



**CONSOLIDATED FINANCIAL
STATEMENTS
AS OF DECEMBER 31, 2021**

I. CONSOLIDATED FINANCIAL STATEMENTS

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1. CONSOLIDATED INCOME STATEMENT

<i>In thousands of euros</i>	12 months	
	2021	2020
NET SALES	5 610 418	5 160 377
Purchases adjusted for changes in inventories	-3 534 494	-3 245 995
Personnel costs	-1 075 664	-1 013 213
Depreciation and amortization	- 195 414	- 184 150
Other current operating income and expenses	- 558 704	- 505 592
CURRENT OPERATING PROFIT	246 142	211 427
Other operating income and expenses	- 73 104	- 55 017
OPERATING PROFIT	173 038	156 410
Financial expenses	- 27 513	- 33 629
Financial income	6 607	15 593
Gain or loss on net monetary position	2 745	3 634
Group share of associates' net income	1 712	127
PROFIT BEFORE TAX	156 589	142 135
Income tax expense	- 63 565	- 55 859
Net income from continuing operations	93 024	86 276
NET INCOME	93 024	86 276
Net income attributable to parent company shareholders	82 939	78 812
Non-controlling interests	10 085	7 464
EARNINGS PER SHARE (in euros)		
Group share		
• basic	6,05	5,72
• diluted	6,03	5,68
For continuing operations:		
• basic	6,05	5,72
• diluted	6,03	5,68

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>In thousands of euros</i>	12 months	
	2021	2020
NET INCOME	93 024	86 276
Other comprehensive income:		
Foreign exchange differences ⁽¹⁾	47 742	- 105 985
Change in fair value of financial assets	-	133
Change in fair value of cash-flow hedges ⁽²⁾	2 461	4 109
Currency basis spread ⁽³⁾	215	352
Hyperinflation ⁽⁴⁾	14 362	7 832
Other changes	1 931	- 23
Share of associates and joint-ventures in recyclable components	148	- 100
Total recyclable components in net income	66 859	- 93 682
Actuarial gains and losses relating to employment benefit plans	13 612	- 5 177
Share of associates and joint-ventures in non-recyclable components	-	- 5
Total non-recyclable components in net income	13 612	- 5 182
Total other comprehensive income net of tax	80 471	- 98 864
TOTAL COMPREHENSIVE INCOME NET OF TAX	173 495	- 12 588
Group share	161 322	- 19 432
Non-controlling interests	12 173	6 844

(1) Mainly relating to the following foreign currencies: RUB, BRL, CNY, USD.

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

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

(4) Hyperinflation adjustment for Argentina.

2. CONSOLIDATED BALANCE SHEET

ASSETS

<i>In thousands of euros</i>	December 31, 2021	December 31, 2020 restated (*)
Intangible assets	543 868	575 176
Property, plant and equipment	1 277 077	1 189 995
Rights of use assets for lease contracts	65 809	65 908
Other non- current financial assets	26 472	25 698
Investments in associates	27 694	25 342
Non-current derivative financial instruments	19 199	23 154
Deferred tax assets ^(*)	42 450	40 813
TOTAL NON-CURRENT ASSETS	2 002 569	1 946 086
Inventories and work in progress	676 403	612 656
Trade and other receivables	1 034 375	965 199
Tax receivable	32 087	47 674
Current derivative financial instruments	6 242	6 404
Other current financial assets	12 380	17 096
Cash and cash equivalents	560 240	583 543
TOTAL CURRENT ASSETS	2 321 727	2 232 572
ASSETS	4 324 296	4 178 658

EQUITY AND LIABILITIES

<i>In thousands of euros</i>	December 31, 2021	December 31, 2020 restated (*)
Paid-in capital	75 306	77 051
Reserves	- 136 103	- 199 505
Retained earnings ^(*)	1 544 339	1 469 955
GROUP SHARE OF EQUITY	1 483 542	1 347 501
Non-controlling interests ^(*)	219 493	213 567
TOTAL EQUITY	1 703 035	1 561 068
Provisions for retirement ^(*)	98 922	111 819
Other provisions	23 003	31 771
Non-current financial borrowings	298 633	301 776
Non-current lease liabilities	43 467	44 345
Other non-current liabilities	31 167	29 108
Non-current derivative financial instruments	14 681	25 667
Deferred tax liabilities	65 251	64 734
TOTAL NON-CURRENT LIABILITIES	575 124	609 220
Trade and other payables	1 272 443	1 196 619
Tax payable	21 955	22 543
Current derivative financial instruments	5 906	3 343
Bank borrowings	722 454	763 638
Current lease liabilities	23 379	22 227
TOTAL CURRENT LIABILITIES	2 046 137	2 008 370
LIABILITIES	2 621 261	2 617 590
EQUITY AND LIABILITIES	4 324 296	4 178 658

(*) Application of IFRIC's April 2021 clarification on employee benefits

3. CONSOLIDATED CASH FLOWS STATEMENT

<i>In thousands of euros</i>	12 months	
	2021	2020
Net income from continuing operations	93 024	86 276
Income tax expense	63 565	55 859
Amortization and provisions	195 414	184 150
Gains and losses on disposal of assets	3 718	4 866
Group share of results of associates	-1 712	- 127
Net financial expense	7 751	11 585
Other expenses and income not affecting cash flow ⁽¹⁾	44 033	35 073
Gross operating margin	405 793	377 682
Interest paid ⁽²⁾	-14 521	-21 358
Interest received	6 289	10 220
Income tax paid	-53 043	-42 026
Change in working capital	-42 929	60 691
NET CASH FLOW FROM OPERATING ACTIVITIES	301 589	385 209
Acquisition of subsidiaries, operating units and non-controlling interests ⁽³⁾	-5 159	5 850
Disposal of activities net of transferred cash	-	124
Purchase of tangible and intangible non-current assets	-229 423	-199 303
Proceeds from disposal of assets	2 949	4 534
Acquisition/disposal of financial assets and changes in other current financial assets	1 809	-12 120
Dividends received (including dividends received from associates)	199	216
NET CASH USED IN INVESTING ACTIVITIES	-229 625	-200 699
Purchase and sale of treasury shares SAVENCIA SA	-1 757	-3 512
Capital increase received from minority shareholders	- 761	- 828
Loans issued	10 787	79 935
Loan repayments	-74 537	-23 147
Repayment of lease obligations	-27 567	-26 229
Dividends paid	-26 995	-1 290
NET CASH FLOW FROM FINANCING ACTIVITIES	-120 830	24 929
Impact of foreign exchange differences	13 574	-14 831
Net change in cash and cash equivalents	-35 292	194 608
OPENING CASH BALANCE	524 605	329 997
CLOSING CASH BALANCE	489 313	524 605

(1) Including the impact of non-current provisions for risks and charges and assets depreciation (+ €32.32 million in 2021, including €14.6 million on UGT Sodilac and €24.5 million on UGT Russia (see note 8.1) compared to +€34.1 million in 2020, including €23.7 million on UGT Russia) and hyperinflation adjustments for Argentina (+€3.7 million in 2021 compared to +€0.3 million in 2020).

(2) Including interest paid on lease liabilities (see note 8.3).

(3) In 2021, this is the amount paid in respect of exercise of the option to purchase 4% of the capital of B.M.K. In 2020, this was CFR's opening cash.