

Q1|2017



Investment in Sleep

QUARTERLY STATEMENT JANUARY TO MARCH 2017

Key Figures

		Q1/2017	Q1/2016
Sales revenue	<i>in million €</i>	3.2	4.2
Material costs	<i>in million €</i>	-2.1	-3.0
Cost-of-materials ratio ¹	<i>in %</i>	66.2	69.5
Gross profit ²	<i>in million €</i>	1.1	1.3
EBITDA ³	<i>in million €</i>	-0.4	-0.4
Result from continuing operations	<i>in million €</i>	-0.6	-0.5
Consolidated net result	<i>in million €</i>	-0.8	-2.3
Earnings per share	<i>in €</i>	-0.04	-0.11
		31.03.2017	31.12.2016
Balance sheet total	<i>in million €</i>	16.7	15.3
Inventories	<i>in million €</i>	2.2	2.3
Cash on banks and cash on hand	<i>in million €</i>	0.9	0.8
Shareholders' equity	<i>in million €</i>	6.8	7.6
Equity ratio	<i>in %</i>	40.6	49.5

¹ material costs in relation to sales revenues

² sales revenues minus material costs

³ result from continuing operations without interest, taxes and depreciations on tangible and intangible fixed assets

bmp Quarterly Statement January – March 2017

- » Quarterly revenue of € 3.2 million compared with € 4.2 million
- » Consolidated net loss of € -0.8 million compared with € -2.3 million
- » Revenue forecast for operating business confirmed

Business performance in first quarter of 2017

bmp Holding AG had a challenging first quarter. The need to recognise additional valuation allowances on the venture capital portfolio held for sale forced bmp to announce the loss of half its share capital in January and call an Extraordinary General Meeting on 21 March, at which a capital reduction was passed. As well as having a negative impact on the capital market, this step also led to uncertainty among employees, suppliers and associations, which in turn adversely affected operating business in the first quarter.

In addition, given our scarce liquidity, we had to reduce marketing expenditure, which had a direct effect on revenue generated in the first quarter of 2017. At € 3.2 million, revenue was

down significantly on the prior-year figure of € 4.2 million, although this figure was particularly high as a result of non-recurring effects. Even so, we managed to increase the contribution margin to 19.6% and thus post a slight improvement in EBITDA at holding-company level to € -0.4 million compared with the first quarter of 2016. The net loss for the period of € -0.8 million was actually much better than in the first quarter of 2016 (€ -2.3 million), as the € -0.2 million negative impact from the discontinued venture capital operation was far less than in the prior-year period, when it amounted to € -1.8 million.

Even so the capital decrease also had positive effects. Firstly, following the capital reduction, bmp has ceased to be a penny stock for the first time in many years, thus enabling it to use

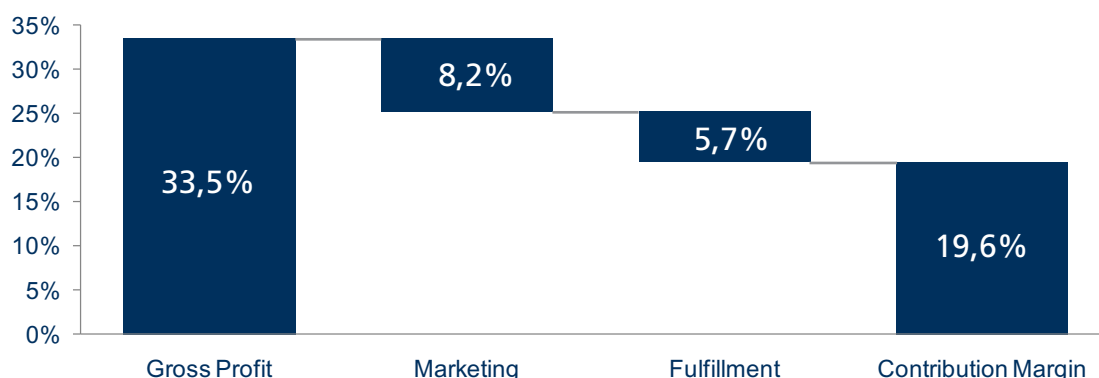


Figure:

Combined Contribution Margin of sleepz and Matratzenunion in the first three Months of 2017.

Fulfillment costs include expenses for shipping processing (packaging material, outward freight and postage).

Marketing costs include expenses for advertising, including search engine marketing and advertising on TV, on-line and other marketing channels. In addition, they cover the costs of payment processing as well as intermediation and sales commissions for the market places.

the stock exchange as a financing instrument. After registration of the capital reduction, we took advantage of this for the first time at the beginning of May with a capital increase of up to 10%, thus boosting our liquidity and equity. Secondly, due to the difficult situation, we resolved to end the business activities of our subsidiary Grafenfels Manufaktur GmbH, which continues to make a heavy loss. With our small marketing budgets, we were simply unable to assert ourselves against the major brands and the strongly financed one-fits-all companies such as Casper and eve in what is currently a hard-fought mattress market.

And last but not least, we decided to sell our venture capital residual portfolio of six companies in a secondary transaction before the end of June if at all possible. We need to break with the past so that we can give our full attention to our actual business.

