2021 Half -Year results
Strong performance driven by all businesses

Half-Year 2021 highlights

D'Ieteren Group's results showed a strong recovery in H1-21 compared to H1-20, which was affected by the Covid-19 outbreak and the resulting lockdown measures in most of the operating regions. The Group's key performance indicator (KPI) – the *adjusted* consolidated profit before tax, Group's share[1] – rose by 183.1% to €288.8m on a comparable basis (53.65% stake in Belron in H1-20 and H1-21). All the businesses contributed to this recovery.

- **Belron**'s organic[5] sales growth at constant currency of 29.1% reflects positive volume trends and increased contributions from price/mix, ADAS recalibrations and Value-Added Products & Services ('VAPS'). Its *adjusted* profit before tax, Group's share[1] improved significantly by 135.8% reflecting the top-line trends, productivity improvement and cost control.
- **D'Ieteren Automotive**'s share[2] improved by 49bps to 23.5% in the Belgian new car market[2] (excluding registrations of less than 30 days) which recovered by 6.1%. Sales growth of 25.5% YoY was further driven by a positive price/mix. This translated into a 115.4% growth in the *adjusted* profit before tax, Group's share[1] as the transformation and cost containment initiatives had also a positive impact on profitability.
- **Moleskine** contributed to the growth, while performance remains subdued, still negatively impacted by the unstable retail market in the first half. Sales increased by 14.6%, and the *adjusted* profit before tax, Group's share[1] improved from -€15.8m in H1-20 to -€3.9m in H1-21.
- **Corporate & Unallocated** (including corporate and real estate activities) reported an *adjusted* profit before tax, Group's share[1] of €0.3m in H1-21 compared to -€9.3m in H1-20. D'Ieteren Group had a net cash position of €2,095.3m (of which €463.3m inter-segment loans) at the end of H1-21 following the distribution from Belron in Q2-21.
- ***Adjusted* free cash-flow[6]** generation amounted to a combined level of €342.0m (Belron at 100%), which compares with €444.3m in H1-20, the decline being as expected primarily due to a much lower working capital inflow at D'Ieteren Automotive.

Outlook 2021

While the evolution of the Covid-19 crisis is still unknown, based on the absence of renewed or more severe lockdowns in its main operating regions, and given the year to date financial performance, D'Ieteren Group reconfirms its latest guidance and expects its *adjusted* consolidated profit before tax, Group's share[1] **to grow by at least 45%** compared to €332.7m in 2020, excluding the impact of the refinancing at Belron announced on April 1st, estimated at €12m group's share. This outlook assumes a 53.75% stake in Belron in 2020 and 2021 and average exchange rates that are in line with the rates that prevailed at the end of 2020. Additionally, this also excludes the contribution of TVH Parts, which is expected to be integrated in the course of Q4-21.

Note that from H2-21 onwards, following the conversion of preference shares into ordinary shares and given the full dilution of the management reward plan, Belron's integration percentage in D'Ieteren Group's results will be 50.01%.

Rue du Mail 50 – 1050 Bruxelles (Belgium) | tel.: +32 2 536 54 39 | fax: +32 2 536 91 39
VAT BE 0403.448.140 – Brussels RPM
www.dieterengroup.com

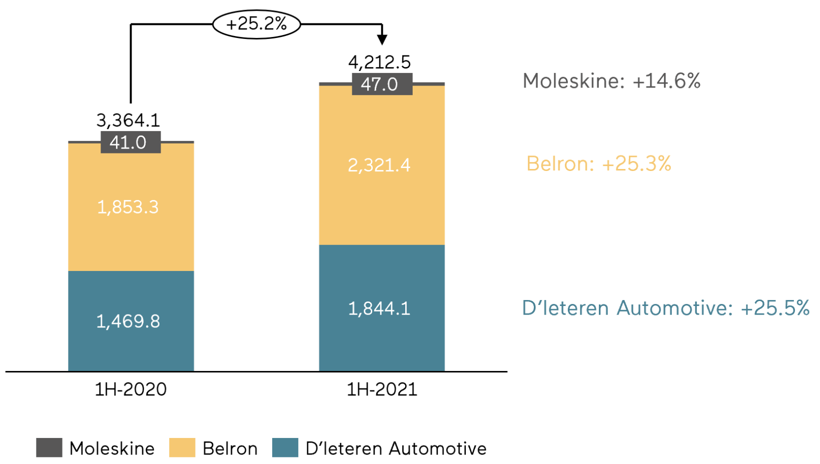
Key developments

- In March 2021, Belron announced the issuance of new sustainability-link term loans aimed at refinancing existing loans and at remunerating its shareholders.
- In July, D'Ieteren Group has announced the signing for the acquisition of a 40% stake in TVH Parts, the global independent leader for aftermarket parts related to material handling, construction & industrial, and agricultural equipment. The agreement valued the company at an Enterprise Value ('EV') of €3,650m and the closing of the transaction is expected in the course of Q4-21.
- Also in July, Belron welcomed the entry of Hellman & Friedman, BlackRock Private Equity Partners and GIC as new shareholders, in a transaction valuing the company at an EV of €21bn. D'Ieteren Group reaffirmed its long-term commitment to Belron and kept the entirety of its stake, namely 50.01% of the company's fully diluted share capital.
- Safelite Group, Belron's US business, has announced management changes: Renee Cacchillo has been named President and CEO. Tom Feeney, who has been Safelite's CEO since 2008, will become Executive Chairman of Belron North America. Cacchillo and Feeney will assume their new roles as of December 6, 2021.
- D'Ieteren Group has published a Responsible Investment Charter stating its responsible investment commitments, processes and governance, available on the Group's website.
- In August 2021, D'Ieteren Group received an ESG rating of 11.6 from Sustainalytics©[7], and is assessed at a low risk of experiencing material financial impacts from ESG factors.

Group Summary

Consolidated sales under IFRS amounted to €1,891.1m (+25.2% YoY). This figure excludes Belron. Combined sales (including 100% of Belron) amounted to €4,212.5m (+25.2% YoY).

