2019 FULL-YEAR RESULTS

D'Ieteren adopted IFRS 16 "Leases" from 1 January 2019 onwards using the retrospective approach. Leases that were previously accounted for as operating leases are now included on the balance sheet. Depreciation on the right-of-use assets and interest on the lease payments are now charged in the income statement. The FY 2019 results are shown both on a "Post-IFRS 16" and "Pre-IFRS 16" basis. The latter facilitates the comparison with the FY 2018 results. ***Comments in this press release refer to the figures on a "Pre-IFRS 16" basis unless otherwise stated.***

D'Ieteren Group's results improved significantly in 2019 driven by Belron's excellent performance and by another year of improvement at D'Ieteren Auto. The Group's key performance indicator (KPI) – the *adjusted* consolidated result before tax, Group's share[1] – rose by 39.8% (guidance: "about 35% higher") to EUR 300.7 million on a comparable basis (52.48% stake in Belron in 2018 and 2019).

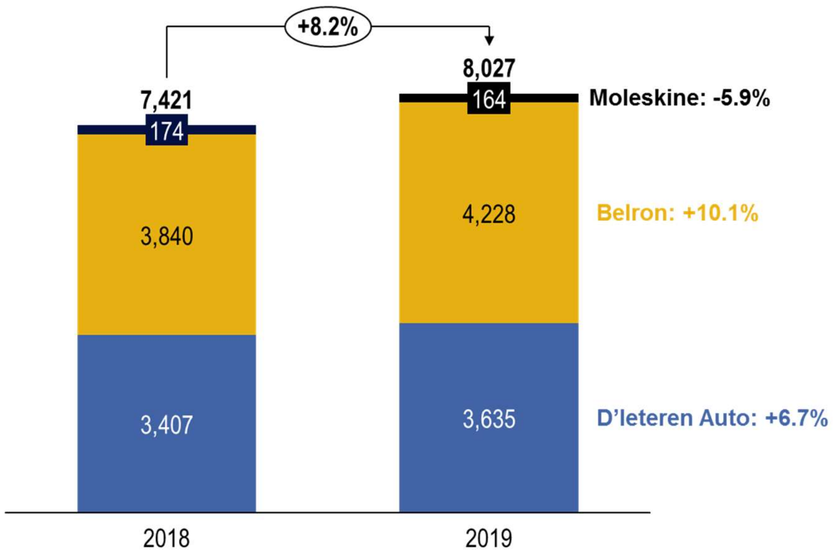
- **D'Ieteren Auto's** share[2] improved by 130bps in the Belgian new car market[2] (excluding registrations of less than 30 days) which was down 2.5%. The rise in sales (+6.7%) and the *adjusted* result before tax, Group's share[1] (+6.1%) mainly reflects higher import volumes, partly offset by a lower contribution from the Retail activities.
- **Belron** delivered solid organic[5] sales growth (+7.5%). Its *adjusted* result before tax, Group's share[1] improved by 110.5% reflecting volume growth, a positive mix effect and good progress on the Fit for Growth programme.
- **Moleskine's** performance was disappointing in 2019 with sales and the *adjusted* result before tax, Group's share[1] decreasing by respectively 5.9% and 48.2%. A new CEO will be joining the company in April 2020.
- **Corporate & Unallocated** (including corporate and real estate activities) reported an *adjusted* result before tax, Group's share[1] of EUR -10.3 million in 2019 compared to EUR -6.9 million in 2018.
- The Board of Directors proposes a **gross ordinary dividend of EUR 1.15 per share (versus EUR 1.00 in 2019).**

For 2020, D'Ieteren aims at a post-IFRS 16 *adjusted* consolidated result before tax, Group's share[1] that is at least 25% higher compared to last year's result (EUR 295.2 million post-IFRS 16). This guidance assumes a 52.48% stake in Belron in 2019 and 2020. This guidance doesn't take into account potential risks and consequences related to the Coronavirus (COVID-19).

GROUP SUMMARY

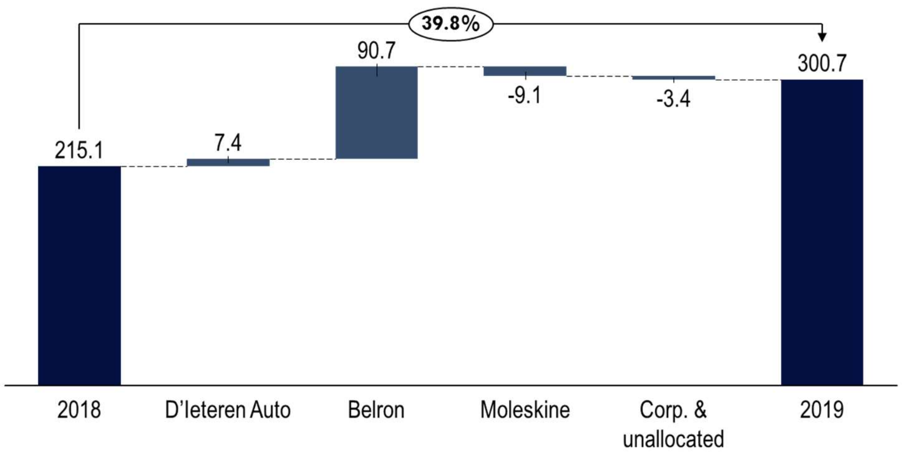
Consolidated sales under IFRS amounted to **EUR 3,798.8 million (+6.1%)**. This figure excludes Belron. **Combined sales** (including 100% of Belron) amounted to **EUR 8,026.9 million (+8.2%)**.

Combined sales (EUR million)



The **consolidated result before tax under IFRS** reached EUR 93.2 million (EUR 64.7 million in 2018). Our key performance indicator, the ***adjusted*** **consolidated result before tax, Group's share**[1], amounted to EUR 300.7 million, up 39.8% on a comparable basis (52.48% stake in Belron).

Evolution of the *adjusted* consolidated result before tax, Group's share[1] (EUR million)



The **Group's share in the net result** equalled EUR 64.5 million (EUR 1,048.0 million in 2018). The 2018 figure included the consolidation gain associated with the sale of a 40% stake in Belron to CD&R. **The *adjusted* net profit, Group's share[1],** reached EUR 211.6 million (52.48% stake in Belron) compared to EUR 182.2 million (57.78% stake in Belron) in 2018.

The Board of Directors proposes a **gross ordinary dividend of EUR 1.15** per share. If this dividend is approved by the General Meeting of Shareholders on 28 May 2020, it will be paid on 5 June 2020 (ex-date 3 June and record date 4 June).

The net cash position of "Corporate & Unallocated", which includes Corporate, amounted to **EUR 1,521.0 million** at the end of 2019 compared to EUR 1,142.2 million at the end of 2018.

D'IETEREN AUTO

- **Sales rose by 6.7% to EUR 3,634.9 million;**
- **The operating result reached EUR 116.5 million (EUR 106.8 million in 2018);**
  - **The *adjusted* operating result[1] increased by 5.3% to EUR 119.0 million. The solid performance mainly reflects higher new vehicle volumes and a positive price and model effect;**
  - **The *adjusting* items[1] (EUR -2.5 million) relate to the implementation of the Market Area strategy;**
- **The result before tax rose by 6.8% to EUR 122.5 million;**
- **The *adjusted* result before tax, Group's share[1], reached EUR 128.4 million (EUR 121.0 million in 2018), up 6.1%;**
- **2020 outlook (post IFRS 16): D'Ieteren Auto aims at a higher share in a market that is expected to decline by high single digit and an *adjusted* result before tax, Group's share[1] that is at least flat.**

€m	2018			% change adjusted items	2019			% change total
		APM (non-GAAP measures) [1]			APM (non-GAAP measures) [1]			
	Total Pre IFRS 16	*Adjusting items*	*Adjusted items*		*Adjusted items*	*Adjusting items*	**Total** Pre IFRS 16	
New vehicles delivered (in units)	**122.164**	-	-	-	-	-	**129.575**	***6,1%***
External sales	**3.406,9**	-	*3.406,9*	*6,7%*	*3.634,9*	-	**3.634,9**	***6,7%***
Operating result	**106,8**	*-6,2*	*113,0*	*5,3%*	*119,0*	*-2,5*	**116,5**	***9,1%***
Net finance costs	**-2,0**	*0,6*	*-2,6*	*0,0%*	*-2,6*	-	**-2,6**	***30,0%***
Result before tax (PBT)	**114,7**	*-2,6*	*117,3*	*6,6%*	*125,0*	*-2,5*	**122,5**	***6,8%***
Adjusted PBT, group's share[1]	**-**	-	*121,0*	*6,1%*	*128,4*	-	**-**	-

1.1. Activities and results

Market and deliveries

The Belgian new car market proved to be more resilient than expected. Excluding registrations of less than 30 days[2], the number of Belgian new car registrations decreased by 2.5% to 515,051 units. Including registration of less than 30 days, the number reached 550,003 (+0.1%), the second highest level since the historical peak in 2011 (572,211). The 5% rise in demand in the business segment (56% of total new car registrations) was offset by a 6% decline in the private segment. The share of SUV's increased from 38% in 2018 to 40% in 2019. D'Ieteren Auto's brands saw a 33% rise in the number of SUV registrations which made up 36% of the mix.

D'Ieteren Auto's market share reached 22.75% in 2019 (+130bps) if one excludes registrations of less than 30 days. All the brands gained market share with the exception of Porsche.

Registrations of new light commercial vehicles (0 to 6 tonnes) rose by 4.3% to 81,820 units and D'Ieteren Auto's market share rose by 23bps to 10.79%.

The total number of new vehicles, including commercial vehicles, delivered by D'Ieteren Auto in 2019 reached 129,575 units (+6.1%).

Sales

D'Ieteren Auto's sales increased by 6.7% (+5.8% on a comparable basis) to EUR 3,634.9 million in 2019 mainly reflecting volume growth which was underpinned by the success of the SUV models. New vehicles sales rose by 6.6% to EUR 3,188.3 million.

Results

The operating result reached EUR 116.5 million (+9.1%) and the *adjusted* operating result[1] (EUR 119.0 million) increased by 5.3% or by 7.9% excluding the impact of the reversal of provisions (EUR 4.5 million in 2018 and EUR 1.9 million in 2019). The solid improvement mainly reflects higher new vehicle volumes and higher gross margins of the Import activity. These positive factors were partly offset by a lower contribution of the Retail activity and higher IT and project related expenses.

The result before tax reached EUR 122.5 million (+6.8%) or EUR 125.0 million (+6.6%) excluding *adjusting* items[1].

The *adjusted* result before tax, Group's share[1], rose by 6.1% to EUR 128.4 million. The contribution of the equity accounted entities amounted to EUR 12.0 million (EUR 10.6 million in 2018).

Income tax expenses reached EUR 36.7 million (EUR 38.4 million in 2018). *Adjusted* tax expenses[1] equalled EUR 38.8 million (compared to EUR 40.5 million in 2018). The decline reflects the recognition of deferred tax assets.

The result after tax, Group's share, amounted to EUR 85.8 million (EUR 76.3 million in 2018). The *adjusted* result after tax, Group's share[1], rose by EUR 9.4 million to EUR 86.2 million.

1.2. Net debt and free cash flow

D'Ieteren Auto's net debt[3] increased by EUR 59.4 million to EUR 120.2 million at the end 2019.

The *adjusted* free cash flow[1] (after tax) equalled EUR -18.7 million in 2019 (EUR -54.3 million in 2018). The change mainly reflects:

- The rise in *adjusted* EBITDA[1,5] (EUR 128.9 million in 2019 versus EUR 120.7 million in 2018);
- The impact from "other non cash items" (EUR 9.2 million in 2019 versus EUR -6.1 million in 2018);
- The rise in tax payments (EUR -38.1 million in 2019 versus EUR -24.6 million in 2018);
- Changes in working capital (EUR -86.2 million in 2019 versus EUR -120.1 million in 2018). The EUR 48.7 million y/y increase in inventories (balance sheet) reflects a spike in (early) deliveries by the factories at year end and the extension of Retail network. Receivables increased by EUR 62.6 million to EUR 414.2 million (balance sheet) due to a timing effect related to invoicing;
- The rise in net capex (EUR -27.2 million versus EUR -18.3 million) mainly reflects IT investments (e.g. dealer management system and software for the management of spare parts) and the outfitting of a new Porsche dealership.

1.4. Key developments

2019 was a pivotal year marked by transformation projects including:

- The **Magellan project** which defined the strategy for the next 5 years which is based on three pillars:
  - *"Adapt"* to become the best in class in each activity (e.g. review of the organisational structure and support services)
  - *"Expand"* through the development of adjacent activities (e.g. establishment of a trading desk for used vehicles)
  - *"Innovate"* to get ready for the future. It involves for example, investments in electric mobility through EDI (Electric by D'Ieteren) and the launch of new forms of mobility through Lab Box.
- A **Transformation Office** has been put in place to coordinate D'Ieteren Auto's transformation. About 20 Magellan initiatives were initiated last year.
- The **"Leading the D'Ieteren Auto Way"** program, which aims to reinforce the values within the organisation, has been rolled out across all the management committees.

1.3. Outlook 2020 (post IFRS 16)

D'Ieteren Auto aims at a higher market share in a new car market that is expected to decline by high single digit due to uncertainty related to the fiscal regime and regulation governing car ownership and usage. The *adjusted* result before tax, Group's share[1], is expected to be at least flat in 2020. Note: the *adjusted* result before tax, Group's share[1] amounted to EUR 128.4 million post-IFRS 16 in 2019.

