HALF-YEARLY REPORT
ON 30 JUNE 2017

Experience. Our greatest asset.

GBL
Groupe Bruxelles Lambert

GBL is a holding company listed since 1956 whose primary objective is to create value for its shareholders.

GBL strives to develop a diversified portfolio of quality, focused on a targeted number of global industrial and services companies, leaders on their market, in which it plays an active role as a professional shareholder over the long term.

GBL invests and divests depending on the companies' development and on market opportunities in order to achieve its objective of value creation, while maintaining a solid financial structure.

GBL is listed on Euronext Brussels (Ticker: GBLB BB; ISIN code: BE0003797140) and is part of the BEL20 index.

www.gbl.be

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

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

Investor information

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

Investor relations
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Half-yearly Report on 30 June 2017

Financial calendar

2 November 2017
Third quarter 2017 results

March 2018
Annual results 2017

24 April 2018
Ordinary General Meeting 2018

Early May 2018
First quarter 2018 results

End July 2018
Half-year 2018 results

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

Message from the Co-CEOs

The first half of 2017 has seen the financial markets benefit from a favourable evolution of the political environment in Europe, as a result of the French and Dutch elections. The macroeconomic environment also gave momentum to the markets through a combination of solid indicators in the Unites States, an acceleration of growth in Europe, and the good performance of emerging markets, notably in China.

Some uncertainties however still remain in the financial markets, which are closely monitoring the central banks' ongoing or expected normalization processes of their monetary policies. The implementation by the American administration of its publicized reforms, the outcomes of Brexit negotiations, the rebound in protectionist risks and the global geopolitical context could bring some volatility back into financial markets.

In this favourable but uncertain environment, GBL's adjusted net assets grew by 6.5% during the first half of 2017 and its TSR reached 18.6% over the last 12 months.

The consolidated net result at 30 June 2017 was impacted by exceptional events, i.e. mostly the capital gain realised on the disposal by Ergon Capital Partners III of its stake in Golden Goose (EUR 112 million, group's share).

The cash earnings are resilient, displaying a small progression compared to the first half of 2016 notwithstanding the gradual exit from high-yielding assets of the energy sector which will have a dilutive impact on the full year 2017.

GBL has further implemented its strategy of sectorial and geographical diversification, notably through new investments in Burberry, Ontex and Parques Reunidos. GBL holds a 3.95% stake in Burberry's capital at end of June 2017 (EUR 327 million of market value). In March 2017, GBL participated in the capital increase of Ontex and, following this operation, has maintained its stake in the company's capital at 19.98% (EUR 512 million in market value at end of June 2017). Finally, GBL also announced on 12 April 2017, the acquisition of a 15% stake in the capital of Parques Reunidos, a reference operator within the leisure park sector in Europe, North America and Asia, listed on the Madrid stock exchange (EUR 201 million of market value at end of June 2017).

The reinvestment of the proceeds from Total and ENGIE disposals remains a priority, along with the active management of the participations in portfolio. GBL has notably continued to play an active role through the governing bodies of LafargeHolcim in order to support the group in its strategic objectives including commercial excellence policy, asset management, implementation of synergies and balance sheet refinancing. The announcement of the appointment of Jens Jenisch as CEO of LafargeHolcim as from September 2017 was greeted positively by GBL.

GBL has moreover successfully issued a EUR 500 million inaugural institutional bond in May 2017. This transaction allows the group to lengthen its debt maturity profile and further diversify its financing sources.

Lastly, and effective as of 1st August 2017, Xavier Likin, Group Controller of GBL since 2012, will replace William Blomme as Group Chief Financial Officer. The group expresses its gratitude to William Blomme for its collaboration and professionalism over the last years.

Ian Gallienne
Co-CEO

Gérard Lamarche
Co-CEO

Key financial data

The Board of Directors, held on 31 July 2017, approved GBL's IFRS consolidated financial statements for the first half of 2017. These financial statements, produced in accordance with IAS 34 – Interim Financial Reporting, underwent a limited audit by the Auditor Deloitte.

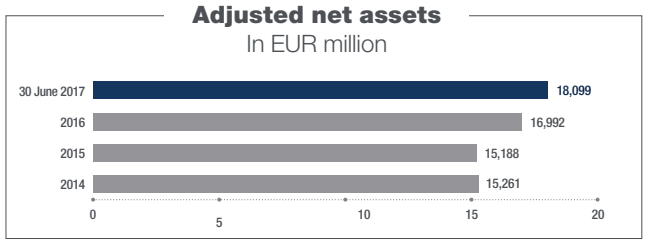
In EUR million (group's share)	At the end of June 2017	At the end of June 2016	At the end of March 2017	At the end of December 2016
Consolidated net result	**474**	(888)	233	(458)
Cash earnings	**359**	350	83	440
Adjusted net assets	**18,099**	14,977	18,530	16,992
Market capitalisation	**13,601**	11,853	13,732	12,863
Discount	**24.9%**	20.9%	25.9%	24.3%
Net cash / (Net debt)	**(150)**	(874)	489	225
Loan to Value	**0.8%**	5.5%	0.0%	0.0%

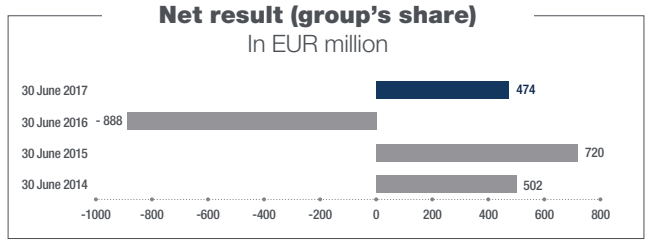
Adjusted net assets
+ 6.5%
over the period
to **EUR 18.1 billion**

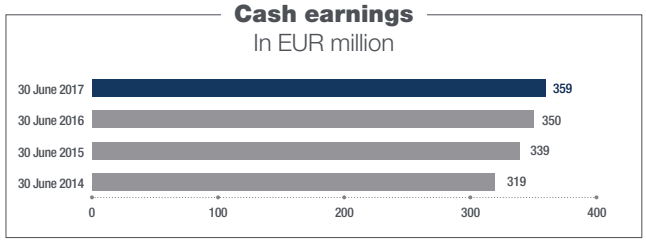
Inaugural institutional bond issue of
EUR 500 million
with a coupon of **1.375%**
and a 7-year maturity

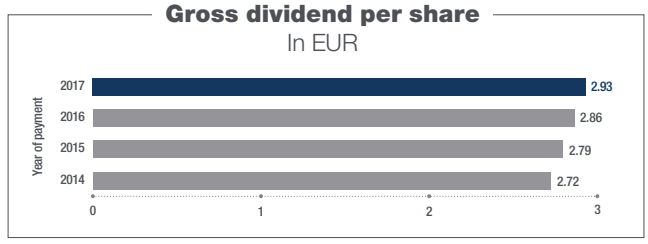
Consolidated net result of
EUR 474 million
over the period

Key figures









Financial position

At 30 June 2017, the **net debt** amounts to EUR 150 million as a consequence of investments (mainly in Ontex, Burberry and Parques Reunidos) for EUR 579 million, and the dividend payment (EUR 473 million). These cash outflows are partly offset by the cash earnings and the divestments (EUR 459 million).

Relative to the portfolio's value (adjusted for the treasury shares underlying the convertible bonds) of EUR 18.2 billion, the net debt is at 0.8% at 30 June 2017.

The weighted average maturity of the gross debt is 3.5 years at end of June 2017 (1.3 years at year-end 2016).

Committed credit lines amount to EUR 2,150 million (EUR 2,150 million at 31 December 2016) and mature in 2021 and 2022. They are fully undrawn at 30 June 2017.

This position does not include the company's commitments in respect of Sienna Capital, which amounted to EUR 565 million at the end of June 2017 (EUR 601 million at 31 December 2016).

Finally, at 30 June 2017, the 5,693,841 **treasury shares** [(1)] represented 3.5% of the issued capital (3.7% at end of 2016).

In EUR million	**30 June 2017**	**31 December 2016**
Bonds	**850**	350
ENGIE exchangeable bonds	**-**	306
GBL convertible bonds	**450**	450
Others	**57**	43
Gross debt	**1,357**	1,150
Gross cash (excluding treasury shares)	**1,207**	1,375
Net cash / (Net debt)	**(150)**	225

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

Outlook for 2017

During the first half of 2017, GBL has further reinvested the proceeds from disposals of the high-yielding assets of the energy sector. Given the seasonality of the dividend contributions, the cash earnings related to the second half of 2017 will be negatively impacted by this asset rotation.

In this context, and in the absence of major events, GBL anticipates to pay a 2017 dividend at least equivalent to that relating to the 2016 financial year.

The results at 30 September 2017 will be published on 2 November 2017.

Highlights

During the first half of 2017, GBL has further implemented the geographical and sectorial diversification of its portfolio, while maintaining a solid financial structure giving it the flexibility required to seize investment opportunities. This was reflected in the equity investment in Parques Reunidos, the strengthening of the positions in Burberry and Ontex, the exit from the ENGIE group and the placement of an inaugural institutional bond.

