	457	1,035
Gain on sale and remeasurement of subsidiaries, joint ventures and associates	-	-	(6)	(13)
Impairment losses	247	601	247	731
Adjusted tax base	453	840	2,645	3,375
Taxes	106	246	752	965
Underlying tax rate	23.4%	29.2%	28.4%	28.6%

Liquidity reserve	31 Dec 2019	31 Dec 2018
Cash and cash equivalents	3,866	1,844
Unutilized drawing rights	3,946	2,984
Liquidity reserve	7,811	4,828

Net interest-bearing debt	31 Dec 2019	31 Dec 2018
Non-current interest-bearing borrowings	4,729	3,837
Current interest-bearing borrowings	1,089	389
Cash and cash equivalents	(3,866)	(1,844)
Net interest-bearing debt	1,951	2,383

Earnings per share - adjusted	Fourth quarter 2019	Fourth quarter 2018	Year 2019	Year 2018
Profit (loss) attributable to owners of the parent	85	(216)	949	648
Other income and expenses	91	37	278	55
Impairment loss	272	617	283	747
Taxes and Non-controlling interests related to Other income and expenses and Impairment loss	(129)	-	(183)	(8)
Profit (loss) attributable to owners of the parent - adjusted	320	439	1,327	1,442
Earnings per share – adjusted (NOK)	1.36	1.84	5.59	6.05
Diluted earnings per share – adjusted (NOK)	1.36	1.84	5.58	6.05

Currency rates used when converting profit or loss	Fourth quarter 2019	Fourth quarter 2018	Year 2019	Year 2018
Swedish krona (SEK)	0.9481	0.9339	0.9306	0.9364
Euro (EUR)	10.0917	9.6337	9.8503	9.5995

Reconciliation of currency adjusted revenue growth	Nordic Marketplaces	News Media	Financial Services	Growth	Adevinta	Other/HQ, Eliminations	Total
Revenues current quarter 2019	758	1,944	260	635	1,844	(340)	**5,101**
Currency effect	(5)	(16)	(3)	(3)	(106)		
Currency adjusted revenues	753	1,928	256	632	1,738		
Currency adjusted revenue growth	5%	(6%)	3%	16%	16%		
Revenues current quarter 2018	714	2,045	249	542	1,494	(302)	**4,742**

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Aftenposten
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Communicating health for life
Morgenlevering
Lendo
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