D'IeterenGroup

PRESS RELEASE: 2021 FULL-YEAR RESULTS

REGULATED INFORMATION

Tuesday 8 March 2022 –5:45 pm CET

2021 Full-Year results
Record results driven by a strong performance of all our businesses and the first contribution from TVH Parts

Full-year 2021 highlights

D'Ieteren Group's results showed significant growth in 2021 driven by strong performance of all the businesses. The Group's key performance indicator (KPI) – the *adjusted* consolidated profit before tax, Group's share[1] – came in at €493.4m, up by 52.0% compared to 2020. On a comparable basis, the KPI grew by 50.6% YoY, in line with the guidance of 'at least 45% growth'.

- **Belron's** *adjusted* profit before tax, Group's share[1] gained 47.0% YoY reflecting positive top-line trends and a strong FY operating margin of 17.5% despite the additional costs related to the transformation programme and some pressure in the supply chain and employment market in the US in the second half of the year.
- **D'Ieteren Automotive** managed to post an 11.6% growth in *adjusted* profit before tax, Group's share[1] in a very difficult environment whereby the Belgian new car market[2] was down by 11.2% mainly due to the shortage of semiconductor components. D'Ieteren Automotive managed to slightly increase sales, thanks to a positive price / mix effect.
- **TVH Parts** was included for the first time in the fourth quarter of 2021, and, supported by robust sales growth of c. 19.5%, accounted for €17.0m of *adjusted* profit before tax, Group's share[1].
- **Moleskine**'s performance was still impacted by Covid-19 disruptions, but sales grew by 18.9% and the *adjusted* profit before tax, Group's share[1] ended the year in positive territory at €1.8m.
- **Corporate & Unallocated** (including corporate and real estate activities) reported an *adjusted* profit before tax, Group's share[1] of €4.7m in 2021 compared to -€5.3m in 2020. D'Ieteren Group ends 2021 with a net cash position of €1,087.5m (or €782.8m excluding €304.7m of inter-segment loans).
- All the businesses contributed to a strong *adjusted* **free cash-flow**[6] generation thanks to the solid operational results, with notably significant cash generation of €422.9m at Belron (100%), €108.4m at D'Ieteren Automotive, and almost €16m at Moleskine.
- The Board of Directors proposes a **gross ordinary dividend** of €2.10 per share related to the financial year 2021 (versus €1.35 in 2020) and has decided to reactivate the **share buy-back programme** before the Summer 2022.

Note that 2020 figures have been restated to reflect the IFRS® Interpretations Committee (IFRIC) final agenda decisions on cloud computing arrangements issued in March 2019 and April 2021. Refer to note 1 (p. 20) for more information on the restatement of comparative information.

Outlook 2022

For 2022, assuming no further escalation in geopolitical tensions nor new Covid-related restrictions, D'Ieteren Group expects its *adjusted* consolidated profit before tax, Group's share[1] **to grow by at least 25%** compared to the comparable 2021 result. This improvement is expected to be driven by the full-year contribution from TVH Parts (versus only the fourth quarter in 2021) and a continued solid growth from all businesses.

It assumes a 50.01% stake in Belron in 2022 and in 2021 (comparable figure: €474m), and average exchange rates that are in line with the rates that prevailed at the end of 2021.

We expect the following financial performance from our portfolio companies:

- Belron
  - Low double-digit organic sales growth due to volumes and price / mix and increased ADAS recalibration penetration and VAPS contribution.
  - *Adjusted* operating result[1] growth slightly above organic sales growth driven by top-line development despite the expected impact of c.€80m from costs related to the transformation plan.
  - *Adjusted* free cash-flow[6] is expected to remain high, comparable to 2021, with better operational results being offset by increased capital expenditures, namely in ADAS equipment and in the footprint, and a slightly negative working capital outflow.
- TVH Parts
  - Top-line growth is expected to remain double digit and *Adjusted* operating result[1] is expected to land above €230m.
- D'Ieteren Automotive
  - Strong order backlog to be translated into deliveries over time once supply chain issues are solved. However, production volumes on certain models are expected to be negatively impacted by the war between Russia and Ukraine.
  - Taking this into account, *adjusted* operating result[1] is expected to grow by around 15% driven by some volume recovery and continued costs control, more than offsetting a negative mix effect and further investments in new mobility.
  - Free cash-flow before acquisitions is expected in decline vs. 2021 due to increased working capital requirements, and the payment related to the two retail site closures. Free cash-flow[6] should however remain positive.
- Moleskine
  - Sales are expected to get closer to pre-Covid levels, hence to grow by at least 25% YoY.
  - *Adjusted* operating result[1] should more than double compared to the €12.3m achieved in 2021.

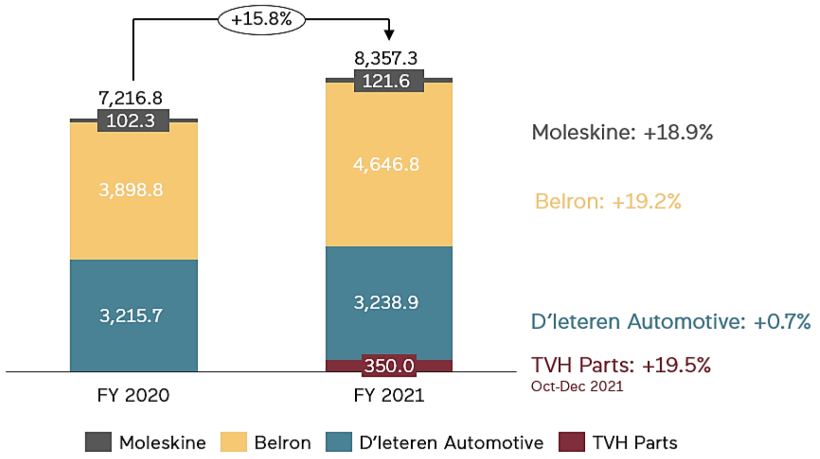
Key developments

- All activities developed or initiated the development of a **carbon emissions reduction plan** in line with the SBTi. As new joiner, TVH Parts has committed to the same pathway and will start with the calculation of its carbon emissions baseline (2021).
- On April 1st, 2021, Belron has issued **new term loans** maturing in 2028, the proceeds of which were used, along with available cash reserves, to finance a distribution to shareholders and repay existing loans.
- On July, 9th, 2021, D'Ieteren Group has announced the acquisition of a **40% stake in TVH Parts**, a leading global independent distributor for aftermarket parts for material handling, construction & industrial, and agricultural equipment. The operation was closed on October 1st, 2021.
- Also in July, CD&R has announced having agreed to sell part of its stake in Belron to **new shareholders**, Hellman & Friedman, GIC and BlackRock Private Equity Partners, in a transaction that values the company at an Enterprise Value of €21bn. The transaction closed mid-December 2021. Following the closing of the transaction, Belron's Board of Directors has agreed to reward c.25,000 employees with a one-off cash bonus and restricted share units ('RSUs') to thank them for their loyal contribution to the company's success. Importantly, this reward has no economic impact on D'Ieteren Group, and doesn't imply any dilution to the fully diluted stake of 50.01%, as the RSUs and cash component were already currently held separately on behalf of Belron employees. A donation has also been made to Belron Ronnie Lubner Charitable Foundation, a charity set up by the founders of Belron.
- At the end of September, **D'Ieteren Centers** management has announced its intention to close two structurally loss-making sites in Brussels and Drogenbos.
- On December 15th, D'Ieteren Automotive secured **new sustainability-linked loans** maturing in 2026, used to refinance the inter-segment loan and for general corporate purposes.
- On February 14th, 2022, D'Ieteren Group announced being in exclusive discussion to acquire **Parts Holding Europe (PHE)**, a Western European leader in spare parts distribution and services for cars and trucks.
- On April 28th, 2022, D'Ieteren Group will hold an **Investor Day** in Brussels. This will be the opportunity for the management teams of D'Ieteren Group's businesses to present their mid-term strategic ambitions and the perspectives in their respective markets.

Group Summary

Consolidated sales under IFRS amounted to **€3,360.5m (+1.3% YoY)**. This figure excludes Belron and TVH Parts. **Combined sales** (including 100% of Belron and 100% of TVH Parts for the last quarter of the year) amounted to € **8,357.3m (+15.8%)**.

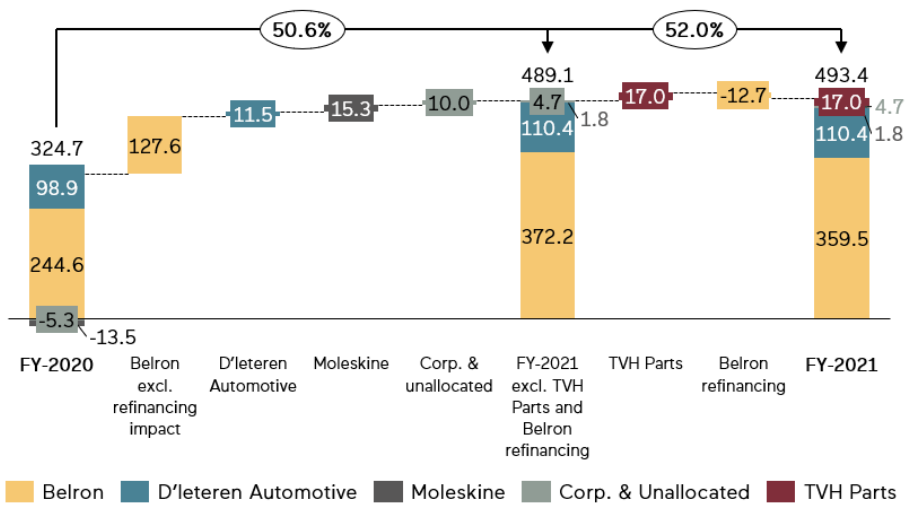
Combined sales (€m)



Consolidated IFRS operating result stood at €85.8m, up from €5.8m in 2020. Combined *adjusted* operating result[1], including 100% of Belron and TVH Parts, stood at €969.0m, up from €657.9m in 2020 and €539.1m in 2019.

The **consolidated profit before tax under IFRS** reached €283.4m (€154.1m in 2020). Our key performance indicator, the ***adjusted* consolidated profit before tax, Group's share**[1], amounted to €493.4m, or €489.1m on a comparable basis (52.88% stake in Belron and excluding Belron's refinancing costs of €12.7m and TVH Parts' contribution in 2021), which represents a **50.6% YoY growth** compared to the guidance of "above 45%".

Evolution of the *adjusted* consolidated profit before tax, Group's share[1] (€m)



The **Group's share in the net result** equalled to €256.5m (€138.8m in 2020). **The *adjusted* net profit, Group's share[1],** reached €355.9m (52.88% stake in Belron) compared to €228.8m (53.75% stake in Belron) in 2020.

The Board of Directors proposes a **gross ordinary dividend of €2.10** per share. If this dividend is approved by the General Meeting of Shareholders on 2 June 2022, it will be paid on 9 June 2022 (ex-date 7 June and record date 8 June).

The net cash position[3] of "Corporate & Unallocated" amounted to **€1,087.5m** at the end of 2021 (or €782.8m excluding €304.7m inter-segment loans) compared to €1,455.1m at the end of 2020.

Belron

€m	2020 APM (non-GAAP measures)[1] Adjusted items	2020 Adjusting items	2020 Total	2021 APM (non-GAAP measures)[1] Adjusted items	2021 Adjusting items	2021 Total	% change adjusted items	% change total
VGRR prime jobs (in million)	-	-	10.7	-	-	12.2	-	13.6%
External sales	3,898.8	-	3,898.8	4,646.8	-	4,646.8	19.2%	19.2%
Operating result	583.9	-94.2	489.7	815.0	-123.5	691.5	39.6%	41.2%
Net finance costs	-121.7	-1.9	-123.6	-135.7	-92.9	-228.6	11.5%	-
Result before tax (PBT)	462.5	-96.1	366.4	679.8	-216.4	463.4	47.0%	26.5%
Adjusted PBT, group's share[1] (@ 52.88%)	244.6	-	-	359.5	-	-	47.0%	-

Sales and results

Sales

Belron's total sales (at 100%) increased by 19.2% to a new record of €4,646.8m in 2021, reflecting the Group's strong recovery from the impacts of the global pandemic felt in the prior year. The top-line growth was mainly driven by a 13.6% volume increase (VGRR prime jobs), a favorable price / mix and a positive contribution from ADAS and VAPS. The number of VGRR prime jobs almost caught up with the 2019 pre-pandemic levels.

While reported sales increased by 19.2%, sales from continuing operations increased by 21.4%, comprised of:

- organic[5] growth of 21.3%;
- a negative currency translation effect of 0.6% which is primarily due to the depreciation of the US dollar (average EUR/USD FX rate: 1.179 versus 1.149 in 2020);
- acquisitions contribution for 0.7%.

North America (57% of total) sales from continuing operations grew by 21.3%, with organic[5] growth of 22.8% and contribution from acquisitions of 0.5%, partially offset by a 2.0% adverse currency translation. The **Eurozone** (30% of total) sales from continuing operations showed a 22.5% growth, of which 21.5% organic and 1.0% coming from acquisitions. **Rest of World** (13% of total) sales from continuing operations improved by 19.5%, of which 14.7% organic[5] growth, a 0.5% contribution from acquisitions, and a favourable currency translation effect of 4.3%.

Consumers served in 2021 were 16.0m (14.9m in 2020) of which 15.6 million were in Vehicle Glass Repair, Replacement and Recalibration (VGRRR) and Claims Management.

Results

Operating result (at 100%) rose by 41.2% YoY to €691.5m and the *adjusted* operating result[1] improved by 39.6% to €815m, also a new company record, despite €63.8m of additional operating costs related to the Group-wide transformation programme focusing on process improvement, mainly through IT infrastructure and system integration.

Adjusting items[1] at the level of the operating result totalled -€123.5m, notably comprising of:

- -€48.7m of employees costs as, following the closing of the transaction with Belron's new shareholders, Belron's Board of Directors has agreed to reward c.25,000 employees with a one-off cash bonus and restricted share units ('RSUs') to thank them for their loyal contribution to the company's success (see p.37 of the financial highlights for a detailed description of the accounting impacts for the Group – this reward has no economic impact on D'Ieteren Group) and -€10.5m of one-off donation to Belron Ronnie Lubner Charitable Foundation, a charity set up by the founders of Belron, which will make grants to worthy causes in due course (also without economic impact for D'Ieteren Group),
- -€26.2m related to the amortisation of some customer contracts recognised as intangible assets in the framework of recent acquisitions,
- -€24.2m in relation to restructuring costs in the Netherlands, in Germany and in the United States, and
- -€6.6m in relation to the disposal of "other services" businesses in Belgium, Italy and in the UK, which were presented as held for sale at the December 2020 year-end.

Net financial costs increased by €105.0m in 2021 to €228.6m, which includes *adjusting* charges of -€67.7m. The increase also reflects additional interest on the new term loan taken out in April 2021.

The profit before tax reached €463.4m in 2021 (€366.4m in 2020). The result after tax, Group's share, reached €168.1m (€146.2m in 2020).

The *adjusted* profit before tax, Group's share[1] increased by 47.0% YoY to €359.5m on a comparable basis (assuming 52.88% stake in 2020 and 2021). *Adjusted* income tax expenses[1] equalled €181.9m (€130.9m in 2020).

The *adjusted* result after tax[1], Group's share, rose by 47.7% to €263.3m.

Net debt and free cash flow

The *adjusted* free cash flow[6] (after tax) amounted to €422.9m (€428.7m in 2020). The relatively stable evolution is driven by a much higher *adjusted* EBITDA[4] (€205.4m improvement), offset by:

- A negative cash flow impact from changes in working capital (-€61.4m compared to +€136.1m in 2020) resulting from the volume recovery
- Higher capex (€53.8m compared to €30.4m in 2020)
- Higher taxes and interest paid.

Belron's net financial debt[3] reached €3,794.9m (100%) at the end of 2021 compared to €2,413.0m at the end of 2020. The increase of €1,381.9m is primarily the result of the distribution to shareholders of €1,723.4m (€1,531.3m of dividends and €192.1m of share capital redemption), partially offset by the strong cash-flow generation during the year.

In April 2021 Belron issued new term loans for $1,620m and €840m maturing in 2028. The proceeds of the new loans were used, along with available cash reserves, to finance the distribution to shareholders and refinance existing loans of $991.7m and €525m. The refinancing resulted in debt originally due for repayment in 2024 being postponed to 2028.

Belron's Senior Secured Net Leverage Ratio (Senior Secured indebtedess[3]/proforma EBITDA post-IFRS 16[4] multiple) reached 3.22x at the end of 2021.

