

Strategic Investments



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



16.2%
Capital held by GBL

GBL data at 30 June 2017

Market value of investment (EUR million) **2,692**

Voting right (%) **16.2**

Contribution to GBL's portfolio (%) **15.1**

Half-year results 2017

- Revenue grew organically by 3.4% and by 4.9% on a constant currency basis (external growth: 1.5%). After the slightly positive currency effect (+ 0.1%), turnover increased by 5.0% to CHF 3,047 million.
- Adjusted operating income increased by 4.9% on a constant currency basis and by 4.3% to CHF 428 million after the currency effect. Margin remained stable at 14.1% despite the weak performance of Oil & Gas activities and new investments in transformation projects.
- SGS also recorded doubtful receivables in the Governments & Institutions services activity, the bulk of these amounts should however be recovered.
- Compared with 31 December 2016, net debt rose to EUR 1,136 million due primarily to the dividend payment.

Key financial data

(in CHF million)	30/06/2017	31/12/2016	30/06/2016
Revenue	3,047	5,985	2,901
Adjusted EBITDA	570	1,198	550
Adjusted operating income	428	919	411
Profit (group's share)	276	543	258
Market capitalisation	18,164	16,208	17,413
Net debt	1,136	736	990

Outlook for 2017

SGS forecasts solid organic revenue growth, an increase in the adjusted operating income at constant exchange rates and robust cash flow generation.

Financial communication
Jean-Luc de Buman
Senior Vice President
Tel.: +41 227 39 93 31
jean-luc.debuman@sgs.com
www.sgs.com



adidas is the European leader in sports equipment



7.5%
Capital held by GBL

GBL data at 30 June 2017

Market value of investment (EUR million) **2,632**

Voting right (%) **7.5**

Contribution to GBL's portfolio (%) **14.8**

Half-year results 2017

- Revenue increased by 18% on a currency-neutral basis to EUR 10,485 million. From a brand perspective, currency-neutral revenues grew 19% for adidas and 9% for Reebok.
- Gross margin improved slightly to 49.9% (2016: 49.8%), reflecting the positive effects from an improved pricing, product and channel mix as well as lower input costs, which were largely offset by unfavourable currency developments.
- Operating profit grew 20% to EUR 1,142 million, representing an operating margin of 10.9%, an increase of 0.1%.
- During the half-year, adidas completed the planned divestiture of TaylorMade and CCM Hockey.

Key financial data

(in EUR million)	30/06/2017	31/12/2016	30/06/2016
Revenue ⁽¹⁾	10,485	19,291	8,761
Gross profit ⁽¹⁾	5,227	9,379	4,364
Operating profit ⁽¹⁾	1,142	1,491	950
Net income from continuing operations ⁽¹⁾	809	1,019	671
Market capitalisation	35,096	31,414	26,874
Net debt	735	103	1,028

Outlook for 2017

Management at adidas revised its guidance upward due to the strong financial performance year to date. The company now expects sales to increase between 17% and 19% (previously between 12% and 14%). The operating profit is expected to increase between 24% and 26% (previously between 13% and 15%).

⁽¹⁾ These key figures reflect continuing operations as a result of the divestiture of the Rockport business and the planned divestiture of TaylorMade, Ashworth and CCM Hockey

Financial communication
Sebastian Steffen
Investor Relations World of Sports
Tel.: +49 9132 84 2920
Sebastian.Steffen@adidas-Group.com
www.adidas-group.com