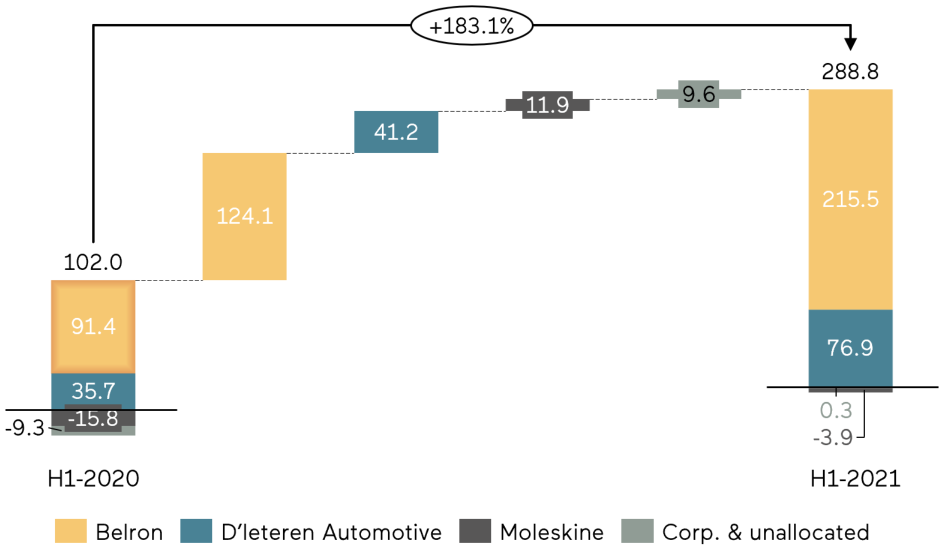
Combined sales (€m)



Consolidated IFRS operating result stood at €69.3m, from -€28.1m in H1-20. Combined *adjusted* operating result, including 100% of Belron, stood at €534.2m, more than double the €243.6m achieved in H1-20.

The **consolidated profit before tax under IFRS** reached €203.3m in H1-21 (€25.5m in H1-20). D'Ieteren Group's key performance indicator, the ***adjusted*** **consolidated profit before tax, Group's share**[1], amounted to €288.8m, significantly up by 183.1% YoY on a comparable basis (53.65% stake in Belron).

Evolution of the *adjusted* consolidated profit before tax, Group's share[1] (€m)



The **Group's share in the net result** amounted to €182.8m (€19.4m in H1-20). **The *adjusted* net profit, Group's share[1],** reached €205.2m in H1-21 (53.65% stake in Belron) compared to €66.6m (53.65% stake in Belron) in H1-20.

The net cash position of "Corporate & Unallocated", amounted to **€2,095.3m** at the end of H1-21 (including €463.3m inter-segment loans) compared to €1,455.1m at the end of 2020, the increase being primarily the result of the dividend (€616.7m) and the proceed from capital reduction (€107.6m) received from Belron in H1-21, partially offset by the payment in June 2021 of the dividend (€72.9m) to D'Ieteren Group's shareholders.

Belron

Belron - key figures €m	H1-2020 APM (non-GAAP measures)[1] Adjusted items	H1-2020 Adjusting items	H1-2020 Total	H1-2021 APM (non-GAAP measures)[1] Adjusted items	H1-2021 Adjusting items	H1-2021 Total	% change adjusted items	% change total
VGRR prime jobs (in thousands)	-	-	5,084	-	-	6,129	-	20.6%
External sales	1,853.3	-	1,853.3	2,321.4	-	2,321.4	25.3%	25.3%
Operating result	233.9	-35.8	198.1	464.7	-21.6	443.1	98.7%	123.7%
Net finance costs	-63.6	-0.3	-63.9	-63.2	-34.9	-98.1	-0.6%	53.5%
Result before tax (PBT)	170.3	-36.1	134.2	401.7	-56.5	345.2	135.9%	157.2%
Adjusted PBT, group's share[1] (@ 53.65%)	91.4	-	-	215.5	-	-	135.8%	-

Sales and results

Sales

Belron's total sales (at 100%) increased by 25.3% (29.1% organically, at constant currency) to €2,321.4m in H1-21. The significant increase on the prior year reflects the impact of the pandemic on trading in H1-20.

Volumes (VGRR prime jobs) increased by 20.6% YoY, getting close to pre-covid volumes (3.0% behind H1-19).

Sales growth was further driven in all regions by a continuing positive price/mix, ADAS recalibration fees (ADAS penetration rate at 22.0% in H1-21) and VAPS (attachment rate of 21.6%).

Sales from continuing operations increased by 26.6%, comprised of:

- Organic growth of 29.8% reflecting the recovery from the temporary downturn in trading last year from the pandemic;
- Positive impact of 0.3% from acquisitions;
- and a negative currency translation effect of 3.4% which is primarily due to the depreciation of the US dollar.

North America (56% of total) sales from continuing operations increased by 23.7%. Organic improvement of 30.3% was partly offset by a negative effect of 6.9% from adverse currency translation.

Eurozone (30% of total) saw a 39.3% growth in sales from continuing operations, as the region was severely impacted by the pandemic last year. This comprises 39.1% organic growth and a marginally negative 0.1% currency impact.

Rest of World (14% of total) sales from continuing operations increased by 30.9%, of which 26.1% organic and 4.5% favourable currency translation (mostly AUD).

Results

The operating result for the period is €443.1m which is 123.7% higher than the same period last year. The *adjusted* operating result[1] improved by 98.7% (or by €230.8m) to €464.7m, representing a record margin of 20.0%. This reflects the top-line developments (volume, price/mix, ADAS and VAPS contributions), ongoing cost control, and productivity improvement.

The global Transformation programme is making solid progress and €13.5m operating costs were engaged in H1-21 for consultancy and IT, the total amount for 2021 to be skewed towards H2-21. In total, this programme foresees around €230-250m of IT integration and implementation costs over the period from 2021 till 2025, with positive P&L and FCF impact starting as from 2023.

