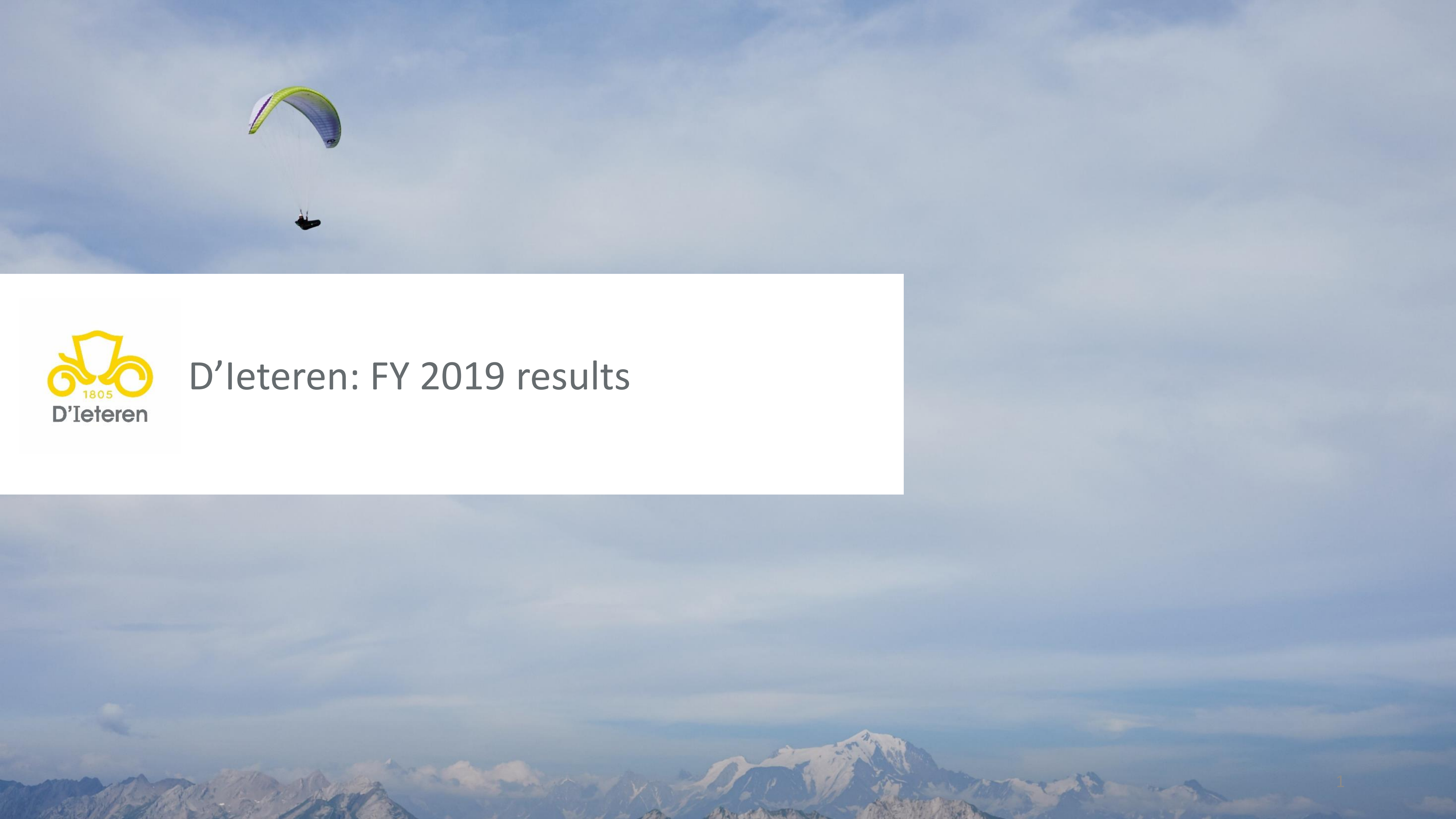


# D’Ieteren: FY 2019 results

# Three key messages

***Note: comments in this presentation refer to the figures on a "Pre-IFRS 16" basis unless stated otherwise.***

- As a Group, we made a **substantial profit jump of +40%** in ***adjusted*** **PBT g.s.** in 2019**,** driven by **Belron's excellent performance** and by another year of **improvement at D'Ieteren Auto.**

- For **2020**, we aim to increase our ***adjusted*** **PBT g.s**. by **at least 25% (**post-IFRS 16). This guidance doesn't take into account potential risks and consequences related to the Coronavirus (COVID-19)

- A gross ordinary **dividend per share** of **EUR 1.15** will be proposed**, up 15%** from last year

# 2019 Highlights

**Overall:**

- D'Ieteren Group's KPI – ***adjusted* PBT g.s. rose by 40%** (guidance: "about 35% higher") to EUR 301 million on a comparable basis. In post-IFRS 16 terms, our PBT g.s. reached EUR 295 million
- Combined[1] Group **sales** grew with 8.2%, and jumped over the **EUR 8 billion** mark
- D'Ieteren Group's *adjusted* **FCF**[2] g.s. reached **EUR 215 million** (EUR 25 million in 2018). The **net cash position of "Corporate & Unallocated"** equalled **EUR 1.5 billion** at the end of 2019

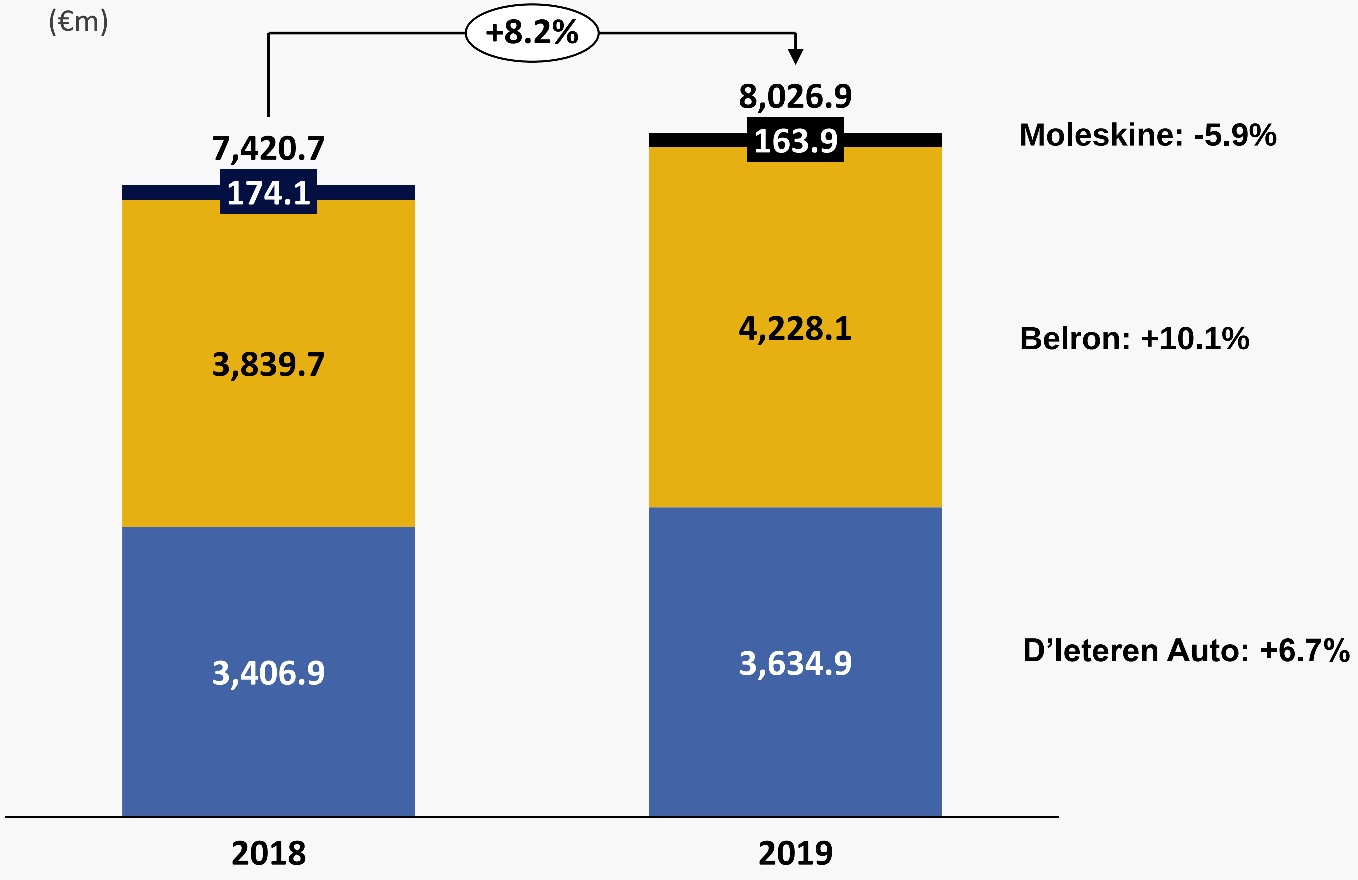
**Activities:**

- **Belron's significant step up in profits** is a reflection of **robust sales growth in the US and the success of the Fit for Growth program** in all geographies
- **D'Ieteren Auto** managed to increase its share in a market that was more resilient than expected. The positive impact from **higher volumes** and **improved gross margins** at the **Import** activity was partly offset by a **lower profit** contribution from the **Retail** activity
- **Moleskine's performance** was **disappointing** in terms of **sales and profits.** Its ***adjusted* FCF however improved nicely** through effective inventory management. The **focus in 2020** will be on **streamlinin**g the organization. The **new CEO** will join the company in April



