



## Half-yearly Report on 30 June 2016

.....  
Experience. Our greatest asset.

**GBL**  
Groupe Bruxelles Lambert

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## Online additional information

[www.gbl.be](http://www.gbl.be)

Additional information can  
be found on our website,  
among which:

- Historical information on GBL
- Our annual and half-year  
reports as well as quarterly  
press releases
- Adjusted net assets  
on a weekly basis
- Our press releases
- Our investments
- A market consensus

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## Investor information

Online registration in order  
to receive investor information  
(notifications of publication,  
press releases, etc.)  
is available on our website.



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# Half-yearly Report GBL on 30 June 2016

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## Financial calendar

●	●	●	●	●
<b>4 November 2016</b>	<b>March 2017</b>	<b>25 April 2017</b>	<b>Early May 2017</b>	<b>End July 2017</b>
Third quarter 2016 results	Annual results 2016	Ordinary General Meeting 2017	First quarter 2017 results	Half-year 2017 results

Note: the above-mentioned dates depend on the agenda of the Board of Directors meetings and are thus subject to change.

# Key financial data

The Board of Directors, held on 29 July 2016, approved GBL's IFRS consolidated financial statements for the first half of 2016. These financial statements, produced in accordance with IAS 34 – *Interim Financial Reporting*, underwent a limited audit by the Auditor Deloitte.

In EUR million (group's share)	At the end of June 2016	At the end of June 2015	At the end of March 2016	At the end of December 2015
Consolidated net result	(888)	720	(923)	1,026
Cash earnings	350	339	104	462
Adjusted net assets	14,977	15,915	14,762	15,188
Market capitalisation	11,853	11,650	11,700	12,720
Discount	20.9%	26.8%	20.7%	16.3%
Net debt	874	777	307	740
Loan to Value	5.5%	4.8%	2.0%	4.7%

Cash earnings  
+ 3% to  
**EUR 350  
million**

Negative consolidated  
net result of  
**EUR 888  
million**  
notably due to the  
impairment on the stake  
in LafargeHolcim

**EUR  
1,071  
million**  
of investments carried out  
over the period

## Message from the Managing Directors

The first half of 2016 was once again characterised by macro-economic and geopolitical uncertainties generating significant volatility in the financial markets. The unexpected decision by the UK to leave the European Union further increases these uncertainties, and this for probably quite some time. Nevertheless, the materialisation of the Brexit has benefited to certain classes of quality assets, such as sovereign bonds, which is notably illustrated by the shift into negative territory of the German 10-year Bund.

In this complex environment, GBL's results for the first half of 2016 were affected by exceptional items such as the impairments recorded on the LafargeHolcim investment (EUR 1,682 million), partially offset by the capital gains on the disposals of Total shares (EUR 428 million).

Cash earnings were resilient, recording a slight increase compared with the first half of 2015 despite the sales of Total shares carried out at the end of 2015 and beginning of 2016.

Given the high yield of Total, the impact of these sales will be visible for the full financial year 2016, but it should eventually be offset by the yield from the reinvestment of the disposal proceeds into new investments and/or certain participations in the portfolio.

GBL has further implemented its strategy of portfolio rotation, notably through forward sales of Total and ENGIE shares, while also taking advantage of certain market weaknesses to increase its positions into adidas, Umicore and Ontex (EUR 695 million of investments over the period).

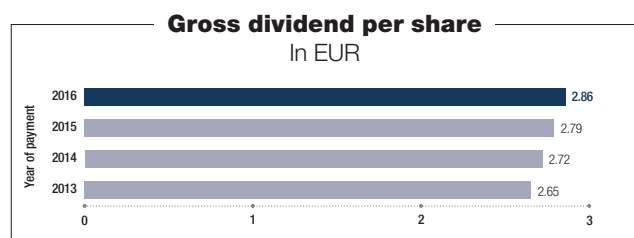
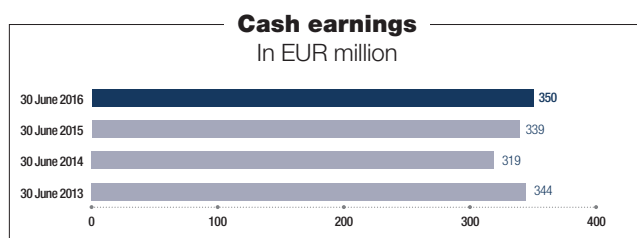
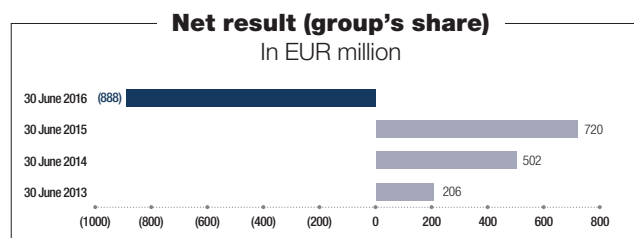
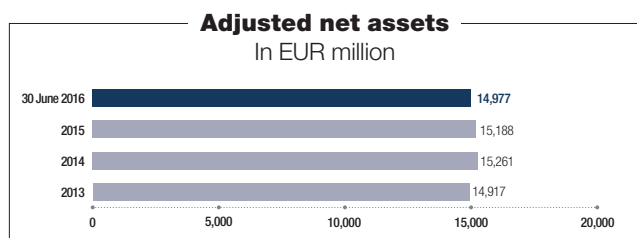
Given GBL's representation on the group's Supervisory Board and the size of this investment (almost EUR 2 billion of market value), adidas is now part of the Strategic Investments.

Finally, GBL has proactively managed its debt maturity profile through the partial repurchase of its bond exchangeable into ENGIE shares (EUR 668 million in nominal value) and the forward sale of part of the ENGIE shares freed through these repurchases.

**Ian Gallienne**  
Managing Director

**Gérard Lamarche**  
Managing Director

## Key figures



## Financial position

**Net debt** increased from EUR 740 million (31 December 2015) to EUR 874 million (30 June 2016) as a consequence of investments (primarily adidas, Ontex and Sienna Capital) for EUR 1,071 million and the dividend payment (EUR 461 million), these cash outflows being partly balanced by cash earnings and divestments (EUR 1,102 million).

Relative to the portfolio's value (adjusted for the treasury shares underlying the convertible bonds) of EUR 15.8 billion, net debt was 5.5% at 30 June 2016.

The weighted average maturity of the gross debt was 1.2 year at the end of June 2016 (1.7 year at the end of 2015).

Confirmed **credit lines** amounted to EUR 2,150 million (currently undrawn for an amount of EUR 1,950 million) and mature in 2020/2021.

This does not include the company's commitments in respect of Sienna Capital, which amounted to EUR 301 million at the end of June 2016 (EUR 413 million at 31 December 2015).

Finally, at 30 June 2016, the 5,943,077 **treasury shares**<sup>(1)</sup> represented 3.7% of the issued capital (3.8% at the end of 2015).

In EUR million	30 June 2016	31 December 2015
Retail bonds	350	350
Drawdown under bank credit lines	200	200
ENGIE exchangeable bonds	329	1,000
GBL convertible bonds	450	450
Debt related to prepaid forward sales	764	-
Others	43	31
<b>Gross debt</b>	<b>2,136</b>	<b>2,031</b>
<b>Gross cash (excluding treasury shares)</b>	<b>1,263</b>	<b>1,291</b>
<b>Net debt</b>	<b>874</b>	<b>740</b>

(1) Including 5 million treasury shares underlying GBL convertible bonds

## Outlook for 2016

The impairments recorded on the LafargeHolcim investment explain the negative consolidated net result expected for the financial year 2016. As a reminder, these impairments do not have any impact on cash earnings or adjusted net assets.

As a result of the disposals of high-yielding Total shares carried out at the end of 2015 and beginning of 2016, GBL's cash earnings will be negatively impacted in 2016, but in a temporary manner. The disposal proceeds are indeed intended to be reinvested, which will contribute to cash earnings, however gradually, depending on the investments' yield and pace.

In this context and in the absence of material events, GBL expects to pay a 2016 dividend at least equivalent to that relating to the financial year 2015.

The results at 30 September 2016 will be published on 4 November 2016.

# Highlights

During the first half of 2016, GBL continued the policy of proactively rotating its portfolio. This was reflected by the reduction of historic assets through a mix of spot and forward sales. These disposals are partially compensated by the strengthening of certain positions, such as adidas, Umicore and Ontex, with GBL taking advantage of windows of opportunity in a volatile stock market.


**TOTAL**

## Strategic Investments

### Disposal of shares

- Disposal of 27.5 million shares for an amount of EUR 1.1 billion (consolidated capital gain of EUR 428 million), representing 1.1% of the capital
- Disposals carried out in the market (10.4 million shares) and through a private placement by way of an accelerated bookbuilding process to institutional investors (17.1 million shares)
- Forward sales related to 11.1 million Total shares (average spot price of EUR 43.53, average forward price of EUR 41.51, consolidated capital gain of EUR 209 million, which will be recognised at maturity, in December 2016) for a net amount of EUR 460 million



## Strategic Investments

### Partial repurchase of bonds exchangeable into ENGIE shares

- Repurchase of 6,683 bonds exchangeable into ENGIE shares with a nominal value of EUR 668 million
- Forward sales related to 32.1 million ENGIE shares (average spot price of EUR 14.18, average forward price of EUR 13.62, consolidated loss of EUR 1 million, which will be recognised at maturity, in October 2016) for a net amount of EUR 437 million



## Strategic Investments

### Becomes a Strategic Investment, GBL at 7.2% of the capital

- Strengthening of the position in adidas, at 7.2% of the capital at 30 June 2016 (4.7% at end December 2015), for a market value of EUR 1,933 million
- Entrance of Ian Gallienne into the Supervisory Board of the company



## Incubator Investments

### Increased stake in Umicore

- Strengthening of the stake from 16.6% of the capital at the end of December 2015 to 17.0% at 30 June 2016, for a market value of EUR 881 million
- Second representative of GBL on the Board of Directors of the company, following the appointment of Colin Hall at the General Shareholders' Meeting on 26 April 2016



## Incubator Investments

### EUR 164 million invested in Ontex

- Significant strengthening of the stake in Ontex, going from 7.6% at the end of December 2015 to 15.0% at 30 June 2016, representing a market value of EUR 318 million



## Sienna Capital



### Acquisition of Looping

- Acquisition, on 1 March 2016, of an indirect majority stake in Financière Looping Holding S.A.S. (Looping).
- Looping: an amusement park operator, which generates turnover of around EUR 60 million and is a European leader on the amusement park market

## Sienna Capital



### Sale of De Boeck

- Conclusion of an agreement by Ergon Capital Partners III during the second quarter of 2016 relating to the sale of De Boeck Education SA, De Boeck Digital SA and Larcier Holding SA
- Capital gain on disposal of EUR 51 million (GBL share)

## Sienna Capital



### Agreement with Grand Frais

- Agreement signed, on 25 March 2016, between Denis Dumont, founder of and majority shareholder in Grand Frais, and a group of investors led by Sagard
- Agreement in order to acquire a minority stake in Prosol, the parent company of the group
- Grand Frais: a French supermarket chain specialised in the sale of fresh products with currently more than 170 shops

## Sienna Capital



### EUR 427 million invested

- EUR 427 million (about 84% of the total commitments since its inception) invested by Kartesia in primary and secondary transactions

## Sienna Capital



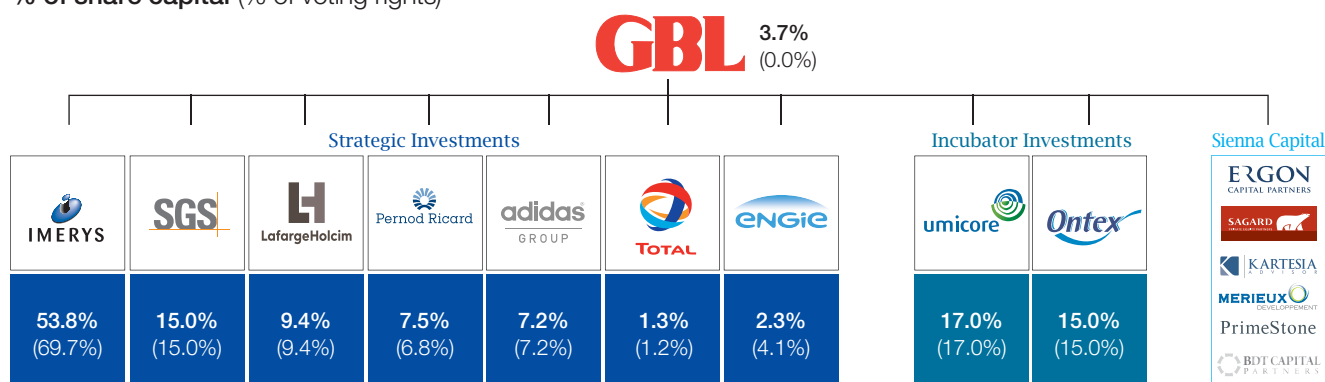
### USD 846 million invested in Keurig Green Mountain

- Acquisition of Keurig Green Mountain, Inc. in March 2016, in partnership with the majority shareholder JAB Holding Co
- USD 846 million invested, this amount remaining subject to change depending on the finalisation of the co-investment process
- Keurig Green Mountain: a group specialised in personalised beverage systems with a panel of more than 80 brands and 575 specialty beverages

# Chart and adjusted net assets

Organisation chart at 30 June 2016

% of share capital (% of voting rights)



## Adjusted net assets

At 30 June 2016, GBL's adjusted net assets totalled EUR 15.0 billion (EUR 92.82 per share) compared with EUR 15.2 billion (EUR 94.13 per share) at the end of 2015, down 1.4% (EUR - 1.31 per share). Relative to the share price of EUR 73.46 (- 6.8% over the first half), the discount at the end of June 2016 was 20.9%, up compared with the end of 2015.