BELRON

At Belron's level (at 100%):

- **External sales (EUR 4,228.1 million) increased by 10.1%, comprising a 7.5% organic[5] increase, 1.3% growth from acquisitions and a positive currency translation effect of 2.5%, partially offset by disposals (-1.2% impact).**
- **The operating result totalled EUR 333.0 million (EUR 103.6 million in 2018):**
  - **The 77.4% improvement in *adjusted* operating result[1] (EUR 400.5 million) reflects the benefit of volume growth, value growth, notably from product mix, and tight control of costs;**
  - ***Adjusting* items[1] amounted to EUR -67.5 million (see details on pages 38-39).**

At the level of the reporting segment of Belron in D'Ieteren's consolidated accounts:

- **The result before tax totalled EUR 256.9 million (EUR 1,010.9 million in 2018). The 2018 figure includes the consolidated gain on the disposal of the 40% stake in Belron;**
- **The *adjusted* result before tax, Group's share[1], rose by 110.5% from EUR 82.1 million in 2018 to EUR 172.8 million in 2019. The 2018 figure was restated to reflect the same average stake of 52.48% as in 2019. The strong improvement reflects the uplift in the underlying operating performance partially offset by higher financial charges following the refinancing in Q4 2018 and Q4 2019.**

Outlook for 2020 (post-IFRS 16):

- **Mid-single digit organic[5] sales growth;**
- **The *adjusted* result before tax, D'Ieteren's share[1] should improve by 35-40%. This guidance assumes average exchange rates that are in line with the rates that prevailed at the end of 2019 and a 52.48% stake in Belron in 2019 and 2020.**

€m	2018			% change adjusted items	2019			% change total
		APM (non-GAAP measures) [1]			APM (non-GAAP measures) [1]			
	Total Pre IFRS 16	*Adjusting items*	*Adjusted items*		*Adjusted items*	*Adjusting items*	**Total** Pre IFRS 16	
Number of consumers incl. franchisees *(million)*	**18,2**	-	-	-	-	-	**18,2**	**-0,2%**
External sales	**3.839,7**	-	*3.839,7*	*10,1%*	*4.228,1*	-	**4.228,1**	**10,1%**
Operating result	**103,6**	*-122,1*	*225,7*	*77,4%*	*400,5*	*-67,5*	**333,0**	**221,4%**
Net finance costs	**907,3**	*966,4*	*-59,1*	*20,8%*	*-71,4*	*-4,8*	**-76,2**	**-**
Result before tax (PBT)	**1.010,9**	*844,3*	*166,6*	*97,6%*	*329,2*	*-72,3*	**256,9**	**-74,6%**
Adjusted PBT, group's share[1] (@ 52.48%)	**-**	-	*82,1*	*110,5%*	*172,8*	-	**-**	-

2.1. Sales and results

Sales

Belron's total sales rose by 10.1% to EUR 4,228.1m in 2019. The 11.3% sales growth from continuing operations is comprised of:

- organic[5] growth of 7.5%;
- a positive currency translation effect of 2.5% which is primarily due to the stronger US dollar;
- acquisition growth of 1.3%.

North America (54% of total) sales increased by 20.2%. Organic[5] growth of 13.1% reflects increases in both volume and value, including product mix and higher revenues from ADAS recalibration and VAPS (valued added products & services). Regional acquisitions, the largest of which was TruRoad in August 2019, contributed 2.1% of growth. There was an additional 5.0% from favourable currency translation.

Eurozone (33% of total) sales from continuing operations increased by 2.7% comprising 2.4% organic[5] growth, 0.2% growth from minor acquisitions and a 0.1% positive contribution from currency translation. The organic growth reflects improvements in sales value, including product mix and higher revenues from ADAS recalibrations and VAPS, offset by lower volumes attributable to milder weather in the first half of the year.

Rest of World (13% of total) sales from continuing operations increased by 1.9%, of which 1.1% was organic[5] growth and 1.0% from acquisitions. There was 0.2% decrease from currency translation. The organic growth reflects improvements in sales value, including product mix and higher revenues from ADAS recalibration and VAPS offset by lower volumes in the UK due to milder weather in the first half of the year. The acquired growth primarily relates to the Home Damage Repair and Replacement (HDRR) business in Australasia which was acquired in March 2018.

The total number of consumers (including franchisees) served reached 18.2 million (-0.2%) of which 17.6 million (-0.6%) in Vehicle Glass Repair and Replacement (VGRR) and Claims Management. The outstanding overall NPS score of 84.2% reflects Belron's vision: "making a difference by solving people's problems with real care".

Results

The operating result rose by 221.4% to EUR 333.0 million and the *adjusted* operating result[1] improved by 77.4% to EUR 400.5 million. These positive results are largely due to the success of the acceleration dimension of the Fit for Growth program which focuses the performance in a number of critical areas (e.g.investments in recalibration capability, VAPS) while making the business more profitable – notably in the fields of procurement, productivity and job optimisation.

Charges related to the legacy long-term management incentive programme (3-year rolling LTIP plan launched in 2017) equalled EUR 59.8 million (2018: EUR 34.1 million). It reflects the improved performance of Belron. The plan has now been replaced by a share-based Management Reward Plan, so these charges will cease after the end of 2019.

Adjusting items[1] at the level of the operating result totalling EUR 67.5 million (see pages 38-39 for further details).

The net financial result reached EUR -76.2 million in 2019 compared to EUR 907.3 million in 2018. The latter included the consolidated gain (EUR 987.7 million booked in H1 2018) on the disposal of the 40% stake in Belron. The *adjusted* net financial expenses[1] rose from EUR 59.1 million in 2018 to EUR 71.4 million in 2019 as a result of the issue of Term Loans B in Q4 2018 and Q4 2019. The proceeds were paid out to the shareholders.

The result before tax reached EUR 256.9 million in 2019 (EUR 1,010.9 million in 2018). The *adjusted* result before tax, Group's share[1] increased by 110.5% to EUR 172.8 million on a comparable basis (assuming 52.48% stake in 2018 and 2019). *Adjusted* income tax expenses[1] equalled EUR 99.9 million (EUR 39.1 million in 2018).

The result after tax, Group's share, reached EUR 88.5 million (EUR 991.6 million in 2018). The *adjusted* result after tax[1], Group's share, rose by 60.7% to EUR 120.4 million.

2.2. Net debt and free cash flow

Belron's net financial debt[3] reached EUR 2,324.4 million (100%) at the end of 2019 compared to EUR 1,638.6 million at the end of 2018. Belron issued in Q4 2019 a new 7-year term loan B of USD 830 million and a EUR 100 million add-on to the existing EUR term loan which matures in 2024. The proceeds of about EUR 850 million equivalent were paid out to the shareholders. Belron's net financial debt[3]/EBITDA[4] multiple (Senior Secured Net Leverage Ratio) reached 3.67x at the end of 2019.

The *adjusted* free cash flow[1] (after tax) amounted to EUR 432.5 million (EUR 164.5 million in 2018) or EUR 413.5 million (EUR 145.6 million in 2018) after the cash-outflow related to the legacy long-term management incentive programme. The sharp increase is mainly due to:

- A higher *adjusted* EBITDA[1,4], (EUR 184.4 million improvement)
- A positive cash flow impact from changes in working capital (EUR 41.9 million compared to EUR -8.6 million in 2018)
- Lower capex (EUR -86.9 million compared to EUR -111.6 million in 2018) partly offset by higher income tax and interest payments.

The free cash flow after the impact from restructurings (*adjusting* items[1]) reached EUR 375.8 million in 2019 (EUR 98.4 million in 2018).

2.3. Outlook 2020 (post IFRS 16)

Belron continues to pursue its Fit for Growth profit improvement programme focusing on accelerating growth as well as improving efficiency. Numerous initiatives are underway within this programme.

Belron anticipates mid-single digit organic sales growth[5]. The *adjusted* result before tax, D'Ieteren's share[1], should improve by 35-40%. This guidance assumes average exchange rates that are in line with the rates that prevailed at the end of 2019 and a 52.48% stake in Belron in 2019 and 2020. The 2019 *adjusted* result before tax, D'Ieteren's share[1] amounted to EUR 167.6 million on a post-IFRS 16 basis and assuming a 52.48% stake in Belron.

MOLESKINE

- **Revenues decreased by 5.9% to EUR 163.9 million in 2019;**
- **The operating loss totalling EUR 83.7 million (EUR 28.6 million profit in 2018) is composed of:**
  - **An *adjusted* operating result[1] of EUR 18.6 million (-35.0%);**
  - **An impairment charge (*adjusting* item[1]) of EUR 102.3 million.**
- **The result before tax equalled EUR -92.5 million (versus a profit of EUR 18.9 million in 2018);**
- **The *adjusted* result before tax[1] totalled EUR 9.8 million (-48.1%);**
- **The free cash flow rose by 75% to EUR 21.0 million thanks to a significant reduction in inventories;**
- **FY 2020 outlook (post-IFRS 16): Moleskine aims at broadly stable sales and double-digit growth of *adjusted* result before tax[1]. This guidance doesn't take into account potential risks and consequences related to the Coronavirus (COVID-19).**
- **A new CEO will join the company in April 2020.**

€m	2018			% change adjusted items	2019			% change total
	Total Pre IFRS 16	APM (non-GAAP measures) [1] Adjusting items	Adjusted items		APM (non-GAAP measures) [1] Adjusted items	Adjusting items	**Total** Pre IFRS 16	
External sales	**174.1**	-	*174.1*	*-5.9%*	*163.9*	-	**163.9**	***-5.9%***
Operating result	**28.6**	-	*28.6*	*-35.0%*	*18.6*	*102.3*	**-83.7**	-
Net finance costs	**-9.7**	-	*-9.7*	*-9.3%*	*-8.8*	-	**-8.8**	***-9.3%***
Result before tax (PBT)	**18.9**	-	*18.9*	*-48.1%*	*9.8*	*-102.3*	**-92.5**	-
Adjusted PBT, group's share[1]	**-**		*18.9*	*-48.1%*	*9.8*		**-**	-

3.1. Sales

Sales fell by EUR 10.2 million to EUR 163.9 million. B2B in EMEA and Wholesale in the Americas represented respectively 71% and 14% of the sales decline.

Sales evolution by channel:

- **Wholesale** (54% of total): -3%. The decline was most pronounced in the US due to retailer specific issues (e.g. Barnes & Noble change of ownership) and lower traffic experienced by some brick and mortar retailers. Sales to Amazon and Office Depot (new account) were up however. Wholesale revenues were up in Canada. In Japan, the Moleskine's subsidiary that was established in 2018 has been delivering positive results;
- **B2B** (25% of total): -14%. The drop was most pronounced in EMEA as very large orders booked in 2018 where not repeated in 2019;
- **Retail** (14% of total): -5%. All the regions reported lower sales with the exception of EMEA. The pruning of the store network impacted sales as the number of stores declined from 80 at the end of 2018 to 77 at the end of 2019. Twelve stores were closed and 9 were opened during the year;
- **E-Commerce** (5% of total): -2%;
- **Other** (1% of total): +30% on the back of the success of digital apps.

Sales evolution by region:

- **EMEA** (46% of total): -9%. The decline was almost entirely due to lower B2B sales. E-Commerce and Retail sales improved slightly;
- **Americas** (37% of total): -2%. Higher B2B sales were offset by lower sales in the other channels;
- **APAC** (17% of total): -6%. All the channel reported lower sales with the strongest decline in the Retail channel.

3.2. Results

The *adjusted* operating result[1] reached EUR 18.6 million in 2019 compared to EUR 28.6 million in 2018. The decline is mainly due to weaker sales, US import duties and direct cost inefficiencies.

Note: the 2019 operating result included a EUR 4.1 million reversal of provisions related to the long-term incentive program of 2016-2021. The 2018 result was impacted by a EUR 1.7 million charge related to this program.

A EUR 102.3 million impairment charge ("*adjusting* item[1]") was booked on goodwill. The impairment test was based on the business plan for 2020-2023 and a WACC of 7.94%. The residual value of goodwill equals EUR 69.8 million after the impairment. After deduction of the impairment charge, Moleskine realized an operating loss of EUR 83.7 million in 2019 compared to a profit of EUR 28.6 million in 2018.

Net financial charges equalled EUR 8.8 million (EUR 9.7 million in 2018). The result before tax amounted to EUR -92.5 million and the *adjusted* result before tax[1] amounted to EUR 9.8 million (EUR 18.9 million in 2018). Income tax expenses equalled EUR 4.8 million. In 2018, the EUR 3.9 million income tax revenue included the Patent Box benefit.

3.3. Net debt and free cash flow

Moleskine's net debt reached EUR 267.5 million - of which EUR 190.8 million intra-Group borrowing - at the end of 2019 compared to EUR 282.2 million at the end of 2018.

The *adjusted* free cash flow[1] (after tax) amounted to EUR 21.0 million in 2019 compared to EUR 12.0 million in 2018. The improvement reflects a positive inflow (EUR 9.9 million) from changes in working capital and lower net interest paid. Effective inventory management led to a EUR 11.6 million reduction in inventories (balance sheet).

3.4. Appointment of a new CEO

Lorenzo Viglione resigned from his position as CEO, based on a common agreement with D'Ieteren regarding the future development of Moleskine. A new CEO will be joining the company in April 2020.

3.5. Outlook for 2020 (post IFRS 16)

Moleskine aims for at least stable sales and double-digit growth of its *adjusted* profit before tax[1]. This guidance doesn't take into account potential risks and consequences related to the Coronavirus (COVID-19). The post IFRS 16 *adjusted* profit before tax[1] amounted to EUR 9.5 million in 2019.

The focus this year will be on streamlining the organization, project prioritization, implementation of policies and procedures and improvement of processes in all regions and functions. The new CEO will outline the strategy going forward.

CORPORATE AND UNALLOCATED

4.1. Results

The reportable operating segment "Corporate and Unallocated" mainly includes the Corporate and Real Estate activities (D'Ieteren Immo S.A.). The *adjusted* operating result[1] reached EUR -15.4 million in 2019 compared to EUR -12.2 million in 2018 due to a temporary rise in Corporate costs and certain administrative taxes.

The EUR 6.5 million *adjusting* item[1] in the operating result relates to a gain on the disposal of a property. The *adjusting* item[1] in the financial result includes a loss on the fair value of a contingent liability relating to the disposal of the 40% stake in Belron to CD&R.

Adjusted result before tax, group's share[1] reached EUR -10.3 million (EUR -6.9 million in 2018).

€m	2018			% change adjusted items	2019			% change total
		APM (non-GAAP measures) [1]			APM (non-GAAP measures) [1]			
	Total Pre IFRS 16	*Adjusting items*	*Adjusted items*		*Adjusted items*	*Adjusting items*	**Total** Pre IFRS 16	
External sales	**-**	-	-	-	-	-	**-**	-
Operating result	**-23,5**	-11,3	-12,2	26,2%	-15,4	6,5	**-8,9**	-62,1%
Net finance costs	**-35,6**	-40,9	5,3	-3,8%	5,1	-17,3	**-12,2**	-65,7%
Result before tax (PBT)	**-59,1**	-52,2	-6,9	49,3%	-10,3	-10,8	**-21,1**	-64,3%
Adjusted PBT, group's share[1]		-	-6,9	49,3%	-10,3	-	**-**	-

4.2. Net cash

The significant increase in the net cash position (from EUR 1,142.2 million at the end of 2018 to EUR 1,521.0 million at the end of 2019) is primarily the result of D'Ieteren's share (EUR 460.7 million) in Belron's latest dividend recap (Q4 2019), partially offset by the payment in June 2019 of dividends (EUR 54.8 million) to the shareholders of D'Ieteren.

Notes

[1] In order to better reflect its underlying performance and assist investors in gaining a better understanding of its financial performance, D'Ieteren uses Alternative Performance Measures ("APMs"). These APMs are non-GAAP measures, i.e. their definitions are not addressed by IFRS. D'Ieteren does not present APMs as an alternative to financial measures determined in accordance with IFRS and does not give to APMs greater prominence than defined IFRS measures. See page 34 for the definition of these performance indicators.

[2] In order to provide an accurate picture of the car market, Febiac publishes market figures excluding registrations that have been cancelled within 30 days. Most of them relate to vehicles that are unlikely to have been put into circulation in Belgium by the end customer.

[3] The net financial debt is not an IFRS indicator. D'Ieteren uses this Alternative Performance Measure to reflect its indebtedness. This non-GAAP indicator is defined as the sum of the borrowings minus cash, cash equivalents and investments in non-current and current financial assets. See page 41.

