D'Ieteren Group

2021 Half-Yearly Financial Report

Content

Declaration by Responsible Persons

Statement on the true and fair view of the condensed consolidated interim financial statements and the fair overview of the management report.

Nicolas D'Ieteren, Chairman of the Board of Directors, and Olivier Périer, Deputy Chairman of the Board of Directors, certify, on behalf and for the account of D'Ieteren Group SA/NV, that, to the best of their knowledge, these condensed consolidated interim financial statements which have been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union, give a true and fair view of the equity, financial position and financial performance of D'Ieteren Group SA/NV. and the entities included in the consolidation as a whole, and the interim management report includes a fair overview of the development and performance of the business and the position of D'Ieteren Group SA/NV, and the entities included in the consolidation, together with a description of the principal risks and uncertainties which they are exposed to.

Interim management report

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%.

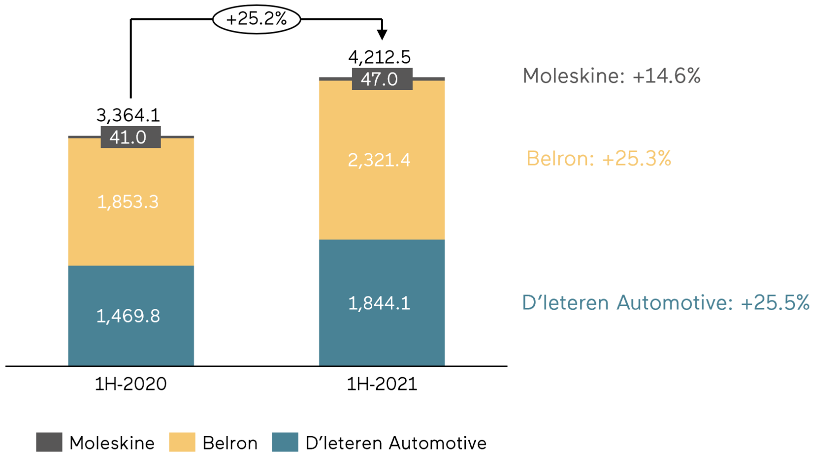
Key developments

- 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).

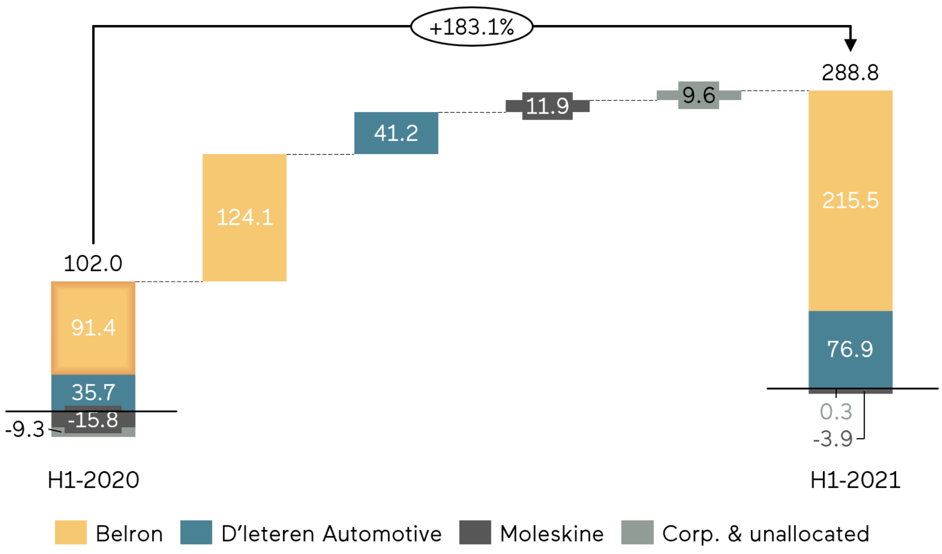
Combined sales (€m)



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			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*
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 15-16 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	H1-2020			H1-2021				
€m	*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 11 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 18.*

[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].*

Appendix

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.

Major risk factors

This report should be read together with the section "Risk Factors" of our 2020 financial and directors' report (pages 58-60 and 109-134), which describes various risks and uncertainties to which the Group is or may become subject. The risks described in the 2020 financial and director's report are not the only risks facing the Group. Additional risks and uncertainties not currently known to the Group or that the Group currently deems to be immaterial also may materially adversely affect its business, financial condition and/or operating results.

Condensed Consolidated Interim Financial Statements

Consolidated Statement of Profit or Loss

6-months period ended 30 June

€m	Notes	2021	2020
Revenue	5	**1,891.1**	**1,510.8**
Cost of sales		-1,634.3	-1,319.2
Gross margin		**256.8**	**191.6**
Commercial and administrative expenses		-193.7	-200.1
Other operating income	4	7.8	5.9
Other operating expenses	4	-1.6	-25.5
Operating result		**69.3**	**-28.1**
Net finance costs	4	-1.8	-1.8
Finance income		1.2	2.5
Finance costs	4	-3.0	-4.3
Share of result of equity-accounted investees and long-term interest in equity-accounted investees, net of income tax	10	135.8	55.4
Result before tax		**203.3**	**25.5**
Income tax expense	8	-21.3	-4.9
Result from continuing operations		**182.0**	**20.6**
Discontinued operations		-	-
RESULT FOR THE PERIOD		**182.0**	**20.6**
Result attributable to:			
Equity holders of the Company		**182.8**	**20.6**
Non-controlling interests ("NCI")		-0.8	-
Earnings per share			
Basic (€)	6	3.39	0.38
Diluted (€)	6	3.35	0.38
Earnings per share - Continuing operations			
Basic (€)	6	3.39	0.38
Diluted (€)	6	3.35	0.38

The notes on pages 25 to 38 are an integral part of these condensed consolidated interim financial statements.
The Group uses Alternative Performance Measures (non-GAAP measures) to reflect its financial performance – See interim management report and press release.