D'Ieteren Automotive

€m	2020 APM (non-GAAP measures)[1] Adjusted items	2020 Adjusting items	2020 Total	2021 APM (non-GAAP measures)[1] Adjusted items	2021 Adjusting items	2021 Total	% change adjusted items	% change total
New vehicles delivered (in units)	-	-	104,710	-	-	92,732	-	-11.4%
External sales	3,215.7	-	3,215.7	3,238.9	-	3,238.9	0.7%	0.7%
Operating result	95.0	-46.9	48.1	102.7	-21.7	81.0	8.1%	68.4%
Net finance costs	-4.2	-	-4.2	-4.6	4.4	-0.2	9.5%	-
Result before tax (PBT)	96.1	-48.2	47.9	106.2	-17.3	88.9	10.5%	85.6%
Adjusted PBT, group's share[1]	98.9	-	-	110.4	-	-	11.6%	-

Activities and results

Market and deliveries

The Belgian new car market was severely impacted by the shortage in semiconductor components. Excluding de-registrations within 30 days[2], the number of Belgian new car registrations decreased by 11.2% to 367,741 units, a level unseen since 1995. Including deregistrations within 30 days, the number reached 383,123 units (-11.2%). The business segment's share in new car sales increased to 59.7% of total new car registrations. The share of SUV's increased to 47.9%. D'Ieteren Automotive's brands saw a 3.3% increase in the number of SUV registrations which made up 44.0% of the mix. New energy share in the market mix continued to increase from 15.2% in 2020 to 24.3%. D'Ieteren Automotive remains the leader in full electric vehicles in Belgium with a 29.4% market share.

D'Ieteren Automotive's market share slightly increased to 23.7% (+13bps versus 2020) net of deregistrations within 30 days. This was mainly driven by Audi and Porsche.

Registrations of new light commercial vehicles (0 to 6 tons) increased by 0.3% to 72,023 units and D'Ieteren Automotive's market share declined to 9.1% (of net registrations) due to prioritization of premium models in production and the end of the Amarok model.

The total number of new vehicles, including commercial vehicles, delivered by D'Ieteren Automotive in 2021 reached 92,732 units (-11.4%). The order book is at record levels, above 70,000 vehicles.

Sales

Despite the semiconductor components shortage hitting the number of cars produced, D'Ieteren Automotive managed to increase sales by 0.7% to € 3,238.9m helped by the continued premiumization of the car park. The mix of cars produced was particularly skewed towards higher-end models and unit prices increased, implying a positive price / mix.

- New vehicles sales declined by 6.3% to €2,615.1m
- Used cars sales more than tripled vs. 2020, reaching €289m
- Spare parts and accessories sales gained 33.9% to €244.1m
- Revenues from after-sales activities amounted to €56.5m (-32.4% YoY)

Results

The operating result reached €81.0m (+68.4% YoY) and the *adjusted* operating result[1] (€102.7m) increased by 8.1%. This evolution was driven by the premiumization trend and by cost control.

Adjusting items in operating result mainly include a charge of €-21.7m related to the decision of D'Ieteren Centers to close down two of its structurally loss-making sites. In 2020, it included a provision of €41.0m related to the finalization of the project carried out for the acceleration of the transformation in response to a rapidly changing automotive market.

The profit before tax reached €88.9m (+85.6%) or €106.2m (+10.5%) excluding *adjusting* items[1].

The *adjusted* profit before tax, Group's share[1], improved by 11.6% to €110.4m. The contribution of the equity accounted entities amounted to €11.0m (€8.1m in 2020).

Income tax expenses reached €21.3m (€14.8m in 2020). *Adjusted* tax expenses[1] equalled €28.8m (compared to €26.5m in 2020). The increase reflects the higher profit before taxes.

The result after tax, Group's share, amounted to €68.9m (€34.2m in 2020). The *adjusted* result after tax, Group's share[1] increased from €70.7m to €78.7m.

Net debt and free cash flow

The *adjusted* free cash flow[6] (after tax) equalled €108.4m in 2021 compared to €171.0m in 2020. The change mainly reflects:

- an improved EBITDA[4] generation;
- a significant cash inflow from working capital, although lower than in 2020, driven by a sharp reduction in inventory and an increase in trade payables;
- an outflow in H1-21 of €36m related to the acceleration of the transformation plan (P&L expense booked in 2020), an outflow in H2-21 of €8.0m related to the early repayment fee paid following the anticipated reimbursement of the inter-segment loan; and
- a higher cash spent on acquisitions (Heremans, bikes).

On 15 December 2021, D'Ieteren Automotive announced a new 5-year €325m bank financing (maturity date December 2026), consisting of €100m of amortising term loan and €225m revolving credit facility ('RCF' for general corporate purposes, undrawn as at 31st December 2021). The proceeds of the €100m amortising term loan, together with available cash on D'Ieteren Automotive's balance sheet, was used to refinance the €200m inter-segment loan from the Corporate & Unallocated segment.
D'Ieteren Automotive's net debt[3] decreased by €112.0m to €55.7m at the end 2021. This mainly stems from the strong free cash flow generation during the period.

TVH Parts

€m	Q4-21 APM (non-GAAP measures)[1] Adjusted items	Adjusting items	Total
External sales	*350.0*	-	350.0
Operating result	*46.3*	-	46.3
Net finance costs	*-3.9*	-	-3.9
Result before tax (PBT)	*42.4*	-	42.4
Adjusted PBT, group's share[1]	*17.0*	-	-

Sales and results

(100% of TVH Parts and Q4-21 only, unless stated otherwise; comparison with 2020 based on a comparable scope)

Sales

TVH Parts, equity-accounted for as of October 1st, 2021, posted total sales (at 100%) for the last quarter of 2021 of €350.0m. This represents for the fourth quarter of 2021 an increase of 19.5%, mainly driven by the performance in the core EMEA and Americas markets.

Results

Operating result (at 100%) for the last quarter of 2021 stood at €46.3m with an EBIT margin of 13.2%. On a comparable scope, EBIT margin increased by 88bps YoY.

Net financial costs amounted to -€3.9m in Q4-21.

The profit before tax reached €42.4m in Q4-21.

The Q4-21 *adjusted* profit before tax, Group's share[1] amounted to €17.0m. *Adjusted* income tax expenses[1] equalled €12.2m.

The *adjusted* result after tax[1], Group's share, stood at €12.1m.

Net debt

TVH Parts net financial debt[3] (100%) remained stable at €759.7m (including €40.6m inter-segment loan from D'Ieteren Group's Corporate & Unallocated segment) at the end of 2021 with increasing inventories in order to answer to strong demand and manage supply chain disruptions.

Moleskine

€m	2020			2021				
	APM (non-GAAP measures)[1]			APM (non-GAAP measures)[1]				
	Adjusted items	Adjusting items	Total	Adjusted items	Adjusting items	Total	% change adjusted items	% change total
External sales	102.3	-	102.3	121.6	-	121.6	18.9%	18.9%
Operating result	-1.5	-22.0	-23.5	12.3	-0.2	12.1	-	-
Net finance costs	-12.0	0.1	-11.9	-10.3	-0.2	-10.5	-14.2%	-11.8%
Result before tax (PBT)	-13.5	-21.9	-35.4	2.0	-0.4	1.6	-	-
Adjusted PBT, group's share[1]	-13.5		-	1.8		-	-	-

Sales and results

Sales

Sales growth accelerated in the second half of the year, with a full-year improvement of 18.9%, from €102.3m to €121.6m thanks to the recovery from Covid-19 pandemic, although there remained disruptions throughout the year in the overall activity, and the absolute sales are not yet back at pre-Covid (2019) level. The core paper category has posted a growth of +24% versus last year.

Sales evolution by region:

- **EMEA** (42% of total): +16.6% YoY growth, mostly driven by Italy, as other European countries felt the effect of Omicron towards the end of the year.
- **Americas** (40% of total): +30.3% YoY growth. This was driven by all channels, with retail progressively improving and Strategic Partnerships even exceeding 2019 levels by 15%.
- **APAC** (18% of total): -2.5% decrease. APAC slight decline is mostly explained by the stores closed during the year with no new openings.

Sales evolution by channel:

- **Wholesale** (60% of total): +19.2%. The sales improvement was driven by top accounts, confirming the strategy to 'win with the winners'.
- **Strategic Partnerships (B2B)** (25% of total): +30.0%. The strong growth in all regions posted in the first half of the year accelerated in the second half, pushed by the APAC region.
- **E-Commerce** (7% of total): -7.5%. E-commerce suffered from tougher comparison base.
- **Retail** (8% of total): +11.3%. Retail recovered nicely in the second half of the year thanks to improved traffic, while impacted by stores closures (50 stores open at the end of the year versus 59 at the end of 2020). Retail points which have already been adapted to the new store experience strategy have seen a strong like-for-like improvement.

Results

Reported operating result went from -€23.5m in 2020 to €12.1m in 2021. The *adjusted* operating result[1] came in at €12.3m in 2021 compared to -€1.5m in 2020. This significant improvement is primarily the result of the better sales performance as well as continued significant cost efforts.

Adjusting items are limited and primarily relate to a forward FX hedging contract. In 2020, an impairment charge was recognised following the impairment test performed at H1-20. The formal impairment review performed at year-end 2021 showed headroom and did not lead to any impairment charge.

Net financial charges equalled €10.5m (€11.9m in 2020). The profit before tax amounted to €1.6m and the *adjusted* profit before tax[1] amounted to €2.0m (-€13.5m in 2020). Income tax expenses equalled €5.0m versus €0.7m in 2020 driven primarily by the reversal of the deferred tax assets previously recognised on the elimination of intercompany margin in inventories.

Net debt and free cash flow

The *adjusted* free cash flow[6] amounted to €15.9m compared to €0.8m in 2020. The higher free cash-flow generation mainly reflects the better operational results.

Moleskine's net debt reached €287.0m - of which €264.1m intra-Group borrowing - at the end of 2021, slightly decreasing compared to €300.8m at the end of 2020 mainly as a result of the positive free cash-flow generation. The Net Financial Debt related to bank financing represents less than 0.3 times EBITDA[4].

Corporate and unallocated

€m	2020			2021			% change adjusted items	% change total
	APM (non-GAAP measures)[1]			APM (non-GAAP measures)[1]				
	Adjusted items	Adjusting items	Total	Adjusted items	Adjusting items	Total		
External sales	-	-	-	-	-	-	-	-
Operating result	-19.5	0.7	-18.8	-7.3	-	-7.3	-	-
Net finance costs	14.2	-	14.2	12.0	8.0	20.0	-15.5%	40.8%
Result before tax (PBT)	-5.3	0.7	-4.6	4.7	8.0	12.7	-	-
Adjusted PBT, group's share[1]	-5.3	-	-	4.7	-	-	-	-

Results

The reportable operating segment "Corporate and Unallocated" mainly includes the Corporate and Real Estate activities (D'Ieteren Immo S.A.). The *adjusted* operating result[1] reached -€7.3m versus -€19.5m in 2020 as last year's figure was impacted by the solidarity programme put in place at the beginning of the pandemic outbreak, and this year saw the positive impact from royalty and management fees invoiced to the businesses and a higher result from D'Ieteren Immo.

Net finance income evolution was mainly due to inter-segment financing interests. The €8.0m *adjusting* item at the level of finance costs relates to the early repayment fee paid by D'Ieteren Automotive to the Corporate & unallocated segment following the full anticipated reimbursement of the inter-segment loan.

Adjusted profit before tax, group's share[1] reached €4.7m (-€5.3m in 2020).

Net cash

The net cash[3] position of "Corporate & Unallocated", which includes Corporate, amounted to €1,087.5m at the end of 2021 (€782.8m excluding €304.7m inter-segment loan) compared to €1,455.1m at the end of 2020, mainly as a result of the acquisition on October 1st, 2021 of a 40% stake in TVH Parts (acquisition price of €1,147m) and the payment in June 2021 of the dividend (€72.9m) to the shareholders of D'Ieteren Group, partially compensated by the dividends (€616.7m in H1-21; €150.0m in H2-21) and the proceed from capital reduction (€107.6m in H1-21) received from Belron.

Notes

[1] *In order to better reflect its underlying performance and assist investors in gaining a better understanding of its financial performance, D'Ieteren Group uses Alternative Performance Measures ("APMs"). These APMs are non-GAAP measures, i.e. their definitions are not addressed by IFRS. D'Ieteren Group does not present APMs as an alternative to financial measures determined in accordance with IFRS and does not give to APMs greater prominence than defined IFRS measures. See page 40 for the definition of these performance indicators.*

[2] *In order to provide an accurate picture of the car market, Febiac publishes market figures excluding registrations that have been cancelled within 30 days. Most of them relate to vehicles that are unlikely to have been put into circulation in Belgium by the end customer.*

[3] *The net financial debt is not an IFRS indicator. D'Ieteren Group uses this Alternative Performance Measure to reflect its indebtedness. This non-GAAP indicator is defined as the sum of the borrowings minus cash, cash equivalents and investments in non-current and current financial assets. See page 47.*

[4] *EBITDA is not an IFRS indicator. This APM (non-GAAP indicator) is defined as earnings before interest, taxes, depreciation and amortization. Since the method for calculating the EBITDA is not governed by IFRS, the method applied by the Group may not be the same as that adopted by others and therefore may not be comparable.*

[5] *"Organic growth" is an Alternative Performance Measure used by the Group to measure the evolution of revenue between two consecutive periods, at constant currency and excluding the impact of change in perimeter of consolidation or business acquisitions.*

[6] *Adjusted free cash-flow is not an IFRS indicator. This APM measure is defined as [Adjusted EBITDA - other non-cash items – change in working capital – capital expenditures – capital paid on lease liabilities – taxes paid – interest paid – acquisitions + disposals – employee share plans – cash-flow from adjusting items + other cash items]*

Auditor's Report

"The statutory auditor, KPMG Bedrijfsrevisoren - Réviseurs d'Entreprises, represented by Axel Jorion, has confirmed that the audit procedures, which have been substantially completed, have not revealed any material misstatement in the accounting information included in the Company's annual announcement."

Forward looking statements

This document contains forward-looking information that involves risks and uncertainties, including statements about D'Ieteren Group'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'Ieteren Group. 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'Ieteren Group does not assume any responsibility for the accuracy of these forward-looking statements.

Conference Call

D'Ieteren Group's management will organise a conference call for analysts and investors starting today at 06:00pm CET.

The conference call can be attended by calling the number +32 2 403 58 16. PIN code: 80846876#.

The presentation slides will be made available online simultaneously to the publication of this press release at the following address: https://www.dieterengroup.com/press-releases (then select the FY 2021 results event)

End of press release

D'Ieteren Group profile

In existence since 1805, and across family generations, D'Ieteren Group seeks growth and value creation by pursuing a strategy on the long term for its businesses and actively encouraging and supporting them to develop their position in their industry and geographies. The Group currently owns the following businesses:

- **Belron** (50.01% of economic rights, fully diluted) has a clear purpose: "making a difference by solving people's problems with real care". It is the worldwide leader in vehicle glass repair and replacement and operates in 40 countries, through wholly owned businesses and franchises, with market leading brands – including Carglass®, Safelite® and Autoglass®. In addition, Belron manages vehicle glass and other insurance claims on behalf of insurance customers. Sales and adjusted operating result reached respectively €4,647m and €815m in FY-21.
- **D'Ieteren Automotive** (100% owned) distributes Volkswagen, Audi, SEAT, Škoda, Bentley, Lamborghini, Bugatti, Cupra, Rimac and Porsche vehicles in Belgium. It has a market share of more than 23% and 1.2 million vehicles on the road. Its business model is evolving towards "improving the lives of citizens with fluid, accessible and sustainable mobility". Sales and adjusted operating result reached respectively €3,239m and €103m in FY-21.
- **TVH Parts** (40% owned), is a leading global independent distributor for aftermarket parts for material handling, construction & industrial, and agricultural equipment. It operates in 26 countries worldwide. It has a unique operating model and has a clear purpose of "keeping customers going and growing".
- **Moleskine** (100% owned) is a premium and aspirational lifestyle brand which develops and sells iconic branded notebooks and writing, travel and reading accessories through a global multichannel platform. Its purpose is to "unleash the human genius through hands on paper to empower creativity and knowledge in each individual and the entire world". Sales and adjusted operating result reached respectively €122m and €12m in FY-21.
- **D'Ieteren Immo** (100% owned) groups together the Belgian real estate interests of D'Ieteren Group. It owns and manages 37 sites which generated €21.7m net rental income in FY-21. It also pursues investment projects and carries out studies into possible site renovations.