[4] EBITDA is not an IFRS indicator. This APM (non-GAAP indicator) is defined as earnings before interest, taxes, depreciation and amortization. Since the method for calculating the EBITDA is not governed by IFRS, the method applied by the Group may not be the same as that adopted by others and therefore may not be comparable.

[5] "Organic growth" is an Alternative Performance Measure used by the Group to measure the evolution of revenue between two consecutive periods, at constant currency and excluding the impact of change in perimeter of consolidation or business acquisitions.

Auditor's Report

"The statutory auditor, KPMG Bedrijfsrevisoren - Réviseurs d'Entreprises, represented by Alexis Palm, has confirmed that the audit procedures, which have been substantially completed, have not revealed any material misstatement in the accounting information included in the Company's annual announcement."

Forward looking statements

This document contains forward-looking information that involves risks and uncertainties, including statements about D'Ieteren's plans, objectives, expectations and intentions. Readers are cautioned that forward-looking statements include known and unknown risks and are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of D'Ieteren. Should one or more of these risks, uncertainties or contingencies materialise, or should any underlying assumptions prove incorrect, actual results could vary materially from those anticipated, expected, estimated or projected. As a result, D'Ieteren does not assume any responsibility for the accuracy of these forward-looking statements.

CONFERENCE CALL

D'Ieteren's management will organise a conference call for analysts and investors starting today at 06:00 pm CET.

The conference call can be attended by calling the number +32 2 403 58 16. PIN code: 10415042#.

The presentation slides will be made available online simultaneously to the publication of this press release at the following address: http://www.dieteren.com/en/newsroom/press-releases (then select the FY 2019 results event)

Financial Highlights 2019

Consolidated Statement of Profit or Loss

Year ended 31 December

EUR million	Notes	2019	2018 [1]
Revenue	3	**3,798.8**	**3,581.0**
Cost of sales		-3,303.3	-3,094.0
Gross margin		**495.5**	**487.0**
Commercial and administrative expenses		-382.5	-376.0
Other operating income		22.1	10.1
Other operating expenses	4	-110.7	-9.2
Operating result		**24.4**	**111.9**
Net finance costs		-24.4	-47.3
Finance income		1.4	1.8
Finance costs		-25.8	-49.1
Share of result of equity-accounted investees, net of income tax	6	93.2	0.1
Result before tax		**93.2**	**64.7**
Income tax expense	7	-28.7	-18.1
Result from continuing operations		**64.5**	**46.6**
Discontinued operations		-	1,002.1
RESULT FOR THE PERIOD		**64.5**	**1,048.7**
Result attributable to:			
Equity holders of the Company		**64.5**	**1,048.0**
Non-controlling interests (“NCI”)		-	0.7
Earnings per share			
Basic (EUR)	5	1.18	19.12
Diluted (EUR)	5	1.18	19.08
Earnings per share – Continuing operations			
Basic (EUR)	5	1.18	0.85
Diluted (EUR)	5	1.18	0.85

(1) The Group has initially adopted IFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information has not been restated and the cumulative effect of initially applying IFRS 16 is recognized in retained earnings at the date of initial application. See note 1.

As restated – refer to note 1 for further information on the restatement of comparative information.

Consolidated Statement of Comprehensive Income

Year ended 31 December

EUR million	**Notes**	**2019**	**2018 (1)**
Result for the period		64.5	1,048.7
Other comprehensive income			
Items that will never be reclassified to profit or loss (net of tax):		-4.0	19.9
Re-measurements of defined benefit liabilities/assets		*-5.0*	*0.8*
Equity-accounted investees - share of OCI	6	*1.0*	*19.1*
of which items from discontinued operations		*-*	*-*
Items that may be reclassified subsequently to profit or loss (net of tax)		-0.4	32.5
Translation differences		*1.2*	*10.7*
Reclassification of foreign currency difference on loss of exclusive control		*-*	*32.0*
Cash flow hedges: fair value gains (losses) in equity		*-*	*-0.6*
Reclassification of cash flow hedges on loss of exclusive control		*-*	*-0.4*
Equity-accounted investees - share of OCI	6	*-1.6*	*-9.2*
of which items from discontinued operations		*-*	*43.5*
Other comprehensive income, net of tax		-4.4	52.4
Total comprehensive income for the period		**60.1**	**1,101.1**
being: attributable to equity holders of the Company		***60.1***	***1,100.4***
of which continuing operations		*60.1*	*55.5*
of which discontinued operations		*-*	*1,044.9*
attributable to non-controlling interests ("NCI")		***-***	***0.7***

(1) The Group has initially adopted IFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information has not been restated and the cumulative effect of initially applying IFRS 16 is recognized in retained earnings at the date of initial application. See note 1.

Consolidated Statement of Financial Position

At 31 December

EUR million	Notes	2019	2018 [1]
Goodwill	4	97.1	190.7
Intangible assets		444.8	432.7
Property, plant & equipment		268.7	222.0
Investment property		28.9	13.9
Equity-accounted investees	6	349.3	721.4
Deferred tax assets		41.3	26.3
Other receivables		4.6	24.7
Non-current assets		**1,234.7**	**1,631.7**
Inventories		492.8	455.7
Investments	2	543.4	-
Derivative financial instruments		0.1	-
Current tax assets		10.5	10.0
Trade and other receivables		454.8	394.3
Cash & cash equivalents		721.9	933.0
Assets classified as held for sale		-	0.9
Current assets		**2,223.5**	**1,793.9**
TOTAL ASSETS		**3,458.2**	**3,425.6**
Capital & reserves attributable to equity holders		2,640.7	2,655.1
Non-controlling interests ("NCI")		0.6	0.3
Equity		**2,641.3**	**2,655.4**
Employee benefits		31.6	23.9
Provisions		14.7	14.9
Loans & borrowings		134.4	116.3
Other financial liabilities		-	20.2
Put options granted to non-controlling interests		-	0.3
Other payables		-	1.6
Deferred tax liabilities		132.8	131.4
Non-current liabilities		**313.5**	**308.6**
Provisions		2.5	2.2
Loans & borrowings		46.5	39.4
Derivative financial instruments		0.4	0.4
Other financial liabilities	2	37.5	-
Current tax liabilities		5.0	5.8
Trade & other payables		411.5	413.8
Current liabilities		**503.4**	**461.6**
TOTAL EQUITY AND LIABILITIES		**3,458.2**	**3,425.6**

(1) The Group has initially adopted IFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information has not been restated and the cumulative effect of initially applying IFRS 16 is recognized in retained earnings at the date of initial application. See note 1.

Consolidated Statement of Changes in Equity

At 31 December

EUR million	Capital and reserves attributable to equity holders						Total	Non-controlling interests	Equity
	Share capital	Share premium	Treasury shares	Hedging reserve	Retained earnings	Cumu-lative translation differences	Group's share		
At 1 January 2018	**160.0**	**24.4**	**-34.6**	**0.4**	**1,658.0**	**-43.9**	**1,764.3**	**-3.8**	**1,760.5**
Adjustment on initial application of IFRS 9 (net of tax)	-	-	-	-	-1.1	-	-1.1	-	-1.1
At 1 January 2018 (adjusted)	**160.0**	**24.4**	**-34.6**	**0.4**	**1,656.9**	**-43.9**	**1,763.2**	**-3.8**	**1,759.4**
Profit for the period	-	-	-	-	1,048.0	-	1,048.0	0.7	1,048.7
Other comprehensive income	-	-	-	2.2	21.1	29.1	52.4	-	52.4
Total comprehensive income for the period	**-**	**-**	**-**	**2.2**	**1,069.1**	**29.1**	**1,100.4**	**0.7**	**1,101.1**
Treasury shares	-	-	-3.7	-	-	-	-3.7	-	-3.7
Dividends	-	-	-	-	-208.4	-	-208.4	-	-208.4
Other movements	-	-	-	-	3.6	-	3.6	-0.4	3.2
Total contribution and distribution	**-**	**-**	**-3.7**	**-**	**-204.8**	**-**	**-208.5**	**-0.4**	**-208.9**
Disposal of subsidiary with change in control	-	-	-	-	-	-	-	3.8	3.8
Total change in ownership interests	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3.8**	**3.8**
At 31 December 2018	**160.0**	**24.4**	**-38.3**	**2.6**	**2,521.2**	**-14.8**	**2,655.1**	**0.3**	**2,655.4**
At 1 January 2019	**160.0**	**24.4**	**-38.3**	**2.6**	**2,521.2**	**-14.8**	**2,655.1**	**0.3**	**2,655.4**
Adjustment on initial application of IFRS 16 (net of tax) (1)	-	-	-	-	-6.7	-	-6.7	-	-6.7
At 1 January 2019 (adjusted)	**160.0**	**24.4**	**-38.3**	**2.6**	**2,514.5**	**-14.8**	**2,648.4**	**0.3**	**2,648.7**
Profit for the period	-	-	-	-	64.5	-	64.5	-	64.5
Other comprehensive income	-	-	-	-10.3	-4.4	10.3	-4.4	-	-4.4
Total comprehensive income for the period	**-**	**-**	**-**	**-10.3**	**60.1**	**10.3**	**60.1**	**-**	**60.1**
Treasury shares	-	-	-18.7	-	-	-	-18.7	-	-18.7
Dividends	-	-	-	-	-54.8	-	-54.8	-	-54.8
Other movements	-	-	-	-	5.7	-	5.7	0.3	6.0
Total contribution and distribution	**-**	**-**	**-18.7**	**-**	**-49.1**	**-**	**-67.8**	**0.3**	**-67.5**
Total change in ownership interests	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
At 31 December 2019	**160.0**	**24.4**	**-57.0**	**-7.7**	**2,525.5**	**-4.5**	**2,640.7**	**0.6**	**2,641.3**

(1) The Group has initially adopted IFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information has not been restated and the cumulative effect of initially applying IFRS 16 is recognized in retained earnings at the date of initial application. See note 1.

Consolidated Statement of Cash Flows

Year ended 31 December

EUR million	Notes	2019	2018 (1)
Cash flows from operating activities - Continuing			
Result for the period		64.5	46.6
Income tax expense	7	28.7	18.1
Share of result of equity-accounted investees, net of income tax	6	-93.2	-0.1
Net finance costs		24.4	47.3
Operating result from continuing operations		**24.4**	**111.9**
Depreciation		34.8	18.8
Amortisation of intangible assets		7.1	4.7
Impairment losses on goodwill and other non-current assets	4	102.3	-
Other non-cash items		1.8	-1.7
Employee benefits		-4.2	-4.0
Other cash items		-0.1	-
Change in net working capital		-74.9	-130.9
Cash generated from operations		**91.2**	**-1.2**
Income tax paid		-42.0	-26.2
Net cash from operating activities		**49.2**	**-27.4**
Cash flows from investing activities - Continuing			
Purchase of property, plant and equipment and intangible assets		-50.4	-45.0
Sale of property, plant and equipment and intangible assets		8.2	6.5
Net capital expenditure		**-42.2**	**-38.5**
Acquisition of subsidiaries (net of cash acquired)		-13.8	-15.0
Disposal of subsidiaries (net of cash disposed of)		-	4.9
Contribution of cash from / (to) joint ventures		-20.7	22.4
Proceeds from the sale of / (investments in) financial assets	2	-543.4	107.1
Interest received		1.6	0.3
Dividends and proceeds from capital reduction received from equity-accounted investees	6	460.7	217.4
Net investment in other financial assets		19.1	-0.3
Net cash from investing activities		**-138.7**	**298.3**
Cash flows from financing activities - Continuing			
Acquisition (-)/Disposal (+) of non-controlling interests		0.1	0.3
Net disposal/(acquisition) of treasury shares		-18.7	-3.7
Repayment of lease liabilities (2018: repayment of finance lease liabilities)		-14.9	-0.1
Net change in other loans and borrowings		-27.1	-25.6
Interest paid		-6.5	-7.0
Dividends paid by Company		-54.8	-208.4
Net cash from financing activities		**-121.9**	**-244.5**
Cash flows from continuing operations		**-211.4**	**26.4**
Cash flows from discontinued operations		**-**	**532.3**
TOTAL CASH FLOW FOR THE PERIOD		**-211.4**	**558.7**
Reconciliation with statement of financial position			
Cash at beginning of period		674.5	295.7
Cash included in non-current assets classified as held for sale		-	76.4
Cash equivalents at beginning of period		258.5	1.6
Cash and cash equivalents at beginning of period		**933.0**	**373.7**
Total cash flow for the period		-211.4	558.7
Translation differences		0.3	0.6
Cash and cash equivalents at end of period		**721.9**	**933.0**
Included within "Cash and cash equivalents"		*721.9*	*933.0*
Included within "Non-current assets classified as held for sale"		-	-

(1) The Group has initially adopted IFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information has not been restated and the cumulative effect of initially applying IFRS 16 is recognized in retained earnings at the date of initial application. See note 1.

As restated – refer to note 1 for further information on the restatement of comparative information.

NOTE 1: GENERAL INFORMATION

s.a. D'Ieteren n.v. (the Company) is a public company incorporated and domiciled in Belgium, whose controlling shareholders are listed in note 20 of the 2018 consolidated financial statements. The address of the Company's registered office is: Rue du Mail 50, B-1050 Brussels.

In existence since 1805, and across family generations, the Company seeks growth and value creation by pursuing a strategy on the long term for its businesses and actively encouraging and supporting them to develop their position in their industry or in their geographies. The Company, its subsidiaries and its interests in associates and joint ventures (together the Group) form an international group, currently active in four activities articulated around strong brands:

- D'Ieteren Auto distributes Volkswagen, Audi, SEAT, Škoda, Bentley, Lamborghini, Bugatti, Porsche and Yamaha vehicles in Belgium. It has a market share of around 22% and 1.2 million vehicles on the road. Its business model is evolving towards providing citizens with responsible and innovative mobility;
- Belron has a clear purpose: "making a difference by solving people's problems with real care". It is the worldwide leader in vehicle glass repair and replacement and operates in 39 countries, through wholly owned businesses and franchises, with market leading brands – including Carglass®, Safelite® AutoGlass and Autoglass®. In addition, it manages vehicle glass and other insurance claims on behalf of insurance customers;
- Moleskine is a premium aspirational lifestyle brand which develops and sells iconic branded notebooks and writing, travel and reading accessories through a multichannel distribution strategy across more than 100 countries.
- D'Ieteren Immo groups together the Belgian real estate interests of D'Ieteren Group. It owns and manages approximately 30 properties. It also pursues investment projects and carries out studies into possible site renovations.

The Company is listed on Euronext Brussels.

Restatement of comparative information

In the framework of continuous improvement of the financial reporting presentation, the consolidated statement of profit or loss for the year ended 31 December 2018 has been restated to reflect in the D'Ieteren Auto segment a reallocation of costs (EUR 2.9 million) from revenue to cost of sales/commercial and administrative expenses/other operating expenses, without net impact on the operating result. In addition, operating result decreased by EUR 2.8 million following the reclassification of an EUR 2.8 million charge from income tax expense to other operating expenses in the "Corporate & unallocated" segment.

