

Embargo: Thursday 25 August 2011 – 6:00 pm CET

## 2011 HALF-YEAR RESULTS

*D'leteren's half-year financial statements present Avis Europe as "Asset classified as held for sale", in light of the sale under progress of this activity (see page 6 of the press release for further information). Consequently, unless otherwise stated, the content of this press release concerns "continuing operations" only.*

### SUMMARY

- Sales up 5.5% year-on-year to EUR 3.2 billion.
- Current consolidated result before tax, group's share, down 5.9% to EUR 167.0 million. This result breaks down as follows:
  - *D'leteren Auto and Corporate activities*: EUR 68.1 million, up 32.5% due to the strong market share increase of the makes distributed by D'leteren Auto to 21.40% (20.13% for 2010) in a new car market up 1.9% compared with an excellent first half-year 2010.
  - *Belron*: EUR 98.9 million, down 21.5%, mainly due to the for the most part anticipated decline in volumes, and its impact on margins, compared with the first half of 2010 marked by exceptionally favourable weather.
- Group's share in the result for the period down 0.7% to EUR 139.8 million (up 38.7% to EUR 188.6 million including the impact of the sale of Avis Europe).
- Group's consolidated net financial debt of EUR 1.3 billion, down 35.7% (following the deconsolidation of Avis Europe's net financial debt in 2011).
- Following a record 2010 and considering the economic conditions, 2011 current consolidated result before tax, group's share, from continuing operations is expected to be up around 5%.

### CONSOLIDATED KEY FIGURES

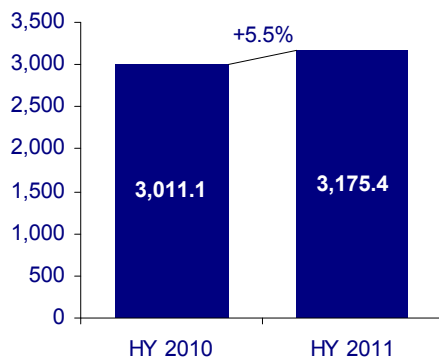


s.a. D'leteren n.v.

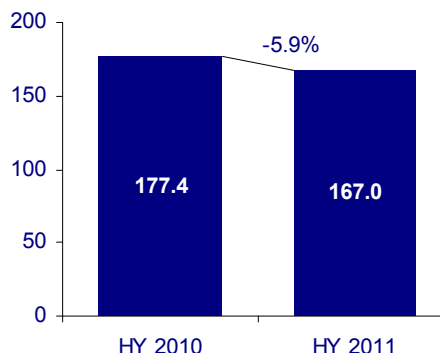
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**Sales (€m)**