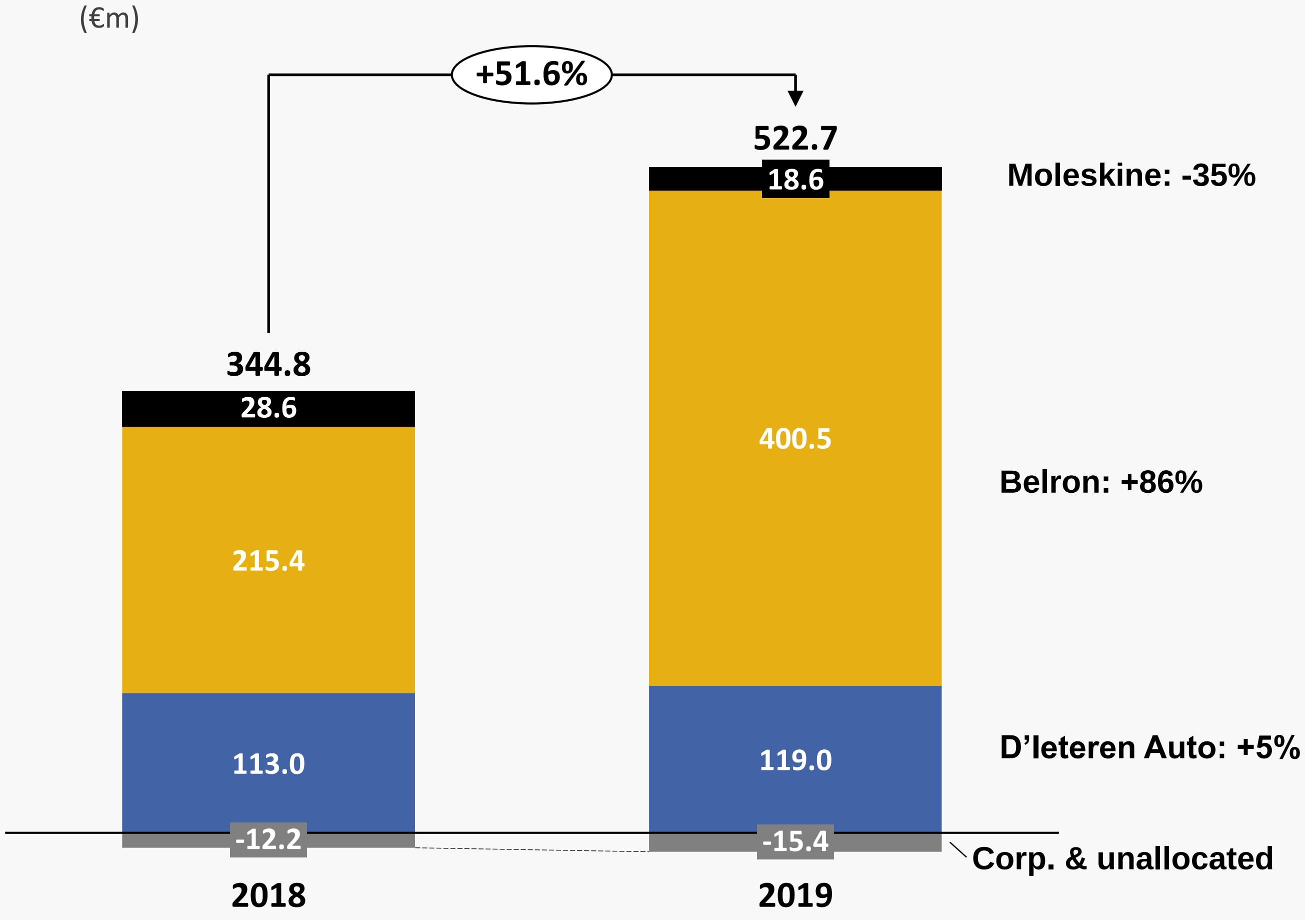
[1] Belron at 100%     [2] *Adjusted* Free Cash Flow = *Adjusted* EBITDA +/- non-cash items - net interest paid - taxes paid - changes in WCR – net capex. Belron: before LTIP payment

# Combined[1] group sales: +8.2%



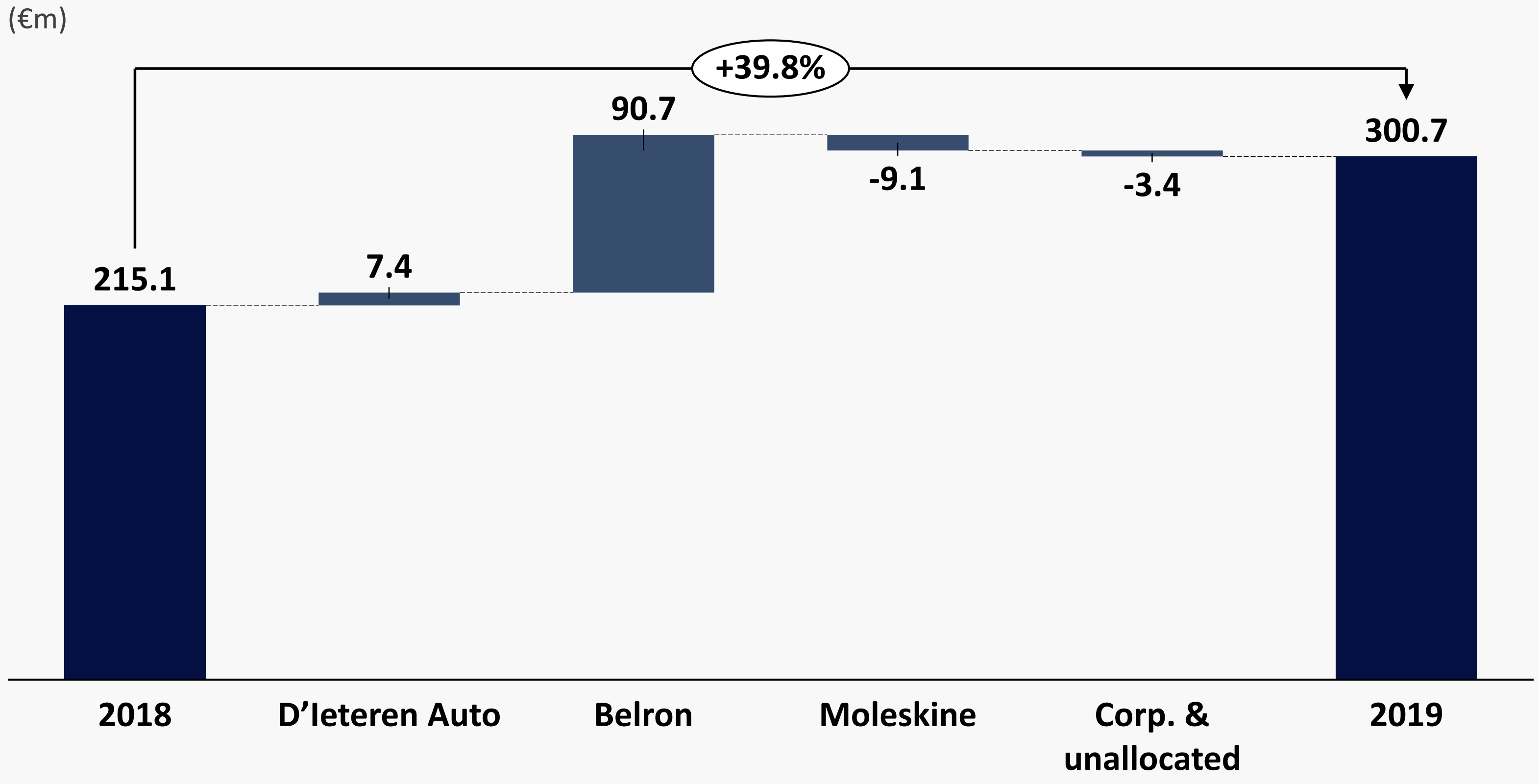

[1] Including 100% of Belron

# Combined *adjusted* operating result[1]: +51.6%




[1] Including 100% of Belron. After EUR 10.3 million depreciation in 1 Jan-7 Feb 2018 at Belron

