

Q1 2020

INTERIM STATEMENT AS AT MARCH 31, 2020

CANCOM

Key figures

CANCOM GROUP

in € million	Q1 2020	Q1 2019*	Δ
Turnover	453.8	356.6	+ 27.3 %
Gross profit	119.2	103.8	+ 14.9 %
EBITDA	26.0	25.1	+ 3.5 %
EBITDA margin	5.7 %	7.0 %	- 1.3 pp
EBITA	16.2	17.4	- 6.7 %
EBIT	11.8	13.5	- 12.6 %
	31.3.2020	31.12.2019*	Δ
Balance sheet total	1,186.7	1,205.4	- 1.6 %
Equity	581.9	577.3	+ 0.8 %
Equity ratio	49.0 %	47.9 %	+ 1.1 pp
Cash and cash equivalents	297.6	364.9	- 18.4 %
Employees	3,888	3,450	+ 12.7 %

CLOUD SOLUTIONS

in € million	Q1 2020	Q1 2019*	Δ
Turnover	87.5	64.8	+ 35.0 %
EBITDA	18.9	15.8	+ 19.3 %
EBITDA margin	21.6 %	24.4 %	- 2.8 pp
ARR	189.1	139.6	+ 35.5 %

IT SOLUTIONS

in € million	Q1 2020	Q1 2019*	Δ
Turnover	366.3	291.8	+ 25.5 %
EBITDA	14.1	13.8	+ 1.8 %
EBITDA margin	3.8 %	4.7 %	- 0.9 pp

*Prior-year figure adjusted. Explanations in section A.7 of the notes to the consolidated financial statements in the 2019 Annual Report.

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Interim Group management statement

for the period January 1 to March 31, 2020

FUNDAMENTAL INFORMATION ABOUT THE GROUP

Structure of the CANCOM Group

The CANCOM Group („CANCOM“) is one of the leading providers of IT infrastructure and IT services in Germany and Austria. The Group has subsidiaries in Germany, Austria, Switzerland, Great Britain, Belgium and the USA.

The parent company of the CANCOM Group is CANCOM SE, which is based in Munich, Germany. It performs central financing and management functions for the Group companies, i.e. the equity investments it holds. In addition to the central management and financing functions, the operating units are supported in their daily business operations within the CANCOM Group by centralized departments for purchasing, warehouse/logistics, marketing/communication, legal, product management and human resources. There is also an internal specialist sales department („Competence Centre“).

These central functions support the decentralized operative sales and service units in Germany and abroad in their operative business. This structure of customer-oriented decentralized operating units and centralized management and support functions ensures a high level of efficiency in the control and management of the Group and a high performance of the CANCOM Group in its cooperation with customers and partners.

In its financial reporting, the CANCOM Group, in addition to the overall view of the Group, uses two segments to report on operational business development: Cloud Solutions and IT Solutions.

The Group segment Cloud Solutions comprises the business with (shared) managed services and those product and service businesses that can be directly allocated to managed services contracts. It also includes all business activities in connection with the Group's own software product - the IT multicloud management software „AHP Enterprise Cloud“.

The group segment IT Solutions comprises business relating to comprehensive strategic and technical consulting services for projects in the field of IT infrastructure, IT applications and system integration as well as related services such as planning and turnkey implementation. The segment also covers activities in the area of IT procurement and eProcurement Services.

In addition to the two operating Group segments, the segment reporting of the CANCOM Group shows the Other Companies segment. This represents the staff and management functions for central Group management, including the parent company CANCOM SE. Internal Group investments, but also expenses for company acquisitions or income from company sales are also included in this segment.

Businessmodel and sales markets

CANCOM's range of products and services is designed to provide comprehensive advice and support to corporate customers in adapting IT infrastructures and business processes to the requirements of digitization. CANCOM acts as a provider of complete solutions and sees itself as the „Leading Digital Transformation Partner“ for its customers.

The spectrum of services ranges from strategic consulting for digital business processes, partial or complete operation of IT systems (managed services), system design and integration, IT support, delivery and turnkey implementation of hardware and software, and e-procurement, to the sale of CANCOM's own software „AHP Enterprise Cloud“.

This broad range of products and services enables the CANCOM Group to generate income both on the basis of its own capabilities and performance (service business) and from remuneration and commissions for the sale of third-party IT products (sale of goods). The business model is supplemented by the sale of the Group's own software „AHP Enterprise Cloud“.

CANCOM thus combines the corporate activities of a managed services provider, a system house (value-added reseller) and a software manufacturer, and can thus generate additional synergy effects between these complementary business areas.