**Current result before tax,  
group's share (€m)**



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## CONSOLIDATED RESULTS

IFRS, €m	HY 2011			HY 2010			% change	
	Current items	Unusual items and re-measurements	Total	Current items	Unusual items and re-measurements	Total	Current items	Total
<b>Sales</b>	<b>3,175.4</b>	<b>-</b>	<b>3,175.4</b>	<b>3,011.1</b>	<b>-</b>	<b>3,011.1</b>	<b>5.5%</b>	<b>5.5%</b>
<b>Operating result</b>	<b>203.5</b>	<b>-6.2</b>	<b>197.3</b>	<b>214.8</b>	<b>-13.2</b>	<b>201.6</b>	<b>-5.3%</b>	<b>-2.1%</b>
Net finance costs	-29.0	1.2	-27.8	-28.8	4.6	-24.2	-0.7%	-14.9%
<b>Result before tax</b>	<b>174.5</b>	<b>-5.0</b>	<b>169.5</b>	<b>186.0</b>	<b>-8.6</b>	<b>177.4</b>	<b>-6.2%</b>	<b>-4.5%</b>
Share of result of entities accounted for using the equity method	0.1	0.0	0.1	0.2	0.0	0.2	-50.0%	-50.0%
Tax expense	-26.2	1.8	-24.4	-35.5	4.5	-31.0	26.2%	21.3%
<b>Result from continuing operations</b>	<b>148.4</b>	<b>-3.2</b>	<b>145.2</b>	<b>150.7</b>	<b>-4.1</b>	<b>146.6</b>	<b>-1.5%</b>	<b>-1.0%</b>
Discontinued operations	8.0	71.8	79.8	0.3	-8.6	-8.3	-	-
<b>Result for the period</b>	<b>156.4</b>	<b>68.6</b>	<b>225.0</b>	<b>151.0</b>	<b>-12.7</b>	<b>138.3</b>	<b>3.6%</b>	<b>62.7%</b>
<b>Result attributable to:</b>								
Equity holders of D'leteren	147.6	41.0	188.6	144.5	-8.5	136.0	2.1%	38.7%
Non-controlling interest	8.8	27.6	36.4	6.5	-4.2	2.3	35.4%	1482.6%
Group's share in the result for the period from continuing operations	142.8	-3.0	139.8	144.3	-3.5	140.8	-1.0%	-0.7%
<b>Earnings per share for result for the period attributable to equity holders of the Parent</b>								
Basic earnings per share (EUR)	2.68	0.74	3.42	2.63	-0.16	2.47	1.9%	38.5%
Diluted earnings per share (EUR)	2.66	0.74	3.40	2.61	-0.15	2.46	1.9%	38.2%
<b>Earnings per share for result from continuing operations attributable to equity holders of the Parent</b>								
Basic earnings per share (EUR)	2.59	-0.06	2.53	2.63	-0.07	2.56	-1.5%	-1.2%
Diluted earnings per share (EUR)	2.57	-0.05	2.52	2.61	-0.06	2.55	-1.5%	-1.2%
<b>Current result before tax, group's share</b>	<b>167.0</b>	<b>-</b>	<b>-</b>	<b>177.4</b>	<b>-</b>	<b>-</b>	<b>-5.9%</b>	<b>-</b>

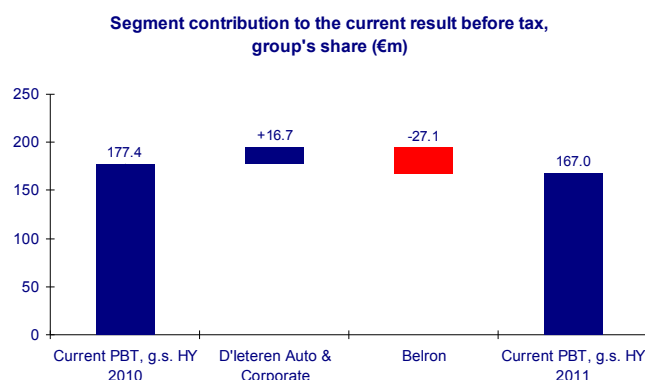
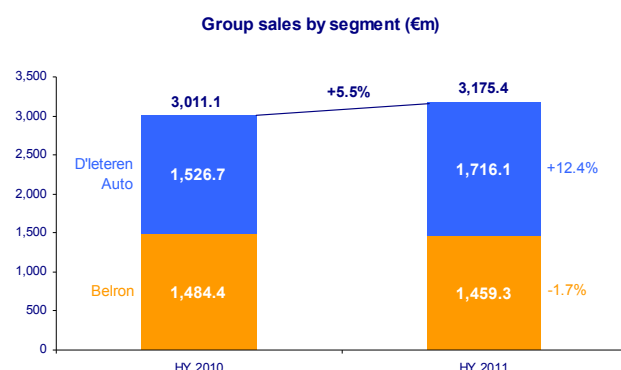
## BALANCE SHEET DATA

### Key figures of the consolidated balance sheet

IFRS - €m	HY 2011	HY 2010
Equity (group's share)	1,411.8	1,145.6
Minority interest	243.5	119.4
Equity	1,655.3	1,265.0
Net financial debt <sup>1</sup>	1,263.1	1,963.6

<sup>1</sup> Avis Europe's net financial debt only included in the first half-year of 2010.

