

Experience. Our greatest asset.

Half-yearly report as of June 30, 2019



Groupe Bruxelles Lambert (“GBL”) is an established investment holding company, with over sixty years of stock exchange listing, a net asset value of EUR 19 billion and a market capitalisation of EUR 14 billion as of end of June 2019.

GBL is a leading investor in Europe, focused on ong-term value creation and relying on a stable and supportive family shareholder base.

GBL strives to maintain a diversified high-quality portfolio composed of global companies, leaders in their sector, in which it can contribute to value creation by being an active professional investor.

GBL seeks to provide attractive returns to its shareholders through a combination of a sustainable dividend and growth in its net asset value.

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

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Key shareholder information

Financial calendar

- October 31, 2019: Results as of September 30, 2019
- March 2020: 2019 Annual Results
- April 28, 2020: 2020 Ordinary General Meeting
- Early May 2020: First quarter 2020 results
- End July 2020: Half-year 2020 results

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

Investor relations

Additional information can be found on our website (www.gbl.be), among which:

- Historical information on GBL
- Annual and half-yearly reports as well as press releases in relation to quarterly results
- Net asset value on a weekly basis
- Our press releases
- Our investments

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

Investor relations: **Sophie Gallaire**
 sgallaire@gbl.be
 Tel.: +32 2 289 17 70

Message from the CEO

During the first half of 2019, the pace of economic activity began to slow in the world's major economies, notably in the United States, China and the Eurozone. This slowdown was more pronounced in manufacturing activity, directly impacted by the trade tensions between the US and China, as well as geopolitical uncertainties and risks.

This global weakening led central banks to adopt a more accommodating stance during the first half of 2019, according to their respective room for manoeuvre: outlook for lower interest rates in the US and considerations on unconventional measures of purchases of securities by the European Central Bank. This change in central banks' communication has not translated into additional monetary easing during the first half of the year, but has had the effect of pulling down sovereign bond yields and supporting stock markets. In this environment, our net asset value has increased by 15.5% during the first half of this year to reach EUR 18.7 billion.

We have taken advantage of this favourable market context to undertake the sale of securities in Total and adidas, firstly, with a view to finalising our withdrawal from the energy sector initiated in 2013 by disposing of our residual stake in Total, and secondly, to strengthen our financial flexibility.

These disposals were made at satisfactory valuation levels, carried out for an amount of EUR 1.3 billion and generating a total capital gain of EUR 744 million. As an effect of these operations, our liquidity profile was strengthened to EUR 3.6 billion as of June 30, 2019, ensuring us the capacity to seize new investment opportunities, in terms of new assets or strengthening into our portfolio, and to continue to execute our share buyback programme.

During the first half of 2019, we have actively pursued our objective to increase our exposure to private assets.

The voluntary takeover bid paid in cash for the shares of Parques Reunidos, announced in April and having begun on July 26, 2019, fits into this objective. Conducted alongside EQT AB, a leading player in the private equity sector, and Corporación Financiera Alba, another reference shareholder of the company, this transaction will enable to accelerate the implementation of the value creation strategy within the Parques Reunidos group, focused on optimising existing parks and increasing the portfolio diversification, notably through acquisitions. The result of this offer is expected before the end of 2019.

Our strategy to increase our exposure to controlled and private assets was further strengthened on July 9, 2019 following the announcement of our entry into exclusive negotiations to acquire the Webhelp group, a global leader in the field of customer experience and business process outsourcing. The group has doubled in size since 2015 and aims to achieve a turnover of EUR 1.5 billion in 2019. Upon completion of this transaction, GBL would take a majority shareholding alongside Webhelp's co-founding shareholders and management team. Our ambition is to continue, alongside them, to develop the group further and to support its transition from a European player to a global leader. Depending notably on the level of reinvestment of the co-founders and the management team, which is a key factor in the group's successful development, our initial investment in Webhelp should represent 3 to 5% of our net asset value.

The completion of these two transactions would bring our overall exposure to direct and unlisted investments⁽¹⁾ to over 5% of our net asset value.

In 2019, we have also continued to increase our influence with regards to the companies in our portfolio, acting as an active and engaged shareholder. Generally speaking, our participation in decision-making governance bodies allows us to contribute to the strategic transformation of our portfolio companies. GBL is thus represented on the Board of Directors (as well as on numerous Committees of the Board) of all the disclosed portfolio companies in portfolio.

We have notably accompanied the Imerys group in the appointment of Patrick Kron as new Chairman of the Board of Directors, as well as in the definition of the 2019-22 strategic plan '*Connect & Shape*'.

As of June 30, 2019, we continued to reach our strategic objective aiming at delivering, over the long term, a performance exceeding our reference index, the Stoxx Europe 50. Over the 2012-19 period consecutive to the launch of the portfolio rebalancing strategy, the annualised total shareholder return was 11.6%, compared to 8.2% for our reference index.

The group's financial performance remained solid as of June 30, 2019, with cash earnings up by 23.1% to EUR 447 million. This growth notably reflects the successful redeployment of the proceeds from the disposal of the high-yield assets of the energy and utilities sector. Consolidated net profit as of June 30, 2019 has increased by 5.6% to EUR 405 million.

GBL's financial situation remains sound as of June 30, 2019, with net debt of EUR 448 million (net cash and cash equivalents of EUR 323 million excluding debt related to prepaid forward sales on Total shares) and a Loan To Value ratio of 2.4%.

Outlook

The geopolitical situation in the Middle East in particular, *Brexit*-related uncertainties and the more unpredictable nature of political decisions – notably those relating to the US-China trade relations – are all risk factors to be closely monitored.

In this complex and uncertain environment, we remain focused on continuously analyzing the fundamentals of our investments and maintaining a balanced portfolio, as well as on market instability, which could create investment opportunities.

GBL's core objectives remain unchanged: to continue to deliver a total shareholder return outperforming the reference index, through share price performance and continuous dividend growth, over the long term, while maintaining a solid capital structure.

In this context, and in the absence of major events, GBL foresees to pay a 2019 dividend at least equal to that proposed in relation to the 2018 financial year.

Ian Gallienne
CEO

(1) Excluding indirect investments carried out by Sienna Capital through its portfolio of external managers

Key financial data ⁽¹⁾

Consolidated net result of	Cash earnings of	Asset rotation of	Liquidity profile of
EUR 405 million	EUR 447 million	EUR 1.6 billion	EUR 3.6 billion
over the period	over the period	over the period	as of June 30, 2019

The Board of Directors, held on July 31, 2019, approved GBL's IFRS consolidated financial statements for the first half of 2019. These financial

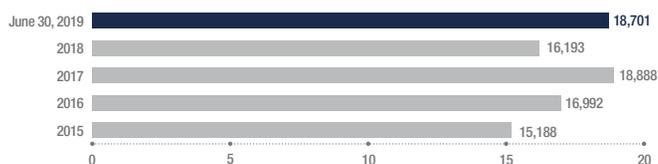
statements, produced in accordance with IAS 34 – *Interim financial reporting*, underwent a limited audit by the Auditor Deloitte.

In EUR million (Group's share)	End of June 2019	End of June 2018	End of March 2019	End of December 2018
Consolidated net result	405	384	159	659
Cash earnings	447	363	100	456
Net asset value	18,701	18,913	18,483	16,193
Market capitalisation	13,922	14,574	13,977	12,276
Discount	25.6%	22.9%	24.4%	24.2%
Net investments / (divestments)	(1,029)⁽²⁾	222	(61)	476
Net cash / (Net debt)	(448)	(581)	(446)	(693)
Loan To Value	2.4%	3.0%	2.4%	4.2%

Key figures

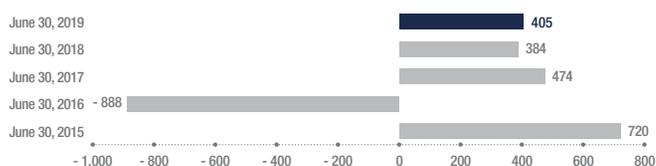
Net asset value

In EUR million



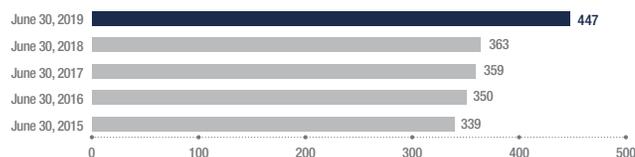
Net result (group's share)

In EUR million



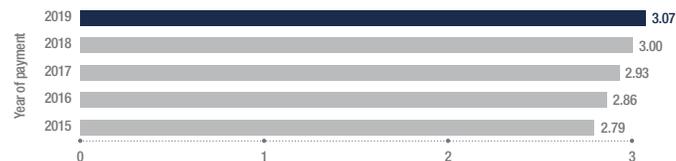
Cash earnings

In EUR million



Gross dividend per share

In EUR



(1) Alternative performance indicators are defined in the glossary available on GBL's website: <http://www.gbl.be/en/glossary>
 (2) Including the forward sales of Total shares maturing in January 2020

Highlights

Monetisation of assets, reinforcing GBL's financial flexibility and its capacity to seize investment opportunities



TOTAL

- Finalisation of the exit from the energy sector initiated in 2013
- Disposal of 0.6% of the capital of Total through forward sales maturing in January 2020 and having been prepaid in May 2019
- Capital gain of EUR 411 million ⁽¹⁾

adidas

- Disposal of 2.1 million shares representing 1.03% of the capital of adidas, for a total amount of EUR 499 million
- Capital gain of EUR 333 million ⁽¹⁾
- Residual stake of 6.8% of the capital of adidas

Increased exposure to private assets



webhelp

- Entry into exclusive negotiations on July 9, 2019 to acquire a majority stake in the Webhelp group, a global leader in the field of customer experience and business process outsourcing
- Enterprise value of EUR 2.4 billion on a 100% basis
- Signing of the legal documentation anticipated beginning of August 2019, with completion of the transaction expected to take place during the fourth quarter of 2019, once the necessary regulatory authorisations have been obtained



Parques Reunidos
PASSION FOR LEISURE

- Voluntary takeover bid on Parques Reunidos, alongside EQT AB and Corporación Financiera Alba, announced in April and having begun on July 26, 2019
- Transaction aiming at accelerating the implementation of the value creation strategy within the group

SIENNA
CAPITAL

- Net asset value reaching EUR 1.4 billion as of June 30, 2019, i.e. 8% of GBL's net asset value
- EUR 150 million investment in Marcho Partners, a fund specialising in innovation and technology, bringing the Sienna Capital portfolio to eight managers

For more information, please refer to the Sienna Capital section

Continuation of the share buyback programme

GBL

- Share buyback programme authorized up to EUR 250 million and 83% executed as of June 30, 2019

Support to the participations' strategy

New strategic plans



- «Connect & Shape» transformation programme aiming at refocusing the group on its markets and customers by simplifying its organisation



- New organisational structure built around the group's technologies aiming at improving its financial transparency, with a target effective date of January 2020