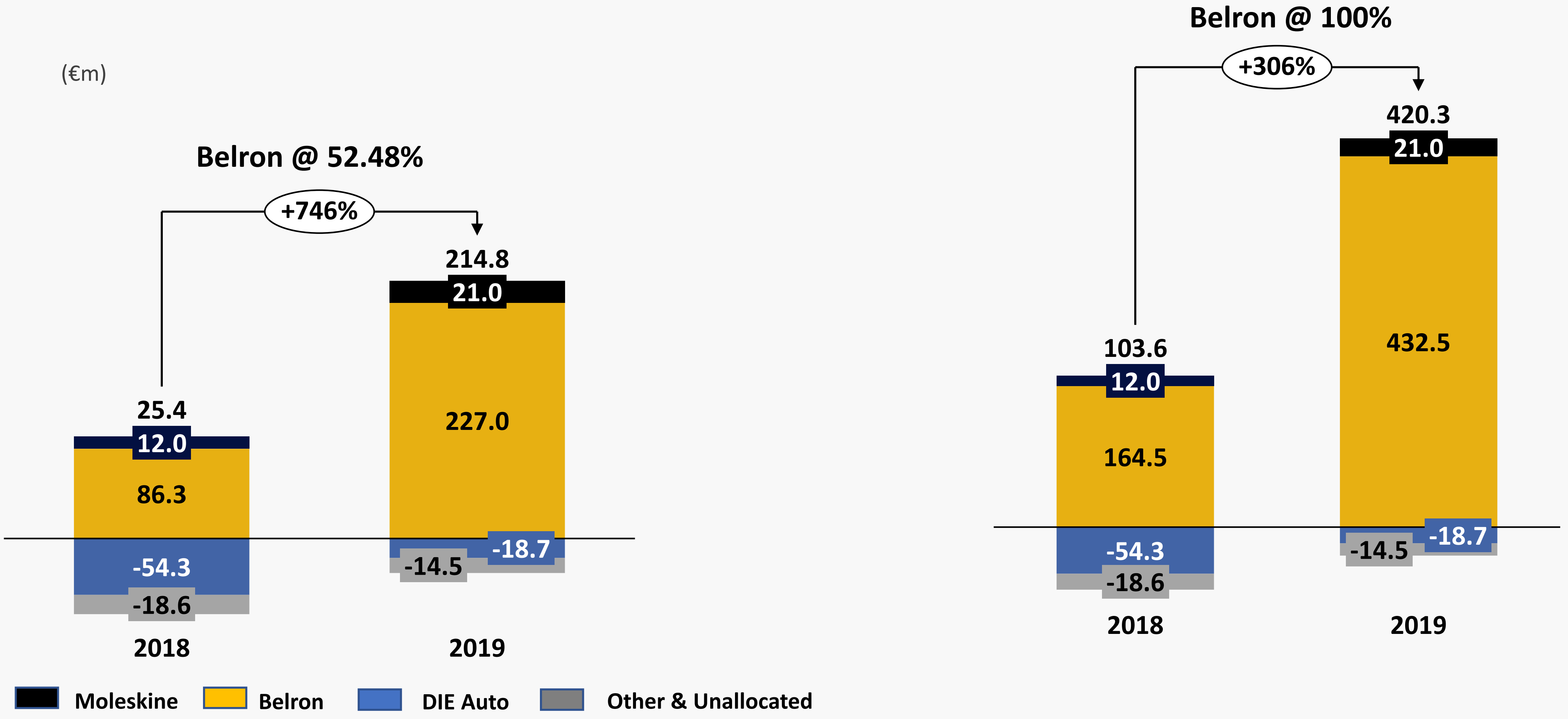
# *Adjusted* PBT g.s.: +39.8% at comparable perimeter[1]




[1] Pre-IFRS 16 and assuming 52.48% stake in Belron in 2018 and 2019. After EUR 10.3 million depreciation in 1 Jan-7 Feb 2018 at Belron

# *Adjusted* free cash flow generation

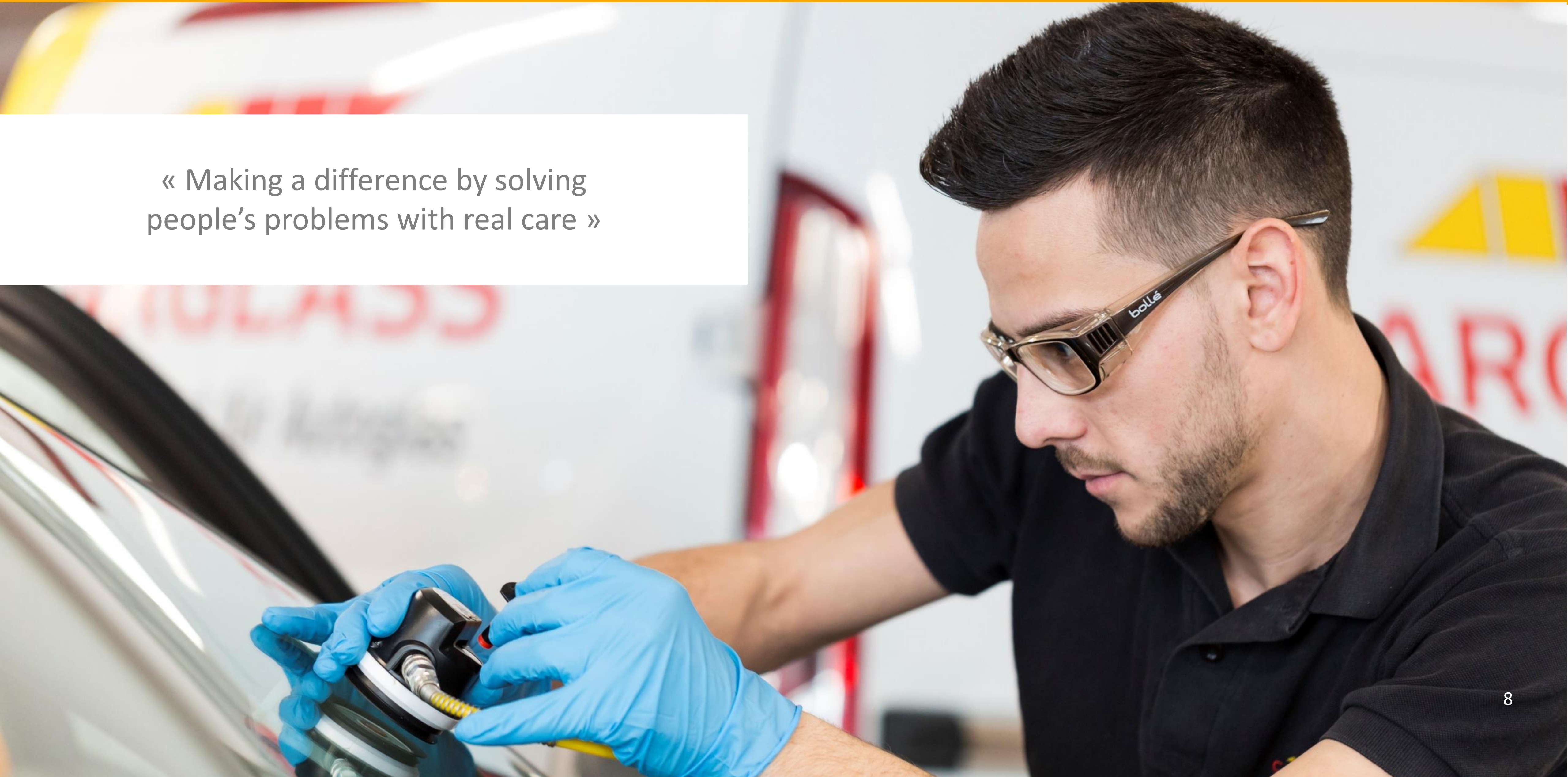
- D'Ieteren Group's *adjusted* FCF[1] improved by EUR 317 million including Belron at 100% or by EUR 189 million including Belron at 52.48%




[1] *Adjusted* Free Cash Flow = *Adjusted* EBITDA +/- non-cash items - net interest paid - taxes paid - changes in WCR – net capex. Belron's *adjusted* FCF: before LTIP payment.

BELRON®

« Making a difference by solving people’s problems with real care »



# Highlights

- **Belron's 10.1% sales growth** in 2019 was underpinned by **7.5% organic growth**
- **Organic sales growth** was driven by moderate **market growth in the US**, **market share gains**, a positive **model mix effect**, an increasing number of **VGRR recalibrations** and a higher attachment rate in Value Added Products and Services **(VAPS)**
- ***Adjusted* operating result** reached EUR 400.5 million: +77.4% or **+85.9% on a comparable basis**[1] underpinned by **value growth**, notably from product mix, and **tight control of costs**
- ***Adjusted* PBT g.s.** amounted to **EUR 172.8 million: +110.5%** on a comparable basis[1,2]
- **Exemplary NPS of 84.2%** reflects Belron's vision: **"making a difference by solving people's problems with real care"**
- **FY 2020 guidance: post-IFRS 16 *adjusted* PBT g.s. is expected to improve by 35-40% on a comparable basis**[2]
- **TruRoad** (US acquisition) was **successfully integrated** in 4Q 2019


[1] After deduction of a EUR 10.3 million depreciation charge for 1 Jan–7 Feb 2018
[2] Assuming 52.48% stake in Belron in 2019 and 2020.