Further diversification of the portfolio

Parques Reunidos
PASSION FOR LEISURE

Equity investment in Parques Reunidos

- Acquisition of a 15% position in Parques Reunidos announced on 12 April 2017, representing a market value of EUR 201 million at end of June 2017
- Reference operator of leisure parks in Europe, North America and Asia, listed on the Madrid stock exchange
- Representation of GBL in the Board of Directors following the co-option of Colin Hall on 25 April 2017

BURBERRY
London, England

Strengthening of the position in Burberry

- Announcement by Burberry that GBL had crossed the threshold of 3.0% of the voting rights in the company on 28 February 2017
- Reinforcement of the shareholding in Burberry, from 2.95% at year-end 2016 to 3.95% at end of June 2017, for a market value of EUR 327 million

Ontex

Participation in the capital increase of Ontex

- Participation in March 2017 in the capital increase of Ontex aiming at refinancing the company after the acquisition of the «hygienic consumables» activity of Hypermarcas
- Unchanged shareholding of 19.98% following the transaction
- Representation of GBL in the Board of Directors following the appointment of Michael Bredael at the Annual General Meeting of 24 May 2017

Maintaining a solid financial structure

Maturity of the bonds exchangeable into ENGIE shares

- Redemption in cash of the outstanding nominal amount under the bonds exchangeable into ENGIE shares for EUR 306 million, at maturity on 7 February 2017
- Disposal of the residual ENGIE shares underlying the bonds exchangeable into ENGIE shares (i.e. 11.9 million shares or 0.5% of the capital for EUR 145 million), generating a consolidated gain of EUR 1 million
- Residual stake of less than 0.1% of the capital at 30 June 2017

Success of the inaugural institutional bond issue

- EUR 500 million bond issue, with a coupon of 1.375% and maturing on 23 May 2024
- Issuance allowing GBL to reinforce its liquidity profile, lengthen the debt maturity profile from 1.3 years at year-end 2016 to 3.5 years at end of June 2017 and further diversify its financing sources by successfully establishing the group's credit quality on the institutional bond market
- Oversubscription of almost 3 times by a diversified base of primarily French, Belgian and Anglo-Saxon institutional investors

Sienna Capital
Solid momentum in terms of asset rotation

Disposal of Golden Goose and ELITech

Golden Goose

- Sale to Carlyle of the majority stake held by Ergon Capital Partners III (ECP III) in Golden Goose, an Italian designer of contemporary footwear, clothing and accessories
- Net consolidated capital gain on disposal of EUR 112 million (GBL's share)

ELITech

- ECP III reached an agreement with PAI Partners for the sale of ELITech Group, a manufacturer of specialty in-vitro diagnostics equipment and reagents
- Estimated net consolidated capital gain on disposal of EUR 102 million (GBL's share) at 30 June 2017

Acquisition of Ipackchem

- Acquisition by Sagard 3 of a stake in Ipackchem, one of the global leaders in the manufacturing of "barrier" packaging, whose products are mainly used in the transport and storage of aromas, fragrances and agrochemical products for which permeability, contamination and evaporation constraints are critical

Acquisition of Xeris & Ivantis

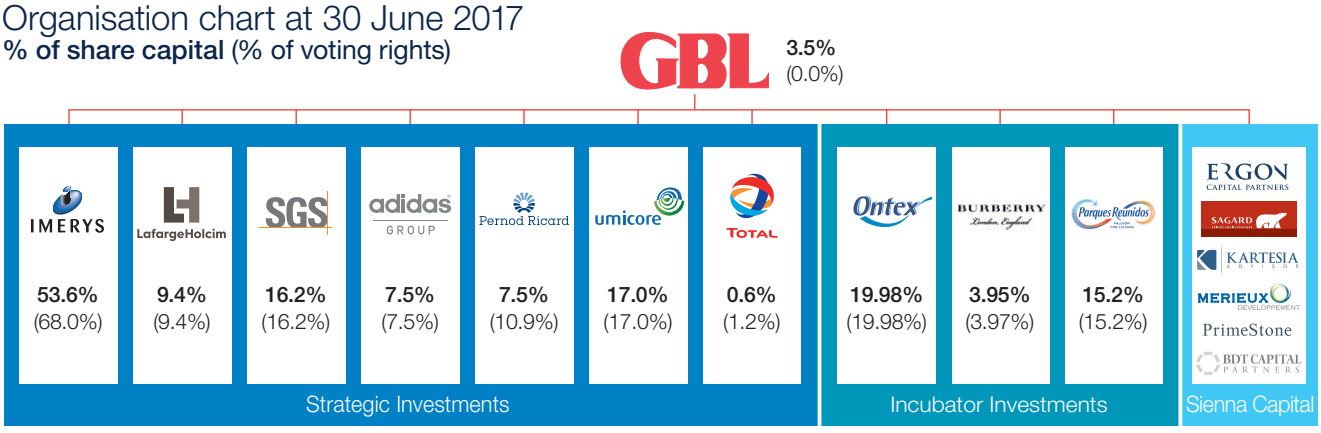
- Acquisition by Mérieux Participations II (MP II) of a minority stake in Xeris Pharmaceuticals Inc. : biopharmaceutical company developing injectable therapeutics for multiple indications including diabetes
- Acquisition by MP II of a minority stake in Ivantis Inc., a company dedicated to the development of new and innovative solutions for glaucoma

Expected performance of KCO III in line with target returns

- At 30 June 2017, Kartesia Credit Opportunities III (KCO III) is now fully invested in primary and secondary transactions and has distributed to its investors a total amount of EUR 84 million, representing c.18% of capital called

Organisation chart and adjusted net assets

Organisation chart at 30 June 2017
% of share capital (% of voting rights)



Adjusted net assets

At 30 June 2017, GBL's adjusted net assets totalled EUR 18.1 billion (EUR 112.17 per share) compared with EUR 17.0 billion (EUR 105.31 per share) at the end of 2016, up by 6.5% (+ EUR 6.86 per share). Relative to the share price of EUR 84.29 (+ 5.7% over the first half of the year), the discount at the end of June 2017 was 24.9%, slightly increasing compared with the end of 2016.

	30 June 2017				31 December 2016	30 June 2016
	Holding % in capital	**Share price** In EUR	In EUR million	**Portfolio** In %	In EUR million	In EUR million
Strategic Investments			**15,658**	**88.1**	**14,615**	**13,120**
Imerys	**53.6**	**76.15**	**3,263**	**18.4**	3,088	2,465
LafargeHolcim	**9.4**	**50.27**	**2,877**	**16.2**	2,857	2,124
SGS	**16.2**	**2,124**	**2,692**	**15.1**	2,445	2,417
adidas	**7.5**	**167.75**	**2,632**	**14.8**	2,356	1,933
Pernod Ricard	**7.5**	**117.25**	**2,332**	**13.1**	2,048	1,991
Umicore	**17.0**	**60.90**	**1,160**	**6.5**	1,032	-
Total	**0.6**	**43.29**	**701**	**3.9**	789	1,397
ENGIE				**-**	-	793
Incubator Investments			**1,223**	**6.9**	**730**	**1,385**
Ontex	**19.98**	**31.11**	**512**	**2.9**	423	318
Burberry	**3.95**	**18.89**	**327**	**1.8**	230	-
Parques Reunidos	**15.2**	**16.44**	**201**	**1.1**	-	-
Umicore			**-**	**-**	-	881
Others			**183**	**1.0**	77	186
Sienna Capital			**891**	**5.0**	**955**	**912**
Portfolio			**17,772**	**100**	**16,300**	**15,417**
Treasury shares			**476**		467	433
Exchangeable/convertible bonds			**(450)**		(757)	(779)
Bank debt and Bonds			**(907)**		(393)	(1,357)
Cash/quasi-cash/trading [1]			**1,207**		1.375	1,263
Adjusted net assets (global)			**18,099**		**16,992**	**14,977**
Adjusted net assets per share (in EUR) [2]			**112.17**		**105.31**	**92.82**
Share price per share (in EUR)			**84.29**		**79.72**	**73.46**
Discount (in %)			**24.9**		**24.3**	**20.9**

The value of GBL's adjusted net assets is published on GBL's website on a weekly basis. At 28 July 2017, adjusted net assets per share stood at EUR 112.80 up 7.1% compared with its level at the beginning of the year, reflecting a discount of 24.4% on the share price on that date (EUR 85.31).

(1) The value of the investment in ENGIE (EUR 21 million for a stake of 0.1% at 30 June 2017) has been included since 31 December 2016 in the "Cash/quasi-cash/trading" item in the calculation of GBL's adjusted net assets
(2) Based on 161,358,287 shares

Components of the adjusted net assets at 30 June 2017

The tables mentioned below present the reconciliation of each component of the adjusted net assets with the IFRS consolidated financial statements resumed from page 18.

Portfolio

At 30 June 2017, GBL's portfolio included in the adjusted net assets amounted to EUR 17,772 million (EUR 16,300 million at 31 December 2016). The reconciliation of this item with the IFRS consolidated financial statements is set out below:

In EUR million	30 June 2017	31 December 2016	30 June 2016
Portfolio value as presented in:			
Adjusted net assets	**17,772**	16,300	15,417
Segment information (Holding) - pages 25 to 27	**13,620**	12,401	12,041
Available-for-sale investments	**13,620**	12,401	12,041
Reconciliation items	**4,152**	3,899	3,376
Fair value of Imerys, consolidated using the full consolidation method in IFRS	**3,263**	3,088	2,465
Value of Sienna Capital, consolidated in the Sienna Capital segment	**891**	955	912
Reclassification of ENGIE shares, included in gross cash in 2016 and shown under available-for-sale investments in IFRS	**(1)**	(145)	-
Others	**(1)**	1	(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 476 million at 30 June 2017 and EUR 467 million at 31 December 2016) are valued using the method set out in the glossary on page 37.