The management is pursuing a medium-term course of strategic transformation of the CANCOM Group. The provision of IT services, especially Shared Managed Services, is to account for an increasing share of business activity in the future. In addition, since 2018 the company has been investing more heavily in the further development of its own software, the 'AHP Enterprise Cloud', and in the establishment of a specialized sales force – including through partners. This is intended to support marketing as a stand-alone product, in addition to the current distribution of the 'AHP Enterprise Cloud' software as a solution within larger IT projects by CANCOM itself.

The client base mainly comprises commercial end users, ranging from small and medium-sized enterprises to large corporations and groups as well as public institutions. In geographical terms, the CANCOM Group is primarily active in Germany and Austria, but also in Great Britain, Belgium, Switzerland and the USA.

ECONOMIC REPORT

Development of the overall economy and the IT market

Germany

The CANCOM Group generates the vast majority of its turnover in Germany. The outbreak of the coronavirus (SARS-CoV-2) led to a fundamental change in overall economic development. As recently as December 2019, the German Bundesbank had predicted GDP growth in Germany of 0.6 percent for 2020. At present, the effects of the coronavirus pandemic and the far-reaching protective measures and restrictions introduced in March are not fully foreseeable. In May 2020, the Federal Statistical Office published an estimate that assumes a 2.2 percent decline in real GDP in the first quarter of 2020 compared to the previous quarter. The Bundesbank now forecasts a severe recession for the German economy as a whole in 2020.

ITC market

In its latest survey from January 2020, the German Association for the ITC industry bitkom forecasts a growth of 1.5 percent in the market volume for information and communication technology (ITC) in Germany in 2020, to EUR 172.2 billion. This positive development is being driven by the information technology sub-market, which is the largest in terms of volume and is particularly important for CANCOM. Here, bitkom expects growth of 2.7 percent, distributed as follows among the individual market segments:

Outlook: Market for Information Technology 2020, Germany* (change from previous year in percent)

Software:	+6.4 %
IT-services:	+2.4 %
IT-hardware (including semi-conductors):	-0.4 %

* Source: bitkom/EITO, January 2020

However, the timing of publication means that this assessment is only of very limited value, so CANCOM expects to see a significant change in developments. It is currently not possible to predict whether this development will be more positive or more negative in some sub-segments of the IT market as a result of changes in customer behavior.

Business performance in the first three months of 2020

The CANCOM Group recorded very high sales growth in the first quarter. Driven by the broad overall demand for IT products, IT consulting and IT services in practically all industries, including the public sector, CANCOM thus continued the growth trend which has been in place for years. In particular, increased demand for hardware and software for mobile working, such as laptops and tablets, led to a year-on-year increase in sales of 27.3 percent to EUR 453.8 million in the first quarter (previous year: EUR 356.6 million). However, the particularly high sales volume of these products also led to lower margins.

Earnings before interest, taxes, depreciation and amortization (EBITDA) rose by 3.5 percent year-on-year in the first quarter to EUR 26.0 million (previous year: EUR 25.1 million). In addition to the large sales volume of low-margin IT products, a one-time special effect due to a severance payment to the Executive Board was noticeable here. The CANCOM Group's EBITDA margin fell to 5.7 percent in the first quarter of 2020 (previous year: 7.0 percent).

Order situation – Annual Recurring Revenue

	CANCOM Group: Annual Recurring Revenue (in EUR million)	
March 2020		189.1
March 2019		139.6

Within the Group segment Cloud Solutions, CANCOM's business activities include managed services and the in-house software AHP Enterprise Cloud. Managed services contracts and software sales lead to recurring monthly revenues over a fixed contract period of several years. The recurring revenues allow a projection of the expected future revenues in the next twelve months, starting from the last month of the respective reporting period. This Annual Recurring Revenue (ARR) amounted to EUR 189.1 million in the reporting period on the basis of the month of March, which corresponds to an annual increase of 35.5 percent (March 2019: EUR 139.6 million). A total of 19.9 percent of annual growth was achieved organically.

In the other areas of the Group segment Cloud Solutions and in large parts of the Group segment IT Solutions, information on the order situation is not meaningful as of the balance sheet date. This is due to the standard contract structure for orders. They often cover longer periods, but may change in volume within these periods (master agreements). In addition, very short periods of time can also elapse between the order and revenue recognition, so that in this case order volume and revenue in the reporting period are approximately the same. For this reason, no information on the order situation beyond the ARR is published in the CANCOM Group's financial reports.

Employees

As at March 31, 2020, the CANCOM Group employed 3,888 people (March 31, 2019: 3,450). This represents an increase of 12.7 percent compared with the previous year's reporting date.

The employees worked in the following areas:

CANCOM Group: Employees

	March 31, 2020	March 31, 2019
Professional services	2,402	2,112
Distribution	793	755
Central services	693	583
Total	3,888	3,450

Earnings, financial position and net assets of the CANCOM Group

Earnings situation

	CANCOM Group: Turnover (in EUR million)
Q1 2020	 453.8
Q1 2019*	 356.6

*Prior-year figure adjusted. Explanations in section A.7 of the notes to the consolidated financial statements in the 2019 Annual Report.