Adjusting items[1] at the level of the operating result totalled -€21.6m, comprising notably -€11.5m related to amortisation of certain customer contracts (see pages 17-18 for further details).

Net financial costs increased by €34.2m on the same period last year to €98.1m, of which €34.9m *adjusting*[1], reflecting the refinancing costs in April 2021. These *adjusting* items include the write-off of previously deferred finance costs, foreign exchange losses, professional fees and de-designation of interest rate swaps. The refinancing meant that the existing borrowings of €1,368m were repaid and new borrowings of €2,216m equivalent were raised, while maturity profile has been extended (2024 maturities replaced by 2028). The additional borrowings were used, along with available cash reserves, to finance the distribution to shareholders of €1,462m.

The profit before tax increased by €211.0m to €345.2m in H1-21.

The *adjusted* profit before tax, Group's share[1] increased by 135.8% to €215.5m on a comparable basis (assuming 53.65% stake in H1-20 and H1-21). *Adjusted* income tax expenses[1] amounted to €114.4m (€46.4m in H1-20), leading to an *adjusted* effective tax rate of 28.5% (27.2% in H1-20).

The result after tax, Group's share, reached €132.1m (€55.4m in H1-20). The *adjusted* result after tax[1], Group's share, rose by 127.0% to €154.1m.

Net debt and free cash flow

The *adjusted* free cash flow[6] (after tax) amounted to €266.6m in H1-21, a slight increase compared to the *adjusted* free cash flow of €254.3m generated in H1-20, which included a €87.5m cash outflow from the legacy management incentive programme. The main movements relate to:

- A significantly higher *adjusted* EBITDA (€211.9m improvement);
- A working capital outflow of €37.3m, compared to an inflow of €163.8m in H1-20;
- Slightly higher capital expenditures of €17.7m, not yet at normalized levels;
- A higher amount spent on acquisitions (€13.1m versus €5.3m in H1-20);
- Much higher taxes paid of €61.8m related to the deferral of tax payments amid the Covid-19 crisis in H1-20, and to the significantly improved operating results;
- The absence of cash outflow related to the legacy management incentive plan in H1-21.

Belron's net financial debt[3] reached €3,592.1m (100%) at the end of June 2021 compared to €2,736.9m at the end of June 2020 and €2,413.0m at the end of December 2020. This increase in net debt is related to the refinancing and distribution to Belron's shareholders in Q2-21, partly offset by strong free cash flow generation. Belron's Senior Secured Net Leverage Ratio (Senior Secured indebtedness[3]/proforma EBITDA post-IFRS 16[4] multiple) stands at 3.23x at the end of H1-21 (2.57x at the end of December 2020 on a restated basis post-IFRS 16).

D'Ieteren Automotive

D'Ieteren Automotive - key figures €m	H1-2020			H1-2021				
	APM (non-GAAP measures)[1]			APM (non-GAAP measures)[1]				
	Adjusted items	*Adjusting items*	Total	*Adjusted items*	*Adjusting items*	Total	*% change adjusted items*	*% change total*
New vehicles delivered (in units)	-	-	50,445	-	-	56,643	-	*12.3%*
External sales	*1,469.8*	-	1,469.8	*1,844.1*	-	1,844.1	*25.5%*	*25.5%*
Operating result	*35.2*	*-16.8*	18.4	*73.5*	-	73.5	*108.8%*	*299.5%*
Net finance costs	*-2.2*	-	-2.2	*-2.2*	-	-2.2	*0.0%*	*0.0%*
Result before tax (PBT)	*34.4*	*-18.2*	16.2	*75.0*	-	75.0	*118.0%*	*363.0%*
Adjusted PBT, group's share[1]	*35.7*	-	-	*76.9*	-	-	*115.4%*	-

Activities and results

Market and deliveries

The Belgian new car market showed a positive trend in H1-21 given the outbreak of the Covid-19 crisis and resulting lockdown in Belgium in March 2020, but this was moderated by supply chain issues. Excluding registrations of less than 30 days[2], the number of Belgian new car registrations increased by 6.1% to 223,321 units. Including registrations of less than 30 days, the number reached 232,391 units (+7.3% versus H1-20, but still -25.2% compared to H1-19).

The private segment declined by 5.9% in volumes, while the business segment increased by 20.5% (now 56.2% of total new car registrations). The share of SUV's, aligned with Febiac's segmentation, increased from 41.9% in H1-20 to 47.2% in H1-21. New energy share in the market mix continued to increase from 15.3% in FY-2020 to 20.5% in H1-21.

D'Ieteren Automotive's market share continued to increase to 23.5% (versus 23.0% in the same period of 2020) if one excludes registrations of less than 30 days. This was mainly driven by Audi, Skoda, and Porsche, while VW declined. D'Ieteren Automotive's brands saw a 23.4% increase in the number of SUV registrations (aligned with Febiac segmentation) which made up 43% of the mix. D'Ieteren Automotive remains the leader in battery electric vehicles in Belgium with a market share of 30.6% (vs 20.4% in H1-20).

Net registrations of new light commercial vehicles (0 to 6 tonnes) increased by 23.2% to 40,297 units and D'Ieteren Automotive's market share declined to 8.2% (of net registrations).

The total number of new vehicles, including commercial vehicles, delivered by D'Ieteren Automotive in H1-21 reached 56,643 units (+12.3%).

Sales

D'Ieteren Automotive's sales increased by 25.5% YoY to €1,844.1m in H1-21, mainly reflecting volume recovery, amplified by a positive mix due to the increased shares of electric vehicles and SUVs, and the continued premiumization of the car park. Breakdown is as follows (H1-20 has been restated to adjust for a reclassification from after-sales of owned dealerships to spare parts and accessories):

- New vehicles sales increased by 21.2% YoY to €1,554.0m
- Used cars sales increased by 251.9% YoY, reaching €123.5m
- Spare parts and accessories sales increased by 15.9% YoY to €119.7m
- Revenues from after-sales activities of the owned dealerships amounted to €26.1m (+15.5% YoY)

Results

The *adjusted* operating result[1] (€73.5m) significantly increased by 108.8%. This evolution was driven by improved top-line, tight operational costs management and the implementation of the transformation plan, as well as a positive development in Retail.