	30 June 2016				31 December 2015	30 June 2015
	Holding % in capital	Share price In EUR <sup>(1)</sup>	In EUR million	Portfolio In %	In EUR million	In EUR million
<b>Strategic Investments</b>			<b>13,120</b>	<b>85.1</b>	<b>13,839</b>	<b>14,822</b>
Imerys	53.8	57.53	2,465	16.0	2,761	2,940
SGS	15.0	2,226	2,417	15.7	2,067	1,922
LafargeHolcim	9.4	37.10	2,124	13.8	2,674	3,588
Pernod Ricard	7.5	100.10	1,991	12.9	2,093	2,061
adidas	7.2	128.45	1,933	12.5	890	350
Total	1.3 <sup>(2)</sup>	43.38	1,397 <sup>(2)</sup>	9.1	2,463	3,047
ENGIE	2.3 <sup>(2)(3)</sup>	14.51	793 <sup>(2)</sup>	5.1	893	910
Suez	-	-	-	-	-	4
<b>Incubator Investments</b>			<b>1,385</b>	<b>9.0</b>	<b>903</b>	<b>762</b>
Umicore	17.0	46.27	881	5.7	720	626
Ontex	15.0	28.26	318	2.1	181	135
Others			186	1.2	2	1
<b>Sienna Capital</b>			<b>912</b>	<b>5.9</b>	<b>715</b>	<b>674</b>
<b>Portfolio</b>			<b>15,417</b>	<b>100</b>	<b>15,457</b>	<b>16,258</b>
Treasury shares			433		471	434
Exchangeable/convertible bonds			(779)		(1,450)	(1,454)
Bank debt and retail bond			(1,357)		(581)	(550)
Cash/quasi-cash/trading <sup>(3)</sup>			1,263		1,291	1,227
<b>Adjusted net assets (global)</b>			<b>14,977</b>		<b>15,188</b>	<b>15,915</b>
<b>Adjusted net assets per share (in EUR) <sup>(4)</sup></b>			<b>92.82</b>		<b>94.13</b>	<b>98.63</b>
<b>Share price per share (in EUR)</b>			<b>73.46</b>		<b>78.83</b>	<b>72.20</b>
<b>Discount (in %)</b>			<b>20.9</b>		<b>16.3</b>	<b>26.8</b>

The value of GBL's adjusted net assets is published on GBL's website on a weekly basis. At 22 July 2016, adjusted net assets per share stood at EUR 95.77, up 1.7% compared with its level at the beginning of the year, reflecting a discount of 21.4% on the share price on that date (EUR 75.29).

(1) Closing share prices in EUR, except for SGS in CHF

(2) The ownership percentage and the value of the stakes with regards to the investments in Total and ENGIE included in the calculation of the adjusted net assets of GBL do not take into account the forward sales (11.1 million and 32.1 million shares respectively) which will be settled in the fourth quarter of 2016. The fair value of these contracts is included in the item "Cash/quasi-cash/trading"

(3) The ownership percentage for ENGIE includes securities held in trading securities (0.1% of the capital, valued under "Cash/quasi-cash/trading")

(4) Based on 161,358,287 shares



## Components of the adjusted net assets at 30 June

The tables mentioned below present the reconciliation of each component of the adjusted net assets with the IFRS consolidated financial statements resumed from page 22.

### Portfolio

At 30 June 2016, GBL's portfolio included in the adjusted net assets amounted to EUR 15,417 million (EUR 15,457 million at 31 December 2015). The reconciliation of this item with the IFRS consolidated financial statements is set out below:

In EUR million	30 June 2016	31 December 2015
<b>Portfolio value as presented in:</b>		
Adjusted net assets	<b>15,417</b>	15,457
Segment information (Holding) - pages 28 and 29	<b>12,041</b>	11,982
Available-for-sale investments	<b>12,041</b>	11,982
<b>Reconciliation items</b>		
Fair value of Imerys, consolidated using the full consolidation method in IFRS	<b>3,376</b>	3,475
Fair value of Imerys, consolidated using the full consolidation method in IFRS	<b>2,465</b>	2,761
Value of Sienna Capital, consolidated in the Sienna Capital segment	<b>912</b>	715
Others	<b>(1)</b>	(1)

### Treasury shares

Treasury shares, valued at their historic value, are recorded as a deduction from shareholders' equity in IFRS. The treasury shares included in the adjusted net assets (EUR 433 million at 30 June 2016 and EUR 471 million at 31 December 2015) are valued using the method set out in the glossary on page 40.

### Gross debt

At 30 June 2016, gross debt of EUR 2,136 million (EUR 2,031 million at 31 December 2015) was detailed as follows:

In EUR million	Note	30 June 2016	31 December 2015
ENGIE exchangeable bonds		<b>329</b>	1,000
GBL convertible bonds		<b>450</b>	450
Retail bonds		<b>350</b>	350
Drawdown under bank credit lines		<b>200</b>	200
Debt related to prepaid forward sales		<b>764</b>	-
Others		<b>43</b>	31
<b>Gross debt, as per the adjusted net assets</b>		<b>2,136</b>	<b>2,031</b>
<b>Gross debt, included in the segment information (Holding) - pages 28 and 29:</b>			
Non-current financial liabilities		<b>823</b>	1,797
Current financial liabilities		<b>1,091</b>	-
<b>Reconciliation items</b>			
Bank debt compensation - fixed-term deposits	7	<b>200</b>	200
Impact of the recognition of financial liabilities at amortised cost in IFRS		<b>22</b>	34

**Gross cash**

At 30 June 2016, gross cash excluding treasury shares stood at EUR 1,263 million (EUR 1,291 million at 31 December 2015). The table below sets out the various components in accordance with GBL's consolidated financial statements:

In EUR million	Note	30 June 2016	31 December 2015
<b>Gross cash as presented in:</b>			
Adjusted net assets		<b>1,263</b>	1,291
Segment information (Holding) - pages 28 and 29		<b>1,057</b>	1,097
Trading assets		<b>629</b>	645
Cash and cash equivalents		<b>436</b>	436
Other current assets		<b>61</b>	62
Trade payables		<b>(2)</b>	(3)
Tax liabilities		<b>(5)</b>	(3)
Other current liabilities		<b>(62)</b>	(40)
<b>Reconciliation items</b>			
		<b>206</b>	194
Bank debt compensation - fixed-term deposits	7	<b>200</b>	200
Others		<b>6</b>	(6)

**Net debt**

Net debt of EUR 874 million at 30 June 2016 (EUR 740 million at 31 December 2015) presented the following ratio:

In EUR million	30 June 2016	31 December 2015
Net debt (excluding treasury shares)	<b>874</b>	740
Market value of the portfolio	<b>15,417</b>	15,457
Market value of treasury shares underlying GBL convertible bonds	<b>367</b>	394
Loan to Value	<b>5.5%</b>	4.7%

# Portfolio at 30 June 2016

GBL's strategy consists in holding a diversified portfolio with a good balance between growth and yield investments, structured around three types of assets with a view to creating value for its shareholders over the long term.

## Strategic Investments

Investments generally larger than one billion euros, primarily in listed companies, in which GBL can exercise a marked influence. They represent the bulk of the portfolio.

Within these Strategic Investments held for the long term, GBL periodically rotates them to ensure a balance between growth and yield companies in the portfolio.

## Incubator Investments

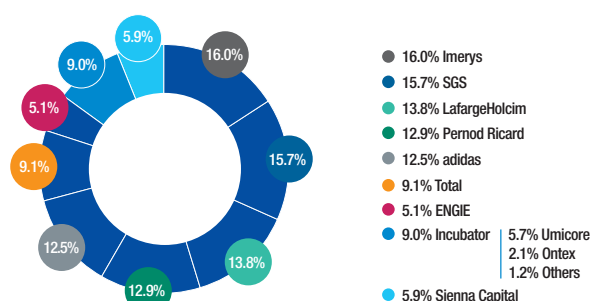
A limited selection of investments of lower size (EUR 250 million – EUR 1 billion), listed or not, having the potential to eventually become strategic, within which GBL seeks to become a core shareholder and, for mid-sized companies, to possibly hold a majority stake.

In both cases, the ambition is to find new opportunities that could become an "incubator" of strategic assets over the long term. Ultimately, this investment category could represent between 10% and 15% of the value of the portfolio.

## Sienna Capital

Sienna Capital comprises significant investments in private equity, debt or specific thematic funds. GBL intends to reinforce the diversification of its portfolio and achieve its value creation objectives while pursuing the development of its alternative investments within Sienna Capital. Sienna Capital's assets could ultimately represent up to 10% of the value of the portfolio.

## Contribution to GBL's portfolio



Overview of the future evolution of the portfolio

# GBL

## Strategic Investments

At 30/06/16

**85.1%**

Long term objective

**75% - 80%**

≈

EUR 12.0 billion

## Incubator Investments

At 30/06/16

**9.0%**

Long term objective

**10% - 15%**

≈

EUR 2.0 billion

## Sienna Capital

At 30/06/16

**5.9%**

Long term objective

**10%**

≈

EUR 1.5 billion

## Strategic Investments



Imerys is world leader  
in speciality minerals  
with almost 250 sites  
in 50 countries



# 53.8%

GBL's share capital

#### GBL data as at 30 June 2016

Value of investment (EUR million)	2,465
Voting right (%)	69.7
Contribution to GBL's portfolio (%)	16.0

### Half-year results 2016

- Turnover grew by 1.9% to EUR 2,097 million, buoyed by external growth of 5.4%. In organic terms, turnover decreased by 2.2% due to a drop in volumes
- Current operating income grew by 6.9% to EUR 293 million after perimeter changes and the currency effect, but was down 3.3% in organic terms. The margin increased by 70 bps to 14.0% further to an improvement in the product price-mix and the restructuring and efficiency programmes. Net income from current operations increased by 5.2%
- Compared with 31 December 2015, net debt increased to EUR 1,524 million

### Key figures

(in EUR million)	30/06/2016	31/12/2015	30/06/2015
Turnover	2,097	4,087	2,057
Gross operating income (EBITDA)	417	745	381
Current operating income	293	538	274
Net income (group's share)	158	68	145
Market capitalisation	4,584	5,126	5,483
Net debt	1,524	1,480	1,488

### Outlook for 2016

In a mixed economic environment, Imerys will continue to implement its growth strategy as well as its active cost and cash management approach while maintaining the flexibility of its production facilities. It will also benefit from increasing synergies at S&B.

Further to this, Imerys is confident that in the second half of 2016 it will be able to generate growth in net income from current operations in line with the performance observed during the first half of the year.

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SGS is the world  
leader in inspection,  
verification, testing  
and certification



# 15.0%

GBL's share capital

#### GBL data as at 30 June 2016

Value of investment (EUR million)	2,417
Voting right (%)	15.0
Contribution to GBL's portfolio (%)	15.7

### Half-year results 2016

- Turnover grew organically by 3.4% or by 7.0% on a currency-neutral basis (external growth: 3.6%). After the negative currency effect (- 1.6%), turnover increased by 5.4% to CHF 2,901 million
- Adjusted operating income increased by 0.4% in organic terms but fell by 0.2% to CHF 411 million after the currency effect. The decrease in margin to 14.2% is mainly attributable to the impact of investments in IT systems governing both human resources management and laboratory operations and the build out of shared services infrastructures. Furthermore, certain acquisitions made will only contribute to margin improvement in the medium term
- Compared with 31 December 2015, net debt rose to CHF 990 million due notably to the dividend payment and the share buyback plan

### Key figures

(in CHF million)	30/06/2016	31/12/2015	30/06/2015
Turnover	2,901	5,712	2,752
Adjusted gross operating income (EBITDA)	550	1,191	548
Adjusted operating income	411	917	412
Net income (group's share)	258	549	214
Market capitalisation	17,413	14,949	13,345
Net debt	990	482	1,169

### Outlook for 2016

SGS is forecasting organic growth of between 2.5% and 3.5%, combined with growth in the adjusted operating income at constant exchange rates and solid cash flow generation.

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## Strategic Investments



**LafargeHolcim is the world leader in construction materials: cement, aggregates and concrete**



# 9.4%

GBL's share capital

**GBL data as at 30 June 2016**

<b>Value of investment</b> (EUR million) .....	<b>2,124</b>
<b>Voting right (%)</b> .....	<b>9.4</b>
<b>Contribution to GBL's portfolio (%)</b> .....	<b>13.8</b>

## Half-year results 2016

- LafargeHolcim's turnover decreased by 1% in organic terms and by 6% in reported figures, to CHF 13.3 billion
- Recurring EBITDA decreased by 3% in organic terms and by 7% in reported figures to CHF 2.5 billion, underpinned by a net improvement in the 2<sup>nd</sup> quarter (6% increase in organic terms, 3% in reported figures) benefiting in particular from a favourable trend in prices as well as from the materialisation of synergies
- Net debt increased to CHF 18.1 billion compared to CHF 17.3 billion at 31 December 2015
- Already-secured disposals have exceeded the initial objective of CHF 3.5 billion for 2016. The objective has been raised to CHF 5.0 billion by the end of 2017

## Key figures

(in CHF million)

	30/06/2016	31/12/2015 (pro-forma)	30/06/2015 (pro-forma)
Turnover	<b>13,342</b>	29,483	14,217
Recurring EBITDA	<b>2,529</b>	5,751	2,711
Recurring EBITDA margin (%)	<b>19.0</b>	19.5	19.1
Net income	<b>452</b>	(2,085)	134
Market capitalisation	<b>24,604</b>	30,528	n.a.
Net debt (in billion)	<b>18.1</b>	17.3	22.5

## Outlook for 2016

LafargeHolcim expects to see a 1% to 3% increase in demand in its markets. Moreover, the group is forecasting: i) high single-digit organic growth in recurring EBITDA supported by incremental synergies exceeding CHF 450 million; ii) investments under CHF 2 billion; iii) the finalisation of the initial programme for CHF 3.5 billion in disposals pursuant to the raised objective of securing CHF 5 billion by the end of 2017; and iv) a reduction in net debt to approximately CHF 13 billion by the end of the year. The group also commits to retaining an Investment Grade rating and to returning excess cash to shareholders, in particular through a progressive dividend policy.