In the first three months of the 2020 financial year, the CANCOM Group generated consolidated sales of EUR 453.8 million (previous year: EUR 356.6 million). Compared with the same period of the previous year, this represents growth of 27.3 percent. The organic growth included in this figure, which does not take into account the effects of acquisitions, was 22.7 percent.

Geographically speaking, CANCOM achieved an 27.5 percent increase in sales in Germany during the reporting period, to EUR 374.1 million (previous year: EUR 293.2 million). In international business, CANCOM achieved an 25.5 percent increase in sales to EUR 79.7 million (previous year: EUR 63.5 million).

In the Group segment Cloud Solutions, CANCOM achieved a 35.0 percent year-on-year increase in sales in the first three months of 2020 to EUR 87.5 million (previous year: EUR 64.8 million). Organic sales growth was 24.1 percent.

In the Group segment IT Solutions, CANCOM increased its sales in the reporting period by 25.5 percent to EUR 366.3 million (previous year: EUR 291.8 million). Organic sales growth in the same period was 22.4 percent.

The CANCOM Group's total operating performance in the first quarter was EUR 455.7 million (previous year: EUR 358.4 million).

	CANCOM Group: Gross profit (in EUR million)
Q1 2020	119.2
Q1 2019*	103.8

*Prior-year figure adjusted. Explanations in section A.7 of the notes to the consolidated financial statements in the 2019 Annual Report.

In the first three months of 2020, the CANCOM Group's gross profit rose by 15.0 percent to EUR 119.2 million (previous year: EUR 103.8 million) compared with the first quarter of 2019. The gross profit margin was thus 26.3 percent (previous year: 29.1 percent). The cost of materials rose 32.2 percent compared with the first quarter of 2019 to EUR 336.5 million (previous year: EUR 254.6 million).

In the Group segment Cloud Solutions, CANCOM recorded a 28.5 percent increase in gross profit to EUR 41.5 million (previous year: EUR 32.3 million).

In the Group segment IT Solutions, gross profit was 10.6 percent higher than in the previous year (previous year: EUR 67.7 million) at EUR 74.9 million in the reporting period.

	CANCOM Group: Personnel expenses (in EUR million)
Q1 2020	76.0
Q1 2019*	65.3

*Prior-year figure adjusted. Explanations in section A.7 of the notes to the consolidated financial statements in the 2019 Annual Report.

At EUR 76.0 million, personnel expenses for the period from January to the end of March 2020 were 16.4 percent higher than in the same period last year (previous year: EUR 65.3 million).

Other operating expenses amounted to EUR 17.2 million in the period under review, representing an increase of 29.8 percent (previous year: EUR 13.3 million).

	CANCOM Group: EBITDA (in EUR million)
Q1 2020	26.0
Q1 2019*	25.1

*Prior-year figure adjusted. Explanations in section A.7 of the notes to the consolidated financial statements in the 2019 Annual Report.

In the period from January to March 2020, the CANCOM Group's EBITDA amounted to EUR 26.0 million, representing growth of 3.6 percent compared to the previous year (previous year: EUR 25.1 million). In organic terms, the CANCOM Group's EBITDA fell by 8.3 percent. In addition to the generally low margins in the sale of hardware and software, a one-time negative special effect in the amount of EUR 2.4 million for a severance payment to the Executive Board led to this decline in organic EBITDA.

The group segment Cloud Solutions contributed EBITDA of EUR 18.9 million in the first quarter of the year, representing an increase of 19.3 percent over the same period last year (previous year: EUR 15.8 million). Organic EBITDA growth in the Cloud Solutions segment was 0.8 percent.

In the Group segment IT Solutions, CANCOM achieved an EBITDA of EUR 14.1 million in the reporting period, an improvement of 1.8 percent over the same period last year (previous year: EUR 13.8 million). The organic growth in EBITDA was 1.5 percent.

	CANCOM Group: EBITDA margin
Q1 2020	5.7 %
Q1 2019*	7.0 %

*Prior-year figure adjusted. Explanations in section A.7 of the notes to the consolidated financial statements in the 2019 Annual Report.

In the first three months of the year, the CANCOM Group achieved an EBITDA margin of 5.7 percent (previous year: 7.0 percent).

The EBITDA margin in the Cloud Solutions segment was 21.6 percent in the same period (previous year: 24.4 percent) and in the IT Solutions segment the EBITDA margin was 3.8 percent (previous year: 4.7 percent).