Financial Calendar

Last five press releases

(with the exception of press releases related to the repurchase or sale of own shares)

14 February 2022	D'Ieteren Group in exclusive discussion to acquire Parts Holding Europe (PHE)
17 December 2021	Closing of the transaction with Belron's new shareholders
15 December 2021	D'Ieteren Automotive secures new sustainability-linked loans
15 October 2021	Belron distributes a dividend to its shareholders
1 October 2021	Closing of the acquisition of a 40% stake in TVH Parts

Next events

28 April 2022	Investor Day
2 June 2022	General Assembly

Contacts

Francis Deprez, *Chief Executive Officer*
Arnaud Laviolette, *Chief Financial Officer*

Stéphanie Voisin, Investor Relations - Tel: + 32 (0)2 536.54.39
E-mail: financial.communication@dieterengroup.com – Website: www.dieterengroup.com

Financial Highlights 2021

Consolidated Statement of Profit or Loss

Year ended 31 December

€m	Notes	2021	2020[1]
Revenue	3	**3,360.5**	**3,318.0**
Cost of sales		-2,881.3	-2,877.4
Gross margin		**479.2**	**440.6**
Commercial and administrative expenses		-376.8	-374.4
Other operating income		10.4	13.3
Other operating expenses	2/4	-27.0	-73.7
Operating result		**85.8**	**5.8**
Net finance costs	2	9.3	-1.9
Finance income	2	16.2	5.1
Finance costs	2	-6.9	-7.0
Share of result of equity-accounted investees and long-term interests in equity-accounted investees, net of income tax	6	188.3	150.2
Result before tax		**283.4**	**154.1**
Income tax expense	7	-28.0	-16.4
Result from continuing operations		**255.4**	**137.7**
Discontinued operations		-	-
RESULT FOR THE PERIOD		**255.4**	**137.7**
Result attributable to:			
Equity holders of the Company		**256.5**	**138.8**
Non-controlling interests ("NCI")		-1.1	-1.1
Earnings per share			
Basic (in €)	5	4.75	2.56
Diluted (in €)	5	4.70	2.54
Earnings per share - Continuing operations			
Basic (in €)	5	4.75	2.56
Diluted (in €)	5	4.70	2.54

(1) As restated to reflect the IFRS® Interpretations Committee (IFRIC) final agenda decisions on cloud computing arrangements issued in March 2019 and March 2021. Refer to note 1 for more information on the restatement of comparative information.

The Group uses Alternative Performance Measures (non-GAAP measures) to reflect its financial performance – Refer to the appendix to the press release for more information.

Consolidated Statement of Comprehensive Income

Year ended 31 December

€m		Notes	2021	2020[1]
Result for the period			255.4	137.7
Other comprehensive income				
	Items that will never be reclassified to profit or loss (net of tax):		18.1	15.7
	Re-measurements of defined benefit liabilities/assets		*5.2*	-
	Equity-accounted investees - share of OCI	*6*	*12.9*	*15.7*
	Items that may be reclassified subsequently to profit or loss (net of tax)		27.2	10.1
	Translation differences		*-0.1*	*-0.7*
	Cash flow hedges: fair value gains (losses) in equity		-	*0.3*
	Equity-accounted investees - share of OCI	*6*	*27.3*	*10.5*
	Other comprehensive income, net of tax		45.3	25.8
Total comprehensive income for the period			**300.7**	**163.5**
being:	***attributable to equity holders of the Company***		***301.8***	***164.6***
	attributable to non-controlling interests ("NCI")		***-1.1***	***-1.1***

(1) As restated to reflect the IFRS® Interpretations Committee (IFRIC) final agenda decisions on cloud computing arrangements issued in March 2019 and March 2021. Refer to note 1 for more information on the restatement of comparative information.

Consolidated Statement of Financial Position

At 31 December

€m	Notes	2021	2020(1)
Goodwill	4	83.2	76.2
Intangible assets		439.1	434.6
Property, plant & equipment		265.4	262.9
Investment property		33.6	31.7
Equity-accounted investees & long-term interests in equity-accounted investees	6	1,223.1	672.3
Financial investments		0.1	-
Deferred tax assets		46.6	43.2
Other receivables		8.4	4.4
Non-current assets		**2,099.5**	**1,525.3**
Inventories		446.2	457.4
Financial investments	2	544.1	737.2
Derivative financial instruments		-	0.5
Current tax assets		9.4	18.2
Trade and other receivables		380.6	339.3
Cash & cash equivalents		354.6	351.3
Assets classified as held for sale	2	0.1	2.1
Current assets		**1,735.0**	**1,906.0**
TOTAL ASSETS		3,834.5	3,431.3
Capital & reserves attributable to equity holders		2,978.4	2,723.7
Non-controlling interests ("NCI")		0.4	3.5
Equity		**2,978.8**	**2,727.2**
Employee benefits		25.5	31.7
Provisions		15.5	11.6
Loans & borrowings	2	117.8	85.5
Deferred tax liabilities		133.1	131.1
Non-current liabilities		**291.9**	**259.9**
Provisions	2	11.3	6.5
Loans & borrowings	2	53.1	17.9
Current tax liabilities		2.8	1.7
Trade & other payables	2	496.0	413.4
Liabilities directly associated with the assets held for sale	2	0.6	4.7
Current liabilities		**563.8**	**444.2**
TOTAL EQUITY AND LIABILITIES		3,834.5	3,431.3

(1) As restated to reflect the IFRS® Interpretations Committee (IFRIC) final agenda decisions on cloud computing arrangements issued in March 2019 and March 2021. Refer to note 1 for more information on the restatement of comparative information.

Consolidated Statement of Changes in Equity

At 31 December

€m	Capital and reserves attributable to equity holders						Total Group's share	Non-controlling interests	Equity
	Share capital	Share premium	Treasury shares reserve	Hedging reserve	Retained earnings	Cumulative translation differences			
At 1 January 2020	**160.0**	**24.4**	**-57.0**	**-7.7**	**2,531.1**	**-4.5**	**2,646.3**	**0.6**	**2,646.9**
Restatement[(1)]	-	-	-	-	-12.6	-	-12.6	-	-12.6
At 1 January 2020 (restated)	**160.0**	**24.4**	**-57.0**	**-7.7**	**2,518.5**	**-4.5**	**2,633.7**	**0.6**	**2,634.3**
Profit for the period[(1)]	-	-	-	-	138.8	-	138.8	-1.1	137.7
Other comprehensive income	-	-	-	-17.0	18.6	24.2	25.8	-	25.8
Total comprehensive income for the period	**-**	**-**	**-**	**-17.0**	**157.4**	**24.2**	**164.6**	**-1.1**	**163.5**
Movement of treasury shares	-	-	-24.4	-	-	-	-24.4	-	-24.4
Dividends	-	-	-	-	-53.9	-	-53.9	-	-53.9
Treasury shares - cancellation	-	-	43.4	-	-43.4	-	-	-	-
Other movements	-	-	-	-	3.7	-	3.7	4.0	7.7
Total contribution and distribution	**-**	**-**	**19.0**	**-**	**-93.6**	**-**	**-74.6**	**4.0**	**-70.6**
At 31 December 2020 (restated)	**160.0**	**24.4**	**-38.0**	**-24.7**	**2,582.3**	**19.7**	**2,723.7**	**3.5**	**2,727.2**
At 1 January 2021 (restated)	**160.0**	**24.4**	**-38.0**	**-24.7**	**2,582.3**	**19.7**	**2,723.7**	**3.5**	**2,727.2**
Profit for the period	-	-	-	-	256.5	-	256.5	-1.1	255.4
Other comprehensive income	-	-	-	20.8	13.4	11.1	45.3	-	45.3
Total comprehensive income for the period	**-**	**-**	**-**	**20.8**	**269.9**	**11.1**	**301.8**	**-1.1**	**300.7**
Movement of treasury shares	-	-	-9.4	-	-	-	-9.4	-	-9.4
Dividends	-	-	-	-	-72.9	-	-72.9	-	-72.9
Movement arising from transactions with MRP participants (see note 6)	-	-	-	-	29.7	-	29.7	-	29.7
Other movements	-	-	-	-	5.5	-	5.5	-	5.5
Total contribution and distribution	**-**	**-**	**-9.4**	**-**	**-37.7**	**-**	**-47.1**	**-**	**-47.1**
Disposal of subsidiary with change in control	-	-	-	-	-	-	-	-2.0	-2.0
Total change in ownership interests	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-2.0**	**-2.0**
At 31 December 2021	**160.0**	**24.4**	**-47.4**	**-3.9**	**2,814.5**	**30.8**	**2,978.4**	**0.4**	**2,978.8**

(1) As restated to reflect the IFRS® Interpretations Committee (IFRIC) final agenda decisions on cloud computing arrangements issued in March 2019 and March 2021. Refer to note 1 for more information on the restatement of comparative information.

Consolidated Statement of Cash Flows

Year ended 31 December

€m	Notes	2021	2020[1]
Cash flows from operating activities - Continuing			
Result for the period		255.4	137.7
Income tax expense	7	28.0	16.4
Share of result of equity-accounted investees and long-term interests in equity-accounted investees, net of income tax	6	-188.3	-150.2
Net finance costs		-9.3	1.9
Operating result from continuing operations		**85.8**	**5.8**
Depreciation on PP&E & right-of-use assets		37.5	38.4
Amortisation of intangible assets		9.0	7.2
Impairment and write-offs on goodwill and other non-current assets	2/4	-	21.4
Other non-cash items		19.6	11.7
Employee benefits		-3.0	-4.1
Other cash items		0.5	0.3
Change in net working capital		51.7	124.0
Cash generated from operations		**201.1**	**204.7**
Income tax paid		-25.2	-32.1
Net cash from operating activities		**175.9**	**172.6**
Cash flows from investing activities - Continuing			
Purchase of property, plant and equipment and intangible assets		-46.7	-29.3
Sale of property, plant and equipment and intangible assets		3.7	1.9
Net capital expenditure		**-43.0**	**-27.4**
Acquisition of subsidiaries (net of cash acquired)	2	-9.0	-0.4
Acquisition of equity-accounted investees and long-term interests in equity-accounted investees	6	-1,147.0	-150.0
Contribution of cash from / (to) joint ventures		-	-1.6
Proceeds from the sale of / (investments in) financial assets	2	193.3	-139.4
Interest received		1.4	4.3
Dividends and proceeds from capital reduction received from equity-accounted investees & long-term interests in equity accounted investees	2/6	874.3	-
Movement of shareholder loan towards equity-accounted investee	2/6	-40.0	-
Loans to employees in relation to Long Term Incentive Plan and stock options		-3.9	-0.1
Net cash from investing activities		**-173.9**	**-314.6**
Cash flows from financing activities - Continuing			
Acquisition (-)/Disposal (+) of non-controlling interests		-	6.0
Acquisition of treasury shares		-13.7	-31.4
Disposal of treasury shares		4.7	7.0
Repayment of lease liabilities		-16.1	-15.3
Increase of loans and borrowings	2	118.3	52.3
Decrease of loans and borrowings	2	-13.5	-132.6
Interest paid		-6.4	-5.5
Dividends paid by Company		-72.9	-53.9
Net cash from financing activities		**0.4**	**-173.4**
Cash flows from continuing operations		**2.4**	**-315.4**
TOTAL CASH FLOW FOR THE PERIOD		**2.4**	**-315.4**

(1) As restated to reflect the IFRS® Interpretations Committee (IFRIC) final agenda decisions on cloud computing arrangements issued in March 2019 and March 2021 and to reflect reallocation of amounts between the lines "other non-cash items", "employee benefits", "other cash items" and "change in net

working capital" in the framework of continuous improvement of the financial reporting presentation. Refer to note 1 for more information on the restatement of comparative information.

Consolidated Statement of Cash Flows (cont'd)

€m	Notes	2021	2020(1)
Reconciliation with statement of financial position			
Cash at beginning of period		351.3	495.2
Cash equivalents at beginning of period		-	172.3
Cash and cash equivalents at beginning of period		**351.3**	**667.5**
Total cash flow for the period		2.4	-315.4
Translation differences		0.9	-0.8
Cash and cash equivalents at end of period		**354.6**	**351.3**
Included within "Cash and cash equivalents"		*354.6*	*351.3*

(1) As restated to reflect the IFRS® Interpretations Committee (IFRIC) final agenda decisions on cloud computing arrangements issued in March 2019 and March 2021 and to reflect reallocation of amounts between the lines "other non-cash items", "employee benefits", "other cash items" and "change in net working capital" in the framework of continuous improvement of the financial reporting presentation. Refer to note 1 for more information on the restatement of comparative information.

Error! Bookmark not defined.

Note 1: General information

D'Ieteren Group SA/NV (the Company) is a public company incorporated and domiciled in Belgium. The address of the Company's registered office is: Rue du Mail 50, B-1050 Brussels.

In existence since 1805, and across family generations, D'Ieteren Group seeks growth and value creation by pursuing a strategy on the long term for its businesses and actively encouraging and supporting them to develop their position in their industry and geographies. The Group currently owns the following businesses:

- Belron (equity-accounted investee) has a clear purpose: "making a difference by solving people's problems with real care". It is the worldwide leader in vehicle glass repair and replacement and operates in 40 countries, through wholly owned businesses and franchises, with market leading brands – including Carglass®, Safelite® and Autoglass®. In addition, Belron manages vehicle glass and other insurance claims on behalf of insurance customers.
- D'Ieteren Automotive distributes Volkswagen, Audi, SEAT, Škoda, Bentley, Lamborghini, Bugatti, Rimac, Cupra and Porsche vehicles in Belgium. It has a market share of more than 23% and 1.2 million vehicles on the road. Its business model is evolving towards "improving the lives of citizens with fluid, accessible and sustainable mobility".
- TVH Parts (equity-accounted investee), is a leading global independent distributor for aftermarket parts for material handling, construction & industrial, and agricultural equipment. It operates in 26 countries worldwide. It has a unique operating model and has a clear purpose of "keeping customers going and growing".
- Moleskine is a premium and aspirational lifestyle brand which develops and sells iconic branded notebooks and writing, travel and reading accessories through a global multichannel platform. Its purpose is to "unleash the human genius through hands on paper to empower creativity and knowledge in each individual and the entire world".
- D'Ieteren Immo groups together the Belgian real estate interests of D'Ieteren Group. It owns and manages 37 sites. It also pursues investment projects and carries out studies into possible site renovations.

The Company is listed on Euronext Brussels.

Restatement of comparative information

According to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors", the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity, and the consolidated statement of cash flows have been restated in 2020 to take into account the IFRS® Interpretations Committee (IFRIC) final agenda decisions on cloud computing arrangements issued in March 2019 and March 2021. The March 2019 decision considers whether a customer receives a software asset at the contract commencement date or a service over the contract term. The March 2021 decision builds on the 2019 decision and considers how a customer accounts for configuration or customisation costs where an intangible asset is not recognised.

Intangible assets capitalised in the prior periods and identified as services instead of software assets as a result of the new interpretation have been de-recognised from the balance sheet. The depreciation expenses recognised over these assets have been reversed in the period over which they were recognised, and the total cost of the asset has been expensed in income statement.

The table below shows the amount of restatement operated in the 2020 segment statement of profit or loss and the segment statement of financial position as at 31 December 2020, and the segment statement of cash flows for the D'Ieteren Automotive, Belron and Corporate & unallocated segments (other segments are not impacted by the restatement of comparative information), and reconciles the segment information to the Group IFRS consolidated figures.

Note 1: General information (continued)

€m - restatement of the segment statement of profit or loss	2020				
	D'Ieteren Automotive	Belron (100%)	Corporate & unallocated	Eliminations	Group
Costs of assets acquired (commercial and administrative expenses)	-5.2	-2.2	-0.5	2.2	-5.7
Reversal of amortisation on intangible assets (commercial and administrative expenses)	1.3	3.0	-	-3.0	1.3
Operating result	**-3.9**	**0.8**	**-0.5**	**-0.8**	**-4.4**
Share of result of equity-accounted investees and long-term interests in equity-accounted investees, net of income tax	-	-	-	0.3	0.3
Profit before tax	**-3.9**	**0.8**	**-0.5**	**-0.5**	**-4.1**
Income tax expense	1.0	-0.2	-	0.2	1.0
Result from continuing operations	**-2.9**	**0.6**	**-0.5**	**-0.3**	**-3.1**
*of which: attributable to equity holders of the Company**	*-2.9*	*0.3*	*-0.5*		*-3.1*

*Belron at 53.75% (weighted average percentage for 2020)

€m - restatement of the segment statement of financial position	31 December 2020				
	D'Ieteren Automotive	Belron (100%)	Corporate & unallocated	Eliminations	Group
Intangible assets	-16.0	-7.9	-0.6	7.9	-16.6
Deferred tax assets	4.0	2.1	-	-2.1	4.0
Equity-accounted investees and long-term interests in equity-accounted investees	-	-	-	-3.1	-3.1
Capital & reserves	**-12.0**	**-5.8**	**-0.6**	**2.7**	**-15.7**
*of which: attributable to equity holder of the Company**	*-12.0*	*-3.1*	*-0.6*		*-15.7*

*Belron at 53.75% (weighted average percentage for 2020)

€m - restatement of the segment statement of cash flows	2020				
	D'Ieteren Automotive	Belron (100%)	Corporate & unallocated	Eliminations	Group
Operating result from continuing operations	-3.9	0.8	-0.5	-0.8	-4.4
Amortisation of intangible assets	-1.3	-3.0	-	3.0	-1.3
Purchase of property, plant and equipment and intangible assets	5.2	2.2	0.5	-2.2	5.7
Net cash from operating activities	-	-	-	-	-

COVID-19

In 2020, the coronavirus (COVID-19) pandemic had caused an unprecedented and sudden shock to the overall economy and had been affecting all Group's activities throughout the world. The Group's activities experienced underactivity during Q2 2020 with related decline in sales due the temporary shutdowns of the vast majority of the Group's operations (at the level of D'Ieteren Automotive, Belron and Moleskine).

The Board of Directors considered the impact of COVID-19 and the current economic environment on the basis of preparation of these financial highlights.