The profit before tax and *adjusted* profit before tax[1] reached €75.0m (+118.0% *adjusted*).

The *adjusted* profit before tax, Group's share[1] increased by a significant 115.4% to €76.9m. The contribution of the equity accounted entities amounted to €4.7m (€2.7m in H1-20).

Income tax expenses reached €19.8m (€6.5m in H1-20). *Adjusted* tax expenses[1] were also at €19.8m (compared to €10.8m in H1-20). The increase reflects the higher profit before taxes. The *adjusted*[1] effective tax rate is 26.4% in H1-21 (31.4% in H1-20).

The result after tax, Group's share, amounted to €56.1m (€9.8m in H1-20). The *adjusted* result after tax, Group's share[1], also at €56.1m, increased by €32.4m.

Net debt and free cash flow

The *adjusted* free cash flow[6] (after tax and partial payment related to the transformation plan) was €79.5m in H1-21 versus €237.6m in H1-20. The change mainly reflects:

- A significantly lower net working capital inflow (€47.3m in H1-21 versus €209.1m in H1-20) explained by higher receivables, which are related to the exceptional situation in H1-20 linked to the Covid-19 crisis, with a fast receivable cycle, partly offset by increased payables;
- Slightly higher capital expenditures at €10.8m;
- Higher cash outflow from *adjusting* items linked to the payment of the transformation plan;
- These elements were partly compensated by higher operating results.

D'Ieteren Automotive's net debt[3] stood at €93.2m at the end of June 2021, compared to €97.9m at the end of June 2020 and €167.7m at the end of December 2020. This reduction in net debt since December 2020 is related to the strong cash generation.

Moleskine

Moleskine - key figures €m	H1-2020 APM (non-GAAP measures) [1] Adjusted items	H1-2020 Adjusting items	H1-2020 Total	H1-2021 APM (non-GAAP measures) [1] Adjusted items	H1-2021 Adjusting items	H1-2021 Total	% change adjusted items	% change total
External sales	41.0	-	41.0	47.0	-	47.0	14.6%	14.6%
Operating result	-9.5	-21.0	-30.5	2.0	-0.2	1.8	-	-
Net finance costs	-6.3	-	-6.3	-5.7	-0.2	-5.9	-9.5%	-6.3%
Result before tax (PBT)	-15.8	-21.0	-36.8	-3.7	-0.4	-4.1	-	-
Adjusted PBT, group's share[1]	-15.8	-	-	-3.9	-	-	-	-

Sales

Sales partly recovered from the Q2-20 Covid-19 lockdowns, increasing by 14.6% YoY. This remains largely below the pre-crisis level of €71.1m in H1-19 as retail continues to be largely impacted by still ongoing restrictive measures in some countries and subdued footfall.

Sales evolution by region:

- **EMEA** (43% of total): +25.2%. EMEA performance was boosted by a strong Wholesale channel, while retail remained negatively impacted by the still restrictive measures in H1-21.
- **Americas** (43% of total): +9.3%. Retail remained weak due to the low traffic and supply chain congestion in June, and sales growth was primarily driven by B2B and the online Wholesale channels. This was partly offset by a negative FX translation effect.
- **APAC** (14% of total): +3.1%. APAC was also negatively impacted by FX, but the region, mostly driven by China, grew thanks to all channels, besides a slight decline at Wholesale. Retail in the region was much less impacted than in the rest of the world by Covid-19 restrictions in H1-21 as it came out of the crisis earlier.

Sales evolution by channel:

- **Wholesale** (68% of total): +20.9%. This performance was mostly driven by major global accounts and their e-commerce platforms, notably as a result of the 'win with the winners' strategy.
- **B2B** (16% of total core business): +26.0%. The performance was primarily driven by Americas, thanks to the more selective partnerships with a strong recovery of several accounts, but B2B sales grew in all regions.
- **E-Commerce** (8% of total): +2.6%. E-commerce benefited from the lockdowns in H1-20, and as a consequence grew only slightly YoY in H1-21. H1-21 did not yet capture the full potential of the revamped web-shop launched in May 2021, with improved digital customer experience.
- **Retail** (6% of total): -34.5%. Retail trend remained negative compared to H1-20, which was mostly impacted by the Covid-19 crisis in the second quarter, while some stores were still closed during H1-21 (47 stores open at the end of June), and very low traffic in shopping areas and travel locations.
- **Other** (including Royalties & Apps, 2.5% of total): +30.2%. Primarily driven by the high double digit growth in Apps.

Results

Reported operating result went from -€30.5m in H1-20 to €1.8m in H1-21. The *adjusted* operating result[1] came in at €2.0m in H1-21, up from -€9.5m in H1-20. The increase is due to the top-line recovery, as well as continued stringent cost containment.

H1-20 *adjusting* item of -€21.0m related to the goodwill impairment charge recognized due to the impact of the Covid-19 pandemic on current and expected results. At half-year 2021, no indication of possible impairment was identified.

Net financial charges amounted to €5.9m (€6.3m in H1-20). The profit before tax amounted to -€4.1m and the *adjusted* profit before tax[1] stood at -€3.7m (-€15.8m in H1-20). Income tax expenses were at €0.8m versus €0.3m in H1-20.

Net debt and free cash flow

The *adjusted* free cash flow[6] amounted to €3.9m in H1-21 compared to -€10.4m in H1-20. The increase in cash-flow generation mainly reflects the better operational results, a working capital inflow in H1-21 versus an outflow in H1-20, partially offset by higher capital expenditures from a low base in 2020.

