# GrandVision Half Year 2017 Financial Report

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# Interim Report

**Highlights**

- Revenue grew by 4.4% at constant exchange rates with all segments contributing to this growth
- Comparable growth of 2.4% driven by all categories: spectacles, contact lenses and sunglasses
- Continued network expansion with more than 400 stores added over the last 12 months
- Adj. EBITDA (i.e. EBITDA before non-recurring items) increased by 3.4% at constant exchange rates
- Adj. EBITDA margin decline of 27 bps to 16.0%, as EBITDA margin expansion in the G4 and Other Europe segments was offset by the increasing exposure to faster growing markets as well as additional costs to build the platform in the United States
- Ongoing digital transformation with continued investments in global ERP and omnichannel systems

**Key figures**

| in millions of EUR (unless stated otherwise) | HY17 | HY16 | Change versus prior year | Change at constant FX | Organic growth | Growth from acquisitions |
|---|---|---|---|---|---|---|
| Revenue | 1,721 | 1,670 | 3.1% | 4.4% | 3.7% | 0.7% |
| Comparable growth (%) | 2.4% | 2.3% | | | | |
| Adjusted EBITDA | 276 | 272 | 1.3% | 3.4% | 3.1% | 0.3% |
| Adjusted EBITDA margin (%) | 16.0% | 16.3% | -27bps | | | |
| Net result | 124 | 127 | -2.3% | | | |
| Net result attributable to equity holders | 114 | 117 | -3.0% | | | |
| Adjusted earnings per share, basic (in €) | 0.47 | 0.48 | -2.0% | | | |
| Earnings per share, basic (in €) | 0.45 | 0.46 | -3.2% | | | |
| Number of stores (#) | 6,631 | 6,211 | | | | |
| System wide sales | 1,894 | 1,840 | 3.0% | | | |

**Consolidated Income Statement**

| in millions of EUR | HY17 | HY16 |
|---|---|---|
| Revenue | 1,721 | 1,670 |
| Cost of sales and direct related expenses | - 459 | - 457 |
| Gross profit | 1,262 | 1,213 |
| Selling and marketing costs | - 874 | - 839 |
| General and administrative costs | - 201 | - 187 |
| Share of result of associates | 2 | 2 |
| Operating result | 189 | 189 |
| Financial income | 2 | 3 |
| Financial costs | - 9 | - 9 |
| Net financial result | - 7 | - 6 |
| Result before tax | 182 | 182 |
| Income tax | - 58 | - 56 |
| **Result for the period** | **124** | **127** |
| | | |
| **Attributable to:** | | |
| Equity holders | 114 | 117 |
| Non-controlling interests | 10 | 10 |
| | 124 | 127 |

**Revenue**

Revenue increased by 4.4% at constant exchange rates to €1,721 million in HY17 (€1,670 million in HY16) or 3.1% at reported rates. Organic revenue growth of 3.7% was primarily driven by comparable growth of 2.4% (2.3% in HY16), which was in-line with the previous year. Revenue growth came from all regions, with an increasing weight of the Other Europe and Americas & Asia segments, in line with the GrandVision strategy. All product categories contributed positively to revenue and comparable growth with the highest performance in contact lenses and sunglasses, also following our strategic intent.

**Adjusted EBITDA**

Adjusted EBITDA (i.e. EBITDA before non-recurring items) increased by 3.4% at constant exchange rates to €276 million in HY17 (€272 million in HY16) or 1.3% at reported rates.

The adjusted EBITDA margin decreased by 27 bps to 16.0% in HY17 (16.3% in HY16) as margin improvements in the G4 and Other Europe segments were offset by the increasing relevance of faster growing emerging markets in our revenue and profit mix, as well as additional costs to build our presence and platform in the United States, which were mainly incurred in 2Q17. On a constant geographic basis, i.e. excluding the margin dilutive effect of the faster growing Americas & Asia segment, the EBITDA margin would have improved by 8 bps to 16.4%.

Non-recurring items of -€6 million in HY17 (-€6 million in HY16) are mainly related to restructuring, employee related provisions and costs related to prior years. A reconciliation from adjusted EBITDA to earnings before taxes is presented in table below.

| in millions of EUR | HY17 | HY16 |
|---|---|---|
| **Adjusted EBITDA** | **276** | **272** |
| Non-recurring items | - 6 | - 6 |
| **EBITDA** | **270** | **267** |
| Depreciation and amortization of software | - 65 | - 63 |
| **EBITA** | **204** | **204** |
| Amortization and impairments | - 15 | - 15 |
| **Operating result** | **189** | **189** |

**Financial result**

The financial result of -€7 million in HY17 remained in-line with the previous year (-€6 million in HY16).

**Income tax**

Income tax increased by €2 million to €58 million in HY17 (€56 million in HY16). The effective tax rate in HY17 was 32.1% (30.5% in HY16). The change in the effective tax rate mainly relates to further unrecognized tax losses.

**Net result for the period**

Net result for the period decreased by 2.3% to €124 million in HY17 (€127 million in HY16) and the net result attributable to equity holders by 3.0% to €114 million (€117 million in HY16).

**(Adjusted) Earnings per share**

Adjusted earnings per share, which excludes non-recurring items, was €0.47 per outstanding share in HY17 (€0.48 in HY16). Earnings per share was €0.45 per outstanding share in HY17 (€0.46 in HY16).

The weighted average number of shares outstanding was 252,983,208 in HY17. On a fully diluted basis, EPS was €0.45 in HY17 (€0.46 in HY16).

| in millions of EUR (unless stated otherwise) | HY17 | HY16 | Change versus prior year | Change at constant FX | Organic growth | Growth from acquisitions |
|---|---|---|---|---|---|---|
| Revenue | 1,004 | 1,013 | -0.9% | 1.3% | 0.8% | 0.4% |
| Comparable growth (%) | -0.2% | 1.8% | | | | |
| Adjusted EBITDA | 222 | 220 | 1.2% | 2.7% | 2.2% | 0.5% |
| Adjusted EBITDA margin (%) | 22.1% | 21.7% | 46bps | | | |
| Number of stores | 3,081 | 2,997 | | | | |

Germany continued its positive trend by achieving the segment's highest revenue and comparable growth performance during the half year, while 2Q17 was impacted by the expected Easter effect.