CANCOM Group: depreciation and amortisation
(in EUR million)

	Q1 2020	Q1 2019*
Scheduled depreciation on property, plant and equipment	5.0	3.3
Amortisation of intangible assets	6.1	4.7
Scheduled depreciation on rights of use	3.1	2.3
Impairment of goodwill	0	0
Total	14.2	10.3

*Prior-year figure adjusted. Explanations in section A.7 of the notes to the consolidated financial statements in the 2019 Annual Report.

The CANCOM Group's depreciation and amortization rose in the first three months of the 2020 financial year by 22.3 percent year-on-year to EUR 14.2 million (previous year: EUR 11.6 million).

	CANCOM Group: EBITA (in EUR million)
Q1 2020	16.2
Q1 2019*	17.4

*Prior-year figure adjusted. Explanations in section A.7 of the notes to the consolidated financial statements in the 2019 Annual Report.

6.7 percent to EUR 16.2 million (previous year: EUR 17.4 million). In the Group segment Cloud Solutions, EBITA in the same period was EUR 14.7 million (previous year: EUR 13.2 million). In the IT Solutions segment EBITA amounted to EUR 8.6 million (previous year: EUR 8.7 million).

	CANCOM Group: EBIT (in EUR million)
Q1 2020	11.8
Q1 2019*	13.5

*Prior-year figure adjusted. Explanations in section A.7 of the notes to the consolidated financial statements in the 2019 Annual Report.

The CANCOM Group's EBIT in the quarter under review was EUR 11.8 million (previous year: EUR 13.5 million). Compared with the previous year's figure, EBIT fell by 12.6 percent as a result of the developments outlined above.

In the Cloud Solutions segment, EBIT in the reporting period was EUR 11.5 million (previous year: EUR 10.9 million). EBIT in the IT Solutions segment amounted to EUR 7.3 million (previous year: EUR 7.2 million).

	CANCOM Group: Result for the period (in EUR million)
Q1 2020	8.7
Q1 2019*	8.9

*Prior-year figure adjusted. Explanations in section A.7 of the notes to the consolidated financial statements in the 2019 Annual Report.

The CANCOM Group's net profit for the period from January to March of the current financial year was EUR 8.7 million (previous year: EUR 8.9 million). This represents a decline of 5.2 percent. This development includes a positive currency effect on the result for the period of EUR 2.0 million (previous year: EUR 0.3 million).

Assets and financial position

Principles and objectives of financial management

The principles and objectives of the CANCOM Group's financial management are described in the 2019 annual report and remain unchanged.

Capital structure of the Group

The CANCOM Group's total assets amounted to EUR 1,186.7 million as at March 31, 2020 (March 31, 2019: EUR 1,205.4 million). Of this total, EUR 581.9 million was attributable to equity and EUR 604.7 million to liabilities. The CANCOM Group's equity ratio was 49.0 percent at the end of the reporting period on March 31, 2020 (March 31, 2019: 47.8 percent). The debt ratio was accordingly 51.0 percent (March 31, 2019: 52.2 percent). The main driver of this development was the allocation of profit to retained earnings, which rose by 5.4 percent year-on-year to EUR 168.0 million (previous year: EUR 159.3 million).

Both long-term and short-term interest-bearing financial liabilities have a very low volume compared with total liabilities. The amount of cash and cash equivalents exceeds these by a multiple. At the end of the reporting period, the CANCOM Group therefore had negative net financial debt and positive net cash and cash equivalents of EUR 291.0 million.

Equity

On the liabilities side of the balance sheet after the first three months of fiscal year 2020, current liabilities amounted to EUR 448.7 million (March 31, 2019: EUR 322.6 million). Compared to 31 December 2019, current liabilities fell by 5.0 percent. The change in liabilities is caused by a significant decrease in trade payables.

At EUR 156.1 million as of March 31, 2020, non-current liabilities were significantly higher than in the same period of the previous year (March 31, 2019: EUR 86.1 million). Compared to the end of the 2019 financial year on December 31, 2020, however, the level decreased only minimally (December 31, 2019: EUR 156.1 million). In a quarter-on-quarter comparison, the increase was primarily due to higher other non-current financial liabilities.

Equity developed positively during the first three months of the financial year and stood at EUR 581.9 million as of March 31, 2020 (December 31, 2019: EUR 577.3 million).

Key financing measures

In the first quarter of 2020, operating activities and necessary replacement investments were financed from cash and cash equivalents and operating cash flow. CANCOM did not carry out any significant financing measures in the reporting period.

Assets

On the assets side of the balance sheet, current assets amounted to EUR 719.1 million at the end of the reporting period on March 31, 2020 (December 31, 2019: EUR 733.9 million). Cash and cash equivalents amounted to EUR 297.6 million on March 31, 2020 (December 31, 2019: EUR 364.9 million), while trade receivables rose to EUR 312.5 million (December 31, 2019: EUR 274.5 million). Furthermore, inventories reached the level of EUR 54.0 million at the end of March (December 31, 2019: EUR 45.5 million).