Gross debt

At 30 June 2017, gross debt of EUR 1,357 million (EUR 1,150 million at 31 December 2016) is detailed as follows:

In EUR million	30 June 2017	31 December 2016	31 December 2016
ENGIE exchangeable bonds	**-**	306	329
GBL convertible bonds	**450**	450	450
Bonds	**850**	350	350
Drawdown under bank credit lines	**-**	-	200
Debt related to prepaid forward sales	**-**	-	764
Others	**57**	43	43
Gross debt, as per the adjusted net assets	**1,357**	**1,150**	**2,136**
Gross debt, included in the segment information (Holding) - pages 25 to 27:			
Non-current financial liabilities	**991**	477	823
Current financial liabilities	**350**	656	1,091
Reconciliation items	**16**	17	222
Bank debt compensation - fixed-term deposits	**-**	-	200
Impact of the recognition of financial liabilities at amortised cost in IFRS	**16**	17	22

Gross cash

At 30 June 2017, gross cash excluding treasury shares stands at EUR 1,207 million (EUR 1,375 million at 31 December 2016). The table below sets out the various components in accordance with GBL's consolidated financial statements:

In EUR million	30 June 2017	31 December 2016	30 June 2016
Gross cash as presented in:			
Adjusted net assets	**1,207**	1,375	1,263
Segment information (Holding) - pages 25 to 27	**1,213**	1,235	1,057
Trading assets	**880**	1,020	629
Cash and cash equivalents	**320**	213	436
Other current assets	**43**	42	61
Trade payables	**(3)**	(2)	(2)
Tax liabilities	**(4)**	(8)	(5)
Other current liabilities	**(23)**	(30)	(62)
Reconciliation items	**(6)**	140	206
Bank debt compensation - fixed-term deposits	**-**	-	200
Reclassification of ENGIE shares previously taken into account in the portfolio value in the adjusted net assets and included in gross cash since 31 December 2016	**1**	145	-
Others	**(7)**	(5)	6

Net debt

Net debt of EUR 150 million at 30 June 2017 (net cash of EUR 225 million at 31 December 2016) presents the following Loan to Value ratio:

In EUR million	30 June 2017	31 December 2016	30 June 2016
Gross cash (excluding treasury shares)	**1,207**	1,375	1,263
Gross debt	**(1,357)**	(1,150)	(2,136)
Net debt (excluding treasury shares)	**(150)**	n.a.	(874)
Market value of the portfolio	**17,772**	16,300	15,417
Market value of treasury shares underlying GBL convertible bonds	**421**	399	367
Adjusted market value of the portfolio	**18,193**	16.699	15,784
Loan to Value	**0.8%**	0.0%	5.5%

Portfolio at 30 June 2017

GBL's strategy consists in holding a diversified portfolio, 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 over the long terme.

They represent the bulk of the portfolio.

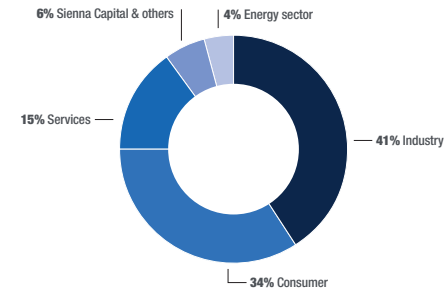
Incubator Investments

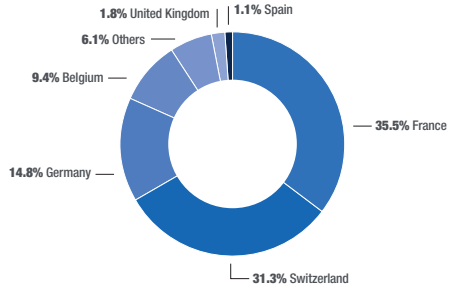
A limited selection of investments of lower size (EUR 250 million – EUR 1 billion), listed or not, having the potential to eventually become strategic, within which GBL seeks to become a core shareholder and, for mid-sized companies, to possibly hold a majority stake.

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 pursing the development of its alternative investments within Sienna Capital.

Sectorial and geographic diversification of the GBL portfolio





Overview of the portfolio

Strategic Investments	Incubator Investments	Sienna Capital
At 30/06/17	At 30/06/17	At 30/06/17
88.1%	6.9%	5.0%
EUR 15.7 billion	EUR 1.2 billion	EUR 0.9 billion

Risk management

GBL will continue to face the same risks in the second half of 2017. Each of the major investments in the portfolio held by GBL is exposed to the specific risks indicated in GBL's 2016 annual report (pages 38-39) 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 2016 (see pages 38 to 45 and 173-174) deals with these risks, their management and the monitoring activities introduced by the company.

Main risks	Risk factors	Mitigants
Exogenous Risks associated with shifts in external factors such as economic, political or legislative change	• Changes in financial markets, notably with regards to the volatility of share price and interest and foreign exchange rates • Changes in macroeconomic variables (growth rates, monetary policy, inflation, raw materials and commodity prices, etc.) • Regulatory or budgetary policy changes, for example involving tax reform • Specific developments affecting certain geographic areas (Eurozone, emerging countries, etc.)	• Geographic and sector diversification of the portfolio with differentiated cyclical exposure • Ongoing legislative monitoring of the primary regions of activity • Systematic monitoring and analysis of macro-economic scenarii, markets and investment thesis
Strategy Risks resulting from the definition, implementation and continuation of the group's guidelines and strategic developments	• Differing visions or understanding of the assessment of strategic priorities and inherent risks • Validity of the parameters underlying investment thesis • Geographic or sector concentration of investments	• Formal decision-making process involving all governance bodies and the management • Ongoing monitoring of key performance indicators and regular updates of assumptions and forecasts • Periodic portfolio review at different hierarchical levels • Investment diversification
Cash and cash equivalents, financial instruments and financing Risks associated with the management of cash and cash equivalents, financial instruments and financing	• Access to liquidity • Net debt leverage and maturity profile • Quality of counterparties • Interest rate exposure • Volatility of derivative instruments • Relevance of forecasts or expectations • Developments in financial markets	• Rigorous and systematic analysis of considered transactions • Diversification of investments and counterparties • Limitation of net indebtedness • Definition of trading limits • Strict counterparty selection process • Formal delegations of authority with the aim to achieve appropriate segregation of duties • Systematic reconciliation of cash data and the accounting
Operations 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	• Complexity of the regulatory environment • Adequacy of systems and procedures • Exposure to fraud and litigation • Retention and development of employees' skills	• Internal procedures and control activities regularly reviewed • Hiring, retention and training of qualified staff • Implementation of delegations of authority to ensure an appropriate segregation of duties • Maintenance of and investments in IT systems • Internal Code of Conduct and Corporate Governance Charte
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 **LafargeHolcim**: www.lafargeholcim.com **SGS**: www.sgs.com **adidas**: www.adidas-group.com **Pernod Ricard**: www.pernod-ricard.com **Umicore**: www.umicore.com **Total**: www.total.com **Ontex**: www.ontexglobal.com **Burberry**: www.burberryplc.com **Parques Reunidos**: www.parquesreunidos.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 18 onwards.

In EUR million	30 June 2017					30 June 2016
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 [1]
Profit (loss) of associates and consolidated operating companies	-	-	103.5	-	**103.5**	90.2
Net dividends from investments	360.8	0.1	-	(80.1)	**280.8**	251.9
Interest income (expenses)	(10.0)	(2.1)	(1.4)	-	**(13.5)**	(20.1)
Other financial income (expenses)	25.1	6.6	-	(16.9)	**14.8**	72.3
Other operating income (expenses)	(16.7)	(0.7)	(11.1)	-	**(28.5)**	(21.9)
Gains (losses) from disposals, impairments and reversals of non-current assets	-	-	110.4	7.4	**117.8**	(1.260.8)
Tax	(0.1)	-	(0.5)	-	**(0.6)**	-
IFRS consolidated net result (6 months 2017)	**359.1**	**3.9**	**200.9**	**(89.6)**	**474.3**	
IFRS consolidated net result (6 months 2016)	349.5	41.9	130.2	(1.410.0)	-	(888.4)

Consolidated net result, group's share, at 30 June 2017 stood at EUR 474 million, compared with EUR - 888 million at 30 June 2016.

This result was primarily affected by:

- the net dividends from investments amounting to EUR 281 million;
- the net capital gain made on the sale of the participation in Golden Goose by ECP III for EUR 112 million (GBL's share);
- the Imerys contribution amounting to EUR 93 million.

Cash earnings

(EUR 359 million compared with EUR 350 million)

In EUR million	30 June 2017	30 June 2016
Net dividends from investments	**360.8**	361.2
Interest income (expenses)	**(10.0)**	(13.4)
Other income (expenses):		
financial	**25.1**	27.2
operating	**(16.7)**	(15.7)
Gains (losses) from disposals, impairements and reversals of non-current assets	**-**	(9.8)
Tax	**(0.1)**	-
Total	**359.1**	**349.5**

(1) The figures presented for comparative purposes have been restated in order to take into account the reclassification of the net capital gain on the disposal of activities of De Boeck by ECP III for EUR 51 million GBL's share from the item "Profit (loss) of associates and consolidated operating companies" to the item "Gains (losses) from disposals, impairments and reversals of non-current assets"

Net dividends from investments

Net dividends from investments in the first half of 2017 are flat compared with 2016.

In EUR million	30 June 2017	30 June 2016
LafargeHolcim	**107.0**	77.9
SGS	**82.8**	72.9
Imerys	**80.1**	75.0
adidas	**26.7**	18.8
Pernod Ricard (interim)	**18.7**	17.9
Total (interim and balance)	**17.9**	38.8
Umicore (balance)	**13.3**	13.3
Ontex	**9.0**	5.2
Parques Reunidos	**3.0**	-
ENGIE (balance)	**0.1**	23.2
Sienna Capital	**-**	18.2
Others	**2.2**	-
Total	**360.8**	**361.2**

These changes primarily reflect the increase in unit dividends from LafargeHolcim, SGS, Imerys and adidas, as well as the increase in dividends from the Incubator portfolio following the carried out investments.
The partial disposal in 2016 of the investments in Total and ENGIE reduces this growth.

LafargeHolcim distributed a dividend of CHF 2.00 per share for 2016 (CHF 1.50 per share at 30 June 2016), contributing EUR 107 million at 30 June 2017.

SGS paid an annual dividend of CHF 70 per share (CHF 68 per share in 2016), representing EUR 83 million at 30 June 2017.

Imerys approved in the second quarter of 2017 an annual dividend of EUR 1.87 per share (EUR 1.75 in 2016), corresponding to a total collection of EUR 80 million for GBL.

adidas distributed a dividend of EUR 2.00 per share in the second quarter of 2017 (compared with EUR 1.60 per share in 2016), representing EUR 27 million at 30 June 2017.