# Double-digit organic sales growth in North America

- **Total sales rose by 10.1%** to EUR 4,228.1 million
- **Sales from continuing operations increased by 11.3%** to EUR 4,221.9 million underpinned by **organic growth of 7.5%**
- **Geographic split** (continuing operations):
  - ✓ **North America** (54% of total sales): USA and Canada
  - ✓ **Eurozone** (33% of total): France, Germany, Belgium, Spain, Italy, Netherlands, Switzerland, Portugal and Austria
  - ✓ **ROW** (13% of total): UK, Australia, Norway, New Zealand, Sweden, Denmark and Finland

| **Sales growth** | Organic | Acquisitions | Forex | **Total cont. ops.** | Disposals | **Total** |
|---|---|---|---|---|---|---|
| North America | 13.1% | 2.1% | 5.0% | 20.2% | - | 20.2% |
| Eurozone | 2.4% | 0.2% | 0.1% | 2.7% | -1.8% | 0.9% |
| ROW | 1.1% | 1.0% | -0.2% | 1.9% | -2.7% | -0.8% |
| **TOTAL** | **7.5%** | **1.3%** | **2.5%** | **11.3%** | **-1.2%** | **10.1%** |

- **Higher VGRR market volumes and market share gains in the US**
- **Lower markets volumes in the Eurozone and ROW** essentially due to milder winter conditions
- **Higher average job prices** due to increased **windscreen complexity and model mix**
- **Recalibrations: 875k (+112% y/y**)
- Higher sales of **value added products (VAPS):** attachment rate of 19% (vs 14% in 2018)
- **Stronger USD**, CAD and GBP

# Strong rise in *adjusted* operating result

- **The *adjusted* operating result rose by 77.4% to EUR 400.5 million or by 85.9% after deduction of a EUR 10.3 million depreciation charge**[1] **in 2018**
- The **step up in results mainly** reflects the **success** of the **acceleration** dimension of the **Fit for Growth** program which mainly focused on **product mix/value**, **recalibrations**, **VAPS**, **productivity** and **direct procurement** in 2019. It resulted in **a significant fall through** of additional sales to the operating result
- The **results improved across the board** (North America, the Eurozone and the ROW)
- **EUR 59.8 million ELTIP charge** (2018: EUR 34.1 million) relates to the legacy LTIP plan. Note: there won't be any charges related to this programme as from 2020

[1] Note that according to IFRS 5, Belron's assets and liabilities were classified under 'Non-current assets/liabilities classified as held for sale' as from 28 November 2017 when D'Ieteren and CD&R signed a definitive agreement regarding CD&R's acquisition of a 40% stake in Belron. Under IFRS 5, these tangible and intangible fixed assets were not depreciated between 1 January 2018 and 7 February 2018, which had a positive impact of EUR 10.3 million (at 100%) on Belron's *adjusted* operating result in 2018

# Summary of 2019 results

| *€m* | **2018** | **2019** | *% change* |
|---|---|---|---|
| **Total number of consumers *(in million)*** | 18.21 | 18.18 | *-0.2* |
| **External sales** | 3,839.7 | 4,228.1 | *10.1* |
| ***Adjusted* operating result** | 225.7 | 400.5 | *77.4* |
| *Adjusted operating margin* | *5.9%* | *9.5%* | |
| *Adjusted* net finance costs | -59.1 | -71.4 | *20.8* |
| *Adjusted* PBT | 166.6 | 329.2 | *97.6* |
| ***Adjusted* PBT g.s.**[1] | **82.1** | **172.8** | *110.5* |

- The **number of consumers** (including franchisees) served reached **18.2 million (-0,2%)** of which **17.6 million (-0.6%)** in **VGRR** and **Claims Management**
- The ***adjusted* operating margin** improved from **5.9% to 9.5%** after the LTIP charge or from **6.8% to 10.9% before the LTIP charge**

[1] Assuming the same stake in Belron in 2018 as in 2019 (52.48%)

# *Adjusting* items at the level of PBT

| *€m* | **2019** |
|---|---|
| Fair value of fuel hedge instruments | 4.9 |
| Amortisation of brands and customer contracts | -13.6 |
| Impairment of goodwill and non-current assets | -21.3 |
| Other | -37.5 |
| | |
| **Included in operating result** | **-67.5** |
| **Included in net finance costs** | **-4.8** |

- Impairment of goodwill and non-current assets includes:
  - ✓ EUR 21.0 million impairment charge in Italy
  - ✓ EUR 0.3 million impairment charge in the Netherlands
- "Other" include:
  - ✓ EUR 30.7 million in relation to restructurings and integrations (majority of which was spent on the integration of TruRoad)
  - ✓ EUR 6.7 million acquisition/disposal costs
- *Adjusting* items in financial costs relate to dividend recap in Q4 2019

# Cash flow and net debt

- **The *adjusted* free cash flow improved from EUR 164.5 million to EUR 432.5 million (EUR 413.5 million after LTIP payout) in 2019 mainly thanks to:**
  - ✓ EUR 184.4 million rise in the *adjusted* EBITDA
  - ✓ Lower capex and a cash inflow from changes in WCR
- **Net debt increased by EUR 685.8 million (y/y) to EUR 2,324.4 million** due to the issue in Q4 2019 of a new 7-year term loan B and an add-on to the existing EUR term loan. The proceeds of about **EUR 850 million** equivalent were **paid out to the shareholders**
- The Senior Secured **Net Leverage ratio (pro forma adjusted) reached 3.67x** on at the end of 2019

| *€m* | FY 2018 | FY 2019 |
|---|---|---|
| *Adjusted* EBITDA | 341.2 | 525.6 |
| LTIP charge | 34.1 | 59.8 |
| Other non cash items | 1.8 | -0.2 |
| Net interest paid | -57.2 | -65.9 |
| Tax related cash flow | -35.2 | -41.8 |
| Change in WCR | -8.6 | 41.9 |
| Net capex | -111.6 | -86.9 |
| ***Adjusted* free cash flow before LTIP** | **164.5** | **432.5** |
| LTIP payout | -18.9 | -19.0 |
| ***Adjusted* free cash flow after LTIP** | **145.6** | **413.5** |
| Restructurings | -47.2 | -37.7 |
| **Free cash flow** | **98.4** | **375.8** |

# Outlook for 2020

- **Numerous initiatives** are underway within the **Fit for Growth** profit improvement programme which focuses on **accelerating growth** as well as **improving efficiency**
- Belron anticipates **mid-single digit organic sales growth**
- **Post-IFRS 16**: the ***adjusted* PBT g.s.** should **improve by 35-40%.** This guidance assumes average exchange rates that are in line with the rates that prevailed at the end of 2019 and a 52.48% stake in Belron in 2019 and 2020. Note: the 2019 *adjusted* PBT g.s. amounted to EUR 167.6 million on a post-IFRS 16 basis and assuming a 52.48% stake in Belron

# D’IETEREN AUTO

*« Improving the lives of citizens with fluid, accessible and sustainable mobility »*

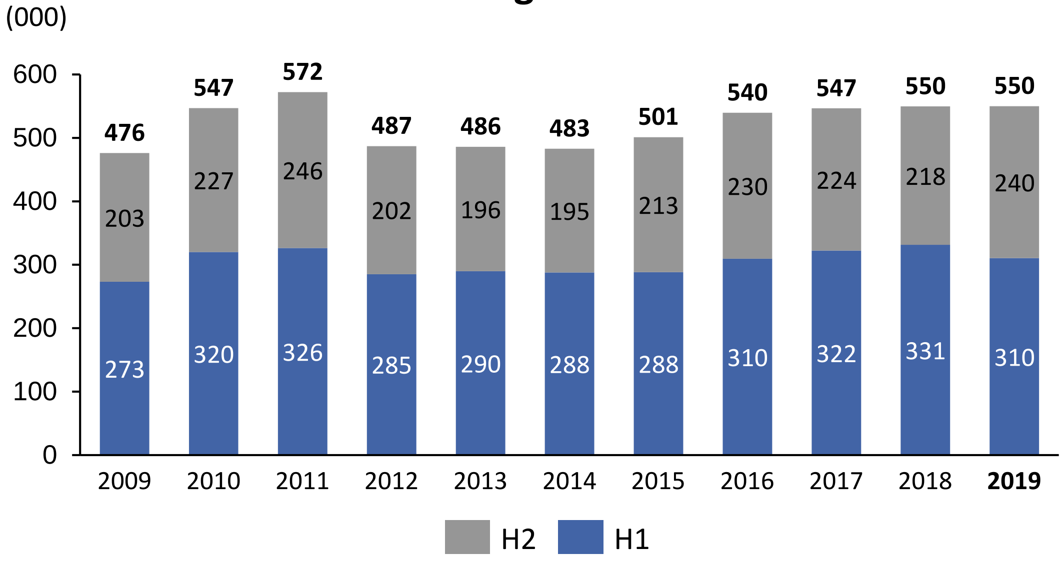
# Highlights

- The number of **Belgian new car registrations rose by 0.1%** to 550,003. The market was **down 2.5%** after exclusion of registrations of less than 30 days. D'Ieteren's share reached **21.60% (+80bps)** on a gross basis and **22.75% (+130bps)** on a net basis
- **Number of new vehicles** delivered by D'Ieteren: 129,575 (+6.1%)
- **Sales and *adjusted* operating result** increased by resp. 6.7% and 5.3%
- **FY 2020 guidance (post-IFRS 16):** D'Ieteren Auto aims at a **higher share** in **a market** that is expected to be '**high single digit' lower** and an ***adjusted* PBT g.s. that is at least flat**. Note: the *adjusted* PBT g.s. amounted to EUR 128.4 million post-IFRS 16 in 2019