Non-current assets amounted to EUR 467.5 million as of March 31, 2020 (December 31, 2019: EUR 471.5 million) and thus changed only slightly after the first three months of 2020 compared to the end of fiscal year 2019.

Cash flow and liquidity

The cash flow statement shows a value of EUR -60.4 million (previous year: EUR -21.5 million) for the cash flow from operational activities in the period from January to March 2020. In addition to increased depreciation and amortization, the pre-financing of customer projects and a sharp decline in trade receivables had a negative impact on operating cash flow.

The cash flow from investing activities in the reporting period, at EUR -6.4 million, showed a lower cash outflow than in the prior-year period (previous year: EUR -8.6 million).

At EUR 0.1 million, cash flow from financing activities was positive in the months under review (previous year: EUR -3.0 million).

In the reporting period from January to March 2020, cash and cash equivalents changed by EUR -67.2 million to EUR 297.6 million (December 31, 2019: EUR 364.9 million) compared with the cash and cash equivalents at the beginning of the financial year. The figure was thus significantly higher than the level on the same date last year (March 31, 2019: EUR 105.1 million).

Opportunities and risks of future development

During the reporting period, there were no significant changes to the assessment of opportunities and risks relating to the future development of the CANCOM Group compared with the assessment already published in the 2019 annual report. A detailed list of these opportunities and risks can be found in the Annual Report 2019, which was published on April 30, 2020, and which therefore already contains the effects of the coronavirus pandemic on the opportunities and risks for the CANCOM Group's business development.

Events after the end of the reporting period

After the end of the reporting period, the coronavirus pandemic and the restrictions introduced on economic and public life have had a significant impact on the global economy. At the same time, neither the concrete economic impact nor the duration of the effects can be reliably estimated at present. In April and May 2020, however, there are already clear signs that the CANCOM Group's business development will be severely affected.

FORECAST REPORT

The Executive Board of CANCOM SE does not see any changes in the economic environment or the industry environment that are material to the CANCOM Group compared to the presentation made in the forecast of the Annual Report 2019, to which reference is made in this context. The presentation there already contains estimates which take into account the effects of the coronavirus pandemic. The Executive Board therefore sees no reason to change the statements made in the Annual Report 2019 about the CANCOM Group's expected development in the light of the current business development or the development of the general environment up to the end of the reporting period.

Assumptions of the forecasts

The forecasts for the CANCOM Group and CANCOM SE contain all the information known to the Executive Board at the time this interim statement was prepared that could have an impact on the development of business. The outlook is based, among other things, on the expectations regarding economic development and the development of the IT market, which are described in this interim statement or in the Annual Report 2019.

With regard to the CANCOM Group as a whole, as well as the individual IT Solutions and Cloud Solutions divisions, unforeseeable events could affect the development of the Company or individual Group segments that is expected from today's perspective. Such events include, for example, the consequences of short-term legal or regulatory changes. Such events are not included in the forecasts.

The forecast developments in the key performance indicators relate exclusively to the development of the CANCOM Group in its Group structure on the balance sheet date of December 31, 2019 (scope of consolidation). Any acquisitions made in the current financial year 2020 are not taken into account.

Forecast for the CANCOM Group

The Executive Board of CANCOM SE confirms the forecast for the development of the CANCOM Group and CANCOM SE described in the Annual Report 2019. As in the Annual Report 2019, explicit reference is again made to the increased uncertainty for the economic assumptions of this forecast, both in negative and positive terms.

Against the background of the business development in the first quarter of 2020, the conditions and premises mentioned here and in the 2019 annual report, and assuming that economic activity normalises in the second half of 2020, the Executive Board of CANCOM SE forecasts a moderate increase in sales for the CANCOM Group.

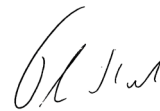
For the group segment IT Solutions, the Executive Board expects a moderate increase in revenue, gross profit, EBITDA and EBITA.

For the group segment Cloud Solutions the Executive Board expects a significant increase in revenue, gross profit, EBITDA and EBITA. In addition, a significant increase in Annual Recurring Revenue (ARR) is expected compared to the figure for December 2019.

Munich, June 2020



Rudolf Hotter
COO



Thomas Stark
CFO

Board of Directors of CANCOM SE

Note on the audit review

This document was neither subject to an audit pursuant to Section 317 of the German Commercial Code (HGB) nor to a review by an auditor.

Note Rounding

Due to rounding, individual figures in this document may not add up precisely to the totals provided and percentages presented may not precisely reflect the absolute figures to which they relate.