## SEGMENT CONTRIBUTION TO THE RESULTS



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## 1. AUTOMOBILE DISTRIBUTION (D'LETEREN AUTO) & CORPORATE ACTIVITIES

- Belgian market up 1.9% to 326,445 new car registrations.
- D'leteren Auto's share in new car registrations up to 21.40% compared with 20.13% in 2010. This increase is primarily due to the outstanding performance of Volkswagen and Škoda.
- New vehicle sales up 14.1% to EUR 1.4 billion, attributable to higher volumes. Total sales up 12.4% to EUR 1.7 billion.
- Current operating result up 21.8% to EUR 80.6 million, reflecting the impact of higher sales, partially offset by increased marketing investments.
- Current result before tax, group's share, up 32.5% to EUR 68.1 million.
- 2011 Belgian market forecast of circa 540,000 new car registrations.

IFRS, €m	HY 2011			HY 2010			% change	
	Current items	Unusual items and re-measurements	Total	Current items	Unusual items and re-measurements	Total	Current items	Total
New vehicles delivered (in units)	-	-	74,120	-	-	64,899	-	14.2%
External sales	1,716.1	-	1,716.1	1,526.7	-	1,526.7	12.4%	12.4%
Operating result	80.6	0.0	80.6	66.2	0.0	66.2	21.8%	21.8%
Net finance costs	-12.8	-0.2	-13.0	-14.8	3.4	-11.4	13.5%	-14.0%
Current result before tax	67.8	-	-	51.4	-	-	31.9%	-
Current result before tax, group's share	68.1	-	-	51.4	-	-	32.5%	-

### 1.1. Activities and results

D'leteren Auto sales reached EUR 1,716.1 million, i.e. a year-on-year growth of 12.4%. This increase is mainly due to the overall market share gain of the makes distributed by D'leteren Auto in a new car market that is still growing after an excellent first half-year 2010.

#### New vehicles

In the first half of 2011, new car registrations in Belgium totalled 326,445 units, up 1.9% year-on-year and 19.5% compared with the first half-year 2009, the previous year the Light Vehicles, Recreational Vehicles and Motorcycles Show was held. The market is still buoyed by CO<sub>2</sub> incentives and the upturn in the company car market.

Makes distributed by D'leteren Auto reached a market share of 21.40% in the first half of the year, compared with 20.13% in 2010. This increase mainly reflects the gain by Volkswagen, following the success of recently revamped models (Passat, Sharan and Touran) and the appeal of the BlueMotion models. Škoda also gained market share due to the success of the ecological engines, benefiting the Fabia in particular. Audi's market share has been steadily increasing since the beginning of the year due to the success of the A1 and the A7, launched in late 2010. Seat's market share was slightly down.

Share in new car registrations in Belgium	HY 2011	FY 2010
New car market (in units)	326,445	547,347
% change yoy	1.9%	14.9%
D'leteren Auto Total	21.40%	20.13%
Volkswagen	10.42%	9.78%
Audi	5.40%	5.38%
Seat	1.75%	1.85%
Škoda	3.56%	2.87%
Bentley/Lamborghini	0.01%	0.01%
Porsche	0.26%	0.24%
Commercial vehicles	9.97%	9.33%

Registrations of new light commercial vehicles have increased by 17.2%, totalling 36,195 units. D'leteren Auto's share in this market grew from 9.33% in 2010 to 9.97% in H1 2011, driven by the Caddy and the Transporter as well as by the launch of the Amarok.

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Total new vehicles, including commercial vehicles, delivered by D'leteren Auto amounted to 74,120 units, up 14.2% year-on-year. New vehicle sales were up 14.1% to EUR 1,432.1 million as a result of higher volumes.

### **Other activities**

Used vehicle sales amounted to EUR 59.0 million, up 5.4% due to a defleeting increase at D'leteren Lease.

Sales of spare parts and accessories rose 3.0% to EUR 88.3 million.

After-sales activities by the D'leteren Car Centers grew 7.6% to EUR 29.9 million.

Sales by D'leteren Lease, active in the long-term rental of D'leteren Auto-distributed makes, amounted to EUR 72.3 million, up 4.2%.

Sales by D'leteren Sport, mainly Yamaha motorcycles, quads and scooters, decreased by 3.7% to EUR 21.0 million despite a market and market share growth, essentially reflecting the downsizing trend and destocking at dealers.

