

UNAUDITED PRO-FORMA 2018 AS A RESULT OF IFRS 16

1. GENERAL INFORMATION

1.1. PRO-FORMA STATEMENTS

This information provides a basis for evaluating the Group's performance over time following the adoption of IFRS 16 – *Leases*.

IFRS 16 supersedes IAS 17 – *Leases* and related interpretations. For lessees, IFRS 16 requires most leases to be recognized on-balance (under a single model), eliminating the distinction between operating and finance leases. In accordance with the new standard, the lessee will recognize assets and liabilities for the rights and obligations created by leases. The standard increases interest-bearing liabilities and non-current assets (new class "Right-of-use assets") in the consolidated financial statements of the Ontex Group. In addition, the rental expenses recognized in profit or loss will decrease and depreciation and amortization as well as interest expenses will increase. As a result of these impacts, EBITDA will be impacted significantly. However, operating result and net result (profit of the period) will only be impacted to a limited extent.

IFRS 16 is effective for the reporting periods beginning on January 1, 2019. The Ontex Group applies the new guidelines for lease accounting retrospectively with the cumulative effect of initially applying the standard recognized on January 1, 2019 (modified retrospective approach) in accordance with the transition requirements of IFRS 16. The comparative statements will not be restated.

The pro forma information presents the impact on the Group's financial reporting as if IFRS 16 would have been applied as from January 1, 2018. This pro-forma financial information only relates to leases that were classified as operating leases in accordance with IAS 17.

2. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Pro-forma full-year 2018

ASSETS in € million	Reported December 31, 2018	Pro-forma December 31, 2018	Impact of IFRS 16
Non-current Assets			
Goodwill	1,165.2	1,165.2	-
Intangible assets	51.8	50.1	(1.7)
Property, plant and equipment	599.9	593.4	(6.5)
Right-of-use assets	0.0	154.2	154.2
Deferred tax assets	26.5	26.8	0.3
Non-current receivables	5.1	5.1	-
	1,848.5	1,994.8	146.3
Current Assets			
Inventories	365.9	365.9	-
Trade receivables	355.4	355.4	-
Prepaid expenses and other receivables	69.1	68.9	(0.2)
Current tax assets	12.5	12.5	-
Derivative financial assets	3.6	3.6	-
Cash and cash equivalents	130.6	130.6	-
Non-current assets held for sale	4.0	4.0	-
	941.1	940.9	(0.2)
TOTAL ASSETS	2,789.6	2,935.7	146.1
EQUITY AND LIABILITIES			
in € million	Reported December 31, 2018	Pro-forma December 31, 2018	Impact of IFRS 16
Equity attributable to owners of the company			
Share capital & premium	1,208.0	1,208.0	-
Treasury shares	(42.1)	(42.1)	-
Cumulative translation reserves	(189.7)	(189.7)	-
Retained earnings and other reserves	208.0	206.4	(1.6)
TOTAL EQUITY	1,184.2	1,182.6	(1.6)
Non-current liabilities			
Employee benefit liabilities	22.6	22.6	-
Interest-bearing debts	786.6	911.2	124.6
Non-current financial liabilities	-	-	-
Deferred tax liabilities	49.9	49.9	-
Other payables	0.3	0.3	-
	859.4	984.0	124.6
Current liabilities			
Interest-bearing debts	104.0	127.1	23.1
Derivative financial liabilities	6.7	6.7	-
Trade payables	501.0	501.0	-
Accrued expenses and other payables	31.8	31.8	-
Employee benefit liabilities	47.9	47.9	-
Current tax liabilities	46.0	46.0	-
Provisions	8.6	8.6	-
	746.0	769.1	23.1
TOTAL LIABILITIES	1,605.4	1,753.1	147.7
TOTAL EQUITY AND LIABILITIES	2,789.6	2,935.7	146.1