Thanks to its adequate measures taken to preserve cash, the Group has a strong funding and liquidity structure in place as at 31 December 2021, with approximately €700m of net cash (cash, cash equivalents and non-current and current asset investments less loans and borrowings) on the consolidated balance sheet level and a well-balanced debt profile at Belron level. As of 31 December 2021, the Group complied with all requirements of any loan covenants. The Group continues to take measures to minimize the impact of the crisis on cash flows and is ensuring that it has the necessary liquidity structure in place for the foreseeable future. Taking this into account, the Board of Directors has a reasonable expectation that the Group is well placed to manage its business risks, has enough funds to continue to meet its liabilities as they fall due and to continue in operational existence for the foreseeable future. These financial highlights have therefore been prepared on a going concern basis.

Note 1: General information (continued)

Alternative Performance Measurement – Non-GAAP measurement

In order to better reflect its underlying performance and assist investors in gaining a better understanding of its financial performance, the Group uses Alternative Performance Measures ("APMs"). These APMs are non-GAAP measures, i.e. their definition is not addressed by IFRS. The Group does not present APMs as an alternative to financial measures determined in accordance with IFRS and does not give to APMs greater prominence than defined IFRS measures.

Note 2: Segment information

The Group's reportable operating segments are D'Ieteren Automotive, Belron, Moleskine and TVH Parts (as from 1st October 2021 – see note 6). The other segments are disclosed in the category "Corporate & Unallocated" (D'Ieteren Group, corporate and real estate activities). These operating segments are consistent with the Group's organisational and internal reporting structure, and with the requirements of IFRS 8 "Operating Segments".

D'Ieteren Automotive comprises the automobile distribution activities of the Group through D'Ieteren Automotive SA/NV and its subsidiaries. Belron comprises Belron Group s.a. and its subsidiaries. Moleskine includes Moleskine S.p.a. and its subsidiaries. TVH Parts includes TVH Global SA/NV and its subsidiaries. Despite their classification as equity-accounted investees, Belron and TVH Parts remain separate reportable operating segments, reflecting the Group's internal reporting structure. The segment "Corporate & unallocated" comprises the corporate and the real estate activities of the Group.

These operating segments are consistent with the Group's organisational and internal reporting structure.

Segment Statement of Profit or Loss - Operating Segments (Year Ended 31 December)

€m	Notes	2021						
		D'Ieteren Autom.	Belron (100%)	Moleskine	TVH Parts (100%)	Corp. & unallocated	Eliminations	Group
External revenue	3	3,238.9	4,646.8	121.6	350.0	-	-4,996.8	3,360.5
Segment revenue		**3,238.9**	**4,646.8**	**121.6**	**350.0**	**-**	**-4,996.8**	**3,360.5**
Operating result (being segment result)		**81.0**	**691.5**	**12.1**	**46.3**	**-7.3**	**-737.8**	**85.8**
Net finance costs		-0.2	-228.6	-10.5	-3.9	20.0	232.5	9.3
Finance income		12.8	3.1	2.0	3.6	1.4	-6.7	16.2
Finance costs		-1.7	-231.7	-2.2	-7.5	-3.0	239.2	-6.9
Inter-segment financing interests		-11.3	-	-10.3	-	21.6	-	-
Share of result of equity-accounted investees and long-term interests in equity-accounted investees, net of income tax	6	8.1	0.5	-	-	-	179.7	188.3
Result before tax		**88.9**	**463.4**	**1.6**	**42.4**	**12.7**	**-325.6**	**283.4**
Income tax expense	7	-21.3	-145.5	-5.0	-12.2	-1.7	157.7	-28.0
Result from continuing operations		**67.6**	**317.9**	**-3.4**	**30.2**	**11.0**	**-167.9**	**255.4**
Discontinued operations		-	-	-	-	-	-	-
RESULT FOR THE PERIOD		**67.6**	**317.9**	**-3.4**	**30.2**	**11.0**	**-167.9**	**255.4**

Attributable to:	D'Ieteren Autom.	Belron(*)	Moleskine	TVH Parts(*)	Corp. & unallocated		Group
Equity holders of the Company(*)	**68.9**	**168.1**	**-3.6**	**12.1**	**11.0**		**256.5**
Non-controlling interests	-1.3	-	0.2	-	-		-1.1

RESULT FOR THE PERIOD	67.6	168.1	-3.4	12.1	11.0	255.4

(*) Belron at 52.88% (weighted average percentage for the 2021 period) and TVH Parts at 40.00% – see note 6.

In 2021, in the D'Ieteren Automotive segment, the line "Operating result" includes, amongst other amounts, the charge of -€21.8m related to the decision of D'Ieteren Automotive to close down two of its structurally loss-making sites.

Note 2: Segment information (continued)

In 2021, in the D'Ieteren Automotive segment, the line "inter-segment financing interests" includes the early repayment fee of €8.0m paid by D'Ieteren Automotive to the Corporate & unallocated segment following the anticipated reimbursement of the inter-segment loan, and the line "finance income" includes a consolidated gain of €12.4m recognised on the loss of exclusive control of Skipr following the acquisition of 17% beginning of July 2021 of the share capital of Skipr by ALD Automotive. As from 1 July 2021, Skipr is accounted for as an equity-accounted investee due to joint control being shared between the shareholders.

In 2021, in the Belron segment, the line "Operating result" includes, amongst other amounts, €64m of costs in relation with the group-wide transformation programme, €48.7m of employee costs in relation with the individual gift of (one-off) cash bonus and restricted shares units (share options which will vest on a future shareholder event) given at the end of the year to around 25,000 employees to thank them for their loyal contribution to Belron's success, €10.5m of one-off donation to the Ronnie Lubner Foundation and costs in respect of restructurings and integrations. The employee costs and the donation to the Foundation are compensated by an increase in shareholder's equity of Belron following the disposal of own shares to new shareholders (see note 6).

In 2021, in the Belron segment, the increase of €105.0m in net finance costs compared to last year is reflecting the refinancing costs incurred in April 2021. This includes additional finance charges, the write-off of previously deferred finance costs, non-cash foreign exchange losses, professional fees and de-designation of interest rate swaps. The refinancing meant that existing borrowings of $991.7m and €525m were refinanced and new term loans of $1,620m and €840m maturing in 2028 were issued. The additional borrowings were used, along with available cash reserves, to finance a distribution to shareholders of €1,723.4m (€1,531.3m of dividends and €192.1m of share capital redemption). The refinancing resulted in debt originally due for repayment in 2024 being postponed to 2028.

In the Moleskine segment, the line "income tax expense" includes the reversal of the deferred tax assets previously recognised on the elimination of intercompany margin in inventories.

In 2021, the column "Eliminations" reconciles the segment statement of profit or loss (with the 12-month result of Belron and the 3-month result of TVH presented on all lines under global integration method) to the IFRS Group consolidated statement of profit or loss (with the net result of Belron and TVH presented in the line "share of result of equity-accounted investees and long-term interest in equity-accounted investees, net of income tax", representing the share of the Group – 52.88%; see note 6 – in the 12-month net result of Belron and the share of the Group – 40.00%; see note 6 – in the 3-month net result of TVH.

Note 2: Segment information (continued)

Segment Statement of Profit or Loss - Operating Segments (Year Ended 31 December)

€m	2020(1)					
	D'Ieteren Autom.	Belron (100%)	Moleskine	Corp. & unallocated	Eliminations	Group
External revenue	3,215.7	3,898.8	102.3	-	-3,898.8	3,318.0
Segment revenue	**3,215.7**	**3,898.8**	**102.3**	**-**	**-3,898.8**	**3,318.0**
Operating result (being segment result)	**48.1**	**489.7**	**-23.5**	**-18.8**	**-489.7**	**5.8**
Net finance costs	-4.2	-123.6	-11.9	14.2	123.6	-1.9
Finance income	0.2	3.2	0.9	4.0	-3.2	5.1
Finance costs	-1.9	-126.8	-4.9	-0.2	126.8	-7.0
Inter-segment financing interests	-2.5	-	-7.9	10.4	-	-
Share of result of equity-accounted investees and long-term interests in equity-accounted investees, net of income tax	4.0	0.3	-	-	145.9	150.2
Result before tax	**47.9**	**366.4**	**-35.4**	**-4.6**	**-220.2**	**154.1**
Income tax expense	-14.8	-94.4	-0.7	-0.9	94.4	-16.4
Result from continuing operations	**33.1**	**272.0**	**-36.1**	**-5.5**	**-125.8**	**137.7**
Discontinued operations	-	-	-	-	-	-
RESULT FOR THE PERIOD	33.1	272.0	-36.1	-5.5	-125.8	137.7

Attributable to:	D'Ieteren Autom.	Belron(*)	Moleskine	Corp. & unallocated	Group
Equity holders of the Company(*)	**34.2**	**146.2**	**-36.1**	**-5.5**	**138.8**
Non-controlling interests	-1.1	-	-	-	-1.1
RESULT FOR THE PERIOD	33.1	146.2	-36.1	-5.5	137.7

(1) As restated to reflect the IFRS® Interpretations Committee (IFRIC) final agenda decisions on cloud computing arrangements issued in March 2019 and March 2021. Refer to note 1 for more information on the restatement of comparative information.

(*) Belron at 53.75% (weighted average percentage for the 2020 period) – see note 6.

In 2020, in the D'Ieteren Automotive segment, the line "Operating result" included, amongst other amounts, the liability (€41.0m) related to the finalization of the project carried out in 2020 by D'Ieteren Automotive for the acceleration of the transformation of its activities in response to a rapidly changing market. This project entailed measures to adapt internal structures and working methods to the new market realities and transformed or ceased those activities that no longer met the needs of dealers or customers. This charge was presented in the line "other operating expenses" in the consolidated statement of profit or loss.

In 2020, in the Moleskine segment, the line "operating result" included, amongst other amounts, the impairment charge recognised at half year 2020 (€21.0m). This non-cash charge was presented in the line "other operating expenses" in the consolidated statement of profit or loss.

In 2020, in the Corporate & unallocated segment, the line "Operating result" included, amongst other amounts, the provision (€8.2m) related to the decision of the Board of Directors, as announced on 27 April 2020, to allocate the initially planned dividend increase of €0.15 per share to a solidarity program that will help employees of D'Ieteren Group who may suffer hardship as a consequence of the Covid-19 crisis. From the initial provision, €3.1m has been used and expensed during the year 2020 and additional €0.4m has been allocated to this solidarity program in 2021. The remaining €5.3m is presented in the current provisions in the consolidated statement of financial position as at 31 December 2021.

Note 2: Segment information (continued)

In 2020, the column "Eliminations" reconciles the segment statement of profit or loss (with the 12-month result of Belron presented on all lines under global integration method) to the IFRS Group consolidated statement of profit or loss (with the net result of Belron presented in the line "share of result of equity-accounted investees and long-term interest in equity-accounted investees, net of income tax", representing the share of the Group – 53.75% – in the 12-month net result of Belron).

Segment Statement of Financial Position - Operating Segment

€m	Notes	31 December 2021						
		D'Ieteren Autom.	Belron (100%)	Moleskine	TVH Parts (100%)	Corp. & unallocated	Eliminations	Group
Goodwill	4	31.3	612.1	48.8	2,141.5	3.1	-2,753.6	83.2
Intangible assets		27.3	498.7	411.7	26.2	0.1	-524.9	439.1
Property, plant & equipment		65.8	838.4	18.0	320.5	181.6	-1,158.9	265.4
Investment property		0.1	-	-	-	33.5	-	33.6
Equity-accounted investees & long-term interests in equity-accounted investees	6	113.1	-	-	-	-	1,110.0	1,223.1
Financial investments		0.1	1.9	-	0.5	-	-2.4	0.1
Derivative financial instruments		-	9.3	-	-	-	-9.3	-
Employee benefits		-	200.8	-	-	-	-200.8	-
Deferred tax assets		19.3	99.5	5.3	8.2	22.0	-107.7	46.6
Other receivables		3.9	26.8	1.1	1.9	3.4	-28.7	8.4
Non-current assets		**260.9**	**2,287.5**	**484.9**	**2,498.8**	**243.7**	**-3,676.3**	**2,099.5**
Inventories		415.8	346.2	30.4	455.9	-	-802.1	446.2
Current financial investments		-	-	-	1.9	544.1	-1.9	544.1
Derivative financial instruments		-	2.5	-	-	-	-2.5	-
Current tax assets		1.1	11.9	6.6	5.9	1.7	-17.8	9.4
Trade and other receivables		321.7	439.4	33.6	229.9	25.3	-669.3	380.6
Cash & cash equivalents		86.0	244.9	38.6	139.7	230.0	-384.6	354.6
Assets classified as held for sale		0.1	0.9	-	-	-	-0.9	0.1
Current assets		**824.7**	**1,045.8**	**109.2**	**833.3**	**801.1**	**-1,879.1**	**1,735.0**
TOTAL ASSETS		**1,085.6**	**3,333.3**	**594.1**	**3,332.1**	**1,044.8**	**-5,555.4**	**3,834.5**
Equity						**2,978.8**		**2,978.8**
Employee benefits		21.8	5.4	2.5	1.0	1.2	-6.4	25.5
Provisions		12.0	39.8	3.2	1.7	0.3	-41.5	15.5
Loans & borrowings		111.9	3,841.5	41.8	668.9	4.7	-4,551.0	117.8
Inter-segment loan		-	-	264.1	40.6	-304.7	-	-
Derivative financial instruments		-	17.7	-	-	-	-17.7	-
Other payables		-	16.8	-	0.1	-	-16.9	-
Deferred tax liabilities		1.5	154.3	111.4	4.4	20.2	-158.7	133.1
Non-current liabilities		**147.2**	**4,075.5**	**423.0**	**716.7**	**-278.3**	**-4,792.2**	**291.9**
Provisions		4.3	55.4	1.7	-	5.3	-55.4	11.3
Loans & borrowings		32.8	193.5	19.7	191.8	0.6	-385.3	53.1
Derivative financial instruments		-	9.0	-	-	-	-9.0	-
Current tax liabilities		1.8	67.2	1.0	17.7	-	-84.9	2.8
Trade & other payables		449.6	823.1	34.1	185.6	12.3	-1,008.7	496.0
Liabilities directly associated with the assets held for sale		0.6	1.6	-	-	-	-1.6	0.6
Current liabilities		**489.1**	**1,149.8**	**56.5**	**395.1**	**18.2**	**-1,544.9**	**563.8**

TOTAL EQUITY AND LIABILITIES	636.3	5,225.3	479.5	1,111.8	2,718.7	-6,337.1	3,834.5

Note 2: Segment information (continued)

Segment Statement of Financial Position - Operating Segment

€m	31 December 2020 (1)					
	D'Ieteren Autom.	Belron (100%)	Moleskine	Corp. & unallocated	Eliminations	Group
Goodwill	27.4	577.7	48.8	-	-577.7	76.2
Intangible assets	22.8	497.3	411.7	0.1	-497.3	434.6
Property, plant & equipment	63.3	783.6	27.2	172.4	-783.6	262.9
Investment property	0.1	-	-	31.6	-	31.7
Equity-accounted investees & long-term interests in equity-accounted investees	88.8	-	-	-	583.5	672.3
Financial investments	-	1.4	-	-	-1.4	-
Employee benefits	-	152.4	-	-	-152.4	-
Deferred tax assets	15.1	65.9	7.1	21.0	-65.9	43.2
Other receivables	2.1	5.0	1.0	1.3	-5.0	4.4
Non-current assets	**219.6**	**2,083.3**	**495.8**	**226.4**	**-1,499.8**	**1,525.3**
Inventories	432.0	299.0	25.4	-	-299.0	457.4
Current financial investments	-	-	-	737.2	-	737.2
Derivative financial instruments	-	1.6	0.5	-	-1.6	0.5
Current tax assets	8.4	6.7	9.8	-	-6.7	18.2
Trade and other receivables	303.9	281.3	30.3	5.1	-281.3	339.3
Cash & cash equivalents	56.0	617.8	30.2	265.1	-617.8	351.3
Assets classified as held for sale	2.1	46.8	-	-	-46.8	2.1
Current assets	**802.4**	**1,253.2**	**96.2**	**1,007.4**	**-1,253.2**	**1,906.0**
TOTAL ASSETS	**1,022.0**	**3,336.5**	**592.0**	**1,233.8**	**-2,753.0**	**3,431.3**
Equity				**2,727.2**		**2,727.2**
Employee benefits	28.1	7.6	2.4	1.2	-7.6	31.7
Provisions	11.3	32.0	-	0.3	-32.0	11.6
Loans & borrowings	17.9	2,812.3	62.9	4.7	-2,812.3	85.5
Inter-segment loan	202.6	-	253.9	-456.5	-	-
Derivative financial instruments	-	73.2	-	-	-73.2	-
Other payables	-	0.8	-	-	-0.8	-
Deferred tax liabilities	0.6	95.5	110.4	20.1	-95.5	131.1
Non-current liabilities	**260.5**	**3,021.4**	**429.6**	**-430.2**	**-3,021.4**	**259.9**
Provisions	-	49.4	1.4	5.1	-49.4	6.5
Loans & borrowings	3.2	179.3	14.2	0.5	-179.3	17.9
Derivative financial instruments	-	8.3	-	-	-8.3	-
Current tax liabilities	0.8	56.0	0.7	0.2	-56.0	1.7
Trade & other payables	366.8	616.8	28.6	18.0	-616.8	413.4
Liabilities directly associated with the assets held for sale	4.7	30.7	-	-	-30.7	4.7
Current liabilities	**375.5**	**940.5**	**44.9**	**23.8**	**-940.5**	**444.2**
TOTAL EQUITY AND LIABILITIES	**636.0**	**3,961.9**	**474.5**	**2,320.8**	**-3,961.9**	**3,431.3**

(1) As restated to reflect the IFRS® Interpretations Committee (IFRIC) final agenda decisions on cloud computing arrangements issued in March 2019 and March 2021. Refer to note 1 for more information on the restatement of comparative information.