Consolidated Statement of Comprehensive Income

6-months period ended 30 June

€m	Notes	2021	2020
Result for the period		182.0	20.6
Other comprehensive income			
Items that will never be reclassified to profit or loss (net of tax):		4.6	16.4
Re-measurements of defined benefit liabilities/assets		*2.9*	*0.6*
Equity-accounted investees - share of OCI	*10*	*1.7*	*15.8*
Items that may be reclassified subsequently to profit or loss (net of tax)		9.4	-26.6
Translation differences		*-0.3*	*-*
Cash flow hedges: fair value gains (losses) in equity		*-*	*0.1*
Equity-accounted investees - share of OCI	*10*	*9.7*	*-26.7*
Other comprehensive income, net of tax		14.0	-10.2
Total comprehensive income for the period		**196.0**	**10.4**
being: attributable to equity holders of the Company		***196.8***	***10.4***
attributable to non-controlling interests ("NCI")		***-0.8***	***-***

The notes on pages 25 to 38 are an integral part of these condensed consolidated interim financial statements.

Consolidated Statement of Financial Position

€m	Notes	30 June 2021	31 Dec. 2020	30 June 2020(1)
Goodwill	9	76.2	76.2	76.1
Intangible assets		452.3	451.2	448.6
Property, plant & equipment		263.9	262.9	267.5
Investment property		31.1	31.7	28.5
Equity-accounted investees and long-term interests in equity-accounted investees	10	98.3	675.4	543.8
Financial investments		0.1	-	-
Deferred tax assets		42.0	39.2	47.0
Other receivables		8.0	4.4	4.5
Non-current assets		**971.9**	**1,541.0**	**1,416.0**
Inventories		407.1	457.4	485.0
Financial investments	4	776.8	737.2	735.9
Derivative financial instruments		-	0.5	-
Current tax assets		10.6	18.2	9.5
Trade and other receivables		439.0	339.3	362.2
Cash and cash equivalents	4	1,053.5	351.3	498.7
Assets classified as held for sale		0.8	2.1	-
Current assets		**2,687.8**	**1,906.0**	**2,091.3**
TOTAL ASSETS		**3,659.7**	**3,447.0**	**3,507.3**
Capital & reserves attributable to equity holders		2,853.7	2,739.4	2,578.2
Non-controlling interests ("NCI")		2.7	3.5	4.5
Equity		**2,856.4**	**2,742.9**	**2,582.7**
Employee benefits		29.1	31.7	26.9
Provisions		10.9	11.6	18.3
Loans & borrowings		69.5	85.5	133.9
Other payables		-	-	0.1
Deferred tax liabilities		132.7	131.1	132.1
Non-current liabilities		**242.2**	**259.9**	**311.3**
Provisions	4	6.5	6.5	23.4
Loans & borrowings	4	61.2	17.9	56.0
Derivative financial instruments		-	-	0.4
Current tax liabilities		13.7	1.7	14.2
Trade and other payables		478.9	413.4	519.3
Liabilities directly associated with the assets held for sale		0.8	4.7	-
Current liabilities		**561.1**	**444.2**	**613.3**
TOTAL EQUITY AND LIABILITIES		**3,659.7**	**3,447.0**	**3,507.3**

(1) As restated to reflect the reclassification of financial investments at FVTPL (€250,9m) from “Cash and cash equivalents” to “Current financial Investments” in the framework of continuous improvement of the financial reporting presentation (see note 1).

The notes on pages 25 to 38 are an integral part of these condensed consolidated interim financial statements.

Consolidated Statement of Changes in Equity

€m	Capital and reserves attributable to equity holders						Total Group's share	Non-controlling interests	Equity
	Share capital	Share premium	Treasury shares reserve	Hedging reserve	Retained earnings	Cumulative translation differences			
At 1 January 2020	**160.0**	**24.4**	**-57.0**	**-7.7**	**2,531.1**	**-4.5**	**2,646.3**	**0.6**	**2,646.9**
Profit for the period	-	-	-	-	20.6	-	20.6	-	20.6
Other comprehensive income	-	-	-	-19.7	19.0	-9.5	-10.2	-	-10.2
Total comprehensive income for the period	**-**	**-**	**-**	**-19.7**	**39.6**	**-9.5**	**10.4**	**-**	**10.4**
Movement of treasury shares	-	-	-27.4	-	-	-	-27.4	-	-27.4
Treasury shares - cancellation (buy-back programme)	-	-	43.4	-	-43.4	-	-	-	-
Dividends	-	-	-	-	-54.0	-	-54.0	-	-54.0
Other movements	-	-	-	-	0.8	-	0.8	-	0.8
Total contribution and distribution	**-**	**-**	**16.0**	**-**	**-96.6**	**-**	**-80.6**	**-**	**-80.6**
Transactions with NCI without change in control	-	-	-	-	2.1	-	2.1	3.9	6.0
Total change in ownership interests	**-**	**-**	**-**	**-**	**2.1**	**-**	**2.1**	**3.9**	**6.0**
At 30 June 2020	**160.0**	**24.4**	**-41.0**	**-27.4**	**2,476.2**	**-14.0**	**2,578.2**	**4.5**	**2,582.7**
At 1 January 2021	**160.0**	**24.4**	**-38.0**	**-24.7**	**2,598.0**	**19.7**	**2,739.4**	**3.5**	**2,742.9**
Profit for the period	-	-	-	-	182.8	-	182.8	-0.8	182.0
Other comprehensive income	-	-	-	9.8	3.1	1.1	14.0	-	14.0
Total comprehensive income for the period	**-**	**-**	**-**	**9.8**	**185.9**	**1.1**	**196.8**	**-0.8**	**196.0**
Movement of treasury shares (see note 11)	-	-	-10.5	-	-	-	-10.5	-	-10.5
Dividends (see note 11)	-	-	-	-	-72.9	-	-72.9	-	-72.9
Other movements	-	-	-	-	0.9	-	0.9	-	0.9
Total contribution and distribution	**-**	**-**	**-10.5**	**-**	**-72.0**	**-**	**-82.5**	**-**	**-82.5**
Total change in ownership interests	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
At 30 June 2021	**160.0**	**24.4**	**-48.5**	**-14.9**	**2,711.9**	**20.8**	**2,853.7**	**2.7**	**2,856.4**

The notes on pages 25 to 38 are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Statement of Cash Flows