Pernod Ricard declared an interim dividend of EUR 0.94 per share in the second quarter of 2017 (compared with EUR 0.90 per share the previous year), representing EUR 19 million, the payment of the balance of the dividend being expected in the second half of the year.

Total approved a dividend of EUR 2.45 per share for 2016 and paid, during the half year, the last quarterly interim dividend and the balance on the 2016 dividend, i.e. EUR 0.61 and EUR 0.62 per share respectively. Total's contribution to the results for the first six months thus amounted to EUR 18 million.

Umicore approved during the second quarter of 2017 the balance of the dividend for 2016 of EUR 0.70 per share (unchanged compared with 2016). The contribution of Umicore amounted to EUR 13 million at 30 June 2017.

Ontex distributed a dividend of EUR 0.55 per share during the first half of 2017 for 2016 (compared with EUR 0.46 per share the previous year), corresponding to an amount of EUR 9 million for GBL.

Parques Reunidos approved during the first half of 2017 a dividend of EUR 0.25 per share, representing a contribution of EUR 3 million for 2017.

Net interest expenses (EUR 10 million) benefit from partial buyback of bonds exchangeable into ENGIE shares, with consecutive cancellation of the repurchased bonds, carried out in the course of 2016 and the repayment, on 7 February 2017, of the residual bonds.

Other financial income (expenses) (EUR 25 million) mainly comprise trading income of EUR 11 million (EUR 12 million in 2016) and dividends collected on treasury shares (EUR 17 million).

Other operating income (expenses) amounted to EUR - 17 million at the end of June 2017 and have slightly increased compared with the previous year.

Gains (losses) from disposals, impairments and reversals of non-current assets of EUR 10 million in 2016 included 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 4 million compared with EUR 42 million)

In EUR million	30 June 2017	30 June 2016
Net dividends from investments	**0.1**	(16.1)
Interest income (expenses)	**(2.1)**	(4.3)
Other financial income (expenses)	**6.6**	62.1
Other operating income (expenses)	**(0.7)**	2.7
Gains (losses) from disposals, impairments and reversals of non-current assets	**-**	(2.5)
Total	**3.9**	**41.9**

Net dividends from investments included at 30 June 2016, 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 fi rst interim dividend of 2016, announced in April 2016 and which was 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 - 2 million compared with EUR - 4 million last year).

Furthermore, the item **"Other financial income (expenses)"** includes the mark to market of the trading portfolio and derivative instruments (EUR 12 million compared with EUR - 10 million in 2016) as well as the derivative component embedded in the exchangeable and convertible bonds (EUR - 5 million compared with EUR 72 million in 2016).

This non-monetary loss of EUR 5 million includes the change in the value of the call options on underlying securities implicitly embedded in the outstanding convertible bonds issued in 2013. In 2017, the change in value of these derivative instruments has been primarily attributable to the fluctuations, since 1 January 2017, in the stock price of the GBL share.

Profit at 30 June 2017 illustrates, as commented on in previous closings, the accounting asymmetry and volatility of periodic results, which will persist throughout the lifetime of the convertible bonds.

Operating companies (associates or consolidated) and Sienna Capital

(EUR 201 million compared with EUR 130 million)

In EUR million	30 June 2017	30 June 2016 (1)
Profit (loss) of associates and consolidated operating companies	**103.5**	90.2
Interest income (expenses)	**(1.4)**	(2.4)
Other operating income (expenses)	**(11.1)**	(8.9)
Gains (losses) on disposals, impairments and reversals of non-current assets	**110.4**	51.3
Tax	**(0.5)**	-
Total	**200.9**	**130.2**

Net profit (loss) of associates and consolidated operating companies amounts to EUR 104 million in 2017, to be compared with EUR 90 million at 30 June 2016:

In EUR million	30 June 2017	30 June 2016 (1)
Imerys	**93.1**	86.3
Sienna Capital	**10.4**	3.9
ECP I & II	***(1.4)***	*(0.1)*
Operating subsidiaries of ECP III	***(3.5)***	*(2.8)*
Kartesia	***11.1***	*6.8*
Mérieux Participations II	***4.2***	-
Total	**103.5**	**90.2**

Imerys (EUR 93 million compared with EUR 86 million)

Net income from current operations increased by 3.2% to EUR 190 million in the first half of 2017 (EUR 184 million in the first half of 2016), notably as a result of the improved current operating income, at EUR 313 million (EUR 293 million in the first half of 2016). The net result, group's share, amounted to EUR 172 million (EUR 158 million in the first half of 2016).

Imerys contributed EUR 93 million to GBL's consolidated net result in 2017 (EUR 86 million in 2016), reflecting the consolidation rate for Imerys of 54.1% in 2017 (54.6% in 2016).

The press release related to the Imerys' results for the first half of 2017 is available at www.imerys.com.

Sienna Capital (EUR 10 million compared with EUR 4 million)

Net profit (loss) of associates and consolidated operating companies at Sienna Capital stands at EUR 10 million, compared with EUR 4 million last year. The result for the period mainly includes the share of Kartesia's result attributable to GBL (EUR 11 million in 2017) compared with EUR 7 million in 2016.

The **gains (losses) on disposals, impairments and reversals of non-current assets** mainly consist of the net capital gain of the disposal of Golden Goose by ECP III (EUR 112 million). In 2016, this item consisted primarily of the net capital gain on the disposal of De Boeck's activities by ECP III (EUR 51 million GBL's share).

(1) The figures presented for comparative purposes have been restated in order to take into account the reclassification of the net capital gain on the disposal of activities of De Boeck by ECP III for EUR 51 million GBL's share from the item "Profit (loss) of associates and consolidated operating companies" to the item "Gains (losses) from disposals, impairments and reversals of non-current assets"

Eliminations, capital gains, impairments and reversals

(EUR - 90 million compared with EUR - 1,410 million)

In EUR million	30 June 2017	30 June 2016
Eliminations of dividends (Imerys and Sienna Capital)	**(80.1)**	(93.2)
Other financial income (expenses) (GBL)	**(16.9)**	(17.0)
Capital gains on disposals (Total and others)	**8.1**	428.1
Impairments on AFS investments and reversals of non-current assets (LafargeHolcim, ENGIE and others)	**(0.7)**	(1,727.9)
Total	**(89.6)**	**(1,410.0)**

Eliminations of dividends

Net dividends from operating investments (associates or consolidated companies) are eliminated and represent EUR 80 million from Imerys.

Other financial income (expenses)

This item includes the elimination of the dividend on treasury shares amounting to EUR - 17 million.

Capital gains on disposals

In 2017, the eliminations, capital gains, impairments and reversals are not significant. This item included in 2016 the capital gain from the sale of 1.1% of Total's capital for EUR 428 million.

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).

Half-yearly IFRS financial statements

Consolidated statement of comprehensive income

In EUR million	Notes	30 June 2017	30 June 2016 [1]
Share of profit (loss) of associates	3	**13.9**	6.7
Net dividends from investments	4	**280.8**	251.9
Other operating income (expenses) from investing activities	5	**(29.1)**	(21.9)
Gains (losses) from disposals, impairments and reversals of non-current assets from investing activities	4	**130.3**	(1,256.4)
Available-for-sale investments		***6.1***	*(1,312.1)*
Subsidiaries		***124.2***	*55.9*
Other non-current assets		**-**	*(0.2)*
Financial income (expenses) from investing activities	6	**1.3**	52.2
Profit (loss) from investing activities		**397.2**	**(967.5)**
Turnover		**2,382.9**	2,262.2
Raw materials and consumables		**(728.9)**	(717.6)
Employees expenses		**(546.8)**	(485.9)
Depreciation on tangible and intangible assets		**(139.0)**	(131.7)
Other operating income (expenses) from operating activities	5	**(678.0)**	(653.6)
Gains (losses) from disposals, impairments and reversals of non-current assets from operating activities		**(1.5)**	(7.7)
Financial income (expenses) from the operating activities	6	**(50.2)**	(36.3)
Profit (loss) from consolidated operating activities		**238.5**	**229.4**
Income taxes		**(75.9)**	**(73.0)**
Consolidated profit (loss) for the period		**559.8**	**(811.1)**
Attributable to the group		**474.3**	(888.4)
Attributable to non-controlling interests		**85.5**	77.3
Other comprehensive income:			
Items that will not be reclassified subsequently to profit or loss			
Actuarial gains (losses)		**15.8**	(46.4)
Total items that will not be reclassified to profit or loss after tax		**15.8**	**(46.4)**
Items that may be reclassified subsequently to profit or loss			
Available-for-sale investments - change in fair value	8	**922.4**	296.5
- recycling in result on disposals/impairment	8	**(2.2)**	1,230.0
Currency translation adjustments for consolidated companies		**(147.9)**	13.6
Cash flow hedges		**(4.2)**	(3.9)
Total items that may be reclassified to profit or loss after tax		**768.1**	**1,536.2**
Other comprehensive income (loss) after tax		**783.9**	**1,489.8**
Comprehensive income (loss)		**1,343.7**	**678.7**
Attributable to the group		**1,322.2**	609.0
Attributable to non-controlling interests		**21.5**	69.7
Consolidated earnings per share for the period	8		
Basic		***3.05***	*(5.72)*
Diluted		***3.01***	*(5.72)*

(1) The figures presented for comparative purposes have been restated in order to take into account the reclassification of the net capital gain on the disposal of activities of De Boeck by ECP III for EUR 56 million GBL's share from the item "Gains (losses) from disposals, impairments and reversals of non-current assets from investing activities" to the item "Gains (losses) from disposals, impairments and reversals of non-current assets from operating activities"

