

Strong third Quarter – BayWa reaffirms target for the year

After the first nine months of the current financial year, the BayWa Group reported a price-related year-on-year decrease in revenues of 2.2% to around €12.2 billion (Q1–3/2019: €12.5 billion). Earnings before interest and tax (EBIT) increased from €77.3 million in the same period of the previous year to €102.7 million as at 30 September 2020. This significant improvement in earnings was carried by all three core operating segments.

The Energy Segment recorded the largest year-on-year rise in earnings due to strong demand in the heating business and project business at BayWa r.e., which successfully realised several international projects. As in previous years, the lion's share of the planned project sales is scheduled for the final quarter. The Agriculture Segment benefited in the reporting period from the rally on agricultural commodity markets and above-average fruit prices.

In the agricultural input business, the market conditions remain difficult, particularly in crop protection and fertilizer trading, which have been negatively impacted by stricter regulations. Trade in agricultural machinery saw unabated high demand, which contributed accordingly to the rise in the Agricultural Segment's overall earnings. Development in the building materials trade remains dynamic, as reflected in the earnings of the Building Materials Segment, which set new records.

"The BayWa Group is economically strong, even in the coronavirus pandemic," says Klaus Josef Lutz, Chief Executive Officer of BayWa AG. "The unparalleled diversification of our business model with regard to sectors and geographic regions has paid off. I am proud that our teams have mastered the very difficult environment so well and have even been able to boost earnings compared to the previous year."

Highlights

- **Coronavirus crisis navigated successfully so far**
- **Significant EBIT improvement in all three operating segments**
- **Energy Segment:**
 - Sales of renewable energy projects expanded
 - BMS GmbH commissions two further LNG filling stations
- **Agriculture Segment: product and fruit trading benefit from rising agricultural prices**
- **Building Materials Segment: building materials trade flourishes; records achieved**

Key Financials of the BayWa Group

Income Statement

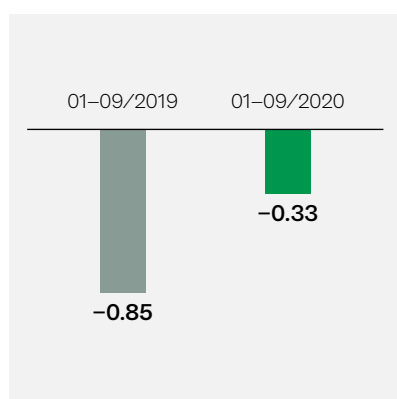
in EUR million	Q1 2020	Q2 2020	Q3 2020	01-09/2020	01-09/2019	Change
Revenues	3,870.1	4,323.6	4,004.1	12,197.8	12,473.0	-2.2%
EBITDA	25.1	135.3	104.4	264.8	223.9	18.3%
EBIT	-27.8	81.6	48.9	102.7	77.3	32.9%
EBT	-52.5	53.1	25.2	25.8	-2.0	>100%
Consolidated net result	-39.5	39.9	17.9	18.3	-1.5	>100%

EBIT per Segment

in EUR million	Q1 2020	Q2 2020	Q3 2020	01-09/2020	01-09/2019	Change
Energy	-4.0	20.7	31.3	48.0	25.4	89.0%
Renewable Energies	-8.9	7.6	23.3	22.0	3.9	>100%
Conventional Energy	4.9	13.1	8.0	26.0	21.5	20.9%
Agriculture	9.9	51.7	15.9	77.5	65.8	17.8%
BAST	3.7	4.9	8.0	16.6	10.6	56.6%
Global Produce	1.1	17.1	12.0	30.2	30.2	0.0%
Agri Trade & Service	3.1	15.8	-12.2	6.7	10.5	-36.2%
Agricultural Equipment	2.0	13.9	8.1	24.0	14.5	65.5%
Building Materials	-12.0	29.2	22.0	39.2	23.3	68.2%
Innovation & Digitalisation	-3.5	-3.3	-1.6	-8.4	-10.2	17.6%
Other Activities	-18.2	-16.7	-18.7	-53.6	-27.0	-98.5%
Total	-27.8	81.6	48.9	102.7	77.3	32.9%