3. CONSOLIDATED INCOME STATEMENT

Pro-forma full-year 2018

<i>in € million</i>	Reported Full year 2018	Pro-forma Full year 2018	Impact of IFRS 16
Revenue	2,292.2	2,292.2	-
Cost of sales	(1,666.5)	(1,663.3)	3.2
Gross Margin	625.7	628.9	3.2
Distribution expenses	(208.7)	(208.0)	0.8
Sales and marketing expenses	(158.8)	(158.3)	0.6
General administrative expenses	(83.0)	(83.0)	-
Other operating income/(expense), net	1.9	1.9	0.1
Income and expenses related to changes to Group structure	(15.5)	(15.5)	-
Income and expenses related to impairments and major litigations	(8.8)	(8.8)	-
Operating profit	152.8	157.4	4.7
Finance income	2.5	2.5	-
Finance costs	(29.9)	(36.7)	(6.8)
Net exchange differences relating to financing activities	(1.2)	(1.2)	-
Net finance cost	(28.6)	(35.4)	(6.8)
Profit before income tax	124.2	122.1	(2.1)
Income tax expense	(27.2)	(26.9)	0.3
Profit for the period from continuing operations	97.0	95.2	(1.8)
Profit for the period	97.0	95.2	(1.8)
Profit attributable to:			
Owners of the parent	97.0	95.2	(1.8)
Profit for the period	97.0	95.2	(1.8)

Earnings per share

<i>in €</i>	Reported Full year 2018	Pro-forma Full year 2018	Impact of IFRS 16
Basic earnings per share	1.20	1.18	(0.02)
Diluted earnings per share	1.20	1.18	(0.02)
Adjusted basic earnings per share	1.35	1.33	(0.02)
Adjusted diluted earnings per share	1.35	1.33	(0.02)
Weighted average number of ordinary shares outstanding during the period	81,020,929	81,020,929	-

4. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Pro-forma full-year 2018

in € million	Reported Full year 2018	Pro-forma Full year 2018	Impact of IFRS 16
Profit for the period	97.0	95.2	(1.8)
Other comprehensive income / (loss) for the period, after tax:			
Items that will not be reclassified subsequently to income statement			
Remeasurements of defined benefit plans	0.3	0.3	-
Items that will be reclassified subsequently to income statement			
Exchange differences on translating foreign operations	(30.8)	(30.8)	-
Cash flow hedge	(3.1)	(3.1)	-
Other	-	-	-
Other comprehensive income / (loss) for the period, net of tax	(33.6)	(33.6)	-
Total comprehensive income for the period	63.4	61.6	(1.8)
Total comprehensive income attributable to:			
Owners of the parent	63.4	61.6	(1.8)
Total comprehensive income for the period	63.4	61.6	(1.8)

5. CONSOLIDATED STATEMENT OF CASH FLOWS

Pro-forma full-year 2018

in € million	Reported Full year 2018	Pro-forma Full year 2018	Impact of IFRS 16
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period	97.0	95.2	(1.8)
Adjustments for:			
Income tax expense	27.2	26.9	(0.3)
Depreciation and amortization	56.9	81.8	24.9
(Profit) / loss on disposal of property, plant and equipment	7.1	7.1	-
Provisions (including employee benefit liabilities)	5.3	5.3	-
(Gain) / loss on earn-out liabilities	(4.9)	(4.9)	-
Net finance cost	28.6	35.4	6.8
Changes in working capital:			
Inventories	(39.9)	(39.9)	-
Trade and other receivables and prepaid expenses	24.5	24.5	-
Trade and other payables and accrued expenses	4.4	4.4	-
Employee benefit liabilities	2.6	2.6	-
Cash from operating activities before taxes	208.8	238.4	29.6
Income taxes paid	(39.1)	(39.1)	-
NET CASH GENERATED FROM OPERATING ACTIVITIES	169.7	199.3	29.6
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment and intangible assets	(103.8)	(103.8)	-
Proceeds from disposal of property, plant and equipment and intangible assets	2.6	2.6	-
Payment for acquisition of subsidiary, net of cash acquired	(16.5)	(16.5)	-
Commitments from business combinations	(0.3)	(0.3)	-
NET CASH USED IN INVESTING ACTIVITIES	(118.0)	(118.0)	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	58.6	58.6	-
Borrowing expenses paid	0.0	0.0	-
Repayment of borrowings	(25.4)	(48.2)	(22.8)
Interests paid	(21.8)	(28.6)	(6.8)
Interests received	2.5	2.5	-
Cost of refinancing & other costs of financing	(3.0)	(3.0)	-
Realized foreign exchange (losses)/gains on financing activities	(0.5)	(0.5)	-
Derivative financial assets	(1.2)	(1.2)	-
Dividends paid	(48.8)	(48.8)	-
Capital increase (net of issuance expenses new shares)	0.0	0.0	-
NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES	(39.6)	(69.2)	(29.6)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	12.1	12.1	-
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	118.5	118.5	-
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	130.6	130.6	-

6. NOTES TO THE UNAUDITED PRO-FORMA CONSOLIDATED FINANCIAL STATEMENTS

6.1. ALTERNATIVE PERFORMANCE MEASURES

Alternative performance measures (non-GAAP) are used in the financial communication of the Group since management believes that they are widely used by certain investors, securities analysts and other interested parties as supplemental measure of performance and liquidity. The alternative performance measures may not be comparable to similarly titled measures of other companies and have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our operating results, our performance or our liquidity under IFRS.