As a result of this cash generation, Moleskine's net debt declined to €297.5m - of which €259m intra-Group borrowing - at the end of June 2021, compared to €308.4m at the end of June 2020 and €300.8m at the end of December 2020.

Corporate and unallocated

Corporate - key figures €m	H1-2020			H1-2021				
	APM (non-GAAP measures) [1]			APM (non-GAAP measures) [1]				
	Adjusted items	Adjusting items	Total	Adjusted items	Adjusting items	Total	% change adjusted items	% change total
External sales	-	-	-	-	-	-	-	-
Operating result	*-16.0*	-	-16.0	*-6.0*	-	-6.0	-	-
Net finance costs	*6.7*	-	6.7	*6.3*	-	6.3	*-6.0%*	-
Result before tax (PBT)	*-9.3*	-	-9.3	*0.3*	-	0.3	-	-
Adjusted PBT, group's share[1]	*-9.3*	-	-	*0.3*	-	-	-	-

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 -€6.0m in H1-21 compared to -€16.0m in H1-20 mainly due to the solidarity programme put in place at the beginning of the pandemic outbreak in H1-20.

Net financial result evolution was mainly due to a lower financial income.

Adjusted profit before tax, group's share[1] reached +€0.3m (-€9.3m in H1-20).

Net cash

The net cash position increased from €1,455.1m at the end of 2020 to €2,095.3m at the end of June 2021 (of which €463.3m inter-segment loan), mainly as a result of the dividend (€616.7m) and the proceeds from the capital reduction (€107.6m) received from Belron in H1-21, partially offset by the payment in June 2021 of the dividend (€72.9m) to D'Ieteren Group's shareholders.

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 13 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 20.

[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.

[6] Adjusted free cash-flow is not an IFRS indicator. This APM measure is defined as [Adjusted EBITDA - other non-cash items – change in working capital – capital expenditures – capital paid on lease liabilities – taxes paid – interest paid – acquisitions + disposals – employee share plans – cash-flow from adjusting items + other cash items].

[7] Copyright ©2021 Sustainalytics. All rights reserved. This publication contains information developed by Sustainalytics (www.sustainalytics.com). Such information and data are proprietary of Sustainalytics and/or its third party suppliers (Third Party Data) and are provided for informational purposes only. They do not constitute an endorsement of any product or project, nor an investment advice and are not warranted to be complete, timely, accurate or suitable for a particular purpose. Their use is subject to conditions available at https://www.sustainalytics.com/legal-disclaimers.

Auditor's Report

"KPMG Réviseurs d'Entreprises represented by Axel Jorion has reviewed the condensed consolidated interim financial statements of D'Ieteren Group SA/NV as of and for the six-month period ended June 30, 2021. Their review was conducted in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" and their unqualified review report dated September 1, 2021 is attached to the interim financial information."

Forward looking statements

This document contains forward-looking information that involves risks and uncertainties, including statements about D'Ieteren Group'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: 53721953#.

The presentation slides will be made available online simultaneously to the publication of this press release at the following address: https://www.dieterengroup.com/press-releases (then select the H1-2021 results event)

End of press release

D'Ieteren Group profile

In existence since 1805, and across family generations, D'Ieteren Group 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 and geographies. The Group currently owns the following activities:

- **Belron** (50.01% economic rights fully diluted) 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 40 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 €3,899m and €583.1m in FY20.

- **D'Ieteren Automotive** (100% owned) distributes Volkswagen, Audi, SEAT, Škoda, Bentley, Lamborghini, Bugatti, Cupra and Porsche vehicles in Belgium. It has a market share of more than 23% and 1.2 million vehicles on the road. Its business model is evolving towards improving the lives of citizens with fluid, accessible and sustainable mobility. Sales and *adjusted* operating result reached respectively €3,216m and €98.9m in FY20.

- **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 global multichannel platform. Sales and *adjusted* operating result reached respectively €102.3m and -€1.5m in FY20.

- **D'Ieteren Immo** (100% owned) groups together the Belgian real estate interests of D'Ieteren Group. It owns and manages approximately 30 properties which generated €19.5m net rental income in FY20. 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)

12 July 2021	Changes in Belron shareholdership
9 July 2021	Acquisition of a 40% stake in TVH Parts
27 May 2021	Trading update – Solid Q1-21 trends drive outlook upgrade
21 April 2021	Publication of the Annual Report 2020
1 April 2021	Belron successfully allocated its new term loans

Next events

8 March 2022	2021 Full-year results
2 June 2022	General Assembly

Contacts

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

Stéphanie Voisin, Investor Relations - Tel: + 32 (0)2 536.54.39
E-mail: financial.communication@dieterengroup.com – Website: www.dieterengroup.com

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 the APMs in the consolidated statement of profit or loss for the 6-month period ended 30 June