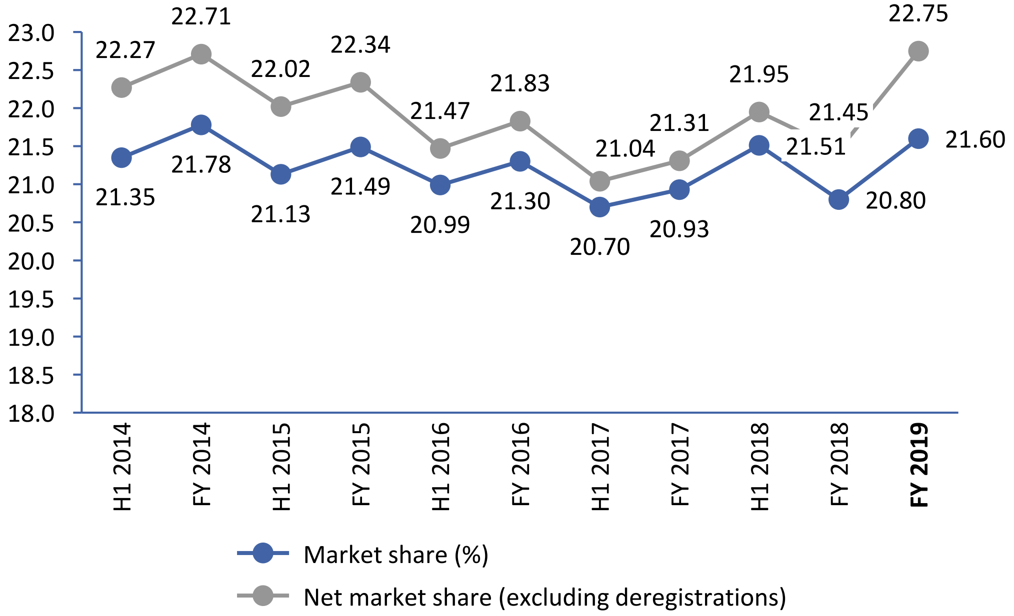
# Belgian new car market remained very strong

- **The Belgian new car market** was **resilient** in spite of a tough comparison base and uncertainty related to the fiscal regime and regulations. **New car registrations reached 550,003 (+0.1%).** This is the second highest level. Excluding registrations of less than 30 days, registrations amounted to **515,051 (-2.5%)**
- Registrations of **new light commercial vehicles** rose by **4.3%** (81,820) and D'Ieteren Auto's market share improved by **23bps to 10.79%**

**New car registrations**[1]




**D'Ieteren Auto's market share (%)**

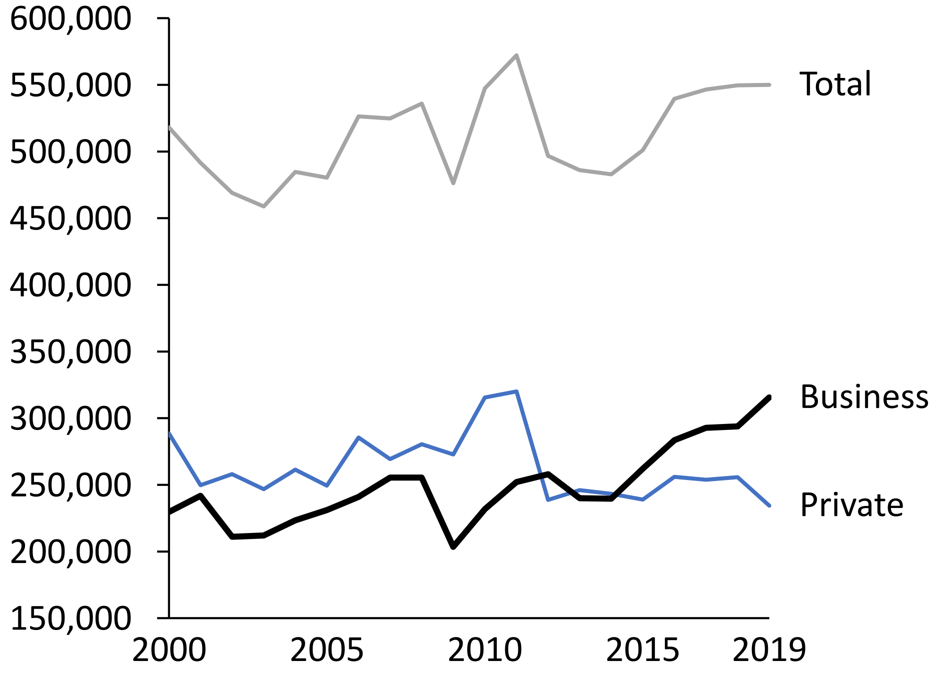



[1] The historical graph above contains gross figures only. In order to provide an accurate picture of the car market, Febiac publishes since mid-2013 market figures excluding registrations that have been cancelled within 30 days.

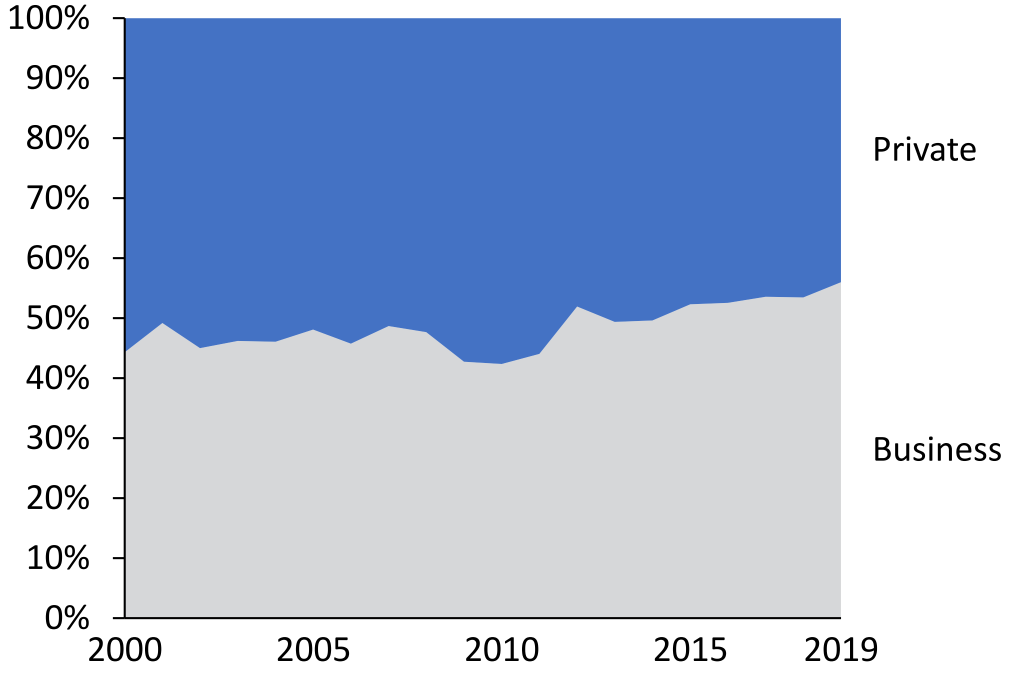
# 2019: new car demand was supported by the business segment

- Demand for new cars was supported by the **business segment (+5%,** representing **56% of total new car registrations[1]**)
- Demand from the **private segment declined by 6%**

**Number of Belgian new car registrations[1]**



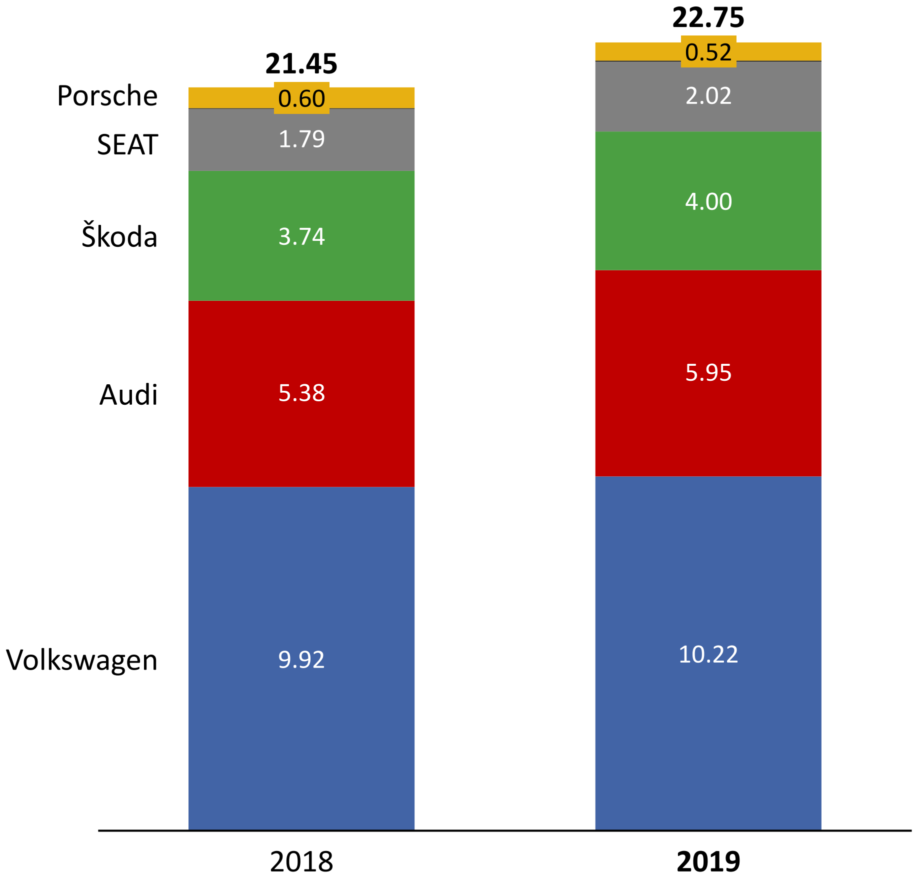

**Belgian new car registrations[1]: buyer mix**




[1] Gross figures (including registrations that have been cancelled within 30 days)