### **Results**

The current operating result stood at EUR 80.6 million, up 21.8% year-on-year. This increase is primarily due to higher sales of new and used vehicles, partially offset by increased marketing investments.

Total net financial costs were EUR 13.0 million, compared with EUR 11.4 million the previous year. Excluding re-measurements of financial instruments (mainly interest rate swaps and the revaluation of certain puts on Belron shares) at fair value, current net financial costs stood at EUR 12.8 million, i.e. EUR 2.0 million less than in 2010. This decrease essentially reflects the decrease in the average interest rate.

The current result before tax, group's share, of the Automobile Distribution & Corporate segment stood at EUR 68.1 million, an increase of 32.5% year-on-year.

## **1.2. Key developments**

A series of new models was successfully launched in the first half of 2011. At Volkswagen, the Amarok made its entrance in the pick-up segment. The new A6 Saloon, the second generation of the GreenLine range and the Panamera S Hybrid were launched respectively by Audi, Škoda and Porsche.

On 1 July 2011, D'leteren announced that Denis Gorteman will succeed Thierry van Kan as CEO of D'leteren Auto from 1 January 2012.

## **1.3. Activity outlook 2011**

Considering the current trend, the Belgian car market is expected to reach 540,000 new car registrations in 2011. On this basis, D'leteren Auto pursues its objective of annual market share growth. The second half of the year will see several more models launched or revamped, including Volkswagen's Golf Cabrio, Beetle, Tiguan and Crafter, and Audi's Q3, Q5 Hybrid and A6 Avant. Porsche will introduce a diesel version of the Panamera as well as the new 911.

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## 2. VEHICLE GLASS REPAIR AND REPLACEMENT (VGRR) – BELRON

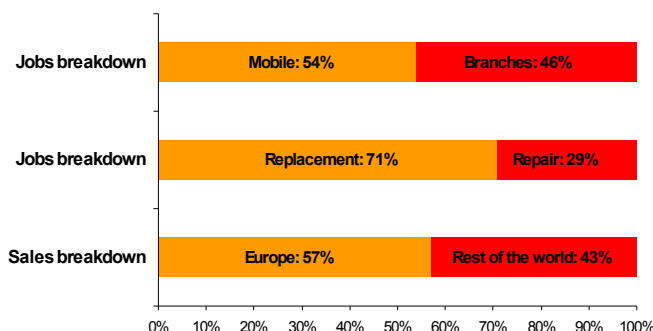
- External sales down 1.7% comprising 1.6% organic decline due to milder winter weather compared to an exceptional 2010 and weak economic conditions, 0.9% adverse currency translation and 0.8% increase due to acquisitions.
- Current operating result down 17.3%, primarily due to the sales volumes decline and its impact on margins.
- Current result before tax, group's share, down 21.5% to EUR 98.9 million.
- Moderate organic sales growth expected in H2.

IFRS, €m	HY 2011			HY 2010			% change	
	Current items	Unusual items and re-measurements	Total	Current items	Unusual items and re-measurements	Total	Current items	Total
Total jobs (in million units)	-	-	6.0	-	-	6.3	-	-5.3%
External sales	1,459.3	-	1,459.3	1,484.4	-	1,484.4	-1.7%	-1.7%
Operating result	122.9	-6.2	116.7	148.6	-13.2	135.4	-17.3%	-13.8%
Net finance costs	-16.2	1.4	-14.8	-14.0	1.2	-12.8	-15.7%	-15.6%
Current result before tax	106.7	-	-	134.6	-	-	-20.7%	-
Current result before tax, group's share	98.9	-	-	126.0	-	-	-21.5%	-

*Note: The average shareholding used for consolidation of Belron's result is 92.73% (93.59% in H1 2010).*

### 2.1. Activities and results

Sales for the first half of 2011 were EUR 1,459.3 million, 1.7% down on 2010, comprising a decline in organic sales of 1.6%, an adverse currency impact of 0.9% and a 0.8% increase from acquisitions. Organic sales reflect milder winter weather in Europe compared to the exceptional 2010 conditions as well as weak economic conditions causing reduced miles driven and deferred purchases. Total repair and replacement jobs decreased by 5.3% to 6.0 million. The translation impact is due primarily to a weaker US dollar.