- «Transform to Grow» plan implemented with the goal of improving the group's competitiveness and returning it to sustainable growth
- Stronger support via the appointment of a second GBL representative to the Board of Directors

M&A activity



LafargeHolcim

- Disposal of activities in Indonesia, Malaysia and the Philippines, allowing the group to accelerate its deleveraging



Pernod Ricard

- Reinforcement of the brand portfolio, notably through the acquisitions of the Italian gin brand Malfy and the Rabbit Hole Whiskey, two spirits with a *super premium* market positioning



- Disposal process relating to the Petroleum Service Corporation, a major step towards achieving the overall sales objective announced by the group in November 2018



umicore

- Acquisition of cobalt refinery and cathode precursor operations in Finland

Return to shareholders



- Ongoing execution of the share buyback programme authorized for a maximum amount of EUR 3.0 billion over the 2018-21 period

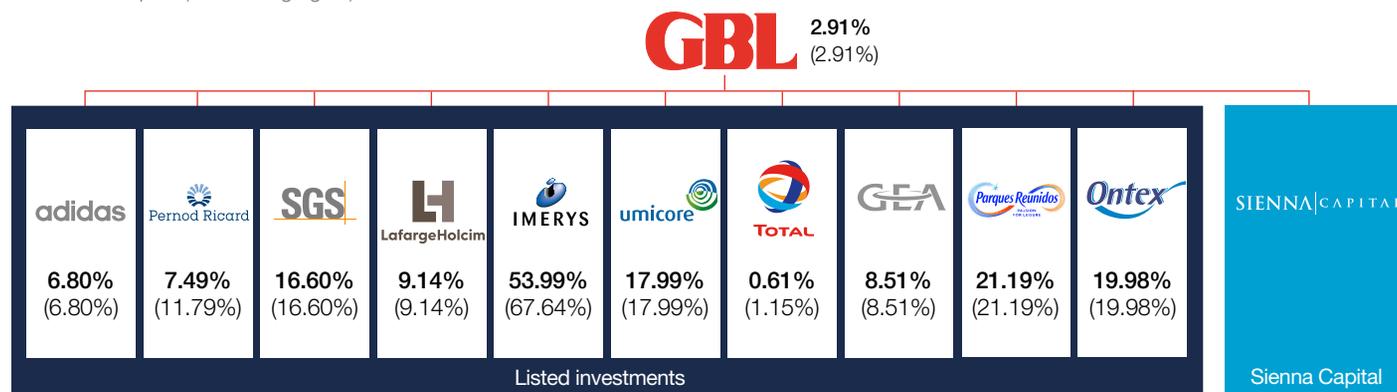


- Authorization in January 2019 of a new share buyback programme of up to CHF 250 million

Organisation chart and net asset value

Organisation chart as of June 30, 2019

% of share capital (% of voting rights)



Net asset value

As of June 30, 2019, GBL's net asset value totalled EUR 18.7 billion (EUR 115.90 per share) compared with EUR 16.2 billion (EUR 100.35 per share) as of end of 2018, up by 15.5% (+ EUR 15.55 per share). Relative to the share price of EUR 86.28 (+ 13.4% over the first half of the year), the discount as of end of June 2019 was 25.6%, increasing compared with the end of 2018.

	June 30, 2019			December 31, 2018		
	Holding % in capital	Share price In EUR	In EUR million	Holding % in capital	Share price In EUR	In EUR million
Listed investments			17,310.5			15,311.7
adidas	6.80	271.50	3,701.8	7.83	182.40	2,862.7
Pernod Ricard	7.49	162.05	3,223.6	7.49	143.30	2,850.6
SGS	16.60	2,239.53	2,837.4	16.60	1,961.13	2,484.7
LafargeHolcim	9.14	42.94	2,457.8	9.43	35.83	2,050.9
Imerys	53.99	46.62	2,000.9	53.91	41.98	1,798.9
Umicore	17.99	28.20	1,250.2	17.69	34.86	1,519.9
Total	0.61	49.28	798.8⁽¹⁾	0.61	46.18	748.5
GEA	8.51	25.00	383.9	8.51	22.50	345.5
Parques Reunidos	21.19	13.92	238.2	21.19	10.80	184.8
Ontex	19.98	14.18	233.3	19.98	17.90	294.5
Others			184.5			170.6
Sienna Capital			1,435.6			1,374.4
Portfolio			18,746.1			16,686.1
Treasury shares			403.3			199.6
Gross debt			(1,851.7)			(1,069.4)
Cash/quasi-cash/trading			1,403.9			376.5
Net asset value (global)			18,701.4			16,192.7
Net asset value (in EUR per share)			115.90			100.35
Share price (in EUR per share)			86.28			76.08
Discount (in %)			25.6%			24.2%

The value of GBL's net asset value is published on GBL's website on a weekly basis. As of July 26, 2019, net asset value per share stood at EUR 116.05 up 15.6% compared with its level at the beginning of the year, reflecting a discount of 25.7% on the share price on that date (EUR 86.18).

(1) The ownership percentage as well as the stake value of the investment do not take into account yet the forward sales of Total shares which will mature in January 2020. The fair value of these contracts is included under the line "Cash/quasi-cash/trading".

Portfolio's reconciliation with the IFRS consolidated financial statements

In EUR million	June 30, 2019	December 31, 2018	June 30, 2018
Portfolio value as presented in:			
Net asset value	18,746.1	16,686.1	19,188.9
Segment information (Holding) - pages 25 and 26	15,290.1	13,561.6	14,942.6
<i>Participations in associates</i>	217.5	232.5	228.7
<i>Other equity investments</i>	15,072.6	13,329.1	14,713.9
Reconciliation items	3,456.0	3,124.5	4,246.3
Fair value of Imerys, consolidated using the full consolidation method in IFRS	2,000.9	1,798.9	2,967.5
Value of Sienna Capital, consolidated in the Sienna Capital segment	1,435.6	1,374.4	1,274.3
Reclassification of ENGIE shares, included in gross cash since 2016 and shown under other equity investments in IFRS	(1.2)	(1.1)	(1.2)
Valuation difference of Parques Reunidos between net asset value (fair value) and IFRS (equity method)	20.7	(47.7)	5.7

Risk management

GBL will continue to face the same risks in the second half of 2019. Each of the major investments in the portfolio held by GBL is exposed to specific risks as indicated in GBL's 2018 Annual Report (page 69).

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 2018 Annual Report (see pages 68 to 75 and 180 to 181) deals in detail with the risks, their management and the control activities put in place by the company.

Main risks	Risk factors	Mitigants
Exogenous Risks associated with shifts in external factors such as economic, political or legislative change	<ul style="list-style-type: none"> 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, commodity prices, etc.) Regulatory or budgetary policy changes involving, for example, tax reform or new legal obligations Specific developments affecting certain geographic areas (Eurozone, emerging countries, etc.) 	<ul style="list-style-type: none"> Geographic and sector diversification of the portfolio with differentiated cyclical exposure Ongoing legislative monitoring Systematic monitoring and analysis of macroeconomic scenarios, markets and investment thesis
Strategy Risks resulting from the definition, implementation and continuation of the group's guidelines and strategic developments	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 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 Portfolio diversification
Cash and cash equivalents, financial instruments and financing Risks associated with the management of cash and cash equivalents, financial instruments and financing	<ul style="list-style-type: none"> Access to liquidity Debt leverage and maturity profile Quality of counterparties Relevance of forecasts or expectations Interest rate exposure Developments in financial markets Volatility of derivative instruments 	<ul style="list-style-type: none"> Rigorous and systematic analysis of considered transactions Definition of trading limits Diversification of investment types and counterparties Strict counterparty selection process Monitoring of the liquidity profile and limitation of net indebtedness 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	<ul style="list-style-type: none"> Complexity of the regulatory environment Adequacy of systems and procedures Exposure to fraud and litigation Retention and development of employees' skills 	<ul style="list-style-type: none"> Internal procedures and control activities regularly reviewed Implementation of delegations of authority to ensure an appropriate segregation of duties Maintenance of and investments in IT systems Hiring, retention and training of qualified staff Internal Code of Conduct and Corporate Governance Charter
Specific risks related to the participations	<p>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.</p>	<p>adidas: www.adidas-group.com GEA: www.gea.com Imerys: www.imerys.com LafargeHolcim: www.lafargeholcim.com Ontex: www.ontexglobal.com Parques Reunidos: www.parquesreunidos.com Pernod Ricard: www.pernod-ricard.com SGS: www.sgs.com Total: www.total.com Umicore: www.umicore.com</p>

Economic presentation of the consolidated result and the financial situation

Economic presentation of the consolidated result

In EUR million					June 30, 2019	June 30, 2018
Group's share	Cash earnings	Mark to market and other non-cash items	Operating companies (associates or consolidated) and Sienna Capital	Eliminations, capital gains, impairment and reversals	Consolidated	Consolidated
Profit (loss) of associates and consolidated operating companies	-	-	47.1	-	47.1	112.8
Net dividends from investments	445.9	0.3	-	(96.4)	349.9	288.0
Interest income (expenses)	0.1	-	(2.4)	-	(2.3)	(8.3)
Other financial income (expenses)	21.2	(8.5)	39.3	(12.0)	40.0	17.7
Other operating income (expenses)	(20.6)	1.2	(9.8)	-	(29.2)	(25.4)
Gains (losses) from disposals, impairments and reversal of non-current assets	-	-	(0.1)	-	(0.1)	(1.1)
Taxes	(0.0)	-	(0.0)	-	(0.1)	(0.0)
IFRS consolidated net result (6 months 2019)	446.6	(7.0)	74.0	(108.3)	405.3	
IFRS consolidated net result (6 months 2018)	362.9	13.5	118.0	(110.7)		383.7

The **consolidated net result, group's share**, as of June 30, 2019, stands at EUR 405 million, compared with EUR 384 million as of June 30, 2018.

This result is primarily driven by:

- the net dividends from investments for EUR 350 million; and
- Imerys' contribution amounting to EUR 52 million.

Cash earnings (EUR 447 million compared to EUR 363 million)

In EUR million	June 30, 2019	June 30, 2018
Net dividends from investments	445.9	380.8
Interest income (expenses)	0.1	(4.9)
<i>Sienna Capital interests</i>	2.7	7.6
<i>Other interest income (expenses)</i>	(2.5)	(6.5)
Other financial income (expenses)	21.2	6.6
Other operating income (expenses)	(20.6)	(18.6)
Gains (losses) from disposals, impairments and reversal of non-current assets	-	(1.0)
Taxes	(0.0)	(0.0)
Total	446.6	362.9

Net dividends from investments

Net dividends from investments in the first half of 2019 increased compared with 2018.