Disclaimer future-oriented statements

This document contains statements which may relate to the future course of business and future financial performance, as well as to future events or developments affecting CANCOM, and may constitute forward-looking statements. These are based on current expectations, assumptions and estimates by the Executive Board, and on other information currently available to management, many of which are outside CANCOM's sphere of influence. These statements can be recognised by formulations and words such as „expect“, „want“, „assume“, „believe“, „aim“, „estimate“, „assume“, „expect“, „intend“, „could“, „plan“, „should“, „will“, „predict“ or similar terms. All statements, other than statements of historical fact, are forward-looking statements. Such forward-looking statements include, but are not limited to expectations regarding the availability of products and services, the financial and earnings position, business strategy and management's plans for future operating activities, economic developments and all statements regarding assumptions. Although these statements are made with great care, CANCOM, represented by the Executive Board, cannot guarantee the accuracy of the expectations, especially in the forecast report. Various known and unknown risks, uncertainties and other factors may cause the actual results to differ significantly from those contained in the forward-looking statements. The following factors, among others, are of significance in this context: external political influences, changes in the general economic and business situation, changes in the competitive position and situation, e.g. due to the appearance of new competitors, new products and services, new technologies, changes in the investment behavior of customer target groups, etc., as well as changes in business strategy. Should one or more of these risks or uncertainties materialise, or should it turn out that the underlying expectations do not materialise or that the assumptions made were incorrect, CANCOM's actual results, performance and achievements (both negative and positive) may differ substantially from those explicitly or implicitly stated in the forward-looking statement. No guarantee can be given for the appropriateness, accuracy, completeness or correctness of the information or opinions in this document. Furthermore, CANCOM does not assume any obligation and does not intend to update these forward-looking statements or to correct them in the event of developments other than those expected.

Consolidated balance sheet

ASSETS

(in T€)	Mar. 31, 2020	Dec. 31, 2019	Mar. 31, 2019 (adjusted*)
Current assets			
Cash and cash equivalents	297,593	364,853	105,108
Non-current assets and disposal groups held for sale	1,188	1,196	0
Trade accounts receivable	312,539	274,490	254,468
Other Current contract assets	1,653	1,565	2,266
Capitalized short-term contract costs	5,828	6,225	0
Inventories	54,008	45,535	40,478
Other current financial assets	22,717	21,305	13,006
Other current assets	23,608	18,727	15,734
Total current assets	719,134	733,896	431,060
Non-current assets			
Property, plant and equipment	63,478	66,029	80,693
Intangible assets (excluding goodwill)	85,667	89,089	73,344
Goodwill and other intangible assets	209,652	213,577	160,153
Assets from right of use	68,881	65,945	37,992
Financial assets and loans	4,005	4,005	5,206
Capitalized long-term contract costs	1,768	1,954	1,251
Deferred tax assets	8,863	7,835	6,564
Other non-current financial assets	21,759	19,468	7,613
Other non-current assets	3,444	3,614	3,279
Total non-current assets	467,517	471,516	376,095
Assets, total	1,186,651	1,205,412	807,155

*Prior-year figure adjusted. Explanations in section A.7 of the notes to the consolidated financial statements in the 2019 Annual Report.

Consolidated balance sheet

EQUITY AND LIABILITIES

(in T€)	Mar. 31, 2020	Dec. 31, 2019	Mar. 31, 2019 (adjusted*)
Current liabilities			
Current liabilities to bank	6,393	7,182	3,215
Trade accounts payable	296,979	319,441	232,911
Other current financial liabilities	58,721	59,158	22,238
Short-term provisions	1,552	1,133	2,090
Current contract liabilities	38,614	32,989	24,456
Liabilities from income taxes	9,427	8,720	7,789
Other current liabilities	36,739	43,091	29,891
Liabilities in connection with non-current assets and disposal groups held for sale	244	245	0
Total current liabilities	448,669	471,959	322,590
Non-current liabilities			
Non-current liabilities to banks	156	218	2,945
Other non-current financial liabilities	127,066	126,185	54,422
Long-term pension provisions	1,890	1,969	1,890
Non-current other provisions	1,391	1,412	2,175
Non-current contractual liabilities	7,056	6,910	6,542
Deferred tax liabilities	18,515	19,443	18,022
Other non-current liabilities	1	1	70
Total non-current liabilities	156,075	156,138	86,066
Equity			
Capital stock	38,548	38,548	35,044
Additional paid-in capital	374,305	374,310	204,958
Retained earnings including profit/loss carried forward and profit/loss for the period	167,956	159,283	154,329
Other reserves	1,098	5,174	2,016
Non-controlling interests	0	0	2,152
Total equity	581,907	577,315	398,499
Liabilities, total	1,186,651	1,205,412	807,155

*Prior-year figure adjusted. Explanations in section A.7 of the notes to the consolidated financial statements in the 2019 Annual Report.