€m	2021			2020		
	Total	*Of which*		Total	*Of which*	
		Adjusted result	*Adjusting items*		*Adjusted result*	*Adjusting items*
Revenue	**1,891.1**	*1,891.1*	-	**1,510.8**	*1,510.8*	-
Cost of sales	-1,634.3	*-1,634.3*	-	-1,319.2	*-1,319.2*	-
Gross margin	**256.8**	*256.8*	-	**191.6**	*191.6*	-
Commercial and administrative expenses	-193.7	*-193.7*	-	-200.1	*-183.3*	*-16.8*
Other operating income	7.8	*7.8*	-	5.9	*5.9*	-
Other operating expenses	-1.6	*-1.4*	*-0.2*	-25.5	*-4.5*	*-21.0*
Operating result	**69.3**	*69.5*	*-0.2*	**-28.1**	*9.7*	*-37.8*
Net finance costs	-1.8	*-1.6*	*-0.2*	-1.8	*-1.8*	-
Finance income	1.2	*1.2*	-	2.5	*2.5*	-
Finance costs	-3.0	*-2.8*	*-0.2*	-4.3	*-4.3*	-
Share of result of equity-accounted investees and long-term interest in equity-accounted investees, net of income tax	135.8	*157.8*	*-22.0*	55.4	*69.3*	*-13.9*
Result before tax	**203.3**	*225.7*	*-22.4*	**25.5**	*77.2*	*-51.7*
Income tax expense	-21.3	*-21.3*	-	-4.9	*-9.2*	*4.3*
Result from continuing operations	**182.0**	*204.4*	*-22.4*	**20.6**	*68.0*	*-47.4*
Discontinued operations	-	-	-	-	-	-
RESULT FOR THE PERIOD	**182.0**	*204.4*	*-22.4*	**20.6**	*68.0*	*-47.4*
Result attributable to:						
Equity holders of the Company	**182.8**	*205.2*	*-22.4*	**20.6**	*68.0*	*-47.4*
Non-controlling interests	-0.8	*-0.8*	-	-	-	-
Earnings per share						
Basic (€)	3.39	*3.80*	*-0.41*	0.38	*1.26*	*-0.88*
Diluted (€)	3.35	*3.76*	*-0.41*	0.38	*1.25*	*-0.87*
Earnings per share - Continuing operations						
Basic (€)	3.39	*3.80*	*-0.41*	0.38	*1.26*	*-0.88*
Diluted (€)	3.35	*3.76*	*-0.41*	0.38	*1.25*	*-0.87*

Presentation of APMs in the segment statement of profit or loss for the 6-month period ended 30 June

The Group's reportable operating segments are D'Ieteren Automotive, 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.

€m	2021					
	D'Ieteren Automotive	Belron (100%)	Moleskine	Corp. & unallocated	Eliminations	Group
External revenue	1,844.1	2,321.4	47.0	-	-2,321.4	1,891.1
Inter-segment revenue	-	-	-	-	-	-
Segment revenue	**1,844.1**	**2,321.4**	**47.0**	**-**	**-2,321.4**	**1,891.1**
Operating result (being segment result)	**73.5**	**443.1**	**1.8**	**-6.0**	**-443.1**	**69.3**
Of which Adjusted result	*73.5*	*464.7*	*2.0*	*-6.0*	*-464.7*	*69.5*
Adjusting items	-	*-21.6*	*-0.2*	-	*21.6*	*-0.2*
Net finance costs	-2.2	-98.1	-5.9	6.3	98.1	-1.8
Finance income	0.1	1.2	0.5	0.6	-1.2	1.2
Finance costs	-0.6	-99.3	-1.3	-1.1	99.3	-3.0
Inter-segment financing interest	-1.7	-	-5.1	6.8	-	-
Share of result of equity-accounted investees and long-term interest in equity-accounted investees, net of income tax	3.7	0.2	-	-	131.9	135.8
Result before tax	**75.0**	**345.2**	**-4.1**	**0.3**	**-213.1**	**203.3**
Of which Adjusted result	*75.0*	*401.7*	*-3.7*	*0.3*	*-247.6*	*225.7*
Adjusting items	-	*-56.5*	*-0.4*	-	*34.5*	*-22.4*
Income tax expense	-19.8	-99.0	-0.8	-0.7	99.0	-21.3
Result from continuing operations	**55.2**	**246.2**	**-4.9**	**-0.4**	**-114.1**	**182.0**
Of which Adjusted result	*55.2*	*287.3*	*-4.5*	*-0.4*	*-133.2*	*204.4*
Adjusting items	-	*-41.1*	*-0.4*	-	*19.1*	*-22.4*
Discontinued operations	-	-	-	-	-	-
RESULT FOR THE PERIOD	**55.2**	**246.2**	**-4.9**	**-0.4**	**-114.1**	**182.0**

Attributable to:	D'Ieteren Automotive	Belron(*)	Moleskine	Corp. & unallocated		Group
Equity holders of the Company	**56.1**	**132.1**	**-5.0**	**-0.4**		**182.8**
Of which Adjusted result	*56.1*	*154.1*	*-4.6*	*-0.4*		*205.2*
Adjusting items	-	*-22.0*	*-0.4*	-		*-22.4*
Non-controlling interests	-0.9	-	0.1	-		-0.8
RESULT FOR THE PERIOD	**55.2**	**132.1**	**-4.9**	**-0.4**		**182.0**

(*) Belron at 53.65% (weighted average percentage for the 2021 period – see note 10 of the 2021 half-yearly financial report).

Presentation of APMs in the segment statement of profit or loss for the 6-month period ended 30 June (continued)

€m		2020					
		D'Ieteren Automotive	Belron (100%)	Moleskine	Corp. & unallocated	Eliminations	Group
External revenue		1,469.8	1,853.3	41.0	-	-1,853.3	1,510.8
Inter-segment revenue		-	-	-	-	-	-
Segment revenue		**1,469.8**	**1,853.3**	**41.0**	**-**	**-1,853.3**	**1,510.8**
Operating result (being segment result)		**18.4**	**198.1**	**-30.5**	**-16.0**	**-198.1**	**-28.1**
Of which	*Adjusted result*	*35.2*	*233.9*	*-9.5*	*-16.0*	*-233.9*	*9.7*
	Adjusting items	*-16.8*	*-35.8*	*-21.0*	-	*35.8*	*-37.8*
Net finance costs		-2.2	-63.9	-6.3	6.7	63.9	-1.8
Finance income		-	6.5	0.4	2.1	-6.5	2.5
Finance costs		-1.4	-70.4	-2.8	-0.1	70.4	-4.3
Inter-segment financing interest		-0.8	-	-3.9	4.7	-	-
Share of result of equity-accounted investees and long-term interest in equity-accounted investees, net of income tax		-	-	-	-	55.4	55.4
Result before tax		**16.2**	**134.2**	**-36.8**	**-9.3**	**-78.8**	**25.5**
Of which	*Adjusted result*	*34.4*	*170.3*	*-15.8*	*-9.3*	*-102.4*	*77.2*
	Adjusting items	*-18.2*	*-36.1*	*-21.0*	-	*23.6*	*-51.7*
Income tax expense		-6.5	-33.1	-0.3	1.9	33.1	-4.9
Result from continuing operations		**9.7**	**101.1**	**-37.1**	**-7.4**	**-45.7**	**20.6**
Of which	*Adjusted result*	*23.6*	*123.9*	*-16.1*	*-7.4*	*-56.0*	*68.0*
	Adjusting items	*-13.9*	*-22.8*	*-21.0*	-	*10.3*	*-47.4*
Discontinued operations		-	-	-	-	-	-
RESULT FOR THE PERIOD		**9.7**	**101.1**	**-37.1**	**-7.4**	**-45.7**	**20.6**