Significant change in accounting policies – IFRS 16 adoption

The Group has initially adopted IFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information has not been restated and the cumulative effect of initially applying IFRS 16 is recognized in retained earnings at the date of initial application. Accordingly, the comparative information for 2018 has not been restated and is presented, as previously reported, under IAS 17 and related interpretations.

IFRS 16 introduced a single, on-balance sheet accounting model for lessees. As a result, the Group, as a lessee, has recognized right-of-use assets representing its right to use the underlying assets and lease liabilities representing its obligation to make lease payments. Lessor accounting remains similar to previous accounting policies. Under IFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee, the Group recognizes right-of-use assets and lease liabilities for most leases, whereas previous accounting policies classified leases as operating leases (off balance-sheet) or finance leases (on balance sheet) depending on whether the lease transferred substantially all of the risks and rewards of ownership. Lessor accounting remain substantially unchanged compared to previous guidance. Right-of-use assets are presented in "property, plant and equipment" in the statement of financial position, under the same line item than the assets of the same nature that it owns. Lease liabilities are presented in "loans and borrowings" in the statement of financial position.

At transition, lease liabilities were measured at the present value of the remaining lease payments, discounted using either the implicit rate in the contract, if easily determinable, or the incremental borrowing rate that would have been made available for the financing of similar items as at 1 January 2019. The Group has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which affects the amount of lease liabilities and right-of-use assets recognized.

Right-of-use assets are measured at either their carrying amount as if IFRS 16 had been applied since the commencement date, discounted using the lessee's incremental borrowing rate at the date of initial application (for large property leases in the Belron segment) or an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments (for all other leases).

NOTE 1: GENERAL INFORMATION (continued)

On transition to IFRS 16, the Group (including Belron despite its classification as an equity accounted investee) recognized EUR 727.9 million right-of-use assets (of which EUR 670.7 million in the Belron segment) and EUR 757.8 million lease liabilities (of which EUR 699.5 million in the Belron segment), with a corresponding impact (net of tax) of EUR -6.7 million on retained earnings, Group's share.

Further information on the impact of IFRS 16 on the Group's operating segments is provided in note 2 "Segment information".

Alternative Performance Measurement – Non-GAAP measurement

In order to better reflect its underlying performance and assist investors in gaining a better understanding of its financial performance, the Group uses Alternative Performance Measures ("APMs"). These APMs are non-GAAP measures, i.e. their definition is not addressed by IFRS. The Group does not present APMs as an alternative to financial measures determined in accordance with IFRS and does not give to APMs greater prominence than defined IFRS measures.

NOTE 2: SEGMENT INFORMATION

The Group's reportable operating segments are D'Ieteren Auto, Belron, Moleskine and Corporate & unallocated. These operating segments are consistent with the Group's organisational and internal reporting structure, and with the requirements of IFRS 8 "Operating Segments".

D'Ieteren Auto comprises the automobile distribution activities of the Group. Belron comprises Belron Group s.a. and its subsidiaries. Despite its classification as an equity-accounted investee as from the closing of the Transaction (see notes 1 and 16 of the 2018 annual consolidated financial statements), Belron remains a reportable operating segment, reflecting the Group's internal reporting structure. Moleskine includes Moleskine S.p.a. and its subsidiaries. The segment "Corporate & unallocated" comprises the corporate and the real estate activities of the Group. These operating segments are consistent with the Group's organisational and internal reporting structure.

The Group has initially adopted IFRS 16 at 1 January 2019 using the modified retrospective approach (see note 1). Under this approach, comparative information has not been restated.

The Group presents the statement of profit or loss (12-month results ended 31 December 2019) and the statement of financial position (at 31 December 2019) of its operating segments on a pre-IFRS 16 basis, reflecting the Group's internal reporting structure and facilitating the comparison with the comparative period.

Segment Statement of Profit or Loss - Operating Segments (Year Ended 31 December)

EUR million	**Notes**	**2019**						
		D'Ieteren Auto	**Belron**	**Mole-skine**	**Corporate & unallocated**	**IFRS 16 impacts**	**Elimi-nations**	**Group**
External revenue	3	3,634.9	4,228.1	163.9	-	-	-4,228.1	3,798.8
Inter-segment revenue		-	-	-	-	-	-	-
Segment revenue		**3,634.9**	**4,228.1**	**163.9**	**-**	**-**	**-4,228.1**	**3,798.8**
Operating result (being segment result)		**116.5**	**333.0**	**-83.7**	**-8.9**	**16.4**	**-348.9**	**24.4**
Net finance costs		-2.6	-76.2	-8.8	-12.2	-26.5	101.9	-24.4
Finance income		0.2	19.1	0.8	0.4	-	-19.1	1.4
Finance costs		-2.8	-95.3	-4.7	-17.5	-26.5	121.0	-25.8
Inter-segment financing interest		-	-	-4.9	4.9	-	-	-
Share of result of equity-accounted investees, net of income tax	6	8.6	0.1	-	-	-	84.5	93.2
Result before tax		**122.5**	**256.9**	**-92.5**	**-21.1**	**-10.1**	**-162.5**	**93.2**
Income tax expense	7	-36.7	-88.4	-4.8	12.8	2.5	85.9	-28.7
Result from continuing operations		**85.8**	**168.5**	**-97.3**	**-8.3**	**-7.6**	**-76.6**	**64.5**
Discontinued operations		-	-	-	-	-	-	-
RESULT FOR THE PERIOD		**85.8**	**168.5**	**-97.3**	**-8.3**	**-7.6**	**-76.6**	**64.5**
Attributable to:								
Equity holders of the Company		**85.8**	**88.5**	**-97.3**	**-8.3**	**-4.2**		**64.5**
Non-controlling interests		-	-	-	-	-		-
RESULT FOR THE PERIOD		**85.8**	**88.5**	**-97.3**	**-8.3**	**-4.2**		**64.5**

NOTE 2: SEGMENT INFORMATION (continued)

In 2019, in the Corporate & unallocated segment, the line "Operating result" includes, among other amounts, the gain on sale (EUR 6.5 million) on the disposal of a property and the line "Finance costs" mainly includes the loss (EUR -17.3 million) on the fair value of a financial contingent liability relating to the disposal in 2018 of the 40% stake of Belron to CD&R.

In 2019, the column "Eliminations" reconciles the segment statement of profit or loss (with the 12-month result of Belron presented on all lines under global integration method) to the IFRS Group consolidated statement of profit or loss (with the net result of Belron presented in the line "share of result of equity-accounted investees, net of income tax", representing the share of the Group - 52.48% - in the 12-month net result of Belron).

In 2019, the column "IFRS 16 impacts" reconciles the segment statement of profit or loss (with the 12-month results of the Group's operating segments presented, as previously reported, under IAS 17) to the IFRS Group consolidated statement of profit or loss (under IFRS 16).

The breakdown of the IFRS 16 impacts across the four Group's operating segments for the year ended 31 December 2019 is presented below:

EUR million	**D'Ieteren Auto**	**Belron**	**Moleskine**	**Corporate & unallocated**	**Total segments**
Depreciation on right-of-use assets	-6.2	-149.1	-8.3	-0.4	-164.0
Reversal of operating lease rentals	6.3	165.0	8.6	0.5	180.4
Operating result	**0.1**	**15.9**	**0.3**	**0.1**	**16.4**
Interest expenses on lease liabilities	-0.1	-25.7	-0.6	-0.1	-26.5
Result before tax	**-**	**-9.8**	**-0.3**	**-**	**-10.1**
Tax expense	-	2.5	-	-	2.5
Result for the period	**-**	**-7.3**	**-0.3**	**-**	**-7.6**

Segment Statement of Profit or Loss - Operating Segments (Year Ended 31 December)

EUR million	**2018 (1)**					
	D'Ieteren Auto	**Belron**	**Mole-skine**	**Corporate & unallocated**	**Elimi-nations**	**Group**
External revenue	3,406.9	3,839.7	174.1	-	-3,839.7	3,581.0
Inter-segment revenue	-	-	-	-	-	-
Segment revenue	**3,406.9**	**3,839.7**	**174.1**	**-**	**-3,839.7**	**3,581.0**
Operating result (being segment result)	**106.8**	**103.6**	**28.6**	**-23.5**	**-103.6**	**111.9**
Net finance costs	-2.0	907.3	-9.7	-35.6	-907.3	-47.3
Finance income	0.9	1,000.6	0.7	0.2	-1,000.6	1.8
Finance costs	-2.9	-93.3	-5.8	-40.4	93.3	-49.1
Inter-segment financing interest	-	-	-4.6	4.6	-	-
Share of result of equity-accounted investees, net of income tax	9.9	-	-	-	-9.8	0.1
Result before tax	**114.7**	**1,010.9**	**18.9**	**-59.1**	**-1,020.7**	**64.7**
Income tax expense	-38.4	-26.8	3.9	16.4	26.8	-18.1
Result from continuing operations	**76.3**	**984.1**	**22.8**	**-42.7**	**-993.9**	**46.6**
Discontinued operations	-	-	-	-	1,002.1	1,002.1
RESULT FOR THE PERIOD	**76.3**	**984.1**	**22.8**	**-42.7**	**8.2**	**1,048.7**
Attributable to:						
Equity holders of the Company	**76.3**	**991.6**	**22.8**	**-42.7**		**1,048.0**
Non-controlling interests	-	0.7	-	-		0.7
RESULT FOR THE PERIOD	**76.3**	**992.3**	**22.8**	**-42.7**		**1,048.7**

(1) The Group has initially adopted IFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information has not been restated and the cumulative effect of initially applying IFRS 16 is recognized in retained earnings at the date of initial application. See note 1.

As restated – refer to note 1 for further information on the restatement of comparative information.

NOTE 2: SEGMENT INFORMATION (continued)

In 2018, the column "Eliminations" reconciled the segment statement of profit or loss (with the 12-month result of Belron presented on all lines as a continuing operation under global integration method) to the IFRS Group consolidated statement of profit or loss (with the net result of Belron presented as a discontinued operation from the beginning of the period until the closing of the transaction with CD&R and in the line "share of result of equity-accounted investees, net of income tax" for the remaining of the period). See note 1 of the 2018 consolidated financial statements for more information.

In 2018, the line "discontinued operations" included the consolidated gain associated with the loss of exclusive control on the sale of a 40% stake in Belron to CD&R. Refer to note 16 of the 2018 annual consolidated financial statements for more information.

Segment Statement of Financial Position - Operating Segment

EUR million	Notes	31 December 2019						
		D'Ieteren Auto	Belron	Moleskine	Corporate & unallocated	IFRS 16 impacts	Elimi-nations	Group
Goodwill	4	27.3	590.1	69.8	-	-	-590.1	97.1
Intangible assets		31.9	594.0	412.7	0.2	-	-594.0	444.8
Property, plant & equipment		41.4	329.0	9.3	171.5	655.7	-938.2	268.7
Investment property		-	-	-	28.9	-	-	28.9
Equity-accounted investees	6	84.8	-	-	-	-	264.5	349.3
Investments		-	1.9	-	-	-	-1.9	-
Derivative financial instruments		-	0.1	-	-	-	-0.1	-
Employee benefits		-	105.1	-	-	-	-105.1	-
Deferred tax assets		11.6	46.8	8.5	21.2	6.3	-53.1	41.3
Other receivables		2.1	6.0	1.2	1.3	-	-6.0	4.6
Non-current assets		**199.1**	**1,673.0**	**501.5**	**223.1**	**662.0**	**-2,024.0**	**1,234.7**
Inventories		462.7	330.4	30.1	-	-	-330.4	492.8
Investments		-	-	-	543.4	-	-	543.4
Derivative financial instruments		-	5.0	0.1	-	-	-5.0	0.1
Current tax assets		0.9	2.5	9.5	0.1	-	-2.5	10.5
Trade and other receivables		414.2	354.1	35.7	4.9	1.7	-355.8	454.8
Cash & cash equivalents		-119.6	282.6	55.2	786.3	-	-282.6	721.9
Current assets		**758.2**	**974.6**	**130.6**	**1,334.7**	**1.7**	**-976.3**	**2,223.5**
TOTAL ASSETS		**957.3**	**2,647.6**	**632.1**	**1,557.8**	**663.7**	**-3,000.3**	**3,458.2**
Equity		**-**	**-**	**-**	**2,641.3**	**-**	**-**	**2,641.3**
Employee benefits		28.4	7.9	2.1	1.1	-	-7.9	31.6
Provisions		14.2	26.8	-	0.5	-	-26.8	14.7
Loans & borrowings		0.5	2,551.7	98.3	0.7	539.0	-3,055.8	134.4
Inter-segment loan		-	-	190.8	-190.8	-	-	-
Derivative financial instruments		-	6.5	-	-	-	-6.5	-
Other payables		-	1.2	-	-	-	-1.2	-
Deferred tax liabilities		1.3	97.4	111.1	20.4	-	-97.4	132.8
Non-current liabilities		**44.4**	**2,691.5**	**402.3**	**-168.1**	**539.0**	**-3,195.6**	**313.5**
Provisions		-	138.4	2.5	-	-	-138.4	2.5
Loans & borrowings		0.1	57.0	33.6	0.1	163.3	-207.6	46.5
Derivative financial instruments		-	9.6	0.4	-	-	-9.6	0.4
Other financial liabilities		-	-	-	37.5	-	-	37.5
Current tax liabilities		4.3	33.7	0.6	0.1	-	-33.7	5.0
Trade & other payables		361.7	603.3	38.7	12.2	-18.6	-585.8	411.5
Current liabilities		**366.1**	**842.0**	**75.8**	**49.9**	**144.7**	**-975.1**	**503.4**
TOTAL EQUITY AND LIABILITIES		**410.5**	**3,533.5**	**478.1**	**2,523.1**	**683.7**	**-4,170.7**	**3,458.2**

NOTE 2: SEGMENT INFORMATION (continued)