Consolidated Statement of Income

(in T€)	Jan. 1 - Mar. 31, 2020	Jan. 1 - Mar. 31, 2019 (adjusted*)
Revenue	453,829	356,640
Other operating income	382	410
Other own work capitalized	1,874	1,123
Capitalized contract costs	-380	217
Total output	455,705	358,390
Cost of materials/expenses for purchased services	-336,460	-254,566
Gross profit	119,245	103,824
Personnel expenses	-76,040	-65,336
Depreciation of property, plant and equipment, intangible assets	-14,217	-11,621
Impairment losses on financial assets including reversals of impairment losses	28	-74
Other operating expenses	-17,216	-13,278
Operating result (EBIT)	11,800	13,515
Interest and similar income	337	171
Interest and similar expenses	-1,813	-461
Other financial result Income	662	0
Other financial result Expenses	-163	-39
Currency gains/losses	1,962	333
Income before income taxes	12,785	13,519
Income taxes	-4,111	-4,582
Profit after tax from continuing operations	8,674	8,937
Result from discontinued operations	0	0
Result for the period	8,674	8,937
thereof attributable to shareholders of the parent company	8,674	8,884
thereof attributable to non-controlling shareholders	0	53
Weighted average shares outstanding (units) undiluted	38,548,001	35,043,638
Weighted average shares outstanding (units) diluted	38,548,001	35,043,638
Earnings per share from continuing operations (basic) in €	0.23	0.25
Earnings per share from continuing operations (diluted) in €	0.23	0.25
Earnings per share from discontinued operations (basic) in €	0.00	0.00
Earnings per share from discontinued operations (diluted) in €	0.00	0.00
Earnings per share for profit for the period attributable to equity holders of the parent (basic) in €	0.23	0.25
Earnings per share for profit for the period attributable to equity holders of the parent (diluted) in €	0.23	0.25

*Prior-year figure adjusted. Explanations in section A.7 of the notes to the consolidated financial statements in the 2019 Annual Report.

Consolidated Statement of Income

(in T€)	Jan. 1 - Mar. 31, 2020	Jan. 1 - Mar. 31, 2019 (adjusted*)
Result for the period	8,674	8,937
Other comprehensive income		
Items that are subsequently reclassified to profit or loss for the period		
Gains/losses from the currency translation of foreign operations	-5,916	2,601
Deferred taxes on items that are subsequently reclassified to profit or loss for the period	1,840	-817
Items that are not subsequently reclassified into profit or loss		
Gains/losses from the revaluation of defined benefit plans	0	0
Deferred taxes on items that are not reclassified to the result for the period	0	0
Other comprehensive income for the period	-4,076	1,784
Total comprehensive income for the period	4,598	10,721
thereof attributable to shareholders of the parent company	4,598	10,668
thereof attributable to non-controlling shareholders	0	53

*Prior-year figure adjusted. Explanations in section A.7 of the notes to the consolidated financial statements in the 2019 Annual Report.

Consolidated Cash Flow Statement

(in T€)	Jan. 1 - Mar. 31, 2020	Jan. 1 - Mar. 31, 2019
Cash flow from operating activities		
Net income for the period	8,674	8,937
Corrections		
+ Depreciation and amortization of property, plant and equipment intangible assets	14,217	11,621
+ Net interest and other financial results	977	329
+ Income taxes	4,111	4,582
+/- Changes in long-term provisions	-103	146
+/- Changes in short-term provisions	422	-64
+/- Result from the sale of property, plant, intangible assets and equipment and financial assets	-184	-20
+/- Changes in inventories	-8,542	-8,257
+/- Changes in trade receivables, contract assets, capitalized contract costs and other assets	-47,299	20,246
+/- Changes in trade payables and other liabilities	-24,781	-55,400
- Payments from interest paid	-1,219	-123
+/- Income taxes paid and refunded	-5,123	-3,820
+/- Non-cash expenses and income	-1,732	0
+ Equity-settled share-based payment transactions	225	315
Total cash flow from operating activities	-60,357	-21,508
Cash flow from investing activities		
- Cash outflows from the acquisition of subsidiaries	0	-1,805
+ Proceeds from cash and cash equivalents acquired in the acquisition of subsidiaries	0	761
- Payments made for investments in intangible assets, property, plant and equipment and rights of use	-7,806	-7,871
+ Proceeds from disposals of intangible assets, property, plant and equipment and financial assets	574	330
+ Proceeds from interest and dividends received	879	32
Total cash flow from investing activities	-6,353	-8,553
Cash flow from financing activities		
- Payments for capital increase costs	-6	0
- Payments for the repayment of non-current financial liabilities (including the portion reported as current)	-2,080	-53
- Payments from the repayment of leasing liabilities (lessee view)	-3,030	-2,681
+/- Cash inflow/outflow from borrowing/repayment of current financial liabilities	1,393	0
+/- Cash inflows/outflows from financial liabilities to leasing companies	4,089	0
- Cash outflows from interest paid for long-term financial liabilities and leasing liabilities	-297	-126
- Payments for the acquisition of non-controlling interests	0	-176
Total cash flow from financing activities	69	-3,036
Net increase/decrease in cash and cash equivalents	-66,641	-33,097
+/- Effect of exchange rate changes on cash and cash equivalents	-619	2,958
+/- Cash and cash equivalents at the beginning of the period	364,853	135,247
Cash and cash equivalents at the end of the period	297,593	105,108
thereof		
Cash and cash equivalents from continuing operations	297,593	105,108
Cash and cash equivalents from discontinued operations	0	0
	297,593	105,108