Attributable to:		D'Ieteren Automotive	Belron(*)	Moleskine	Corp. & unallocated	Group
Equity holders of the Company		**9.8**	**55.4**	**-37.2**	**-7.4**	**20.6**
Of which	*Adjusted result*	*23.7*	*67.9*	*-16.2*	*-7.4*	*68.0*
	Adjusting items	*-13.9*	*-12.5*	*-21.0*	-	*-47.4*
Non-controlling interests		-0.1	-	0.1	-	-
RESULT FOR THE PERIOD		**9.7**	**55.4**	**-37.1**	**-7.4**	**20.6**

(*) Belron at 54.79% (weighted average percentage for the 2020 period – see note 10 of the 2021 half-yearly financial report).

In both periods, the column "Eliminations" reconciles the segment statement of profit or loss (with the 6-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 and long-term interest in equity-accounted investees, net of income tax", representing the share of the Group in the 6-month net result of Belron).

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

€m	2021						
	D'Ieteren Automotive	Belron (100%)		Moleskine		Total (segment)*
Adjusting items						
Included in operating result	-	-21.6		-0.2		-21.8
Re-measurements of financial instruments	-	*4.1*	*(c)*	*-0.2*	*(i)*	*3.9*
Amortisation of customer contracts	-	*-11.5*	*(d)*	-		*-11.5*
Amortisation of brands with finite useful life	-	*-1.7*	*(e)*	-		*-1.7*
Other adjusting items	-	*-12.5*	*(g)*	-		*-12.5*
Included in net finance costs	-	-34.9		-0.2		-35.1
Re-measurements of financial instruments	-	-		*-0.2*	*(i)*	*-0.2*
Foreign exchange losses on net debt		*-9.4*	*(h)*			*-9.4*
Other adjusting items	-	*-25.5*	*(h)*	-		*-25.5*
Included in equity accounted result	-	-		-		-
Included in segment result before taxes (PBT)	-	-56.5		-0.4		-56.9

* 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.

€m	2020						
	D'Ieteren Automotive		Belron (100%)		Moleskine		Total (segment)*
Adjusting items							
Included in operating result	-16.8		-35.8		-21.0		-73.6
Re-measurements of financial instruments	-		*-4.9*	*(c)*	-		*-4.9*
Amortisation of customer contracts	-		*-12.8*	*(d)*	-		*-12.8*
Amortisation of brands with finite useful life	-		*-1.8*	*(e)*	-		*-1.8*
Impairment of goodwill and of non-current assets	-		*-6.1*	*(f)*	*-21.0*	*(j)*	*-27.1*
Other adjusting items	*-16.8*	*(a)*	*-10.2*	*(g)*	-		*-27.0*
Included in net finance costs	-		-0.3		-		-0.3
Other adjusting items	-		*-0.3*		-		*-0.3*
Included in equity accounted result	-1.4	*(b)*	-		-		-1.4
Included in segment result before taxes (PBT)	-18.2		-36.1		-21.0		-75.3

* 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.

Explanations and details of the figures presented as *adjusting* items (continued)

D'Ieteren Automotive

(a) In the prior period, other *adjusting* items in operating result (-€16.8m) included a provision related to the project carried out in 2020 by D'Ieteren Automotive for the acceleration of the transformation of its activities in response to a rapidly changing market. The total provision recognized in 2020 (full-year accounts) amounted to -€41.0m.

(b) In the prior period, *adjusting* items included in equity-accounted result was related to the share of the Group's in the provision related to the project for accelerating the transformation of D'Ieteren Automotive's activities (see (a) above).

Belron

(c) Fair value of fuel hedge instruments (used by Belron USA to hedge its fuel exposure) amounts to €4.1m (-€4.9m 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.

(d) In the framework of the recent acquisitions (mainly TruRoad in the United States), certain customer contracts were recognised as intangible assets with a finite useful life. The amortisation amounts to -€11.5m in the current period and -€12.8m in the prior period.

(e) 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 -€1.7m (-€1.8m in the prior period) and is related to the acquisition of TruRoad in the United States.

(f) In the prior period, a total impairment charge of -€6.1m was recognized in France (HDRR business, which has subsequently been sold) and comprised an impairment charge of -€4.0m allocated to other intangible assets and of -€2.1m allocated to other tangible assets.

At half year 2021, Belron performed a review for indicators of impairment and concluded that there was no impairment to be recognized.

(g) In the current period, other *adjusting* items of -€12.5m mainly include -€6.1m costs related to the disposal of "other services" businesses in Belgium, Italy and in the UK (these three businesses were presented as held for sale at the December 2020 year-end) and -€5.6m in relation to restructurings (in the Netherlands and in the United States).

In the prior period, other *adjusting* items of -€10.2m mainly comprised -€9.5m in relation to restructurings (United States and Canada) and integration costs (the majority for the integration of the acquisition of TruRoad in the United States).

(h) In the current period, foreign exchange losses on net debt and other *adjusting* items in net finance costs are related to the refinancing operated in April 2021 and include de-designation of interest rate swaps, write-off of previously deferred financing costs, professional fees and legal expenses and foreign exchange losses (arising upon the translation of the new USD Term Loan at the closing rate).

Moleskine

(i) In the period, a total amount of -€0.4m (-€0.2m in operating result and -€0.2m in net finance costs) has been recognised to reflect the change in the fair value of a forward contract used to hedge transactional and financial exposure against the fluctuation of the USD.