Segment Statement of Financial Position - Operating Segment

EUR million	31 December 2018 (1)					
	D'Ieteren Auto	**Belron**	**Moleskine**	**Corporate & unallocated**	**Elimi-nations**	**Group**
Goodwill	18.8	544.4	171.9	-	-544.4	190.7
Intangible assets	20.1	447.6	412.5	0.1	-447.6	432.7
Property, plant & equipment	31.1	355.6	10.1	180.8	-355.6	222.0
Investment property	0.1	-	-	13.8	-	13.9
Equity-accounted investees	76.6	-	-	-	644.8	721.4
Investments	-	0.7	-	-	-0.7	-
Derivative financial instruments	-	8.7	-	-	-8.7	-
Employee benefits	-	91.8	-	-	-91.8	-
Deferred tax assets	6.3	18.4	11.2	8.8	-18.4	26.3
Other receivables	2.5	2.2	1.3	20.9	-2.2	24.7
Non-current assets	**155.5**	**1,469.4**	**607.0**	**224.4**	**-824.6**	**1,631.7**
Inventories	414.0	320.1	41.7	-	-320.1	455.7
Derivative financial instruments	-	2.6	-	-	-2.6	-
Current tax assets	1.1	7.7	8.9	-	-7.7	10.0
Trade and other receivables	351.6	315.7	40.4	2.3	-315.7	394.3
Cash & cash equivalents	-57.9	124.2	23.8	967.1	-124.2	933.0
Assets classified as held for sale	-	3.1	-	0.9	-3.1	0.9
Current assets	**708.8**	**773.4**	**114.8**	**970.3**	**-773.4**	**1,793.9**
TOTAL ASSETS	**864.3**	**2,242.8**	**721.8**	**1,194.7**	**-1,598.0**	**3,425.6**
Equity	**-**	**-**	**-**	**2,655.4**	**-**	**2,655.4**
Employee benefits	21.1	6.7	2.0	0.8	-6.7	23.9
Provisions	10.4	54.9	4.1	0.4	-54.9	14.9
Loans & borrowings	0.7	1,709.8	114.8	0.8	-1,709.8	116.3
Inter-segment loan	-	-	155.9	-155.9	-	-
Derivative financial instruments	-	10.6	-	-	-10.6	-
Other financial liabilities	-	-	-	20.2	-	20.2
Put options granted to non-controlling interests	0.3	-	-	-	-	0.3
Other payables	-	3.1	1.6	-	-3.1	1.6
Deferred tax liabilities	1.5	12.3	110.8	19.1	-12.3	131.4
Non-current liabilities	**34.0**	**1,797.4**	**389.2**	**-114.6**	**-1,797.4**	**308.6**
Provisions	-	59.1	2.2	-	-59.1	2.2
Loans & borrowings	2.2	47.6	37.1	0.1	-47.6	39.4
Derivative financial instruments	-	3.3	0.4	-	-3.3	0.4
Current tax liabilities	10.7	13.9	0.5	-5.4	-13.9	5.8
Trade & other payables	367.8	524.0	42.0	4.0	-524.0	413.8
Liabilities directly associated with the assets held for sale	-	8.1	-	-	-8.1	-
Current liabilities	**380.7**	**656.0**	**82.2**	**-1.3**	**-656.0**	**461.6**
TOTAL EQUITY AND LIABILITIES	**414.7**	**2,453.4**	**471.4**	**2,539.5**	**-2,453.4**	**3,425.6**

(1) The Group has initially adopted IFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information has not been restated and the cumulative effect of initially applying IFRS 16 is recognized in retained earnings at the date of initial application. See note 1.

NOTE 2: SEGMENT INFORMATION (continued)

In 2019, the column "IFRS 16 impacts" reconcile the segment statement of financial position (with the assets and liabilities of the operating segments presented, as previously reported, under IAS 17) to the Group consolidated statement of financial position (under IFRS 16).

The EUR 655.7 million additional right-of-use assets (included in the line "Property, plant and equipment") and the EUR 702.3 million lease liabilities (included in the non-current and current "Loans and borrowings") presented in the segment statement of financial position as at 31 December 2019 following the adoption of IFRS 16 break down as follow:

- In the D'Ieteren Auto segment, EUR 13.5 million right-of-use assets and EUR 13.5 million lease liabilities;
- In the Belron segment, EUR 609.2 million right-of-use assets and EUR 654.7 million lease liabilities;
- In the Moleskine segment, EUR 28.4 million right-of-use assets and EUR 29.5 million lease liabilities;
- In the Corporate & unallocated segment, EUR 4.6 million right-of-use assets and EUR 4.6 million lease liabilities.

In 2019, in the Corporate & unallocated segment, the line "Financial Investments" of EUR 543.4 million comprises investments in a portfolio of marketable securities (corporate bonds in Europe) and the line "Current other financial liabilities" of EUR 37.5 million represents the fair value of the financial contingent liability relating to the disposal in 2018 of the 40% stake of Belron to CD&R.

In 2018 and 2019, the column "Eliminations" reconciles the segment statement of financial position (including the assets and liabilities of Belron) to the IFRS consolidated statement of financial position (with Belron presented as an equity-accounted investee).

NOTE 2: SEGMENT INFORMATION (continued)

Segment Statement of Cash Flows - Operating Segments (Year Ended 31 December)

EUR million	Notes	2019						
		D'Ieteren Auto	Belron	Mole-skine	Corp. & unallocated	IFRS 16 impacts	Elimi-nations	Group
Cash flows from operating activities - Continuing								
Result for the period		85.8	168.5	-97.3	-8.3	-7.6	-76.6	64.5
Income tax expense	7	36.7	88.4	4.8	-12.8	-2.5	-85.9	28.7
Share of result of equity-accounted investees, net of income tax	6	-8.6	-0.1	-	-	-	-84.5	-93.2
Net finance costs		2.6	76.2	8.8	12.2	26.5	-101.9	24.4
Operating result from continuing operations		**116.5**	**333.0**	**-83.7**	**-8.9**	**16.4**	**-348.9**	**24.4**
Depreciation		6.2	88.8	4.7	9.0	164.0	-237.9	34.8
Amortisation of intangible assets		3.7	49.9	3.4	-	-	-49.9	7.1
Impairment losses on goodwill and other non-current assets	4	-	21.3	102.3	-	-	-21.3	102.3
Other non-cash items		9.2	59.6	-3.0	-4.4	-1.7	-57.9	1.8
Employee benefits		-3.6	-	-0.6	-	-	-	-4.2
Other cash items		-	-	-	-0.1	-	-	-0.1
Change in net working capital		-83.7	28.3	9.9	-1.1	-13.8	-14.5	-74.9
Cash generated from operations		**48.3**	**580.9**	**33.0**	**-5.5**	**164.9**	**-730.4**	**91.2**
Income tax paid		-38.1	-41.8	-2.1	-1.8	-	41.8	-42.0
Net cash from operating activities		**10.2**	**539.1**	**30.9**	**-7.3**	**164.9**	**-688.6**	**49.2**
Cash flows from investing activities - Continuing								
Purchase of property, plant and equipment and intangible assets		-28.1	-91.5	-7.5	-14.8	21.1	70.4	-50.4
Sale of property, plant and equipment and intangible assets		0.9	4.6	-	7.3	-	-4.6	8.2
Net capital expenditure		**-27.2**	**-86.9**	**-7.5**	**-7.5**	**21.1**	**65.8**	**-42.2**
Acquisition of subsidiaries (net of cash acquired)		-13.6	-199.9	-0.2	-	-	199.9	-13.8
Disposal of subsidiaries (net of cash disposed of)		-	-6.3	-	-	-	6.3	-
Contribution of cash from/(to) joint venture		-20.7	-	-	-	-	-	-20.7
Proceeds from the sale of / (investments in) financial assets		-	-	-	-543.4	-	-	-543.4
Interest received		1.1	4.2	0.1	0.4	-	-4.2	1.6
Dividends and proceeds from capital reduction received from /(paid by) equity-accounted investees	6	-	-839.9	-	460.7	-	839.9	460.7
Net investment in other financial assets		-0.9	-	-	20.0	-	-	19.1
Net cash from investing activities		**-61.3**	**-1,128.8**	**-7.6**	**-69.8**	**21.1**	**1,107.7**	**-138.7**
Cash flows from financing activities - Continuing								
Acquisition (-)/Disposal (+) of non-controlling interests		0.1	-	-	-	-	-	0.1
Share capital increase		-	0.6	-	-	-	-0.6	-
Net disposal/(acquisition) of treasury shares		-	-	-	-18.7	-	-	-18.7
Repayment of lease liabilities		-	-2.9	-	-	-168.4	156.4	-14.9
Net change in other loans and borrowings		-7.8	817.9	-19.2	-0.1	8.6	-826.5	-27.1
Inter-segment loans		-	-	30.0	-30.0	-	-	-
Interest paid		-2.9	-73.4	-3.0	-0.1	-26.2	99.1	-6.5
Dividends paid by the Company		-	-	-	-54.8	-	-	-54.8
Net cash from financing activities		**-10.6**	**742.2**	**7.8**	**-103.7**	**-186.0**	**-571.6**	**-121.9**
Cash flows from continuing operations		**-61.7**	**152.5**	**31.1**	**-180.8**	**-**	**-152.5**	**-211.4**
Cash flows from discontinued operations		**-**	**-**	**-**	**-**	**-**	**-**	**-**
TOTAL CASH FLOW FOR THE PERIOD		**-61.7**	**152.5**	**31.1**	**-180.8**	**-**	**-152.5**	**-211.4**

NOTE 2: SEGMENT INFORMATION (continued)

Segment Statement of Cash Flows - Operating Segments (Year Ended 31 December)

EUR million	Notes	2019						
		D'Ieteren Auto	Belron	Mole-skine	Corp. & unallocated	IFRS 16 impacts	Elimi-nations	Group
Reconciliation with statement of financial position								
Cash at beginning of period		-57.9	124.2	23.8	708.6	-	-124.2	674.5
Cash included in non-current assets held for sale		-	0.8	-	-	-	-0.8	-
Cash equivalents at the beginning of the period		-	-	-	258.5	-	-	258.5
Cash and cash equivalents at beginning of period		**-57.9**	**125.0**	**23.8**	**967.1**	**-**	**-125.0**	**933.0**
Total cash flow for the period		-61.7	152.5	31.1	-180.8	-	-152.5	-211.4
Translation differences		-	5.1	0.3	-	-	-5.1	0.3
Cash and cash equivalents at end of period		**-119.6**	**282.6**	**55.2**	**786.3**	**-**	**-282.6**	**721.9**
Included within "Cash and cash equivalents		*-119.6*	*282.6*	*55.2*	*786.3*	*-*	*-282.6*	*721.9*
Included within "Non-current assets held for sale"		*-*	*-*	*-*	*-*	*-*	*-*	*-*

In the period, the column “Eliminations” reconciles the segment statement of cash flows (with Belron presented on all lines as a continuing operation under global integration method) to the IFRS Group consolidated statement of cash flows (with Belron consolidated uder equity-accounting method).

The column “IFRS 16 impact” reconciles the segment statement of cash flows (presented as previously reported, under IAS 17) to the IFRS Group consolidated statement of cash flows (under IFRS 16).

The inter-segment loans represent additional amount lent by the Corporate department to the Moleskine segment, at arm’s length conditions.

The line “impairment losses on goodwill and non-current assets” includes the impairment charges recognized in the Belron segment (EUR 21.3 million – see note 6) and in the Moleskine segment (EUR -102.3 million fully allocated to goodwill – see note 4) following the impairment exercise performed at year-end.

In the Belron segment, the line “acquisition of subsidiaries (net of cash acquired) includes, among other amounts, the US TruRoad acquisition.

In the Belron segment, the line “Other non-cash items” includes, among other amounts, the provision for long-term management incentive program.

The line “Dividends and proceeds from capital reduction received from / (paid by) equity-accounted investees” represent the share of the Group in the distribution of the dividend (EUR 60.5 million) and the share capital reduction (EUR 400.2 million) operated by the Belron segment in December 2019. Refer to note 6 for more information.

The line “Dividends paid by the Company” includes the distribution to shareholders of the ordinary dividend (EUR 1.00 per share).

NOTE 2: SEGMENT INFORMATION (continued)

Segment Statement of Cash Flows - Operating Segments (Year Ended 31 December)

EUR million	2018 (1)					
	D'Ieteren Auto	Belron	Mole-skine	Corp. & unallocated	Elimi-nations	Group
Cash flows from operating activities - Continuing						
Result for the period	76.3	984.1	22.8	-42.7	-993.9	46.6
Income tax expense	38.4	26.8	-3.9	-16.4	-26.8	18.1
Share of result of equity-accounted investees, net of income tax	-9.9	-	-	-	9.8	-0.1
Net finance costs	2.0	-907.3	9.7	35.6	907.3	47.3
Operating result from continuing operations	**106.8**	**103.6**	**28.6**	**-23.5**	**-103.6**	**111.9**
Depreciation	5.5	79.0	4.7	8.6	-79.0	18.8
Amortisation of intangible assets	2.2	42.2	2.5	-	-42.2	4.7
Impairment losses on goodwill and other non-current assets	-	50.3	-	-	-50.3	-
Other non-cash items	-6.1	41.0	4.4	-	-41.0	-1.7
Employee benefits	-3.6	-	-0.4	-	-	-4.0
Change in net working capital	-113.9	-12.9	-14.8	-2.2	12.9	-130.9
Cash generated from operations	**-9.1**	**303.2**	**25.0**	**-17.1**	**-303.2**	**-1.2**
Income tax paid	-24.6	-35.2	-1.1	-0.5	35.2	-26.2
Net cash from operating activities	**-33.7**	**268.0**	**23.9**	**-17.6**	**-268.0**	**-27.4**
Cash flows from investing activities - Continuing						
Purchase of property, plant and equipment and intangible assets	-19.0	-95.1	-10.4	-15.6	95.1	-45.0
Sale of property, plant and equipment and intangible assets	0.7	3.6	2.6	3.2	-3.6	6.5
Net capital expenditure	**-18.3**	**-91.5**	**-7.8**	**-12.4**	**91.5**	**-38.5**
Acquisition of subsidiaries (net of cash acquired)	-15.0	-37.5	-	-	37.5	-15.0
Disposal of subsidiaries (net of cash disposed of)	4.9	-4.7	-	-	4.7	4.9
Contribution of cash from/(to) joint venture	22.4	-	-	-	-	22.4
Proceeds from the sale of / (investments in) financial assets	-	-	-	107.1	-	107.1
Interest received	-	0.8	-	0.3	-0.8	0.3
Dividends and proceeds from capital reduction received from /(paid by) equity-accounted investees	-	-400.2	-	217.4	400.2	217.4
Net investment in other financial assets	-0.3	-	-	-	-	-0.3
Net cash from investing activities	**-6.3**	**-533.1**	**-7.8**	**312.4**	**533.1**	**298.3**
Cash flows from financing activities - Continuing						
Acquisition (-)/Disposal (+) of non-controlling interests	-	-	0.3	-	-	0.3
Share capital increase	-	21.8	-	-	-21.8	-
Net disposal/(acquisition) of treasury shares	-3.7	-	-	-	-	-3.7
Repayment of lease liabilities	-0.1	-35.6	-	-	35.6	-0.1
Net change in other loans and borrowings	-11.9	386.7	-13.6	-0.1	-386.7	-25.6
Interest paid	-2.3	-59.2	-4.5	-0.2	59.2	-7.0
Dividends paid by the Company	-	-	-	-208.4	-	-208.4
Net cash from financing activities	**-18.0**	**313.7**	**-17.8**	**-208.7**	**-313.7**	**-244.5**
Cash flows from continuing operations	**-58.0**	**48.6**	**-1.7**	**86.1**	**-48.6**	**26.4**
Cash flows from discontinued operations	**-**	**-**	**-**	**608.7**	**-76.4**	**532.3**
TOTAL CASH FLOW FOR THE PERIOD	**-58.0**	**48.6**	**-1.7**	**694.8**	**-125.0**	**558.7**

(1) The Group has initially adopted IFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information has not been restated and the cumulative effect of initially applying IFRS 16 is recognized in retained earnings at the date of initial application. See note 1.