European sales declined by 2% which included a reduction in underlying sales of 3% partially offset by acquisition growth of 1%, predominantly due to acquisitions in France during the first half of 2010 and in Russia, where Belron acquired the Mobiscar fitting business in the second half of 2010 and the wholesale business during the first half of 2011.

Outside of Europe, sales decreased by 1%, comprising underlying sales growth of 1%, an impact from acquisitions of 1% due to acquisitions in China, Brazil and Canada, offset by an adverse currency impact of 3% due to the weak US dollar.

The current operating result was EUR 122.9 million (2010: EUR 148.6 million), reflecting the sales volumes decline compared to an exceptional first half of 2010 and its impact on margins, persistent difficult market conditions in Brazil since mid-2010, the costs of additional capacity in the US as well as increased marketing investments in some countries, partially offset by lower long-term executive incentive scheme costs.

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Unusual costs before tax were EUR 1.3 million and mainly relate to the integration of acquired businesses in France and Canada. Re-measurements include the amortization of intangibles resulting from acquisitions and changes in the fair value of derivatives.

Net finance costs were EUR 14.8 million (2010: EUR 12.8 million). Before re-measurements resulting from the changes in the fair value of derivatives, current net finance costs increased from EUR 14.0 million in the first half of 2010 to EUR 16.2 million due to higher average borrowings and interest rates.

Current result before tax, group's share, declined by 21.5% to EUR 98.9 million (2010: EUR 126.0 million).

During the second quarter of 2011, Belron paid dividends relating to 2010 profits of EUR 100 million to its shareholders, of which D'leteren's share was EUR 92.7 million.

## 2.2. Activity outlook 2011

The outlook for the remainder of the year is for moderate organic sales growth as the period will overlap easier comparatives. Belron remains committed to delivering outstanding service to its customers, its insurance and fleet partners, and improving its operational efficiency.

## 3. SHORT-TERM CAR RENTAL – AVIS EUROPE

Avis Europe's press release regarding its half-year results was published on 4 August 2011 and is available in English on its website [www.avis-europe.com](http://www.avis-europe.com). It will not be summarized here.

On 14 June 2011, Avis Budget Group offered GBP 3.15 in cash, by way of a Scheme of Arrangement, for each Avis Europe share, which values the entire share capital of Avis Europe at approximately GBP 636 million (EUR 719 million at that date) and D'leteren's 59.6% share of Avis Europe at approximately GBP 367 million (EUR 412 million taking into account the net effect of foreign exchange hedging). This cash consideration of GBP 3.15 per share represents a premium of:

- 60.2% over the GBP 1.966 closing price of Avis Europe shares on 13 June 2011, i.e. the last trading day before the issue of the release; and
- 63.3% over the average closing price of GBP 1.929 of Avis Europe shares for the three months prior to the date of the release.

This transaction is a three-way win: Avis Europe will find an ideal home in a combined entity with a seamless organization, Avis Budget Group will be more global in a consolidating industry, and D'leteren will emerge less cyclical, less capital intensive and having successfully monetised its interest in Avis Europe. This transaction is strategically and financially compelling for the D'leteren Group which will be able to contemplate new development opportunities in the nearer future.

D'leteren has irrevocably undertaken to vote in favour of the proposal. At Avis Europe's General Meeting held on 1 August 2011, the Special Resolution to approve the Scheme of Arrangement was passed with a 99.97% majority of the present and represented shares.

Following this offer, Avis Europe is presented as "Asset classified as held for sale" in D'leteren's 2011 and restated 2010 half-year income statements and in its balance sheet as at 30 June 2011. Avis Europe's net contribution to D'leteren's result for the period, group's share, amounts to EUR 48.8 million, of which EUR 4.8

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million from Avis Europe's operational activities and EUR 44.0 million from value re-measurements resulting from the anticipated disposal and from certain associated costs.

The disposal of Avis Europe should take effect on 3 October 2011, with receipt of the proceeds of the sale expected mid-October.

## **NOTE ON THE FINANCING OF D'LETEREN'S ACTIVITIES**

The activities of the D'leteren Group are financed autonomously and independently of each other.