# Solid market share gains in most of the brands

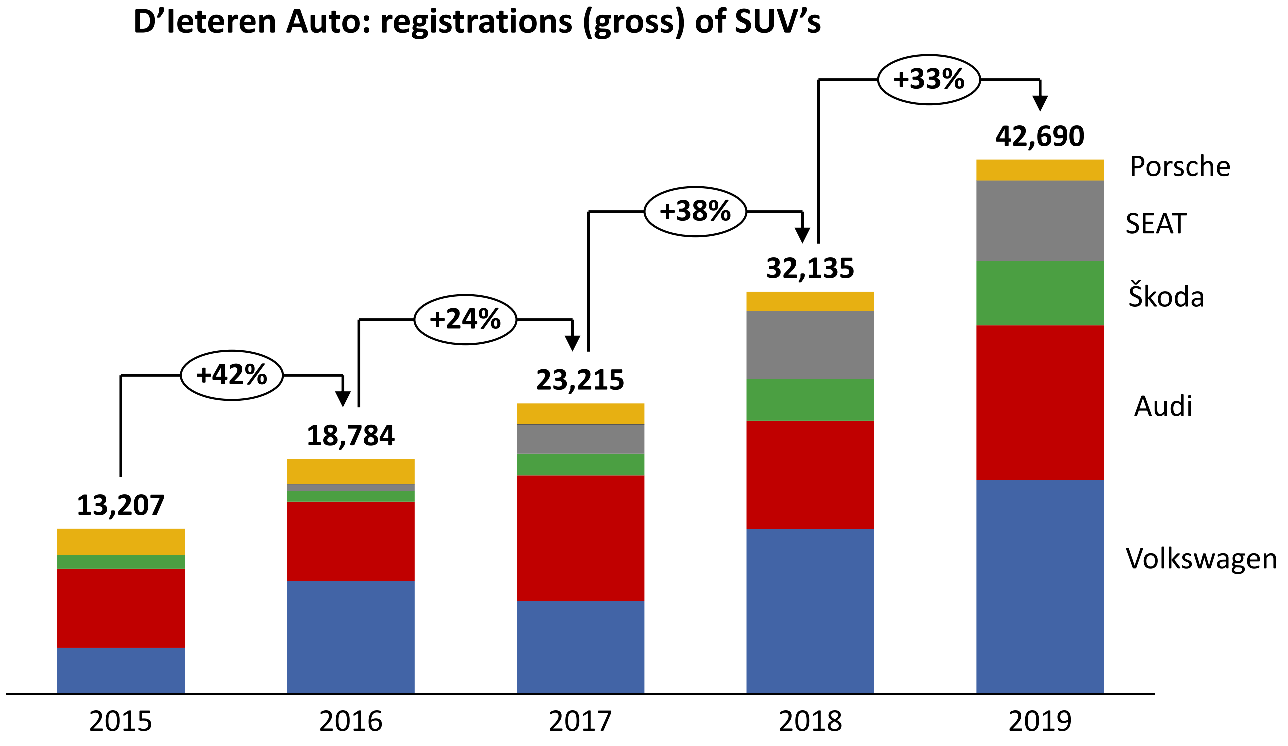
Breakdown of D'Ieteren Auto's net market share per brand (%)

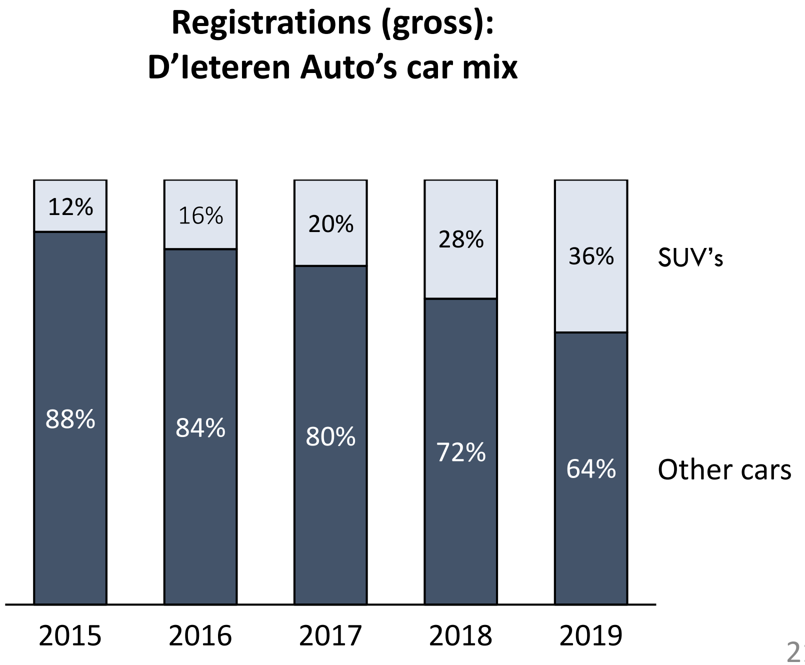



- **VW** (10.22% or **+30bps**) remained the clear market leader. Strong demand for T-Cross and T-Roc
- **Audi** (5.95% or **+57bps**) benefited from the success of the Q3, e-tron, A1, Q8 and A6
- **Škoda's** market share (4.00% or **+26bps**) improved thanks to the Scala and the SUV models (Kodiaq, Karoq, Kamiq)
- **SEAT's** share (2.02% or **+23bps**) was underpinned by the success of the Tarraco, Leon, Ibiza, Arona and Ateca
- **Porsche's** share (0.52% or **-8bps**) was impacted by a change in the fiscal regime governing hybrid cars (Panamera and Cayenne) and production delays for the 911. Demand for the Macan was up sharply

# Success of SUV's continues: growing share in product mix

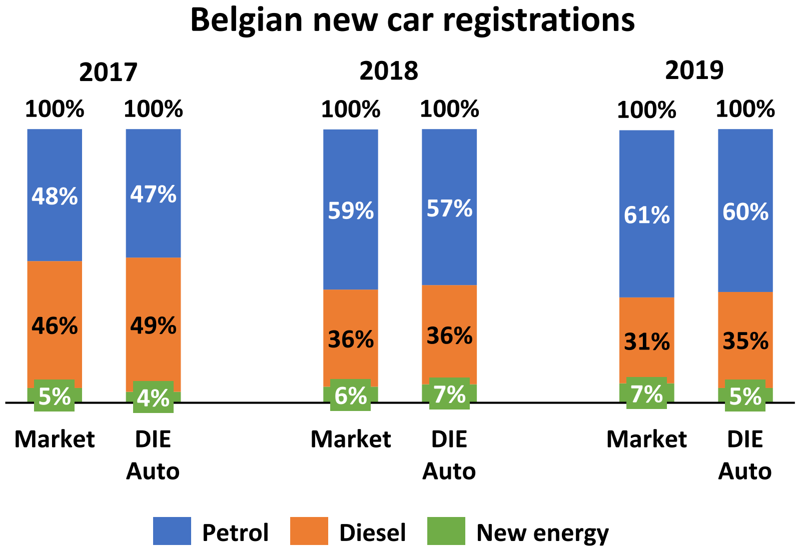
- The **share of SUV's in D'Ieteren Auto's new car mix** increased from 28% in 2018 to **36%** in 2019. This compares with 40% for the Belgian market
- The **33% rise in the number of SUV's sold by D'Ieteren Auto** in 2019 was mainly underpinned by the success of the Audi Q3 and e-tron, the Volkswagen T-Cross and T-Roc, the Škoda Kodiaq and Karoq, the SEAT Tarraco and the Porsche Macan