In EUR million	June 30, 2019	June 30, 2018
LafargeHolcim	110.7	97.1
Imerys	92.1	88.9
SGS	87.2	82.2
adidas	42.8	34.7
Pernod Ricard	23.5	20.1
Umicore	17.7	15.6
Total	17.6	17.1
GEA	13.1	10.0
Ontex	6.7	9.9
Parques Reunidos	4.2	4.2
Other	30.3	1.0
Total	445.9	380.8

LafargeHolcim distributed a dividend of CHF 2.00 per share for 2018 (CHF 2.00 per share the previous year), which shareholders could elect to receive in cash or shares, contributing EUR 111 million as of June 30, 2019.

Imerys approved in the second quarter of 2019 an annual dividend of EUR 2.15 per share (EUR 2.075 per share in 2018), corresponding to a total collection of EUR 92 million for GBL.

SGS paid an annual dividend of CHF 78.00 per share (CHF 75.00 per share in 2018), representing EUR 87 million in 2019.

adidas distributed a dividend of EUR 3.35 per share in the second quarter of 2019 (compared with EUR 2.60 per share in 2018), representing EUR 43 million as of June 30, 2019.

Pernod Ricard declared an interim dividend of EUR 1.18 per share in the second quarter of 2019 (compared with EUR 1.01 per share the previous year), representing EUR 23 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 2019 the balance of the dividend for 2018 of EUR 0.40 per share (EUR 0.375 per share in 2018). The contribution of Umicore amounted to EUR 18 million as of June 30, 2019.

Total approved a dividend of EUR 2.56 per share for 2018 and paid, during the half year, the last quarterly interim dividend and the balance of the 2018 dividend, i.e. EUR 0.64 and EUR 0.64 per share respectively. Total's contribution to the results for the first six months thus amounted to EUR 18 million.

GEA paid in the second quarter of 2019 a dividend of EUR 0.85 per share (EUR 0.85 in 2018), representing EUR 13 million as of June 30, 2019.

Ontex distributed during the first half of 2019 a dividend of EUR 0.41 per share for 2018 (compared with EUR 0.60 per share the previous year), corresponding to an amount of EUR 7 million for GBL.

Parques Reunidos approved during the first quarter of 2019 a dividend of EUR 0.2477 per share (unchanged compared with 2018), representing a contribution of EUR 4 million for 2019.

The « **Other** » heading mainly includes the reimbursements notified by the French tax authorities of withholding taxes which had been applied to ENGIE dividends received between 2013 and 2015 (EUR 26 million).

Interest income (expenses) (EUR 0 million) mainly include (i) the default interest on the withholding taxes which had been unduly applied to ENGIE dividends received between 2013 and 2015 (EUR 5 million compared with EUR 0 million in 2018), (ii) the interest income from Sienna Capital (EUR 3 million compared with EUR 2 million in 2018) and (iii) the interest expenses related to the institutional bonds issued in 2017 and 2018 (EUR - 8 million compared with EUR - 4 million in 2018). Moreover, the net interest expenses included, in 2018, the interest expenses on the bonds convertible into GBL shares maturing in October 2018 (EUR 0 million in 2019 compared with EUR - 2 million in the prior year).

Other financial income (expenses) (EUR 21 million) mainly comprise dividends collected on treasury shares for EUR 11 million (EUR 9 million in 2018), yield enhancement income of EUR 7 million (EUR 1 million in 2018) and exchange gains for EUR 6 million (EUR 0 million in 2018).

Other operating income (expenses) amounted to EUR - 21 million as of end of June 2019 and have increased compared with the previous year.

The **gains (losses) from disposals, impairments and reversal of non-current assets** corresponded in 2018 to the cost related to the early conversions of bonds convertible into GBL shares whose settlement had been carried out in cash (EUR 0 million in 2019 compared with EUR - 1 million in 2018).

Mark to market and other non-cash items (EUR - 7 million compared with EUR 14 million)

In EUR million	June 30, 2019	June 30, 2018
Net dividends from investments	0.3	0.3
Interest income (expenses)	-	(1.7)
Other financial income (expenses)	(8.5)	13.5
Other operating income (expenses)	1.2	1.2
Gains (losses) from disposals, impairments and reversal of non-current assets	-	0.2
Total	(7.0)	13.5

Interest income (expenses) primarily included, in 2018, the impact of the valuation at amortised cost of the bonds convertible into GBL shares maturing in October 2018 (EUR 0 million in 2019 compared with EUR - 2 million last year).

Other financial income (expenses) mainly include the mark to market of the trading portfolio and derivative instruments (EUR - 13 million compared with EUR - 1 million in 2018) and unrealized exchange differences (EUR 5 million compared with EUR - 3 million last year). Moreover, in 2018, the other financial income (expenses) included the mark to market of the derivative component associated to the bonds convertible into GBL shares maturing in October 2018 (EUR 0 million in 2019 compared with EUR 17 million in the prior year).

Operating companies (associates or consolidated) and Sienna Capital (EUR 74 million compared with EUR 118 million)

In EUR million	June 30, 2019	June 30, 2018
Profit (loss) of associates and consolidated operating companies	47.1	112.8
Interest income (expenses)	(2.4)	(1.7)
Other financial income (expenses)	39.3	15.2
Other operating income (expenses)	(9.8)	(8.0)
Gains (losses) on disposals, impairments and reversals of non-current assets	(0.1)	(0.3)
Taxes	(0.0)	(0.0)
Total	74.0	118.0

Net profit (loss) of associates and consolidated operating companies amounts to EUR 47 million compared with EUR 113 million in 2018:

In EUR million	June 30, 2019	June 30, 2018
Imerys	51.9	104.9
Parques Reunidos	(13.3)	(5.9)
Sienna Capital	8.5	13.8
ECP I, II & IV	(5.5)	(1.4)
Operating subsidiaries of ECP III	(6.2)	(7.3)
Kartesia	16.4	20.2
Backed 1	3.7	1.6
Mérieux Participations 2	0.1	0.7
Total	47.1	112.8

Imerys

(EUR 52 million compared with EUR 105 million)

Net current income decreases by 9.9% to EUR 159 million as of June 30, 2019 (EUR 176 million as of June 30, 2018). The current operating income amounts to EUR 245 million (EUR 284 million as of June 30, 2018). The net result, group's share, amounts to EUR 96 million as of June 30, 2019 (EUR 194 million as of June 30, 2018).

Imerys contributes EUR 52 million to GBL's result in 2019 (EUR 105 million in 2018), reflecting the variation in the net income, group's share, and the 54.2% consolidation rate for Imerys in 2019 (54.0% in 2018).

The press release relating to Imerys' results for the first half of 2019 is available at www.imerys.com.

Parques Reunidos

(EUR - 13 million compared with EUR - 6 million)

As of June 30, 2019, Parques Reunidos' contribution amounts to EUR - 13 million, based on a EUR - 63 million loss for the period from January 1, 2019 to March 31, 2019 and considering a 21.19% consolidation rate. Parques Reunidos' results as of June 30, 2019 will be released after GBL's publication date. However, historically, in view of the seasonality of the group's activities, Parques Reunidos' results on the period from April 1 to June 30 are not significant.

As of June 30, 2018, the contribution of Parques Reunidos amounted to EUR - 6 million, based on a EUR - 28 million result for the period from January 1, 2018 to June 30, 2018 taking into account a 21.19% consolidation rate.

The press release related to the results as of March 31, 2019 of Parques Reunidos is available at www.parquesreunidos.com.

Sienna Capital

(EUR 8 million compared with EUR 14 million)

Sienna Capital's contribution to GBL's results as of June 30, 2019 amounts to EUR 8 million compared with EUR 14 million in the prior year. This result notably includes the contribution of Kartesia (EUR 16 million in 2019 compared with EUR 20 million in 2018), the results of the operating subsidiaries of ECP III (EUR - 6 million in 2019 compared with EUR - 7 million in 2018), the result of the new ECP IV fund (EUR - 5 million in 2019 compared with EUR 0 million in 2018) and the contribution of Backed 1 (EUR 4 million in 2019 compared with EUR 2 million in 2018).

In accordance with IFRS 9, **other financial income (expenses)** include the change in fair value of Sienna Capital's funds, not consolidated or accounted for under the equity method, for a total amount of EUR 39 million (EUR 15 million in 2018).

Eliminations, capital gains, impairments and reversals

(EUR - 108 million compared with EUR - 111 million)

In EUR million	June 30, 2019	June 30, 2018
Elimination of dividends (Imerys, Parques Reunidos)	(96.4)	(93.1)
Other financial income (expenses) (GBL, other)	(12.0)	(17.6)
Total	(108.3)	(110.7)

Net dividends from operating investments (associates or consolidated companies) are eliminated and are related as of June 30, 2019 and 2018, to Imerys and Parques Reunidos (EUR - 96 million compared with EUR - 93 million the prior year).

The **other financial income (expenses)** mainly include the elimination of the dividend on treasury shares amounting to EUR - 11 million (EUR - 9 million in 2018). Moreover, in 2018, the other financial income (expenses) included the reversal of the derivative recorded in "mark to market and other non-cash items" in relation to the bonds convertible into GBL shares which were the subject of early conversions and whose settlement was carried out through share deliveries (EUR 0 million in 2019 compared with EUR - 8 million in 2018).

Economic presentation of the financial position

As of June 30, 2019, GBL presents a net debt position of EUR 448 million.

It is characterised by:

- gross cash excluding treasury shares of EUR 1,404 million (EUR 376 million at year-end 2018); and
- gross debt of EUR 1,852 million (EUR 1,069 million at year-end 2018).

The weighted average maturity of the gross debt is 3.5 years (5.6 years excluding the debt related to the prepaid forward sales of Total shares) as of June 30, 2019, compared with 6.1 years at year-end 2018.

As of June 30, 2019, committed credit lines total EUR 2,150 million (entirely undrawn) and mature in 2023 and 2024.

This position does not include the company's commitments in respect of Sienna Capital, which total EUR 468 million at the end of June 2019 (EUR 528 million as of December 31, 2018).

Finally, the 4,696,545 treasury shares represent 2.9% of the issued capital and are valued at EUR 403 million, compared with 1.6% and EUR 200 million respectively as of December 31, 2018.

EUR million	Gross cash	Gross debt	Net debt
Position as of December 31, 2018	376.5	(1,069.4)	(693.0)
Cash earnings	446.6		446.6
Dividend distribution	(495.4)		(495.4)
Investments:	(271.7)		(271.7)
<i>GBL</i>	(180.9)		(180.9)
<i>Sienna Capital</i>	(62.2)		(62.2)
<i>Umicore</i>	(25.6)		(25.6)
<i>Imerys</i>	(3.0)		(3.0)
Divestments:	1,300.9	(771.3)	529.6
<i>Total</i>	771.3	(771.3)	-
<i>adidas</i>	499.0		499.0
<i>Sienna Capital</i>	30.7		30.7
Bank financing	11.0	(11.0)	-
Other	35.8		35.8
Position as of June 30, 2019	1,403.9	(1,851.7)	(447.9)

Gross cash

As of June 30, 2019, gross cash excluding treasury shares stands at EUR 1,404 million (376 million as of December 31, 2018).