6.1.1. EBITDA and adjusted EBITDA

EBITDA is defined as earnings before net finance cost, income taxes, depreciations and amortizations. Adjusted EBITDA is defined as EBITDA plus non-recurring income and expenses.

<i>in € million</i>	Reported Full year 2018	Pro-forma Full year 2018	Impact of IFRS 16
Operating profit	152.8	157.4	4.7
Depreciation and amortization	56.9	81.8	24.9
EBITDA	209.7	239.3	29.6
Non-recurring income and expenses	24.3	24.3	0.0
Adjusted EBITDA	234.0	263.6	29.6

6.1.2. Net financial debt/LTM adjusted EBITDA ratio (Leverage)

Net financial debt is calculated by adding short-term and long-term debt and deducting cash and cash equivalents.

LTM adjusted EBITDA is defined as EBITDA plus non-recurring income and expenses for the last twelve months (LTM).

<i>in € million</i>	Reported Dec. 31, 2018	Pro-forma Dec. 31, 2018	Impact of IFRS 16
Non-current interest-bearing debts	786.6	911.2	124.6
Current interest-bearing debts	104.0	127.1	23.1
Cash and cash equivalents	(130.6)	(130.6)	-
Total net debt position	760.0	907.7	147.7
LTM adjusted EBITDA	234.0	263.6	29.6
Net financial debt/LTM adjusted EBITDA ratio	3.25	3.44	0.19

6.1.3. Adjusted free cash flow

Adjusted free cash flow was previously defined as adjusted EBITDA less capital expenditures (Capex, defined as purchases of property, plant and equipment and intangible assets), less change in working capital, less income taxes paid. This means that operating lease payments were included in the free cash flow.

As a result of the application of IFRS 16, lease payments will be reported as cash flows from financing activities. Considering that operationally nothing has changed and IFRS 16 is only an accounting change, the definition of free cash flow is adjusted to include the repayment of lease liabilities (i.e. excluding the interest expense).

Adjusted free cash flow of the Group for the year ended December 31, 2018 is as follows:

<i>in € million</i>	Reported Full year 2018	Pro-forma Full year 2018	Impact of IFRS 16
Operating profit	152.8	157.4	4.7
Depreciation and amortization	(56.9)	(81.8)	(24.9)
EBITDA	209.7	239.3	29.6
Non-recurring income and expenses	24.3	24.3	-
Adjusted EBITDA	234.0	263.6	29.6
Change in Working Capital			
Inventories	(39.9)	(39.9)	-
Trade and other receivables and prepaid expenses	24.5	24.5	-
Trade and other payables and accrued expenses	4.3	4.3	-
Capex	(103.8)	(103.8)	-
Repayment of lease liabilities	-	(22.8)	(22.8)
Adjusted free cash flow (pre-tax)	119.1	126.0	6.9
Income taxes paid	(39.1)	(39.1)	-
Adjusted free cash flow (post-tax)	80.0	86.9	6.9

6.1.4. Adjusted basic earnings and adjusted basic earnings per share

Adjusted basic earnings are defined as profit for the period plus non-recurring income and expenses and tax effect on non-recurring income and expenses, attributable to the owners of the parent. Adjusted basic earnings per share are defined as Adjusted basic earnings divided by the weighted average number of ordinary shares.