In France, we maintained our revenue level during the first half year, while the market declined by 2.3% (January-May 2017, source: GfK) following recently implemented regulatory changes leading to reduced subsidies. GrandVision gained market share through its strategic positioning of providing high quality eye care at affordable prices. In addition, the accelerating pressure on the market has allowed us to further consolidate through acquisitions and store openings.

As a consequence, revenue in the G4 segment increased by 1.3% at constant exchange rates to €1,004 million in HY17, excluding the devaluation of the British Pound. Organic revenue growth and comparable growth were 0.8% and -0.2%, respectively.

In HY17, further operational and supply chain efficiency gains led to an adjusted EBITDA growth in the G4 segment of 2.7% at constant exchange rates. The adjusted EBITDA margin increased by 46bps to 22.1% (21.7% in HY16).

### Other Europe

| in millions of EUR (unless stated otherwise) | HY17 | HY16 | Change versus prior year | Change at constant FX | Organic growth | Growth from acquisitions |
|---|---|---|---|---|---|---|
| Revenue | 472 | 442 | 6.8% | 6.6% | 6.2% | 0.4% |
| Comparable growth (%) | 5.3% | 0.8% | | | | |
| Adjusted EBITDA | 68 | 61 | 10.9% | 10.6% | 10.1% | 0.6% |
| Adjusted EBITDA margin (%) | 14.4% | 13.9% | 54bps | | | |
| Number of stores | 1,854 | 1,787 | | | | |

In HY17, revenue growth was achieved in Northern, Eastern and Southern Europe. The segment's biggest market, Italy, continued to achieve positive comparable growth while the rebranding process was being completed.

Revenue in the Other Europe segment increased by 6.6% at constant exchange rates to €472 million in HY17 (€442 million in HY16). Organic revenue growth was 6.2%.

As a result of operating leverage from higher sales, adjusted EBITDA in the Other Europe segment increased by 10.6% at constant exchange rates to €68 million in HY17 (€61 million in HY16). The adjusted EBITDA margin increased by 54 bps to 14.4% in HY17 (13.9% in HY16).

### Americas & Asia

| in millions of EUR (unless stated otherwise) | HY17 | HY16 | Change versus prior year | Change at constant FX | Organic growth | Growth from acquisitions |
|---|---|---|---|---|---|---|
| Revenue | 245 | 215 | 14.0% | 14.9% | 12.4% | 2.6% |
| Comparable growth (%) | 7.4% | 9.2% | | | | |
| Adjusted EBITDA | 5 | 9 | -46.0% | -18.2% | -10.8% | -7.3% |
| Adjusted EBITDA margin (%) | 2.0% | 4.2% | -218bps | | | |
| Number of stores | 1,696 | 1,427 | | | | |

The America & Asia segment achieved the highest revenue increase of 14.9% at constant exchange rates to €245 million (€215 million in HY16). Comparable growth and organic growth reached 7.4% and 12.4%, respectively. The growth from acquisitions of 2.6% mainly relates to acquisitions in Mexico and Uruguay.

The extensive integration and rebranding of the 181 Walmart optical stores in Mexico, which has led to additional costs throughout HY17, is nearly completed. Following the encouraging results, a further 55 Walmart optical stores will be acquired and integrated before year-end 2017.

Adjusted EBITDA decreased to €5 million in HY17 (€9 million in HY16) with an adjusted EBITDA margin of 2.0% (4.2% in HY16).

### Liquidity and debt

| in millions of EUR (unless stated otherwise) | HY17 | HY16 |
|---|---|---|
| Free cash flow | 84 | 92 |
| Capital expenditure | 83 | 63 |
| - Store capital expenditure | 59 | 48 |
| - Non-store capital expenditure | 25 | 15 |
| Acquisitions | 4 | 10 |
| Net debt | 755 | 911 |
| Net debt leverage (times) | 1.4 | 1.7 |

In HY17, free cash flow (defined as cash flow from operating activities minus capital expenditure) decreased to €84 million (€92 million in HY16) as improvements in working capital were offset by a higher level of capital expenditure and cash outflows compared to the previous year. These cash outflows include an earlier phasing of tax payments.

In line with our digital strategy, non-store capital expenditure increased by €10 million in HY17 to €25 million in HY17 (€15 million in HY16). This includes the final phase of the global ERP roll-out in the G4, the ERP project launch in Latin America, as well as increasing investments in omnichannel and ecommerce functionalities throughout GrandVision.

The increasing number of store openings as well as the rebranding process in Italy and Mexico led to store capital expenditure of €59 million in HY17 (€48 million in HY16). Consequently, total capital expenditure grew to €83 million in HY17 (€63 million in HY16).

Net debt was €755 million at the end of June 2017, compared to €750 million at year-end 2016. During the first half year, the net debt position was impacted by the higher dividend payment, a higher level of capital expenditure as well as higher taxes paid. The 12-month rolling net debt/ EBITDA ratio remained stable at 1.4x.

**Statement by the Management Board**
In accordance with the Dutch Financial Markets Supervision Act (Wet op het financieel toezicht), section 5:25d, paragraph 2 sub c, we confirm that, to the best of our knowledge:

- the condensed interim consolidated financial statements for the six months ended 30 June 2017 have been prepared in accordance with IAS 34 (Interim Financial Reporting) as adopted by the European Union and give a true and fair view of the assets, liabilities, financial position and profit or loss of GrandVision N.V. and its subsidiaries; and
- the interim report for the six months ended 30 June 2017 gives a fair review of the information required pursuant to section 5:25d, subsections 8 and 9 of the Dutch Financial Markets Supervision Act.