The following table presents its components in correlation with GBL's consolidated financial statements:

In EUR million	June 30, 2019	December 31, 2018
Gross cash as presented in:		
Net asset value	1,403.9	376.5
Segment information (Holding) - pages 25 and 26	1,376.9	378.6
- Trading financial assets	832.1	275.1
- Cash and cash equivalents	453.1	119.9
- Other current assets	169.7	30.0
- Trade payables	(2.8)	(2.7)
- Tax liabilities	(6.2)	(7.0)
- Other current liabilities	(69.0)	(36.7)
Reconciliation items	26.9	(2.1)
Reclassification of ENGIE shares previously taken into account in the net asset value and included since 2016 in gross cash	1.2	1.1
Difference in valuation of the derivative linked to the sale of Total shares and the associated prefinancing	31.5	-
Other	(5.8)	(3.2)

Gross debt

As of June 30, 2019, the gross debt of EUR 1,852 million (EUR 1,069 million as of December 31, 2018) breaks down as follows:

In EUR million	June 30, 2019	December 31, 2018
Institutional bonds	1,000.0	1,000.0
Debt related to the prepaid forward sales of Total shares	771.3	-
Other	80.5	69.4
Gross debt	1,851.7	1,069.4

The following table presents the components of the gross debt in correlation with the IFRS consolidated financial statements:

In EUR million	June 30, 2019	December 31, 2018
Gross debt, included in the segment information (Holding) - pages 25 and 26:	1,814.2	1,061.0
Non-current financial liabilities	1,072.7	1,061.0
Current financial liabilities	741.5	-
Reconciliation items	37.5	8.4
IFRS 9 impact on the debt related to the prepaid forward sales of Total shares	29.3	-
Impact of the recognition of financial liabilities at amortised cost in IFRS	8.2	8.4

Net debt

As of June 30, 2019, GBL presents a net debt position of EUR 448 million. The net debt presents the following Loan To Value ratio:

In EUR million	June 30, 2019	December 31, 2018
Net debt (excluding treasury shares)	447.9	693.0
Market value of the portfolio	18,746.1	16,686.1
Loan To Value	2.4%	4.2%

Treasury shares

Treasury shares, valued at their historic value, are recorded as a deduction from shareholders' equity in IFRS. The treasury shares (EUR 403 million as of June 30, 2019, and EUR 200 million as of December 31, 2018) are valued by applying the following valuation principles set out in the glossary in page 36.

Half-yearly IFRS financial statements

Consolidated income statement

In EUR million	Notes	June 30, 2019	June 30, 2018
Share of profit (loss) of associates	3	1.4	15.2
Net dividends from investments	4	349.9	288.0
Other operating income (expenses) from investing activities	5	(29.4)	(25.9)
Gains (losses) on disposals, impairments and reversals of non-current assets from investing activities		(0.1)	(1.1)
Financial income (expenses) from investing activities	6	37.7	9.4
Profit (loss) before tax from investing activities - continued operations		359.4	285.6
Turnover	7	2,594.1	2,559.2
Raw materials and consumables		(896.4)	(843.6)
Employee expenses		(604.6)	(594.9)
Depreciation/amortisation of property, plant, equipment and intangible assets		(198.5)	(147.1)
Other operating income (expenses) from operating activities	5	(729.4)	(708.1)
Gains (losses) on disposals, impairments and reversals of non-current assets from operating activities		8.7	(7.7)
Financial income (expenses) from operating activities	6	(40.6)	(46.9)
Profit (loss) before tax from consolidated operating activities - continued operations		133.3	210.9
Income taxes		(51.8)	(68.8)
Profit (loss) from continued activities		441.0	427.7
Profit (loss) from consolidated operating activities - discontinued operations	1	-	32.6
Consolidated profit (loss) for the period		441.0	460.3
Attributable to the group		405.3	383.7
Attributable to non-controlling interests		35.7	76.6
Consolidated earnings per share for the period	9		
Basic - continued operations		2.56	2.34
Basic - discontinued operations		-	0.11
Basic		2.56	2.45
Diluted - continued operations		2.56	2.28
Diluted - discontinued operations		-	0.11
Diluted		2.56	2.39

Consolidated statement of comprehensive income

In EUR million	June 30, 2019	June 30, 2018
Consolidated profit (loss) for the period	441.0	460.3
Other comprehensive income		
Items that will not be reclassified subsequently to profit or loss		
Actuarial gains (losses)	(30.9)	48.5
Other equity investments	2,194.3	527.1
Total items that will not be reclassified to profit or loss, after tax	2,163.4	575.6
Items that may be reclassified subsequently to profit or loss		
Currency translation adjustments for consolidated companies	22.2	(35.9)
Cash flow hedges	5.8	(4.5)
Share in the other items of the comprehensive income of associates	0.9	0.9
Total items that may be reclassified to profit or loss, after tax	28.9	(39.5)
Other comprehensive income (loss) after tax	2,192.3	536.1
Comprehensive income (loss)	2,633.2	996.4
Attributable to the group	2,600.9	916.4
Attributable to non-controlling interests	32.4	80.0

Consolidated balance sheet

In EUR million

Notes **June 30, 2019** **December 31, 2018**

	Notes	June 30, 2019	December 31, 2018
Non-current assets		22,652.0	20,529.3
Intangible assets		577.7	556.7
Goodwill		2,669.3	2,692.8
Property, plant and equipment		2,662.6	2,336.7
Investments		16,517.1	14,717.8
<i>Investments in associates</i>	3	686.9	689.2
<i>Other equity investments</i>	4	15,830.2	14,028.6
Other non-current assets		95.6	107.4
Deferred tax assets		129.7	117.9
Current assets		4,162.1	3,360.9
Inventories		869.2	901.9
Trade receivables		823.0	739.7
Trading financial assets		838.7	341.4
Cash and cash equivalents	8	1,124.5	1,013.6
Other current assets		506.6	364.3
Total assets		26,814.0	23,890.2
Shareholders' equity		19,507.9	17,629.6
Share capital		653.1	653.1
Share premium		3,815.8	3,815.8
Reserves		13,384.5	11,449.8
Non-controlling interests		1,654.6	1,710.9
Non-current liabilities		4,955.3	4,832.6
Financial liabilities	8	3,905.0	3,623.8
Provisions		450.7	676.8
Pensions and post-employment benefits		359.9	301.4
Other non-current liabilities		34.2	32.2
Deferred tax liabilities		205.6	198.4
Current liabilities		2,350.8	1,428.0
Financial liabilities	8	1,094.2	205.6
Trade payables		592.6	597.8
Provisions		24.6	26.1
Tax liabilities		192.5	129.0
Other current liabilities		446.9	469.5
Total shareholders' equity and liabilities		26,814.0	23,890.2

Consolidated statement of changes in shareholders' equity

In EUR million	Share capital	Share premium	Revaluation reserves	Treasury shares	Currency translation adjustments	Retained earnings	Share holders' equity – group's share	Non-controlling interests	Shareholders' equity
As of December 31, 2017	653.1	3,815.8	5,582.0	(224.7)	(173.6)	6,852.4	16,505.0	1,431.4	17,936.4
Consolidated profit (loss) for the period	-	-	-	-	-	383.7	383.7	76.6	460.3
Reclassification following disposals	-	-	(67.1)	-	-	67.1	-	-	-
Other comprehensive income (loss)	-	-	527.1	-	(18.3)	23.9	532.7	3.4	536.1
Total comprehensive income (loss)	-	-	460.0	-	(18.3)	474.7	916.4	80.0	996.4
Dividends	-	-	-	-	-	(474.9)	(474.9)	(76.2)	(551.1)
Treasury share transactions	-	-	-	69.4	-	137.8	207.2	-	207.2
Other movements	-	-	-	-	-	0.9	0.9	62.7	63.6
As of June 30, 2018	653.1	3,815.8	6,042.0	(155.3)	(191.9)	6,990.9	17,154.6	1,497.9	18,652.5
Consolidated profit (loss) for the period	-	-	-	-	-	275.2	275.2	168.6	443.8
Other comprehensive income (loss)	-	-	(1,570.2)	-	(1.0)	(17.4)	(1,588.6)	(14.7)	(1,603.3)
Total comprehensive income (loss)	-	-	(1,570.2)	-	(1.0)	257.8	(1,313.4)	153.9	(1,159.5)
Dividends	-	-	-	-	-	-	-	(2.9)	(2.9)
Treasury share transactions	-	-	-	17.6	-	57.9	75.5	-	75.5
Other movements	-	-	-	-	-	2.0	2.0	62.0	64.0
As of December 31, 2018 - published	653.1	3,815.8	4,471.8	(137.7)	(192.9)	7,308.6	15,918.7	1,710.9	17,629.6
Changes in accounting policies ⁽¹⁾	-	-	-	-	-	(1.4)	(1.4)	(1.2)	(2.5)
As of January 1, 2019 - restated	653.1	3,815.8	4,471.8	(137.7)	(192.9)	7,307.3	15,917.4	1,709.8	17,627.1
Consolidated profit (loss) for the period	-	-	-	-	-	405.3	405.3	35.7	441.0
Reclassification following disposals	-	-	(333.2)	-	-	333.2	-	-	-
Other comprehensive income (loss)	-	-	2,194.3	-	12.4	(11.1)	2,195.6	(3.3)	2,192.3
Total comprehensive income (loss)	-	-	1,861.2	-	12.4	727.3	2,600.9	32.4	2,633.2
Dividends	-	-	-	-	-	(484.4)	(484.4)	(78.3)	(562.8)
Treasury share transactions	-	-	-	(169.1)	-	(6.3)	(175.4)	-	(175.4)
Other movements	-	-	-	-	-	(5.0)	(5.0)	(9.3)	(14.3)
As of June 30, 2019	653.1	3,815.8	6,333.2	(306.8)	(180.5)	7,538.6	17,853.4	1,654.6	19,507.9

Shareholders' equity was impacted during the first half of 2019 mainly by:

- the distribution by GBL on May 3, 2019 of a gross dividend of EUR 3.07 per share (EUR 3.00 in 2018), representing EUR 484 million, dividends related to the treasury shares held by GBL being deducted;
- the evolution in the fair value of the portfolio of other equity investments whose changes in fair value are recognised in equity (detailed in Note 9.1);
- the share buybacks; and
- the consolidated result for the period.

(1) See the note "Accounting policies and seasonality"

Consolidated statement of cash flows

The consolidated statement of cash flows takes into account the cash flows from continued and discontinued operations.