6-months period ended 30 June

€m	Notes	2021	2020(1)
Cash flows from operating activities - Continuing			
Result for the period		182.0	20.6
Income tax expense		21.3	4.9
Share of result of equity-accounted investees and long-term interest in equity-accounted investees, net of income tax	10	-135.8	-55.4
Net finance costs		1.8	1.8
Operating result from continuing operations		**69.3**	**-28.1**
Depreciation and amortisation		24.4	21.8
Impairment losses on goodwill and other non-current assets	4	-	21.0
Other non-cash items	4	5.7	30.6
Employee benefits		-1.1	-3.2
Other cash items		0.2	-
Change in net working capital		13.2	171.9
Cash generated from operations		**111.7**	**214.0**
Income tax paid		-5.7	-2.1
Net cash from operating activities		**106.0**	**211.9**
Cash flows from investing activities - Continuing			
Purchase of property, plant and equipment and intangible assets		-19.7	-16.2
Sale of property, plant and equipment and intangible assets		0.9	0.5
Net capital expenditure		**-18.8**	**-15.7**
Acquisition of subsidiaries (net of cash acquired)		-	-0.3
Acquisition of equity-accounted investees and long-term interests in equity-accounted investees	10	-	-150.0
Contribution of cash from/(to) joint ventures		-	-1.6
Proceeds from the sale of/(investments in) financial assets	4	-39.5	-138.1
Interest received		0.5	1.9
Dividends and proceeds from capital reduction received from equity-accounted investees & long-term interests in equity accounted-investees	10	724.3	-
Loans to employees in relation to Long Term Incentive Plan and stock options		-3.9	0.3
Net cash from investing activities		**662.6**	**-303.5**
Cash flows from financing activities - Continuing			
Acquisition (-)/Disposal (+) of non-controlling interests		-	6.0
Net disposal/(acquisition) of treasury shares		-10.5	-27.4
Repayment of lease liabilities		-8.8	-6.2
Net change in other loans and borrowings	4	28.6	7.7
Interest paid		-2.6	-3.3
Dividends paid by the Company	11	-72.9	-54.0
Net cash from financing activities		**-66.2**	**-77.2**
Cash flows from continuing operations		**702.4**	**-168.8**
TOTAL CASH FLOW FOR THE PERIOD		**702.4**	**-168.8**
Reconciliation with statement of financial position			
Cash and cash equivalents at the beginning of the period		**351.3**	**667.5**
Total cash flow for the period		702.4	-168.8
Translation differences		-0.2	-
Cash and cash equivalents at the end of the period		**1,053.5**	**498.7**

(1) As restated to reflect the reclassification of financial investments at FVTPL (€250,9m) from "Cash and cash equivalents" to "Current financial Investments" in the framework of continuous improvement of the financial reporting presentation (see note 1).

The notes on pages 25 to 38 are an integral part of these condensed consolidated interim financial statements.

Notes to the Condensed Consolidated Financial Statements

Note 1: General information

D'Ieteren Group SA/NV (the Company) is a public company incorporated and domiciled in Belgium, whose controlling shareholders are listed in note 11 of these Condensed Consolidated Financial Statements. The address of the Company's registered office is: Rue du Mail 50, B-1050 Brussels (Belgium).

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 Automotive distributes Volkswagen, Audi, SEAT, Škoda, Bentley, Lamborghini, Bugatti, Cupra and Porsche vehicles in Belgium. It is the country's number one car distributor, with 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;
- Belron (equity-accounted investee) 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;
- Moleskine 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;
- 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.

These condensed consolidated interim financial statements have been authorized for issue by the Board of Directors on the 1st of September 2021.

Restatement of comparative information

The consolidated statement of financial position and the condensed consolidated statement of cash flows have been restated in 2020 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.

COVID-19

In 2020, the coronavirus (COVID-19) pandemic had caused an unprecedented and sudden shock to the overall economy and had been affecting all Group's activities throughout the world. The Group's activities experienced underactivity during Q2 2020 with related decline in sales due the temporary shutdowns of the vast majority of the Group's operations (at the level of D'Ieteren Automotive, Belron and Moleskine).

The Board of Directors considered the impact of COVID-19 and the current economic environment on the basis of preparation of these interim financial statements.

Thanks to its adequate measures taken to preserve cash, the Group has a strong funding and liquidity structure in place as at 30 June 2021, with approximately €1.7bn of net cash (cash, cash equivalents and non-current and current asset investments less loans and borrowings) on the consolidated balance sheet level and a well-balanced debt profile at Belron level. As of 30 June 2021, the Group complied with all requirements of any loan covenants. The Group continues to take measures to minimize the impact of the crisis on cash flows and is ensuring that it has the necessary liquidity structure in place for the foreseeable future. Taking this into account, the Board of Directors has a reasonable expectation that the Group is well placed to manage its business risks, has sufficient funds to continue to meet its liabilities as they fall due and to continue in operational existence for the foreseeable future. The consolidated interim financial statements have therefore been prepared on a going concern basis.

Note 1: General information (continued)

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. These APMs are presented in the interim management report and in the press release.

Note 2: Basis of preparation and accounting policies

Note 2.1: Basis of Preparation

These condensed consolidated interim financial statements are for the six months ended 30 June 2021. They are presented in euro, which is the Group's functional currency. All amounts have been rounded to the nearest million, unless otherwise indicated. They have been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union ("EU"). They do not include all the information required for a complete set of IFRS financial statements. They have been prepared in a condensed format, with selected explanatory notes to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements. Therefore, they should be read in conjunction with the 2020 annual consolidated financial statements.

These condensed consolidated interim financial statements are prepared on the assumption that the Group is a going concern and will continue in operation for the foreseeable future.

In preparing these condensed consolidated interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the 2020 annual consolidated financial statements, together with judgments related to the ongoing uncertainty surrounding the COVID-19 global pandemic (see note 1 of these interim financial statements).

The assumptions used for the preparation of these condensed consolidated interim financial statements reflected the reasonable and supportable information which were available as at 30 June 2021.

Note 2.2: Significant Accounting Policies

The accounting policies applied are consistent with those summarized in note 33 of the 2020 annual consolidated financial statements.

The new standards and amendments to standards that are mandatory for the first time for the Group's accounting period beginning on 1 January 2021 are listed below:

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS16 "Interest Rate Benchmark Reform – Phase 2" (issued on 27 August 2020 – endorsed by the EU);
- Amendments to IFRS 4 Insurance Contracts – deferral of IFRS 9 (issued on 25 June 2020 – endorsed by the EU).

These new standards do not have a material impact on the Group's financial statements.

In April 2021, the International Financial Reporting Standards Interpretations Committee (IFRIC) issued a final agenda decision on "Configuration or customisation costs in a cloud computing arrangement". The decision discusses whether configuration or customisation expenditure relating to cloud computing arrangements is able to be recognised as an intangible asset and if not, over what time period the expenditure is expensed.