Consolidated balance sheet

In EUR million	Notes	30 June 2017	31 December 2016
Non-current assets		**18,966.7**	**17,945.3**
Intangible assets		**167.6**	288.4
Goodwill		**1,831.3**	1,928.7
Tangible assets		**2,300.6**	2,392.5
Investments		**14,420.2**	13,137.5
Investments in associates	*3*	***369.7***	*360.5*
Available-for-sale investments	*4*	***14,050.5***	*12,777.0*
Other non-current assets		**155.8**	99.6
Deferred tax assets		**91.2**	98.6
Current assets		**3,860.2**	**3,927.5**
Inventories		**725.7**	749.2
Trade receivables		**694.2**	685.1
Trading financial assets		**886.2**	1,023.5
Cash and cash equivalents	7	**1,048.1**	1,086.1
Other current assets		**345.7**	383.6
Assets held for sale	10	**160.3**	-
Total assets		**22,826.9**	**21,872.8**
Shareholders' equity		**17,187.7**	**16,374.2**
Share capital		**653.1**	653.1
Share premium		**3,815.8**	3,815.8
Reserves		**11,283.6**	10,398.1
Non-controlling interests		**1,435.2**	1,507.2
Non-current liabilities		**4,146.5**	**3,226.5**
Financial liabilities	7	**3,370.9**	2,383.5
Provisions		**335.0**	345.8
Pensions and post-employment benefits		**266.5**	304.5
Other non-current liabilities		**57.9**	63.1
Deferred tax liabilities		**116.2**	129.6
Current liabilities		**1,492.7**	**2,272.1**
Financial liabilities	7	**417.7**	1,270.2
Trade payables		**490.7**	483.3
Provisions		**22.9**	23.6
Tax liabilities		**105.1**	104.6
Other current liabilities		**346.4**	390.4
Liaibilities associated with assets held for sale	10	**109.9**	-
Total shareholders' equity and liabilities		**22,826.9**	**21,872.8**

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	Share-holders' equity
At 31 December 2015	**653.1**	**3,815.8**	**1,728.9**	**(244.8)**	**(72.9)**	**7,365.5**	**13,245.6**	**1,297.9**	**14,543.5**
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
Total comprehensive income (loss)	**-**	**-**	**1,526.5**	**-**	**7.0**	**(924.5)**	**609.0**	**69.7**	**678.7**
Dividends	-	-	-	-	-	(444.5)	(444.5)	(64.0)	(508.5)
Cost of stock options	-	-	-	7.6	-	-	7.6	-	7.6
Other movements	-	-	-	-	-	(11.7)	(11.7)	7.7	(4.0)
At 30 June 2016	**653.1**	**3,815.8**	**3,255.4**	**(237.2)**	**(65.9)**	**5,984.8**	**13,406.0**	**1,311.3**	**14,717.3**
Consolidated profit (loss) for the year	-	-	-	-	-	430.7	430.7	69.5	500.2
Other comprehensive income (loss)	-	-	934.4	-	32.4	50.3	1,017.1	56.2	1,073.3
Total comprehensive income (loss)	**-**	**-**	**934.4**	**-**	**32.4**	**481.0**	**1,447.8**	**125.7**	**1,573.5**
Dividends	-	-	-	-	-	-	-	(0.5)	(0.5)
Treasury shares' acquisitions/sales	-	-	-	1.2	-	-	1.2	-	1.2
Other movements	-	-	-	-	-	12.0	12.0	70.7	82.7
At 31 December 2016	**653.1**	**3,815.8**	**4,189.8**	**(236.0)**	**(33.5)**	**6,477.8**	**14,867.0**	**1,507.2**	**16,374.2**
Consolidated profit (loss) for the year	-	-	-	-	-	474.3	474.3	85.5	559.8
Other comprehensive income (loss)	-	-	920.2	-	(78.6)	6.3	847.9	(64.0)	783.9
Total comprehensive income (loss)	**-**	**-**	**920.2**	**-**	**(78.6)**	**480.6**	**1,322.2**	**21.5**	**1,343.7**
Dividends	-	-	-	-	-	(455.9)	(455.9)	(69.0)	(524.9)
Treasury shares' acquisitions/sales	-	-	-	16.0	-	-	16.0	-	16.0
Other movements	-	-	-	-	-	3.2	3.2	(24.5)	(21.3)
At 30 June 2017	**653.1**	**3,815.8**	**5,110.0**	**(220.0)**	**(112.1)**	**6,505.7**	**15,752.5**	**1,435.2**	**17,187.7**

Shareholders' equity was impacted during the first half of 2017 mainly by:

- the distribution by GBL on 4 May 2017 of a gross dividend of EUR 2.93 per share (EUR 2.86 in 2016), representing EUR 456 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);
- negative foreign currency translation adjustments; and
- the consolidated result for the period.

Consolidated statement of cash flows

In EUR million	Notes	30 June 2017	30 June 2016
Cash flow from operating activities	**10**	**645.2**	**502.8**
Consolidated profit (loss) for the period		**559.8**	(811.1)
Adjustments for:			
Income taxes		**75.9**	73.0
Interest income (expenses)	6	**50.5**	53.6
Share of profit (loss) of associates	3	**(15.9)**	(11.6)
Dividends from investments in non-consolidated companies	4	**(280.8)**	(251.9)
Net depreciation and amortisation expenses		**139.7**	132.3
Gains (losses) on disposals, impairments and reversals of non-current assets		**(135.5)**	1,251.2
Other income items not involving a cash impact		**(0.4)**	(62.5)
Interest received		**10.7**	14.2
Interest paid		**(69.7)**	(48.9)
Dividends received from investments in non-consolidated companies		**278.5**	290.9
Dividends received from investments in associates	3	**2.7**	22.5
Income taxes paid		**(60.3)**	(44.7)
Changes in the working capital		**(42.2)**	(48.1)
Changes in the trading assets		**143.4**	6.6
Changes in other receivables and payables		**(11.2)**	(62.7)
Cash flow from investing activities	**10**	**(466.9)**	**(16.8)**
Acquisitions of:			
Investments		**(572.1)**	(983.2)
Subsidiaries, net of cash acquired		**(83.3)**	(56.8)
Tangible and intangible assets		**(160.4)**	(129.8)
Other financial assets		**(48.9)**	-
Disposals/Divestments of:			
Investments		**242.9**	1,054.8
Subsidiaries, net of cash paid		**150.4**	69.9
Tangible and intangible assets		**4.2**	23.4
Other financial assets		**0.3**	4.9
Cash flow from financing activities	**10**	**(190.0)**	**(39.4)**
Capital increase from non-controlling interests		**25.7**	14.2
Dividends paid by the parent company to its shareholders		**(455.9)**	(444.5)
Dividends paid by the subsidiaries to non-controlling interests		**(69.0)**	(64.0)
Proceeds from financial liabilities		**1,137.4**	1,445.0
Repayments of financial liabilities		**(846.3)**	(932.9)
Net changes in treasury shares		**16.0**	7.6
Others		**2.1**	(64.8)
Effect of exchange rate fluctuations on funds held		**(11.7)**	**20.0**
Net increase/(decrease) in cash and cash equivalents	**10**	**(23.4)**	**466.6**
Cash and cash equivalents at the beginning of the period	7	**1,086.1**	898.0
Cash and cash equivalents at the end of the period	7	**1,062.7** [1]	1,364.6

(1) Taking into account the cash included in assets held for sale (EUR 15 million in 2017 and EUR 0 million in 2016)

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 2017 are in conformity with IAS 34 – *Interim Financial Reporting* and have been approved on 31 July 2017.

The accounting and calculation methods used in the interim financial statements are identical to those used in the annual financial statements for 2016, apart from the application, by the group, of new standards, interpretations and revisions which have become mandatory since 1st January 2017. These new standards did not have any material impact on GBL's consolidated financial statements.

GBL did not opt for the early application of new and amended standards and interpretations which will enter into force after 31 December 2017. IFRS 9 – *Financial Instruments* and subsequent amendments (applicable for annual periods beginning on or after 1 January 2018) will in particular affect the treatment of unconsolidated investments that are not held for trading purposes. The group should in particular choose between the accounting of gains and losses on these investments under profit or loss or in shareholders' equity (other comprehensive income). This choice has not yet been made by GBL and will not have any impact on the shareholders' equity. The other aspects of IFRS 9 (credit risk and hedge accounting) should not have significant impacts on the group's accounts.

Lastly, the seasonality of results is previously detailed in the outlook for 2017.

Estimates and judgements

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

In accordance with IAS 28, it is assumed that a group does not exercise significant influence if the percentage holding is less than 20.00%, unless it can be clearly demonstrated. According to this standard, significant influence is usually demonstrated in the case of (i) representation on the Board of Directors, (ii) participation in policy-making processes, (iii) material transactions between the investor and the company owned, (iv) the exchanging of management personnel or (v) the supplying of critical technical information.

At 30 June 2017, these four financial assets are held respectively at 19.98%, 17.0%, 16.2% and 15.2%.

Concerning Ontex, SGS and Umicore, the representation of GBL on the Board of Directors of those companies is not sufficient to demonstrate the existence of significant influence. Moreover, GBL's representation on the Boards of Directors is limited to the mandates of the Directors and does not come from a contractual or legal right but from a resolution at Shareholders' General Meeting.

For Parques Reunidos, also, the GBL's representation on the Board of Directors is not sufficient to demonstrate the existence of significant influence. Moreover, the representation does not result from a contractual right or legal.

Taking these different factors into account, GBL has entered into the accounting treatment of its investments in Ontex, Umicore, SGS and Parques Reunidos as available-for-sale financial assets at 30 June 2017.

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 and non-consolidated operating companies (LafargeHolcim, SGS, adidas, Pernod Ricard, ...); and
- **Consolidated operating activities**
  Components of income from consolidated operating activities, i.e. from consolidated operating companies (Imerys as well as the sub-groups ELITech, Benito, Sausalitos, Looping, ...).