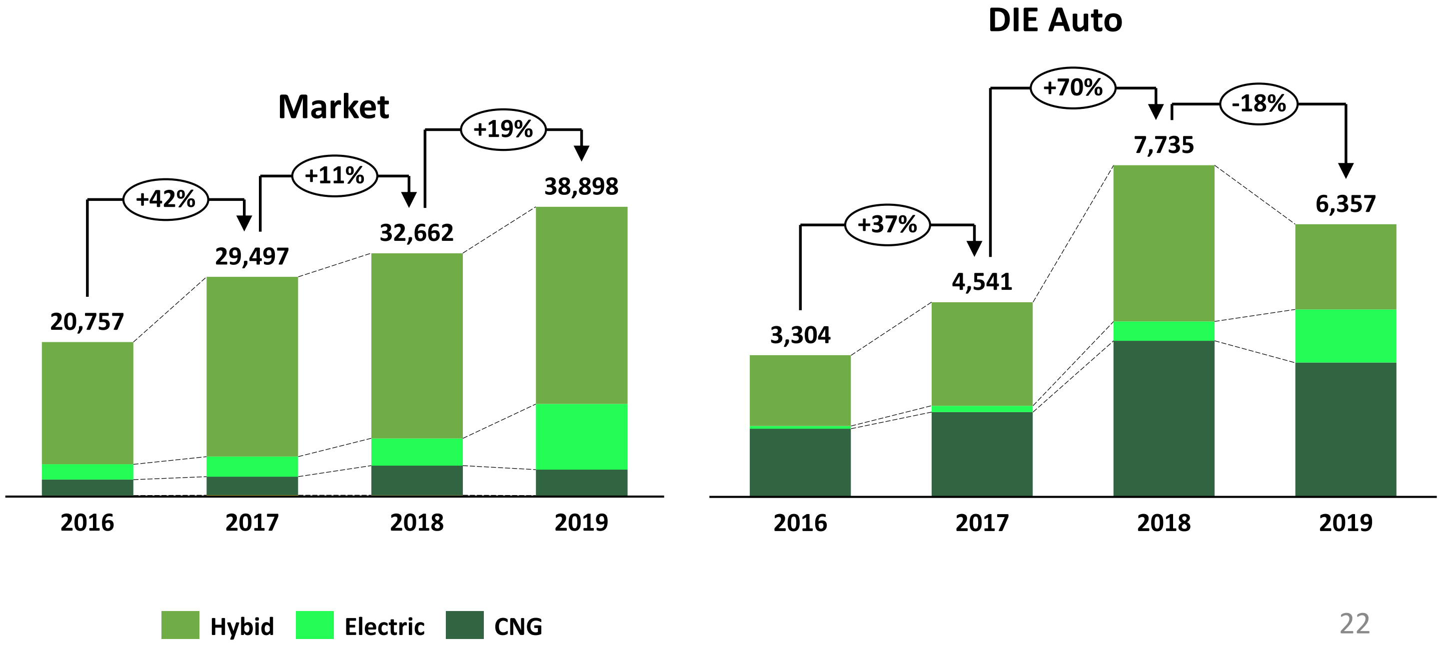


# D'Ieteren Auto: 176% rise in electric cars

- **Belgian new car registrations:**
  - ✓ The decline in the number of diesel cars slowed down to reach a share of 31% in 2019
  - ✓ The number of new energy cars (fully electric, hybrid, CNG, LPG) rose by 19% to 38,898 (7% of total)
  - ✓ The number of fully electric cars reached 8,830 (+142%)
- **D'Ieteren Auto:**
  - The number of new energy cars fell by 1,378 mainly due to a change in the fiscal regime which negatively impacted demand for Audi's and Porsche's hybrid cars
  - The number of fully electric cars rose by 176% to 1,238



# Volkswagen Group is investing heavily in electric mobility

**Source:** Volkswagen-newsroom.com

- **E-offensive:** Volkswagen has launched the **world's largest e-offensive**. The Group is investing 33 billion euros.
- **Models:** By **2029**, Volkswagen is expected to launch **up to 75 all-electric models** across the Group
- **ID. Family:** The completely newly developed, **all-electric model family** starts in 2020

ID.3 to be launched in Belgium in Q3 2020

ID. Space Vizzion concept car

# Sales and *adjusted* operating profit

- The **number of new vehicle** deliveries **increased by 6.1%** to 129,575 (cars +5.9%, commercial vehicles +7.0%)
- The **6.6% rise in new vehicle sales** reflects higher volumes and a positive price/model (more SUVs) effect
- **Total sales rose by 6.7% (+5.8% on a comparable basis)**
- **The *adjusted* operating profit improved by 5.3%** or by 7.9% excluding the impact of the reversal of provisions (EUR 4.5 million in 2018 and EUR 1.9 million in 2019). The improvement reflects:
    - ✓ **Higher new vehicle volumes** and **higher gross margins at the Import activity**
    - ✓ Partly offset by a **lower contribution of the Retail activity** and **higher IT and project related costs**
- The EUR -2.5 million ***adjusting* item** relates to the **Market Area strategy,** which was finalized one year ahead of plan

# Summary of 2019 results

| €m | 2018 | 2019 | % change |
|---|---|---|---|
| **New vehicles delivered *(in units)*** | 122,164 | 129,575 | *6.1* |
| | | | |
| **SALES** | **3,406.9** | **3,634.9** | ***6.7*** |
| ***ADJUSTED* OPERATING RESULT** | **113.0** | **119.0** | ***5.3*** |
| *Adjusted operating margin (in %)* | *3.3%* | *3.3%* | |
| *Adjusted* net finance (costs)/income | -2.6 | -2.6 | |
| Share in *adjusted* net profits of JV and associates | 6.9 | 8.6 | *24.6* |
| ***ADJUSTED PBT*** | **117.3** | **125.0** | ***6.6*** |
| *Adjusted* income taxes | -40.5 | -38.8 | *-4.2* |
| ***ADJUSTED* NET PROFITS** | **76.8** | **86.2** | ***12.2*** |
| *Adjusting items* in net profits | -0.5 | -0.4 | |
| **REPORTED NET PROFITS** | **76.3** | **85.8** | ***12.5*** |
| | | | |
| ***ADJUSTED* PBT g.s. (incl g.s. in VDFin's adj PBT )** | **121.0** | **128.4** | ***6.1*** |

# *Adjusted* free cash flow and net debt

- The ***adjusted* free cash flow reached EUR -18.7 million in 2019 versus EUR -54.3 million in 2018** reflecting:
  - ✓ **Higher *adjusted* EBITDA**
  - ✓ **The impact from “other non-cash items”** (provisions and inventory write-downs)
  - ✓ A **lower cash outflow related to changes in WCR**. The **EUR 48.7 million increase in inventories** reflects a spike in (early) deliveries by the factories at year end and the extension of Retail network. Receivables increased by EUR 62.6 million to EUR 414.2 million due to a timing effect related to invoicing
  - ✓ **Higher capex** mainly reflects IT investments (e.g. dealer management system and software for the management of spare parts) and the outfitting of a new Porsche dealership
- **Net debt** increased by EUR 59.4 million to **EUR 120.2 million**

| *€m* | 2018 | 2019 |
|---|---:|---:|
| *Adjusted* EBITDA | 120.7 | 128.9 |
| Other non cash items | -6.1 | 9.2 |
| Other cash items | -3.6 | -3.6 |
| Net interest paid | -2.3 | -1.7 |
| Taxes paid | -24.6 | -38.1 |
| Change in WCR | -120.1 | -86.2 |
| Net capex | -18.3 | -27.2 |
| ***Adjusted* free cash flow** | **-54.3** | **-18.7** |

# Latest developments

**2019 was a pivotal year** marked by **transformation projects** including:

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

1805 D'Ieteren Auto

# Outlook for 2020

- D'Ieteren Auto aims at a **higher market share** in a **Belgian new car market** that is expected to be '**high single digit' lower in 2020.**
- **The *adjusted* PBT g.s** is expected to be **at least flat**
- **Product pipeline in 2020**:
  - ✓ **New models:** Volkswagen T-Roc Cabrio, ID.3, ID.4, Arteon Sportback, Audi e-tron GT, SEAT el-Born, Formentor, Škoda Vision iV, Porsche Taycan Cross Turismo
  - ✓ **Model replacements:** Volkswagen Golf Variant, SEAT Leon, Škoda Octavia Berline
  - ✓ **Facelifts:** Volkswagen Up!, e-UP!, Tiguan, SEAT Ateca, Škoda Kodiaq

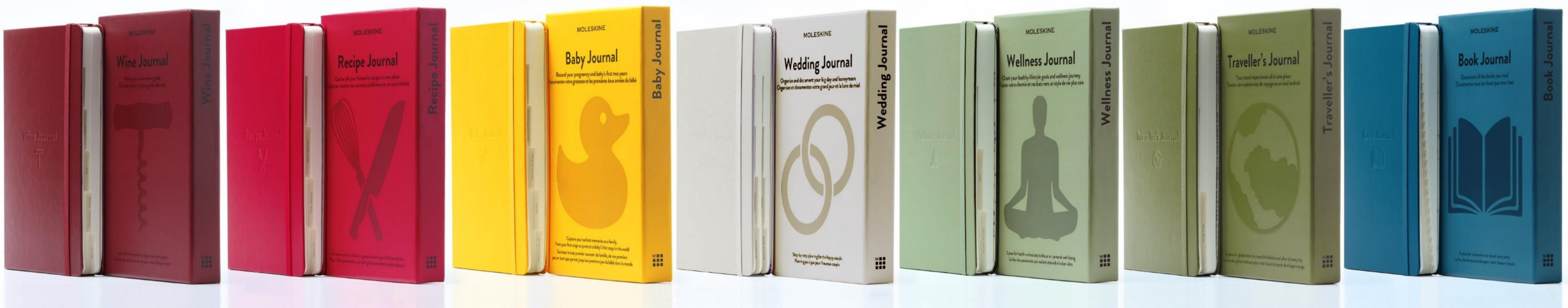

Škoda Vision iV

SEAT Leon

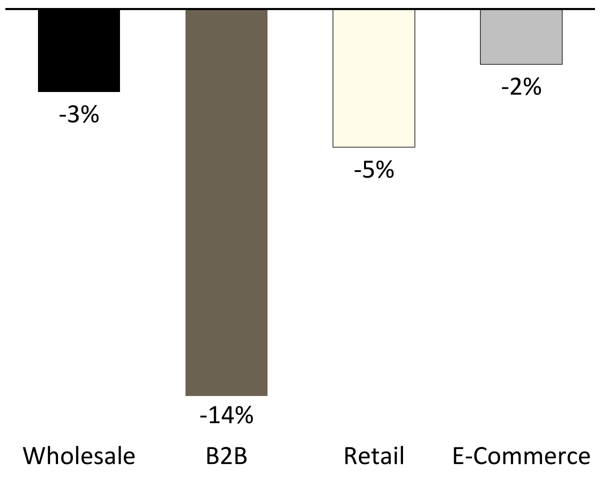
“Contributing to the development and sharing of human knowledge and culture”