As restated – refer to note 1 for further information on the restatement of comparative information.

NOTE 2: SEGMENT INFORMATION (continued)

Segment Statement of Cash Flows - Operating Segments (Year Ended 31 December)

EUR million	2018 (1)					
	D'Ieteren Auto	Belron	Mole-skine	Corp. & unallocated	Elimi-nations	Group
Reconciliation with statement of financial position						
Cash at beginning of period	-1.5	-	24.9	272.3	-	295.7
Cash included in non-current assets held for sale	-	76.4	-	-	-	76.4
Cash equivalents at the beginning of the period	1.6	-	-	-	-	1.6
Cash and cash equivalents at beginning of period	**0.1**	**76.4**	**24.9**	**272.3**	**-**	**373.7**
Total cash flow for the period	-58.0	48.6	-1.7	694.8	-125.0	558.7
Translation differences	-	-	0.6	-	-	0.6
Cash and cash equivalents at end of period	**-57.9**	**125.0**	**23.8**	**967.1**	**-125.0**	**933.0**
Included within "Cash and cash equivalents	*-57.9*	*124.2*	*23.8*	*967.1*	*-124.2*	*933.0*
Included within "Non-current assets held for sale"	-	*0.8*	-	-	*-0.8*	-

(1) The Group has initially adopted IFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information has not been restated and the cumulative effect of initially applying IFRS 16 is recognized in retained earnings at the date of initial application. See note 1.

As restated – refer to note 1 for further information on the restatement of comparative information.

In the prior period, the column "Eliminations" reconciled the segment statement of cash flows (with Belron presented on all lines as a continuing operation) to the IFRS Group consolidated statement of cash flows (with Belron presented as a discontinued operation from the beginning of the period until the closing of the transaction with CD&R).

The line "Dividends and proceeds from capital reduction received from/(paid by) equity-accounted investees" included the share of the Group in the distribution of the dividend (EUR 64.3 million) and the share capital reduction (EUR 153.1 million) operated by the Belron segment in December 2018 (see note 22 of the 2018 consolidated financial statements for more information).

The line "Dividends paid by the Company" included the distribution to shareholders of the ordinary (EUR 0.95 per share) and extraordinary (EUR 2.85 per share) dividend (see note 20 of the 2018 consolidated financial statements for more information).

The line "Share capital increase" represented the new shares issued by the Belron segment in the context of the implementation of the management reward program (MRP). Refer to note 15 of the 2018 consolidated financial statements for additional information on the MRP.

In the Belron segment, the line "Other non-cash items" included, among other amounts, the provision for long-term management incentive program.

In the D'Ieteren Auto segment, the line "disposal of subsidiaries (net of cash disposed of)" included the proceeds from the disposal of a dealership.

NOTE 3: REVENUE

Disaggregation of revenue issued from contracts with customers for the year ended 31 December 2019 and 31 December 2018 is presented in the table below:

EUR million	2019	2018 (1)
D'Ieteren Auto		
New vehicles	3,188.3	2,991.1
Used cars	76.1	67.6
Spare parts and accessories	215.7	206.2
After-sales activities by D'Ieteren Car Centers	94.5	90.9
D'Ieteren Sport	36.5	29.6
Other revenue	23.8	21.5
Subtotal D'Ieteren Auto	**3,634.9**	**3,406.9**
Moleskine		
Europe, Middle-East and Africa (EMEA)	73.7	81.9
America	61.0	62.2
Asia-Pacific (APAC)	29.2	30.0
Subtotal Moleskine	**163.9**	**174.1**
Total Revenue	**3,798.8**	**3,581.0**

(1) As restated – refer to note 1 for further information on the restatement of comparative information.

NOTE 4: IMPAIRMENT

In accordance with the requirements of IAS 36 "Impairment of Assets", the Group completed a review of the carrying value of goodwill and of the intangible assets with indefinite useful lives**.** The impairment review, based on the value in use calculation, was carried out to ensure that the carrying value of the Group's assets are stated at no more than their recoverable amount, being the higher of fair value less costs to sell and value in use.

For the impairment tests performed by Belron on its cash generating units, refer to note 6.

The Board of Directors of the Company reviewed the carrying amount of its investment in Moleskine. In determining the value in use, the Company calculated the present value of the estimated future cash flows expected to arise, based on Moleskine's latest five-year business plan (over the period 2020 to 2023) reviewed and approved by the Board of Directors, with extrapolation thereafter (terminal growth rate of 2%). The discount rate applied (pre-tax rate of 7.9%; 6.6% in 2018) is based upon the weighted average cost of capital of the Moleskine segment. An impairment charge of EUR 102.3 million is recognised and fully allocated to goodwill (presented in other operating expenses on the statement of profit or loss). The residual value of the goodwill of the Moleskine segment following the impairment equals EUR 69.8 million.

NOTE 5: EARNINGS PER SHARE

Earnings per share ("EPS") and earnings per share from continuing operations ("Continuing EPS") are shown on the face of the consolidated statement of profit or loss. Basic and diluted EPS are based on the result for the period attributable to equity holders of the Company (based on the result from continuing operations attributable to equity holders of the Company for the continuing EPS), after adjustment for participating shares (each participating share confers one voting right and gives right to a dividend equal to one eighth of the dividend of an ordinary share). In the prior period, continuing EPS is significantly lower than EPS as a result of the classification in discontinued operation of the consolidated gain on disposal of 40% stake in Belron to CD&R (see notes 1 and 16 of the 2018 consolidated financial statements for more information).

The weighted average number of ordinary shares in issue for the period is shown in the table below.

The Group has granted options to employees over ordinary shares of the Company. Such shares constitute the only category of potentially dilutive ordinary shares.

The options over ordinary shares of the Company increased the weighted average number of shares of the Company in 2018 and 2019 as some option exercise prices were below the average market share price.

The computation of basic and diluted EPS is set out below:

		2019	2018
Result for the period attributable to equity holders		64.5	1,048.0
Adjustment for participating shares		-0.7	-11.9
Numerator for EPS (EUR million)	(a)	63.8	1,036.1
Result from continuing operations		64.5	46.6
Share of non-controlling interests in result from continuing operations		-	-
Result from continuing operations attributable to equity holders		64.5	46.6
Adjustment for participating shares		-0.7	-0.5
Numerator for continuing EPS (EUR million)	(b)	63.8	46.1
Weighted average number of ordinary shares outstanding during the period	(c)	53,965,827	54,177,545
Adjustment for stock option plans		289,391	113,915
Weighted average number of ordinary shares taken into account for diluted EPS	(d)	54,255,218	54,291,460
Result for the period attributable to equity holders			
Basic EPS (EUR)	**(a)/(c)**	**1.18**	**19.12**
Diluted EPS (EUR)	**(a)/(d)**	**1.18**	**19.08**
Result from continuing operations attributable to equity holders			
Basic continuing EPS (EUR)	(b)/(c)	1.18	0.85
Diluted continuing EPS (EUR)	(b)/(d)	1.18	0.85

NOTE 6: EQUITY-ACCOUNTED INVESTEES

In 2019, two group entities are accounted for using the equity method (three in 2018)

EUR million	2019			2018		
	D'Ieteren Auto	Belron	Group	D'Ieteren Auto	Belron	Group
Interests in joint ventures	84.8	264.5	349.3	76.6	644.8	721.4
Total of equity-accounted investees	**84.8**	**264.5**	**349.3**	**76.6**	**644.8**	**721.4**
Share of profit in joint ventures	8.6	84.6	93.2	9.9	-9.8	0.1
Total of share of result after tax of equity-accounted investees	**8.6**	**84.6**	**93.2**	**9.9**	**-9.8**	**0.1**

Belron:

In 2019 and 2018, the largest equity-accounted investee is Belron Group s.a. ("BGSA"), being the joint venture holding the Belron activities. The Group and Clayton, Dubilier and Rice (CD&R) share joint control over BGSA.

The following table summarises the financial information of BGSA as included in its own financial statements (on a post-IFRS 16 basis), adjusted for consolidated adjustments and differences in accounting policies, and also reconciles this summarised financial information to the carrying amount of the Group's interest in BGSA.

EUR million	2019	2018
Non-current assets (including goodwill arising from the Transaction)	3,082.9	2,871.6
Current assets (excluding cash and cash equivalents)	1,309.2	649.2
Cash and cash equivalents	282.6	124.2
Non-current liabilities (excluding financial liabilities)	-139.8	-87.6
Non-current financial liabilities	-3,055.8	-1,709.8
Current liabilities (excluding financial liabilities)	-767.5	-608.4
Current financial liabilities	-207.6	-47.6
Net assets (100%)	504.0	1,191.6
Group's share of net assets (52.48%) and carrying amount of interest in joint venture	**264.5**	**644.8**

The non-current assets include the positive difference between the fair value of the equity based on the transaction price and the book value of the net assets at the date of the transaction. This goodwill is included in the carrying amount of the equity-accounted investee and is not shown separately.

In Q4 2019, Belron issued a new 7-year Term Loan B of USD 830 million maturing in 2026 and an "add-on-loan" to existing EUR Term Loan B of EUR 100 million maturing in 2024. The proceeds were used to pay dividends and capital reduction throughout redemption of preference shares (EUR 850 million; EUR 460.7 million group's share) to shareholders.

The detailed statement of financial position of Belron as included in its own financial statements (not adjusted for consolidated adjustments) is disclosed in note 2.

In accordance with the requirements of IAS 36 "Impairment of Assets", Belron completed the formal review of the carrying value of goodwill and of the intangible assets with indefinite useful lives. The impairment review, based on the value in use calculation, was carried out to ensure that the carrying value of the Belron's assets are stated at no more than their recoverable amount, being the higher of fair value less costs to sell and value in use.

The Belron segment completed this review for each of its cash-generating units (being the different countries where it operates). This review led to a total impairment charge of EUR 21.3 million (already recognized in the first half of 2019), of which EUR 21.0 million in relation with Italy (due to lower expectations; allocated to the goodwill, brands and other intangible assets) and EUR 0.3 million in relation with the Netherlands (fully allocated to other intangible assets). This impairment charge in the Belron segment however has no impact on the Group operating result since Belron is an equity-accounted investee.

In 2019, based on IAS28, the Board of Directors of the Company did not identify any indication of possible impairment (a triggering event) on its investment in Belron (equity-accounted investee) and therefore did not perform an impairment test.

NOTE 6: EQUITY-ACCOUNTED INVESTEES (continued)

In the consolidated statement of comprehensive income, the lines "Equity-accounted investees – share of OCI (net of tax)" mainly relate to the re-measurements of defined benefit assets/liabilities (mostly due to the UK pension scheme recording an actuarial loss arising from changes in financial assumptions, more than offset by actual return on scheme assets), to the cash flow hedges (interest rate swaps and cross currency interest rate swaps used to partially hedge the debt) and translation differences of Belron.

The table below presents the revenue, profit before tax, the net result, and the other comprehensive income for the year ended 31 December 2019 (on a post-IFRS 16 basis) and for the period going from 7 February 2018 until 31 December 2018, periods over which the result of BGSA is accounted for under equity-accounting method.

In 2019, the Group's share in net result is computed based on a weighted average percentage of 52.48% (54.10% in 2018). The result for the period going from 1 January until 7 February 2018 is accounted for under global integration method (94.85% stake), under discontinued operations (see note 16 of the 2018 annual consolidated financial statements for more information).

EUR million	2019	2018
Revenue	4,228.1	3,528.1
Profit before tax	247.1	6.9
Result for the period (100%)	161.2	-18.1
Other comprehensive income (100%)	-0.8	18.4
Profit (or loss) and total comprehensive income (100%)	160.4	0.3
Group's share of profit (or loss) and comprehensive income	**84.2**	**0.2**

D'Ieteren Auto

In 2019 and 2018, the second largest equity-accounted investee is the joint venture Volkswagen D'Ieteren Finance (VDFin), owned 50% minus one share by the Group and 50% plus one share by Volkswagen Financial Services (a subsidiary of the Volkswagen group), active in a full range of financial services related to the sale of the Volkswagen group vehicles on the Belgian market.

The following table summarises the financial information of VDFin as included in its own financial statements, adjusted for differences in accounting policies, and also reconciles this summarised financial information to the carrying amount of the Group's interest in VDFin.

EUR million	2019	2018
Non-current assets	1,556.3	1,353.6
Current assets (excluding cash and cash equivalents)	927.9	759.9
Cash and cash equivalents	66.0	170.6
Non-current liabilities (excluding financial liabilities)	-10.2	-9.3
Non-current financial liabilities	-886.2	-1,005.0
Current liabilities (excluding financial liabilities)	-170.0	-121.5
Current financial liabilities	-1,314.2	-995.0
Net assets (100%)	169.6	153.3
Group's share of net assets (49,99%) and carrying amount of interest in joint venture	**84.8**	**76.6**
Revenue	636.3	537.6
Net finance costs	24.9	25.2
Profit before tax	24.0	29.5
Tax expense	-6.8	-9.8
Result for the period (100%)	17.2	19.7
Other comprehensive income (100%)	-0.9	-
Profit (or loss) and total comprehensive income (100%)	16.3	19.7
Group's share of profit (or loss) and comprehensive income (49,99%)	**8.1**	**9.9**

In the prior period, the line "Profit before tax" included the additional revenue recognised following a change in accounting estimates.

NOTE 7: INCOME TAX EXPENSE

The Group's consolidated effective tax rate for the year ended 31 December 2019 is 30.8% (year ended 31 December 2018: 28.0%). The small increase of the effective tax rate compared to last year is primarily the result of the impairment charge (EUR 102.3 million in the Moleskine segment) for which no tax relief is available, partially offset by the recognition of deferred tax assets on unused tax losses and credits, due to future profit streams.

Alternative Performance Measurement (APM) – Non-Gaap Measurement

Framework and definitions

In order to better reflect its underlying performance and assist investors, securities analysts and other interested parties in gaining a better understanding of its financial performance, the Group uses Alternative Performance Measures ("APMs"). These alternative performance metrics are used internally for analysing the Group's results as well as its business units.

These APMs are non-GAAP measures, i.e. their definition is not addressed by IFRS. They are derived from the audited IFRS accounts. The APMs 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 the Group's performance or liquidity under IFRS. The Group does not present APMs as an alternative to financial measures determined in accordance with IFRS and does not give to APMs greater prominence than defined IFRS measures.

Each line of the statement of profit or loss (see below), and each subtotal of the segment statement of profit or loss (see below), is broken down in order to provide information on the *adjusted* result and on the *adjusting* items.