Schiphol, 1 August 2017

**The Management Board**

Theo Kiesselbach, CEO

Paulo de Castro, CFO

**Financial Calendar 2017**

**31 October 2017** Third Quarter 2017 Trading Update

# Condensed Interim Consolidated Financial Statements

## Interim Consolidated Income Statement

| in thousands of EUR | Notes | Six months ended 30 June 2017 | Six months ended 30 June 2016 |
|---|---|---|---|
| Revenue | 5 | 1,720,762 | 1,669,723 |
| Cost of sales and direct related costs | | - 458,889 | - 456,793 |
| Gross profit | | 1,261,873 | 1,212,930 |
| Selling and marketing costs | | - 873,742 | - 838,521 |
| General and administrative costs | | - 200,841 | - 187,482 |
| Share of result of Associates and Joint Ventures | | 1,911 | 1,590 |
| Operating result | | 189,201 | 188,517 |
| Financial income | | 2,205 | 2,748 |
| Financial costs | | - 9,134 | - 9,100 |
| Net financial result | | - 6,929 | - 6,352 |
| Result before tax | | 182,272 | 182,165 |
| Income tax | 7 | - 58,500 | - 55,520 |
| **Result for the period** | | **123,772** | **126,645** |
| | | | |
| **Attributable to:** | | | |
| Equity holders | | 113,618 | 117,121 |
| Non-controlling interests | | 10,154 | 9,524 |
| | | 123,772 | 126,645 |
| | | | |
| Earnings per share, basic and diluted (in EUR per share) | | 0.45 | 0.46 |

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

# Interim Consolidated Statement of Other Comprehensive Income

| in thousands of EUR | Six months ended 30 June 2017 | Six months ended 30 June 2016 |
|---|---|---|
| Result for the period | 123,772 | 126,645 |
| **Other comprehensive income:** | | |
| **Items that will not be reclassified to Income Statement** | | |
| Remeasurement of post-employment benefit obligations | 3,044 | - 13,102 |
| Income tax relating to this item | - 915 | 4,032 |
| | 2,129 | - 9,070 |
| **Items that may be subsequently reclassified to Income Statement** | | |
| Currency translation differences | - 20,434 | - 32,759 |
| Share of Other Comprehensive Income of Associates and Joint Ventures | - 616 | - 645 |
| Cash flow hedges | - 5,554 | - 2,812 |
| Income tax | 1,557 | 703 |
| | - 25,047 | - 35,513 |
| | | |
| Other comprehensive income/ loss (net of tax) | - 22,918 | - 44,583 |
| **Total comprehensive income for the period (net of tax):** | **100,854** | **82,062** |
| | | |
| **Attributable to:** | | |
| Equity holders | 90,730 | 74,944 |
| Non-controlling interests | 10,124 | 7,118 |
| | 100,854 | 82,062 |

# Interim Consolidated Balance Sheet

| in thousands of EUR | Notes | 30 June 2017 | 31 December 2016 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 8 | 444,170 | 443,820 |
| Goodwill | 9 | 994,454 | 1,012,059 |
| Other intangible assets | 10 | 439,966 | 445,645 |
| Deferred income tax assets | 14 | 14,287 | 14,424 |
| Investments in Associates and Joint Ventures | | 37,641 | 36,345 |
| Other non-current assets | | 41,843 | 45,291 |
| | | 1,972,361 | 1,997,584 |
| **Current assets** | | | |
| Inventories | | 341,831 | 292,979 |
| Trade and other receivables | | 311,732 | 291,494 |
| Current income tax receivables | | 5,137 | 6,145 |
| Derivative financial instruments | | 1,325 | 5,223 |
| Cash and cash equivalents | 11 | 352,681 | 181,101 |
| | | 1,012,706 | 776,942 |
| **Total assets** | | **2,985,067** | **2,774,526** |
| | | | |
| **EQUITY AND LIABILITIES** | | | |
| **Equity attributable to equity holders** | | | |
| Share capital | 12 | 57,042 | 58,140 |
| Other reserves | | - 115,506 | - 92,618 |
| Retained earnings | 13 | 1,014,867 | 981,384 |
| | | 956,403 | 946,906 |
| **Non-controlling interests** | | **61,440** | **59,667** |
| **Total equity** | | **1,017,843** | **1,006,573** |
| | | | |
| **Non-current liabilities** | | | |
| Borrowings | | 366,668 | 388,253 |
| Deferred income tax liabilities | 14 | 66,829 | 73,847 |
| Post-employment benefits | | 73,775 | 75,693 |
| Provisions | 15 | 23,471 | 12,332 |
| Derivative financial instruments | | 2,669 | 4,169 |
| Other non-current liabilities | | 11,738 | 13,310 |
| | | 545,150 | 567,604 |
| **Current liabilities** | | | |
| Trade and other payables | | 622,778 | 588,424 |
| Current income tax liabilities | | 42,348 | 41,827 |
| Borrowings | 11 | 736,006 | 543,190 |
| Derivative financial instruments | | 3,830 | 865 |
| Provisions | 15 | 17,112 | 26,043 |
| | | 1,422,074 | 1,200,349 |
| **Total liabilities** | | **1,967,224** | **1,767,953** |
| **Total equity and liabilities** | | **2,985,067** | **2,774,526** |

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

# Interim Consolidated Statement of Changes in Shareholders' Equity

| | | Attributable to the equity holders | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| in thousands of EUR | Notes | Share capital | Share premium | Treasury shares | Other reserves | Retained earnings | Total | Non-controlling interest | Total equity |
| **At 1 January 2017** | | **5,089** | **86,781** | **- 33,730** | **- 92,618** | **981,384** | **946,906** | **59,667** | **1,006,573** |
| Result for the period | | - | - | - | | 113,618 | 113,618 | 10,154 | 123,772 |
| Cash flow hedge reserve | | - | - | - | - 4,281 | - | - 4,281 | 284 | - 3,997 |
| Remeasurement of post-employment benefit obligations | | - | - | - | 2,142 | - | 2,142 | - 13 | 2,129 |
| Cumulative currency translation reserve | | - | - | - | - 20,749 | - | - 20,749 | - 301 | - 21,050 |
| Total comprehensive income | | - | - | - | - 22,888 | 113,618 | 90,730 | 10,124 | 100,854 |
| Share-based payments | 12,13 | - | - 17,075 | 15,977 | - | - 1,772 | - 2,870 | - | - 2,870 |
| Dividends | 13 | - | - | - | - | - 78,363 | - 78,363 | - 8,351 | - 86,714 |
| Total transactions with equity holders | | - | - 17,075 | 15,977 | - | - 80,135 | - 81,233 | - 8,351 | - 89,584 |
| **At 30 June 2017** | | **5,089** | **69,706** | **- 17,753** | **- 115,506** | **1,014,867** | **956,403** | **61,440** | **1,017,843** |
| **At 1 January 2016** | | **254** | **93,812** | **- 42,251** | **- 59,723** | **786,428** | **778,520** | **53,255** | **831,775** |
| Result for the period | | - | - | - | - | 117,121 | 117,121 | 9,524 | 126,645 |
| Cash flow hedge reserve | | - | - | - | - 2,121 | - | - 2,121 | 12 | - 2,109 |
| Remeasurement of post-employment benefit obligations | | - | - | - | - 9,037 | - | - 9,037 | - 33 | - 9,070 |
| Cumulative currency translation reserve | | - | - | - | - 31,019 | - | - 31,019 | - 2,385 | - 33,404 |
| Total comprehensive income | | - | - | - | - 42,177 | 117,121 | 74,944 | 7,118 | 82,062 |
| Purchase of treasury shares | 12 | - | | - 2,411 | - | - | - 2,411 | - | - 2,411 |
| Issue of share capital | 12 | 4,835 | - 4,835 | - | - | - | - | - | - |
| Share-based payments | 12,13 | - | - 7,349 | 10,932 | - | - 1,077 | 2,506 | - | 2,506 |
| Dividends | 13 | - | | - | - | - 35,327 | - 35,327 | - 7,249 | - 42,576 |
| Total transactions with equity holders | | 4,835 | - 12,184 | 8,521 | - | - 36,404 | - 35,232 | - 7,249 | - 42,481 |
| **At 30 June 2016** | | **5,089** | **81,628** | **- 33,730** | **- 101,900** | **867,145** | **818,232** | **53,124** | **871,356** |