Note 2: Segment information (continued)

In 2020 and 2021, in the Corporate & unallocated segment, the line "Current financial Investments" comprises investments in a portfolio of marketable securities (mainly corporate bonds in Europe). These investments are accounted at amortized costs (corporate bonds) and FVTPL (equity instruments). Related cash movement of €193.3m (excluding fair value adjustments) is included in the line "proceeds from the sale of / (investment in) financial assets" in the 2021 consolidated statement of cash flows.

In 2020, the lines "Assets classified as held-for-sale" and "Liabilities directly associated with the assets held for sale" represented, in the D'Ieteren Automotive segment, the fair value of the assets and liabilities of those activities that no longer met the needs of dealers or customers, as a result of the finalization of the project carried out for the acceleration of the transformation of activities in response to a rapidly changing market. These assets and liabilities mostly ceased in 2021. In the Belron segment, these amounts included the fair value of the activities that were mostly sold during 2021.

In 2020, the line "inter-segment loans" comprise amounts lent by the Corporate department to the Moleskine segment (non-recourse loan in the framework of the acquisition) and to the D'Ieteren Automotive segment. The inter-segment loan toward the D'Ieteren Automotive segment (principal amounts of €200m) has been reimbursed in full in December 21, together with accrued interests of €5.8m and an early repayment fee of €8.0m. In 2021, the inter-segment loan in the TVH Parts segment relates to the shareholder loan from the Corporate and unallocated segment put in place on 1st October 2021 in the framework of the acquisition of a 40% stake in TVH Parts, of which €0.6m represents capitalised interests.

In 2021, in the D'Ieteren Automotive segment, the increase in loans and borrowings compared to 2020 mainly relates to a new 5-year €325m bank financing (maturity date December 2026), consisting of €100m of amortising term loan and €225m revolving credit facility (currently undrawn as at 31 December 2021). At 31 December 2021, there is no breach of covenants attached to the loans. In the Belron segment, the increase in long-term loans and borrowings compared to 2020 mainly relates to the issuance in April 2021 of new term loans for $1,620m and €840m with the loans maturing in 2028.

In 2020 and 2021, in the Corporate & unallocated segment, the current provisions include the provision related to the solidarity program put in place in 2020. At 31 December 2021, the remaining provision amounts to €5.3m.

In 2021, in the D'Ieteren Automotive segment, from the total charge of €21.8m related to the decision of D'Ieteren Automotive to close down two of its structurally loss-making sites, €4.3m are included in current provisions and €16.8m are included in the trade and other payables.

In 2020, in the D'Ieteren Automotive segment, the trade and other payables included the liability (€41.0m) related to the finalization of the project carried out in 2020 for the acceleration of the transformation of its activities in response to a rapidly changing market. A total of €37m has been paid in 2021 in relation to this project (included in the line "change in net working capital" in the consolidated statement of cash flows).

In 2020 and 2021, the column "Eliminations" reconciles the segment statement of financial position (including the assets and liabilities of Belron, and, as from 1 October 2021, the assets and liabilities of TVH Parts) to the IFRS consolidated statement of financial position (with Belron, and in 2021 only, TVH Parts, presented as equity-accounted investees – see note 6).

Note 2: Segment information (continued)

Segment Statement of Cash Flows - Operating Segments (Year Ended 31 December)

€m	Notes	2021						
		D'Ieteren Autom.	Belron (100%)	Moleskine	TVH Parts (100%)	Corp. & unallocated	Eliminations	Group
Cash flows from operating activities - Continuing								
Result for the period		67.6	317.9	-3.4	30.2	11.0	-167.9	255.4
Income tax expense	7	21.3	145.5	5.0	12.2	1.7	-157.7	28.0
Share of result of equity-accounted investees and long-term interests in equity-accounted investees, net of income tax	6	-8.1	-0.5	-	-	-	-179.7	-188.3
Net finance costs		0.2	228.6	10.5	3.9	-20.0	-232.5	-9.3
Operating result from continuing operations		**81.0**	**691.5**	**12.1**	**46.3**	**-7.3**	**-737.8**	**85.8**
Depreciation on PP&E & right-of-use assets		20.3	211.6	7.7		9.5	-211.6	37.5
Amortisation of intangible assets		5.1	58.1	3.8		0.1	-58.1	9.0
Impairment and write-offs on goodwill and other non-current assets	6	-	18.5	-		-	-18.5	-
Other non-cash items		9.8	3.6	6.9		2.9	-3.6	19.6
Employee benefits		-3.7	-	0.7		-	-	-3.0
Other cash items		1.3	-	0.5		-1.3	-	0.5
Change in net working capital		79.4	-7.2	-3.9		-23.8	7.2	51.7
Cash generated from operations		**193.2**	**976.1**	**27.8**		**-19.9**	**-976.1**	**201.1**
Income tax paid		-21.1	-143.3	-1.3		-2.8	143.3	-25.2
Net cash from operating activities		**172.1**	**832.8**	**26.5**		**-22.7**	**-832.8**	**175.9**
Cash flows from investing activities - Continuing								
Purchase of property, plant and equipment and intangible assets		-26.0	-71.0	-5.0		-15.7	71.0	-46.7
Sale of property, plant and equipment and intangible assets		0.9	9.8	0.1		2.7	-9.8	3.7
Net capital expenditure		**-25.1**	**-61.2**	**-4.9**		**-13.0**	**61.2**	**-43.0**
Acquisition of subsidiaries (net of cash acquired)		-9.0	-17.8	-		-	17.8	-9.0
Acquisition of equity-accounted investees and long-term interests in equity-accounted investees	6	-	-	-		-1,147.0	-	-1,147.0
Disposal of subsidiaries (net of cash disposed of)		-	1.1	-		-	-1.1	-
Proceeds from the sale of / (investments in) financial assets		-	-	-		193.3	-	193.3
Interest received		0.1	1.1	-		1.3	-1.1	1.4
Dividends and proceeds from capital reduction received from /(paid by) equity-accounted investees & long-term interests in equity accounted investees	6	-	-1,723.4	-		874.3	1,723.4	874.3
Movement of shareholder loan towards equity-accounted investee		-	-	-		-40.0	-	-40.0
Loans to employees in relation to Long Term Incentive Plan and stock options		-3.1	-	-		-0.8	-	-3.9
Net cash from investing activities		**-37.1**	**-1,800.2**	**-4.9**		**-131.9**	**1,800.2**	**-173.9**

Note 2: Segment information (continued)

Segment Statement of Cash Flows - Operating Segments (Year Ended 31 December – continued)

€m	Notes	2021						
		D'Ieteren Autom.	Belron (100%)	Moleskine	TVH Parts (100%)	Corp. & unallocated	Eliminations	Group
Cash flows from financing activities - Continuing								
Acquisition of treasury shares		-	-	-		-13.7	-	-13.7
Disposal of treasury shares		-	-	-		4.7	-	4.7
Net proceeds from the sale & purchase of own shares (buyback from MRP participants)		-	57.7	-		-	-57.7	-
Repayment of lease liabilities		-11.7	-168.1	-3.9		-0.5	168.1	-16.1
Increase of other loans and borrowings		118.2	2,200.2	0.1		-	-2,200.2	118.3
Decrease of other loans and borrowings		-4.8	-1,379.3	-8.5		-0.2	1,379.3	-13.5
Inter-segment loans		-200.0	-	-		200.0	-	-
Inter-segment financing interests		-13.8	-	-		13.8	-	-
Interest paid		-1.4	-165.1	-1.8		-3.2	165.1	-6.4
Dividends paid by the Company		-	-	-		-72.9	-	-72.9
Net cash from financing activities		**-113.5**	**545.4**	**-14.1**		**128.0**	**-545.4**	**0.4**
Cash flows from continuing operations		**21.5**	**-422.0**	**7.5**		**-26.6**	**422.0**	**2.4**
TOTAL CASH FLOW FOR THE PERIOD		**21.5**	**-422.0**	**7.5**		**-26.6**	**422.0**	**2.4**
Reconciliation with statement of financial position								
Cash at beginning of period		56.0	621.7	30.2		265.1	-621.7	351.3
Cash and cash equivalents at beginning of period		**56.0**	**621.7**	**30.2**		**265.1**	**-621.7**	**351.3**
Total cash flow for the period		21.5	-422.0	7.5		-26.6	422.0	2.4
Translation differences		-	45.3	0.9		-	-45.3	0.9
Transfer between operating segments		8.5	-	-		-8.5	-	-
Cash and cash equivalents at end of period		**86.0**	**245.0**	**38.6**		**230.0**	**-245.0**	**354.6**
Included within "Cash and cash equivalents		*86.0*	*244.9*	*38.6*		*230.0*	*-244.9*	*354.6*
Included within "Non-current assets held for sale"		-	*0.1*	-		-	*-0.1*	-

The segment information to be disclosed for an investee that is a reportable segment needs to be consistent with the concept of the management approach and the core principle of IFRS 8. Given the recent acquisition of TVH Parts (1st October 2021 – see note 6), the Group does not present the cash flow statement of TVH Parts, since it is not reported yet to the chief operating decision maker (CODM).

In the D'Ieteren Automotive segment, the line "other non-cash items" mainly includes non-cash write down on inventories, provision for employee benefit, and a provision related to the decision of D'Ieteren Automotive to close down two of its structurally loss-making sites. In the Moleskine segment, this line mainly includes provision for long-term incentive program, and write down on inventories. In the Corporate & unallocated segment, other non-cash items relate to share-based payment expense.

The line "impairment and write-offs on goodwill and other non-current assets" includes the impairment charges recognized in the Belron segment (€18.5m – see note 6).

In the D'Ieteren Automotive segment, the cash inflow from the change in net working capital mainly reflects lower inventories and higher trade payables compared to last year. The €37m paid out in 2021 in relation to project carried out in 2020 for the acceleration of the transformation of D'Ieteren Automotive's activities is also included in the change in net working capital.

Note 2: Segment information (continued)

The line "acquisition of subsidiaries (net of cash acquired)" in the D'Ieteren Automotive segment mainly represents the acquisition of dealerships in Belgium.

The line "Acquisition of equity-accounted investees and long-term interests in equity-accounted investees" in the Corporate & unallocated segment includes the acquisition of a 40% stake in TVH Parts (see note 6).

The line "Dividends and proceeds from capital reduction received from /(paid by) equity-accounted investees & long-term interests in equity accounted investees" relates to the share of the Group in the dividends (€616.7m in H1 2021; €150.0m in H2 2021) and the proceed from capital reduction (€107.6m in H1 2021) received from the Belron segment.

In the Belron segment, the line "Net proceeds from the sale & purchase of own shares (buyback from MRP participants)" represents the net cash received from the sales and purchase of own shares to MRP participants (see note 6).

In the D'Ieteren Automotive segment, the line "increase in other loans and borrowings" mainly includes the proceeds from the new amortising term loan of €100m.

The line "inter-segment loans" include the reimbursement in full of the principal amount (€200m) lent by the Corporate & unallocated segment to D'Ieteren Automotive and the line "inter-segment financing interests" includes the reimbursement of the related accrued interests of €5.8m and the early repayment fee of €8.0m.

The line "movement of shareholder loan towards equity-accounted investee" relates to the shareholder loan put in place on 1st October 2021 in the framework of the acquisition of a 40% stake in TVH Parts (see note 6).

The line "Dividends paid by the Company" includes the distribution to shareholders of the ordinary dividend (€1.35 per share).

The column "Eliminations" reconciles the segment statement of cash flows (with Belron and TVH Parts presented on all lines under global integration method) to the IFRS Group consolidated statement of cash flows (with Belron and TVH Parts consolidated under equity-accounting method).

Note 2: Segment information (continued)

Segment Statement of Cash Flows - Operating Segments (Year Ended 31 December)

€m	2020(1)					
	D'Ieteren Autom.	Belron (100%)	Moleskine	Corp. & unallocated	Eliminations	Group
Cash flows from operating activities - Continuing						
Result for the period	33.1	272.0	-36.1	-5.5	-125.8	137.7
Income tax expense	14.8	94.4	0.7	0.9	-94.4	16.4
Share of result of equity-accounted investees and long-term interests in equity-accounted investees, net of income tax	-4.0	-0.3	-	-	-145.9	-150.2
Net finance costs	4.2	123.6	11.9	-14.2	-123.6	1.9
Operating result from continuing operations	**48.1**	**489.7**	**-23.5**	**-18.8**	**-489.7**	**5.8**
Depreciation on PP&E & right-of-use assets	17.7	229.9	10.7	10.0	-229.9	38.4
Amortisation of intangible assets	3.9	62.7	3.3	-	-62.7	7.2
Impairment and write-offs on goodwill and other non-current assets	0.4	23.9	21.0	-	-23.9	21.4
Other non-cash items	3.1	29.6	1.7	6.9	-29.6	11.7
Employee benefits	-4.2	-	0.1	-	-	-4.1
Other cash items	-	-	0.3	-	-	0.3
Change in net working capital	158.9	34.1	-	-34.9	-34.1	124.0
Cash generated from operations	**227.9**	**869.9**	**13.6**	**-36.8**	**-869.9**	**204.7**
Income tax paid	-28.3	-98.4	-2.2	-1.6	98.4	-32.1
Net cash from operating activities	**199.6**	**771.5**	**11.4**	**-38.4**	**-771.5**	**172.6**
Cash flows from investing activities - Continuing						
Purchase of property, plant and equipment and intangible assets	-17.4	-35.9	-2.6	-9.3	35.9	-29.3
Sale of property, plant and equipment and intangible assets	1.4	5.5	-	0.5	-5.5	1.9
Net capital expenditure	**-16.0**	**-30.4**	**-2.6**	**-8.8**	**30.4**	**-27.4**
Acquisition of subsidiaries (net of cash acquired)	-0.4	-13.7	-	-	13.7	-0.4
Acquisition of equity-accounted investees and long-term interests in equity-accounted investees	-	-	-	-150.0	-	-150.0
Disposal of subsidiaries (net of cash disposed of)	-	-0.4	-	-	0.4	-
Contribution of cash from/(to) joint venture	-1.6	-	-	-	-	-1.6
Proceeds from the sale of / (investments in) financial assets	-	-	-	-139.4	-	-139.4
Interest received	0.3	1.6	-	4.0	-1.6	4.3
Dividends and proceeds from capital reduction received from /(paid by) equity-accounted investees & long-term interests in equity accounted investees	-	-8.8	-	-	8.8	-
Net investment in other financial assets	-0.1	-	-	-	-	-0.1
Net cash from investing activities	**-17.8**	**-51.7**	**-2.6**	**-294.2**	**51.7**	**-314.6**

(1) As restated to reflect the IFRS® Interpretations Committee (IFRIC) final agenda decisions on cloud computing arrangements issued in March 2019 and March 2021, and in the Moleskine segment, to reflect reallocation of amounts between the lines "other non cash items", "employee benefits", "other cash items" and "change in net working capital" in the framework of continuous improvement of the financial reporting presentation. Refer to note 1 for more information on the restatement of comparative information.

Note 2: Segment information (continued)

Segment Statement of Cash Flows - Operating Segments (Year Ended 31 December – continued)

€m	2020(1)					
	D'Ieteren Autom.	Belron (100%)	Moleskine	Corp. & unallocated	Eliminations	Group
Cash flows from financing activities - Continuing						
Acquisition (-)/Disposal (+) of non-controlling interests	6.0	-	-	-	-	6.0
Acquisition of treasury shares	-	-	-	-31.4	-	-31.4
Disposal of treasury shares	-	-	-	7.0	-	7.0
Net proceeds from the sale & purchase of own shares (buyback from MRP participants)	-	-39.9	-	-	39.9	-
Repayment of lease liabilities	-10.3	-172.8	-4.6	-0.4	172.8	-15.3
Increase of other loans and borrowings	-	320.8	52.3	-	-320.8	52.3
Decrease of other loans and borrowings	-	-337.4	-132.5	-0.1	337.4	-132.6
Inter-segment loans	200.0	-	55.2	-255.2	-	-
Interest paid	-1.9	-127.2	-3.4	-0.2	127.2	-5.5
Dividends received from/(paid to) other segment	-200.0	-	-	200.0	-	-
Dividends paid by the Company	-	-	-	-53.9	-	-53.9
Net cash from financing activities	**-6.2**	**-356.5**	**-33.0**	**-134.2**	**356.5**	**-173.4**
Cash flows from continuing operations	**175.6**	**363.3**	**-24.2**	**-466.8**	**-363.3**	**-315.4**
TOTAL CASH FLOW FOR THE PERIOD	**175.6**	**363.3**	**-24.2**	**-466.8**	**-363.3**	**-315.4**
Reconciliation with statement of financial position						
Cash at beginning of period	-190.9	282.6	55.2	630.9	-282.6	495.2
Cash equivalents at the beginning of the period	71.3	-	-	101.0	-	172.3
Cash and cash equivalents at beginning of period	**-119.6**	**282.6**	**55.2**	**731.9**	**-282.6**	**667.5**
Total cash flow for the period	175.6	363.3	-24.2	-466.8	-363.3	-315.4
Translation differences	-	-24.2	-0.8	-	24.2	-0.8
Cash and cash equivalents at end of period	**56.0**	**621.7**	**30.2**	**265.1**	**-621.7**	**351.3**
Included within "Cash and cash equivalents	*56.0*	*617.8*	*30.2*	*265.1*	*-617.8*	*351.3*
Included within "Non-current assets held for sale"	-	*3.9*	-	-	*-3.9*	-

(1) As restated to reflect the IFRS® Interpretations Committee (IFRIC) final agenda decisions on cloud computing arrangements issued in March 2019 and March 2021, and in the Moleskine segment, to reflect reallocation of amounts between the lines "other non cash items", "employee benefits", "other cash items" and "change in net working capital" in the framework of continuous improvement of the financial reporting presentation. Refer to note 1 for more information on the restatement of comparative information.