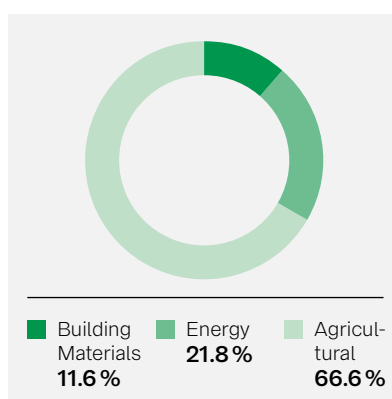
Earnings per share (EPS)*

in EUR



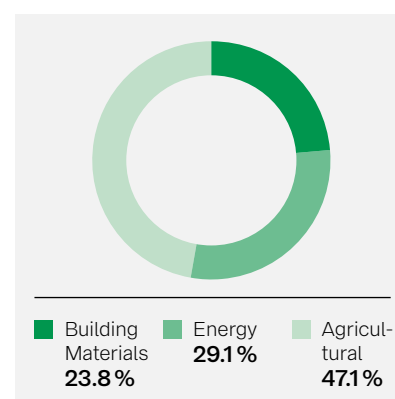
Share of revenues per segment

in % as at 30/09/2020



Share of EBIT (op.) – per segment

in % as at 30/09/2020



* Previous year's figure corrected in accordance with IAS 8.49 a)

Capital Market

Capital market developments 1–9/2020

The third quarter of 2020 was characterised by economic recovery and price gains, thanks in no small part to the positive development of the pandemic in the summer months of July and August. In September, stock markets took a breather. However, markets were tense once again until the US election in early November, which was reflected in above-average volatility.

Following a weak first six months, the IPO market saw its strongest third quarter in 20 years. Over a period of three months, there were 447 initial public offerings, with a volume of USD95 billion in total. Compared to the same period in the previous year, the volume of issued securities more than doubled. In Germany, six companies went public in the third quarter. Four of them chose the Prime Standard segment of the Deutsche Börse for their listing.

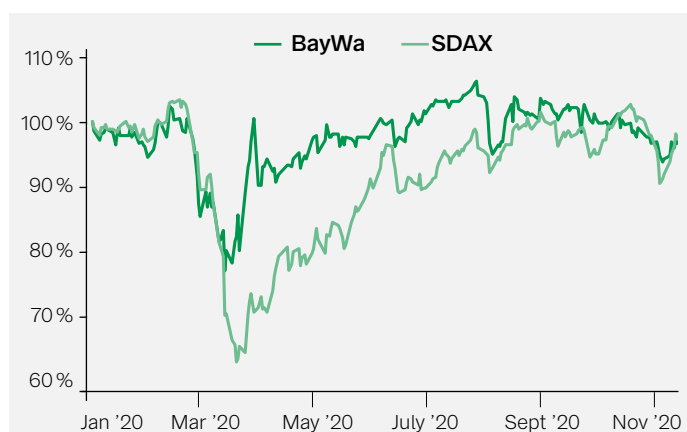
(Source: EY IPO Report Q3 2020)

Volatility indices – VDAX-NEW + VIX

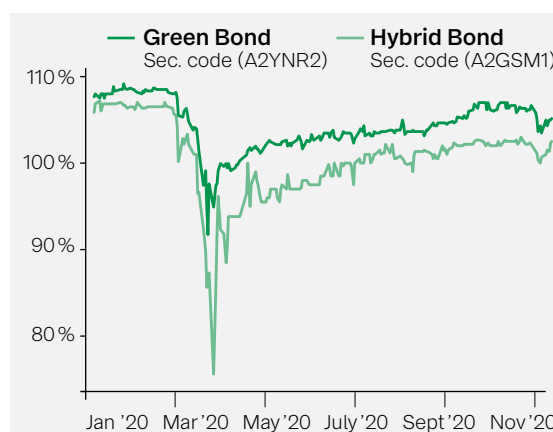


The VDAX-NEW and the VIX indicate the implied volatility of the DAX and the S&P 500 in percentage points.

BayWa Share



BayWa Hybrid Bond + Green Bond



Current analyst recommendations

Pareto Securities	Buy	August 2020
DZ Bank	Hold	August 2020
Bankhaus Lampe	Hold	August 2020
ODDO BHF	Reduce	August 2020

BayWa Share

Closing Price on 09/11/2020	27,40 €
Closing Price on 30/09/2020	28,05 €
52W High	29,85 €
52W Low	21,70 €

Financial Calendar 2020/2021

12 November 2020	Analysts' Conference Call on the Third Quarter	8.30 am	BayWa, München
26 March 2021	Analysts' Conference, Full-year 2020	11.00 am	BayWa, München
6 May 2021	Analysts' Conference Call on the first Quarter	8.30 am	BayWa, München
15 June 2021	Annual General Meeting		

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