1. Changes in group structure

In February 2017, Ergon Capital Partners III concluded an agreement relating to the sale of its majority stake in Golden Goose, an Italian designer of contemporary footwear, clothing and accessories. The net consolidated capital gain on disposal amounts to EUR 112 million (group's share). The net cash inflow of this transaction amounts to EUR 147 million.

Ergon Capital Partners III also entered into exclusive negotiations with PAI Partners during the second quarter of 2017, for the sale of its stake in ELITech Group. As per 30 June 2017, GBL considers that the criteria under IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations* are fulfilled. Consequently, the assets and liabilities of ELITech have been reclassified respectively as assets held for sale and liabilities associated with assets held for sale.

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 & Specialities; 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, KCO III et IV, and Mérieux Participations I and II; and, on the other, under consolidated operating businesses, the operating subsidiaries of ECP III (sub-groups ELITech, Benito, Sausalitos, Looping, ...).

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 2017 and 30 June 2016

Period ended 30 June 2017

In EUR million	Holding	Imerys	Sienna Capital	Total
Share of profit (loss) of associates	-	-	13.9	13.9
Net dividends from investments	280.8	-	-	280.8
Other operating income (expenses) from investing activities	(17.4)	-	(11.7)	(29.1)
Gains (losses) on disposals, impairments and reversals of non-current assets from investing activities	7.4	-	122.9	130.3
Financial income (expenses) from investing activities	2.7	-	(1.4)	1.3
Profit (loss) from investing activities	**273.5**	**-**	**123.7**	**397.2**
Turnover	-	2,220.3	162.6	2,382.9
Raw materials and consumables	-	(687.5)	(41.4)	(728.9)
Employee expenses	-	(475.0)	(71.8)	(546.8)
Depreciation of tangible and intangible assets	-	(123.2)	(15.8)	(139.0)
Other operating income (expenses) from operating activities	-	(644.6)	(33.4)	(678.0)
Gains (losses) on disposals, impairments and reversals of non-current assets from operating activities	-	(1.5)	-	(1.5)
Financial income (expenses) of the operating activities	-	(42.2)	(8.0)	(50.2)
Profit (loss) from consolidated operating activities	**-**	**246.3**	**(7.8)**	**238.5**
Income taxes	**(0.1)**	**(73.1)**	**(2.7)**	**(75.9)**
Consolidated profit (loss) for the period	**273.4**	**173.2**	**113.2**	**559.8**
Attributable to the group	**273.4**	**93.1**	**107.8**	**474.3**

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 from investing activities	(1,312.1)	-	55.7	(1,256.4)
Financial income (expenses) from investing activities	54.6	-	(2.4)	52.2
Profit (loss) from investing activities	**(1,018.6)**	**-**	**51.1**	**(967.5)**
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	-	(611.4)	(42.2)	(653.6)
Gains (losses) on disposals, impairments and reversals of non-current assets from operating activities	-	(7.7)	-	(7.7)
Financial income (expenses) of the operating activities	-	(27.5)	(8.8)	(36.3)
Profit (loss) from consolidated operating activities	**-**	**230.6**	**(1.2)**	**229.4**
Income taxes	**-**	**(70.5)**	**(2.5)**	**(73.0)**
Consolidated profit (loss) for the period	**(1,018.6)**	**160.1**	**47.4**	**(811.1)**
Attributable to the group	**(1,018.6)**	**86.3**	**43.9**	**(888.4)**

2.2. Segment information – Consolidated balance sheet at 30 June 2017, 31 December 2016 and 30 June 2016

Period ended 30 June 2017

In EUR million	Holding	Imerys	Sienna Capital	Total
Non-current assets	**13,630.7**	**4,309.8**	**1,026.2**	**18,966.7**
Intangible assets	-	72.4	95.2	167.6
Goodwill	-	1,692.6	138.7	1,831.3
Tangible assets	11.0	2,184.5	105.1	2,300.6
Investments	13,619.7	123.8	676.7	14,420.2
Investments in associates	-	*115.7*	*254.0*	*369.7*
Available-for-sale investments	*13,619.7*	*8.1*	*422.7*	*14,050.5*
Other non-current assets	-	147.0	8.8	155.8
Deferred tax assets	-	89.5	1.7	91.2
Current assets	**1,242.6**	**2,358.8**	**258.8**	**3,860.2**
Inventories	-	711.3	14.4	725.7
Trade receivables	0.2	665.8	28.2	694.2
Trading financial assets	879.9	6.3	-	886.2
Cash and cash equivalents	319.5	702.8	25.8	1,048.1
Other current assets	43.0	272.6	30.1	345.7
Assets held for sale	-	-	160.3	160.3
Total assets	**14,873.3**	**6,668.6**	**1,285.0**	**22,826.9**
Non-current liabilities	**1,030.7**	**2,902.8**	**213.0**	**4,146.5**
Financial liabilities	991.2	2,189.9	189.8	3,370.9
Provisions	1.4	333.6	-	335.0
Pensions and post-employment benefits	4.9	261.2	0.4	266.5
Other non-current liabilities	21.6	33.0	3.3	57.9
Deferred tax liabilities	11.6	85.1	19.5	116.2
Current liabilities	**379.2**	**931.9**	**181.6**	**1,492.7**
Financial liabilities	350.0	51.6	16.1	417.7
Trade payables	2.6	460.2	27.9	490.7
Provisions	-	22.9	-	22.9
Tax liabilities	3.8	98.9	2.4	105.1
Other current liabilities	22.8	298.3	25.3	346.4
Liabilities associated with assets held for sale	-	-	109.9	109.9
Total liabilities	**1,409.9**	**3,834.7**	**394.6**	**5,639.2**

Period ended 31 December 2016

In EUR million	Holding	Imerys	Sienna Capital	Total
Non-current assets	**12,413.0**	**4,343.3**	**1,189.0**	**17,945.3**
Intangible assets	-	81.6	206.8	288.4
Goodwill	-	1,674.7	254.0	1,928.7
Tangible assets	12.1	2,271.9	108.5	2,392.5
Investments	12,400.9	130.6	606.0	13,137.5
Investments in associates	-	*122.5*	*238.0*	*360.5*
Available-for-sale investments	*12,400.9*	*8.1*	*368.0*	*12,777.0*
Other non-current assets	-	90.2	9.4	99.6
Deferred tax assets	-	94.3	4.3	98.6
Current assets	**1,273.9**	**2,389.1**	**264.5**	**3,927.5**
Inventories	-	712.5	36.7	749.2
Trade receivables	0.1	608.1	76.9	685.1
Trading financial assets	1,019.5	4.0	-	1,023.5
Cash and cash equivalents	212.5	809.6	64.0	1,086.1
Other current assets	41.8	254.9	86.9	383.6
Total assets	**13,686.9**	**6,732.4**	**1,453.5**	**21,872.8**
Non-current liabilities	**507.6**	**2,356.7**	**362.2**	**3,226.5**
Financial liabilities	477.4	1,601.7	304.4	2,383.5
Provisions	0.5	343.8	1.5	345.8
Pensions and post-employment benefits	4.7	295.4	4.4	304.5
Other non-current liabilities	16.4	43.1	3.6	63.1
Deferred tax liabilities	8.6	72.7	48.3	129.6
Current liabilities	**695,4**	**1,461,5**	**115,2**	**2,272.1**
Financial liabilities	655.8	595.4	19.0	1,270.2
Trade payables	2.1	422.7	58.5	483.3
Provisions	-	22.6	1.0	23.6
Tax liabilities	7.6	79.1	17.9	104.6
Other current liabilities	29.9	341.7	18.8	390.4
Total liabilities	**1,203.0**	**3,818.2**	**477.4**	**5,498.6**

Period ended 30 June 2016

In EUR million	Holding	Imerys	Sienna Capital	Total
Non-current assets	**12,053.6**	**4,140.1**	**1,097.5**	**17,291.2**
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
Investments in associates	-	*144.5*	*222.7*	*367.2*
Available-for-sale investments	*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
Current assets	**1,129.9**	**2,462.5**	**230.7**	**3,823.1**
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
Total assets	**13,183.5**	**6,602.6**	**1,328.2**	**21,114.3**
Non-current liabilities	**847.6**	**2,878.1**	**320.7**	**4,046.4**
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
Current liabilities	**1,161.0**	**1,080.4**	**109.2**	**2,350.6**
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
Total liabilities	**2,008.6**	**3,958.5**	**429.9**	**6,397.0**

3. Associates

3.1 Share of profit (loss)

In EUR million	30 June 2017	30 June 2016
ECP I & II	(1.4)	(0.1)
Kartesia	11.1	6.8
Mérieux Participations II	4.2	-
Share of profit (loss) of associates – investing activities	**13.9**	**6,7**
Associates related to consolidated operating activities (shown under "Other operating income (expenses)")	**2.0**	**4.9**
Total	**15.9**	**11.6**

Kartesia's result (EUR 11 million at 30 June 2017) primarily includes interests on loans and the variation in the fair value of these loans.

3.2. Value of investments under equity method

	Investing activities			Operating activities		Total
In EUR million	ECP I & II	Kartesia	Mérieux Participations II	I.P.E.	Others	
At 31 December 2016	**19.2**	**155.1**	**24.5**	**39.2**	**122.5**	**360.5**
Investments	-	13.5	4.6	-	-	18.1
Reimbursements/disposals	-	(15.9)	-	-	(2.2)	(18.1)
Profit (loss) for the period	(1.4)	11.1	4.2	1.3	0.7	15.9
Distribution	-	-	(0.1)	-	(2.6)	(2.7)
Other movements	-	-	(1.3)	-	(2.7)	(4.0)
At 30 June 2017	**17.8**	**163.8**	**31.9**	**40.5**	**115.7**	**369.7**

The "Others" heading includes the associated companies of Imerys.