The line "impairment and write-offs on goodwill and other non-current assets" included the impairment charges recognised in the Belron segment (€23.9m) and in the Moleskine segment (€21m, fully allocated to goodwill).

In the Belron segment, the line "Other non-cash items" includes, among other amounts, the losses on disposal of businesses in 2020. The cash outflow (€93m) related to the settlement of long-term management incentive program is included in the change in net working capital.

In the D'Ieteren Automotive segment, the line "Change in net working capital" mainly reflected the lower level of inventories and a significant cash inflow from trade receivables.

In the Corporate & unallocated segment, the line "Acquisition of equity-accounted investees and long-term interests in equity-accounted investees" represented the non-voting preference shares acquired by the Group in February 2020, previously held by CD&R.

The line “inter-segment loans” represented the additional amount lent by the Corporate department to the Moleskine and D’Ieteren Automotive segments.

Note 2: Segment information (continued)

The line “Dividends received from / (paid to) other segments” related to the intra-group dividend paid by the D’Ieteren Automotive segment to the Corporate & unallocated segment.

The line “Dividends paid by the Company” included the distribution to shareholders of the ordinary dividend (€1.00 per share).

The column “Eliminations” reconciled the segment statement of cash flows (with Belron presented on all lines under global integration method) to the IFRS Group consolidated statement of cash flows (with Belron consolidated under equity-accounting method).

Note 3: Revenue

Disaggregation of revenue issued from contracts with customers for the year ended 31 December 2021 and 31 December 2020 is presented in the table below:

€m	2021	2020
D'Ieteren Automotive		
New vehicles	2,615.1	2,792.0
Used cars	289.0	95.5
Spare parts and accessories	244.1	182.3
After-sales activities	56.5	83.6
D'Ieteren Sport	-	32.2
Other revenue	34.2	30.1
Subtotal D'Ieteren Automotive	**3,238.9**	**3,215.7**
Moleskine		
Europe, Middle-East and Africa (EMEA)	51.6	43.6
America	48.1	37.0
Asia-Pacific (APAC)	21.9	21.7
Subtotal Moleskine	**121.6**	**102.3**
Total Revenue	**3,360.5**	**3,318.0**

Note 4: Impairment

In accordance with the requirements of IAS 36 “Impairment of Assets”, the Group completed a review of the carrying value of goodwill and of the intangible assets with indefinite useful lives. The impairment review is based on the value in use calculation and is carried out to ensure that the carrying value of the assets are stated at no more than their recoverable amount, being the higher of fair value less costs to sell and value in use.

For the purpose of impairment testing, goodwill has been allocated to the Group’s CGUs (being the Group’s operating segments) as follows:

€m	2021	2020
D’Ieteren Automotive	31.3	27.4
Moleskine	48.8	48.8
Corporate & unallocated	3.1	-
GROUP	**83.2**	**76.2**

As a result of its classification as an equity-accounted investee, information on the impairment tests performed in the Belron segment are provided in note 6.

The Group completed the annual impairment test for goodwill and intangible assets with indefinite useful lives and concluded that, based on the assumptions described below, no additional impairment charge was required. Impairment testing relies on a number of critical judgments, estimates and assumptions. Management believes that all of its estimates are reasonable since they are consistent with the Group’s internal reporting and reflect management best estimates. Projected revenue growth rates, competitive and consumer trends, operating margins, discount rates and terminal growth rates are assumptions and estimates that may be revised in future periods. Should these vary adversely in the future, the value in use of goodwill and intangible assets with indefinite useful lives may reduce below their carrying amounts.

Note 4: Impairment (continued)

At year-end 2021, the Board of Directors of the Company reviewed the carrying amount of the Moleskine cash-generating unit. In determining the value in use of the CGU, the Company calculated the present value of the estimated future cash flows, based on Moleskine's five-year strategic plan (2021 – 2025) prepared by management in 2020, reviewed and approved by the Board of Directors. The model starts with the 2022 figures from the most recent budget approved by the Board of Directors, 2023 to 2025 figures presented in the five-year strategic plan and applies a terminal growth rate of 1.5% (2020: 1.5%) to the terminal value beyond the year 2025. The terminal growth rate was determined based on management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make. The pre-tax discount rate applied amounts to 6.5% (2020: 7.0%) and is based upon the weighted average cost of capital of the Moleskine segment, considering appropriate adjustments for the relevant risks associated with investing in equities, with the business and with the underlying country (country risk premium).

The Board of Directors of the Company is satisfied that the carrying amount of the Moleskine cash-generating unit is stated at no more than its value in use. Sensitivity analyses prepared by management revealed that an individual 1% adverse movement in either the terminal growth rate or the discount rate would not lead to further impairment. The individual change required for carrying amount to equal recoverable amount is 3.8% for the discount rate or -4.9% for the terminal growth rate. At 31 December 2021, the recoverable amount of the CGU exceeds its carrying amount by €317m.

Note 5: Earnings per share

Earnings per share ("EPS") and earnings per share from continuing operations ("Continuing EPS") are shown on the face of the consolidated statement of profit or loss. Basic and diluted EPS are based on the result for the period attributable to equity holders of the Company (based on the result from continuing operations attributable to equity holders of the Company for the continuing EPS), after adjustment for participating shares (each participating share confers one voting right and gives right to a dividend equal to one eighth of the dividend of an ordinary share).

The weighted average number of ordinary shares in issue for the period is shown in the table below.

The Group has granted options to employees over ordinary shares of the Company. Such shares constitute the only category of potentially dilutive ordinary shares.

The weighted average number of ordinary shares outstanding during the period is 53,365,665 (53,587,252 in the prior period) and the weighted average number of ordinary shares taken into account for diluted EPS is 53,889,709 (53,966,984 in the prior period). The decrease in the average number of ordinary shares outstanding is the result of the movement in treasury shares.

The options over ordinary shares of the Company increased the weighted average number of shares of the Company taken into account for diluted earnings per share in 2020 and 2021 as option exercise prices were below the average market share price.

Note 5: Earnings per share (continued)

The computation of basic and diluted EPS is set out below:

		2021	2020(1)
Result for the period attributable to equity holders		256.5	138.8
Adjustment for participating shares		-3.0	-1.6
Numerator for EPS (€m)	(a)	253.5	137.2
Result from continuing operations		255.4	137.7
Share of non-controlling interests in result from continuing operations		1.1	1.1
Result from continuing operations attributable to equity holders		256.5	138.8
Adjustment for participating shares		-3.0	-1.6
Numerator for continuing EPS (€m)	(b)	253.5	137.2
Weighted average number of ordinary shares outstanding during the period	(c)	53,365,665	53,587,252
Adjustment for stock option plans		524,044	379,732
Weighted average number of ordinary shares taken into account for diluted EPS	(d)	53,889,709	53,966,984
Result for the period attributable to equity holders			
Basic EPS (in €)	**(a)/(c)**	**4.75**	**2.56**
Diluted EPS (€)	**(a)/(d)**	**4.70**	**2.54**
Result from continuing operations attributable to equity holders			
Basic continuing EPS (in €)	(b)/(c)	4.75	2.56
Diluted continuing EPS (in €)	(b)/(d)	4.70	2.54

(1) As restated – refer to note 1 for further information on the restatement of comparative information.

Note 6: Equity-accounted investees

In 2021, four group entities (two in 2020) are accounted for using the equity method: two in the D'Ieteren Automotive segment (Volkswagen D'Ieteren Finance and Skipr), Belron Group s.a., and TVH Parts.

€m	2021				2020(1)		
	D'Ieteren Autom.	Belron	TVH Parts	Group	D'Ieteren Autom.	Belron	Group
Interests in joint ventures	113.1	-49.1	1,159.1	1,223.1	88.8	583.5	672.3
Total of equity-accounted investees and long-term interests in equity-accounted investees	**113.1**	**-49.1**	**1,159.1**	**1,223.1**	**88.8**	**583.5**	**672.3**
Share of profit in joint ventures	8.1	168.1	12.1	188.3	4.0	146.2	150.2
Total of share of result after tax of equity-accounted investees and long-term interests in equity-accounted investees	**8.1**	**168.1**	**12.1**	**188.3**	**4.0**	**146.2**	**150.2**

(1) As restated to reflect the IFRS® Interpretations Committee (IFRIC) final agenda decisions on cloud computing arrangements issued in March 2019 and March 2021. Refer to note 1 for more information on the restatement of comparative information.

Belron

In 2021 and in 2020, Belron Group s.a. ("BGSA"), the joint venture holding the Belron activities (see note 1 for more information), is accounted for as an equity-accounted investee, and is owned 50.01% in economic rights by the Group on fully diluted basis. The Group has joint control over BGSA as a result of some reserved matters being shared with Clayton, Dubilier & Rice ("CD&R").

At inception (February 2018), the capital structure of BGSA was composed of voting ordinary shares (ca. 3 % of total equity) and non-voting preference shares (ca. 97% of total equity), in the same proportion between shareholders (the Group, CD&R, and the family holding company of Belron's CEO).

Note 6: Equity-accounted investees (continued)

For the years 2020 and 2021, preference shares have been bearing a fixed annual compounding dividend rate of 10% (any distribution being first allocated to the preference shares in order to satisfy the accumulated dividend and to redeem the subscription amount of preference shares). At the end of December 2021, no preference shares remain in the capital structure of Belron.

On 17 December 2021, D'Ieteren Group announced that Hellman & Friedman and funds and accounts managed by GIC and BlackRock Private Equity Partners have completed the acquisition of a stake in BGSA, representing 16.8% of BGSA's share capital on a combined basis. The Group has reaffirmed its long-term commitment to Belron by keeping 50.01% of BGSA's fully diluted share capital.

A Management Reward Plan (MRP) involving about 250 key employees was set up in 2018. The participants of the MRP acquired non-voting equity instruments in BGSA (representing the fair value of various classes of equity instruments, being all treated as equity under IFRS). Part of the issued equity consists of "ratchet shares" which will allow management to enjoy additional returns if certain performance hurdles (IRR and Cash on Cash) are satisfied at exit. The share of the Group in the net result of BGSA in 2020 and 2021 already takes into account the dilutive impact of these MRP shares.

The detailed statement of financial position of Belron as included in its own financial statements (not adjusted for consolidated adjustments) is disclosed in note 2 "Segment information".

Belron carried out a full impairment review for each of its cash generating units (being the different countries where it operates). The review led to an impairment charge of €3.2m in relation to Finland, entirely allocated to goodwill. The charge followed the review of Belron's goodwill, intangibles and tangible assets, using business plans prepared in the year to calculate the long-term cash flow assumptions for each country. Additional write-off on non-current assets have been recognised for €15.3m and relates to €11.9m of write off on leased property no longer being used by the Group and €3.4m of correction under IAS 8 of previously capitalised SaaS ("software as a service") costs which were expensed following the adoption of the IFRIC Agenda Decision Paper (March 2021) "Configuration or Customisation Costs in a Cloud Computing Arrangement".

In 2021, based on IAS28, the Board of Directors of the Company did not identify any indication of possible impairment (a triggering event) on its investment in Belron (equity-accounted investee) and therefore did not perform an impairment test.

In the consolidated statement of comprehensive income, the lines "Equity-accounted investees – share of OCI" mainly relate to the remeasurements of defined benefit assets/liabilities (primarily due to the UK pension scheme recording an actuarial gain with return on scheme assets less than offset by an actuarial loss due to a decrease in the discount rate), to the cash flow hedges (interest rate swaps and cross currency interest rate swaps used to partially hedge the debt) and translation differences of Belron.

The table below presents the revenue, profit before tax, the net result, and the other comprehensive income for the year ended 31 December 2021 and 31 December 2020. The Group's share in net result is computed based on a weighted average percentage of 52.88% in 2021 and 53.75% in 2020.

€m - Belron	2021	2020(1)
Revenue (100%)	4,646.8	3,898.8
Profit before tax (100%)	463.4	366.4
Result for the period (100%)	317.9	272.0
Other comprehensive income (100%)	79.4	54.8
Profit (or loss) and total comprehensive income (100%)	397.3	326.8
Group's share of profit (or loss) and comprehensive income	**207.8**	**172.4**
Group's share of profit (or loss)	*168.1*	*146.2*
Group's share of comprehensive income	*39.7*	*26.2*

(1) As restated to reflect the IFRS® Interpretations Committee (IFRIC) final agenda decisions on cloud computing arrangements issued in March 2019 and March 2021. Refer to note 1 for more information on the restatement of comparative information.

Given the equity structure described above, the Group's share in the net result of Belron for period ended 31 December 2021 and 31 December 2020 was determined based on the Group's percentage of ownership in the preference shares (for the fixed annual compounding dividend rate of 10% which benefits to preference shares) and based on the Group's percentage of ownership in the ordinary shares (for the net result in surplus, after deduction of the fixed dividend of the preference shares). This calculation resulted in a Group's share in the net result of Belron computed based on a weighted average percentage of

52.88% (53.75% in 2020), corresponding to a Group's share in the profit of Belron of €168.1m (out of which €21.6m relate to preference shares and €146.5m relate to ordinary shares).

Note 6: Equity-accounted investees (continued)

Having converted in June 2021 its remaining preference shares into ordinary shares (as at 31 December 2021 there are no preference shares remaining in the equity of BGSA), the Group has reaffirmed its long-term commitment to Belron with a 50.01% shareholding (on a fully diluted basis including all management shares).

The reconciliation of the Group's share in the net assets of BGSA from 31 December 2020 to 31 December 2021 is presented below:

€m - Belron	
Group's share of net assets at 31 December 2020	**586.6**
Group's share of profit (or loss) and comprehensive income	207.8
Group's share in dividends and proceeds from capital reduction	-874.3
Other movements, Group's share	30.8
Group's share of net assets at 31 December 2021	**-49.1**

In the period, BGSA purchased own shares from previous MRP participants for an amount of €18.8m. As the repurchase transaction took place at fair value (the fair value of the own shares repurchased corresponds to the cash-out made to acquire these shares at transaction date), the transaction did not impact the carrying amount of the equity-accounted investee that the Group owns in BGSA as at 31 December 2021 (these shares will be re-purchased in the future by existing and new participants of the MRP).

However, BGSA sold own shares (previously acquired from MRP participants) to new investors in 2021, leading to a disposal gain (€29.7m, Group's share, being the difference between the fair market value on the disposal and the book value of the shares), resulting in an increase in the carrying amount of the equity-accounted investee that the Group owns in BGSA.

Following the closing of the transaction with Belron's new shareholders on 17 December 2021, Belron's Board of Directors has agreed to reward c.25,000 employees with a cash bonus and restricted share units ('RSUs') to thank them for their loyal contribution to the company's success. Under the proposed terms of the equity-settled component of the scheme, BGSA awarded restricted share units ('RSUs') to each participant in the scheme. On vesting, each RSU will entitle the holder to receive a single ordinary non-voting share in BGSA. Vesting period is currently estimated at 5 years and may be revised if subsequent information indicates that the length of the vesting period is likely to differ from this estimate.

This equity-settled component of the scheme is a share-based payment arrangement. Accordingly, it is classified, and accounted for, as an equity-settled share-based payment transaction in BGSA own financial statements, in accordance with IFRS 2.

Each year during the expected vesting period, the Group will therefore account for its share (50.01%) in the share-based payment expense of BGSA (in the line "share of result of equity-accounted investee, net of income tax" in the consolidated statement of profit or loss) and a corresponding increase in the value of the equity-accounted investee (in the consolidated statement of financial position), to reflect its share in the increase of BGSA shareholders equity. This reward will have no economic impact whatsoever on the Group and other shareholders and there will be no dilution to the 50.01% fully diluted stake held by the Group.

