



**CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS**
as of June 30, 2020

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS OF JUNE 30, 2020

1. Condensed consolidated income statement

<i>In thousands of euro</i>	Notes	6 months	
		2020	2019(*)
NET SALES	2	2 410 378	2 427 692
Purchases adjusted for changes in inventory		-1 513 273	-1 565 129
Personnel costs		-489 512	-456 583
Depreciation and amortization		-90 737	-81 040
Other current operating expense		-224 416	-229 846
CURRENT OPERATING PROFIT		92 440	95 094
Other operating income and (expense)	3	-31 976	-37 603
TOTAL OPERATING PROFIT		60 464	57 491
Financial expense	4	-17 987	-17 156
Financial income	4	8 820	5 495
Gain or loss on net monetary position	5	335	656
Group share of results of associates	6	83	-766
PROFIT BEFORE TAX		51 715	45 720
Income tax expense	7	-24 142	-19 199
Net income from continuing operations		27 573	26 521
NET INCOME		27 573	26 521
Net income attributable to equity holders of the parent company		26 486	27 110
Non-controlling interests	18	1 087	-589
EARNINGS PER SHARE (€)	8		
Attributable to equity holders of the parent company:			
• basic		1,93	1,96
• diluted		1,91	1,94
For continuing operations:			
• basic		1,93	1,96
• diluted		1,91	1,94

(*) Published data.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>In thousands of euro</i>	Notes	6 months	
		2020	2019
NET INCOME		27 573	26 521
Other comprehensive income:			
Foreign exchange differences ⁽¹⁾		-46 761	15 620
Change in fair value of financial assets		133	-
Change in fair value of cash flow hedges, net of taxes ⁽²⁾		4 482	-2 949
Currency basis spread (hedging) ⁽³⁾	16	655	739
Hyperinflation ⁽⁴⁾		3 475	6 316
Share of associates and joint ventures in recyclable components		-4	167
Total recyclable components of other comprehensive income		-38 020	19 893
Actuarial gains and losses relating to employment benefit plans		-688	-9 392
Share of associates and joint ventures in non-recyclable components		-5	-162
Total non-recyclable components of other comprehensive income		-693	-9 554
Total other comprehensive income net of tax	16	-38 713	10 339
TOTAL COMPREHENSIVE INCOME NET OF TAXE		-11 140	36 860
Group share		-11 889	37 594
Non-controlling interests	18	749	-734

(1) Mainly relating to the following foreign currencies: RUB, BRL and ARS.

(2) Mainly relating to hedging of interest rates and raw materials.

(3) Exclusion of the currency basis spread for hedging instruments under IFRS 9 (see note 16).

(4) Hyperinflation adjustment for Argentina.

2. Consolidated statement of financial position

ASSETS

<i>In thousands of euro</i>	Notes	As of June 30, 2020	As of December 31, 2019
Intangible assets	9	590 590	560 100
Property, plant and equipment	9	1 167 077	1 084 050
Right-of-use assets	10	62 833	63 598
Other financial assets	11	27 389	30 136
Investments in associates	6	24 837	134 761
Non-current derivative financial instruments		33 904	22 479
Deferred tax assets		53 017	49 916
TOTAL NON-CURRENT ASSETS		1 959 647	1 945 040
Inventories and work in progress	12	695 708	565 746
Trade and other receivables	13	861 224	886 052
Tax receivables		46 547	44 521
Current derivative financial instruments	21	7 243	4 819
Other current financial assets	14	40 259	11 449
Cash and cash equivalents	15	611 024	465 896
Assets for operations discontinued or in process of sale		1 309	1 550
TOTAL CURRENT ASSETS		2 263 314	1 980 033
TOTAL ASSETS		4 222 961	3 925 073

EQUITY AND LIABILITIES

<i>In thousands of euro</i>	Notes	As of June 30, 2020	As of December 31, 2019
Paid-in capital		77 112	80 563
Reserves	17	-135 298	-93 449
Retained earnings		1 407 226	1 376 305
GROUP SHARE OF EQUITY		1 349 040	1 363 419
Non-controlling interests	18	206 341	100 918
TOTAL EQUITY		1 555 381	1 464 337
Provisions	19	151 783	138 587
Non-current financial borrowings	20	321 418	323 292
Non-current lease liabilities	10	41 357	42 985
Other non-current liabilities		10 577	15 865
Non-current derivative financial instruments	21	26 015	20 230
Deferred tax liabilities		73 518	55 846
TOTAL NON-CURRENT LIABILITIES		624 668	596 805
Trade and other payables		1 133 977	1 053 649
Tax payable		17 590	11 096
Current derivative financial instruments		3 094	3 997
Bank borrowings	20	866 290	773 960
Current lease liabilities	10	21 961	21 229
TOTAL CURRENT LIABILITIES		2 042 912	1 863 931
TOTAL LIABILITIES		2 667 580	2 460 736
TOTAL EQUITY AND LIABILITIES		4 222 961	3 925 073

3. Consolidated statement of cash flows

In thousands of euro	Notes	6 months	
		2020	2019
Net income from continuing operations		27 573	26 521
Income tax expense	7	24 142	19 199
Depreciation and amortization		90 737	81 040
Gains and losses on disposal of assets		-247	-842
Group share of results of associates	6	-83	766
Net financial expense		4 794	7 809
Other non-cash income and expense ⁽¹⁾		26 112	29 527
Gross operating margin		173 028	164 020
Interest paid ⁽²⁾		-11 886	-12 497
Interest received		7 101	4 248
Income tax paid		-17 581	-29 346
Change in working capital ⁽⁴⁾		5 792	-109 900
NET CASH FLOW FROM OPERATING ACTIVITIES		156 454	16 525
Acquisition of subsidiaries, operating units and non-controlling interests ⁽³⁾		6 106	-3
Purchase of tangible and intangible non-current assets	2	-63 474	-72 456
Proceeds from disposal of assets		1 772	2 632
Acquisition/disposal of financial assets and changes in other current financial assets		-29 375	-12 736
Dividends received (including dividends received from associates)	6	-	11
NET CASH USED IN INVESTING ACTIVITIES		-84 971	-82 552
Net cash flow from financing activities			
Purchase and sale of treasury shares Savencia SA		-3 452	-8 962
Share capital increase subscribed by non-controlling interests		-50	-
Proceeds of borrowings	20	174 313	175 926
Repayment of borrowings	20	-12 682	-11 790
Repayment of lease liabilities	10	-12 713	-11 794
Dividends paid		-1 277	-15 431
NET CASH FLOW FOR FINANCING ACTIVITIES		144 139	127 949
Impact of foreign exchange differences		-512	1 450
Net change in cash and cash equivalents		215 110	63 372
OPENING CASH AND CASH EQUIVALENTS	15	329 997	318 762
CLOSING CASH AND CASH EQUIVALENTS	15	545 107	382 134

(1) Including the impact of provisions and impairment (+€20.3 million in 2020 compared with +€19.2 million in 2019) and of Argentinian hyperinflation (+€1.6 million in 2020 compared with +€2.7 million in 2019).

(2) Including €1.1 million for interest on leasehold obligations in 2020 compared with 1.5 million in 2019.

(3) The opening cash and cash equivalents for CF&R.

(4) Including the impact of deferred social and tax payables (+€53 million).