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

# Interim Consolidated Cash Flow Statement

| in thousands of EUR | Notes | Six months ended 30 June 2017 | Six months ended 30 June 2016 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Cash generated from operations | | 230,621 | 205,482 |
| Tax paid | | - 63,299 | - 50,445 |
| **Net cash from operating activities** | | **167,322** | **155,037** |
| | | | |
| **Cash flows from investing activities** | | | |
| Acquisition of subsidiaries, net of cash acquired | 6 | - 3,629 | - 9,702 |
| Purchase of property, plant and equipment | 8 | - 63,603 | - 53,023 |
| Proceeds from sales of property, plant and equipment | | 1,961 | 1,859 |
| Purchase of intangible assets | 10 | - 19,875 | - 10,412 |
| Proceeds from sales of intangible assets | | 66 | 1,429 |
| Other non-current receivables | | 4,393 | - 1,104 |
| Interest received | | 2,758 | 2,143 |
| **Net cash used in investing activities** | | **- 77,929** | **- 68,810** |
| | | | |
| **Cash flows from financing activities** | | | |
| Purchase of treasury shares | | - | - 2,411 |
| Proceeds from borrowings | | 166,471 | 50,867 |
| Repayments of borrowings | | - 170,151 | - 54,813 |
| Dividends paid to shareholders | 13 | - 78,363 | - 35,327 |
| Dividends paid to non-controlling interest | | - 8,351 | - 7,249 |
| Interest swap payments | | - 1,518 | - 1,751 |
| Interest paid | | - 6,089 | - 7,336 |
| **Net cash generated from/ (used in) financing activities** | | **- 98,001** | **- 58,020** |
| **Increase / (decrease) in cash and cash equivalents** | | **- 8,608** | **28,207** |
| | | | |
| **Movement in cash and cash equivalents** | | | |
| Cash and cash equivalents at beginning of the period | | 37,705 | - 81,806 |
| Increase / (decrease) in cash and cash equivalents | | - 8,608 | 28,207 |
| Exchange gains/ (losses) on cash and cash equivalents | | - 3,604 | - 978 |
| **Cash and cash equivalents at end of the period** | | **25,493** | **- 54,577** |

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

# Notes to the Condensed Interim Consolidated Financial Statements

## 1 General Information

GrandVision N.V. ('the Company') is a public limited liability company and is incorporated and domiciled in Haarlemmermeer, the Netherlands. The Company's Chamber of Commerce registration number is 50338269. The address of its registered office is as follows: The Base, Evert van de Beekstraat 1-80, Tower C, 6 th floor, 1118 CL Schiphol, the Netherlands.

At 30 June 2017, 76.72% of the issued shares are owned by HAL Optical Investments B.V. and 22.47% by institutional and retail investors, with the remaining shares held by GrandVision's Management Board (0.47%) and in treasury (0.34%). HAL Optical Investments B.V. is indirectly controlled by HAL Holding N.V. All HAL Holding N.V. shares are held by HAL Trust. HAL Trust is listed on the Euronext Amsterdam stock exchange.

GrandVision N.V. and its subsidiaries (together, referred to as 'the Group') comprise a number of optical retail chains operated under different retail banners. As of 30 June 2017, the Group, including its associates and joint ventures, operated 6,631 (31 December 2016: 6,516) optical retail stores (including franchise stores) in Argentina, Austria, Bahrain, Belgium, Brazil, Bulgaria, Chile, China, Colombia, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, India, Ireland, Italy, Kuwait, Luxembourg, Malta, Mexico, Monaco, the Netherlands, Norway, Oman, Peru, Poland, Portugal, Russia, Qatar, Saudi Arabia, Slovakia, Spain, Sweden, Switzerland, Turkey, the United Arab Emirates, the United Kingdom, the United States and Uruguay. At 30 June 2017 the number of average full-time equivalents within the Group (excluding associates and joint ventures) was 29,441 (31 December 2016: 28,766).

These condensed interim financial statements have been reviewed, not audited.

## 2 Basis of Preparation and Accounting Policies

### 2.1 Basis of Preparation

*Statement of compliance*

These condensed interim financial statements for the six months ended 30 June 2017 have been prepared in accordance with IAS 34, 'Interim financial reporting' as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union. The condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements as at 31 December 2016, which have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) as adopted by the European Union.

*Currency*

The condensed interim financial statements are presented in Euros (€). Amounts are shown in thousands of euros unless otherwise stated. The euro is the presentation currency of the Group.

*Estimates*

Preparing the financial statements in accordance with IFRS means that management is required to make assessments, estimates and assumptions that influence the application of regulations and the amounts reported for assets, equity, liabilities, commitments, income and expenses. The estimates made and the related assumptions are based on historical experience and various other factors, such as relevant knowledge, which are considered to be reasonable under the given circumstances.