TVH Parts

On 9 July 2021, the Group has signed an agreement to acquire a 40% stake in TVH Global SA/NV from the family shareholders. Closing of the transaction occurred on the 1st October 2021. The acquisition price has been set at 1,147m (equity of €1,137m plus acquisition-related costs of €10m). In accordance with IAS 28 "Investments in associates and joint ventures", the €10m of acquisition costs (mainly fees and due diligence costs) are included in the line "Equity-accounted investee" of the statement of financial position. A shareholder loan of €40m has also been put in place between the Corporate & unallocated segment and TVH Parts as part of the acquisition.

Under the shareholders' agreement, the Group has joint control on TVH Parts with Wehold (the holding company of the family shareholder), some key reserved matters being shared. TVH Parts is therefore accounted for as an equity-accounted investee in the Group's consolidated financial statement, starting 1st October 2021.

The detailed statement of financial position of TVH Parts as included in its own financial statements (not adjusted for consolidated adjustments) is disclosed in note 2 "Segment information".

The table below presents the revenue, profit before tax and the net result of TVH Parts for the 3-month period ended 31 December 2021.

Note 6: Equity-accounted investees (continued)

€m - TVH Parts	2021
Revenue (100%)	350.0
Profit before tax (100%)	42.4
Result for the period (100%)	30.2
Group's share of profit (or loss) and comprehensive income (40%)	**12.1**

The reconciliation of the Group’s share in the net assets of TVH Parts starting from the 1st October 2021 (closing date) to 31 December 2021 is presented below:

€m - TVH Parts	
Group's share of net assets at closing of the transaction	**1,147.0**
Group's share of profit (or loss) and comprehensive income	12.1
Group's share of net assets at 31 December 2021	**1,159.1**

D’Ieteren Automotive

In 2021, the third largest equity-accounted investee (the second largest in 2020) is the joint venture Volkswagen D’Ieteren Finance (VDFin), owned 50% minus one share by the Group and 50% plus one share by Volkswagen Financial Services (a subsidiary of the Volkswagen group), active in a full range of financial services related to the sale of the Volkswagen group vehicles on the Belgian market.

Following the acquisition of 17% of the share capital of Skipr by ALD Automotive, the Group lost exclusive control of its subsidiary on 1st July 2021. This resulted in the recognition of a consolidated gain of 12.4m (accounted for in finance income in the D’Ieteren Automotive segment), representing the difference between Skipr’s fair value and the net book value of the assets and liabilities. Skipr is therefore accounted for as an equity-accounted investee as from 1st July 2021. The financial information of Skipr is not material to the Group and is not separately disclosed. The Group’s share in the net assets of Skipr at 31 December 2021 amounts to €14.6m and the Group’s share in the profit or loss of Skipr amounts to -€1.1m.

The following table summarises the financial information of VDFin as included in its own financial statements, adjusted for differences in accounting policies, and also reconciles this summarised financial information to the carrying amount of the Group’s interest in VDFin.

€m - VDFin (100% - except otherwise stated)	2021	2020
Non-current assets	1,683.5	1,607.3
Current assets (excluding cash and cash equivalents)	826.1	966.9
Cash and cash equivalents	77.5	54.8
Non-current liabilities (excluding financial liabilities)	-8.6	-8.5
Non-current financial liabilities	-1,070.3	-954.9
Current liabilities (excluding financial liabilities)	-137.0	-147.5
Current financial liabilities	-1,174.2	-1,340.5
Net assets	197.0	177.6
Group's share of net assets (49.99%) and carrying amount of interest in joint venture	**98.5**	**88.8**

€m - VDFin (100% - except otherwise stated)	2021	2020
Revenue	578.8	658.6
Depreciation and amortization	-125.5	-120.3
Net finance costs	30.0	26.1
Profit before tax	24.1	12.7
Tax expense	2.7	-4.7
Result for the period	18.4	8.0
Other comprehensive income	0.9	-
Profit (or loss) and total comprehensive income	19.3	8.0

Group's share of profit (or loss) and comprehensive income (49.99%)	9.7	4.0

Note 7: Income tax expense

The Group's consolidated effective tax rate for the year ended 31 December 2021 is 9.9% (29.4% excluding the share of the Group in the net result of equity-accounted investees) and 10.6% - as restated, see note 1 – for the year ended 31 December 2020.

Error! Bookmark not defined.

Note 8: Subsequent events

On 14 February 2022, D'Ieteren Group announced that it has issued a binding offer and entered into exclusive negotiations with Bain Capital Private Equity in view of acquiring 100% of PHE (Parts Holding Europe), a Western European leader in spare parts distribution and services for vehicles and trucks. The proposed transaction values PHE at an Enterprise Value of €1.7bn, resulting in an equity value of €540m, which would be financed with D'Ieteren Group's excess liquidity. It is subject to an information and consultation process with the PHE's works councils. Completion of the proposed transaction will be subject to the approval of the relevant competition authorities and is expected by the end of Q3-2022.

No other significant transactions out of the ordinary course of business occurred between the closing date and the date these financial highlights were authorised for issue.

Alternative Performance Measurement (APM) – Non-Gaap Measurement

Framework and definitions

In order to better reflect its underlying performance and assist investors, securities analysts and other interested parties in gaining a better understanding of its financial performance, the Group uses Alternative Performance Measures ("APMs"). These alternative performance metrics are used internally for analysing the Group's results as well as its business units.

These APMs are non-GAAP measures, i.e. their definition is not addressed by IFRS. They are derived from the audited IFRS accounts. The APMs may not be comparable to similarly titled measures of other companies and have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of the Group's performance or liquidity under IFRS. The Group does not present APMs as an alternative to financial measures determined in accordance with IFRS and does not give to APMs greater prominence than defined IFRS measures.

Each line of the statement of profit or loss (see below), and each subtotal of the segment statement of profit or loss (see below), is broken down in order to provide information on the *adjusted* result and on the *adjusting* items.

The *adjusting* items are identified by the Group in order to present comparable figures, giving to the investors a better view on the way the Group is measuring and managing its financial performance. They comprise the following items, but are not limited to:

(a) Recognised fair value gains and losses on financial instruments (i.e. change in fair value between the opening and the end of the period, excluding the accrued cash flows of the derivatives that occurred during the period), where hedge accounting may not be applied under IAS 39/IFRS 9 (in this case recognised fair value gains and losses being directly accounted for in the Consolidated Statement of Comprehensive Income);

(b) Exchange gains and losses arising upon the translation of foreign currency loans and borrowings at the closing rate;

(c) Impairment of goodwill and other non-current assets;

(d) Amortisation of intangible assets with finite useful lives recognised in the framework of the allocation as defined by IFRS 3 of the cost of a business combination;

(e) Other material items that derive from events or transactions that fall within the ordinary activities of the Group, and which individually or, if of a similar type, in aggregate, are separately disclosed by virtue of their size or incidence.

Adjusted result consists of the IFRS reported result, excluding *adjusting* items as listed above.

The Group uses as key performance indicator the *adjusted* consolidated result before tax, Group's share (*Adjusted* PBT, Group's share). This APM consists of the segment reported result before tax (PBT), taking into account the result before tax of the discontinued operations, and excluding *adjusting* items and the share of minority shareholders.

Presentation of APMs in the consolidated statement of profit or loss for the year ended 31 December

€m	2021			2020[1]		
		Of which			*Of which*	
	Total	*Adjusted result*	*Adjusting items*	Total	*Adjusted result*	*Adjusting items*
Revenue	**3,360.5**	*3,360.5*	-	**3,318.0**	*3,318.0*	-
Cost of sales	-2,881.3	*-2,881.3*	-	-2,877.4	*-2,877.3*	*-0.1*
Gross margin	**479.2**	*479.2*	-	**440.6**	*440.7*	*-0.1*
Commercial and administrative expenses	-376.8	*-376.7*	*-0.1*	-374.4	*-368.8*	*-5.6*
Other operating income	10.4	*10.4*	-	13.3	*13.0*	*0.3*
Other operating expenses	-27.0	*-5.2*	*-21.8*	-73.7	*-10.9*	*-62.8*
Operating result	**85.8**	*107.7*	*-21.9*	**5.8**	*74.0*	*-68.2*
Net finance costs	9.3	*-2.9*	*12.2*	-1.9	*-2.0*	*0.1*
Finance income	16.2	*3.8*	*12.4*	5.1	*5.0*	*0.1*
Finance costs	-6.9	*-6.7*	*-0.2*	-7.0	*-7.0*	-
Share of result of equity-accounted investees and long-term interests in equity-accounted investees, net of income tax	188.3	*283.5*	*-95.2*	150.2	*183.6*	*-33.4*
Result before tax	**283.4**	*388.3*	*-104.9*	**154.1**	*255.6*	*-101.5*
Income tax expense	-28.0	*-33.5*	*5.5*	-16.4	*-27.9*	*11.5*
Result from continuing operations	**255.4**	*354.8*	*-99.4*	**137.7**	*227.7*	*-90.0*
Discontinued operations	-	-	-	-	-	-
RESULT FOR THE PERIOD	**255.4**	*354.8*	*-99.4*	**137.7**	*227.7*	*-90.0*
Result attributable to:					-	-
Equity holders of the Company	**256.5**	*355.9*	*-99.4*	**138.8**	*228.8*	*-90.0*
Non-controlling interests	-1.1	*-1.1*	-	-1.1	*-1.1*	-
Earnings per share						
Basic (in €)	4.75	*6.59*	*-1.84*	2.56	*4.22*	*-1.66*
Diluted (in €)	4.70	*6.53*	*-1.83*	2.54	*4.19*	*-1.65*
Earnings per share -Continuing operations						
Basic (in €)	4.75	*6.59*	*-1.84*	2.56	*4.22*	*-1.66*
Diluted (in €)	4.70	*6.53*	*-1.83*	2.54	*4.19*	*-1.65*

(1) As restated to reflect the IFRS® Interpretations Committee (IFRIC) final agenda decisions on cloud computing arrangements issued in March 2019 and March 2021. Refer to note 1 of the 2021 Financial Highlights for more information on the restatement of comparative information.

Presentation of APMs in the segment statement of profit or loss for the year ended 31 December

The Group's reportable operating segments are D'Ieteren Automotive, Belron, Moleskine and TVH Parts (as from 1st October 2021 – see note 6 of the 2021 Financial Highlights). The other segments are disclosed in the category "Corporate & Unallocated" (D'Ieteren Group, corporate and real estate activities). These operating segments are consistent with the Group's organisational and internal reporting structure, and with the requirements of IFRS 8 "Operating Segments".

Despite their classification as equity-accounted investees, Belron and TVH Parts (as from 1st October 2021) remain separate reportable operating segments, reflecting the Group's internal reporting structure.

€m		**2021**						
		D'Ieteren Autom.	**Belron (100%)**	**Moleskine**	**TVH Parts (100%)**	**Corp. & unallocated**	**Eliminations**	**Group**
External revenue		3,238.9	4,646.8	121.6	350.0	-	-4,996.8	3,360.5
Segment revenue		**3,238.9**	**4,646.8**	**121.6**	**350.0**	**-**	**-4,996.8**	**3,360.5**
Operating result (being segment result)		**81.0**	**691.5**	**12.1**	**46.3**	**-7.3**	**-737.8**	**85.8**
Of which	*Adjusted result*	*102.7*	*815.0*	*12.3*	*46.3*	*-7.3*	*-861.3*	*107.7*
	Adjusting items	*-21.7*	*-123.5*	*-0.2*	*-*	*-*	*123.5*	*-21.9*
Net finance costs		-0.2	-228.6	-10.5	-3.9	20.0	232.5	9.3
Finance income		12.8	3.1	2.0	3.6	1.4	-6.7	16.2
Finance costs		-1.7	-231.7	-2.2	-7.5	-3.0	239.2	-6.9
Inter-segment financing interests		-11.3	-	-10.3	-	21.6	-	-
Share of result of equity-accounted investees and long-term interests in equity-accounted investees, net of income tax		8.1	0.5	-	-	-	179.7	188.3
Result before tax		**88.9**	**463.4**	**1.6**	**42.4**	**12.7**	**-325.6**	**283.4**
Of which	*Adjusted result*	*106.2*	*679.8*	*2.0*	*42.4*	*4.7*	*-446.8*	*388.3*
	Adjusting items	*-17.3*	*-216.4*	*-0.4*	*-*	*8.0*	*121.2*	*-104.9*
Income tax expense		-21.3	-145.5	-5.0	-12.2	-1.7	157.7	-28.0
Result from continuing operations		**67.6**	**317.9**	**-3.4**	**30.2**	**11.0**	**-167.9**	**255.4**
Of which	*Adjusted result*	*77.4*	*497.9*	*-3.0*	*30.2*	*5.0*	*-252.7*	*354.8*
	Adjusting items	*-9.8*	*-180.0*	*-0.4*	*-*	*6.0*	*84.8*	*-99.4*
Discontinued operations		-	-	-	-	-	-	-
RESULT FOR THE PERIOD		67.6	317.9	-3.4	30.2	11.0	-167.9	255.4

Attributable to:		**D'Ieteren Autom.**	**Belron(*)**	**Moleskine**	**TVH Parts(*)**	**Corp. & unallocated**		**Group**
Equity holders of the Company(*)		**68.9**	**168.1**	**-3.6**	**12.1**	**11.0**		**256.5**
Of which	*Adjusted result*	*78.7*	*263.3*	*-3.2*	*12.1*	*5.0*		*355.9*
	Adjusting items	*-9.8*	*-95.2*	*-0.4*	*-*	*6.0*		*-99.4*
Non-controlling interests		-1.3	-	0.2	-	-		-1.1
RESULT FOR THE PERIOD		67.6	168.1	-3.4	12.1	11.0		255.4

(*) Belron at 52.88% (weighted average percentage for the 2021 period) and TVH Parts at 40.00% – see note 6 of the 2021 Financial Highlights.

In 2021, the column "Eliminations" reconciles the segment statement of profit or loss (with the 12-month result of Belron and the 3-month result of TVH Parts presented on all lines under global integration method) to the IFRS Group consolidated statement of profit or loss (with the net result of Belron and TVH Parts presented in the line "share of result of equity-accounted investees and long-term interest in equity-accounted investees, net of income tax", representing the share of the Group in the 12-month net result of Belron and the 3-month net result of TVH Parts).

Presentation of APMs in the segment statement of profit or loss for the year ended 31 December (continued)

€m	2020[1]					
	D'Ieteren Autom.	Belron (100%)	Moleskine	Corp. & unallocated	Eliminations	Group
External revenue	3,215.7	3,898.8	102.3	-	-3,898.8	3,318.0
Segment revenue	**3,215.7**	**3,898.8**	**102.3**	**-**	**-3,898.8**	**3,318.0**
Operating result (being segment result)	**48.1**	**489.7**	**-23.5**	**-18.8**	**-489.7**	**5.8**
Of which *Adjusted result*	*95.0*	*583.9*	*-1.5*	*-19.5*	*-583.9*	*74.0*
Adjusting items	*-46.9*	*-94.2*	*-22.0*	*0.7*	*94.2*	*-68.2*
Net finance costs	-4.2	-123.6	-11.9	14.2	123.6	-1.9
Finance income	0.2	3.2	0.9	4.0	-3.2	5.1
Finance costs	-1.9	-126.8	-4.9	-0.2	126.8	-7.0
Inter-segment financing interests	-2.5	-	-7.9	10.4	-	-
Share of result of equity-accounted investees and long-term interests in equity-accounted investees, net of income tax	4.0	0.3	-	-	145.9	150.2
Result before tax	**47.9**	**366.4**	**-35.4**	**-4.6**	**-220.2**	**154.1**
Of which *Adjusted result*	*96.1*	*462.5*	*-13.5*	*-5.3*	*-284.2*	*255.6*
Adjusting items	*-48.2*	*-96.1*	*-21.9*	*0.7*	*64.0*	*-101.5*
Income tax expense	-14.8	-94.4	-0.7	-0.9	94.4	-16.4
Result from continuing operations	**33.1**	**272.0**	**-36.1**	**-5.5**	**-125.8**	**137.7**
Of which *Adjusted result*	*69.6*	*331.6*	*-14.1*	*-6.1*	*-153.3*	*227.7*
Adjusting items	*-36.5*	*-59.6*	*-22.0*	*0.6*	*27.5*	*-90.0*
Discontinued operations	-	-	-	-	-	-
RESULT FOR THE PERIOD	33.1	272.0	-36.1	-5.5	-125.8	137.7

Attributable to:	D'Ieteren Autom.	Belron(*)	Moleskine	Corp. & unallocated	Group
Equity holders of the Company(*)	**34.2**	**146.2**	**-36.1**	**-5.5**	**138.8**
Of which *Adjusted result*	*70.7*	*178.3*	*-14.1*	*-6.1*	*228.8*
Adjusting items	*-36.5*	*-32.1*	*-22.0*	*0.6*	*-90.0*
Non-controlling interests	-1.1	-	-	-	-1.1
RESULT FOR THE PERIOD	33.1	146.2	-36.1	-5.5	137.7

(1) As restated to reflect the IFRS® Interpretations Committee (IFRIC) final agenda decisions on cloud computing arrangements issued in March 2019 and March 2021. Refer to note 1 of the 2021 Financial Highlights for more information on the restatement of comparative information.
(*) Belron at 53.75% (weighted average percentage for the 2020 period) – see note 6 of the 2021 Financial Highlights.