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**Pernod Ricard is world's co-leader in Wines & Spirits**



# 7.5%

GBL's share capital

**GBL data as at 30 June 2016**

<b>Value of investment</b> (EUR million) .....	<b>1,991</b>
<b>Voting right (%)</b> .....	<b>6.8</b>
<b>Contribution to GBL's portfolio (%)</b> .....	<b>12.9</b>

## Half-year results 2015/16

- Half-year turnover (July - December 2015) stands at EUR 4,958 million, growing organically by 3% and illustrating a gradual improvement in comparison with the previous financial year. Local brands are growing strongly and the Top 14 is benefiting from the improvement in the mix, with volumes being stable
- Current operating income is also growing organically by 3% to EUR 1,438 million, with nevertheless a slowdown in the operating margin of 20 bps to 29.0% in organic terms
- Current net income is 9% higher thanks to the favourable currency effect and the decline in financial expenses
- Net debt increases by EUR 237 million in comparison with 30 June 2015 to EUR 9,258 million due to seasonality and following the strengthening of the US dollar against the euro

## Key figures

(in EUR million)

	31/12/2015 (H1)	30/06/2015 (Financial year)	31/12/2014 (H1)
Turnover	<b>4,958</b>	8,558	4,621
Current operating income (EBIT)	<b>1,438</b>	2,238	1,358
Current net income (group's share)	<b>909</b>	1,329	834
Net income (group's share)	<b>886</b>	861	788
Market capitalisation	<b>26,569</b>	27,498	24,488
Net debt	<b>9,258</b>	9,021	9,034

## Outlook for 2016

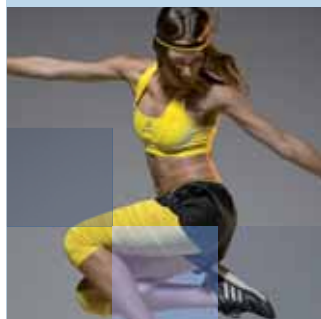
Pernod Ricard closes its financial year on 30 June and will publish its results on 1 September 2016. At the publication of the nine-month's turnover (+ 4%, of which 3% is organic growth), group's management reiterated its goal of internal growth for current operating income of between 1% and 3% for the whole of the financial year.

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## Strategic Investments



adidas is the  
European leader in  
sports equipment



# 7.2%

GBL's share capital

#### GBL data as at 30 June 2016

Value of investment (EUR million)	1,933
Voting right (%)	7.2
Contribution to GBL's portfolio (%)	12.5

### Half-year results 2016

- During the first half of 2016 turnover increased by 15% to EUR 9.2 billion (+ 21% currency neutral). Growth was supported by the adidas and Reebok brands
- Gross margin increased by 40 bps to 49%, driven by a more favorable mix (products, prices and sales channel) offsetting the negative currency impact
- Current operating income grew by 52% to EUR 905 million, particularly as a result of the decrease in other operating costs as a percentage of sales; the margin grew by 240 bps to 9.8%
- Net debt at 30 June 2016 was EUR 1,028 million

### Key figures (in EUR million)

	30/06/2016	31/12/2015	30/06/2015
Turnover	9,191	16,915	7,990
Gross margin	4,517	8,168	3,897
Current operating income	905	1,094	596
Adjusted net income	641	686	383
Market capitalisation	26,874	18,811	14,363
Net debt	1,028	460	957

### Outlook for 2016

Management at adidas revised its guidance upwards further to great brand momentum: sales growth in 2016 should grow by 15 to 20%. This improvement is supported by double-digit growth in all regions, except for Russia. The EBIT margin is expected to be 7.5% (vs. 6.5% in 2015).

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Total is a global, integrated  
oil and gas group, with a  
presence in the chemical  
industry



# 1.3%

GBL's share capital

#### GBL data as at 30 June 2016

Value of investment (EUR million)	1,397
Voting right (%)	1.2
Contribution to GBL's portfolio (%)	9.1

### Half-year results 2016

- The environment was characterised by a 31% drop in the price of Brent and refining margins, while the dollar remained stable compared to the euro
- In this context, the adjusted net operating income of the segments fell by 28% to USD 4.4 billion: substantial fall in Upstream (- 44% despite a 4% increase in production), as well as in the Refining-Chemicals (- 12%) and Marketing Services (- 16%) arms. Adjusted net income (group's share) and net profit per share fell by 34% and 36% respectively. ROACE shrank to 7.5%
- Net debt increased in the half year, leading to a gearing of 30.0%

### Key figures

(in USD million)	30/06/2016	31/12/2015	30/06/2015
Turnover	70,056	165,357	87,028
Adjusted net operating income of the segments	4,401	11,362	6,114
Adjusted net income (group's share)	3,810	10,518	5,687
Net income (group's share)	3,694	5,087	5,634
Market capitalisation (in EUR million)	108,586	100,689	104,383
Net debt	29,828	26,586	25,631

### Outlook for 2016

Total will continue with the implementation of its portfolio optimisation and cost-reduction strategy. In the Upstream segment, start-ups of facilities should enable a 4% production increase in 2016. In the Downstream segment, the refining margins seen at the beginning of the third quarter of 2016 are decreasing, while they remain solid in petrochemicals.

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## Incubator Investments



Umicore is a group specialised in materials technology and the recycling of precious metals



# 17.0%

GBL's share capital

GBL data as at 30 June 2016

Value of investment (EUR million)	881
Voting right (%)	17.0
Contribution to GBL's portfolio (%)	5.7

### Half-year results 2016

- Turnover grew by 1% to EUR 1,354 million and recurring EBIT increased by 3% to EUR 176 million, reflecting strong growth in Automotive Catalysts and Rechargeable Battery Materials which more than offset the impact of lower prices for metals on the various recycling activities
- ROCE increased slightly to 14.6%, compared to 14.4% for the first half of 2015
- Net debt amounted to EUR 298 million, down EUR 24 million compared to 31/12/2015, due in particular to a decline in investments over the period

### Key figures

(in EUR million)	30/06/2016	31/12/2015	30/06/2015
Turnover (excluding metal)	1,354	2,629	1,336
Recurring EBIT	176	330	171
Net recurring income (group's share)	111	246	131
Net income (group's share)	46	169	90
Market capitalisation	5,043	4,331	4,634
Net debt	298	321	314

### Outlook for 2016

The group has announced an annual recurring EBIT objective of between EUR 345 and 365 million, this figure being based on the assumption that prices for metals will stay at their current level.

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Ontex is a global leader specialised in the field of hygienic consumables



# 15.0%

GBL's share capital

GBL data as at 30 June 2016

Value of investment (EUR million)	318
Voting right (%)	15.0
Contribution to GBL's portfolio (%)	2.1

### Half-year results 2016

- Turnover stands at EUR 963 million, a drop of 0.1% in organic terms but an increase of 12.9% in reported figures, buoyed by the acquisition of Grupo Mabe
- Adjusted EBITDA grew by 12.2%, particularly as a result of the impact of Grupo Mabe, operational excellence efforts and lower prices of oil-related commodities; the margin dropped slightly by 7 bps to 12.8% further to a negative currency impact
- Net debt at 30 June 2016 was EUR 660 million, up by EUR 255 million compared to 31 December 2015 following the acquisition of Grupo Mabe (closing in early March 2016)

### Key figures

(in EUR million)	30/06/2016	31/12/2015	30/06/2015
Turnover	963	1,689	853
Adjusted EBITDA	123	209	110
Operating income (EBIT)	95	169	91
Net recurring income (group's share)	66	103	59
Market capitalisation	2,116	2,363	1,832
Net debt	660 <sup>(1)</sup>	405	505

(1) Net debt at 30 June 2016 includes *earn-outs* on acquisitions

### Outlook for 2016

Management has confirmed its willingness to reach 4 to 6% growth during the second half of the year, supported by the economic recovery in Western Europe. Ontex is also forecasting an adjusted EBITDA margin that is at least equal to the level for 2015 (12.4%), despite the dilutive effect of the Grupo Mabe deal.

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## SIENNA CAPITAL

			<p>GBL intends to reinforce the diversification of its portfolio and achieve its value-creation objectives by pursuing the development of its alternative investments within its subsidiary Sienna Capital.</p> <p>Sienna Capital aims to generate attractive risk-adjusted returns by constructing a diversified portfolio of investment managers performing well in their area of expertise (e.g. private equity, debt and specific thematic funds).</p> <p>Sienna Capital is an active and involved partner for the managers it invests with. Sienna Capital supports managers by helping them raise money, attract talent and source investment opportunities as well as by providing advice on good governance and best practices.</p>
	PrimeStone		
			

As at 30 June 2016, Sienna Capital's portfolio was composed of six managers deploying capital via eleven funds into more than sixty underlying individual portfolio companies. The portfolio includes investments in private equity funds (Ergon, Sagard), a debt fund (Kartesia), healthcare growth capital funds (Mérieux Développement), a fund whose strategy consists of acquiring long-term shareholdings in mid-sized European companies (PrimeStone) and a fund who provides long-term capital to family- and founder-led businesses (BDT Capital Partners). The portfolio of Sienna Capital as of 30 June 2016 was valued at EUR 919 million which represents 5.9% of GBL's portfolio.

### Half-year results 2016

- During the first half of 2016, the Ergon, Sagard, Mérieux and BDT funds made new investments. Through Ergon Capital Partners III, Sienna Capital invested EUR 35 million in Looping.






Sienna Capital also invested EUR 26 million in Sagard III to partially finance some acquisitions such as Prosol (Grand Frais). Sienna Capital invested EUR 10 million in Mérieux Participations II to acquire shares in Keranova and NovaCap and EUR 15 million in BDT to acquire shares in Truck-Lite and Keurig Green Mountain.

- At 30 June 2016, Kartesia had invested EUR 427 million (representing approximately 84% of the fund) in primary and secondary transactions. Kartesia's portfolio comprises 34 lines, spread across eight countries and eighteen industries.

### Outlook for 2016

- New investments are expected for several funds included in Sienna Capital's portfolio. Disposals are likewise planned for the Ergon, Sagard and Kartesia funds.
- Sienna Capital is also reviewing selective new investment opportunities.

### Key figures

In EUR million - 30/06/2016					PrimeStone		Total
<b>Committed capital</b>	563	381	150	75	150	113	<b>1,432</b>
<b>Callable capital</b>	99	65	12	45	-	80	<b>301</b>
<b>Invested capital</b>	464	316	139	30	150	33	<b>1,131</b>
<b>Reimbursements</b>	261	184	7	-	-	-	<b>452</b>
<b>Value of the shareholding (Sienna Capital's portfolio)</b>	357	204	142	28	153	34	<b>919</b>
<b>Share in Sienna Capital's portfolio</b>	39%	22%	15%	3%	17%	4%	<b>100%</b>

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# Risk management

GBL will continue to face the same risks in the second half of 2016. Each of the major investments in the portfolio held by GBL is exposed to the specific risks indicated in GBL's 2015 annual report (p. 41) which refers to the reference documents of the different shareholdings.

This table categorises the main risks related to GBL's activities and the various factors and measures mitigating their potential negative impact. A chapter included in the Annual Report 2015 (see pages 40 to 47 and 167-168) deals with these risks, their management and the monitoring activities introduced by the company.

## Main risks

	Risk factors	Mitigants
<b>Exogenous</b>  <b>Risks associated with shifts in external factors such as economic, political or legislative change</b>	<ul style="list-style-type: none"> <li>• Changes in financial markets, notably with regards to the volatility of share price and interest and foreign exchange rates</li> <li>• Changes in macroeconomic variables (growth rates, monetary policy, inflation, raw materials and commodity prices, etc.)</li> <li>• Regulatory or budgetary policy changes, for example involving tax reform</li> <li>• Specific developments affecting certain geographic areas (Eurozone, emerging countries, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>• Geographic and sector diversification of the portfolio with differentiated cyclical exposure</li> <li>• Ongoing legislative monitoring of the primary regions of activity</li> <li>• Systematic monitoring and analysis of macro-economic scenarii, markets and investment thesis</li> </ul>
<b>Strategy</b>  <b>Risks resulting from the definition, implementation and continuation of the group's guidelines and strategic developments</b>	<ul style="list-style-type: none"> <li>• Differing visions or understanding of the assessment of strategic priorities and inherent risks</li> <li>• Validity of the parameters underlying investment thesis</li> <li>• Geographic or sector concentration of investments</li> </ul>	<ul style="list-style-type: none"> <li>• Formal decision-making process involving all governance bodies and the management</li> <li>• Ongoing monitoring of key performance indicators and regular updates of assumptions and forecasts</li> <li>• Periodic portfolio review at different hierarchical levels</li> <li>• Investment diversification</li> </ul>
<b>Cash and cash equivalents, financial instruments and financing</b>  <b>Risks associated with the management of cash and cash equivalents, financial instruments and financing</b>	<ul style="list-style-type: none"> <li>• Access to liquidity</li> <li>• Debt leverage and maturity profile</li> <li>• Quality of counterparties</li> <li>• Interest rate exposure</li> <li>• Volatility of derivative instruments</li> <li>• Relevance of forecasts or expectations</li> <li>• Developments in financial markets</li> </ul>	<ul style="list-style-type: none"> <li>• Rigorous and systematic analysis of considered transactions</li> <li>• Diversification of investments and counterparties</li> <li>• Limitation of net indebtedness</li> <li>• Definition of trading limits</li> <li>• Strict counterparty selection process</li> <li>• Formal delegations of authority with the aim to achieve appropriate segregation of duties</li> <li>• Systematic reconciliation of cash data and the accounting</li> </ul>
<b>Operations</b>  <b>Risks resulting from inadequacies or failures in internal procedures, staff management or systems in place. Risk of non-compliance with quality standards, contractual and legal provisions and ethical norms</b>	<ul style="list-style-type: none"> <li>• Complexity of the regulatory environment</li> <li>• Adequacy of systems and procedures</li> <li>• Exposure to fraud and litigation</li> <li>• Retention and development of employees' skills</li> </ul>	<ul style="list-style-type: none"> <li>• Internal procedures and control activities regularly reviewed</li> <li>• Hiring, retention and training of qualified staff</li> <li>• Implementation of delegations of authority to ensure an appropriate segregation of duties</li> <li>• Maintenance of and investments in IT systems</li> <li>• Internal Code of Conduct and Corporate Governance Charter</li> </ul>

## Specific risks related to the participations

GBL indirectly faces specific risks related to the participations, which are identified and addressed by the companies themselves within the framework of their own internal control. The analysis conducted by these companies in terms of risk identification and internal control is described in the reference documents available on their website.

