

Consolidated Income statement

for the year ended 31 December

In € thousands	2019	2018
Gross revenues	3,473,370	3,255,574
Materials, services of third parties and subcontractors	(896,768)	(815,651)
<i>Net revenues¹</i>	<i>2,576,602</i>	<i>2,439,923</i>
Personnel costs	(1,995,787)	(1,886,914)
Other operational costs	(281,168)	(354,686)
Depreciation and amortization	(116,641)	(42,600)
Amortization other intangible assets	(16,609)	(22,721)
Impairment charges	-	(40,386)
Other income	9,053	5,777
Total Operational costs	(2,401,152)	(2,341,530)
Operating income	175,450	98,393
Finance income	5,306	14,059
Finance expenses	(47,740)	(42,090)
Fair value change of derivatives	2,914	920
Net finance expense	(39,520)	(27,111)
Expected Credit Loss on shareholder loans and corporate guarantees	(82,431)	(53,925)
Result from investments accounted for using the equity method	1,251	(12,692)
Profit before income tax	54,750	4,665
Income taxes	(39,898)	(30,413)
Result for the period	14,852	(25,748)
Result attributable to:		
Equity holders of the Company (net income)	12,302	(26,701)
Non-controlling interests	2,550	953
Result for the period	14,852	(25,748)
Earnings per share (in €)		
Basic earnings per share	0.14	(0.31)
Diluted earnings per share	0.14	(0.31)

The 2019 figures in these Consolidated statements are based on IFRS 16. The modified retrospective approach has been applied and accordingly the 2018 comparative figures have not been restated.

¹ Non-GAAP performance measure

Consolidated Statement of comprehensive income

for the year ended 31 December

In € thousands	2019	2018
Other comprehensive income, net of income tax		
Result for the period	14,852	(25,748)
Items that may be subsequently reclassified to profit or loss:		
Exchange rate differences for foreign operations	34,143	7,256
Exchange rate differences for equity accounted investees	(1,215)	(468)
Effective portion of changes in fair value of cash flow hedges	886	94
Items that will not be reclassified to profit or loss:		
Changes related to post-employment benefit obligations	(3,354)	4,858
Other comprehensive income, net of income tax	30,460	11,740
Total Comprehensive income for the period	45,312	(14,008)
Total comprehensive income attributable to:		
Equity holders of the Company	42,778	(14,882)
Non-controlling interests	2,534	874
Total Comprehensive income for the period	45,312	(14,008)

Non-GAAP performance measure

In € thousands	2019	2018
Net income from operations¹		
Result for the period attributable to equity holders (net income)	12,302	(26,701)
Amortization identifiable intangible assets, net of taxes	13,950	17,769
Goodwill impairment charges, net of taxes	–	40,386
Valuation changes of acquisition-related provisions, net of taxes	(364)	(4,754)
M&A&D costs	10,159	1,000
Expected Credit loss on shareholder loans and corporate guarantees	82,431	53,925
One-off pension cost	–	4,242
Lovinklaan employee share purchase plan ²	1,303	1,724
Net income from operations	119,781	87,591
Net income from operations per share¹ (in €)		
Basic earnings per share	1.36	1.01
Diluted earnings per share	1.34	1.01

¹ Non-GAAP performance measure, to provide transparency on the underlying performance of our business

² The Lovinklaan employee share purchase plan is controlled by the Lovinklaan Foundation, and the Company has no influence on this scheme. Accordingly, the Company treats the related share-based expense as non-operational

Consolidated Balance sheet

as at 31 December

In € thousands	2019	2018
Assets		
Non-current assets		
Intangible assets and goodwill	1,079,793	1,054,246
Property, plant & equipment	100,735	103,578
Right-of-use assets	266,769	-
Investments accounted for using the equity method	7,528	7,756
Other investments	2,280	637
Deferred tax assets	22,892	36,261
Pension assets for funded schemes in surplus	3,706	2,040
Derivatives	1,240	1,637
Other non-current assets	27,595	26,548
Total Non-current assets	1,512,538	1,232,703
Current assets		
Inventories	201	217
Derivatives	6,252	10,058
Trade receivables	602,900	583,740
Contract assets (unbilled receivables)	669,849	545,492
Corporate tax receivables	23,189	31,095
Other current assets	51,453	64,055
Assets classified as held for sale	-	377
Cash and cash equivalents	296,895	240,815
Total Current assets	1,650,739	1,475,849
Total Assets	3,163,277	2,708,552

	2019	2018
Equity and liabilities		
Shareholders' equity		
Total equity attributable to equity holders of the Company	962,511	941,920
Non-controlling interests	2,876	2,199
Total Equity	965,387	944,119
Non-current liabilities		
Provisions for employee benefits	49,493	45,848
Provisions for other liabilities and charges	23,057	21,743
Deferred tax liabilities	39,386	66,393
Loans and borrowings	460,583	385,961
Lease liabilities	215,461	100
Derivatives	822	1,115
Total Non-current liabilities	788,802	521,160
Current liabilities		
Contract liabilities (billing in excess of revenue)	285,044	255,581
Provision for onerous contracts (loss provisions)	90,545	115,643
Current portion of provisions	23,306	14,955
Corporate tax liabilities	42,349	35,925
Current portion of loans and short-term borrowings	150,206	202,163
Current portion of lease liabilities	75,661	-
Derivatives	4,657	9,614
Bank overdrafts	472	135
Accounts payable, accrued expenses and other current liabilities	736,848	609,257
Total Current liabilities	1,409,088	1,243,273
Total Liabilities	2,197,890	1,764,433
Total Equity and liabilities	3,163,277	2,708,552