4. LafargeHolcim, SGS, adidas, Pernod Ricard, Total and other available-for-sale investments

4.1. Net dividends from investments

In EUR million	30 June 2017	30 June 2016
LafargeHolcim	**107.0**	77.9
SGS	**82.8**	72.9
adidas	**26.7**	18.8
Pernod Ricard	**18.7**	17.9
Total	**18.0**	22.7
Umicore	**13.3**	13.3
Ontex	**9.0**	5.2
Parques Reunidos	**3.0**	-
ENGIE	**0.1**	23.2
Others	**2.2**	-
Total	**280.8**	**251.9**

Net dividends from investments in the first half of 2017 posted an increase of EUR 29 million compared with 2016. These changes essentially reflect the increase in unitary dividends from LafargeHolcim, SGS and adidas, as well as the increase in dividends from the Incubator portfolio following the acquisitions made. The partial disposal of the stake in Total and ENGIE in 2016 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 3, 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 2016	Acquisitions/ (Disposals)	(Impairments)/ Reversals in case of disposal	Change in revaluation reserves	Results of Funds/Others	30 June 2017
LafargeHolcim	2,857.1	-	-	20.3	-	2,877.4
SGS	2,444.5	-	-	247.1	-	2,691.6
adidas	2,356.0	-	-	276.2	-	2,632.2
Pernod Ricard	2,048.0	-	-	265.7	18.7	2,332.4
Umicore	1,031.6	-	-	128.6	-	1,160.2
Total	789.1	0.3	-	(88.2)	0.1	701.3
Ontex	422.6	44.1	-	45.2	-	511.9
Burberry	229.9	78.7	-	20.1	(1.6)	327.1
ENGIE	144.8	(261.4)	117.7	0.1	-	1.2
Funds	364.0	19.6	(1.7)	42.2	(3.2)	420.9
Parques Reunidos	-	212.8	-	(14.6)	3.0	201.2
Others	89.4	125.1	0.2	(19.5)	(2.1)	193.1
Fair value	**12,777.0**	**219.2**	**116.2**	**923.2**	**14.9**	**14,050.5**

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

In EUR million	30 June 2017	30 June 2016
Capital gains on disposals of available-for-sale investments	**8.5**	428.1
Capital gains on disposals of subsidiaries	**124.2**	55.9
Impairments of available-for-sale investments	**(2.4)**	(1,727.9)
Total cost related to the repurchases of bonds exchangeable into ENGIE shares	**-**	(12.3)
Others	**-**	(0.2)
Total	**130.3**	**(1,256.4)**

The gains (losses) on disposals, impairments and reversals of non-current assets mainly consists of the gain on the disposal of Golden Goose by ECP III (EUR 124 million).

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;
- The capital gain from the disposal of De Boeck's activities by ECP III (EUR 56 million, GBL's share) ;
- 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 which generated a total cost of EUR 12 million at 30 June 2016.

5. Other operating income (expenses)

In EUR million	30 June 2017	30 June 2016
Other operating income	**0.9**	0.5
Other operating expenses	**(30.0)**	(22.4)
Other operating income (expenses) – investing activities	**(29.1)**	**(21.9)**
Other operating income	**23.8**	36.2
Other operating expenses	**(703.8)**	(694.7)
Share of profit (loss) of associates belonging to consolidated operating activities	**2.0**	4.9
Other operating income (expenses) – consolidated operating activities	**(678.0)**	**(653.6)**

6. Financial income (expenses)

In EUR million	30 June 2017	30 June 2016
Interest income on cash, cash equivalents and non-current assets	**-**	2.2
Interest expenses on financial liabilities	**(13.5)**	(22.3)
Gain (losses) on trading securities and derivatives	**17.9**	74.5
Other financial income (expenses)	**(3.1)**	(2.2)
Financial income (expenses) – investing activities	**1.3**	**52.2**
Interest income on cash, cash equivalents and non-current assets	**5.4**	6.0
Interest expenses on financial liabilities	**(42.4)**	(39.5)
Gain (losses) on trading securities and derivatives	**(1.4)**	5.0
Other financial income (expenses)	**(11.8)**	(7.8)
Financial income (expenses) - consolidated operating activities	**(50.2)**	**(36.3)**

Financial income (expenses) from investing activities totalled EUR 1 million (compared with EUR 52 million in 2016).

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 - 5 million in 2017 compared with EUR 72 million in 2016). This non-monetary loss of EUR 5 million includes the change in the value of the call options on underlying securities implicitly contained in the convertible bonds issued by GBL in 2013;
- the mark to market of the trading portfolio and the derivative instruments (EUR 12 million in 2017 compared with EUR - 10 million in 2016).

Financial income (expenses) on consolidated operating activities resulted essentially from interest expenses on Imerys' debt amounting to EUR 33 million.

7. Cash and debt

7.1. Cash and cash equivalents

In EUR million	30 June 2017	31 December 2016
Deposit (maturity <3 months)	**202.8**	240.9
Current accounts	**845.3**	845.2
Total	**1,048.1**	**1,086.1**

At 30 June 2017, a large majority of cash was held in fixed-term deposits and current accounts with various financial institutions. The slight decrease of cash and cash equivalents during the six month period stems primarily from a decrease in Imerys' deposits.

7.2. Debt

In EUR million	30 June 2017	31 December 2016
Non-current financial liabilities	**3,370.9**	**2,383.5**
Convertible bonds (GBL)	438.7	434.2
Bonds (GBL)	495.9	-
Bonds (Imerys)	2.185,4	1,596.2
Other non-current financial liabilities	250.9	353.1
Current financial liabilities	**417.7**	**1,270.2**
Exchangeable bonds (GBL)	-	305.8
Retail Bond (GBL)	350.0	350.0
Bonds (Imerys)	-	500.0
Bank debt (Imerys)	41.6	65.4
Other current financial liabilities	26.1	49.0

The group's debt increased by EUR 135 million, primarily at GBL, due to the issuance of a new institutional bond of EUR 500 million. This increase is partially compensated by the redemption in cash of the outstanding nominal amount under the bonds exchangeable into ENGIE shares for EUR 306 million.

At 30 June 2017, GBL had undrawn committed credit lines for an amount of EUR 2,150 million (EUR 2,150 million at 31 December 2016).

Exchangeable and convertible bonds (GBL)

Bonds convertible into GBL shares

The book value of this bond (excluding the option) was EUR 439 million at 30 June 2017 (EUR 434 million at 31 December 2016).

The option component was valued at fair value on the reporting date for an amount of EUR 15 million (EUR 10 million at 31 December 2016) 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.

Bonds exchangeable into ENGIE shares

During the year 2016, GBL repurchased 6,910 bonds exchangeable into ENGIE shares for a total amount of EUR 691 million in nominal value. These repurchases generated an expense of EUR 13 million, including banking fees. The book value of this bond (excluding the option) was EUR 306 million at 31 December 2016. The option component was valued at fair value on the reporting date (for an amount of EUR 0 million, as shown under "Other current liabilities").

The outstanding nominal under the bonds exchangeable into ENGIE shares was redeemed in cash for EUR 306 million at maturity on 7 February 2017.

Bonds (GBL)

During the first semester of the year, GBL issued an institutional bond of EUR 500 million, with a coupon of 1.375% and maturing on 23 May 2024. The book value of this loan amounts to EUR 496 million at 30 June 2017.

The bonds issued in June 2010 for EUR 350 million bearing a 4% coupon are maturing in December 2017.

Bonds (Imerys)

Imerys has issued listed and non-listed bonds. The detail of these bond issues at 30 June 2017 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	80.4	55.3
USD	30	5.28%	5.38%	Non-listed	06/08/2018	27.9	26.8
EUR	300	2.50%	2.60%	Listed	26/11/2020	324.3	304.5
EUR	100	2.50%	1.31%	Listed	26/11/2020	108.1	101.5
EUR	600	1.50%	1.63%	Listed	15/01/2027	602.0	604.1
EUR	500	2.00%	2.13%	Listed	10/12/2024	534.4	505.6
EUR	300	0.88%	0.96%	Listed	31/03/2022	303.4	300.7
EUR	300	1.88%	1.92%	Listed	31/03/2028	307.9	301.4
Total						**2,288.4**	**2,199.9**

The detail of these bond issues at 31 December 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	84.0	57.2
USD	30	5.28%	5.38%	Non-listed	06/08/2018	30.8	29.1
EUR	300	2.50%	2.60%	Listed	26/11/2020	324.2	300.7
EUR	100	2.50%	1.31%	Listed	26/11/2020	108.1	100.3
EUR	500	5.00%	5.09%	Listed	18/04/2017	524.9	517.6
EUR	500	2.00%	2.13%	Listed	10/12/2024	509.8	500.6
EUR	300	0.88%	0.96%	Listed	31/03/2022	305.5	302.0
EUR	300	1.88%	1.92%	Listed	31/03/2028	314.5	304.2
Total						**2,201.8**	**2,111.7**

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.

In EUR million	Total	SGS	ENGIE	Pernod Ricard	Umicore	Ontex	Parques Reunidos	Lafarge-Holcim	adidas	Burberry	Funds	Others	Total
At 31 December 2016	**413.7**	**264.6**	**-**	**1,222.1**	**372.2**	**12.2**	**-**	**733.6**	**1,089.4**	**24.7**	**58.3**	**(1.0)**	**4,189.8**
Change resulting from the change in fair value	(88.2)	247.1	0.1	264.5 (1)	128.1 (1)	44.8 (1)	(14.6)	20.3	275.3 (1)	20.1	42.2	(17.3)	**922.4**
Transfers to profit (loss) (disposal/impairment)	-	-	-	-	-	-	-	-	-	-	-	(2.2)	**(2.2)**
At 30 June 2017	**325.5**	**511.7**	**0.1**	**1,486.6**	**500.3**	**57.0**	**(14.6)**	**753.9**	**1,364.7**	**44.8**	**100.5**	**(20.5)**	**5,110.0**

8.2. Earnings per share

Consolidated net result for the period (group's share)

In EUR million	30 June 2017	30 June 2016
Basic	**474.3**	(888.4)
Diluted	**484.6**	(905.9)

Number of shares

In million of shares	30 June 2017	30 June 2016
Issued shares	**161.4**	161.4
Treasury shares at beginning of the period	**(5.9)**	(6.1)
Weighted changes for the period	**-**	-
Weighted average number of shares used to determine basic earnings per share	**155.5**	155.3
Impact of financial instruments with diluting effect:		
Convertible bonds	**5.0**	5.0
Stock options (in the money)	**0.2**	0.3
Weighted average number of shares used to determine diluted earnings per share	**160.7**	160.6

At 30 June 2017, GBL held, directly and through its subsidiaries, 5,693,841 GBL shares, representing 3.5% of the issued capital.