These wide-ranging one-off issues and our very tight liquidity position mean that we will not be able to make significant headway with our operations in the second quarter either. However, we firmly believe that from the third quarter, we will pick up considerably with a clear focus on our operating business and stronger financial resources.

We are delighted that Heliad Equity Partners fully subscribed the capital increase in May, and we now aim to work together as strategic partners to build up bmp Holding into a leading online retailer in the sleep products segment. In connection with this, we are also looking into the possible acquisition of the Heliad equity investment Cubitabo (www.bettenriese.de), as well as the respective full integration of our subsidiaries sleepz and the Matratzen Union Group.

Remaining venture capital portfolio

In the first quarter of 2017, our equity investment dailyme.TV GmbH acquired our equity investment Ubertweek GmbH. At the end of the quarter, our venture capital residual portfolio comprised six equity investments with a total IFRS book value of € 5.3 million. We are currently in negotiations to sell the entire VC portfolio to a secondary fund, and we hope to be able to conclude the transaction before the end of the second quarter.

Net assets and financial position of the Group

There were no significant changes in the net assets and financial position of the Group in the first three months of 2017. Due to the quarterly loss, equity decreased from € 7.6 million as at 31 December 2016 to € 6.8 million, and the equity ratio amounted to 41% as at 31 March 2017.

Outlook

The decision to cease the business operations of our subsidiary Grafenfels will cause earnings to be slightly higher in the second quarter and significantly higher from the third quarter. Grafenfels made a loss of around € 0.8 million in 2016.

Revenue performance in the Group will be moderate in the second quarter due to the factors described above. We envisage a noticeable upturn in the third quarter. With regard to earnings, we expect a further improvement compared with the first quarter of 2017 in terms of operations.

To give bmp Holding AG an extra financial boost, we are looking into further capital measures in addition to the complete sale of the venture capital portfolio. A capital measure focussed on strategic partners is under consideration here, along with a larger-scale capital

measure with a pre-emption right from autumn 2017, for which we will then prepare a stock exchange prospectus. Furthermore, we are looking into the full acquisition of our subsidiaries, possibly in exchange for the issue of shares. As a result of these deliberations, we have postponed our Annual General Meeting until 18 August 2017. By then, we intend to have dealt with most of these strategic issues, and to present our shareholders with a long-term growth strategy. In addition, bmp Holding AG is to be given a new name so that we can finally leave our VC past behind us.

A new Chairman of our Supervisory Board was appointed in the second quarter. This was because the previous Chairman, Bernd Brunke, is no longer able to devote the necessary time to this role due to a new job. Sven Rittau has replaced him as Chairman of the Supervisory Board, of which he has been a member since July 2016. Mr. Rittau is a proven e-commerce expert, and the founder of zooplus AG.

Berlin, 31 May 2017

Oliver Borrmann
-“Executive Board”-

This document is a quarterly statement in accordance with section 51a of the Exchange Rules for the Frankfurt Stock Exchange.

Consolidated Statement of Comprehensive Income for the Period 1.1. to 31.03.2017

	1.1.-31.03. 2017	1.1.-31.03. 2016
	€	T€
Sales revenue		
Sales revenue	3,210,059.41	4,247
Other operating income		
Other operating income	14,706.33	11
Income from consulting and commissions	99,345.13	135
Cost of materials		
Cost of sales and services purchased	-2,124,539.63	-2,950
Staff costs		
Wages and salaries	-474,455.74	-409
Social security contributions and costs for pensions and support	-84,485.80	-69
Depreciations		
Depreciation on tangible and intangible fixed assets	-64,952.40	-35
Other operating expenses		
Other operating expenses	-1,033,886.67	-1,373
Operating income	-458,209.37	-443
Interest and similiar income	4,066.68	-1
Interest and similiar expenses	-99,385.14	-90
Income taxes	-43,366.77	0
Result from continuing operations	-596,894.60	-534
Result from discontinued operations	-189,107.27	-1,809
Consolidated net result	-786,001.87	-2,344
Share of result of non-controlling interests	55,745.45	73
result attributable to shareholders of the company	-730,256.42	-2,271
Earnings per share (diluted and non-diluted)	-0.04	-0.11
Consolidated net result	-786,001.87	-2,344
Other comprehensive income	0.00	0
Comprehensive income	-786,001.87	-2,344

For the purpose of comparability, the previous year's figures of the consolidated statement of comprehensive income contain a breakdown including discontinued operations and can therefore deviate from the figures reported in the previous year.

About bmp Holding AG

bmp Holding AG (www.bmp-holding.de) is a corporate e-commerce group focussing on the segment of sleep products (bedroom furniture, beds, sprung bed slats, mattresses, bedding goods and accessories).

Its subsidiaries sleepz GmbH, Matratzen Union GmbH, Ecom Union GmbH and Markenschlaf GmbH operate online shops specialised in the segment of sleep products, including www.perfekt-schlafen.de, www.markenschlaf.de, www.schlafnett.de, www.matratzenunion.de, www.schlafhandel.de, www.onletto.de, www.schoene-traeume.de and www.matratzendiscount.de. The Group also has showrooms in Berlin and Wolfhagen.

As at 31 March 2017, the Group employed 76 people at its locations in Berlin, Ludwigsfelde, Wolfhagen and Kassel.

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