The *adjusting* items are identified by the Group in order to present comparable figures, giving to the investors a better view on the way the Group is measuring and managing its financial performance. They comprise the following items, but are not limited to:

(a) Recognised fair value gains and losses on financial instruments (i.e. change in fair value between the opening and the end of the period, excluding the accrued cash flows of the derivatives that occurred during the period), where hedge accounting may not be applied under IAS 39/IFRS 9 (in this case recognised fair value gains and losses being directly accounted for in the Consolidated Statement of Comprehensive Income);

(b) Exchange gains and losses arising upon the translation of foreign currency loans and borrowings at the closing rate;

(c) Impairment of goodwill and other non-current assets;

(d) Amortisation of intangible assets with finite useful lives recognised in the framework of the allocation as defined by IFRS 3 of the cost of a business combination;

(e) Other material items that derive from events or transactions that fall within the ordinary activities of the Group, and which individually or, if of a similar type, in aggregate, are separately disclosed by virtue of their size or incidence.

Adjusted result consists of the IFRS reported result, excluding *adjusting* items as listed above.

The Group uses as key performance indicator the *adjusted* consolidated result before tax, Group's share (*Adjusted* PBT, Group's share). This APM consists of the segment reported result before tax (PBT), taking into account the result before tax of the discontinued operations, and excluding *adjusting* items and the share of minority shareholders.

Presentation of APMs in the consolidated statement of profit or loss for the year ended 31 December

EUR million	2019			2018 (1)		
	Total	*Of which*		**Total**	*Of which*	
		Adjusted result	*Adjusting items*		*Adjusted result*	*Adjusting items*
Revenue	**3,798.8**	*3,798.8*	-	**3,581.0**	*3,581.0*	-
Cost of sales	-3,303.3	*-3,303.3*	-	-3,094.0	*-3,094.0*	-
Gross margin	**495.5**	*495.5*	-	**487.0**	*487.0*	-
Commercial and administrative expenses	-382.5	*-380.0*	*-2.5*	-376.0	*-358.5*	*-17.5*
Other operating income	22.1	*15.6*	*6.5*	10.1	*10.1*	-
Other operating expenses	-110.7	*-8.4*	*-102.3*	-9.2	*-9.2*	-
Operating result	**24.4**	*122.7*	*-98.3*	**111.9**	*129.4*	*-17.5*
Net finance costs	-24.4	*-7.1*	*-17.3*	-47.3	*-7.0*	*-40.3*
Finance income	1.4	*1.4*	-	1.8	*1.3*	*0.5*
Finance costs	-25.8	*-8.5*	*-17.3*	-49.1	*-8.3*	*-40.8*
Share of result of equity-accounted investees, net of income tax	93.2	*125.1*	*-31.9*	0.1	*68.1*	*-68.0*
Result before tax	**93.2**	*240.7*	*-147.5*	**64.7**	*190.5*	*-125.8*
Income tax expense	-28.7	*-29.1*	*0.4*	-18.1	*-22.0*	*3.9*
Result from continuing operations	**64.5**	*211.6*	*-147.1*	**46.6**	*168.5*	*-121.9*
Discontinued operations	-	-	-	1,002.1	*14.4*	*987.7*
RESULT FOR THE PERIOD	**64.5**	*211.6*	*-147.1*	**1,048.7**	*182.9*	*865.8*
Result attributable to:						
Equity holders of the Company	**64.5**	*211.6*	*-147.1*	**1,048.0**	*182.2*	*865.8*
Non-controlling interests	-	-	-	0.7	*0.7*	-
Earnings per share						
Basic (EUR)	1.18	*3.88*	*-2.70*	19.12	*3.32*	*15.80*
Diluted (EUR)	1.18	*3.86*	*-2.68*	19.08	*3.32*	*15.76*
Earnings per share -Continuing operations						
Basic (EUR)	1.18	*3.88*	*-2.70*	0.85	*3.08*	*-2.23*
Diluted (EUR)	1.18	*3.86*	*-2.68*	0.85	*3.07*	*-2.22*

(1) As restated to reflect reallocation of costs in the framework of continuous improvement of the financial reporting information – Refer to "General information" of the financial highlights section.

The Group has initially adopted IFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information has not been restated and the cumulative effect of initially applying IFRS 16 is recognized in retained earnings at the date of initial application. Refer to "General information" of the financial highlights section.

Presentation of APMs in the segment statement of profit or loss for the year ended 31 December

The Group's reportable operating segments are D'Ieteren Auto (automobile distribution activities), Belron, Moleskine and Corporate & Unallocated (corporate and real estate activities). These operating segments are consistent with the Group's organisational and internal reporting structure, and with the requirements of IFRS 8 "Operating Segments".

Despite its classification as an equity-accounted investee, Belron remains a reportable operating segment, reflecting the Group's internal reporting structure.

The Group has initially adopted IFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information has not been restated. The Group presents the results of its operating segments on a pre-IFRS 16 basis, reflecting the Group's internal reporting structure and facilitating the comparison with the prior period results.

EUR million		2019						
		D'Ieteren Auto	**Belron**	**Mole-skine**	**Corporate & unallocated**	**IFRS 16 impacts**	**Elimi-nations**	**Group**
External revenue		3,634.9	4,228.1	163.9	-	-	-4,228.1	3,798.8
Inter-segment revenue		-	-	-	-	-	-	-
Segment revenue		**3,634.9**	**4,228.1**	**163.9**	**-**	**-**	**-4,228.1**	**3,798.8**
Operating result (being segment result)		**116.5**	**333.0**	**-83.7**	**-8.9**	**16.4**	**-348.9**	**24.4**
Of which	*Adjusted result*	*119.0*	*400.5*	*18.6*	*-15.4*	*16.4*	*-416.4*	*122.7*
	Adjusting items	*-2.5*	*-67.5*	*-102.3*	*6.5*	*-*	*67.5*	*-98.3*
Net finance costs		-2.6	-76.2	-8.8	-12.2	-26.5	101.9	-24.4
Finance income		0.2	19.1	0.8	0.4	-	-19.1	1.4
Finance costs		-2.8	-95.3	-4.7	-17.5	-26.5	121.0	-25.8
Inter-segment financing interest		-	-	-4.9	4.9	-	-	-
Share of result of equity-accounted investees, net of income tax		8.6	0.1	-	-	-	84.5	93.2
Result before tax		**122.5**	**256.9**	**-92.5**	**-21.1**	**-10.1**	**-162.5**	**93.2**
Of which	*Adjusted result*	*125.0*	*329.2*	*9.8*	*-10.3*	*-10.1*	*-202.9*	*240.7*
	Adjusting items	*-2.5*	*-72.3*	*-102.3*	*-10.8*	*-*	*40.4*	*-147.5*
Income tax expense		-36.7	-88.4	-4.8	12.8	2.5	85.9	-28.7
Result from continuing operations		**85.8**	**168.5**	**-97.3**	**-8.3**	**-7.6**	**-76.6**	**64.5**
Of which	*Adjusted result*	*86.2*	*229.3*	*5.0*	*4.2*	*-7.6*	*-105.5*	*211.6*
	Adjusting items	*-0.4*	*-60.8*	*-102.3*	*-12.5*	*-*	*28.9*	*-147.1*
Discontinued operations		-	-	-	-	-	-	-
RESULT FOR THE PERIOD		**85.8**	**168.5**	**-97.3**	**-8.3**	**-7.6**	**-76.6**	**64.5**

Attributable to:		**D'Ieteren Auto**	**Belron**	**Mole-skine**	**Corporate & unallocated**	**IFRS 16 impacts**	**Group**
Equity holders of the Company		**85.8**	**88.5**	**-97.3**	**-8.3**	**-4.2**	**64.5**
Of which	*Adjusted result*	*86.2*	*120.4*	*5.0*	*4.2*	*-4.2*	*211.6*
	Adjusting items	*-0.4*	*-31.9*	*-102.3*	*-12.5*	*-*	*-147.1*
Non-controlling interests		-	-	-	-	-	-
RESULT FOR THE PERIOD		**85.8**	**88.5**	**-97.3**	**-8.3**	**-4.2**	**64.5**

In the period, the column "IFRS 16 impacts" reconciles the segment statement of profit or loss, with the 12-month results presented, as previously reported, under IAS 17, to the IFRS Group consolidated statement of profit or loss under IFRS 16. Refer to "General information" of the financial highlights section for more details.

In the period, the column "Eliminations" reconciles the segment statement of profit or loss (with the 12-month result of Belron presented on all lines under global integration method) to the IFRS Group consolidated statement of profit or loss (with the net result of Belron presented in the line "share of result of equity-accounted investees, net of income tax", representing the share of the Group in the 12-month net result of Belron).

EUR million	2018 (1)					
	D'Ieteren Auto	Belron	Mole-skine	Corporate & unallocated	Elimi-nations	Group
External revenue	3,406.9	3,839.7	174.1	-	-3,839.7	3,581.0
Inter-segment revenue	-	-	-	-	-	-
Segment revenue	**3,406.9**	**3,839.7**	**174.1**	**-**	**-3,839.7**	**3,581.0**
Operating result (being segment result)	**106.8**	**103.6**	**28.6**	**-23.5**	**-103.6**	**111.9**
Of which *Adjusted result*	*113.0*	*225.7*	*28.6*	*-12.2*	*-225.7*	*129.4*
Adjusting items	*-6.2*	*-122.1*	*-*	*-11.3*	*122.1*	*-17.5*
Net finance costs	-2.0	907.3	-9.7	-35.6	-907.3	-47.3
Finance income	0.9	1,000.6	0.7	0.2	-1,000.6	1.8
Finance costs	-2.9	-93.3	-5.8	-40.4	93.3	-49.1
Inter-segment financing interest	-	-	-4.6	4.6	-	-
Share of result of equity-accounted investees, net of income tax	9.9	-	-	-	-9.8	0.1
Result before tax	**114.7**	**1,010.9**	**18.9**	**-59.1**	**-1,020.7**	**64.7**
Of which *Adjusted result*	*117.3*	*166.6*	*18.9*	*-6.9*	*-105.4*	*190.5*
Adjusting items	*-2.6*	*844.3*	*-*	*-52.2*	*-915.3*	*-125.8*
Income tax expense	-38.4	-26.8	3.9	16.4	26.8	-18.1
Result from continuing operations	**76.3**	**984.1**	**22.8**	**-42.7**	**-993.9**	**46.6**
Of which *Adjusted result*	*76.8*	*127.5*	*22.8*	*7.7*	*-66.3*	*168.5*
Adjusting items	*-0.5*	*856.6*	*-*	*-50.4*	*-927.6*	*-121.9*
Discontinued operations	-	-	-	-	1,002.1	1,002.1
RESULT FOR THE PERIOD	**76.3**	**984.1**	**22.8**	**-42.7**	**8.2**	**1,048.7**

Attributable to:	D'Ieteren Auto	Belron	Mole-skine	Corporate & unallocated	Group
Equity holders of the Company	**76.3**	**991.6**	**22.8**	**-42.7**	**1,048.0**
Of which *Adjusted result*	*76.8*	*74.9*	*22.8*	*7.7*	*182.2*
Adjusting items	*-0.5*	*916.7*	*-*	*-50.4*	*865.8*
Non-controlling interests	-	0.7	-	-	0.7
RESULT FOR THE PERIOD	**76.3**	**992.3**	**22.8**	**-42.7**	**1,048.7**

(1) As restated to reflect reallocation of costs in the framework of continuous improvement of the financial reporting information – Refer to "General information" of the financial highlights section.
The Group has initially adopted IFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information has not been restated and the cumulative effect of initially applying IFRS 16 is recognized in retained earnings at the date of initial application. Refer to "General information" of the financial highlights section.

In the prior period, the column "Eliminations" reconciled the segment statement of profit or loss (with the 12-month result of Belron presented on all lines as a continuing operation under global integration method) to the IFRS Group consolidated statement of profit or loss (with the net result of Belron presented as a discontinued operation from the beginning of the period until the closing of the transaction with CD&R and in the line "share of result of equity-accounted investees, net of income tax" for the remaining of the period). See note 1 of the 2018 consolidated financial statements for more information.

Explanations and details of the figures presented as *adjusting* items

In 2019 and 2018, the Group identified the following items as *adjusting* items throughout the four operating segments:

EUR million	2019				
	D'Ieteren Auto	Belron	Moleskine	Corporate & unallocated	Total (segment)*
***Adjusting* items**					
Included in operating result	**-2.5**	**-67.5**	**-102.3**	**6.5**	**-165.8**
Re-measurements of financial instruments	*-*	*4.9 (d)*	*-*	*-*	*4.9*
Amortisation of customer contracts	*-*	*-12.2 (e)*	*-*	*-*	*-12.2*
Amortisation of brands with finite useful life	*-*	*-1.4 (f)*	*-*	*-*	*-1.4*
Impairment of goodwill and of non-current assets	*-*	*-21.3 (g)*	*-102.3 (j)*	*-*	*-123.6*
Other adjusting items	*-2.5 (a)*	*-37.5 (h)*	*-*	*6.5 (k)*	*-33.5*
Included in net finance costs	**-**	**-4.8**	**-**	**-17.3**	**-22.1**
Re-measurements of financial instruments	*-*	*-*	*-*	*-17.3 (l)*	*-17.3*
Other adjusting items	*-*	*-4.8 (i)*	*-*	*-*	*-4.8*
Included in equity accounted result	**-**	**-**	**-**	**-**	**-**
Included in segment result before taxes (PBT)	**-2.5**	**-72.3**	**-102.3**	**-10.8**	**-187.9**

* Total of the *adjusting* items at the level of each segment. The *adjusting* items presented in the Belron segment should be deducted from this total to reconcile with the Group figures reported in the segment statement of profit or loss.

EUR million	2018				
	D'Ieteren Auto	Belron	Moleskine	Corporate & unallocated	Total (segment)*
***Adjusting* items**					
Included in operating result	**-6.2**	**-122.1**	**-**	**-11.3**	**-139.6**
Re-measurements of financial instruments	*-*	*-6.9 (d)*	*-*	*-*	*-6.9*
Amortisation of customer contracts	*-*	*-5.5 (e)*	*-*	*-*	*-5.5*
Amortisation of brands with finite useful life	*-*	*-0.5 (f)*	*-*	*-*	*-0.5*
Impairment of goodwill and of non-current assets	*-*	*-50.3 (g)*	*-*	*-*	*-50.3*
Other adjusting items	*-6.2 (a)*	*-58.9 (h)*	*-*	*-11.3 (k)*	*-76.4*
Included in net finance costs	**0.6**	**966.4**	**-**	**-40.9**	**926.1**
Re-measurements of financial instruments	*-*	*-*	*-*	*-20.2 (l)*	*-20.2*
Other adjusting items	*0.6 (b)*	*966.4 (i)*	*-*	*-20.7 (m)*	*946.3*
Included in equity accounted result	**3.0** *(c)*	**-**	**-**	**-**	**3.0**
Included in segment result before taxes (PBT)	**-2.6**	**844.3**	**-**	**-52.2**	**789.5**

* Total of the *adjusting* items at the level of each segment. The *adjusting* items presented in the Belron segment should be deducted from this total to reconcile with the Group figures reported in the segment statement of profit or loss.