<i>in € million</i>	Reported Full year 2018	Pro-forma Full year 2018	Impact of IFRS 16
Basic earnings			
Profit from continuing operations attributable to owners of the parent	97.0	95.2	(1.8)
Adjustment dilution	-	-	-
Profit from continuing operations attributable to owners of the parent, after dilution effect	97.0	95.2	(1.8)
Adjusted basic earnings			
Profit from continuing operations attributable to owners of the parent	97.0	95.2	(1.8)
Non-recurring income and expenses	24.3	24.3	-
Tax correction	(11.6)	(11.6)	-
Adjusted basic earnings	109.7	107.9	(1.8)
Adjustment dilution	-	-	-
Adjusted earnings, after dilution effect	109.7	107.9	(1.8)

Number of shares	Reported Full year 2018	Pro-forma Full year 2018	Impact of IFRS 16
Weighted average number of ordinary shares outstanding during the period	81,020,929	81,020,929	-
Dilution	94,940	94,940	-

<i>in €</i>	Reported Full year 2018	Pro-forma Full year 2018	Impact of IFRS 16
Basic earnings per share	1.20	1.18	(0.02)
Diluted earnings per share	1.20	1.18	(0.02)
Adjusted basic earnings per share	1.35	1.33	(0.02)
Adjusted diluted earnings per share	1.35	1.33	(0.02)
Weighted average number of ordinary shares outstanding during the period	81,020,929	81,020,929	-

6.2. APPLICATION OF IFRS 16

6.2.1. Impact on the statement of financial position

Property, plant and equipment held under finance leases under IAS 17 – *Leases* were included in the “Property, plant and equipment” line in the statement of financial position at closing 2018, but as a result of IFRS 16, these assets have been reclassified to the “Right-of-use assets”. Furthermore, intangible assets relating to favourable lease contracts acquired as part of a business combination have been reclassified as part of the carrying amount of the right-to-use asset (€ 1.7 million).

Right-of-use assets recognized under IFRS 16 are reported on one single line in the statement of financial position.

The increase in the (current and non-current) “Interest-bearing debts” lines represents the newly recognized lease liabilities.

As the right-of-use assets are depreciated on straight-line basis while the lease liabilities decrease based on the effective interest method (actuarial basis), a net debit is recorded in equity (i.e. as a result of the so-called frontloading effect of the expenses).

6.2.2. Impact on the income statement

The nature of expenses related to lease agreements changes as IFRS 16 replaces the operating lease expense with a depreciation expense on the right-of-use assets (both recorded as operating expenses) and interest expense on lease liabilities recorded in net finance cost.

The impact on net profit for the period is negative as a result of the front loading of expenses due to the higher interest expense on lease liabilities relating to recent lease agreements. This will reverse over time when approaching the maturity of the lease agreements, and the related lease liabilities and interest expense decreases.

6.2.3. Impact on the statement of cash flows

Cash flows relating to lease agreements are reclassified between operating and financing activities in IFRS 16. Previously (under IAS 17), all operating lease payments were presented in cash flows from operating activities and the payments relating to finance leases were split between “Interests paid” and “Repayment of borrowings”.

Under IFRS 16, payments relating to leases are mainly presented as “Repayment of borrowings”, which is included in the cash flows from financing activities. Payments for low value and short-term leases remain in the cash flows from operating activities.

7. PRO-FORMA FINANCIAL STATEMENTS – HALF-YEAR 2018

7.1. STATEMENT OF FINANCIAL POSITION

ASSETS in € million	Reported June 30, 2018	Pro-forma June 30, 2018	Impact of IFRS 16
Non-current assets			
Goodwill	1,160.8	1,160.8	-
Intangible assets	48.8	46.9	(1.9)
Property, plant and equipment	575.7	568.9	(6.8)
Right-of-use assets	-	149.9	149.9
Deferred tax assets	16.0	16.2	0.2
Non-current receivables	4.3	4.3	-
	1,805.6	1,946.9	141.3
Current assets			
Inventories	339.4	339.4	-
Trade receivables	375.4	375.4	-
Prepaid expenses and other receivables	75.2	74.7	(0.5)
Current tax assets	6.9	6.9	-
Derivative financial assets	7.2	7.2	-
Cash and cash equivalents	118.3	118.3	-
Non-current assets held for sale	0.7	0.7	-
	923.1	922.6	(0.5)
TOTAL ASSETS	2,728.7	2,869.6	140.9
EQUITY AND LIABILITIES			
in € million	Reported June 30, 2018	Pro-forma June 30, 2018	Impact of IFRS 16
Equity attributable to owners of the company			
Share capital & premium	1,208.0	1,208.0	-
Treasury shares	(42.3)	(42.3)	-
Cumulative translation reserves	(187.5)	(187.5)	-
Retained earnings and other reserves	164.7	163.4	(1.3)
TOTAL EQUITY	1,142.9	1,141.6	(1.3)
Non-current liabilities			
Employee benefit liabilities	22.1	22.1	-
Provisions	0.4	0.4	-
Interest-bearing debts	788.8	909.0	120.2
Non-current financial liabilities	-	-	-
Deferred tax liabilities	38.9	38.9	-
Other payables	0.2	0.2	-
	850.4	970.6	120.2
Current liabilities			
Interest-bearing debts	85.9	107.8	21.9
Derivative financial liabilities	3.5	3.5	-
Other current financial liabilities	21.9	21.9	-
Trade payables	475.0	475.0	-
Accrued expenses and other payables	49.4	49.4	-
Employee benefit liabilities	44.6	44.6	-
Current tax liabilities	45.5	45.5	-
Provisions	9.6	9.6	-
	735.4	757.3	21.9
TOTAL LIABILITIES	1,585.8	1,727.9	142.1
TOTAL EQUITY AND LIABILITIES	2,728.7	2,869.6	140.9