In 2020, the column "Eliminations" reconciles the segment statement of profit or loss (with the 12-month result of Belron presented on all lines under global integration method) to the IFRS Group consolidated statement of profit or loss (with the net result of Belron presented in the line "share of result of equity-accounted investees and long-term interest in equity-accounted investees, net of income tax", representing the share of the Group in the 12-month net result of Belron).

Explanations and details of the figures presented as *adjusting* items

In 2021 and 2020, the Group identified the following items as *adjusting* items throughout the operating segments:

€m	2021								
	D'Ieteren Autom.		Belron (100%)		Moleskine		Corp. & unallocated		Total (segment)*
Adjusting items									
Included in operating result	***-21.7***		***-123.5***		***-0.2***		***-***		***-145.4***
Re-measurements of financial instruments	*-*		*1.6*	*(d)*	*-0.2*	*(j)*	*-*		*1.4*
Amortisation of customer contracts	*-*		*-26.2*	*(e)*	*-*		*-*		*-26.2*
Amortisation of brands with finite useful life	*-*		*-3.4*	*(f)*	*-*		*-*		*-3.4*
Impairment of goodwill and of non-current assets	*-*		*-3.2*	*(g)*	*-*		*-*		*-3.2*
Other adjusting items	*-21.7*	*(a)*	*-92.3*	*(h)*	*-*		*-*		*-114.0*
Included in net finance costs	***4.4***		***-92.9***		***-0.2***		***8.0***		***-80.7***
Re-measurements of financial instruments	*-*		*-*		*-0.2*	*(j)*	*-*		*-0.2*
Foreign exchange losses on net debt	*-*		*-67.7*	*(i)*	*-*		*-*		*-67.7*
Other adjusting items	*4.4*	*(b)*	*-25.2*	*(i)*	*-*		*8.0*	*(m)*	*-12.8*
Included in equity accounted result	*-*		*-*		*-*		*-*		*-*
Included in segment result before taxes (PBT)	***-17.3***		***-216.4***		***-0.4***		***8.0***		***-226.1***

* Total of the adjusting items at the level of each segment. The adjusting items presented in the Belron segment should be deducted from this total to reconcile with the Group figures reported in the segment statement of profit or loss.

€m	2020								
	D'Ieteren Autom.		Belron (100%)		Moleskine		Corp. & unallocated		Total (segment)*
Adjusting items									
Included in operating result	**-46.9**		**-94.2**		**-22.0**		**0.7**		**-162.4**
Re-measurements of financial instruments	*-*		*-0.7*	*(d)*	*0.3*		*-*		*-0.4*
Amortisation of customer contracts	*-*		*-24.5*	*(e)*	*-*		*-*		*-24.5*
Amortisation of brands with finite useful life	*-*		*-3.7*	*(f)*	*-*		*-*		*-3.7*
Impairment of goodwill and of non-current assets	*-*		*-18.6*	*(g)*	*-21.0*	*(k)*	*-*		*-39.6*
Other adjusting items	*-46.9*	*(a)*	*-46.7*	*(h)*	*-1.3*	*(l)*	*0.7*		*-94.2*
Included in net finance costs	**-**		**-1.9**		**0.1**		**-**		**-1.8**
Re-measurements of financial instruments	*-*		*-*		*0.1*		*-*		*0.1*
Other adjusting items	*-*		*-1.9*	*(i)*	*-*		*-*		*-1.9*
Included in equity accounted result	**-1.3**	*(c)*	**-**		**-**		**-**		**-1.3**
Included in segment result before taxes (PBT)	**-48.2**		**-96.1**		**-21.9**		**0.7**		**-165.5**

* Total of the adjusting items at the level of each segment. The adjusting items presented in the Belron segment should be deducted from this total to reconcile with the Group figures reported in the segment statement of profit or loss.

Explanations and details of the figures presented as *adjusting* items (continued)

D'Ieteren Automotive

(a) In the current period, other *adjusting* items in operating result (-€21.7m) mainly includes a charge of -€21.8m related to the decision of D'Ieteren Automotive to close down two of its structurally loss-making sites. In the prior period, other *adjusting* items in operating result (-€46.9m) mainly included a charge of -€3.2m in the framework of the "Market Area" project (optimization of the independent dealer network), costs of -€1.7m incurred in relation to the carve-out of the automobile distribution activities (D'Ieteren Automotive) into new fully owned subsidiaries (up to the end of December 2020 D'Ieteren Automotive's activities were included at D'Ieteren SA's level) and a provision of €41.0m (mainly severance costs) related to the finalization of the project carried out in 2020 by D'Ieteren Automotive for the acceleration of the transformation of its activities in response to a rapidly changing market.

(b) In the current period, *adjusting* items included in net finance costs include a charge of -€8.0m related to the early repayment fee paid by D'Ieteren Automotive to the Corporate & unallocated segment following the anticipated reimbursement of the inter-segment loan, and a consolidated gain of €12.4m recognised on the loss of exclusive control of Skipr following the acquisition of 17% of the share capital of Skipr by ALD Automotive (representing the difference between Skipr's fair value and the net book value of the assets and liabilities).

(c) In the prior period, *adjusting* items included in equity-accounted result related to the share of the Group's in the provision related to the project for accelerating the transformation of D'Ieteren Automotive's activities (see (a) above).

Belron

(d) Fair value of fuel hedge instruments amounts to €1.6m (-€0.7m in the prior period) and arises from changes in the "clean" fair value of derivatives. Change in "clean" fair value of derivatives corresponds to the change of "dirty" fair value (i.e. the change of value between the opening and the end of the period) excluding the accrued cash flows of the derivatives that occurred during the period.

(e) In the framework of the recent acquisitions (mainly TruRoad in the United States), certain customer contracts were recognised as intangible assets with a finite useful life. The amortisation amounts to -€26.2m (-€24.5m in the prior period).

(f) The amortisation of brands with finite useful lives (certain brands are no longer considered to be intangibles with indefinite useful lives since there is now a limit to the period over which these assets are expected to generate cash inflows) amounts to -€3.4m (-€3.7m in the prior period).

(g) In the current period, following the full impairment review of all cash generating units in accordance with the requirements of IAS 36, an impairment charge of €-3.2m has been recognised in Finland, fully allocated to the goodwill.

In the prior period, a total impairment charge of -€18.6m was recognized and related to the write-down of assets classified as held for sale at the year end to reflect the disposal fair value, and other software write offs.

(h) In the current period, other *adjusting* items in operating result of -€92.3m mainly include -€24.2m in relation to restructuring costs in the Netherlands, in Germany and in the United States (contact center closures), -€48.7m of employees costs as following the closing of the transaction with Belron's new shareholders on 17 December 2021, Belron's Board of Directors has agreed to reward c.25,000 employees with a cash bonus and restricted share units ('RSUs') to thank them for their loyal contribution to the company's success, -€10.5m of donation to Belron Ronnie Lubner Charitable Foundation, -€6.6m in relation to the disposal of "other services" businesses in Belgium, Italy and in the UK (these three businesses were presented as held for sale at the December 2020 year-end), and -€2.6m of fees associated with the closing of the transaction with Belron's new shareholders on 17 December 2021.

In the prior period, other *adjusting* items of -€46.7m included -€16.0m in relation to restructurings and integrations (United States, Canada and Italy), and -€30.6m in relation to the disposal of several "other services" businesses in France, Belgium, Italy, United Kingdom and Canada. These disposal-related costs comprised provisions for restructuring, costs to sell and obligations in signed sale agreements. There were also assets impairments in relation to these disposals.

(i) In the period, foreign exchange losses on net debt and other *adjusting* items in net finance costs are related to the refinancing operated in April 2021 and include -€67.7m of non-cash foreign exchange losses (arising upon the translation of the new USD Term Loan at the closing rate), -€10.9m relating to the de-designation of interest rate swaps, -€5.8m of previously deferred financing costs written off for refinanced debt, -€8.5m of expenses incurred for the transaction.

In the prior period, other *adjusting* items in net finance costs were mainly costs incurred to increase the amount of the committed syndicated revolving credit facility.

Moleskine

(j) In the period, a total amount of -€0.4m (-€0.2m in operating result and -€0.2m in net finance costs) has been recognised to reflect the change in the fair value of a forward contract used to hedge transactional and financial exposure against the fluctuation of the USD.

(k) In the prior period, an impairment charge of -€21.0m was recognized on the Moleskine cash-generating unit (fully allocated to goodwill) following the impairment calculation performed at half-year 2020. At year-end 2021, the formal impairment review was performed in accordance with the requirements of IAS 36 and no impairment charge was booked as a result of this review (see note 4 of the 2021 Financial Highlights).

(l) In the prior period, other *adjusting* items of -€1.3m mainly include sunk costs and severance costs.

Corporate & Unallocated

(m) In the period, the €8.0m *adjusting* item in net finance costs relates to the early repayment fee paid by D'Ieteren Automotive to the Corporate & unallocated segment following the full anticipated reimbursement of the inter-segment loan.

Adjusted result before tax, Group's share (*adjusted* PBT, Group's share)

€m	2021						2020(1)				
	D'Ieteren Autom.	Belron (52.88%)	Moleskine	TVH Parts (40.00%)	Corp. & unallocated	Total (segment)	D'Ieteren Autom.	Belron (53.75%)	Moleskine	Corp. & unallocated	Total (segment)
Segment reported PBT	**88.9**	**463.4**	**1.6**	**42.4**	**12.7**	**609.0**	**47.9**	**366.4**	**-35.4**	**-4.6**	**374.3**
Less: Adjusting items in PBT	17.3	216.4	0.4	-	-8.0	226.1	48.2	96.1	21.9	-0.7	165.5
Segment adjusted PBT	**106.2**	**679.8**	**2.0**	**42.4**	**4.7**	**835.1**	**96.1**	**462.5**	**-13.5**	**-5.3**	**539.8**
Share of the group in tax on adjusted results of equity-accounted investees	2.9	-	-	-	-	2.9	2.8	-	-	-	2.8
Share of non-controlling interests in adjusted PBT	1.3	-320.3	-0.2	-25.4	-	-344.6	-	-213.9	-	-	-213.9
Segment adjusted PBT, Group's share	**110.4**	**359.5**	**1.8**	**17.0**	**4.7**	**493.4**	**98.9**	**248.6**	**-13.5**	**-5.3**	**328.7**

(1) As restated to reflect the IFRS® Interpretations Committee (IFRIC) final agenda decisions on cloud computing arrangements issued in March 2019 and March 2021. Refer to note 1 of the 2021 Financial Highlights for more information on the restatement of comparative information.

In the period, the weighted average percentage used for computing the segment *adjusted* PBT, Group's share of Belron amounts to 52.88% (53.75% in the prior period).

Key Performance Indicator (based on *adjusted* PBT, Group's share)

€m	2021						2020(1)				
	D'Ieteren Autom.	Belron (52.88%)	Moleskine	TVH Parts (40.00%)	Corp. & unallocated	Total (segment)	D'Ieteren Autom.	Belron (52.88%)	Moleskine	Corp. & unallocated	Total (segment)
Segment adjusted PBT, Group's share	**110.4**	**359.5**	**1.8**	**17.0**	**4.7**	**493.4**	**98.9**	**248.6**	**-13.5**	**-5.3**	**328.7**
Adjustment of the share of the Group (comparable basis with 2021)	-	-	-	-	-	-	-	-4.0	-	-	-4.0
Adjusted PBT, Group's share (key performance indicator)	**110.4**	**359.5**	**1.8**	**17.0**	**4.7**	**493.4**	**98.9**	**244.6**	**-13.5**	**-5.3**	**324.7**

(1) As restated to reflect the IFRS® Interpretations Committee (IFRIC) final agenda decisions on cloud computing arrangements issued in March 2019 and March 2021. Refer to note 1 of the 2021 Financial Highlights for more information on the restatement of comparative information.
The column Belron has also been restated based on the weighted average percentage used for computing the segment adjusted PBT in 2021 (52.88% in 2021 vs 53.75% in 2020) to make both periods comparable.

Net debt

In order to better reflect its indebtedness, the Group uses the concept of net debt. This non-GAAP measure, i.e. its definition is not addressed by IFRS, is an Alternative Performance Measure ("APM") and is not presented as an alternative to financial measures determined in accordance with IFRS.

Net debt is based on loans and borrowings less cash, cash equivalents and non-current and current asset investments. It excludes the fair value of derivative debt instruments. The hedged loans and borrowings (i.e. those that are accounted for in accordance with the hedge accounting rules of IAS 39) are translated at the contractual foreign exchange rates of the related cross currency swaps. The other loans and borrowings are translated at closing foreign exchange rates.

€m	31 December 2021					31 December 2020			
	D'Ieteren Autom.	Belron (100%)	Moleskine	TVH Parts (100%)	Corp. & unallocated	D'Ieteren Autom.	Belron (100%)	Moleskine	Corp. & unallocated
Non-current loans and borrowings	111.9	3,841.5	41.8	668.9	4.7	17.9	2,812.3	62.9	4.7
Current loans and borrowings	32.8	193.5	19.7	191.8	0.6	3.2	179.3	14.2	0.5
Inter-segment financing	-	-	264.1	40.6	-304.7	202.6	-	253.9	-456.5
Adjustment for hedged borrowings	-	3.2	-	-	-	-	26.9	-	-
Gross debt	**144.7**	**4,038.2**	**325.6**	**901.3**	**-299.4**	**223.7**	**3,018.5**	**331.0**	**-451.3**
Less: Cash and cash equivalents	-86.0	-244.9	-38.6	-139.7	-230.0	-56.0	-617.8	-30.2	-265.1
Less: Current financial assets	-	-	-	-1.9	-544.1	-	-	-	-737.2
Less: Other non-current receivables	-3.0	-	-	-	-2.0	-	-	-	-1.5
Less: Other current receivables	-	-	-	-	-12.0	-	-	-	-
Net debt from continuing activities excluding assets and liabilities classified as held for sale	**55.7**	**3,793.3**	**287.0**	**759.7**	**-1,087.5**	**167.7**	**2,400.7**	**300.8**	**-1,455.1**
Net debt in assets and liabilities classified as held for sale	-	1.6	-	-	-	-	12.3	-	-
Total net debt	**55.7**	**3,794.9**	**287.0**	**759.7**	**-1,087.5**	**167.7**	**2,413.0**	**300.8**	**-1,455.1**

In both periods, the inter-segment loans comprise amounts lent by the Corporate department to the Moleskine segment (non-recourse loan, increased by €10.2m during the period, representing capitalized interests). In the prior period, the inter-segment loan also related to amounts lent by the Corporate & unallocated segment to the D'Ieteren Automotive segment. The principal amount of €200m has been reimbursed in full in December 21 (see below), together with accrued interests of €5.8m and an early repayment fee of €8.0m. In 2021, the inter-segment loan in the TVH Parts segment relates to the shareholder loan from the Corporate & unallocated segment put in place on 1st October 2021 in the framework of the acquisition of a 40% stake in TVH Parts, of which €0.6m represents capitalised interests.

D'Ieteren Automotive's net debt reached €55.7m at the end of December 2021 (€167.7m at the end of December 2020). The decrease of €112.0m mainly stems from the strong free cash flow generation during the period (mainly thanks to the strong EBITDA and positive inflow from change in net working capital).

On 15 December 2021, D'Ieteren Automotive announced a new 5-year €325m bank financing (maturity date December 2026), consisting of €100m of amortising term loan and €225m revolving credit facility ('RCF' for general corporate purposes, undrawn as at 31 December 2021). The proceeds of the €100m amortising term loan, together with available cash on D'Ieteren Automotive's balance sheet, was used to refinance the €200m inter-segment loan from the Corporate & unallocated segment.

Belron's net financial debt reached €3,794.9m at the end of December 2021. This compares with €2,413.0m at the end of December 2020. The increase of €1,381.9m is primarily the result of the distribution to shareholders of €1,723.4m (€1,531.3m of dividends and €192.1m of share capital redemption) and of the foreign exchange impact of €145m, partially offset by the strong cash-flow generation during the year.

In April 2021 Belron issued new term loans for $1,620m and €840m maturing in 2028. The proceeds of the new loans were used, along with available cash reserves, to finance the distribution to shareholders and refinance existing loans of $991.7m and €525m. The refinancing resulted in debt originally due for repayment in 2024 being postponed to 2028.

Net debt (continued)

Moleskine's net debt reached €287.0m (of which €264.1m of inter-segment financing) at the end of December 2021 (€300.8m at the end of December 2020, of which €253.9m of inter-segment financing). The decrease of €13.8m is mainly the result of positive free cash-flow generation thanks to a strong EBITDA.

The net cash position (including inter-segment financing loans) of the Corporate & unallocated segment decreased from €1,455.1m to €1,087.5m at 31 December 2021 mainly as a result of the acquisition on 1st October 2021 of a 40% stake in TVH Parts (acquisition price of €1,147m, including transaction costs) and the dividend (€72.9m) paid out to the shareholders of D'Ieteren Group in June 2021, partially offset by the dividends (€616.7m in H1 2021; €150.0m in H2 2021) and the proceed from capital reduction (€107.6m in H1 2021) received from the Belron segment. The €12.0m in the line "Other current receivables" represents receivables in the framework of the acquisition of TVH Parts.