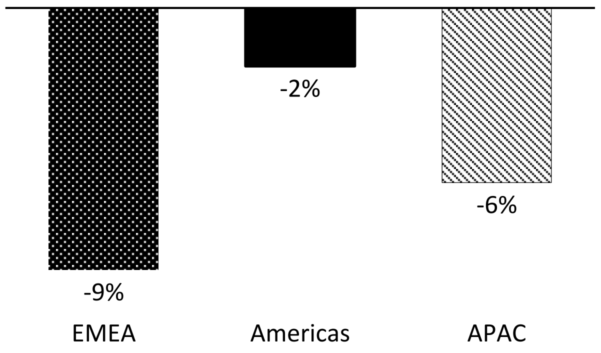
# Highlights

- **Sales fell by EUR 10.2 million** to EUR 163.9 million**. B2B in EMEA** and **Wholesale in the Americas** represented respectively **71% and 14% of the sales decline**
- The **35% decline** in ***adjusted*** **operating result**
- ***Adjusted*** **PBT: -48%**
- The positive ***adjusted*** **free cash flow** of **EUR 21.0 million is** largely due to **improved working capital**
- **2020 guidance:** Moleskine aims for **at least stable sales** and **double-digit growth of its** ***adjusted*** **PBT**
- A **new CEO** will be joining the company in April 2020



# Sales growth @ actual exchange rates




**By channel:**

- **Wholesale** *(54% of total)*: -3%. The decline was most pronounced in the US due to retailer specific issues (e.g. B&N's change of ownership) and lower traffic experienced by some brick and mortar retailers. Sales to Amazon and Office Depot (new account) were up. Positive trend in Canada and Japan
- **B2B** *(25% of total)*: *-14%.* The **drop was most pronounced in EMEA** reflecting very large orders in 2018 that were not repeated in 2019
- **Retail** *(14% of total)*: -5%. **Pruning of store network** impacted sales
- **E-Commerce** *(5% of total)*: -2%

**By region:**

- **EMEA** *(45% of total)*: -9%. Decline is almost entirely due to **lower B2B sales**
- **Americas** *(37% of total)*: *-2%.* **Higher B2B sales** were offset by **lower sales in the other channels**
- **APAC** *(18% of total)*: *-6%.* All the channels reported lower sales with the **strongest decline in Retail**

MOLESKINE

# Summary of 2019 results

| *€m* | 2018 | 2019 | % change |
|---|---|---|---|
| **External sales** | **174.1** | **163.9** | *-5.9* |
| ***Adjusted* operating result** | **28.6** | **18.6** | *-35.0* |
| *Adjusted operating margin* | *16.4%* | *11.4%* | |
| ***Adjusted* net financial result** | **-9.7** | **-8.8** | *-9.3* |
| ***Adjusted* PBT** | **18.9** | **9.8** | *-48.1* |
| ***Adjusted* taxes** | 3.9 | -4.8 | |
| ***Adjusted* net profits** | **22.8** | **5.0** | *-78.1* |
| **Net profits** | **22.8** | **-97.3** | |

- The decline in ***adjusted* operating result** reflects weaker sales, US import duties and direct cost inefficiencies
- **The reported net loss in 2019** is due to a **EUR 102.3 million goodwill impairment charge** ("*adjusting* item"). The impairment test was based on the business plan for 2020-2023 and a WACC of 7.94%. The residual value of goodwill equals EUR 69.8 million after the impairment
- In 2018 taxes were positively impacted by the **Patent Box benefit** for the period 2015-2018

# Cash flow and net debt

| €m | 2018 | 2019 |
|---|---|---|
| *Adjusted* EBITDA | 35.8 | 26.7 |
| Other non cash items incl LTIP | 4.4 | -3.0 |
| Net interest paid | -4.5 | -3.0 |
| Taxes paid | -1.1 | -2.1 |
| Change in WCR | -14.8 | 9.9 |
| Capex | -7.8 | -7.5 |
| ***Adjusted* free cash flow** | **12.0** | **21.0** |
| | | |
| **Net debt** | **282.2** | **267.5** |

- **FCF improved from** EUR 12.0 million to EUR 21.0 million largely thanks to a cash inflow of EUR 9.9 million from changes in WCR
- **Net debt reached** EUR 267.5 million at the end of 2019 of which EUR 190.8 million related to a intra-group loan

# Outlook for 2020

- Moleskine aims for at least **stable sales** and **double-digit growth of its *adjusted* PBT**. The post-IFRS 16 *adjusted* PBT amounted to EUR 9.5 million in 2019
- The focus this year will be on simplifying the organization, **prioritizing projects and improving operations in all regions and functions**
- The **new CEO** will come on board in April to drive the next chapter of the Moleskine journey

# Corporate & Unallocated


- "Corporate & Unallocated" mainly includes the **corporate** and **real estate activities**
- The evolution in the *adjusted* operating result reflects **a temporary rise in corporate costs and certain administrative taxes**
- The ***adjusting* items** include a EUR 6.5 million gain on the disposal of a property and a EUR 17.3 million loss on the fair value of a contingent liability relating to the disposal of the 40% stake of Belron to CD&R

| *€m* | **2018** | **2019** | *% change* |
|---|---|---|---|
| ***Adjusted* operating result** | -12.2 | -15.4 | *26.2* |
| *Adjusted* net financial result | 5.3 | 5.1 | *-3.8* |
| ***Adjusted* PBT** | **-6.9** | **-10.3** | ***49.3*** |
| **Net profits** | **-42.7** | **-8.3** | |
| *Adjusting* items (in PBT) | -52.2 | -10.8 | |

# D'Ieteren's activities debt structure

| *€m* | 31 December 2019 | | | |
|---|---|---|---|---|
| | AUTO | 100% BELRON | MOLESKINE | CORPORATE & UNALLOCATED |
| Loans & borrowings | 0.6 | 2,607.0 | 131.9 | 0.8 |
| Inter-group | | | 190.8 | -190.8 |
| **Gross debt** | **0.6** | **2,607.0** | **322.7** | **-190.0** |
| Cash & cash equiv. | 119.6 | -282.6 | -55.2 | -786.3 |
| Current financial assets | | | | -534.4 |
| Other non-current receivables | | | | -1.3 |
| **Total net debt pre-IFRS 16** | **120.2** | **2,324.4** | **267.5** | **-1,521.0** |
| **Total net debt post-IFRS 16** | **133.7** | **2,979.1** | **297.0** | **-1,516.4** |

- **Belron's net debt increased by EUR 685.8 million** y/y following the **issuance** in Q4 2019 of a new **7-year term loan B** of USD 830 million and a EUR 100 million add-on to the existing EUR term loan which matures in 2024. The **proceeds of about EUR 850 million** equivalent were **paid out to the shareholders. Net financial debt/EBITDA multiple** (pro forma adjusted Senior Secured Net Leverage Ratio) reached **3.66x** at the end of 2019
- The **net cash position of Corporate & Unallocated rose by EUR 378.8 million** (y/y) as a result of D'Ieteren's share (EUR 460.7 million) in Belron's latest dividend recap, partially offset by the payment in June 2019 of dividends (EUR 54.8 million) to the shareholders of D'Ieteren

# 2020 guidance

D'Ieteren aims at a post-IFRS 16 ***adjusted*** **PBT g.s. that is at least 25% higher** compared to last year's result (EUR 295.2 million post-IFRS 16). This guidance assumes a 52.48% stake in Belron in 2019 and 2020.

# Q&A

# FORWARD-LOOKING STATEMENT

*“To the extent that any statements made in this presentation contain information that is not historical, these statements are essentially forward-looking. The achievement of forward-looking statements contained in this presentation is subject to risks and uncertainties because of a number of factors, including general economic factors, interest rate and foreign currency exchange rate fluctuations; changing market conditions, product competition, the nature of product development, impact of acquisitions and divestitures, restructurings, products withdrawals; regulatory approval processes and other unusual items. Consequently, actual results may differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements can be identified by the use of words such as "expects", "plans", "will", "believes", "may", "could", "estimates", "intends", "targets", "objectives", "potential", and other words of similar meaning. Should known or unknown risks or uncertainties materialize, or should our assumptions prove inaccurate, actual results could vary materially from those anticipated. The Company undertakes no obligation to publicly update any forward-looking statements.”*

# CONTACT INFORMATION

**Investor Relations – D'Ieteren Group**

**Pascale Weber**
pascale.weber@dieteren.be

+32 2 536 54 39

**Press Relations – D'Ieteren Group**

**Anne-Catherine Zoller**
anne-catherine.zoller@dieteren.be

+32 2 536 55 65

*or*

financial.communication@dieteren.be
**www.dieteren.com**