(j) In the prior period, an impairment charge of -€21.0m was recognized on the Moleskine cash-generating unit (fully allocated to goodwill) as a result of the impairment exercised performed at half year 2020.

At half year 2021, no indication of possible impairment was identified on the Moleskine cash-generating unit.

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

-

€m	2021					2020				
	D'Ieteren Automotive	Belron (53.65%)	Moleskine	Corp. & unallocated	Total (segment)	D'Ieteren Automotive	Belron (54.79%)	Moleskine	Corp. & unallocated	Total (segment)
Segment reported PBT	**75.0**	**345.2**	**-4.1**	**0.3**	**416.4**	**16.2**	**134.2**	**-36.8**	**-9.3**	**104.3**
Less: adjusting items in PBT	-	56.5	0.4	-	56.9	18.2	36.1	21.0	-	75.3
Segment adjusted PBT	**75.0**	**401.7**	**-3.7**	**0.3**	**473.3**	**34.4**	**170.3**	**-15.8**	**-9.3**	**179.6**
Share of the group in tax on adjusted results of equity-accounted investees	1.0	-	-	-	1.0	1.3	-	-	-	1.3
Share of third parties in adjusted PBT	0.9	-186.2	-0.2	-	-185.5	-	-77.0	-	-	-77.0
Segment adjusted PBT, Group's share	**76.9**	**215.5**	**-3.9**	**0.3**	**288.8**	**35.7**	**93.3**	**-15.8**	**-9.3**	**103.9**

In the period, the weighted average percentage used for computing the segment *adjusted* PBT, Group's share of Belron amounts to 53.65% (54.79% in the prior period).

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

€m	2021					2020(1)				
	D'Ieteren Automotive	Belron (53.65%)	Moleskine	Corp. & unallocated	Total (segment)	D'Ieteren Automotive	Belron (53.65%)	Moleskine	Corp. & unallocated	Total (segment)
Segment adjusted PBT, Group's share	**76.9**	**215.5**	**-3.9**	**0.3**	**288.8**	**35.7**	**93.3**	**-15.8**	**-9.3**	**103.9**
Adjustment of the share of the Group (comparable basis with 2021)	-	-	-	-	-	-	-1.9	-	-	-1.9
Adjusted PBT, Group's share (key performance indicator)	**76.9**	**215.5**	**-3.9**	**0.3**	**288.8**	**35.7**	**91.4**	**-15.8**	**-9.3**	**102.0**

(1) The column Belron has been restated based on the weighted average percentage used for computing the segment adjusted PBT in 2021 (53.65% in 2021 vs 54.79% in 2020) to make both periods comparable.

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.

€m	30 June 2021				30 June 2020(1)			
	D'Ieteren Automotive	Belron (100%)	Moleskine	Corp. & unallocated	D'Ieteren Automotive	Belron (100%)	Moleskine	Corp. & unallocated
Non-current loans and borrowings	13.9	3,695.5	50.7	4.9	10.2	3,030.7	118.5	5.2
Current loans and borrowings	43.1	160.5	17.7	0.4	28.0	184.1	27.5	0.5
Inter-segment financing	204.3	-	259.0	-463.3	200.9	-	194.7	-395.6
Adjustment for hedged borrowings	-	17.2	-	-	-	-1.0	-	-
Gross debt	**261.3**	**3,873.2**	**327.4**	**-458.0**	**239.1**	**3,213.8**	**340.7**	**-389.9**
Less: cash and cash equivalents	-72.3	-282.5	-29.9	-951.3	-141.2	-476.9	-32.3	-325.2
Less: current financial investments	-92.8	-	-	-684.0	-	-	-	-735.9
Less: other non-current receivables	-3.0	-	-	-2.0	-	-	-	-
Net debt from continuing activities excluding assets and liabilities classified as held for sale	**93.2**	**3,590.7**	**297.5**	**-2,095.3**	**97.9**	**2,736.9**	**308.4**	**-1,451.0**
Net debt in assets and liabilities classified as held for sale	-	1.4	-	-	-	-	-	-
Total net debt	**93.2**	**3,592.1**	**297.5**	**-2,095.3**	**97.9**	**2,736.9**	**308.4**	**-1,451.0**

(1) As restated, in the Corporate & unallocated segment, to reflect the reclassification of €250.9m from "Cash and cash equivalents" to "Current financial investments" in the framework of continuous improvement of the financial reporting presentation.

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, increased by €64.3m compared to 30 June 2020 – of which €55.2m are an increase of the nominal loan in the second semester of 2020 and €9.1m are capitalized interests) and to the D'Ieteren Automotive segment, at arm's length conditions.

D'Ieteren Automotive's net financial debt reached €93.2m at the end of June 2021, compared to €97.9m at the end of June 2020 and €167.7m at the end of December 2020. The decrease of €74.5m on the year-end net debt is primarily the result of the positive free cash flow generation during the period (mainly thanks to the cash inflow from working capital and strong EBITDA).

Belron's net financial debt reached €3,592.1m at the end of June 2021. This compares with €2,736.9m at the end of June 2020 and €2,413.0m at the end of December 2020. The increase of €1,179.1m on the year-end net debt is primarily the result of the issuance in April 2021 of a new term loans for $1,620m and €840m with the loans maturing in 2028, partially offset by the strong cash generation during the first half of the year. The proceeds of the new loans were used, along with available cash reserves, to finance a distribution to shareholders of €1,462m and repay existing loans of $991.7m and €525m. The refinancing resulted in debt originally due for repayment in 2024 being pushed back to 2028.

The increase in the net cash position of the Corporate & unallocated segment (from €1,451.0m at the end of June 2020 to €2,095.3m at the end of June 2021) is primarily the result of the dividend (€616.7m) and the proceed from capital reduction (€107.6m) received from Belron in H1 2021, partially offset by the payment in June 2021 of the dividend (€72.9m) to the shareholders of D'Ieteren.