Net debt of the D'leteren Auto/Corporate segment increased year-on-year from EUR 398.7 to 505.7 million, mainly on account of D'leteren's exercise of its entitlement in Avis Europe's rights issue in July 2010 and of the strong increase in vehicle inventories as a result of the activity in the first half of 2011, partially offset by the dividend received from Belron.

Belron's net debt decreased slightly from EUR 784.4 to 757.4 million. Early 2011, Belron refinanced USD 250 million by a new loan agreement with US institutional investors (maturing in 2018, 2021 and 2023).

As a result of the sale under progress, Avis Europe's end-June net debt is no longer included in the group's net financial debt, which now stands at EUR 1.3 billion compared with EUR 2.0 billion at end-June 2010.

## **ESTIMATED IMPACT OF AVIS EUROPE'S SALE ON EQUITY**

The sale of Avis Europe will have a positive impact on equity, group's share, estimated at about EUR 87 million, after deduction of the associated costs and the net effect of foreign exchange hedging.

## **OUTLOOK FOR FY 2011 CURRENT CONSOLIDATED RESULT BEFORE TAX, GROUP'S SHARE**

Based on the current outlook for our activities and given the economic conditions, D'leteren expects the 2011 current consolidated result before tax, group's share, from continuing operations to be up around 5%, compared with a 2010 record year.

***The interim financial report 2011 is available  
on D'leteren's website ([www.dieteren.com](http://www.dieteren.com)) or can be obtained on request.***

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## **Note on the control of the accounts**

*Our Auditor, BDO Réviseurs d'Entreprises, conducted a limited review, in accordance with the recommendation of the Belgian Institute of Registered Auditors, of the condensed consolidated interim financial information for the period ended 30 June, 2011 of the s.a. D'leteren n.v., of which the balance sheet's total amounts to EUR 5,980.9 million and the result attributable to equity holders of s.a. D'leteren n.v. amounts to EUR 188.6 million. Based on this review, nothing has come to his attention that causes to believe that this condensed consolidated interim financial information has not been prepared, in all material respects, in accordance with IAS 34 as adopted by the European Union.*

## **Forward looking statements**

*This document contains forward-looking information that involves risks and uncertainties, including statements about D'leteren's plans, objectives, expectations and intentions. Readers are cautioned that forward-looking statements include known and unknown risks and are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of D'leteren. Should one or more of these risks, uncertainties or contingencies materialise, or should any underlying assumptions prove incorrect, actual results could vary materially from those anticipated, expected, estimated or projected. As a result, D'leteren does not assume any responsibility for the accuracy of these forward-looking statements.*

***End of press release***



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## **D'LETEREN**

D'leteren is a group of services to the motorist founded in 1805, serving over 19 million customers in some 120 countries in three areas:

- *D'leteren Auto* distributes Volkswagen, Audi, Škoda, Seat, Porsche, Bentley, Lamborghini, Bugatti and Yamaha vehicles across Belgium. It is the country's number one car dealer, with a market share of over 20% and more than one million vehicles of the distributed makes on the road. Sales in 2010: 2.7 billion euro.

- *Belron* (92.7% owned) is the worldwide leader in vehicle glass repair and replacement. 1,900 branches and 9,500 mobile vans, trading under more than 15 different brands including Carglass, Autoglass and Safelite Auto Glass, serve customers in 33 countries. Sales in 2010: 2.8 billion euro.

- *Avis Europe* (59.6% owned, listed on the London Stock Exchange and held for sale) is a leading short-term car rental company. With its Avis and Budget brands, it operates through more than 3,900 locations in Europe, Africa, the Middle East and Asia. Rental income in 2010: 1.2 billion euro.

## **FINANCIAL CALENDAR**

16 November 2011 – Interim Management Statement

28 February 2012 – 2011 Full-year results

16 April 2012 – Annual Report 2011 available

10 May 2012 – Interim Management Statement

31 May 2012 – General Shareholders' Meeting

4 June 2012 – Ex date

7 June 2012 – Payment date

28 August 2012 – 2012 Half-year results

8 November 2012 – Interim Management Statement

## **CONTACTS**

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