In EUR million	Notes	June 30, 2019	June 30, 2018
Net cash from (used in) operating activities	1	329.7	560.6
Consolidated profit (loss) for the period		441.0	460.3
Adjustments for:			
Income taxes (continued and discontinued activities)		51.8	86.1
Interest income (expenses)	6	37.4	43.1
Share of profit (loss) of associates	3	(4.8)	(17.8)
Dividends from investments in non-consolidated companies	4	(349.9)	(288.0)
Net depreciation and amortisation expenses		198.7	147.6
Gains (losses) on disposals, impairment and reversals of non-current assets		(14.0)	12.9
Other non-cash items		(29.7)	(23.7)
Interest received		7.5	4.6
Interest paid		(50.1)	(40.3)
Dividends received from investments in non-consolidated companies		198.4	276.1
Dividends received from investments in associates		7.0	3.0
Income taxes paid		(64.5)	(33.8)
Changes in working capital		(80.7)	(96.1)
Changes in other receivables and payables		(18.4)	26.6
Net cash from (used in) investing activities	1	(228.9)	(598.0)
Acquisitions of:			
Investments		(72.7)	(800.8)
Subsidiaries, net of cash acquired		(28.1)	(188.3)
Property, plant and equipment and intangible assets		(165.9)	(182.9)
Other financial assets		(504.6)	(133.7)
Disposals/divestments of:			
Investments		527.3	677.2
Subsidiaries, net of cash paid		1.2	7.4
Property, plant and equipment and intangible assets		10.4	13.0
Other financial assets		3.5	10.1
Net cash from (used in) financing activities	1	7.0	215.0
Capital increase from non-controlling interests		2.1	56.1
Dividends paid by the parent company to its shareholders		(484.4)	(474.9)
Dividends paid by the subsidiaries to non-controlling interests		(78.3)	(76.2)
Proceeds from financial liabilities		824.1	785.3
Repayments of financial liabilities		(90.4)	(43.6)
Net change in treasury shares		(175.4)	(31.7)
Other		9.3	-
Effect of exchange rate fluctuations on funds held		3.1	(7.3)
Net increase (decrease) in cash and cash equivalents	1	110.9	170.3
Cash and cash equivalents at the beginning of the period	8	1,013.6	491.9
Cash and cash equivalents at the end of the period	8	1,124.5	662.2

Notes

Accounting policies and seasonality

General accounting principles and applicable standards

The condensed consolidated financial statements have been prepared in accordance with the IFRS (International Financial Reporting Standards) as adopted by the European Union. The consolidated financial statements as of June 30, 2019 are in conformity with IAS 34 – *Interim financial reporting* and have been approved on July 31, 2019.

Mandatory changes in accounting policies

The accounting and calculation methods used in the interim financial statements are identical to those used in the annual financial statements for 2018, apart from the application by the group of new standards or interpretations which have become mandatory since January 1, 2019. With the exception of the IFRS 16 standard mentioned below, they did not have any material impact on GBL's consolidated financial statements.

IFRS 16 – Leases

As of January 1, 2019, contracts that convey the right to use an asset for a period of time in exchange for consideration are recognized as right-of-use assets against a lease liability. The scope of contracts has been systematically reviewed, reassessing the existence of leases in each contract according to the criteria of the standard and excluding leases with a term of 12 months or less and low-value assets, in line with the exemption set out in the standard, for which lease fees are recognized in expenses. A single discount rate was used per portfolio of contracts with similar characteristics. The group applied the simplified approach, according to which the cumulative impact of initial adoption is recognized as an adjustment in equity as of January 1, 2019. Comparative information for 2018 has not been restated. Right-of-use assets were measured in relation to the amortized value at the date of transition. The non-discounted value of the lease commitment as of January 1, 2019 amounted to EUR 502 million, which represents a discounted liability of EUR 424 million. In the absence of available implicit interest rates, the leases were discounted using the lessees' incremental borrowing rate as of January 1, 2019. As of the transition date, the weighted average marginal borrowing rate was 3.08%.

Up until December 31, 2018, only finance leases were recognized as lease liabilities. Operating leases were presented in the income statement as "Other operating income (expenses) from investing activities" and "Other operating income (expenses) from operating activities" and under "Operating lease commitments" of note 30 on contingent assets and liabilities, rights and commitments of the group's 2018 Annual Report.

The following table presents the reconciliation between the off-balance sheet commitments published as of December 31, 2018 and the lease liabilities recognized as of January 1, 2019:

In EUR million	January 1, 2019
Operating leases	364.1
Operating commitments	241.2
Commitments given including leases⁽¹⁾	605.3
Identification of additional lease agreements	43.0
Elimination of operating commitments other than leases ⁽²⁾	(141.1)
Discount using the incremental borrowing rate	(76.3)
Discounted value of the off-balance sheet lease commitment	430.9
Elimination of service concession arrangements	(18.8)
Elimination of leases of low-value assets and other immaterial leases	(8.3)
Elimination of leases with a term of 12 months or less	(5.7)
Elimination of leases of mine land leases	(4.6)
Elimination of leases starting after the transition date and agreed before December 31, 2018	(3.5)
Inclusion of consideration contingent on exercising option to extend the lease	21.3
Lease liabilities previously recognized as finance leases under IAS 17	13.1
Lease liabilities	424.4

The following table presents the impact the change in accounting policy had on the consolidated balance sheet as of January 1, 2019:

In EUR million	January 1, 2019
Non-current assets	469.5
Property, plant and equipment	394.7
Deferred tax assets	74.8
Current assets	(1.0)
Other current assets	(1.0)
Total consolidated assets	468.5
Equity, group's share	(1.4)
Reserves	(1.4)
Equity attributable to non-controlling interests	(1.2)
Equity	(2.5)
Non-current liabilities	390.9
Provisions	(6.9)
Lease liabilities (presented as finance leases)	336.5
Borrowings and financial debt	(12.8)
Deferred tax liabilities	74.1
Current liabilities	80.1
Trade payables	(7.2)
Lease liabilities (presented as finance leases)	87.9
Other financial debt	(0.6)
Total consolidated equity and liabilities	468.5

Texts in force after the reporting date

The group did not anticipate the standards and interpretations applicable after January 1, 2019.

(1) Note 30 of the 2018 Annual Report

(2) Commitments to purchase raw materials, energy and other operating commitments given

Seasonality

Revenues received as dividends are generally higher during the first half of the year than during the second half.

Estimates and judgements

In terms of judgement, GBL analysed the accounting treatment to be applied to the investment in Ontex, Umicore and SGS and particularly the classification in (i) investments in associates (IAS 28 - *Interests in Associates and Joint Ventures*), with the recognition of GBL's share in the profit or loss and shareholders' equity of Ontex, Umicore and SGS, respectively, or (ii) in other equity investments (IFRS 9 - *Financial Instruments*), with the recognition of the investment at its 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.

As of June 30, 2019, those three investments are held respectively at 19.98%, 17.99% and 16.60% (19.98%, 17.69% and 16.60% respectively as of December 31, 2018). The representation on the Board of Directors of those companies is not sufficient to demonstrate the existence of significant influence. Moreover, 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 General Shareholders' Meeting. Taking these different factors into account, GBL has entered into the accounting treatment of its investments in Ontex, Umicore and SGS as other equity investments as of June 30, 2019.

For other estimates and judgements, please refer to the 2018 Annual Report.

Presentation of the consolidated financial statements

The consolidated statement of comprehensive income separately presents:

- **Investing activities**
Components of income resulting from investing activities, which includes 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 (Parques Reunidos) and non-consolidated operating companies (adidas, Pernod Ricard, SGS, LafargeHolcim, Umicore, Total, GEA, Ontex,...); and
- **Consolidated operating activities**
Components of income from consolidated operating activities, i.e. from consolidated operating companies (Imerys as well as the sub-groups Keesing, Sausalitos, opseo, svt, Indo, Vanreusel,...).

1. Changes in group structure

Imerys

On February 12, 2019, the segment Performance Minerals relinquished control of its three North American talc entities. Following their placement under the legal control of the court as part of seeking protection under Chapter 11 of the US Bankruptcy Act, this loss of control led to a positive impact of EUR 6 million being recognized in "Gains (losses) on disposals, impairments and reversals of non-current assets from operating activities".

Moreover, on April 17, 2018, Imerys publicly announced that a strategic review for the future of its Roofing business had been initiated (included in the Ceramic Materials segment). Imerys' Board of Directors concluded that the Roofing business qualified as a disposal group on May 17, 2018, once the following criteria had been met: the business could be sold immediately in its current state and a potential buyer had been identified to complete the sale within one year. Amortization and depreciation ceased to be recognized at that date. Since the Roofing business group was a cash generating unit, it was classified as a discontinued operation as of June 30, 2018. The contributions of the business at that date were presented at their carrying amounts in separate positions within the group's financial statements and their details disclosed in the tables hereafter.

In EUR million	June 30, 2018
Turnover	154.7
Raw materials and consumables used	(38.6)
Employee expenses	(30.2)
Depreciation/amortisation of property, plant, equipment and intangible assets	(5.4)
Other operating income (expenses) from operating activities	(30.3)
Gains (losses) on disposals, impairments and reversals of non-current assets from operating activities	-
Financial income (expenses) from operating activities	(0.3)
Profit (loss) before tax from consolidated operating activities	49.9
Income taxes	(17.3)
Profit (loss) from consolidated operating activities - discontinued operations	32.6

In EUR million	June 30, 2018
Cash flow from operating activities	37.4
Cash flow from investing activities	(6.6)
Cash flow from financing activities	(31.8)
Change in cash and cash equivalents	(1.0)

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 conformity with IFRS 8, the group has identified three segments:

- **Holding:** comprising 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 two business lines: Performance Materials and High Temperature Materials & Solutions;
- **Sienna Capital:** includes, on the one hand, under investment activities, the companies Sienna Capital, ECP, ECP II, ECP III, ECP IV, Sagard, Sagard II and Sagard 3, PrimeStone, Backed 1, BDT Capital Partners II, Kartesia Credit Opportunities III and IV, Upfield and Mérieux Participations I and 2 and, on the other, under consolidated operating activities, the operating subsidiaries of ECP III (sub-groups Sausalitos, Looping, Keesing, opseo, svt, Vanreusel, Indo,...).