7.2. INCOME STATEMENT

<i>in € million</i>	Reported June 30, 2018	Pro-forma June 30, 2018	Impact of IFRS 16
Revenue	1,129.6	1,129.6	-
Cost of sales	(812.8)	(811.2)	1.6
Gross margin	316.8	318.4	1.6
Distribution expenses	(104.9)	(104.5)	0.4
Sales and marketing expenses	(81.2)	(80.9)	0.3
General administrative expenses	(40.8)	(40.8)	-
Other operating income/(expense), net	(1.0)	(1.0)	-
Income and expenses related to changes to Group structure	(8.1)	(8.1)	-
Income and expenses related to impairments and major litigations	(1.9)	(1.9)	-
Operating profit	78.9	81.3	2.4
Finance income	1.6	1.6	-
Finance costs	(15.2)	(18.6)	(3.4)
Net exchange differences relating to financing activities	(0.5)	(0.5)	-
Net finance cost	(14.1)	(17.5)	(3.4)
Profit before income tax	64.8	63.7	(1.1)
Income tax expense	(14.2)	(14.0)	0.2
Profit for the period from continuing operations	50.6	49.7	(0.9)
Profit for the period	50.6	49.7	(0.9)
Profit attributable to:			
Owners of the parent	50.6	49.7	(0.9)
Profit for the period	50.6	49.7	(0.9)

Earnings per share

<i>in €</i>	Reported June 30, 2018	Pro-forma June 30, 2018	Impact of IFRS 16
Basic earnings per share	0.62	0.61	(0.01)
Diluted earnings per share	0.62	0.61	(0.01)
Adjusted basic earnings per share	0.70	0.69	(0.01)
Adjusted diluted earnings per share	0.70	0.69	(0.01)
Weighted average number of ordinary shares outstanding during the period	81,284,546	81,284,546	-

7.3. STATEMENT OF COMPREHENSIVE INCOME

in € million	Reported June 30, 2018	Pro-forma June 30, 2018	Impact of IFRS 16
Profit for the period	50.6	49.7	(0.9)
Other comprehensive income / (loss) for the period, after tax:			
Items that will not be reclassified subsequently to income statement			
Remeasurements of defined benefit plans	-	-	-
Items that will be reclassified subsequently to income statement			
Exchange differences on translating foreign operations	(28.6)	(28.6)	-
Cash flow hedge	1.8	1.8	-
Other	-	-	-
Other comprehensive income / (loss) for the period, net of tax	(26.9)	(26.9)	-
Total comprehensive income for the period	23.7	22.8	(0.9)
Total comprehensive income attributable to:			
Owners of the parent	23.7	22.8	(0.9)
Total comprehensive income for the period	23.7	22.8	(0.9)