<u>*D'Ieteren Auto*</u>

(a) Other *adjusting* items in operating result include a charge of EUR 2.5 million (EUR 6.2 million in the prior period) in the framework of the "Market Area" project (optimization of the independent dealer network).

(b) In the prior period, other *adjusting* items in net finance costs included the consolidated gain on disposal of a dealership.

(c) In the prior period, the share of the Group in the *adjusting* items of entities accounted for using the equity method amounted to EUR 3.0 million and was related to the additional revenue recognised following a change in accounting estimates.

<u>*Belron*</u>

(d) Fair value of fuel hedge instruments amounts to EUR 4.9 million (EUR -6.9 million in the prior period) and arises from changes in the "clean" fair value of derivatives. Change in "clean" fair value of derivatives corresponds to the change of "dirty" fair value (i.e. the change of value between the opening and the end of the period) excluding the accrued cash flows of the derivatives that occurred during the period.

(e) In the framework of the recent acquisitions (especially in the United States, in France and in Belgium), certain customer contracts were recognised as intangible assets with a finite useful life. The amortisation amounts to EUR 12.2 million (EUR 5.5 million in the prior period).

(f) The amortisation of brands with finite useful lives (certain brands are no longer considered to be intangibles with indefinite useful lives since there is now a limit to the period over which these assets are expected to generate cash inflows) amounts to EUR 1.4 million (EUR 0.5 million in the prior period).

(g) In the period, a total impairment charge of EUR 21.3 million is recognized and comprises:
  - An impairment charge of EUR 21.0 million in Italy, allocated to the goodwill (EUR 20.6 million), brands (EUR 0.3 million) and other intangible assets (EUR 0.1 million), as a result of lower expectations;
  - An impairment charge of EUR 0.3 million in the Netherlands, allocated to other intangible assets (following the EUR 40.0 million impairment charge recognised in 2018 in the Netherlands, there was no goodwill or significant other intangibles remaining).

  These impairment charges were recognized during the first half of 2019 following the impairment calculation performed.

  In the prior period, impairment charges of EUR 50.3 million were recognized in the Netherlands (EUR 40.0 million on goodwill, brands and other intangible assets), in New Zealand (EUR 6.0 million on goodwill) and EUR 4.3 million in Hungary and Greece.

(h) In the period, other *adjusting* items of EUR -37.5 million include EUR -30.7 million in relation to restructurings and integrations (the majority of which was spent on the integration of the US TruRoad acquisition with some costs on Eurozone projects and restructurings), EUR -3.7 million for acquisition costs and EUR -3.0 million due to disposal costs.

  In the prior period, other *adjusting* items of EUR -58.9 million mainly comprised a transaction bonus (EUR -33.1 million) related to the disposal of a 40% stake of Belron to CD&R (see notes 1 and 16 of the 2018 consolidated financial statements), professional fees related to the above-mentioned transaction and to the set-up of a new management reward plan (EUR -2.8 million), provision and restructuring costs related to Canada (EUR -5.5 million), and United States (EUR -4.5 million), provision costs for US legal disputes (EUR -4.1 million), and provision costs relating to the disposal and franchising of Greece and Hungary.

(i) In the period, other *adjusting* items in net finance costs are costs incurred in relation to the additional financing undertaken in Q4 2019 (new 7-year Term Loan B of USD 830 million maturing in 2026 and "add-on-loan" to existing EUR Term Loan B of EUR 100 million maturing in 2024. Proceeds were used to pay a dividend to shareholders).

  In the prior period, other *adjusting* items in net finance costs included the consolidated gain (EUR 987.7 million) on the disposal of the 40% stake in Belron to CD&R (refer to notes 1 and 16 of the 2018 consolidated financial statements for more information and detail on the calculation), the loss (EUR -20.2 million) relating to the disposal of operations (Russia, Turkey and a business in the United Kingdom) and costs (EUR -1.1 million) incurred in relation to additional financing undertaken in November 2018

Moleskine

(j) In the period, an impairment charge of EUR -102.3 million is recognized on the Moleskine cash-generating unit (fully allocated to goodwill) following the formal impairment calculation performed at year-end. See specific information in the financial highlights

Corporate & Unallocated

(k) In the period, the EUR 6.5 million *adjusting* item in operating result relates to the consolidated gain on the disposal of a property. In the prior period, other *adjusting* items in operating result (EUR -11.3 million) related to the remaining professional fees in the framework of the finalisation of the disposal of the 40% stake of Belron to CD&R.

(l) In both periods, the re-measurement of financial instruments represents the loss on the fair value of a contingent liability relating to the disposal of the 40% stake of Belron to CD&R. This contingent liability will be settled in the course of 2020.

(m) In the prior period, other *adjusting* items in net finance costs include other financial expenses in the framework of the finalisation of the disposal of the 40% stake of Belron to CD&R.

Adjusted **result before tax, Group's share (*adjusted* PBT, Group's share)**

The 2019 figures are shown on a pre-IFRS 16 basis in accordance with the presentation of the Group's segment results and to facilitate the comparison with the prior period figures.

EUR million	2019					2018 (1)				
	D'Ieteren Auto	Belron (52.48%)	Mole-skine	Corp. & unallocated	Total (segment)	D'Ieteren Auto	Belron (57.78%)	Mole-skine	Corp. & unallocated	Total (segment)
Segment reported PBT (pre-IFRS 16)	**122.5**	**256.9**	**-92.5**	**-21.1**	**265.8**	**114.7**	**1,010.9**	**18.9**	**-59.1**	**1,085.4**
Less: *Adjusting* items in PBT	2.5	72.3	102.3	10.8	187.9	2.6	-844.3	-	52.2	-789.5
Segment *adjusted* PBT (pre-IFRS 16)	**125.0**	**329.2**	**9.8**	**-10.3**	**453.7**	**117.3**	**166.6**	**18.9**	**-6.9**	**295.9**
Less: Share of the group in tax on *adjusted* results of equity-accounted investees	3.4	-	-	-	3.4	3.7	-	-	-	3.7
Share of non-controlling interests in *adjusted* PBT	-	-156.4	-	-	-156.4	-	-70.3	-	-	-70.3
Segment *adjusted* PBT, Group's share (pre-IFRS 16)	**128.4**	**172.8**	**9.8**	**-10.3**	**300.7**	**121.0**	**96.3**	**18.9**	**-6.9**	**229.3**

(1) As restated to reflect reallocation of costs in the framework of continuous improvement of the financial reporting information – Refer to "General information" of the financial highlights section.

In the period, the weighted average percentage used for computing the segment *adjusted* PBT, Group's share of Belron amounts to 52.48% (57.78% in the prior period).

Key Performance Indicator (based on *adjusted* PBT, Group's share)

EUR million	2019					2018 (1)				
	D'Ieteren Auto	Belron (52.48%)	Mole-skine	Corp. & unallocated	Total (segment)	D'Ieteren Auto	Belron (52.48%)	Mole-skine	Corp. & unallocated	Total (segment)
Segment *adjusted* PBT, Group's share (pre-IFRS 16)	**128.4**	**172.8**	**9.8**	**-10.3**	**300.7**	**121.0**	**96.3**	**18.9**	**-6.9**	**229.3**
Excluding:										
Depreciation of non-currents assets (Group's Share)	-	-	-		-	-	-6.0	-		-6.0
Reduction of the share of the Group (comparable basis with 2019)	-	-	-		-	-	-8.2	-		-8.2
***Adjusted* PBT, Group's share (key performance indicator - pre-IFRS 16)**	**128.4**	**172.8**	**9.8**	**-10.3**	**300.7**	**121.0**	**82.1**	**18.9**	**-6.9**	**215.1**

(1) As restated to reflect reallocation of costs in the framework of continuous improvement of the financial reporting information – Refer to "General information" of the financial highlights section.

Under IFRS 16, the *adjusted* PBT, Group's share of the segments equals EUR 295.2 million (D'Ieteren Auto: EUR 128.4 million; Belron: EUR 167.6 million; Moleskine: EUR 9.5 million; Corporate & unallocated: EUR -10.3 million).

In the prior period, in accordance with the requirements of IFRS 5, the Group did not depreciate the Belron's non-current assets as from the date of its classification as held for sale until the date of effective disposal (7 February 2018). The impact in the consolidated income statement of the prior period was EUR 10.3 million (EUR 6.0 million for the share of the Group, using the 57.78% average stake of ownership in 2018) and was excluded when calculating the FY2018 Key Performance Indicator.

Net debt

In order to better reflect its indebtedness, the Group uses the concept of net debt. This non-GAAP measure, i.e. its definition is not addressed by IFRS, is an Alternative Performance Measure ("APM") and is not presented as an alternative to financial measures determined in accordance with IFRS.

Net debt is based on loans and borrowings less cash, cash equivalents and non-current and current asset investments. It excludes the fair value of derivative debt instruments. The hedged loans and borrowings (i.e. those that are accounted for in accordance with the hedge accounting rules of IAS 39) are translated at the contractual foreign exchange rates of the related cross currency swaps. The other loans and borrowings are translated at closing foreign exchange rates.

EUR million	**31 December 2019**				**31 December 2018 (1)**			
	D'Ieteren Auto	**Belron (100%)**	**Mole-skine**	**Corp. & unallocated**	**D'Ieteren Auto**	**Belron (100%)**	**Mole-skine**	**Corp. & unallocated**
Non-current loans and borrowings	0.5	2,551.7	98.3	0.7	0.7	1,709.8	114.8	0.8
Current loans and borrowings	0.1	57.0	33.6	0.1	2.2	47.6	37.1	0.1
Inter-segment financing	-	-	190.8	-190.8	-	-	155.9	-155.9
Adjustment for hedged borrowings	-	-1.7	-	-	-	6.2	-	-
Gross debt (pre-IFRS 16)	**0.6**	**2,607.0**	**322.7**	**-190.0**	**2.9**	**1,763.6**	**307.8**	**-155.0**
Less: Cash and cash equivalents	119.6	-282.6	-55.2	-786.3	57.9	-124.2	-23.8	-967.1
Less: Cash included in assets held for sale	-	-	-	-	-	-0.8	-	-
Less: Current financial assets	-	-	-	-543.4	-	-	-1.8	-
Less: Other non-current receivables	-	-	-	-1.3	-	-	-	-20.1
Net debt (pre-IFRS 16)	**120.2**	**2,324.4**	**267.5**	**-1,521.0**	**60.8**	**1,638.6**	**282.2**	**-1,142.2**
Non-current lease liabilities arising from IFRS 16 adoption	7.9	504.1	22.8	4.2	-	-	-	-
Current lease liabilities arising from IFRS 16 adoption	5.6	150.6	6.7	0.4	-	-	-	-
Total net debt (post-IFRS 16)	**133.7**	**2,979.1**	**297.0**	**-1,516.4**	**60.8**	**1,638.6**	**282.2**	**-1,142.2**

(1) The Group has initially adopted IFRS 16 at 1 January 2019 using the modified retrospective approach. Under this approach, comparative information has not been restated and the cumulative effect of initially applying IFRS 16 is recognized in retained earnings at the date of initial application. Refer to "General information" of the financial highlights section for more information.

In both periods, the inter-segment loans comprise amounts lent by the Corporate department to the Moleskine segment (non-recourse loan in the framework of the acquisition), at arm's length conditions.

On a pre-IFRS16 basis, Belron's net financial debt reached EUR 2,324.4 million (100% stake) at the end of December 2019. This compares with EUR 1,638.6 million at the end of December 2018. The increase of EUR 685.8 million on the year-end net debt is the result of the issuance of a new seven-year Term Loan B of USD 830 million (which matures in October 2026) and a EUR 100 million add-on-loan to the existing EUR Term Loan B (which matures in November 2024), partially offset by the result of strong cash generation (particularly from the United States). Proceeds from the new refinancing were used to pay dividends and capital reduction (EUR 850 million) to its shareholders. Under IFRS 16, an additional EUR 654.7 million of lease liabilities are recognised on the balance sheet which increases net debt to EUR 2,979.1 million.

The increase in the net cash position of the segment "Corporate & Unallocated" (from EUR 1,142.2 million at 31 December 2018 to EUR 1,521.0 million – pre-IFRS 16 – at the end of December 2019) is primarily the result of the dividend (EUR 460.7 million) received from Belron in Q4 2019 (following the issue of a new term loan – see above), partially offset by the payment in June 2019 of the dividend (EUR 54.8 million) to the shareholders of D'Ieteren.

GROUP PROFILE

In existence since 1805, and across family generations, D'Ieteren seeks growth and value creation by pursuing a strategy on the long term for its businesses and actively encouraging and supporting them to develop their position in their industry or in their geographies. The Group has currently the following activities:

- ***D'Ieteren Auto*** *distributes Volkswagen, Audi, SEAT, Škoda, Bentley, Lamborghini, Bugatti, Porsche and Yamaha vehicles in Belgium. It has a market share of around 22% and 1.2 million vehicles on the road. Its business model is evolving towards providing citizens with responsible and innovative mobility. Sales and adjusted operating result reached respectively EUR 3.6 billion and EUR 119.0 million in FY 2019.*

- ***Belron*** *(54.85% of the voting rights) has a clear purpose: "making a difference by solving people's problems with real care". It is the worldwide leader in vehicle glass repair and replacement and operates in 39 countries, through wholly owned businesses and franchises, with market leading brands – including Carglass®, Safelite® and Autoglass®. In addition, Belron manages vehicle glass and other insurance claims on behalf of insurance customers. Sales and adjusted operating result reached respectively EUR 4.2 billion and EUR 400.5 million in FY 2019.*

- ***Moleskine*** *(100% owned) is a premium and aspirational lifestyle brand which develops and sells iconic branded notebooks and writing, travel and reading accessories through a multichannel distribution strategy across 114 countries. Sales and adjusted operating result reached respectively EUR 163.9 million and EUR 18.6 million in FY 2019.*

- ***D'Ieteren Immo*** *(100%) groups together the Belgian real estate interests of D'Ieteren Group. It owns and manages approximately 30 properties which generated EUR 19.7 million net rental income in FY 2019. It also pursues investment projects and carries out studies into possible site renovations.*

FINANCIAL CALENDAR

Last five press releases *(with the exception of press releases related to the repurchase or sale of own shares)*		**Next events**	
8 February 2020	D'Ieteren acquires additional preference shares in Belron from CD&R	14 May 2020	Investor Day
26 October 2019	Belron has successfully allocated its new term loans of EUR 850 million equivalent	28 May 2020	General Assembly
18 October 2019	Belron launches syndication of EUR 850 million equivalent of additional debt	27 August 2020	2020 Half-Year Results
15 October 2019	Upward revision of D'Ieteren's FY 2019 guidance		
28 August 2019	D'Ieteren launches a EUR 150 million share buyback programme		

CONTACTS

Francis Deprez, *Chief Executive Officer*
Arnaud Laviolette, *Chief Financial Officer*

Pascale Weber, Investor Relations - Tel: + 32 (0)2 536.54.39
E-mail: financial.communication@dieteren.be – Website: www.dieteren.com