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

2.1. Segment information – Consolidated income statement for the period ended as of June 30, 2019 and June 30, 2018 Period ended as of June 30, 2019

In EUR million	Holding	Imerys	Sienna Capital	Total
Share of profit (loss) of associates	(13.3)	-	14.7	1.4
Net dividends from investments	349.9	-	-	349.9
Other operating income (expenses) from investing activities	(19.4)	-	(10.0)	(29.4)
Gains (losses) on disposals, impairments and reversals of non-current assets from investing activities	-	-	(0.1)	(0.1)
Financial income (expenses) from investing activities	0.9	-	36.8	37.7
Profit (loss) before tax from investing activities	318.0	-	41.5	359.4
Turnover	-	2,263.4	330.7	2,594.1
Raw materials and consumables	-	(784.6)	(111.8)	(896.4)
Employee expenses	-	(481.9)	(122.7)	(604.6)
Depreciation/amortisation of property, plant, equipment and intangible assets	-	(165.3)	(33.2)	(198.5)
Other operating income (expenses) from operating activities	-	(677.4)	(52.0)	(729.4)
Gains (losses) on disposals, impairments and reversals of non-current assets from operating activities	-	8.7	0.0	8.7
Financial income (expenses) from operating activities	-	(18.4)	(22.2)	(40.6)
Profit (loss) before tax from consolidated operating activities	-	144.5	(11.2)	133.3
Income taxes	(0.0)	(46.5)	(5.2)	(51.8)
Consolidated profit (loss) for the period	317.9	98.0	25.0	441.0
Attributable to the group	317.9	51.9	35.4	405.3

Period ended as of June 30, 2018

In EUR million	Holding	Imerys	Sienna Capital	Total
Share of profit (loss) of associates	(5.9)	-	21.1	15.2
Net dividends from investments	288.0	-	-	288.0
Other operating income (expenses) from investing activities	(17.4)	-	(8.5)	(25.9)
Gains (losses) on disposals, impairments and reversals of non-current assets from investing activities	(0.8)	-	(0.3)	(1.1)
Financial income (expenses) from investing activities	(4.1)	-	13.5	9.4
Profit (loss) before tax from investing activities - continued operations	259.8	-	25.8	285.6
Turnover	-	2,310.5	248.7	2,559.2
Raw materials and consumables	-	(755.3)	(88.3)	(843.6)
Employee expenses	-	(503.1)	(91.8)	(594.9)
Depreciation/amortisation of property, plant, equipment and intangible assets	-	(127.5)	(19.6)	(147.1)
Other operating income (expenses) from operating activities	-	(657.1)	(51.0)	(708.1)
Gains (losses) on disposals, impairments and reversals of non-current assets from operating activities	-	(7.7)	-	(7.7)
Financial income (expenses) from operating activities	-	(33.3)	(13.6)	(46.9)
Profit (loss) before tax from consolidated operating activities - continued operations	-	226.5	(15.6)	210.9
Income taxes	(0.0)	(65.3)	(3.5)	(68.8)
Profit (loss) from continued activities	259.8	161.2	6.7	427.7
Profit (loss) from consolidated operating activities - discontinued operations	-	32.6	-	32.6
Consolidated profit (loss) for the period	259.8	193.8	6.7	460.3
Attributable to the group	259.8	104.9	19.0	383.7

2.2. Segment information – Consolidated balance sheet as of June 30, 2019 and December 31, 2018**Period ended as of June 30, 2019**

In EUR million	Holding	Imerys	Sienna Capital	Total
Non-current assets	15,302.9	5,060.6	2,288.4	22,652.0
Intangible assets	0.0	277.2	300.5	577.7
Goodwill	-	2,123.8	545.5	2,669.3
Property, plant and equipment	12.9	2,331.7	318.0	2,662.6
Investments	15,290.0	118.6	1,108.5	16,517.1
<i>Investments in associates</i>	217.5	116.2	353.2	686.9
<i>Other equity investments</i>	15,072.6	2.4	755.3	15,830.2
Other non-current assets	-	84.7	10.9	95.6
Deferred tax assets	-	124.6	5.1	129.7
Current assets	1,455.1	2,496.9	210.1	4,162.1
Inventories	-	832.9	36.3	869.2
Trade receivables	0.1	730.6	92.2	823.0
Trading financial assets	832.1	6.6	0.0	838.7
Cash and cash equivalents	453.1	622.3	49.2	1,124.5
Other current assets	169.7	304.5	32.4	506.6
Total assets	16,758.0	7,557.5	2,498.6	26,814.0
Non-current liabilities	1,093.1	3,043.2	819.0	4,955.3
Financial liabilities	1,084.3	2,111.8	708.9	3,905.0
Provisions	0.5	439.9	10.3	450.7
Pensions and post-employment benefits	6.7	346.8	6.3	359.9
Other non-current liabilities	1.5	20.3	12.4	34.2
Deferred tax liabilities	-	124.4	81.2	205.6
Current liabilities	819.4	1,358.8	172.6	2,350.8
Financial liabilities	741.5	316.1	36.6	1,094.2
Trade payables	2.8	544.4	45.4	592.6
Provisions	-	21.8	2.8	24.6
Tax liabilities	6.2	179.8	6.5	192.5
Other current liabilities	69.0	296.7	81.2	446.9
Total liabilities	1,912.5	4,402.0	991.6	7,306.1

Period ended as of December 31, 2018

In EUR million	Holding	Imerys	Sienna Capital	Total
Non-current assets	13,563.4	4,908.3	2,057.6	20,529.3
Intangible assets	-	277.6	279.1	556.7
Goodwill	-	2,143.3	549.5	2,692.8
Property, plant and equipment	1.8	2,165.8	169.1	2,336.7
Investments	13,561.6	115.3	1,040.9	14,717.8
<i>Investments in associates</i>	232.5	112.8	343.9	689.2
<i>Other equity investments</i>	13,329.1	2.5	697.0	14,028.6
Other non-current assets	-	93.9	13.5	107.4
Deferred tax assets	-	112.4	5.5	117.9
Current assets	425.4	2,685.6	249.9	3,360.9
Inventories	-	867.0	34.9	901.9
Trade receivables	0.4	656.6	82.7	739.7
Trading financial assets	275.1	6.6	59.7	341.4
Cash and cash equivalents	119.9	848.9	44.8	1,013.6
Other current assets	30.0	306.5	27.8	364.3
Total assets	13,988.8	7,593.9	2,307.5	23,890.2
Non-current liabilities	1,071.4	3,095.5	665.7	4,832.6
Financial liabilities	1,061.0	1,995.9	566.9	3,623.8
Provisions	1.0	666.2	9.6	676.8
Pensions and post-employment benefits	6.2	290.0	5.2	301.4
Other non-current liabilities	3.2	18.1	10.9	32.2
Deferred tax liabilities	-	125.3	73.1	198.4
Current liabilities	46.4	1,244.8	136.8	1,428.0
Financial liabilities	-	180.1	25.5	205.6
Trade payables	2.7	557.3	37.8	597.8
Provisions	-	23.7	2.4	26.1
Tax liabilities	7.0	115.1	6.9	129.0
Other current liabilities	36.7	368.6	64.2	469.5
Total liabilities	1,117.8	4,340.3	802.5	6,260.6

3. Associates

3.1. Share of profit (loss)

Dividends received from equity-accounted entities have been eliminated and replaced by GBL's share of their profit or loss.

Profit or loss of associates (GBL's share)

In EUR million	June 30, 2019	June 30, 2018
Parques Reunidos	(13.3)	(5.9)
Kartesia	16.4	20.2
Mérieux Participations 2	0.1	0.7
Backed 1	3.7	1.6
ECP I, II & IV	(5.5)	(1.4)
Share of profit or loss of associates – investing activities	1.4	15.2
I.P.E.	(0.4)	1.4
Other	3.8	1.2
Associates related to consolidated operating activities (shown under "Other operating income (expenses)")	3.4	2.6
Total	4.8	17.8

3.2. Value of investments under equity method

In EUR million	Investing activities					Operating activities		Total
	Parques Reunidos	Kartesia	Mérieux Participations 2	Backed 1	ECP I, II & IV	I.P.E.	Other	
As of December 31, 2018	232.5	209.0	52.6	26.5	9.3	46.5	112.8	689.2
Investment/(Divestment)	0.5	(27.4)	1.6	1.3	19.6	-	(1.8)	(6.3)
Profit (loss) for the period	(13.3)	16.4	0.1	3.7	(5.5)	(0.4)	3.8	4.8
Distribution	(4.2)	-	-	-	-	-	(2.8)	(7.0)
Other	2.0	-	-	-	-	(0.0)	4.2	6.2
As of June 30, 2019	217.5	198.0	54.4	31.5	23.5	45.9	116.2	686.9

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

4. LafargeHolcim, SGS, adidas, Pernod Ricard and other equity investments

4.1. Net dividends

In EUR million	June 30, 2019	June 30, 2018
LafargeHolcim	110.7	97.1
SGS	87.2	82.2
adidas	42.8	34.7
Pernod Ricard	23.5	20.1
Total	17.9	17.4
Umicore	17.7	15.6
GEA	13.1	10.0
Ontex	6.7	9.9
Other	30.3	1.0
Total	349.9	288.0

In 2019, GBL recorded EUR 350 million in dividends (EUR 288 million in 2018).

This increase mainly comes from, on the one hand, the increase in dividend from LafargeHolcim resulting from the capture of the discount offered on dividend received in shares and a currency impact, and on the other hand, the increase in unit dividends from adidas, SGS and Pernod Ricard.

Moreover, the net dividends include reimbursements notified by the French tax authorities of withholding taxes which had been applied to ENGIE dividends received between 2013 and 2015 (EUR 26 million).

4.2. Fair value and changes

The investments in listed companies are valued on the basis of the share price at the reporting date. Changes in the fair value of investments are recognised in the revaluation reserves (see note 9.1.).

Shares in "Funds", namely Sagard, Sagard II and Sagard 3, PrimeStone, BDT Capital Partners II, Upfield and Mérieux Participations I are revalued at their fair value, determined by the managers of the funds based on their investment portfolio. Changes in the fair value of investments are recognised in profit or loss (see note 6).

In EUR million	December 31, 2018	Acquisitions/ (Disposals)	Change in fair value	Other	June 30, 2019
Investments with changes in fair value through equity	13,329.1	(141.5)	1,861.2	23.8	15,072.6
adidas	2,862.7	(165.8)	1,004.9	-	3,701.8
Pernod Ricard	2,850.6	-	349.5	23.5	3,223.6
SGS	2,484.7	-	352.7	-	2,837.4
LafargeHolcim	2,050.9	-	407.0	-	2,457.8
Umicore	1,519.9	24.2	(293.9)	-	1,250.2
Total	748.5	0.1	49.9	0.3	798.8
GEA	345.5	-	38.4	-	383.9
Ontex	294.5	-	(61.2)	-	233.3
Other	171.8	-	13.9	-	185.7
Investments with changes in fair value through profit or loss	699.5	24.5	39.3	(5.3)	757.7
Funds	686.6	25.3	39.2	(5.3)	745.7
Other	12.9	(0.8)	0.1	-	12.0
Fair value	14,028.6	(117.0)	1,900.5	18.4	15,830.2

In EUR million	December 31, 2017	Acquisitions/ (Disposals)	Change in fair value	Other	December 31, 2018
Investments with changes in fair value through equity	14,280.9	157.8	(1,110.2)	0.6	13,329.1
adidas	2,623.3	-	239.4	-	2,862.7
Pernod Ricard	2,624.9	-	225.8	-	2,850.6
SGS	2,751.1	-	(266.4)	-	2,484.7
LafargeHolcim	2,692.5	-	(641.6)	-	2,050.9
Umicore	1,503.3	214.4	(197.9)	-	1,519.9
Total	746.0	-	1.9	0.6	748.5
GEA	327.6	228.5	(210.5)	-	345.5
Ontex	453.7	-	(159.2)	-	294.5
Burberry	557.1	(498.6)	(58.5)	-	-
Other	1.4	213.6	(43.2)	-	171.8
Investments with changes in fair value through profit or loss	504.2	174.0	33.6	(12.3)	699.5
Funds	491.3	163.0	33.4	(1.1)	686.6
Other	12.9	11.0	0.2	(11.2)	12.9
Fair value	14,785.1	331.8	(1,076.6)	(11.7)	14,028.6