7.4. STATEMENT OF CASH FLOWS

in € million	Reported June 30, 2018	Pro-forma June 30, 2018	Impact of IFRS 16
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period	50.6	49.7	(0.9)
Adjustments for:			
Income tax expense	14.2	14.0	(0.2)
Depreciation and amortization	28.8	41.1	12.3
(Profit) / loss on disposal of property, plant and equipment	1.1	1.1	-
Provisions (including employee benefit liabilities)	2.7	2.7	-
(Gain) / loss on earn-out liabilities	0.5	0.5	-
Net finance cost	14.1	17.5	3.4
Changes in working capital:			
Inventories	(13.7)	(13.7)	-
Trade and other receivables and prepaid expenses	(0.8)	(0.8)	-
Trade and other payables and accrued expenses	(6.4)	(6.4)	-
Employee benefit liabilities	(0.6)	(0.6)	-
Cash from operating activities before taxes	90.5	105.2	14.7
Income taxes paid	(21.5)	(21.5)	-
NET CASH GENERATED FROM OPERATING ACTIVITIES	69.0	83.7	14.7
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment and intangible assets	(39.0)	(39.0)	-
Proceeds from disposal of property, plant and equipment and intangible assets	1.5	1.5	-
Commitments from business combinations	(0.3)	(0.3)	-
NET CASH USED IN INVESTING ACTIVITIES	(37.8)	(37.8)	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	50.8	50.8	-
Repayment of borrowings	(31.5)	(42.8)	(11.3)
Interests paid	(9.1)	(12.5)	(3.4)
Interests received	1.7	1.7	-
Cost of refinancing & other costs of financing	(2.3)	(2.3)	-
Realized foreign exchange (losses)/gains on financing activities	(1.2)	(1.2)	-
Derivative financial assets	(1.2)	(1.2)	-
Dividends paid	(38.6)	(38.6)	-
NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES	(31.4)	(46.1)	(14.7)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(0.2)	(0.2)	-
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	118.5	118.5	-
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	118.3	118.3	-

7.5. ALTERNATIVE PERFORMANCE MEASURES

7.5.1. EBITDA and Adjusted EBITDA

<i>in € million</i>	Reported June 30, 2018	Pro-forma June 30, 2018	Impact of IFRS 16
Operating Profit	78.9	81.3	2.4
Depreciation and amortization	28.8	41.2	12.3
EBITDA	107.7	122.4	14.7
Non-recurring income and expenses	10.0	10.0	-
Adjusted EBITDA	117.7	132.4	14.7

7.5.2. Adjusted free cash flow

<i>in € million</i>	Reported June 30, 2018	Pro-forma June 30, 2018	Impact of IFRS 16
Operating profit	78.9	81.3	2.4
Depreciation and Amortization	28.8	41.2	12.3
EBITDA	107.7	122.4	14.7
Non-recurring income and expenses	10.0	10.0	-
Adjusted EBITDA	117.7	132.4	14.7
Change in working capital			
Inventories	(13.7)	(13.7)	-
Trade and other receivables and prepaid expenses	(0.8)	(0.8)	-
Trade and other payables and accrued expenses	(6.4)	(6.4)	-
Capex	(39.0)	(39.0)	-
Repayment of lease liabilities	0.0	(11.3)	(11.3)
Adjusted free cash flow (pre-tax)	57.7	61.2	3.5
Income taxes paid	(21.5)	(21.5)	-
Adjusted free cash flow (post-tax)	36.2	39.7	3.5

7.5.3. Adjusted basic earnings and adjusted basic earnings per share

Adjusted basic earnings are defined as profit for the period plus non-recurring income and expenses and tax effect on non-recurring income and expenses, attributable to the owners of the parent. Adjusted basic earnings per share are defined as Adjusted basic earnings divided by the weighted average number of ordinary shares.

<i>in € million</i>	Reported June 30, 2018	Pro-forma June 30, 2018	Impact of IFRS 16
Basic earnings			
Profit from continuing operations attributable to owners of the parent	50.6	49.7	(0.9)
Adjustment dilution	-	-	-
Profit from continuing operations attributable to owners of the parent, after dilution effect	50.6	49.7	(0.9)
Adjusted basic earnings			
Profit from continuing operations attributable to owners of the parent	50.6	49.7	(0.9)
Total Non-recurring Income & Expenses	10.0	10.0	-
Tax correction	(3.4)	(3.4)	-
Adjusted basic earnings	57.2	56.3	(0.9)
Adjustment dilution	-	-	-
Adjusted earnings, after dilution effect	57.2	56.3	(0.9)

Number of shares	Reported June 30, 2018	Pro-forma June 30, 2018	Impact of IFRS 16
Weighted average number of ordinary shares outstanding during the period	81,284,546	81,284,546	-
Dilution	110,564	110,564	-

in €	Reported June 30, 2018	Pro-forma June 30, 2018	Impact of IFRS 16
Basic earnings per share	0.62	0.61	(0.01)
Diluted earnings per share	0.62	0.61	(0.01)
Adjusted basic earnings per share	0.70	0.69	(0.01)
Adjusted diluted earnings per share	0.70	0.69	(0.01)