The condensed interim financial statements have been prepared under the historical cost convention except for financial derivatives, share-based payment plans, contingent considerations, certain non-current assets and post-employment benefits. The estimates and assumptions serve as the basis for assessing the value of recognized assets and liabilities whose amounts cannot currently be determined from other sources. However, actual results may differ from the estimates. Estimates and underlying assumptions are subject to constant assessment. Changes in estimates and assumptions are recognized in the period in which the estimates are revised.

Assessments and estimates, made by management under IFRS that have a significant impact on the condensed interim consolidated financial statements, carry the risk of a possible material inaccuracy. In preparing these condensed interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2016. The principles of valuation and determination of results have been applied consistently by the Group companies during the periods presented in these condensed interim consolidated financial statements.

## 2.2 Changes in Accounting Policy and Disclosures

### 2.2.1 New and Amended Standards and Interpretations To Be Adopted by the Group

The amended standards effective for the current reporting period listed below are applicable to the Group and will be adopted by the Group and implemented when endorsed by the European Union.

- IAS 1 *Disclosure Initiative - Amendments to IAS 7 Statement of Cash Flows*, were issued in January 2016 and are effective for accounting periods beginning on or after 1 January 2017. These amendments will result in additional disclosures regarding cash and non-cash movements in liabilities arising from financing activities.
- IAS 12 *Recognition of Deferred Tax Assets for Unrealized Losses - Amendments to IAS 12*, were issued in January 2016 and are effective for accounting periods beginning on or after 1 January 2017. The amendments include additional guidance on how to determine future taxable profits. These amendments do not have a significant effect on the reporting or accounting policies of the Group.

### 2.2.2 New Standards, Amendments and Interpretations Issued But Not Effective for the Reported Period and Not Adopted Early

The following new standards and amendments to standards and interpretations are applicable to the Group and are effective for annual periods beginning after 1 January 2017. These have not been applied in preparing these condensed interim financial statements, and will be adopted by the Group at the moment they become effective.

- IFRS 16 *Leases*, the new leasing standard was published in January 2016. It will result in the majority of the leases being recognized on the Balance Sheet, as the distinction between operating and finance leases is removed. The standard is effective for accounting periods beginning on or after 1 January 2019. In the 6 month period ended 30 June 2017, the Group has progressed in its IFRS 16 implementation project and aims to have a more reasonable estimate of the potential financial impacts during the period of implementation. GrandVision confirms that the implementation of IFRS 16 have a significant impact on the financial ratios, presentation and disclosures of its financial statements.

- IFRS 15 *Revenue from Contracts with Customers* establishes a five-step model to account for revenue arising from contracts with customers. The standard is effective for accounting periods beginning on or after 1 January 2018. In the 6 month period ended 30 June 2017 the Group has made further steps to implement IFRS 15, and still expects that the standard will have a limited impact as reported in its 2016 Annual Report. GrandVision will adopt the new standard on the required effective date using the full retrospective method, using the practical expedients for significant financing components and completed contracts.
- IFRS 9 *Financial Instruments*. IFRS 9 retains but simplifies the mixed-measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The standard is effective for accounting periods beginning on or after 1 January 2018. Based on our current financial position, GrandVision does not expect a significant quantitative impact as result of IFRS 9. Furthermore, IFRS 9 better aligns the accounting for hedging instruments with the Group's risk management objectives. GrandVision still expects that as from 2018 the nature and extent of the Group's presentation and disclosures in particular with regard to hedge accounting, credit risk and expected credit losses will change as a result of IFRS 9.
- Amendments to IFRS 2 *Share-based Payments*, were issued in June 2016 and are effective for accounting periods beginning on or after 1 January 2018. The amendments are intended to eliminate diversity in practice of certain share-based payment transactions, including the classification of net settlement arrangements for an entity's obligation under tax laws and regulations to remit its employees' personal taxes relating to share-based payments. GrandVision is continuing its assessment of the impact of these amendments on its financial statements.
- IFRIC Interpretation 22 *Foreign Currency Transactions and Advance Consideration*, was issued in December 2016 and is effective for accounting periods beginning on or after 1 January 2018. The interpretation clarifies the date on which a foreign currency transaction paid or received in advance should be translated in the entity's functional currency. GrandVision is continuing its assessment of the impact on its financial statements.
- IFRIC Interpretation 23 *Uncertainty over Income Tax Treatments*, was issued in June 2017 and is effective for accounting periods beginning on or after 1 January 2019. The interpretation sets out how to determine the accounting tax positions when there is uncertainty over income tax treatments under IAS 12 *Income Taxes*. The Group is currently assessing the impact on its financial statements.

## 2.3 Netting of deferred income tax positions

Until 2016, the Group presented deferred income tax assets and deferred income tax liabilities as separate assets and liabilities. During 2017, the Group conducted a detailed review of its deferred tax positions across jurisdictions of presence in line with the criteria of IAS 12 *Income Taxes* and adjusted its comparable figures at 31 December 2016 to present qualifying positions on a net basis. Refer to note 14 for more details.

## 2.4 Significant Accounting Policies

The principal accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those applied when preparing the annual financial statements for the year ended 31 December 2016. The policies have been consistently applied to all the periods presented, unless otherwise stated.

# 3 Financial Risk Management

## 3.1 Capital Risk Management

The Group's financial risks management objectives, risk factors and policies are consistent with those disclosed when preparing the annual financial statements for the year ended 31 December 2016.

| in thousands of EUR | 30 June 2017 | 31 December 2016 |
|---|---|---|
| Equity attributable to equity holders | 956,403 | 946,906 |
| Net debt | 755,167 | 750,153 |
| Adjusted EBITDA - last 12 months | 540,756 | 537,148 |
| Leverage ratio | 1.4 | 1.4 |

Management believes the current capital structure, operational cash flows and profitability of the Group will safeguard the Group's ability to continue as a going concern. GrandVision aims to maintain a maximum leverage ratio of 2.0 (net debt / adjusted EBITDA) excluding the impact of any borrowings associated with, and any EBITDA amounts attributable to major acquisitions.

Net debt consists of the Group's borrowings, derivative financial instruments and cash and cash equivalents.

# 4 Seasonality of Operations

Due to the geographical presence of our operations and accordingly different seasons within the periods, the seasonality in the individual countries varies throughout the Group. This results in minimal impact from seasonality on Revenue and EBITDA on the Group level.