**Imerys:** [www.imerys.com](http://www.imerys.com)

**SGS:** [www.sgs.com](http://www.sgs.com)

**LafargeHolcim:** [www.lafargeholcim.com](http://www.lafargeholcim.com)

**Pernod Ricard:** [www.pernod-ricard.com](http://www.pernod-ricard.com)

**adidas:** [www.adidas-group.com](http://www.adidas-group.com)

**Total:** [www.total.com](http://www.total.com)

**Umicore:** [www.umicore.com](http://www.umicore.com)

**Ontex:** [www.ontexglobal.com](http://www.ontexglobal.com)

# Consolidated results

## Economic presentation

This section focuses on the economic presentation of GBL's income statement to determine IFRS net profit or loss. The financial statements, prepared in accordance with IAS 34, are presented from page 22 onwards.

In EUR million						30 June 2015
Group's share	Cash earnings	Mark to market and other non-cash items	Operating companies (associated or consolidated) and Sienna Capital	Eliminations, capital gains, impairments and reversals	Consolidated	Consolidated
Profit (loss) of associates and consolidated operating companies	-	-	141.7	-	<b>141.7</b>	(13.1)
Net dividends from investments	361.2	(16.1)	-	(93.2)	<b>251.9</b>	191.7
Interest income (expenses)	(13.4)	(4.3)	(2.4)	-	<b>(20.1)</b>	(15.2)
Other financial income (expenses)	27.2	62.1	-	(17.0)	<b>72.3</b>	97.8
Other operating income (expenses)	(15.7)	2.7	(8.9)	-	<b>(21.9)</b>	(21.7)
Gains (losses) from disposals, impairments and reversals of non-current assets	(9.8)	(2.5)	(0.2)	(1,299.8)	<b>(1,312.3)</b>	480.4
<b>IFRS consolidated net result (6 months 2016)</b>	<b>349.5</b>	<b>41.9</b>	<b>130.2</b>	<b>(1,410.0)</b>	<b>(888.4)</b>	
IFRS consolidated net result (6 months 2015) <sup>(1)</sup>	339.4	113.8	(21.6)	288.3	-	719.9

**Consolidated net result, group's share**, at 30 June 2016 stood at EUR - 888 million, compared with EUR 720 million at 30 June 2015.

This result was primarily affected by:

- the impairments recognised for LafargeHolcim and ENGIE amounting to EUR - 1,682 million and EUR - 44 million respectively;
- the net capital gain made on the sale of 1.1% of Total's capital, for EUR 428 million (EUR 42 million in 2015);

- the net dividends from investments amounting to EUR 252 million;
- the Imerys contribution amounting to EUR 86 million;
- the mark to market of the derivative components embedded in the exchangeable and convertible bonds which also had a positive impact of EUR 72 million (EUR 80 million in 2015).

## Cash earnings

(EUR 350 million compared with EUR 339 million)

In EUR million			30 June 2016	30 June 2015
Net dividends from investments			<b>361.2</b>	340.2
Interest income (expenses)			<b>(13.4)</b>	(6.8)
Other income (expenses):				
financial			<b>27.2</b>	18.9
operating			<b>(15.7)</b>	(12.9)
Gains (losses) from disposals, impairments and reversals of non-current assets			<b>(9.8)</b>	-
<b>Total</b>			<b>349.5</b>	<b>339.4</b>

(1) The figures presented for comparative purposes have been restated in order to take into account the reclassification of the elimination of the dividend on treasury shares (EUR - 17 million), previously included under Mark to market and now in the "Eliminations, capital gains, impairments and reversals" column

**Net dividends from investments** increased by EUR 21 million in the first half of 2016 compared with 2015.

## Net dividends from investments

In EUR million	30 June 2016	30 June 2015
LafargeHolcim	77.9	77.1
Imerys	75.0	70.5
SGS	72.9	67.1
Total (interim and balance)	38.8	74.6
ENGIE (balance)	23.2	23.2
adidas	18.8	2.6
Sienna Capital	18.2	-
Pernod Ricard (interim)	17.9	16.3
Umicore (balance)	13.3	7.3
Ontex	5.2	1.0
Suez	-	0.5
<b>Total</b>	<b>361.2</b>	<b>340.2</b>

These changes primarily reflect the increase in unit dividends from Sienna Capital, Imerys and Pernod Ricard, as well as the increase in dividends from the Incubator portfolio and from adidas following the acquisitions made. The partial disposal of the stake in Total has reduced this growth.

**LafargeHolcim** distributed a dividend of EUR 1.36 per share for 2015, contributing EUR 78 million at 30 June 2016.

**Imerys** approved in the second quarter of 2016 an annual dividend of EUR 1.75 per share (EUR 1.65 in 2015), corresponding to a total collection of EUR 75 million for GBL.

**SGS** paid an annual dividend of CHF 68 per share (unchanged compared with 2015), representing EUR 73 million at 30 June 2016.

**Total** approved a dividend of EUR 2.44 per share for 2015 and paid, during the half year, the last quarterly interim dividend and the balance on the 2015 dividend, i.e. EUR 0.61 and EUR 0.61 per share respectively. Total's contribution to the results for the first six months thus amounted to EUR 39 million.

**ENGIE** paid in the second quarter of 2016 the balance of the dividend for 2015 of EUR 0.50 per share (unchanged compared with the previous year), representing a contribution of EUR 23 million.

**adidas** distributed a dividend of EUR 1.6 per share in the second quarter of 2016 (compared with EUR 1.5 per share in 2015), representing EUR 19 million at 30 June 2016.

**ECP II** paid, during the first half of 2016, a dividend of EUR 18 million (attributable to GBL).

**Pernod Ricard** declared an interim dividend of EUR 0.90 per share in the second quarter of 2016 (compared with EUR 0.82 per share the previous year), representing EUR 18 million, the payment of the balance of the dividend being expected in the second half of the year.

**Umicore** approved during the second quarter of 2016 the balance of the dividend for 2015 of EUR 0.70 per share (compared with EUR 0.50 the previous year). The contribution of Umicore amounted to EUR 13 million at 30 June 2016.

**Ontex** approved a dividend of EUR 0.46 per share during the first half of 2016 (compared with EUR 0.19 per share the previous year), corresponding to an amount of EUR 5 million for GBL.

**Net interest expenses** (EUR 13 million) came back to their normal level this semester, after having been positively impacted last year by the reversal of a provision for interest payable in relation to litigation.

**Other financial income (expenses)** (EUR 27 million) mainly comprised trading income of EUR 12 million (EUR 5 million in 2015) and dividends collected on treasury shares (EUR 17 million).

**Other operating income (expenses)** amounted to EUR - 16 million at the end of June 2016 and increased compared with the previous year.

**Gains (losses) from disposals, impairments and reversals of non-current assets** of EUR 10 million include the total cost relating to the repurchases of exchangeable bonds into ENGIE shares (including banking fees).

## Mark to market and other non-cash items

(EUR 42 million compared with EUR 114 million)

In EUR million	30 June 2016	30 June 2015
Net dividends from investments	(16.1)	(0.9)
Interest income (expenses)	(4.3)	(5.6)
Other financial income (expenses)	62.1	123.6
Other operating income (expenses)	2.7	(3.3)
Gains (losses) from disposals, impairments and reversals of non-current assets	(2.5)	-
<b>Total <sup>(1)</sup></b>	<b>41.9</b>	<b>113.8</b>

**Net dividends from investments** include, on the one hand, the reversal of Total's interim dividend which had been recognised under this item at the end of 2015 and, on the other hand, the recognition of the first interim dividend of 2016, announced in April 2016 and which will be paid in October 2016.

**Interest income (expenses)** include the impact of the valuation at amortised cost of the exchangeable bonds into ENGIE shares and the convertible bonds into GBL shares (EUR - 4 million compared with EUR - 6 million last year).

Furthermore, the item **"Other financial income (expenses)"** includes the mark to market of the trading portfolio and derivative instruments (EUR - 10 million compared with EUR 43 million in 2015) as well as the derivative component embedded in the exchangeable and convertible bonds (EUR 72 million compared with EUR 80 million in 2015).

This non-monetary gain of EUR 72 million includes the change in the value of the call options on underlying securities implicitly embedded in the outstanding exchangeable and convertible bonds issued in 2013. In 2016, the change in value of these derivative instruments has been primarily attributable to the fluctuations, since 1 January 2016, in the market price of the shares underlying the bonds and to the completed repurchases.

Profit at 30 June 2016 illustrates, as commented on in previous closings, the accounting asymmetry and volatility of periodic results, which will persist throughout the lifetime of the exchangeable and convertible bonds.

The group applied hedge accounting for its forward sales on 32.1 million ENGIE shares and 11.1 million Total shares <sup>(2)</sup>. At 30 June 2016 the fair values of these contracts were equal to EUR - 13 million and EUR - 7 million <sup>(3)</sup>, respectively, and were accounted for under shareholders' equity.

## Operating companies (associates or consolidated) and Sienna Capital

(EUR 130 million compared with EUR - 22 million)

In EUR million	30 June 2016	30 June 2015
Profit (loss) of associates and consolidated operating companies	141.7	(13.1)
Interest income (expenses)	(2.4)	(2.8)
Other operating income (expenses)	(8.9)	(5.5)
Gains (losses) on disposals, impairments and reversals of non-current assets	(0.2)	(0.2)
<b>Total</b>	<b>130.2</b>	<b>(21.6)</b>

**Net profit (loss) of associates and consolidated operating companies** amounted to EUR 142 million in 2016 compared with EUR - 13 million for the same period in 2015:

In EUR million	30 June 2016	30 June 2015
Imerys	86.3	77.5
Lafarge	-	(100.4)
Sienna Capital	55.4	9.8
<i>ECP I &amp; II</i>	(0.1)	13.6
<i>Operating subsidiaries of ECP III</i>	48.7	(4.8)
<i>Kartesia</i>	6.8	0.6
<i>Mérieux Participations II</i>	-	0.4
<b>Total</b>	<b>141.7</b>	<b>(13.1)</b>

(1) The figures presented for comparative purposes have been restated in order to take into account the reclassification of the elimination of the dividend on treasury shares (EUR - 17 million), previously included under Mark to market and now in the "Eliminations, capital gains, impairments and reversals" column

(2) If such sales had been executed spot, the cash earnings at 30 June 2016 would have been negatively impacted by EUR 5 million

(3) At the maturity of the forward sales contracts, mark to market will be equal to 0 and, at the same time, a realised capital gain of EUR 209 million will be recognised for Total and a realised capital loss of EUR 1 million will be recognised for ENGIE



**Imerys (EUR 86 million compared with EUR 78 million)**

Net income from current operations increased by 5.3% to EUR 184 million in the first half of 2016 (EUR 175 million in the first half of 2015), notably as a result of the improved current operating income, at EUR 293 million (EUR 274 million in the first half of 2015). The net result, group's share, amounted to EUR 158 million (EUR 145 million in the first half of 2015).

Imerys contributed EUR 86 million to GBL's consolidated net result in 2016 (EUR 78 million in 2015), reflecting the consolidation rate for Imerys of 54.6% in 2016 (53.4% in 2015).

The press release related to the Imerys' results for the first half of 2016 is available at [www.imerys.com](http://www.imerys.com).

**Lafarge (EUR - million compared with EUR - 100 million)**

Lafarge had been consolidated in GBL's results according to the equity method until 30 June 2015. At 30 June 2016, GBL held 9.4%

of LafargeHolcim and this stake has been accounted as an asset available-for-sale since 10 July 2015.

Based on a participation rate of 21.0%, Lafarge had contributed EUR - 100 million to GBL's result at 30 June 2015.

**Sienna Capital (EUR 55 million compared with EUR 10 million)**

Net profit (loss) of associates and consolidated operating companies at Sienna Capital totalled EUR 55 million, compared with EUR 10 million last year. The result for the period mainly included the net capital gain on the sale of De Boeck's activities by ECP III (EUR 51 million attributable to GBL).

The result for the first half of 2015 reflected the net capital gain on the sale of Joris Ide by ECP II (EUR 14 million attributable to GBL).

## Eliminations, capital gains, impairments and reversals

(EUR - 1,410 million compared with EUR 288 million)

In EUR million

	30 June 2016	30 June 2015
<b>Eliminations of dividends</b> (Lafarge, Imerys and Sienna Capital)	<b>(93.2)</b>	(147.6)
<b>Other financial income (expenses)</b> (GBL and Suez)	<b>(17.0)</b>	(44.7)
<b>Capital gains on disposals</b> (Total and Suez)	<b>428.1</b>	77.4
<b>Impairments on AFS investments and reversals of non-current assets</b> (LafargeHolcim, ENGIE and others)	<b>(1,727.9)</b>	403.2
<b>Total <sup>(1)</sup></b>	<b>(1,410.0)</b>	<b>288.3</b>

**Elimination of dividends**

Net dividends from operating investments (associates or consolidated companies) were eliminated and represented EUR 93 million from Imerys and Sienna Capital.