The Group's accounting policy has historically been to capitalize some costs related to cloud computing arrangements as intangible assets in the Statement of Financial Position.

The adoption of this agenda decision could result in a reclassification of these intangible assets to either a prepaid asset in the Statement of Financial Position and/or recognition as an expense in the Statement of Comprehensive Income, impacting both the current and prior periods presented.

As at 30 June 2021, the Group has not adopted this IFRIC agenda decision. The impact of the change is not reasonably assessable as the Group has yet to complete its assessment of the impact of the IFRIC agenda decision. The Group expects to adopt this IFRIC agenda decision in its annual financial statements ending on 31 December 2021. This change would be accounted for as a change in accounting policy in accordance with IAS 8 Accounting Policies, i.e. retrospectively with restatement of comparative information.

Note 2: Basis of preparation and accounting policies (continued)

The intangible assets relating to cloud computing arrangements of D'Ieteren Automotive are capitalised on the Statement of Financial Position for a carrying amount of ca. €36m as at 30 June 2021 (versus ca. €35m as at 31 December 2020).

At Belron, the intangible assets relating to cloud computing arrangements capitalised on the Statement of Financial Position amounted to ca. €4m as at 31 December 2020 and additional additions were recorded for an amount of ca. €4m during the 6-month period ended 30 June 2021.

The standards, amendments and interpretations to existing standards issued by the IASB but not yet effective in 2021 have not been early adopted by the Group.

They are listed below:

- Amendments to IAS 1 "Presentation of Financial Statements" – Classification of Liabilities as Current or Non-current (effective 1 January 2023 – subject to endorsement by the EU);
- Amendments to IFRS 3 "Business Combination" (effective 1 January 2022 – endorsed by the EU);
- Amendments to IAS 16 "Property, Plant and Equipment" (effective 1 January 2022 – endorsed by the EU);
- Amendments to IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" (effective 1 January 2022 – endorsed by the EU);
- Annual Improvements to IFRS Standards 2018–2020 (effective 1 January 2022 – endorsed by the EU);
- Amendments to IAS 1 "Presentation of Financial Statements" and IFRS Practice Statement 2 - Disclosure of Accounting policies (effective 1 January 2023 – subject to endorsement by the EU);
- Amendments to IAS 8 "Accounting policies, Changes in Accounting Estimates and Errors" - Definition of Accounting Estimates (effective 1 January 2023 – subject to endorsement by the EU);
- Amendments to IFRS 16 "Leases" - Covid-19-Related Rent Concessions beyond 30 June 2021 (effective for annual reporting periods beginning on or after 1 April 2021 - subject to endorsement by the EU);
- Amendments to IAS 12 "Income Taxes" - Deferred Tax related to Assets and Liabilities arising from a Single Transaction (effective 1 January 2023 – subject to endorsement by the EU).

The amendments are not expected to have a material impact on the Group's consolidated financial statements.

Note 3: Seasonality

D'Ieteren Automotive

The automobile distribution activities experience a higher demand for new vehicles (under normal conditions, sales of new vehicles represent generally about 80% of total external revenue of the segment) in the first half of the year. This phenomenon is further increased every two years by the impact of the Brussels' Car and Motorcycle Show (the last one took place in January 2020).

Belron

Belron experiences some natural increases in business in the early part of the year corresponding with cold weather in Europe and in North America, and in mid-summer prior to the start of the continental European holiday season.

Moleskine

The Moleskine segment experiences some natural increases in business during the year. The sales are highly concentrated over the last quarter, as the Christmas and gifting period approaches.

Note 4: Segment information

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

Note 4: Segment information (continued)

Note 4.1: Segment Statement of Profit or Loss - Operating Segments (6-month period ended 30 June)

€m	Notes	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	**5**	**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**
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	10	3.7	0.2	-	-	131.9	135.8
Result before tax		**75.0**	**345.2**	**-4.1**	**0.3**	**-213.1**	**203.3**
Income tax expense	8	-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**
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**
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).

€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**
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**
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**
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**
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).

Note 4: segment information (continued)

Note 4.1: Segment Statement of Profit or Loss - Operating Segments (6-month period ended 30 June – continued)

In 2021, in the Belron segment, the increase of €34.2m in net finance costs on the same period last year is reflecting the refinancing costs incurred in April 2021. This includes the write-off of previously deferred finance costs, foreign exchange losses, professional fees and de-designation of interest rate swaps. The refinancing meant that existing borrowings of $991.7m and €525m were repaid and new term loans of $1,620m and €840m maturing in 2028 were issued. The additional borrowings were used, along with available cash reserves, to finance a distribution to shareholders of €1,462m (see note 10). The refinancing resulted in debt originally due for repayment in 2024 being pushed back to 2028.

In 2020, in the Corporate & unallocated segment, the line "Operating result" included, amongst other amounts, the provision (€8.2m) related to the decision of the Board of Directors, as announced on 27 April 2020, to allocate the initially planned dividend increase of €0.15 per share to a solidarity program that will help employees of D'Ieteren Group who may suffer hardship as a consequence of the Covid-19 crisis. From the initial provision, €3.1m has been used and expensed during the year 2020 and additional €0.3m has been allocated to this solidarity program in 2021. The remaining €5.4m is presented in the current provisions in the consolidated statement of financial position as at 30 June 2021.

In 2020, in the D'Ieteren Automotive segment, the line "Operating result" included, amongst other amounts, the provision (-€20.9m) related to the project carried out for accelerating the transformation of its activities in response to a rapidly changing market (see press release dated 3rd June 2020). This charge was presented in the line "commercial and administrative expenses" in the consolidated statement of profit or loss, and in the line "other non-cash items" in the condensed consolidated statement of cash flows. The total provision recognized in 2020 (full-year accounts) amounted to -€41.0m.

In 2020, in the Moleskine segment, the line "Operating result" included, amongst other amounts, the impairment charge recognised in the Moleskine segment (-€21.0m). This non-cash charge was presented in the line "other operating expenses" in the consolidated statement of profit or loss. At half year 2021, no indication of possible impairment was identified on the Moleskine cash-generating unit.

In 2021 and 2020, 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 – 53.65% in 2021; 54.79% in 2020; see note 10 – in the net result of Belron over the first six months of the year).