# 5 Segment Information

The Management Board forms the Group's chief operating decision-maker ('CODM'). Management has determined the operating segments based on the information reviewed by the CODM for the purposes of allocating resources and assessing performance.

The Group's business is organized and managed on a geographic basis and operates through three business segments: the G4, Other Europe and Americas & Asia. All geographic segments are involved in the optical retail industry, and there are no other significant product lines or sources of revenue for the Company.

There has been no aggregation of operating segments into reportable segments.

The Group's reportable segments are defined as follows and have not changed in the 6 months ending 30 June 2017:

- **G4**, consisting of the Netherlands & Belgium, the United Kingdom & Ireland, France & Luxembourg and Germany & Austria
- **Other Europe**, consisting of Bulgaria, Cyprus, the Czech Republic, Denmark, Estonia, Finland, Greece, Hungary, Italy, Norway, Poland, Portugal, Slovakia, Spain, Sweden and Switzerland
- **Americas & Asia**, consisting of Argentina, Brazil, Chile, China, Colombia, India, Mexico, Peru, Russia, Turkey, the United States and Uruguay

The most important measures assessed by the CODM and used to make decisions about resources to be allocated are total net revenue and adjusted EBITDA. Measures of assets and liabilities by segment are not reported to the CODM.

The following table presents total net revenue and adjusted EBITDA for the operating segments for the six months ended 30 June 2017 and 2016, respectively. The adjusted EBITDA is defined as EBITDA excluding other reconciling items and exceptional non-recurring items. The non-recurring items in 2017 are mainly related to restructuring, employee-related provisions and costs related to prior years. The non-recurring items in 2016 relate to acquisition costs for recent acquired businesses, integration costs following the merger of the Italian business and corrections related to prior years. A reconciliation from adjusted EBITDA to earnings before taxes is presented within each table below. Other reconciling items represent corporate costs that are not allocated to a specific segment.

| in thousands of EUR | G4 | Other Europe | Americas & Asia | Total |
|---|---|---|---|---|
| **Six months ended 30 June 2017** | | | | |
| Total net revenue | 1,004,002 | 472,084 | 244,676 | 1,720,762 |
| Adjusted EBITDA | 222,139 | 67,968 | 4,810 | 294,917 |
| Other reconciling items | | | | - 18,910 |
| **Total adjusted EBITDA** | | | | **276,007** |
| Non-recurring items | | | | - 6,263 |
| Depreciation | | | | - 56,883 |
| Amortization and impairments | | | | - 23,660 |
| **Operating income/loss** | | | | **189,201** |
| Non-operating items: | | | | |
| Net financial result | | | | - 6,929 |
| **Earnings before tax** | | | | **182,272** |
| | | | | |
| **Six months ended 30 June 2016** | | | | |
| Total net revenue | 1,013,026 | 442,131 | 214,566 | 1,669,723 |
| Adjusted EBITDA | 219,517 | 61,282 | 8,906 | 289,705 |
| Other reconciling items | | | | - 17,306 |
| **Total adjusted EBITDA** | | | | **272,399** |
| Non-recurring items | | | | - 5,590 |
| Depreciation | | | | - 54,320 |
| Amortization and impairments | | | | - 23,972 |
| **Operating income/loss** | | | | **188,517** |
| Non-operating items: | | | | |
| Net financial result | | | | - 6,352 |
| **Earnings before tax** | | | | **182,165** |

## 6 Acquisitions of Subsidiaries, Associates and Non-Controlling Interests

**The following acquisitions and adjustments to the purchase price allocation were done in 2017.**

*Store acquisitions*

During the 6 month period ended 30 June 2017, the Group acquired 7 stores in the G4 segment, further strengthening its market position. After the initial allocation of the consideration transferred for the acquisitions of the assets, liabilities and contingent liabilities in 2017, an amount of €1,520 was identified as provisional goodwill. The goodwill is attributable to the high profitability of the acquired business and the expected synergies following the integration of the acquired business into our existing organization. The goodwill mainly comprises the skilled employees and the locations of the acquired stores, which cannot be recognized as separately identifiable assets.

Consideration paid in cash and cash equivalents less cash aquired amounted to €3,629. The fair value of acquired net assets and liabilities and adjustments to purchase price allocation amounted to €2,110, mainly consisting of property, plant and equipment and other intangible assets of €2,191.

In the 6 month period ended 30 June 2017, these acquisitions contributed €1,172 in revenue and €246 in net result for the Group since their acquisition dates. Had these acquisitions in 2017 been consolidated for the full 6 month period ended 30 June 2017, revenue and net result would have been €1,748 and €248 respectively.

On 19 April 2017 the Group announced the acquisition of Tesco Opticians through its UK business, Vision Express. Subject to regulatory approval by the UK Competition and Markets Authority, the transaction is expected to complete later in 2017.

*Adjustment to purchase price allocation*

The Group finalized the purchase price allocation for Optica Lux in Uruguay and updated the purchase price allocation for (store) acquisitions done in the second half of 2016. This did not result in a change in the value of recognized goodwill.

## 7 Income Tax

Income tax expense is recognized based on actual income tax rates for the period ended 30 June 2017 and 2016. The effective tax rate of the six months ended 30 June 2017 is 32.1% (for the six months ended 30 June 2016 it was 30.5%). The increase in effective tax rate mainly relates to an increase in unrecognized tax losses in certain countries.