**Other financial income (expenses)**

This item includes the elimination of the dividend on treasury shares amounting to EUR - 17 million. In 2015, the item also included the EUR 28 million expense generated by the conversion of exchangeable bonds into Suez shares which was due to the difference between the exchange price (EUR 11.45 per share) and the average share price of the converted shares in the first half of 2015 (EUR 17.16 per share). This loss was partly offset by the recycling of revaluation reserves restated as capital gains on disposals (see below).

**Capital gains on disposals**

This item includes the capital gain from the sale of 1.1% of Total's capital for EUR 428 million. In 2015, the item included on the one hand the capital gain from the sale of 0.1% of Total's capital for EUR 42 million and, on the other hand, the result from early conversions of exchangeable bonds into Suez shares for EUR 35 million (corresponding to the recycling of the revaluation reserves of the shares related to the converted bonds, calculated on the basis of the average share price of Suez over the first half of 2015).

**Impairments on AFS investments and reversals of non-current assets**

At 30 June 2016, this item included mainly:

- An impairment of EUR 1,682 million on the LafargeHolcim investment, adjusting the book value of these securities (EUR 66.49 per share) to their market value at 30 June 2016 (EUR 37.10 per share); and
- An additional impairment of EUR 44 million, accounted for the ENGIE investment in the first quarter of 2016, thus adjusting the book value of these securities (EUR 14.44 per share at end December 2015) to their market value at 31 March 2016 (EUR 13.64 per share).

At 30 June 2015, GBL considered that the criteria of the IFRS 5 – *Non-current assets held for sale and discontinued operations* were fulfilled and led to the conclusion that the merger of Lafarge with Holcim was highly probable. As a consequence:

- GBL accounted for the Lafarge investment under the equity method until 30 June 2015;
- The investment was reclassified as "assets held for sale" and was revalued at its fair value on 30 June 2015, leading to a partial reversal of impairment previously booked (EUR 403 million, corresponding to the difference between (1) the latest value under the equity method on 30 June 2015 (EUR 52.6 per share) and (2) the stock price on 30 June 2015 (EUR 59.2 per share)).

(1) The figures presented for comparative purposes have been restated in order to take into account the reclassification of the elimination of the dividend on treasury shares (EUR - 17 million), previously included under Mark to market and now in the "Eliminations, capital gains, impairments and reversals" column

# Half-yearly IFRS financial statements

## Consolidated statement of comprehensive income

In EUR million	Notes	30 June 2016	30 June 2015
Share of profit (loss) of associates	3	6.7	(85.8)
Net dividends from investments	4	251.9	191.7
Other operating income (expenses) from investing activities	5	(21.9)	(21.7)
Gains (losses) from disposals, impairments and reversals of non-current assets		(1,312.3)	480.4
Investments in associates	3	-	403.1
Available-for-sale investments	4	(1,312.1)	77.5
Other non-current assets		(0.2)	(0.2)
Financial income (expenses) from investing activities	6	52.2	82.6
<b>Profit (loss) from investing activities</b>		<b>(1,023.4)</b>	<b>647.2</b>
Turnover		2,262.2	2,180.2
Raw materials and consumables		(717.6)	(711.2)
Employees expenses		(485.9)	(465.8)
Depreciation on tangible and intangible assets		(131.7)	(127.8)
Other operating income (expenses) from operating activities	5	(605.4)	(643.9)
Financial income (expenses) from the operating activities	6	(36.3)	(28.0)
<b>Profit (loss) from consolidated operating activities</b>		<b>285.3</b>	<b>203.5</b>
Income taxes		(73.0)	(62.6)
<b>Consolidated profit (loss) for the period</b>		<b>(811.1)</b>	<b>788.1</b>
Attributable to the group		(888.4)	719.9
Attributable to non-controlling interests		77.3	68.2
<b>Other comprehensive income:</b>			
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Actuarial gains (losses)		(46.4)	51.9
Share of other comprehensive income (loss) of associates		-	3.4
<b>Total items that will not be reclassified to profit or loss</b>		<b>(46.4)</b>	<b>55.3</b>
<b>Items that may be reclassified subsequently to profit or loss</b>			
Available-for-sale investments - change in fair value	8	296.5	193.8
- recycling in result on disposals/impairment	8	1,230.0	(70.8)
Share of other comprehensive income (loss) of associates		-	106.7
Currency translation adjustments for consolidated companies		13.6	111.9
Cash flow hedges		(3.9)	0.6
<b>Total items that may be reclassified to profit or loss</b>		<b>1,536.2</b>	<b>342.2</b>
<b>Other comprehensive income (loss) after tax</b>		<b>1,489.8</b>	<b>397.5</b>
<b>Comprehensive income (loss)</b>		<b>678.7</b>	<b>1,185.6</b>
Attributable to the group		609.0	1,040.6
Attributable to non-controlling interests		69.7	145.0
<b>Consolidated earnings per share for the period</b>	8		
Basic		(5.72)	4.64
Diluted		(5.72)	4.61

## Consolidated balance sheet

In EUR million	Notes	30 June 2016	30 December 2015
<b>Non-current assets</b>		<b>17,291.2</b>	<b>17,124.1</b>
Intangible assets		281.2	338.9
Goodwill		1,761.6	1,743.2
Tangible assets		2,251.1	2,192.1
Investments		12,811.4	12,646.0
Investments in associates	3	367.2	329.9
Available-for-sale investments	4	12,444.2	12,316.1
Other non-current assets		97.3	93.7
Deferred tax assets		88.6	110.2
<b>Current assets</b>		<b>3,823.1</b>	<b>3,281.5</b>
Inventories		762.3	776.1
Trade receivables		699.4	644.4
Trading financial assets		638.3	658.2
Cash and cash equivalents	7	1,364.6	898.0
Other current assets		358.5	304.8
<b>Total assets</b>		<b>21,114.3</b>	<b>20,405.6</b>
<b>Shareholders' equity</b>	8	<b>14,717.3</b>	<b>14,543.5</b>
Share capital		653.1	653.1
Share premium		3,815.8	3,815.8
Reserves		8,937.1	8,776.7
Non-controlling interests		1,311.3	1,297.9
<b>Non-current liabilities</b>		<b>4,046.4</b>	<b>4,379.6</b>
Financial liabilities	7	3,197.5	3,488.6
Provisions		312.1	306.1
Pensions and post-employment benefits		379.5	329.6
Other non-current liabilities		64.8	135.9
Deferred tax liabilities		92.5	119.4
<b>Current liabilities</b>		<b>2,350.6</b>	<b>1,482.5</b>
Financial liabilities	7	1,363.5	476.5
Trade payables		509.7	496.0
Provisions		22.5	20.8
Tax liabilities		103.7	70.9
Other current liabilities		351.2	418.3
<b>Total shareholders' equity and liabilities</b>		<b>21,114.3</b>	<b>20,405.6</b>

## Consolidated statement of changes in shareholders' equity

In EUR million	Capital	Share premium	Revaluation reserves	Treasury shares	Currency translation adjustments	Retained earnings	Shareholders' equity – group's share	Non-controlling interests	Shareholders' equity
<b>At 31 December 2014</b>	<b>653.1</b>	<b>3,815.8</b>	<b>2,565.7</b>	<b>(248.7)</b>	<b>(283.4)</b>	<b>6,670.2</b>	<b>13,172.7</b>	<b>1,111.5</b>	<b>14,284.2</b>
Consolidated profit (loss) for the year	-	-	-	-	-	719.9	719.9	68.2	788.1
Other comprehensive income (loss)	-	-	123.8	-	165.3	31.6	320.7	76.8	397.5
<b>Total comprehensive income (loss)</b>	<b>-</b>	<b>-</b>	<b>123.8</b>	<b>-</b>	<b>165.3</b>	<b>751.5</b>	<b>1,040.6</b>	<b>145.0</b>	<b>1,185.6</b>
Dividends	-	-	-	-	-	(433.2)	(433.2)	(61.9)	(495.1)
Cost of stock options	-	-	-	-	-	0.1	0.1	-	0.1
Treasury shares' acquisitions/sales	-	-	-	3.8	-	-	3.8	-	3.8
Other movements	-	-	-	-	-	78.3	78.3	248.8	327.1
<b>At 30 June 2015</b>	<b>653.1</b>	<b>3,815.8</b>	<b>2,689.5</b>	<b>(244.9)</b>	<b>(118.1)</b>	<b>7,066.9</b>	<b>13,862.3</b>	<b>1,443.4</b>	<b>15,305.7</b>
Consolidated profit (loss) for the year	-	-	-	-	-	306.5	306.5	(38.7)	267.8
Other comprehensive income (loss)	-	-	(960.6)	-	45.2	6.1	(909.3)	(59.9)	(969.2)
<b>Total comprehensive income (loss)</b>	<b>-</b>	<b>-</b>	<b>(960.6)</b>	<b>-</b>	<b>45.2</b>	<b>312.6</b>	<b>(602.8)</b>	<b>(98.6)</b>	<b>(701.4)</b>
Dividends	-	-	-	-	-	-	-	0.9	0.9
Treasury shares' acquisitions/sales	-	-	-	0.1	-	-	0.1	-	0.1
Other movements	-	-	-	-	-	(14.0)	(14.0)	(47.8)	(61.8)
<b>At 31 December 2015</b>	<b>653.1</b>	<b>3,815.8</b>	<b>1,728.9</b>	<b>(244.8)</b>	<b>(72.9)</b>	<b>7,365.5</b>	<b>13,245.6</b>	<b>1,297.9</b>	<b>14,543.5</b>
Consolidated profit (loss) for the year	-	-	-	-	-	(888.4)	(888.4)	77.3	(811.1)
Other comprehensive income (loss)	-	-	1,526.5	-	7.0	(36.1)	1,497.4	(7.6)	1,489.8
<b>Total comprehensive income (loss)</b>	<b>-</b>	<b>-</b>	<b>1,526.5</b>	<b>-</b>	<b>7.0</b>	<b>(924.5)</b>	<b>609.0</b>	<b>69.7</b>	<b>678.7</b>
Dividends	-	-	-	-	-	(444.5)	(444.5)	(64.0)	(508.5)
Treasury shares' acquisitions/sales	-	-	-	7.6	-	-	7.6	-	7.6
Other movements	-	-	-	-	-	(11.7)	(11.7)	7.7	(4.0)
<b>At 30 June 2016</b>	<b>653.1</b>	<b>3,815.8</b>	<b>3,255.4</b>	<b>(237.2)</b>	<b>(65.9)</b>	<b>5,984.8</b>	<b>13,406.0</b>	<b>1,311.3</b>	<b>14,717.3</b>

Shareholders' equity was impacted during the first half of 2016 mainly by:

- the distribution by GBL on 5 May 2016 of a gross dividend of EUR 2.86 per share (EUR 2.79 in 2015), representing EUR 445 million, taking into account the treasury shares held by GBL;
- the change in the fair value of GBL's portfolio of available-for-sale investments (detailed in note 8.1);
- positive foreign currency translation adjustments; and
- the consolidated result for the period.

## Consolidated statement of cash flows

In EUR million	Notes	30 June 2016	30 June 2015
<b>Cash flow from operating activities</b>		<b>502.8</b>	<b>726.5</b>
Consolidated profit (loss) for the period before tax		<b>(738.1)</b>	<b>850.7</b>
Adjustments for:			
Interest income (expenses)	6	<b>53.6</b>	46.1
Share of profit (loss) of associates	3	<b>(11.6)</b>	81.8
Dividends from investments in non-consolidated companies	4	<b>(251.9)</b>	(191.7)
Net depreciation and amortisation expenses		<b>132.3</b>	128.6
Gains (losses) on disposals, impairments and reversals of non-current assets		<b>1,251.2</b>	(478.7)
Other income items not involving a cash impact		<b>(62.5)</b>	(78.4)
Interest received		<b>14.2</b>	7.5
Interest paid		<b>(48.9)</b>	(48.9)
Dividends received from investments in non-consolidated companies and associates		<b>313.4</b>	212.6
Income taxes paid		<b>(44.7)</b>	(28.2)
Changes in working capital:			
Inventories		<b>8.8</b>	(29.4)
Trade receivables		<b>(76.1)</b>	(32.4)
Trade payables		<b>19.2</b>	22.0
Changes in other receivables and payables		<b>(56.1)</b>	264.9
<b>Cash flow from investing activities</b>		<b>(16.8)</b>	<b>(1,007.1)</b>
Acquisitions of:			
Investments		<b>(983.2)</b>	(6.8)
Subsidiaries, net of cash acquired		<b>(56.8)</b>	(381.1)
Tangible and intangible assets		<b>(129.8)</b>	(130.7)
Other financial assets		-	(629.1)
Disposals/Divestments of:			
Investments		<b>1,054.8</b>	123.1
Subsidiaries, net of cash paid		<b>69.9</b>	10.2
Tangible and intangible assets		<b>23.4</b>	2.3
Other financial assets		<b>4.9</b>	5.0
<b>Cash flow from financing activities</b>		<b>(39.4)</b>	<b>(336.5)</b>
Capital increase/(decrease) from non-controlling interests		<b>14.2</b>	84.8
Dividends paid by the parent company to its shareholders		<b>(444.5)</b>	(433.2)
Dividends paid by the subsidiaries to non-controlling interests		<b>(64.0)</b>	(61.9)
Proceeds from financial liabilities		<b>1,445.0</b>	417.8
Repayments of financial liabilities		<b>(932.9)</b>	(336.9)
Net changes in treasury shares		<b>7.6</b>	3.8
Others		<b>(64.8)</b>	(10.9)
<b>Effect of exchange rate fluctuations on funds held</b>		<b>20.0</b>	<b>2.3</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>466.6</b>	<b>(614.8)</b>
Cash and cash equivalents at the beginning of the period	7	<b>898.0</b>	1,420.8
Cash and cash equivalents at the end of the period	7	<b>1,364.6</b>	806.0

# Notes

## Accounting policies and seasonality

The condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The consolidated financial statements for the half-year ended 30 June 2016 are in conformity with IAS 34 – *Interim Financial Reporting*.