Note 4: segment information (continued)

Note 4.2: Segment Statement of Financial Position - Operating Segments

€m	Notes	30 June 2021					
		D'Ieteren Automotive	**Belron (100%)**	**Moleskine**	**Corp. & unallocated**	**Eliminations**	**Group**
Goodwill	9	24.3	594.8	48.8	3.1	-594.8	76.2
Intangible assets		39.3	506.7	411.9	1.1	-506.7	452.3
Property, plant & equipment		69.4	775.3	21.0	173.5	-775.3	263.9
Investment property		0.1	-	-	31.0	-	31.1
Equity-accounted investees and long-term interests in equity-accounted investees	10	92.5	-	-	-	5.8	98.3
Financial investments		0.1	1.6	-	-	-1.6	0.1
Employee benefits		-	162.9	-	-	-162.9	-
Deferred tax assets		13.1	64.7	6.6	22.3	-64.7	42.0
Other receivables		3.7	23.1	0.8	3.5	-23.1	8.0
Non-current assets		**242.5**	**2,129.1**	**489.1**	**234.5**	**-2,123.3**	**971.9**
Inventories		378.9	301.7	28.2	-	-301.7	407.1
Financial investments		92.8	-	-	684.0	-	776.8
Derivative financial instruments		-	6.1	-	-	-6.1	-
Current tax assets		1.7	6.8	8.6	0.3	-6.8	10.6
Trade and other receivables		404.0	376.5	26.3	8.7	-376.5	439.0
Cash and cash equivalents		72.3	282.5	29.9	951.3	-282.5	1,053.5
Assets classified as held for sale		0.8	0.9	-	-	-0.9	0.8
Current assets		**950.5**	**974.5**	**93.0**	**1,644.3**	**-974.5**	**2,687.8**
TOTAL ASSETS		**1,193.0**	**3,103.6**	**582.1**	**1,878.8**	**-3,097.8**	**3,659.7**
Equity		**-**	**-**	**-**	**2,856.4**	**-**	**2,856.4**
Employee benefits		25.2	5.7	2.3	1.6	-5.7	29.1
Provisions		10.6	37.0	-	0.3	-37.0	10.9
Loans & borrowings		13.9	3,695.5	50.7	4.9	-3,695.5	69.5
Inter-segment loan		204.3	-	259.0	-463.3	-	-
Derivative financial instruments		-	55.6	-	-	-55.6	-
Other payables		-	3.1	-	-	-3.1	-
Deferred tax liabilities		2.2	99.8	110.5	20.0	-99.8	132.7
Non-current liabilities		**256.2**	**3,896.7**	**422.5**	**-436.5**	**-3,896.7**	**242.2**
Provisions		-	37.9	1.1	5.4	-37.9	6.5
Loans & borrowings		43.1	160.5	17.7	0.4	-160.5	61.2
Derivative financial instruments		-	5.8	-	-	-5.8	-
Current tax liabilities		13.4	98.9	-	0.3	-98.9	13.7
Trade and other payables		429.0	697.1	27.9	22.0	-697.1	478.9
Liabilities directly associated with the assets held for sale		0.8	1.6	-	-	-1.6	0.8
Current liabilities		**486.3**	**1,001.8**	**46.7**	**28.1**	**-1,001.8**	**561.1**
TOTAL EQUITY AND LIABILITIES		**742.5**	**4,898.5**	**469.2**	**2,448.0**	**-4,898.5**	**3,659.7**

For the segment statement of financial position as per 31 December 2020, see note 4 of the 2020 annual consolidated financial statements.

Note 4: segment information (continued)

Note 4.2: Segment Statement of Financial Position - Operating Segments (continued)

€m	30 June 2020(1)					
	D'Ieteren Automotive	Belron (100%)	Moleskine	Corp. & unallocated	Eliminations	Group
Goodwill	27.3	591.1	48.8	-	-591.1	76.1
Intangible assets	36.5	567.3	411.8	0.3	-567.3	448.6
Vehicles	-	-	-	-	-	-
Property, plant & equipment	58.7	876.4	31.4	177.4	-876.4	267.5
Investment property	0.1	-	-	28.4	-	28.5
Equity-accounted investees and long-term interests in equity-accounted investees	84.8	-	-	-	459.0	543.8
Financial investments	-	1.8	-	-	-1.8	-
Employee benefits	-	150.0	-	-	-150.0	-
Deferred tax assets	17.6	57.8	8.4	21.0	-57.8	47.0
Other receivables	2.2	5.3	1.3	1.0	-5.3	4.5
Non-current assets	**227.2**	**2,249.7**	**501.7**	**228.1**	**-1,790.7**	**1,416.0**
Inventories	452.9	294.5	32.1	-	-294.5	485.0
Financial investments	-	-	-	735.9	-	735.9
Derivative financial instruments	-	2.3	-	-	-2.3	-
Current tax assets	0.5	5.2	8.9	0.1	-5.2	9.5
Trade and other receivables	327.0	382.6	28.6	6.6	-382.6	362.2
Cash and cash equivalents	141.2	476.9	32.3	325.2	-476.9	498.7
Current assets	**921.6**	**1,161.5**	**101.9**	**1,067.8**	**-1,161.5**	**2,091.3**
TOTAL ASSETS	**1,148.8**	**3,411.2**	**603.6**	**1,295.9**	**-2,952.2**	**3,507.3**
Equity	**-**	**-**	**-**	**2,582.7**	**-**	**2,582.7**
Employee benefits	24.0	8.0	1.8	1.1	-8.0	26.9
Provisions	9.7	25.9	-	8.6	-25.9	18.3
Loans & borrowings	10.2	3,030.7	118.5	5.2	-3,030.7	133.9
Inter-segment loan	200.9	-	194.7	-395.6	-	-
Derivative financial instruments	-	56.5	-	-	-56.5	-
Other payables	-	0.8	0.1	-	-0.8	0.1
Deferred tax liabilities	0.6	98.7	111.2	20.3	-98.7	132.1
Non-current liabilities	**245.4**	**3,220.6**	**426.3**	**-360.4**	**-3,220.6**	**311.3**
Provisions	20.9	43.9	2.5	-	-43.9	23.4
Loans & borrowings	28.0	184.1	27.5	0.5	-184.1	56.0
Derivative financial instruments	-	7.6	0.4	-	-7.6	0.4
Current tax liabilities	13.4	76.3	0.6	0.2	-76.3	14.2
Trade and other payables	476.8	755.6	29.0	13.5	-755.6	519.3
Current liabilities	**539.1**	**1,067.5**	**60.0**	**14.2**	**-1,067.5**	**613.3**
TOTAL EQUITY AND LIABILITIES	**784.5**	**4,288.1**	**486.3**	**2,236.5**	**-4,288.1**	**3,507.3**

(1) As restated to reflect the reclassification of financial investments at FVTPL (€250,9m) from "Cash and cash equivalents" to "Current financial Investments" in the framework of continuous improvement of the financial reporting presentation (see note 1).