# 8 Property, Plant and Equipment

| in thousands of EUR | Buildings and leasehold improvements | Machinery and equipment | Furniture and vehicles | Total |
|---|---|---|---|---|
| **At 1 January 2017** | | | | |
| Cost | 516,478 | 491,483 | 385,332 | 1,393,293 |
| Accumulated depreciation and impairment | -298,948 | -373,266 | -277,259 | - 949,473 |
| Carrying amount | 217,530 | 118,217 | 108,073 | 443,820 |
| **Movements** | | | | |
| Acquisitions | 197 | 130 | 60 | 387 |
| Additions | 31,916 | 15,411 | 16,276 | 63,603 |
| Disposals / retirements | -1,051 | -432 | -586 | - 2,069 |
| Depreciation charge | -22,769 | -19,247 | -14,867 | - 56,883 |
| Reclassification | -653 | 251 | 248 | - 154 |
| Exchange differences | -2,620 | -815 | -1,099 | - 4,534 |
| **At 30 June 2017** | **222,550** | **113,515** | **108,105** | **444,170** |
| Cost | 529,368 | 487,124 | 386,491 | 1,402,983 |
| Accumulated depreciation and impairment | - 306,818 | - 373,609 | - 278,386 | - 958,813 |
| Carrying amount | 222,550 | 113,515 | 108,105 | 444,170 |
| | | | | |
| **At 1 January 2016** | | | | |
| Cost | 516,903 | 552,036 | 358,287 | 1,427,226 |
| Accumulated depreciation and impairment | -311,280 | -423,135 | -261,499 | - 995,914 |
| Carrying amount | 205,623 | 128,901 | 96,788 | 431,312 |
| **Movements** | | | | |
| Acquisitions | 244 | 74 | 240 | 558 |
| Additions | 22,554 | 15,112 | 15,357 | 53,023 |
| Disposals / retirements | -956 | -771 | -1,037 | - 2,764 |
| Impairment | - | - | -110 | - 110 |
| Depreciation charge | -20,710 | -19,954 | -13,656 | - 54,320 |
| Reclassification | 764 | -5,980 | 4,987 | - 229 |
| Exchange differences | -5,469 | -2,993 | -1,288 | - 9,750 |
| **At 30 June 2016** | **202,050** | **114,389** | **101,281** | **417,720** |

## 9 Goodwill

| in thousands of EUR | Notes | Six months ended 30 June 2017 | Six months ended 30 June 2016 |
|---|---|---|---|
| Carrying amount as at 1 January | | 1,012,059 | 1,025,213 |
| Acquisitions | 6 | 1,520 | 8,063 |
| Adjustment to purchase price allocation | | - | 453 |
| Reclassification | | - 535 | - 117 |
| Exchange differences | | - 18,590 | - 20,949 |
| Carrying amount as at 30 June | | 994,454 | 1,012,663 |
| | | | |
| Costs | | 1,035,549 | 1,051,452 |
| Accumulated impairment | | - 41,095 | - 38,789 |
| Carrying amount as at 30 June | | 994,454 | 1,012,663 |

The impairment test on goodwill is performed in the second half year. During the reporting period there were no impairments.

## 10 Other Intangible Assets

| in thousands of EUR | Key money | Trademarks | Software | Other | Total |
|---|---|---|---|---|---|
| **At 1 January 2017** | | | | | |
| Cost | 221,617 | 272,571 | 187,694 | 99,296 | 781,178 |
| Accumulated depreciation and impairment | - 10,332 | - 154,002 | - 116,961 | - 54,238 | - 335,533 |
| Carrying amount | 211,285 | 118,569 | 70,733 | 45,058 | 445,645 |
| **Movements** | | | | | |
| Acquisitions | 840 | - | - | 964 | 1,804 |
| Additions | 596 | - | 18,973 | 306 | 19,875 |
| Disposals | - | - | - 46 | - 2 | - 48 |
| Amortization charge | - | - 9,278 | - 8,522 | - 5,267 | - 23,067 |
| Impairment | - 593 | - | - | - | - 593 |
| Reclassification | 535 | - | 166 | - 12 | 689 |
| Exchange differences | - 579 | - 1,538 | - 514 | - 1,708 | - 4,339 |
| Carrying amount as at 30 June 2017 | **212,084** | **107,753** | **80,790** | **39,339** | **439,966** |
| Cost | 222,357 | 268,332 | 205,192 | 96,577 | 792,458 |
| Accumulated amortization and impairment | - 10,273 | - 160,579 | - 124,402 | - 57,238 | - 352,492 |
| Carrying amount | 212,084 | 107,753 | 80,790 | 39,339 | 439,966 |
| | | | | | |
| **At 1 January 2016** | | | | | |
| Cost | 218,061 | 277,927 | 172,762 | 91,433 | 760,183 |
| Accumulated depreciation and impairment | - 9,374 | - 134,195 | - 117,266 | - 44,930 | - 305,765 |
| Carrying amount | 208,687 | 143,732 | 55,496 | 46,503 | 454,418 |
| **Movements** | | | | | |
| Acquisitions | 704 | - | - | 548 | 1,252 |
| Additions | 824 | 1 | 9,192 | 395 | 10,412 |
| Disposals | - 568 | - | - 742 | - 56 | - 1,366 |
| Amortization charge | - | - 9,442 | - 8,791 | - 5,180 | - 23,413 |
| Impairment | - 559 | - | - | - | - 559 |
| Reclassification | - | - | 403 | 123 | 526 |
| Exchange differences | 967 | - 2,825 | - 292 | - 1,747 | - 3,897 |
| Carrying amount as at 30 June 2016 | **210,055** | **131,466** | **55,266** | **40,586** | **437,373** |

### Software

The additions to software mainly relate to licenses and expenses related to the Groups' global ERP project.

## 11 Cash and Cash Equivalents

| in thousands of EUR | 30 June 2017 | 31 December 2016 |
| --- | --- | --- |
| Cash at bank and in hand | 349,779 | 171,902 |
| Short-term bank deposits and marketable securities | 2,902 | 9,199 |
| | 352,681 | 181,101 |

For the purpose of the cash flow statement, cash and cash equivalents comprises of cash and bank balances €352,681 (30 June 2016: €187,833) and bank overdrafts €327,188 (30 June 2016: €242,410). This resulted in an amount of €25,493 (30 June 2016: €-54,577).

The increase during the 6 months ended 30 June 2017 in both cash and cash equivalents and bank overdrafts is related to an increase in cash pool activities. In the Balance Sheet, bank overdrafts are included in borrowings in current liabilities.

Bank overdrafts include drawings on the uncommitted bilateral overdraft and money market facilities.

## 12 Share Capital

| in thousands of EUR | Number of shares outstanding | Ordinary shares (in thousands of EUR) | Share premium (in thousands of EUR) | Total (in thousands of EUR) |
| --- | --- | --- | --- | --- |
| **Six months ended 30 June 2017** | | | | |
| At 1 January 2017 | 252,784,608 | 5,089 | 53,051 | 58,140 |
| Share-based payments | 798,812 | - | - 1,098 | - 1,098 |
| At 30 June 2017 | **253,583,420** | **5,089** | **51,953** | **57,042** |
| **Six months ended 30 June 2016** | | | | |
| At 1 January 2016 | 252,337,979 | 254 | 51,561 | 51,815 |
| Issue of ordinary shares | - | 4,835 | - 4,835 | - |
| Share-based payments | 546,629 | - | 3,583 | 3,583 |
| Treasury shares | - 100,000 | - | - 2,411 | - 2,411 |
| At 30 June 2016 | **252,784,608** | **5,089** | **47,898** | **52,987** |

The share-based payment plan movements within share capital of €1,098 during this period relate to the periodic expenses and settlements of the plans (6 months ending 30 June 2016: €3,583).