The accounting and calculation methods used in the interim financial statements are identical to those used in the annual financial statements for 2015, apart from the application, by the group, of new standards, interpretations and revisions which have become mandatory since 1st January 2016. These new standards did not have any material impact on GBL's consolidated financial statements.

Lastly, the seasonality of results is previously detailed in the outlook for 2016.

## Estimates and judgements

In terms of judgment, GBL analysed at 30 June 2016 the accounting treatment to be applied to the investment in Umicore and particularly the classification in (i) investments in associates (IAS 28), with the recognition of GBL's share in the profit or loss and shareholders' equity of Umicore or in (ii) available-for-sale investments (IAS 39), with the recognition of the investment at its fair value and the recognition of the dividend through profit or loss.

The arguments developed in the yearly financial statements related to the financial year 2015 still apply at 30 June 2016. As a result, GBL has also decided to recognise its stake in Umicore as an available-for-sale asset.

## Presentation of the consolidated financial statements

The consolidated statement of comprehensive income separately presents:

- **Investing activities**

Components of income resulting from investing activities, which include the operations of GBL and of its subsidiaries whose main purpose is investment management. This includes Sienna Capital as well as the profit (loss) of operating associates (Lafarge until 30 June 2015) and non-consolidated operating companies (SGS, Pernod Ricard, adidas, LafargeHolcim, Total, ...); and

- **Consolidated operating activities**

Components of income from consolidated operating activities, i.e. from consolidated operating companies (Imerys as well as the sub-groups De Boeck, ELITech, Benito, Sausalitos, Golden Goose, ...).

These definitions apply as well to the items "Other operating income (expenses)" and "Financial income (expenses)".

## 1. Changes in group structure

### 1.1. Sienna Capital

On 1 March 2016 Ergon Capital Partners III acquired an indirect majority stake in Financière Looping Holding S.A.S. (Looping), an amusement park operator. The purchase price was EUR 71 million. The net cash impact of this transaction amounts to EUR 41 million. The provisional goodwill generated by the acquisition is EUR 56 million. This acquisition contributed EUR - 3 million (GBL share) to the group's net result for the period.

During the second quarter, Ergon Capital Partners III concluded an agreement relating to the sale of De Boeck Education SA, De Boeck Digital SA and Larcier Holding SA. This operation generated a capital gain on disposal of EUR 51 million (GBL share). The net cash impact of this transaction amounts to EUR 62 million.

## 2. Segment information

IFRS 8 – *Operating Segments* requires that segments be identified based on internal reports which are regularly presented to the main operating decision-maker for the purpose of managing the allocation of resources to the segments and assessing their performance.

In compliance with IFRS 8, the group has identified three segments:

- **Holding:** consists of the parent company GBL and its subsidiaries. Its main activity is to manage investments as well as the non-consolidated operating companies and associates.
- **Imerys:** consists of the Imerys group, a French group listed on Euronext Paris, which holds leading positions in each of its four business lines (Energy Solutions & Specialties; Filtration & Performance Additives; Ceramic Minerals; High Resistance Minerals).
- **Sienna Capital:** includes, on the one hand, under investment activities; the companies Sienna Capital, ECP, ECP II and III, Sagard, Sagard II and III, PrimeStone, BDT Capital Partners II, Kartesia and Mérieux Participations I and II; and, on the other, under consolidated operating businesses, the operating subsidiaries of ECP III (sub-groups ELITech, De Boeck, Benito, Sausalitos, Golden Goose, ...).

The results, assets and liabilities of a segment include all the components directly attributable to it. The accounting standards applied to these segments are the same as those described in the section entitled "Accounting policies and seasonality".



**2.1. Segment information - Consolidated income statement for the period ended 30 June 2016 and 30 June 2015**  
**Period ended 30 June 2016**

In EUR million	Holding	Imerys	Sienna Capital	Total
Share of profit (loss) of associates	-	-	6.7	6.7
Net dividends from investments	251.9	-	-	251.9
Other operating income (expenses) from investing activities	(13.0)	-	(8.9)	(21.9)
Gains (losses) on disposals, impairments and reversals of non-current assets	(1,312.1)	-	(0.2)	(1,312.3)
Financial income (expenses) from investing activities	54.6	-	(2.4)	52.2
<b>Profit (loss) from investing activities</b>	<b>(1,018.6)</b>	<b>-</b>	<b>(4.8)</b>	<b>(1,023.4)</b>
Turnover	-	2,096.7	165.5	2,262.2
Raw materials and consumables	-	(655.9)	(61.7)	(717.6)
Employee expenses	-	(446.9)	(39.0)	(485.9)
Depreciation of tangible and intangible assets	-	(116.7)	(15.0)	(131.7)
Other operating income (expenses) from operating activities	-	(619.1)	13.7	(605.4)
Financial income (expenses) of the operating activities	-	(27.5)	(8.8)	(36.3)
<b>Profit (loss) from consolidated operating activities</b>	<b>-</b>	<b>230.6</b>	<b>54.7</b>	<b>285.3</b>
Income taxes	-	(70.5)	(2.5)	(73.0)
<b>Consolidated profit (loss) for the period</b>	<b>(1,018.6)</b>	<b>160.1</b>	<b>47.4</b>	<b>(811.1)</b>
Attributable to the group	(1,018.6)	86.3	43.9	(888.4)

**Period ended 30 June 2015**

In EUR million	Holding	Imerys	Sienna Capital	Total
Share of profit (loss) of associates	(100.4)	-	14.6	(85.8)
Net dividends from investments	191.7	-	-	191.7
Other operating income (expenses) from investing activities	(16.2)	-	(5.5)	(21.7)
Gains (losses) on disposals, impairments and reversals of non-current assets	480.6	-	(0.2)	480.4
Financial income (expenses) from investing activities	85.4	-	(2.8)	82.6
<b>Profit (loss) from investing activities</b>	<b>641.1</b>	<b>-</b>	<b>6.1</b>	<b>647.2</b>
Turnover	-	2,057.3	122.9	2,180.2
Raw materials and consumables	-	(665.6)	(45.6)	(711.2)
Employee expenses	-	(431.5)	(34.3)	(465.8)
Depreciation of tangible and intangible assets	-	(114.9)	(12.9)	(127.8)
Other operating income (expenses) from operating activities	-	(613.8)	(30.1)	(643.9)
Financial income (expenses) of the operating activities	-	(23.5)	(4.5)	(28.0)
<b>Profit (loss) from consolidated operating activities</b>	<b>-</b>	<b>208.0</b>	<b>(4.5)</b>	<b>203.5</b>
Income taxes	-	(61.1)	(1.5)	(62.6)
<b>Consolidated profit (loss) for the period</b>	<b>641.1</b>	<b>146.9</b>	<b>0.1</b>	<b>788.1</b>
Attributable to the group	641.1	77.5	1.3	719.9

**2.2. Segment information - Consolidated balance sheet at 30 June 2016, 31 December 2015 and 30 June 2015**  
**Period ended 30 June 2016**

In EUR million	Holding	Imerys	Sienna Capital	Total
<b>Non-current assets</b>	<b>12,053.6</b>	<b>4,140.1</b>	<b>1,097.5</b>	<b>17,291.2</b>
Intangible assets	-	72.9	208.3	281.2
Goodwill	-	1,619.1	142.5	1,761.6
Tangible assets	12.9	2,131.6	106.6	2,251.1
Investments	12,040.7	146.3	624.4	12,811.4
<i>Investments in associates</i>	-	144.5	222.7	367.2
<i>Available-for-sale investments</i>	12,040.7	1.8	401.7	12,444.2
Other non-current assets	-	87.7	9.6	97.3
Deferred tax assets	-	82.5	6.1	88.6
<b>Current assets</b>	<b>1,129.9</b>	<b>2,462.5</b>	<b>230.7</b>	<b>3,823.1</b>
Inventories	-	722.5	39.8	762.3
Trade receivables	0.3	638.4	60.7	699.4
Trading financial assets	628.7	9.6	-	638.3
Cash and cash equivalents	436.0	810.2	118.4	1,364.6
Other current assets	64.9	281.8	11.8	358.5
<b>Total assets</b>	<b>13,183.5</b>	<b>6,602.6</b>	<b>1,328.2</b>	<b>21,114.3</b>
<b>Non-current liabilities</b>	<b>847.6</b>	<b>2,878.1</b>	<b>320.7</b>	<b>4,046.4</b>
Financial liabilities	822.9	2,115.9	258.7	3,197.5
Provisions	0.5	310.1	1.5	312.1
Pensions and post-employment benefits	3.1	372.6	3.8	379.5
Other non-current liabilities	14.4	46.6	3.8	64.8
Deferred tax liabilities	6.7	32.9	52.9	92.5
<b>Current liabilities</b>	<b>1,161.0</b>	<b>1,080.4</b>	<b>109.2</b>	<b>2,350.6</b>
Financial liabilities	1,091.0	252.7	19.8	1,363.5
Trade payables	2.3	448.7	58.7	509.7
Provisions	-	21.2	1.3	22.5
Tax liabilities	4.5	84.2	15.0	103.7
Other current liabilities	63.2	273.6	14.4	351.2
<b>Total liabilities</b>	<b>2,008.6</b>	<b>3,958.5</b>	<b>429.9</b>	<b>6,397.0</b>

## Period ended 31 December 2015

In EUR million	Holding	Imerys	Sienna Capital	Total
<b>Non-current assets</b>	<b>11,995.8</b>	<b>4,189.1</b>	<b>939.2</b>	<b>17,124.1</b>
Intangible assets	-	105.1	233.8	338.9
Goodwill	-	1,631.3	111.9	1,743.2
Tangible assets	13.7	2,141.9	36.5	2,192.1
Investments	11,982.1	129.3	534.6	12,646.0
<i>Investments in associates</i>	-	126.2	203.7	329.9
<i>Available-for-sale investments</i>	11,982.1	3.1	330.9	12,316.1
Other non-current assets	-	77.0	16.7	93.7
Deferred tax assets	-	104.5	5.7	110.2
<b>Current assets</b>	<b>1,142.8</b>	<b>1,979.7</b>	<b>159.0</b>	<b>3,281.5</b>
Inventories	-	738.3	37.8	776.1
Trade receivables	-	578.1	66.3	644.4
Trading financial assets	644.7	13.5	-	658.2
Cash and cash equivalents	436.1	415.1	46.8	898.0
Other current assets	62.0	234.7	8.1	304.8
<b>Total assets</b>	<b>13,138.6</b>	<b>6,168.8</b>	<b>1,098.2</b>	<b>20,405.6</b>
<b>Non-current liabilities</b>	<b>1,896.7</b>	<b>2,224.2</b>	<b>258.7</b>	<b>4,379.6</b>
Financial liabilities	1,797.0	1,500.0	191.6	3,488.6
Provisions	0.5	304.2	1.4	306.1
Pensions and post-employment benefits	3.0	322.9	3.7	329.6
Other non-current liabilities	91.5	44.3	0.1	135.9
Deferred tax liabilities	4.7	52.8	61.9	119.4
<b>Current liabilities</b>	<b>45.8</b>	<b>1,272.7</b>	<b>164.0</b>	<b>1,482.5</b>
Financial liabilities	-	427.3	49.2	476.5
Trade payables	2.5	441.0	52.5	496.0
Provisions	-	19.2	1.6	20.8
Tax liabilities	3.2	50.4	17.3	70.9
Other current liabilities	40.1	334.8	43.4	418.3
<b>Total liabilities</b>	<b>1,942.5</b>	<b>3,496.9</b>	<b>422.7</b>	<b>5,862.1</b>

## Period ended 30 June 2015

In EUR million	Holding	Imerys	Sienna Capital	Total
<b>Non-current assets</b>	<b>9,073.0</b>	<b>4,284.4</b>	<b>863.2</b>	<b>14,220.6</b>
Intangible assets	-	96.0	122.3	218.3
Goodwill	-	1,738.1	194.1	1,932.2
Tangible assets	15.1	2,182.3	35.6	2,233.0
Investments	9,057.9	140.7	487.0	9,685.6
<i>Investments in associates</i>	-	137.1	158.4	295.5
<i>Available-for-sale investments</i>	9,057.9	3.6	328.6	9,390.1
Other non-current assets	-	76.7	15.0	91.7
Deferred tax assets	-	50.6	9.2	59.8
<b>Current assets</b>	<b>4,659.2</b>	<b>2,137.9</b>	<b>185.0</b>	<b>6,982.1</b>
Inventories	-	781.8	37.6	819.4
Trade receivables	0.1	656.8	74.7	731.6
Trading financial assets	602.2	15.3	-	617.5
Cash and cash equivalents	352.6	423.0	30.4	806.0
Other current assets	116.2	261.0	42.3	419.5
Assets held for sale	3,588.1	-	-	3,588.1
<b>Total assets</b>	<b>13,732.2</b>	<b>6,422.3</b>	<b>1,048.2</b>	<b>21,202.7</b>
<b>Non-current liabilities</b>	<b>1,925.3</b>	<b>2,176.5</b>	<b>185.2</b>	<b>4,287.0</b>
Financial liabilities	1,788.7	1,500.8	147.4	3,436.9
Provisions	0.5	290.3	2.4	293.2
Pensions and post-employment benefits	21.1	274.3	4.1	299.5
Other non-current liabilities	111.2	44.5	0.4	156.1
Deferred tax liabilities	3.8	66.6	30.9	101.3
<b>Current liabilities</b>	<b>82.0</b>	<b>1,309.0</b>	<b>219.0</b>	<b>1,610.0</b>
Financial liabilities	3.6	439.4	104.0	547.0
Trade payables	2.6	492.3	51.0	545.9
Provisions	-	20.9	-	20.9
Tax liabilities	3.6	67.8	11.3	82.7
Other current liabilities	72.2	288.6	52.7	473.0
<b>Total liabilities</b>	<b>2,007.3</b>	<b>3,485.5</b>	<b>404.2</b>	<b>5,897.0</b>

## 3. Associates

## 3.1. Share of profit (loss)

In EUR million	30 June 2016	30 June 2015
Lafarge	-	(100.4)
ECP I & II	(0.1)	13.6
Kartesia	6.8	0.6
Mérieux Participations II	-	0.4
<b>Share of profit (loss) of associates – investing activities</b>	<b>6.7</b>	<b>(85.8)</b>
<b>Associates related to consolidated operating activities (shown under "Other operating income (expenses)")</b>	<b>4.9</b>	<b>4.0</b>
<b>Total</b>	<b>11.6</b>	<b>(81.8)</b>

ECP's contribution at 30 June 2016 was not significant. It amounted to EUR 14 million in 2015, positively influenced by the net capital gain on the disposal of the stake in Joris Ide (EUR 14 million). Kartesia's result (EUR 7 million at 30 June 2016) primarily includes interests on loans and the variation in the fair value of these loans.