*Prior-year figure adjusted. Explanations in section A.7 of the notes to the consolidated financial statements in the 2019 Annual Report.

Segment informationen

(in T€)	cloud solutions		IT solutions	
	Jan. 1 - Mar. 31, 2020	Jan. 1 - Mar. 31, 2019 (adjusted*)	Jan. 1 - Mar. 31, 2020	Jan. 1 - Mar. 31, 2019 (adjusted*)
Revenue				
Revenue from external customers	87,499	64,835	366,330	291,805
Inter-segment sales	1,875	2,757	2,486	1,607
Total income	89,374	67,592	368,816	293,412
Cost of materials/expenses for purchased services	-47,255	-33,597	-293,052	-224,984
Personnel expenses	-20,083	-15,412	-50,286	-46,468
Other income and expenses	-3,169	-2,773	-11,390	-8,123
EBITDA	18,867	15,810	14,088	13,837
Scheduled depreciation and amortization	-4,199	-2,609	-5,506	-5,094
Scheduled amortization	-3,124	-2,283	-1,265	-1,563
Operating result (EBIT)	11,544	10,918	7,317	7,180
Interest income	74	26	263	141
Interest expenses	-54	-18	-1,606	-548
Other financial result Income	0	0	0	0
Other financial result Expenses	0	0	-163	-39
Currency gains/losses				
Income before income taxes	11,564	10,926	5,811	6,734
Income taxes				
Result from discontinued operations	0	0	0	0
Result for the period				
thereof attributable to shareholders of the parent company				
thereof attributable to non-controlling shareholders				

*Prior-year figure adjusted. Explanations in section A.7 of the notes to the consolidated financial statements in the 2019 Annual Report.

Total operating segments		Other companies		Reconciliation statement		Consolidated	
Jan. 1 - Mar. 31, 2020	Jan. 1 - Mar. 31, 2019 (adjusted*)	Jan. 1 - Mar. 31, 2020	Jan. 1 - Mar. 31, 2019 (adjusted*)	Jan. 1 - Mar. 31, 2020	Jan. 1 - Mar. 31, 2019 (adjusted*)	Jan. 1 - Mar. 31, 2020	Jan. 1 - Mar. 31, 2019 (adjusted*)
453,829	356,640	0	0				
4,361	4,364	62	3	-4,423	-4,367		
458,190	361,004	62	3	-4,423	-4,367	453,829	356,640
-340,307	-258,581	-42	0	3,889	4,015	-336,460	-254,566
-70,369	-61,880	-5,671	-3,456	0	0	-76,040	-65,336
-14,559	-10,896	-1,287	-1,058	534	352	-15,312	-11,602
32,955	29,647	-6,938	-4,511	0	0	26,017	25,136
-9,705	-7,703	-123	-72	0	0	-9,828	-7,775
-4,389	-3,846	0	0	0	0	-4,389	-3,846
18,861	18,098	-7,061	-4,583	0	0	11,800	13,515
337	167	1,345	855	-1,345	-851	337	171
-1,660	-566	-1,498	-746	1,345	851	-1,813	-461
0	0	662	0	0	0	662	0
-163	-39	0	0	0	0	-163	-39
				1,962	333	1,962	333
17,375	17,660	-6,552	-4,474	1,962	333	12,785	13,519
				-4,111	-4,582	-4,111	-4,582
0	0	0	0	0	0	0	0
						8,674	8,937
						8,674	8,884
						0	53

This is a translation of CANCOM SE's interim report. Only the German version of the report is legally binding. No warranty is made as to the accuracy of the translation and the company assumes no liability with respect thereto. The company cannot be held responsible for any misunderstandings or misinterpretation arising from this translation.

CANCOM SE

Investor Relations

Erika-Mann-Straße 69

80636 München

Germany

Phone +49 89 54054-5193

Fax +49 8225 996-45193

ir@cancom.de

www.cancom.de