GrandVision provided 798,812 shares following the vesting in 2017. The number of shares held in treasury at 30 June 2017 were 860,420 (30 June 2016: 1,659,232).

## 13 Retained earnings

| in thousands of EUR | Six months ended 30 June 2017 | Six months ended 30 June 2016 |
|---|---|---|
| Balance at 1 January | 981,384 | 786,428 |
| Result for the year | 113,618 | 117,121 |
| Dividends paid | - 78,363 | - 35,327 |
| Share-based payments | - 1,772 | - 1,077 |
| Balance at 30 June | 1,014,867 | 867,145 |

For 2016, a total dividend of EUR 0.31 per share was paid out in the first half year of 2017 for a total of €78,363.

A final dividend for 2015 of EUR 0.14 per share was paid out in the first half year of 2016 for a total of €35,327.

## 14 Deferred Income Taxes

During 2017, resulting from a detailed review of its deferred tax positions in line with the criteria of IAS 12 *Income Taxes,* the presentation relating to deferred income tax assets and deferred income tax liabilities for certain qualifying positions has changed from gross presentation to a net presentation. The comparable figures at 31 December 2016 changed and the only impact is a decrease of €60,193 in both 'Deferred income tax assets' and 'Deferred income tax liabilities'.

Had the deferred income tax positions at 30 June 2017 been reported on a gross basis, the impact would have been an increase of €59,987 in both 'Deferred income tax assets' and 'Deferred income tax liabilities'.

Across jurisdictions of presence, the Group has accumulated not recognized tax losses amounting to €267,667 million, of which €203,065 million are offsettable for an unlimited period of time.

## 15 Provisions

| in thousands of EUR | Legal and regulatory | Warranty | Employee-related | Share-based payments | Other | Total |
|---|---|---|---|---|---|---|
| **Six months ended 30 June 2017** | | | | | | |
| At 1 January 2017 | 21,805 | 8,121 | 6,585 | 216 | 1,648 | 38,375 |
| Addition to provision | 1,448 | 1,596 | 2,550 | - | 411 | 6,005 |
| Reversal of provision | - 182 | - | - 683 | - | - 90 | - 955 |
| Utilized during the year | - 478 | - 1,210 | - 406 | - 216 | - 217 | - 2,527 |
| Exchange differences | - 160 | - 5 | - 114 | - | - 36 | - 315 |
| At 30 June 2017 | 22,433 | 8,502 | 7,932 | - | 1,716 | 40,583 |
| Non-current | 12,506 | 5,363 | 5,061 | - | 541 | 23,471 |
| Current | 9,927 | 3,139 | 2,871 | - | 1,175 | 17,112 |
| At 30 June 2017 | **22,433** | **8,502** | **7,932** | **-** | **1,716** | **40,583** |
| **Six months ended 30 June 2016** | | | | | | |
| At 1 January 2016 | 21,673 | 8,632 | 4,294 | 876 | 1,990 | 37,465 |
| Acquisitions | - | - | - | - | 163 | 163 |
| Addition to provision | 1,104 | 1,611 | 722 | - | 350 | 3,787 |
| Reversal of provision | - 1,380 | - 447 | - 480 | - | - 257 | - 2,564 |
| Utilized during the year | - 2,035 | - 1,067 | - 717 | - 720 | - 363 | - 4,902 |
| Other movements | - | 11 | - | - | - 11 | - |
| Exchange differences | 79 | - 9 | - 2 | - 3 | 4 | 69 |
| At 30 June 2016 | 19,441 | 8,731 | 3,817 | 153 | 1,876 | 34,018 |
| Non-current | 1,913 | 5,161 | 3,045 | - | 565 | 10,684 |
| Current | 17,528 | 3,570 | 772 | 153 | 1,311 | 23,334 |
| At 30 June 2016 | **19,441** | **8,731** | **3,817** | **153** | **1,876** | **34,018** |

**Legal and regulatory**

The provision mainly relates to investigations of French Competition Authority.

In June 2009, the French Competition Authority (“FCA”) investigated certain optical suppliers and optical retailers, including GrandVision, active in the branded sunglasses and branded frames sector in France, investigating whether these parties entered into vertical restraints in relation to the distribution of branded sunglasses and branded frames. In May 2015, the Company received a statement of objections (‘notification de griefs’) from the FCA. The Company responded to this statement of objections and booked an adequate provision determined by an assessment of the probability and amount of potential liability. The Company received an official report (“Rapport”) from the FCA on 22 July 2016, reconfirming the accusation and confirming GrandVision’s assumptions of the probability and amount of the potential liability. The Company timely responded to this report on 26 October 2016. On 15 December 2016 a hearing was held before the FCA. As the Company expects that the procedure will continue beyond the initial anticipated period, the provision was reclassified from current to non-current provisions in 2017.

**Employee-related**

The additions in 2017 relate mainly to severance costs of certain employees as part of restructuring activities.

## 16 Contingencies

There are no significant changes in contingent liabilities at the end of 30 June 2017 compared to 31 December 2016 as included in financial statements 2016.

## 17 Related Parties

During the first six months of 2017 GrandVision acquired goods from Safilo (a group company of HAL Holding N.V.) for an amount of €33,538 (31 December 2016: €79,900).

Other positions with Related Parties are as follows:

| in thousands of EUR | 30 June 2017 | 31 December 2016 |
|---|---|---|
| **Trade receivables:** | | |
| Safilo | 6,428 | 8,540 |
| Other HAL subsidiaries | 65 | 397 |
| | 6,493 | 8,937 |
| **Trade payables:** | | |
| Safilo | 22,464 | 21,116 |
| HAL Investments B.V | 1,885 | 2,153 |
| Other HAL subsidiaries | 453 | 145 |
| | 24,802 | 23,414 |

# Subsequent Events

There are no subsequent events to report.