Lafarge's results at 30 June 2015 amounted to EUR - 477 million. Based on GBL's ownership rate, Lafarge contributed EUR - 100 million.

**3.2. Value of investments under equity method**

In EUR million	ECP I & II	Kartesia	Mérieux Participations II	I.P.E.	Others	Total
<b>At 31 December 2015</b>	<b>42.6</b>	<b>116.1</b>	<b>8.6</b>	<b>36.4</b>	<b>126.2</b>	<b>329.9</b>
Investments	-	24.0	9.9	-	-	33.9
Reimbursements/disposals	-	(4.8)	-	-	(0.9)	(5.7)
Profit (loss) for the period	(0.1)	6.8	-	1.4	3.5	11.6
Distribution	(18.2)	-	-	-	(4.3)	(22.5)
Foreign currency translation adjustments	-	-	-	-	-	-
Changes in revaluation reserves/hedging	-	-	-	-	-	-
Actuarial gains (losses)	-	-	-	-	-	-
Other movements	-	-	-	-	20.0	20.0
<b>At 30 June 2016</b>	<b>24.3</b>	<b>142.1</b>	<b>18.5</b>	<b>37.8</b>	<b>144.5</b>	<b>367.2</b>

The “Others” heading includes the associated companies of Imerys.

**3.3. Gains (losses) on disposals, impairments and reversals of non-current assets**

In EUR million	30 June 2016	30 June 2015
Impairments of available-for-sale investments and reversals of non-current assets	-	403.1
<b>Total</b>	<b>-</b>	<b>403.1</b>

This heading included in 2015 the partial reversal of an impairment of EUR 403 million on Lafarge, in accordance with IFRS 5. This reversal resulted in a re-statement at fair value at 30 June 2015 of the stake held in Lafarge, which was previously recorded according to the equity accounting method.

**4. LafargeHolcim, SGS, ENGIE, Total, adidas, Pernod Ricard and other available-for-sale investments****4.1. Net dividends from investments**

In EUR million	30 June 2016	30 June 2015
LafargeHolcim	<b>77.9</b>	-
SGS	<b>72.9</b>	67.1
ENGIE	<b>23.2</b>	23.2
Total	<b>22.7</b>	73.7
adidas	<b>18.8</b>	2.6
Pernod Ricard	<b>17.9</b>	16.3
Umicore	<b>13.3</b>	7.3
Ontex	<b>5.2</b>	1.0
Others	-	0.5
<b>Total</b>	<b>251.9</b>	<b>191.7</b>

Net dividends from investments in the first half of 2016 posted a large increase of EUR 60 million compared with 2015. These changes essentially reflect the payment of the LafargeHolcim dividend (Lafarge was previously consolidated according to the equity method, hence the dividend was cancelled in the consolidated financial statements of GBL) and the increase in dividends from the Incubator portfolio and from adidas following the acquisitions made. The partial disposal of the stake in Total has reduced this growth.

## 4.2. Fair value and variation

Investments in listed companies are valued on the basis of the share price at the reporting date.

Investments held by the "Funds", namely Sagard, Sagard II and Sagard III, Mérieux Participations I, BDT Capital Partners II and PrimeStone are re-valued at their fair value, determined by the managers of these funds according to their investment portfolio.

In EUR million	31 December 2015	Acquisitions/ (Disposals)	(Impairments)/ Reversals in case of disposal	Change in revaluation reserves	Results of Funds/Others	30 June 2016
SGS	2,066.9	-	-	350.0	-	2,416.9
LafargeHolcim	2,674.2	-	(1,682.4)	1,131.8	-	2,123.6
Pernod Ricard	2,092.7	-	-	(119.3)	17.9	1,991.3
adidas	889.9	516.6	-	526.0	-	1,932.5
Total	2,462.5	(621.7)	-	(428.1)	(16.1)	1,396.6
Umicore	720.2	14.4	-	146.8	-	881.4
ENGIE	892.6	-	(43.7)	(55.6)	-	793.3
Funds	327.7	49.3	-	22.3	(1.7)	397.6
Ontex	180.6	164.3	-	(27.1)	-	317.8
Others	8.8	202.8	-	(18.4)	-	193.2
<b>Fair value</b>	<b>12,316.1</b>	<b>325.7</b>	<b>(1,726.1)</b>	<b>1,528.4</b>	<b>0.1</b>	<b>12,444.2</b>

## 4.3. Gains (losses) on disposals, impairments and reversals of non-current assets

In EUR million	30 June 2016	30 June 2015
Capital gains on available-for-sale investments	428.1	77.5
Impairments of available-for-sale investments	(1,727.9)	-
Total cost related to the repurchases of bonds exchangeable into ENGIE shares	(12.3)	-
<b>Total</b>	<b>(1,312.1)</b>	<b>77.5</b>

At 30 June 2016, this heading included mainly:

- The capital gain from the sale of 1.1% of Total's capital for EUR 428 million;
- An impairment of EUR 1,682 million on the LafargeHolcim investment, adjusting the book value of these shares (EUR 66.49 per share) to their market value at 30 June 2016 (EUR 37.10 per share);
- An additional impairment of EUR 44 million, accounted for the ENGIE investment in the first quarter of 2016, thus adjusting the book value of these shares (EUR 14.44 per share at end December 2015) to their market value at 31 March 2016 (EUR 13.64 per share); and
- The repurchase of the bonds exchangeable into ENGIE shares (explained in note 7.2) generated a total cost of EUR 12 million at 30 June 2016.

In 2015, the heading included on the one hand the capital gain from the sale of 0.1% of Total's capital for EUR 42 million and, on the other hand, the result from the early conversions of bonds exchangeable into Suez shares for EUR 35 million (corresponding to the recycling of the revaluation reserves of the converted shares, calculated based on the average share price of Suez during the first half of 2015).

## 5. Other operating income (expenses)

In EUR million	30 June 2016	30 June 2015
Other operating income	0.5	0.5
Other operating expenses	(22.4)	(22.2)
<b>Other operating income (expenses) – investing activities</b>	<b>(21.9)</b>	<b>(21.7)</b>
Other operating income	91.5	35.9
Other operating expenses	(701.8)	(683.8)
Share of profit (loss) of associates belonging to consolidated operating activities	4.9	4.0
<b>Other operating income (expenses) – consolidated operating activities</b>	<b>(605.4)</b>	<b>(643.9)</b>



## 6. Financial income (expenses)

In EUR million	30 June 2016	30 June 2015
Interest income on cash, cash equivalents and non-current assets	2.2	9.6
Interest expenses on financial liabilities	(22.3)	(24.7)
Gain (losses) on trading securities and derivatives	74.5	100.5
Other financial income (expenses)	(2.2)	(2.8)
<b>Financial income (expenses) – investing activities</b>	<b>52.2</b>	<b>82.6</b>
Interest income on cash, cash equivalents and non-current assets	6.0	4.3
Interest expenses on financial liabilities	(39.5)	(35.3)
Gain (losses) on trading securities and derivatives	5.0	(2.3)
Other financial income (expenses)	(7.8)	5.3
<b>Financial income (expenses) – consolidated operating activities</b>	<b>(36.3)</b>	<b>(28.0)</b>

Financial income (expenses) from investing activities totalled EUR 52 million (compared with EUR 83 million in 2015).

They mainly include:

- the mark to market of the derivative component associated with the exchangeable bonds into ENGIE shares and with GBL convertible bonds (EUR 72 million in 2016 compared with EUR 67 million in 2015). This non-monetary gain of EUR 72 million includes the change in the value of the call options on underlying securities implicitly contained in the exchangeable and convertible bonds issued by GBL in 2013;
- the mark to market of the derivative instruments (EUR - 10 million in 2016 compared with EUR 43 million in 2015). The derivative instruments at 30 June 2015 essentially included forward contracts for the sale of Total shares maturing in December 2015 (fair value of EUR 38 million).

During the first half of 2016, GBL concluded forward contracts with prepayment related to ENGIE and Total shares for 32.1 million and 7.8 million shares respectively. GBL applied hedge accounting to all its forward contracts and therefore recorded an amount of EUR - 13 million for ENGIE and EUR - 7 million for Total under shareholders' equity. At the maturity date of the forward sales, their mark to market value will be 0 and, at the same time, a capital gain of EUR 209 million and a capital loss of EUR 1 million will be recognised for Total and ENGIE respectively.

Financial income (expenses) on consolidated operating activities resulted essentially from interest expenses on Imerys' debt amounting to EUR 31 million.

## 7. Cash and debt

### 7.1. Cash and cash equivalents

In EUR million	30 June 2016	31 December 2015
Treasury bonds and treasury notes (corporate, sovereign)	15.0	15.0
Deposit (maturity <3 months)	428.0	128.5
Current accounts	921.6	754.5
<b>Total</b>	<b>1,364.6</b>	<b>898.0</b>

At 30 June 2016, a large majority of cash was held in fixed-term deposits and current accounts with various financial institutions. The increase of cash and cash equivalents during the six month period stems primarily from an increase in Imerys' deposits and current accounts.

**7.2. Debt**

In EUR million

**30 June 2016****31 December 2015**

<b>Non-current financial liabilities</b>	<b>3,197.5</b>	<b>3,488.6</b>
Exchangeable bonds (GBL)	-	991.2
Convertible bonds (GBL)	429.7	425.3
Retail bonds (GBL)	350.0	350.0
Bonds (Imerys)	2,105.3	1,491.2
Other non-current financial liabilities	312.5	230.9
<b>Current financial liabilities</b>	<b>1,363.5</b>	<b>476.5</b>
Exchangeable bonds (GBL)	327.2	-
Bank debt (GBL)	763.8	-
Bank debt (Imerys)	224.7	402.8
Other current financial liabilities	47.8	73.7

The group's debt increased by EUR 596 million, primarily at GBL, due to forward sales of shares with prepayment with financial institutions for a total amount of EUR 764 million, the issue of two new bonds at Imerys (EUR 600 million) and partly balanced by the repurchase of bonds exchangeable into ENGIE shares for EUR 668 million.

At 30 June 2016, GBL had undrawn credit lines of EUR 1,950 million (EUR 1,950 million at 31 December 2015).

**Exchangeable and convertible bonds (GBL)****Bonds exchangeable into ENGIE shares**

During the first half of 2016, the group took advantage of favourable market conditions to repurchase bonds exchangeable into ENGIE shares for a total amount of EUR 668 million in nominal value at an average price of 101.2% (excluding banking fees). These repurchases generated an expense of EUR 12 million recognised under the heading "Gains (losses) on disposals, impairments and reversals of non-current assets".

Furthermore, EUR 3 million was repaid early to bondholders following the exercise of the investor put.

The book value of this bond (excluding the option) was EUR 327 million at 30 June 2016 (EUR 991 million at 31 December 2015).

The option component was valued at fair value on the reporting date for an amount of EUR 1 million (EUR 51 million at 31 December 2015) as shown under "Other current liabilities".

Bondholders may request the exchange of their bonds for ENGIE shares subject to the option of GBL to instead pay in cash all or part of the value of ENGIE shares in lieu of such exchange.

**Bonds convertible into GBL shares**

The book value of this bond (excluding the option) was EUR 430 million at 30 June 2016 (EUR 425 million at 31 December 2015).

The option component was valued at fair value on the reporting date for an amount of EUR 9 million (EUR 32 million at 31 December 2015) as shown under "Other non-current liabilities".

Bondholders may request the exchange of their bonds for GBL shares subject to the option of GBL to instead pay in cash all or part of the value of GBL shares in lieu of such exchange.

**Bank debts (GBL)**

During the first half of the year, GBL concluded forward contracts with prepayment related to ENGIE and Total shares for 32.1 million and 7.8 million shares respectively maturing in the fourth quarter of 2016. The group therefore received EUR 764 million in cash and recognised bank debt for the same amount.

At 30 June 2016, the drawdown under bank credit lines amounted to EUR 200 million maturing in November 2016 (EUR 200 million maturing in November 2016 at 31 December 2015). Since 2013, GBL has put in place a bank deposit with the same characteristics as the bank drawdown, consisting of EUR 200 million maturing in November 2016 (EUR 200 million at 31 December 2015). In accordance with a netting agreement signed with the counterparty, this deposit was offset against the corresponding bank borrowing, in accordance with IFRS.