Note 4: segment information (continued)

Note 4.2: Segment Statement of Financial Position - Operating Segments (continued)

As at the 30 June 2021 and the 30 June 2020, in the Corporate & unallocated segment and as at the 30 June 2021, in the D'Ieteren Automotive segment, the line "Current financial Investments" comprises investments in a portfolio of marketable securities (mainly corporate bonds in Europe and equity instruments). These investments are accounted at amortized costs (corporate bonds) and FVTPL (equity instruments). Cash movements related to investments in the period amount to -€39.5m and are included in the line "proceeds from the sale of / (investment in) financial assets" in the condensed consolidated statement of cash flows as at the 30 June 2021.

As at the 30 June 2021 and the 30 June 2020, the inter-segment loans comprise amounts lent by the Corporate to the Moleskine segment (non-recourse loan in the framework of the acquisition) and to the D'Ieteren Automotive segment, at arm's length conditions.

As at the 30 June 2021, in the Corporate & unallocated segment, the increase in "cash & cash equivalents" on the same period last year (+€626.1m) and compared to 2020 year-end amount (+€686.2m) is primarily the result of the dividend (€616.7m) and the proceed from capital reduction (€107.6m) received from Belron in H1 2021 (see note 10), partially offset by the payment in June 2021 of the dividend (€72.9m) to the shareholders of D'Ieteren.

As at the 30 June 2021, in the D'Ieteren Automotive segment, the increase in current Loans and Borrowings compared to the 31 December 2020 and the 30 June 2020 is mainly explained by the increase of loans toward the joint venture VDFin, repayable within the year.

As at the 30 June 2020, in the D'Ieteren Automotive segment, the current provisions include, amongst other amounts, the provision related to the project carried out for accelerating the transformation of its activities.

As at the 30 June 2020, in the Corporate & unallocated segment, the non-current provisions included the €8.2m provision related to the decision of the Board of Directors, as announced on 27 April 2020, to allocate the initially planned dividend increase of €0.15 per share to a solidarity program that will help employees of D'Ieteren Group who may suffer hardship as a consequence of the Covid-19 crisis. As at the 30 June 2021, remaining provision amounts to €5.4m and is classified as current provision (see note 4.1).

As at the 30 June 2021 and 30 June 2020, 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 – see note 10).

As at the 30 June 2021 and 30 June 2020, right-of-use assets recognised under IFRS 16 are included in the line "Property, plant and equipment". The related lease liabilities are accounted for under "Loans and borrowings".

Note 5: Revenue

Disaggregation of revenue issued from contracts with customers for the 6-month period ended 30 June 2020 and 30 June 2021 is presented in the table below:

€m	2021	2020(1)
D'Ieteren Automotive		
New vehicles	1,554.0	1,281.7
Used cars	123.5	35.1
Spare parts and accessories	119.7	103.3
After-sales activities of the owned dealerships	26.1	22.6
D'Ieteren Sport	-	17.8
Other revenue	20.8	9.3
Subtotal D'Ieteren Automotive	**1,844.1**	**1,469.8**
Moleskine		
Europe, Middle-East and Africa (EMEA)	20.4	16.3
America	20.0	18.3
Asia-Pacific (APAC)	6.6	6.4
Subtotal Moleskine	**47.0**	**41.0**
Total Revenue	**1,891.1**	**1,510.8**

(1) As restated to reflect the reclassification of €17m from "After-sales activities of the owned dealerships" to "Spare parts and accessories" in the framework of continuous improvement of the financial reporting presentation.

Note 6: Earnings per share

Earnings per share ("EPS") and earnings per share for continuing operations ("Continuing EPS") are shown above 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).

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 weighted average number of ordinary shares outstanding during the period is 53,345,978 (53,536,682 in the prior period) and the weighted average number of ordinary shares taken into account for diluted EPS is 53,916,553 (53,899,833 in the prior period). The decrease in the average number of ordinary shares outstanding is the result of the movement in treasury shares.

The options over ordinary shares of the Company increased the weighted average number of shares of the Company taken into account for diluted earnings per share in the first half of 2020 and 2021 as some option exercise prices were below the average market share price.

Note 7: Share-based payments

Corporate

There is in the Group an equity-settled share-based payment scheme. Since 1999, share option schemes have been granted to officers and managers of the Corporate & unallocated segment, in the framework of the Belgian law of 26 March 1999. The underlying share is the ordinary share of D'Ieteren Group SA/NV. Under these schemes, vesting conditions are three years' service from grant date and holders of vested options are entitled to purchase shares at the exercise price of the related scheme during the exercise period.

Note 7: Share-based payments (continued)

A reconciliation of the movements in the number of outstanding options during the period is as follows:

	Number (in units)	
	30 June 2021	**30 June 2020**
Outstanding options at the beginning of the period	975,762	1,059,140
Granted during the period	172,000	166,500
Exercised during the period	-91,253	-147,108
Other movements during the period	-652	-
Outstanding options at the end of the period	**1,055,857**	**1,078,532**
of which: exercisable at the end of the period	*345,357*	*366,179*

All outstanding options are covered by treasury shares (see note 11).

During the period, one new plan totalling 172,000 options was granted at the exercise price of €68.26 and with an exercise period starting 1 January 2025 and ending in March 2031.

D'Ieteren Automotive

In April 2021, D'Ieteren Automotive implemented a new Long Term Incentive Plan (LTIP) also classified as a cash-settled share-based payment plan. The incentives have been granted in the form of stock options to selected key managers of D'Ieteren Automotive and its subsidiaries. Underlying shares are ordinary shares of D'Ieteren Automotive (non-listed shares).

A total number of 272,601 options (on a total number of available options for this plan of 365,142 options - representing ca 9% of the issued capital) has been granted to the managers. Those options may be exercised from the third calendar year after the offer has been made during three exercise periods, the last period ending on the 21 March 2027. All granted options are therefore outstanding as per the 30 of June 2021 with a weighted average remaining contractual life of 5.7 years.