Consolidated Cash flow statement

for the year ended 31 December

In € thousands	2019	2018	In € thousands	2019	2018
Cash flows from operating activities			Cash flows from investing activities		
Result for the period	14,852	(25,748)	Investments in (in)tangible assets	(48,461)	(68,764)
Adjustments for:			Proceeds from sale of (in)tangible assets	2,726	3,640
Depreciation and amortization	116,641	42,600	Investments in consolidated companies	(7,299)	(9,964)
Amortization other identifiable intangible assets	16,609	22,721	Proceeds from sale of consolidated companies	1	37
Impairment charges	-	40,386	Investments in/loans to associates and joint ventures	(17,511)	(31,848)
Income taxes	39,898	30,413	Proceeds from (sale of) associates and joint ventures	-	1,923
Net finance expense	39,520	27,111	Investments in other non-current assets and other investments	(7,000)	(2,640)
Expected Credit Loss on shareholder loans and corporate guarantees	82,431	53,925	Proceeds from (sale of) other non-current assets and other investments	4,714	5,999
Result from Investments accounted for using the equity method	(1,251)	12,692	Net cash (used in)/from investing activities	(72,830)	(101,617)
Change in Inventories	20	18	Cash flows from financing activities		
Change in Contract assets and liabilities, provision for onerous contracts	(117,482)	31,848	Transactions with non-controlling interest	(7,952)	-
Change in Trade receivables	(5,979)	5,583	Proceeds from exercise of options	10,826	2,793
Change in Accounts payable	38,016	(6,004)	Proceeds from issuance of shares	-	-
Change in Net working capital	(85,425)	31,445	Purchase of own shares	(13,613)	(10,307)
Change in Other receivables	1,321	22,111	Settlement of financing derivatives	1,487	3,264
Change in Current liabilities	35,865	15,617	New long-term loans and borrowings	265,974	110
Change in Other working capital	37,186	37,728	Repayment of long-term loans and borrowings	(266,455)	(3,084)
Change in Provisions	3,361	(9,321)	New short-term borrowings	267,000	230,000
Share-based compensation	11,545	6,686	Repayment of short-term borrowings	(250,000)	(347,345)
Gains/losses on derecognition of leases	(96)	-	Payment of lease liabilities	(74,808)	-
Change in operational derivatives	16	89	Dividends paid	(19,019)	(14,290)
Settlement of operational derivatives	(77)	(10)	Net cash (used in)/from financing activities	(86,560)	(138,859)
Dividend received	1,531	-	Net change in Cash and cash equivalents less Bank overdrafts	58,370	(26,303)
Interest received	5,612	15,927	Exchange rate differences	(2,627)	846
Interest paid	(30,547)	(37,732)	Cash and cash equivalents less Bank overdrafts at 1 January	240,680	266,137
Corporate tax paid	(34,046)	(34,739)	Cash and cash equivalents less Bank overdrafts at 31 December	296,423	240,680
Net cash from operating activities	217,760	214,173			

Segment information

Amounts in € millions (rounding may impact totals)	IFRS 16 2019	IAS 17 2019	IAS 17 2018
Gross revenues			
Europe & Middle East	1,390	1,390	1,392
Americas	1,394	1,394	1,186
Asia Pacific	388	388	375
CallisonRTKL	301	301	301
Total	3,473	3,473	3,256
Net revenues			
Europe & Middle East	1,145	1,145	1,133
Americas	860	860	755
Asia Pacific	350	350	331
CallisonRTKL	222	222	220
Total	2,577	2,577	2,440
EBITA			
Europe & Middle East	85.0	84.7	68.4
Americas	57.3	56.2	51.7
Asia Pacific	31.5	31.3	24.2
CallisonRTKL	18.3	16.7	17.3
Total EBITA	192.1	188.9	161.5
Non-recurring ¹	20.5	20.5	15.6
Total operating EBITA	212.6	209.4	177.2
Operating EBITA²			
Europe & Middle East	87.5	87.0	77.4
Americas	71.4	70.5	54.9
Asia Pacific	35.1	34.9	25.4
CallisonRTKL	18.6	17.0	19.4
Total	212.6	209.4	177.2

¹ Acquisition, restructuring, integration-related costs and changes in acquisition-related litigation provisions

² Operating EBITA is EBITA adjusted for non-recurring costs

Amounts in %	IFRS 16 2019	IAS 17 2019	IAS 17 2018
Segment mix (gross revenues)			
Europe & Middle East	40	40	43
Americas	40	40	36
Asia Pacific	11	11	12
CallisonRTKL	9	9	9
Total	100	100	100
Segment mix (net revenues)			
Europe & Middle East	44	44	46
Americas	33	33	31
Asia Pacific	14	14	14
CallisonRTKL	9	9	9
Total	100	100	100
EBITA margin			
Europe & Middle East	7.4%	7.4%	6.0%
Americas	6.7%	6.5%	6.8%
Asia Pacific	9.0%	9.0%	7.3%
CallisonRTKL	8.3%	7.5%	7.9%
Total	7.5%	7.3%	6.6%
Operating EBITA margin			
Europe & Middle East	7.6%	7.6%	6.8%
Americas	8.3%	8.2%	7.3%
Asia Pacific	10.0%	10.0%	7.7%
CallisonRTKL	8.4%	7.6%	8.8%
Total	8.2%	8.1%	7.3%