**Bonds (Imerys)**

Imerys has issued listed and non-listed bonds. The detail of these bond issues at 30 June 2016 is as follows:

	Nominal value in currency In million	Nominal interest rate	Effective interest rate	Listed/ Non-listed	Maturity date	Fair value In EUR million	Carrying amount In EUR million
JPY	7,000	3.40%	3.47%	Non-listed	16/09/2033	96.8	62.0
USD	30	5.28%	5.38%	Non-listed	06/08/2018	30.1	27.6
EUR	300	2.50%	2.60%	Listed	26/11/2020	330.1	304.5
EUR	100	2.50%	1.31%	Listed	26/11/2020	110.0	101.5
EUR	500	5.00%	5.09%	Listed	18/04/2017	524.6	505.1
EUR	500	2.00%	2.13%	Listed	10/12/2024	550.1	505.6
EUR	300	0.88%	0.96%	Listed	31/03/2022	304.5	300.7
EUR	300	1.88%	1.92%	Listed	31/03/2028	314.5	301.4
<b>Total</b>						<b>2,260.7</b>	<b>2,108.4</b>

The detail of these bond issues at 31 December 2015 is as follows:

	Nominal value in currency In million	Nominal interest rate	Effective interest rate	Listed/ Non-listed	Maturity date	Fair value In EUR million	Carrying amount In EUR million
JPY	7,000	3.40%	3.47%	Non-listed	16/09/2033	76.6	53.9
USD	30	5.28%	5.38%	Non-listed	06/08/2018	30.9	28.1
EUR	300	2.50%	2.60%	Listed	26/11/2020	319.9	300.7
EUR	100	2.50%	1.31%	Listed	26/11/2020	106.6	100.2
EUR	500	5.00%	5.09%	Listed	18/04/2017	547.2	517.6
EUR	500	2.00%	2.13%	Listed	10/12/2024	509.8	500.6
<b>Total</b>						<b>1,591.0</b>	<b>1,501.1</b>

**Other non-current financial liabilities**

This heading mainly includes the debts of the operating subsidiaries of ECP III. These debts are contracted with banks and non-controlling interests.

**8. Shareholders' equity****8.1. Revaluation reserves**

These reserves include changes in the fair value of available-for-sale investments and the reserves of equity-accounted entities. The heading "Others" mainly covers GBL's share of the changes in the revaluation reserves of associates.

In EUR million	Total	SGS	ENGIE	Pernod Ricard	Umicore	Ontex	Lafarge- Holcim	adidas	Funds	Others	Total
<b>At 31 December 2015</b>	<b>1,077.5</b>	<b>56.3</b>	<b>103.1</b>	<b>1,266.6</b>	<b>76.4</b>	<b>37.0</b>	<b>(1,131.8)</b>	<b>231.2</b>	<b>15.7</b>	<b>(3.1)</b>	<b>1,728.9</b>
Change resulting from the change in fair value	68.1	350.0	(99.3)	(118.9) <sup>(1)</sup>	146.2 <sup>(1)</sup>	(27.0) <sup>(1)</sup>	(550.6)	524.2 <sup>(1)</sup>	22.3	(18.4)	<b>296.6</b>
Transfers to profit (loss) (disposal/impairment)	(496.2)	-	43.7	-	-	-	1,682.4	-	-	-	<b>1,229.9</b>
<b>At 30 June 2016</b>	<b>649.4</b>	<b>406.3</b>	<b>47.5</b>	<b>1,147.7</b>	<b>222.6</b>	<b>10.0</b>	<b>-</b>	<b>755.4</b>	<b>38.0</b>	<b>(21.5)</b>	<b>3,255.4</b>

(1) Including a tax impact of EUR 0.4 million, EUR 0.1 million, EUR - 0.6 million and EUR - 1.8 million on Pernod Ricard, Ontex, Umicore and adidas respectively

**8.2. Earnings per share****Consolidated net result for the period (group's share)**

In EUR million	30 June 2016	30 June 2015
<b>Basic</b>	<b>(888.4)</b>	719.9
<b>Diluted</b>	<b>(905.9)</b>	740.8

**Number of shares**

In million of shares	30 June 2016	30 June 2015
Issued shares	<b>161.4</b>	161.4
Treasury shares at beginning of the period	<b>(6.1)</b>	(6.2)
Weighted changes for the period	-	-
<b>Weighted average number of shares used to determine basic earnings per share</b>	<b>155.3</b>	155.2
Impact of financial instruments with diluting effect:		
Convertible bonds	<b>5.0</b>	5.0
Stock options (in the money)	<b>0.3</b>	0.5
<b>Weighted average number of shares used to determine diluted earnings per share</b>	<b>160.6</b>	160.7

At 30 June 2016, GBL held, directly and through its subsidiaries, 5,943,077 GBL shares, representing 3.7% of the issued capital.

**Summary earnings per share**

In EUR	30 June 2016	30 June 2015
<b>Basic</b>	<b>(5.72)</b>	4.64
<b>Diluted</b>	<b>(5.72)</b>	4.61

**9. Financial instruments**

To reflect the importance of inputs used when measuring at fair values, the group classifies these valuations according to a hierarchy composed of the following levels:

- level 1: listed prices (non-adjusted) in active markets for identical assets or liabilities;
- level 2: inputs, other than the listed prices included within level 1, that are observable for the asset or liability concerned, either directly (i.e. prices) or indirectly (i.e. derived from prices); and
- level 3: inputs related to the asset or liability that are not based on observable market data (non-observable inputs).

The tables below show a comparison of the book value and the fair value of the financial instruments at 30 June 2016, as well as the fair value hierarchy. The category, according to IAS 39, uses the following abbreviations:

AFS: Available-For-Sale financial assets

HTM: financial assets Held-To-Maturity

LaR: Loans and Receivables

FVTPL: financial assets/liabilities at Fair Value Through Profit and Loss

OFL: Other Financial Liabilities

HeAc: Hedge Accounting

In EUR million	Category under IAS 39	Carrying amount	Fair value	Hierarchy of fair values
<b>Financial assets</b>				
<b>Non-current assets</b>				
Available-for-sale investments				
Listed companies	AFS	12,039.9	12,039.9	Level 1
Other companies	AFS	404.3	404.3	Level 3
Other non-current assets				
Derivative instruments - hedging	HeAc	0.5	0.5	Level 2
Derivative instruments - others	FVTPL	24.2	24.2	Level 2
Other financial assets	LaR	65.7	65.7	-
<b>Current assets</b>				
Trade receivables	LaR	699.4	699.4	-
Trading financial assets	FVTPL	638.3	638.3	Level 1
Cash and cash equivalents	LaR	1,364.6	1,364.6	-
Other current assets				
Derivative instruments - hedging	HeAc	14.3	14.3	Level 2
Other financial assets	LaR	59.8	59.8	-
<b>Financial liabilities</b>				
<b>Non-current liabilities</b>				
Financial liabilities				
Derivative instruments - hedging	HeAc	24.2	24.2	Level 2
Derivative instruments - others	FVTPL	(1.1)	(1.1)	Level 2
Other financial liabilities	OFL	3,174.4	3,373.2	-
Other non-current liabilities				
Other financial liabilities	OFL	6.1	6.1	-
Derivative instruments - hedging	HeAc	(0.1)	(0.1)	Level 2
Derivative instruments - others	FVTPL	9.2	9.2	Level 2
<b>Current liabilities</b>				
Financial liabilities				
Derivative instruments	FVTPL	2.2	2.2	Level 2
Other financial liabilities	OFL	1,361.3	1,365.9	-
Trade payables	OFL	509.7	509.7	-
Other current liabilities				
Derivative instruments - hedging	HeAc	5.1	5.1	Level 2
Derivative instruments - others	FVTPL	28.2	28.2	Level 2
Other current liabilities	OFL	30.1	30.1	-

There is no significant transfer between the different levels during the period closed on 30 June 2016.

## 10. Subsequent events

### Sienna Capital

Ergon Capital Partners announced on 19 July 2016 that it has completed a fund increase of EUR 150 million to bring the size of its third fund (ECP III) to EUR 500 million. The EUR 150 million increase was committed by Sienna Capital and a select number of European institutional investors active in private equity.

Sagard and Equistone have reached a definitive agreement to sell the remaining activities of FläktWoods to Triton. The transaction is expected to close before the end of October 2016.

## 11. Certification of Responsible Persons

Ian Gallienne and Gérard Lamarche, Managing Directors, and William Blomme, Chief Financial Officer, certify, in the name and on behalf of GBL, that to the best of their knowledge:

- The condensed consolidated financial statements for the six months ended 30 June 2016 have been prepared in accordance with IFRS and present a true and fair view of the assets, financial position and results of GBL and its consolidated companies<sup>(1)</sup> ;
- The half-yearly report presents a true and fair view of the business developments, results and position of GBL and its consolidated companies;
- The main risks and uncertainties regarding the remaining months of 2016 are in keeping with the assessment presented in the section "Risk Management and Internal Control" of GBL's 2015 Annual Report and take into account the current economic and financial environment.

(1) "Consolidated companies" are GBL's subsidiaries within the meaning of Article 6 of the Companies Code

# Statutory Auditor's report

**Deloitte.**

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## Groupe Bruxelles Lambert SA / Groep Brussel Lambert NV

### Report on review of the consolidated interim financial information for the six-month period ended 30 June 2016

To the board of directors

In the context of our appointment as the company's statutory auditor, we report to you on the consolidated interim financial information. This consolidated interim financial information comprises the consolidated balance sheet as at 30 June 2016, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the period of six months then ended, as well as selective notes 1 to 10.

#### Report on the consolidated interim financial information

We have reviewed the consolidated interim financial information of Groupe Bruxelles Lambert SA / Groep Brussel Lambert NV ("the company") and its subsidiaries (jointly "the group"), prepared in accordance with International Financial Reporting Standard IAS 34 – *Interim Financial Reporting* as adopted by the European Union.

The consolidated balance sheet shows total assets of 21.114 million EUR and the consolidated income statement shows a consolidated loss (group share) for the period then ended of 888 million EUR.

The board of directors of the company is responsible for the preparation and fair presentation of the 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 consolidated interim financial information based on our review.

#### Scope of review

We conducted our review of the consolidated interim financial information in accordance with International Standard on Review Engagements (ISRE) 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 performed in accordance with the International Standards on Auditing (ISA) 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 on the consolidated interim financial information.

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial information of Groupe Bruxelles Lambert SA / Groep Brussel Lambert NV has not been prepared, in all material respects, in accordance with IAS 34 – *Interim Financial Reporting* as adopted by the European Union.

Diegem, 29 July 2016

#### The statutory auditor



DELOITTE Bedrijfsrevisoren / Reviseurs d'Entreprises  
BV o.v.v.a. CVBA / SC s.f.d. SCRL  
Represented by Corine Magnin

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# Glossary

## Adjusted net assets

The change in GBL's adjusted net assets, along with the change in its share price and results, is an important criterion for assessing the group's performance.

The adjusted net assets are a conventional reference obtained by adding gross cash, treasury shares and deducting gross debt to the fair value of the investment portfolio.

The following valuation principles are applied:

- Investments in listed companies and GBL treasury shares are valued at the closing price. However, the value of shares underlying any commitments made by the group is capped at the conversion/exercise price.
- Investments in unlisted companies are valued at their book value, less any impairment, or at their share in shareholders' equity, with the exception of the companies of Sienna Capital, not consolidated or accounted for using the equity method, which are marked to market as provided by the fund managers.

## Portfolio

The portfolio includes:

- The available-for-sale investments and investments in associates in the Holding segment;
- Imerys; and
- Sienna Capital and the companies active in private equity, debt and specific thematic funds.

## Cash and debt

Net cash or, where applicable, net debt (excluding treasury shares), consists of gross cash (including quasi-liquidities) and gross debt.

Gross debt includes all the financial liabilities of the Holding segment (convertible and exchangeable bonds, retail bond and bank debt), valued at their nominal value.

Gross cash includes the cash and cash equivalents as well as the quasi-liquidities (trading assets, etc.) of the Holding segment. This is valued at the book or market value.

The cash and debt indicators are presented for the Holding segment to reflect GBL's own financial structure and the financial resources available to implement its strategy.

## Economic presentation of the consolidated result

### Cash earnings

- Cash earnings primarily include dividends from investments of the portfolio, income coming mainly from treasury management, net earnings from the trading activity and tax refunds, less overheads, gross debt-related charges and taxes.

Cash earnings also constitute a factor for determining the company's dividend payout level. All these elements are related to the Holding segment.

### Mark to market and other non-cash

- The concept of mark to market is one of the foundations of the fair value method of valuation as defined in IFRS international accounting standards, the principle of which is to value assets at their market value on the last day of the financial year.
- Mark to market and other non-cash items in GBL's accounts reflect the changes in fair value of the financial instruments bought or issued (exchangeable or convertible bonds, trading assets, options), the actuarial costs of financial liabilities valued at their amortised cost, as well as the adjustment of certain elements of cash earnings in accordance with IFRS rules (dividends decided but not paid out during the financial year but after the date of approval of the financial statements, dividends on treasury shares, etc.). These changes do not influence the group's cash position. All these elements are related to the Holding segment.

### Operating companies (associated or consolidated) and Sienna Capital

- This column shows earnings from associated operating companies, namely operating companies in which the group has significant influence. Significant influence is presumed to exist if the group has more than 20% voting rights, directly or indirectly through its subsidiaries. Associated operating companies are recorded in the consolidated financial statements using the equity method.
- Also included is income, group's share, from consolidated operating companies, i.e. controlled by the group. Control is presumed to exist when GBL has more than 50% voting rights in an entity, either directly or indirectly.
- This column also includes the contribution of result from Sienna Capital.

### Eliminations, capital gains, impairments and reversals

The eliminations, capital gains, impairments and reversals include the elimination of dividends received from associated or consolidated operating companies as well as results from disposals, impairments and reversals of non-current assets and on discontinued activities. All these elements are related to the Holding segment.

### Group's shareholding

- In **capital**: the percentage interest held directly and indirectly through consolidated intermediate companies, calculated on the basis of the number of shares in issue on 31 December.
- In **voting rights**: the percentage held directly or indirectly through consolidated intermediate companies, calculated on the basis of the number of voting rights existing on 31 December, including suspended voting rights.

### Loan to Value

The Loan to Value ratio is calculated on the basis of (i) GBL's net indebtedness relative to (ii) the portfolio's value of GBL increased by the value of the treasury shares underlying the bonds convertible into GBL shares. The methods for valuing the portfolio and treasury shares are identical to those used for the adjusted net assets.

### Discount

The discount is defined as the percentage difference between the market capitalisation and the value of the adjusted net assets.

## For further information

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