The fair value of the options granted has been assessed on the date of the issue based on a discounted cash flow model built using latest 5Y plan (2021-2025) of D'Ieteren Automotive.

IFRS2 "Share-based Payments" requires D'Ieteren Automotive to remeasure the fair value of the liability at the end of each reporting period and at the date of settlement, with any changes in fair value recognized in profit or loss for the period. As per the 30 of June 2021, a non-cash charge of €1.1m has been recognized in employees benefit expenses for this share-based payment plan.

Note 8: Income tax expense

The Group's consolidated effective tax rate for the six months ended 30 June 2021 is 10.5% (six months ended 30 June 2020: 19.2%). The decrease in effective tax rate is primarily the result of the impairment charge (-€21.0m) recognised in the Moleskine segment at half-year 2020, for which no tax relief was available, and of the increase of the result of the equity accounted investees, presented net of tax in the line "Result before tax".

Note 9: Goodwill and non-current assets

IAS 36 "Impairment of Assets" requires an impairment test to be performed annually and at each reporting date when there is an indication of a possible impairment (a triggering event).

The Board of Directors of the Company did not identify any indication of possible impairment on the Moleskine CGU and on its investment in Belron (equity-accounted investee) nor on the assets of D'Ieteren Automotive for the period ended 30 June 2021.

Note 10: Equity-accounted investees

In 2021 and 2020, two entities are accounted for using the equity method.

€m	30 June 2021			31 December 2020		
	D'Ieteren Automotive	Belron	Group	D'Ieteren Automotive	Belron	Group
Interests in joint ventures	92.5	5.8	98.3	88.8	586.6	675.4
Total of equity-accounted investees and long-term interests in equity-accounted investees	**92.5**	**5.8**	**98.3**	**88.8**	**586.6**	**675.4**

€m	30 June 2021			30 June 2020		
	D'Ieteren Automotive	Belron	Group	D'Ieteren Automotive	Belron	Group
Share of profit in joint ventures	3.7	132.1	135.8	-	55.4	55.4
Total of share of result after tax of equity-accounted investees and long-term interests in equity-accounted investees	**3.7**	**132.1**	**135.8**	**-**	**55.4**	**55.4**

Belron

In 2021 and in 2020, the largest equity-accounted investee is Belron Group s.a. ("BGSA"), being the joint venture holding the Belron activities (see note 1 for more information), owned 50.01% in economic rights by the Group on fully diluted basis. The Group has joint control over BGSA as a result of some reserved matters being shared with Clayton, Dubilier & Rice ("CD&R").

At inception (February 2018), the capital structure of BGSA was composed of voting ordinary shares (ca. 3 % of total equity) and non-voting preference shares (ca. 97% of total equity), in the same proportion between shareholders (the Group, CD&R, and the family holding company of Belron's CEO). For the years 2020 and 2021, preference shares bear a fixed annual compounding dividend rate of 10% (any distribution being first allocated to the preference shares in order to satisfy the accumulated dividend and to redeem the subscription amount of preference shares).

A Management Reward Plan (MRP) involving about 250 key employees was set up on 15 June 2018. The participants of the MRP acquired non-voting equity instruments in BGSA (representing the fair value of various classes of equity instruments, being all treated as equity under IFRS). Part of the issued equity consists of "ratchet shares" which will allow management to enjoy additional returns if certain performance hurdles (IRR and Cash on Cash) are satisfied at exit, which will result in additional dilution for existing 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 4.2 segment information.

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

At half year 2021, 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.

In the consolidated statement of comprehensive income, the lines "Equity-accounted investees – share of OCI" mainly relate to the re-measurements of defined benefit assets/liabilities, 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 6-month period ended 30 June 2021 and 30 June 2020. The Group's share in net result is computed based on a weighted average percentage of 53.65% in 2021 and 54.79% in 2020.

Note 10: Equity-accounted investees (continued)

€m		30 June 2021	30 June 2020
Revenue		2,321.4	1,853.3
Profit before tax		345.2	134.2
Result for the period (100%)		246.2	101.1
Other comprehensive income (100%)		22.9	-22.8
Profit (or loss) and total comprehensive income (100%)		269.1	78.3
Group's share of profit (or loss) and comprehensive income		**143.5**	**44.5**
of which:	*Group's share of profit (or loss)*	*132.1*	*55.4*
	Group's share of other comprehensive income	*11.4*	*-10.9*

Given the equity structure described above, the Group’s share in the net result of Belron for the 6-month period ended 30 June 2021 and 30 June 2020 was determined based on the Group’s percentage of ownership in the preference shares (for the fixed annual compounding dividend rate of 10% which benefits to preference shares) and based on the Group’s percentage of ownership in the ordinary shares (for the net result in surplus, after deduction of the fixed dividend of the preference shares). This calculation resulted in a Group’s share in the net result of Belron computed based on a weighted average percentage of 53.65% (54.79% in 2020), corresponding to a Group’s share in the profit of Belron of €132.1m (out of which €21.6m relate to preference shares and €110.5m relate to ordinary shares). The 2020 calculation took into account the €150m non-voting preference shares acquired by the Group in February 2020 (these shares were previously held by CD&R).

Having converted in June 2021 its remaining preference shares into ordinary shares (as at 30 June 2021 there are no preference shares remaining in the equity of BGSA), the Group has reaffirmed its long-term commitment to Belron with a 50.01% shareholding (on a fully diluted basis including all management shares).

The reconciliation of the Group’s share in the net assets of BGSA from 31 December 2020 to 30 June 2021 is presented below:

€m	
Group's share of net assets at 31 December 2020	**586.6**
Group's share in profit (or loss) and comprehensive income	143.5
Dividends (Group's share)	-616.7
Share capital redemption (group's share)	-107.6
Group's share of net assets at 30 June 2021	**5.8**

As at 30 June 2021, BGSA owns €40.2m of its own shares previously held by MRP participants. As the repurchase transaction took place at fair value (the fair value of the own shares repurchased corresponds to the cash-out made to acquire these shares at transaction date), the transaction did not impact the carrying amount of the equity-accounted investee that the Group owns in BGSA as at 30 June 2021.

D’Ieteren Automotive

In 2021 and in 2020, 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.