Summary earnings per share

In EUR	30 June 2017	30 June 2016
Basic	**3.05**	(5.72)
Diluted	**3.01**	(5.72)

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).

(1) Including a tax impact of EUR - 1.2 million, EUR - 0.5 million, EUR - 0.4 million and EUR - 0.9 million on Pernod Ricard, Umicore, Ontex and adidas respectively

The tables below show a comparison of the book value and the fair value of the financial instruments at 30 June 2017, 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
Financial assets				
Non-current assets				
Available-for-sale investments				
Listed companies	AFS	13,619.7	13,619.7	Level 1
Other companies	AFS	430.8	430.8	Level 3
Other non-current assets				
Derivative instruments - hedging	HeAc	8.6	8.6	Level 2
Derivative instruments - others	FVTPL	16.2	16.2	Level 2
Other financial assets	LaR	124.4	124.4	-
Current assets				
Trade receivables	LaR	694.2	694.2	-
Trading financial assets	FVTPL	886.2	886.2	Level 1
Cash and cash equivalents	LaR	1,048.1	1,048.1	-
Other current assets				
Derivative instruments - hedging	HeAc	7.8	7.8	Level 2
Derivative instruments - others	FVTPL	0.3	0.3	Level 2
Other financial assets	LaR	40.6	40.6	-
Financial liabilities				
Non-current liabilities				
Financial liabilities				
Derivative instruments - hedging	HeAc	16.2	16.2	Level 2
Derivative instruments - others	FVTPL	(0.4)	(0.4)	Level 2
Other financial liabilities	OFL	3,355.1	3,503.1	-
Other non-current liabilities				
Derivative instruments - hedging	HeAc	0.1	0.1	Level 2
Derivative instruments - others	FVTPL	15.1	15.1	Level 2
Current liabilities				
Financial liabilities				
Derivative instruments	FVTPL	(3.5)	(3.5)	Level 2
Other financial liabilities	OFL	421.2	427.9	-
Trade payables	OFL	490.7	490.7	-
Other current liabilities				
Derivative instruments - hedging	HeAc	2.7	2.7	Level 2
Derivative instruments - others	FVTPL	4.6	4.6	Level 2
Other current liabilities	OFL	17.0	17.0	-

There is no significant transfer between the different levels during the period closed on 30 June 2017.

10. Assets and liabilities associated with assets held for sale

In EUR million	30 June 2017	31 December 2016
Cash flow from operating activities	(2.8)	-
Cash flow from investing activities	(4.3)	-
Cash flow from financing activities	(4.4)	-
Net variation in cash and cash equivalents	**(11.5)**	**-**

Assets and liabilities associated with assets held for sale include ELITech for which exclusive negotiations were outstanding as of 30 June 2017 related to the sale of that financial asset. Those include the following elements:

In EUR million	30 June 2017	31 december 2016
Non-current assets	104.4	-
Current assets	55.9	-
Assets held for sale	**160.3**	**-**
Non-current liabilities	11.4	-
Current liabilities	98.5	-
Liabilities associated with assets held for sale	**109.9**	**-**

11. Subsequent events

Burberry – Threshold crossing

- Burberry announced, on 24 July 2017, that GBL had crossed the 4 % threshold in the voting rights of the company.

Sienna Capital

Ergon Capital Partners – Acquisition of Keesing

- Agreement signed by ECP III to acquire a majority stake in Keesing Media Group, the leading European publisher of puzzle magazines, from Telegraaf Media Group;
- This transaction is subject to approval at an Extraordinary General Meeting at the end of August 2017.

Ergon Capital Partners – Disposal of ELITech

- The exclusive negotiations with PAI Partners regarding the disposal of the stake held by ECP III in ELITech were finalised on 25 July 2017. This transaction will generate in the third quarter of 2017 a consolidated capital gain estimated at 30 June 2017 at EUR 102 million, GBL's share.

12. Certification of Responsible Persons

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

- The condensed consolidated financial statements for the six months ended 30 June 2017 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 [1];
- 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 2017 are in keeping with the assessment presented in the section "Risk Management and Internal Control" of GBL's 2016 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.

Report on the review of the consolidated interim financial information of Groupe Bruxelles Lambert SA / Groep Brussel Lambert NV for the six-month period ended 30 June 2017

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 2017, 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 12.

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 Accounting Standard (IAS) 34, "Interim Financial Reporting" as adopted by the European Union.

The consolidated balance sheet shows total assets of 22 827 million EUR and the consolidated income statement shows a consolidated profit (group share) for the period then ended of 474 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.

Zaventem, 31 July 2017

The statutory auditor

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

Deloitte Bedrijfsrevisoren / Réviseurs d'Entreprises
Burgerlijke vennootschap onder de vorm van een coöperatieve vennootschap met beperkte aansprakelijkheid /
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Glossary

Adjusted net assets

The change in GBL's adjusted net assets is, along with the change in its stock price, cash earnings and result, an important criterion for assessing the performance of the group. The adjusted net assets are a conventional reference obtained by adding gross cash and treasury shares to the fair value of the investment portfolio and deducting gross debt.

The following valuation principles are applied for the portfolio:

- Investments in listed companies and 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 losses.
- Regarding the portfolio of Sienna Capital, the valuation corresponds to the sum of its investments, marked to market, as determined by fund managers, to which is added Sienna Capital's net cash or, where applicable, to which is deducted Sienna Capital's net debt.

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 and gross debt. Gross debt includes all the financial liabilities of the Holding segment (convertible and exchangeable bonds, bonds and bank debt), valued at their nominal repayment 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 (for trading assets). 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 analysis of the result

Cash earnings

- Cash earnings primarily include dividends from investments and treasury shares, income coming mainly from cash management, net earnings from the trading activity and tax refunds, less general overheads, gross debt-related charges and taxes. All these results relate to the Holding activity.
- Cash earnings also constitute an indicator for determining the company's dividend payout level.

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 and liabilities 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 (bonds, exchangeables or convertibles, trading assets, options, ...), the actuarial costs of financial liabilities valued at their amortised cost, as well as the adjustment of certain cash earnings items 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, etc.). All these results relate to the Holding activity.

Operating companies (associates or consolidated entities) and Sienna Capital

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

Eliminations, capital gains, impairments and reversals

The eliminations, capital gains, impairments and reversals include the elimination of dividends received from own shares, as well those received from associated or operational consolidated companies as well as gains (losses) on disposals, impairments and reversals on non-current assets and on discontinued activities. All these results relate to the Holding activity.

Discount

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

Loan to Value

The Loan to Value ratio is calculated on the basis of (i) GBL's net debt 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 valuation methods applied to the portfolio and treasury shares are identical to those used for the adjusted net assets.

Weighted average number of ordinary shares (basic calculation)

This corresponds to the number of outstanding ordinary shares at the start of the period, less treasury shares, adjusted by the number of ordinary shares reimbursed (capital reduction) or issued (capital increase), or sold or bought back during the period, multiplied by a time-based weighting factor.

Weighted average number of ordinary shares (diluted calculation)

It is obtained by adding potential dilutive shares to the weighted average number of ordinary shares (basic calculation). In this case, potential dilutive shares correspond to call options granted by the group.

Payment of dividend and ESES system

ESES, for Euroclear Settlement for Euronext-zone Securities, is the single platform for the stock market transactions of Euronext Brussels, Paris and Amsterdam and non-stock market transactions involving securities traded on these markets (OTC).

The theoretical distribution calendar for the dividend is as follows:

- Ex-Date: date (at market opening) from which the underlying share is traded without its dividend or ex-entitlement;
- Record Date (Ex-date+1): date on which positions are recorded by the central depository (at market closing, after clearing) in order to determine which shareholders are entitled to dividends;
- Payment Date: date of payment of the dividend in cash, at the earliest the day after the Record Date.

Given the time needed for settlement-delivery and ownership transfer relative to D+2 (D being the transaction date), the last day on which the share is traded with entitlement to dividend distribution is the day before the Ex-Date.

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.

Liquidity profile

The liquidity profile corresponds to the sum of gross cash and the undrawn amount of committed credit lines.

Gross dividend return

The gross dividend return is defined as the ratio between collected dividends to the share price in the beginning of the period.

Operating company

An operating company is defined as a company having a commercial or industrial activity, by opposition to an investing company ("holding").

System Paying Agent

In ESES, the entity that proceeds with distribution is known as the System Paying Agent. This is the party responsible within Euroclear Belgium for distribution to other participants of the resources related to a specific distribution. The system paying agent may be either an external paying agent (a CSD participant) or the CSD itself.

Total Shareholder Return or TSR

The Total Shareholder Return or TSR is calculated based on the change in the stock price over the considered period, taking into account the gross dividend(s) received during that period and reinvested in shares when received, on an annualised basis.

Velocity on float (%)

The velocity on float, expressed as a percentage, is an indicator of the stock market activity of a listed company, which corresponds to the ratio between the number of shares traded over a financial year on the stock exchange and the float on 31 December of that financial year. A listed company's float, or floating capital, corresponds to the part of the shares actually liable to be traded on the stock exchange. It can be expressed in value, but is more often expressed as a percentage of the market capitalisation.

GBL
Groupe Bruxelles Lambert

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