5. Other operating income (expenses)

In EUR million	June 30, 2019	June 30, 2018
Other operating income	0.4	0.4
Other operating expenses	(29.8)	(26.3)
Other operating income (expenses) - investing activities	(29.4)	(25.9)
Other operating income	39.3	36.7
Other operating expenses	(772.1)	(747.4)
Share of profit (loss) of associates belonging to consolidated operating activities	3.4	2.6
Other operating income (expenses) - operating activities	(729.4)	(708.1)

6. Financial income (expenses)

In EUR million	June 30, 2019	June 30, 2018
Interest income on cash and cash equivalents and non-current assets	1.0	-
Interest expenses on financial liabilities	(8.2)	(8.3)
Gains (losses) on trading securities and derivatives	(7.9)	8.3
Change in the fair value of other equity investments recognised at fair value through profit or loss	39.3	15.2
Other financial income	16.3	-
Other financial expenses	(2.7)	(5.7)
Financial income (expenses) - investing activities	37.7	9.4
Interest income on cash and cash equivalents and non-current assets	3.3	2.3
Interest expenses on financial liabilities	(33.5)	(37.1)
Gains (losses) on trading securities and derivatives	(2.4)	2.0
Other financial income	22.4	19.2
Other financial expenses	(30.3)	(33.3)
Financial income (expenses) - operating activities	(40.6)	(46.9)

Financial income (expenses) from investing activities totalled EUR 38 million (compared to EUR 9 million in 2018). They mainly consist of (i) the changes in fair value of other equity investments recognised at fair value in profit or loss for EUR 39 million (EUR 15 million in 2018), (ii) a foreign exchange result of EUR 11 million (EUR - 3 million in the prior year) and (iii) the default interest on the withholding taxes which had been unduly applied to ENGIE dividends received between 2013 and 2015 (EUR 5 million compared with EUR 0 million in 2018), partially compensated by (iv) the interest charges on GBL's indebtedness (notably bond issues) for EUR - 8 million (EUR - 8 million in 2018).

Financial income (expenses) from consolidated operating activities essentially result from interest expenses on Imerys' and Sienna Capital's debts, and amount to EUR 34 million (EUR 37 million in 2018).

In the first half, GBL entered into prepaid forward sales contracts for 15.9 million Total shares, maturing in January 2020, and collected EUR 771 million in cash.

GBL has applied fair value hedge accounting on these forward sales, the qualitative and quantitative criteria required by IFRS 9 being met. As a result, changes in the fair value of these hedging instruments (EUR 5 million) have been recognized in comprehensive income. These reserves are non-recyclable, as the revaluation reserves on other equity investments.

As of June 30, 2019, there was no inefficiency to recognize in comprehensive income.

7. Turnover

The table below presents the split of the revenue into sales of goods, services provided and other:

In EUR million	June 30, 2019	June 30, 2018
Sales of goods	2,217.0	2,256.9
Services provided	375.7	301.1
Other	1.3	1.2
Total	2,594.1	2,559.2

The split by cash generating unit is presented below:

In EUR million	June 30, 2019	June 30, 2018
Performance Minerals (Imerys)	1,227.1	1,259.9
High Temperature Materials & Solutions (Imerys)	1,036.4	1,047.6
Holdings (Imerys)	(0.1)	3.0
Imerys	2,263.4	2,310.5
svt (Sienna Capital)	74.8	57.4
Keesing (Sienna Capital)	72.8	69.3
opseo (Sienna Capital)	70.8	53.3
Looping (Sienna Capital)	38.4	27.6
Sausalitos (Sienna Capital)	26.1	23.6
Vanreusel (Sienna Capital)	24.2	-
Indo (Sienna Capital)	23.5	-
Benito (Sienna Capital)	-	17.5
Sienna Capital	330.7	248.7
Total	2,594.1	2,559.2

8. Cash, cash equivalents and financial liabilities

8.1. Cash and cash equivalents

In EUR million	June 30, 2019	December 31, 2018
Treasury bonds and treasury notes (maturity < 3 months)	269.8	20.0
Deposits (maturity < 3 months)	0.1	339.9
Current accounts	854.6	653.7
Total	1,124.5	1,013.6

As of June 30, 2019, cash was held in fixed-term deposits, treasury notes and current accounts with various financial institutions. The increase in cash and cash equivalents over the first half of the year stems primarily from an increase in the current accounts in the Holding segment, partially offset by the decrease in Imerys' cash position.

8.2. Financial liabilities

In EUR million	June 30, 2019	December 31, 2018
Non-current financial liabilities	3,905.0	3,623.8
Institutional bonds (GBL)	992.2	991.5
Bank borrowings (Sienna Capital)	489.6	467.6
Institutional bonds (Imerys)	1,926.5	1,982.1
Lease liabilities (Imerys, Sienna Capital, GBL)	328.5	1.8
Other non-current financial liabilities	168.2	180.8
Current financial liabilities	1,094.2	205.6
Bank borrowings (GBL)	741.5	-
Bank borrowings (Imerys)	243.3	155.9
Lease liabilities (Imerys, Sienna Capital, GBL)	89.1	0.5
Other current financial liabilities	20.3	49.2

Bonds issued by GBL

On June 19, 2018, GBL placed a EUR 500 million institutional bond, with a 7-year maturity and a coupon of 1.875%. This issuance was intended to cover the group's general corporate purposes and to lengthen the weighted average maturity of the gross debt. The carrying amount of this debt is EUR 495 million as of June 30, 2019 (EUR 495 million as of December 31, 2018).

During the first semester of 2017, GBL had issued a bond placement of EUR 500 million, with a coupon of 1.375% and maturing on May 23, 2024. The carrying amount of this debt is EUR 497 million as of June 30, 2019 (EUR 497 million as of December 31, 2018).

Bank loans (Sienna Capital)

This caption includes the different bank loans of the operational subsidiaries of ECP III.

Bonds (Imerys)

Imerys has issued listed and non-listed bonds. The bond issues as of June 30, 2019 are detailed below:

	Nominal value in currency In million	Nominal interest rate	Effective interest rate	Listed/Unlisted	Maturity	Fair value In EUR million	Carrying amount In EUR million
EUR	167.6	2.50%	2.60%	Listed	11-26-2020	175.2	167.6
EUR	55.9	2.50%	1.31%	Listed	11-26-2020	58.4	55.9
EUR	500.0	2.00%	2.13%	Listed	12-10-2024	543.6	500.0
EUR	300.0	0.88%	0.96%	Listed	03-31-2022	306.9	300.0
EUR	300.0	1.88%	1.92%	Listed	03-31-2028	319.7	300.0
EUR	600.0	1.50%	1.63%	Listed	01-15-2027	629.3	600.0
Total						2,033.1	1,923.5

The bond issues as of December 31, 2018 are detailed below:

	Nominal value in currency In million	Nominal interest rate	Effective interest rate	Listed/Unlisted	Maturity	Fair value In EUR million	Carrying amount In EUR million
JPY	7,000.0	3.40%	3.47%	Unlisted	09-16-2033	80.6	72.1
EUR	167.6	2.50%	2.60%	Listed	11-26-2020	174.7	168.7
EUR	55.9	2.50%	1.31%	Listed	11-26-2020	58.3	55.9
EUR	500.0	2.00%	2.13%	Listed	12-10-2024	513.8	496.1
EUR	300.0	0.88%	0.96%	Listed	03-31-2022	304.1	300.6
EUR	300.0	1.88%	1.92%	Listed	03-31-2028	296.4	302.3
EUR	600.0	1.50%	1.63%	Listed	01-15-2027	582.0	600.1
Total						2,009.9	1,995.8

Lease liabilities (Imerys, Sienna Capital, GBL)

Following the application of IFRS 16, this item includes all lease debts related to the rights to use recognized as assets in the consolidated balance sheet under the heading "Property, plant and equipment".

Bank debts (GBL)

In the first half of 2019, GBL entered into prepaid forward sales contracts for 15.9 million Total shares, maturing in January 2020, and collected EUR 771 million in cash.

Following these transactions, and in accordance with IFRS 9, a debt valued at amortized cost was recognized for an initial amount of EUR 742 million. As of June 30, 2019, the carrying amount of this debt is EUR 741 million and the value of the derivative attached to these transactions, recorded under other current liabilities, amounts to EUR 24 million.

Bank debts (Imerys)

Those bank debts coming from Imerys include as of June 30, 2019 EUR 239 million of short-term borrowings and EUR 4 million of bank overdrafts (EUR 146 million and EUR 10 million respectively as of December 31, 2018).

Other non-current financial liabilities

This item primarily includes the debts of ECP III's operating subsidiaries. These debts are contracted with non-controlling interests.

9. Shareholders' equity

9.1. Revaluation reserves

These reserves include changes in the fair value of other equity investments with changes in the fair value recognised in equity.

In EUR million	adidas	Pernod Ricard	SGS	Lafarge-Holcim	Umicore	Total	GEA	Ontex	Other	Total
As of December 31, 2018	1,599.5	2,027.8	304.8	(72.6)	647.4	372.7	(201.7)	(159.9)	(46.2)	4,471.8
Change resulting from the change in fair value	1,338.0	349.5	352.7	407.0	(293.9)	49.9	38.4	(61.2)	13.9	2,194.3
Transfers to consolidated reserves in case of disposal	(333.2)	-	-	-	-	-	-	-	-	(333.2)
As of June 30, 2019	2,604.4	2,377.2	657.6	334.3	353.5	422.5	(163.3)	(221.1)	(32.3)	6,333.2

9.2. Earnings per share

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

In EUR million	June 30, 2019	June 30, 2018
Basic		
Consolidated profit or loss for the period (including the discontinued operations)	405.3	383.7
Consolidated profit or loss for the period (excluding the discontinued operations)	405.3	366.1
Diluted		
Consolidated profit or loss for the period (including the discontinued operations)	405.3	379.6
Consolidated profit or loss for the period (excluding the discontinued operations)	405.3	362.0

Number of shares

	June 30, 2019	June 30, 2018
Issued shares at beginning of year	161,358,287	161,358,287
Treasury shares at beginning of year	(2,642,982)	(5,660,482)
Weighted changes during the period	(707,037)	781,984
Weighted average number of shares used to determine basic earnings per share	158,008,268	156,479,789
Impact of financial instruments with a diluting effect:		
Convertible/exchangeable bonds	-	2,235,073
Stock options	106,824	148,588
Weighted average number of shares used to determine diluted earnings per share	158,115,092	158,863,450

As of June 30, 2019, GBL held, directly and through its subsidiaries, 4,696,545 GBL shares, representing 2.9% of the issued capital.