Note 10: Equity-accounted investees (continued)

€m	30 June 2021	31 December 2020
Non-current assets	1,697.6	1,607.3
Current assets (excluding cash and cash equivalents)	983.0	966.9
Cash and cash equivalents	116.7	54.8
Non-current liabilities (excluding financial liabilities)	-8.4	-8.5
Non-current financial liabilities	-1,058.8	-954.9
Current liabilities (excluding financial liabilities)	-193.5	-147.5
Current financial liabilities	-1,351.5	-1,340.5
Net assets (100%)	185.1	177.6
Group's share of net assets (49.99%) and carrying amount of interest in joint venture	**92.5**	**88.8**

€m	30 June 2021	30 June 2020
Revenue	300.2	301.1
Profit before tax	9.4	1.6
Result for the period (100%)	7.5	-
Other comprehensive income (100%)	-	-
Profit (or loss) and total comprehensive income (100%)	7.5	-
Group's share of profit (or loss) and comprehensive income (49.99%)	**3.7**	**-**

Note 11: Capital and reserves

The Ordinary General Meeting of 27 May 2021 decided to distribute a gross ordinary dividend of €1.35 per share for the year 2020. Payment of the dividend started on 3 June 2021. The aggregate dividend amounts to €72.9m.

Treasury shares (1,056,509 at the end of the period; 987,392 at 31 December 2020; with a corresponding movement of -€10.5m in the Treasury shares reserve during the period) are held to cover the stock option plans set up by the Company since 1999 (see note 7 of these condensed consolidated interim financial statements and note 9 of the 2020 annual consolidated financial statements).

The controlling shareholders are listed below:

Shareholders with controlling interest according to the declaration of transparency dated 2 November 2011, and to further communications to the company (of which the latest on 23 July 2021).	**Capital shares**		**Participating shares**		**Total voting rights**	
	Number	**%**	**Number**	**%**	**Number**	**%**
s.a. de Participations et de Gestion, Brussels	12,416,406	22.84%	0	0.00%	12,416,406	20.91%
Reptid Commercial Corporation, Dover, Delaware	1,943,500	3.57%	0	0.00%	1,943,500	3.27%
Mrs Catheline Périer-D'Ieteren	0	0.00%	1,250,000	25.00%	1,250,000	2.11%
Mr Olivier Périer	10,000	0.02%	0	0.00%	10,000	0.02%
The four abovementioned shareholders (collectively "SPDG Group") are associated.	**14,369,906**	**26.43%**	**1,250,000**	**25.00%**	**15,619,906**	**26.31%**
Nayarit Participations s.c.a., Brussels	17,684,020	32.53%	0	0.00%	17,684,020	29.79%
Mr Nicolas D'Ieteren	10,000	0.02%	3,750,000	75.00%	3,760,000	6.33%
The two abovementioned shareholders (collectively "Nayarit Group") are associated.	**17,694,020**	**32.54%**	**3,750,000**	**75.00%**	**21,444,020**	**36.12%**
The shareholders referred to as SPDG Group and Nayarit Group act in concert.						

Note 12: Financial instruments

Financial instruments measured at fair value in the consolidated statement of financial position

All Group's financial assets and liabilities measured at fair value in the consolidated statement of financial position are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: quoted market prices in an active market (that are unadjusted) for identical assets and liabilities;
- Level 2: valuation techniques (for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable);
- Level 3: valuation techniques (for which the lowest level input that is significant to the fair value measurement is unobservable).

At the end of June 2021, the only significant Group's financial assets measured at fair value in the consolidated statement of financial position are the money-market assets (€171.8m classified in "Current financial Investments" in the consolidated statement of financial position), classified in level 1. Put options and related call options (see note 17 of 2020 Consolidated Financial Statements) related to the interest held by the family holding company of the Belron's CEO are classified in level 3.

Fair value disclosed

For all Group's financial assets and liabilities not measured at fair value in the consolidated statement of financial position, their fair value approximates their carrying amount.

Note 13: Subsequent events

On the 9th of July 2021, D'Ieteren Group announced that it has signed an agreement to acquire a 40% stake in TVH Parts from the Vanhalst family and agreed on a partnership with the Thermote family to support the development of the company over the long term. The agreement valued the company at an enterprise value of €3,650m. TVH Parts is headquartered in Waregem (Belgium) and has become the global independent leader for aftermarket parts related to material handling, construction & industrial, and agricultural equipment. Closing of the transaction is subject to customary merger control filings and regulatory approvals, and expected in the course of Q4 2021.

The investment in TVH Parts as a new pillar to the D'Ieteren Group underlines D'Ieteren Group's commitment to invest in and support the development of companies leading their industries, that enjoy long term growth perspectives, and have highly competent management teams with the ambition to make a difference.

On the 12th of July 2021, D'Ieteren Group announced that Hellman & Friedman ('H&F'), funds and accounts managed by BlackRock Private Equity Partners ('BlackRock'), and GIC have signed an agreement to acquire a combined stake of up to 13.0% in Belron, previously held by CD&R, valuing Belron at an Enterprise Value ('EV') of €21bn, resulting in an equity value of €17.2bn. The agreement also foresees a new capital allocation policy with an intention to gradually reduce Belron's leverage to 3x EBITDA by 2025.

D'Ieteren Group has reaffirmed its long-term commitment to Belron and keeps the entirety of its shareholding, namely 50.01% of the company's fully diluted share capital (including all management shares), having previously converted its remaining preference shares into ordinary shares. CD&R will retain a fully diluted shareholding of approximately 24% in Belron. H&F will become the third largest shareholder of Belron with a c.9% fully diluted shareholding.

No other significant transactions out of the ordinary course of business occurred between the closing date and the date these condensed consolidated interim financial statements were authorised for issue.

Auditor’s Report

Statutory auditor's report to the board of directors of D’Ieteren Group SA/NV on the review of the condensed consolidated interim financial information as at 30 June 2021 and for the 6-month period then ended

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of D’Ieteren Group SA as at 30 June 2021, the consolidated statements of profit or loss, of comprehensive income, of changes in equity and the condensed consolidated statement of cash flows for the 6-month period then ended, and notes to the interim financial information (“the condensed consolidated interim financial information”). The board of directors is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, “Interim Financial Reporting” as adopted by the European Union. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at 30 June 2021 and for the 6-month period then ended is not prepared, in all material respects, in accordance with IAS 34, “Interim Financial Reporting” as adopted by the European Union.

Zaventem, 1 September 2021

KPMG Bedrijfsrevisoren - Réviseurs d’Entreprises
Statutory Auditor
represented by

Axel Jorion
Bedrijfsrevisor / Réviseur d’Entreprises