Summary earnings per share

In EUR per share	June 30, 2019	June 30, 2018
Basic	2.56	2.45
Continued activities	2.56	2.34
Discontinued activities	-	0.11
Diluted	2.56	2.39
Continued activities	2.56	2.28
Discontinued activities	-	0.11

10. Financial instruments

Fair value

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

- level 1: listed prices (non-adjusted) on active markets for identical assets or liabilities;
- level 2: inputs, other than the listed prices included in 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).

Analysis of financial instruments by category – consolidated balance sheet

The tables below show a comparison of the book value and the fair value of the financial instruments as of June 30, 2019, and as of December 31, 2018, as well as the fair value hierarchy.

The category, according to IFRS 9, uses the following abbreviations:

- FATOCI: Financial Assets measured at fair value through Other Comprehensive Income
- FATPL: Financial Assets measured at fair value through Profit or Loss
- FLTPL: Financial Liabilities measured at fair value through Profit or Loss
- FAAC: Financial Assets measured at Amortised Cost
- FLAC: Financial Liabilities measured at Amortised Cost
- HeAc: Hedge Accounting

In EUR million	Category according to IFRS 9	Carrying amount	Fair value	Hierarchy of fair values
As of June 30, 2019				
Financial assets				
Non-current assets				
Other equity investments				
Equity investments measured at fair value and with changes recognised in equity	FATOCI	15,072.6	15,072.6	Level 1
Equity investments measured at fair value and with changes recognised in profit or loss	FATPL	757.7	757.7	Level 3
Other non-current assets				
Derivative instruments - hedging	HeAc	7.3	7.3	Level 2
Other financial assets	FAAC	75.5	75.5	-
Current assets				
Trade receivables	FAAC	823.0	823.0	-
Trading financial assets	FATPL	838.7	838.7	Level 1
Cash and cash equivalents	FAAC	1,124.5	1,124.5	-
Other current assets				
Derivative instruments - hedging	HeAc	5.1	5.1	Level 2
Other financial assets	FAAC	128.1	128.1	-
Financial liabilities				
Non-current liabilities				
Financial liabilities				
Lease liabilities	FLAC	328.5	328.5	-
Other financial liabilities	FLAC	3,576.5	3,708.7	-
Other non current liabilities				
Derivative instruments - hedging	HeAc	1.5	1.5	Level 2
Other non current liabilities	FLAC	8.6	8.6	-
Current liabilities				
Financial liabilities				
Lease liabilities	FLAC	89.1	89.1	-
Other financial liabilities	FLAC	1,005.1	1,005.1	-
Trade payables	FLAC	592.6	592.6	-
Other current liabilities				
Derivative instruments - hedging	HeAc	32.3	32.3	Level 2
Derivative instruments - other	FLTPL	27.3	27.3	Level 2
Other current liabilities	FLAC	40.7	40.7	-

There is no significant transfer between the different levels during the period closed as of June 30, 2019.

In EUR million	Category according to IFRS 9	Carrying amount	Fair value	Hierarchy of fair values
As of December 31, 2018				
Financial assets				
Non-current assets				
Other equity investments				
Equity investments measured at fair value and with changes recognised in equity	FATOCI	13,329.1	13,329.1	Level 1
Equity investments measured at fair value and with changes recognised in profit or loss	FATPL	699.5	699.5	Level 3
Other non-current assets				
Derivative instruments - hedging	HeAc	19.4	19.4	Level 2
Other financial assets	FAAC	75.5	75.5	-
Current assets				
Trade receivables	FAAC	739.7	739.7	-
Trading financial assets	FATPL	341.4	341.4	Level 1
Cash and cash equivalents	FAAC	1,013.6	1,013.6	-
Other current assets				
Derivative instruments - hedging	HeAc	7.3	7.3	Level 2
Other financial assets	FAAC	19.1	19.1	-
Financial liabilities				
Non-current liabilities				
Financial liabilities				
Derivative instruments - hedging	HeAc	16.2	16.2	Level 2
Derivative instruments - other	FLTPL	(0.1)	(0.1)	Level 2
Other financial liabilities	FLAC	3,607.7	3,640.7	-
Other non current liabilities				
Derivative instruments - hedging	HeAc	0.4	0.4	Level 2
Other non current liabilities	FLAC	7.1	7.1	-
Current liabilities				
Financial liabilities				
Derivative instruments	FLTPL	0.4	0.4	Level 2
Other financial liabilities	FLAC	205.2	205.2	-
Trade payables	FLAC	597.8	597.8	-
Other current liabilities				
Derivative instruments - hedging	HeAc	9.7	9.7	Level 2
Derivative instruments - other	FLTPL	14.2	14.2	Level 2
Other current liabilities	FLAC	25.7	25.7	-

11. Subsequent events

Webhelp:

On July 9, 2019, GBL has announced it had entered into exclusive negotiations to acquire a majority stake in the Webhelp group, together with its co-founding shareholders, Frédéric Jousset and Olivier Duha, and the management team, with an enterprise value of EUR 2.4 billion based on 100%. It is expected that the signing of the legal documentation occurs beginning of August 2019, for completion, after obtaining appropriate regulatory authorizations, within the course of the fourth quarter of 2019.

Marcho Partners:

On July 16, 2019, Sienna Capital has invested EUR 150 million in Marcho Partners LLP, a fund based in London and specialised in innovation and technology.

Parques Reunidos:

Piolin Bidco, S.A.U. (« Piolin ») has announced, on April 26, 2019, its intention to launch a voluntary takeover bid paid in cash for the shares of Parques Reunidos (the « Bid »). Piolin is indirectly held at 23.96% by Miles Capital, a subsidiary indirectly wholly owned by GBL, the remainder of the capital being indirectly held by EQT AB and Corporación Financiera Alba (« Alba ») at 50.01% and 26.03% respectively. The CNMV (Comisión Nacional del Mercado de Valores) has authorized, on July 24, 2019, the Bid which has begun on July 26, 2019 and will close on September 6, 2019. As a reminder, GBL and Alba irrevocably undertook to contribute their Parques Reunidos shares to the Bid.

12. Certification of Responsible Persons

Ian Gallienne, CEO, and Xavier Likin, 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 on June 30, 2019 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 2019 are in keeping with the assessment presented in the section "Risk Management and Internal Control" of GBL's 2018 Annual Report and take into account the current economic and financial environment. With regards to the terms related to financial data on the investments, mentioned from pages 23 to 53 of the 2018 Annual Report, please refer to the definitions provided by each company in its financial communication.

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

Statutory Auditor's report

Deloitte.

Groupe Bruxelles Lambert SA
Groep Brussel Lambert NV | 30 June 2019

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 2019

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 2019, 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 26 814,0 million EUR and the consolidated income statement shows a consolidated profit (group share) for the period then ended of 405,3 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 2019

The statutory auditor



DELOITTE Bedrijfsrevisoren/Réviseurs d'Entreprises CVBA/SCRL
Represented by Corine Magnin

The original text of this report is in Dutch/French

Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises
Coöperatieve vennootschap met beperkte aansprakelijkheid/Société coopérative à responsabilité limitée
Registered Office: Gateway building, Luchthaven Brussel Nationaal 1 J, B-1930 Zaventem
VAT BE 0429.053.863 - RPR Brussel/RPM Bruxelles - IBAN BE 17 2300 0465 6121 - BIC GEBABEBB

Member of Deloitte Touche Tohmatsu Limited

Glossary

With regards to the terms related to financial data on the investments, please refer to the definitions provided by each company in its financial communication.

The specific terminology used in the section on the “Half-yearly IFRS financial statements” as of June 30, 2019 refers to the IFRS (International Financial Reporting Standards) rules as adopted by the European Union.

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 (trading assets, etc.) of the Holding segment. It is valued at the book or market value (for certain cash equivalents).

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.

Discount

The discount is defined as the percentage difference (expressed in relation to the net asset value) between the market capitalisation and the net asset value.

Economic analysis of the result

Cash earnings

- Cash earnings primarily include dividends from listed investments and treasury shares, dividends and interests from Sienna Capital, income coming mainly from cash management, net earnings from the yield enhancement activity and tax refunds, less general overheads, gross debt-related charges and taxes. All these results relate to the Holding activity.
- Cash earnings also are one of the components used in the calculation of the payout ratio.

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, various non-cash expenses, 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 the results, group's share, 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 are the results, 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 results, group's share, 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.

Dividend yield

The dividend yield is defined as the ratio between (i) the gross dividend detached (or the sum of the gross dividends detached) during the period (12 months) and (ii) the stock market price at the beginning of the period.

The dividend yield for year N is therefore the ratio between (i) the gross dividend (or the sum of the gross dividends) having its (their) Ex-Date in year N+1 and (ii) the closing price on the last trading day of year N.

The value of gross dividends not yet declared is estimated using Bloomberg's "BDVD" function. If this function is not available, the last gross dividend declared is used as an estimate.

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 December 31.
- 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 December 31, including suspended voting rights.

Liquidity profile

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

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 net asset value.

Net asset value

The change in GBL's net asset value is, along with the change in its stock price, cash earnings and result, an important criterion for assessing the performance of the group.

The net asset value is 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 external net debt.

The number of GBL shares used to calculate the net asset value per share is the number of company shares outstanding on the valuation date. Some minor events may not have been taken into account in the value reported. The combined effect of these factors may not exceed 2% of the net asset value.

GBL's detailed net asset value is reported together with the results' publication on a quarterly basis.

The net asset value per share is published, on a general basis, every week on GBL's website (www.gbl.be).

Operating company

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

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.

Payout ratio

The payout or distribution of dividends ratio is calculated, for the financial year N, by dividing (i) the dividends paid in N+1 for the financial year N by (ii) the cash earnings for the financial year N.

Portfolio

The portfolio includes:

- the other equity investments⁽¹⁾ and investments in associates in the Holding segment;
- Imerys; and
- Sienna Capital, that includes companies active in private equity, debt and specific thematic funds.

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 on the basis of the change in the stock market price(s) over the period under consideration, taking into account the gross dividend(s) received during this period and reinvested in securities at the time of receipt. It is expressed on an annualised basis and corresponds to the calculation made by Bloomberg via its "TRA" function. It should be noted that the comparison of GBL's TSR with its benchmark index is based on identical periods in terms of trading days.

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.

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.

Yield enhancement

The yield enhancement activity consists of executing derivatives instruments (primarily sales of options with short-term maturities on some assets in GBL's portfolio) and in operations on trading assets, aiming at generating an increased yield for GBL. The yield enhancement results are mainly made out of (i) premium of option sales, (ii) capital gains or losses with regards to operations on trading assets and (iii) dividends received in relation to trading assets.

(1) Available-for-sales investments under IAS 39

For further information

Groupe Bruxelles Lambert
Avenue Marnix 24
1000 Brussels
Belgium
RLE: Brussels
VAT: BE 0407 040 209
IBAN: BE07 3100 0655 5266
BIC: BBRUBEBB
Website: www.gbl.be

For more information about GBL:
Tel.: +32 2 289 17 17



Groupe Bruxelles Lambert
Avenue Marnix 24
1000 Brussels
Belgium

www.gbl.be