Regulated information

JENSEN-GROUP
Half-Year Results 2019

Consolidated, non-audited key figures

Income Statement
Consolidated, unaudited key figures

(million euro)	June 30, 2019 6M	June 30, 2018 6M	Change
Revenue	177,6	181,0	-1,9%
Operating result (EBIT)	16,8	15,9	5,9%
Cash flow from operations (EBITDA) [1]	20,7	18,5	11,9%
Financial result	-1,1	-0,7	66,7%
Profit before taxes	15,7	15,2	3,2%
Taxes	-4,0	-4,5	-11,3%
Net income from continuing operations	11,7	10,7	9,3%
Result from assets held for sale	-0,1	-0,1	-27,8%
Result of companies consolidated under equity methoc	-0,1	0,6	-122,1%
Result attributable to Non Controlling Interest	-0,3	-0,1	125,4%
Net income (Group share in the profit)	11,8	11,4	3,5%
Net cash flow [2]	15,6	14,0	11,8%

Balance sheet
Consolidated, unaudited key figures

(million euro)	June 30, 2019 6M	Dec 31, 2018 12M	Change
Equity	129,7	126,0	2,9%
Net financial debt (+)/Net cash (-)	32,5	-5,4	-707,6%
Assets held for sale	0,4	0,4	1,4%
Total assets	267,9	255,7	4,8%

Consolidated, unaudited key figures per share

(euro)	June 30, 2019 6M	June 30, 2018 6M	Change
Cash flow from operations (EBITDA) [1]	2,64	2,36	11,9%
Profit before taxes	2,01	1,94	3,6%
Net profit share of the Group (EPS)	1,51	1,46	3,4%
Net cash flow [2]	2,00	1,79	11,7%
Equity (June 30 2019, Dec 31, 2018)	16,58	16,11	2,9%
Number of shares (end of period)	7.818.999	7.818.999	
Number of shares (average)	7.818.999	7.818.999	

[1] EBITDA = earnings before interest, taxes, depreciation and amortization. This is operating profit plus depreciation and amounts written off on stocks, trade debtors, impairment losses and provisions for other liabilities and charges.

[2] The net cash flow is the net income (Group share in the profit) excluding depreciation, amounts written off on stocks, trade debtors, impairment losses and provisions for other liabilities and charges.

Interim Financial Information June 30, 2019

Financial review and highlights half-year results 2019

- Revenue of the first half-year of 2019 amounts to 177.6 million euro, a slight decrease of 1.9% compared to last year.

- Operating profit (EBIT) for the first six months amounts to 16.8 million euro, which is 5.9% higher than last year. The EBIT is positively affected by a partial insurance payment for the impact of hurricane Michael (+2.5 million euro). As part of the insurance claim is certain, the Group recognized this income.

- Cash flow from operations (EBITDA) for the first half-year amounts to 20.7 million euro, a 11.9% increase compared to last year. Without the impact of hurricane Michael, EBITDA would be 18.2 million euro.

- Net income attributable to the shareholders amounts to 11.8 million euro (Earnings per Share of 1.51 euro), an increase of 3.5% compared to last year.

- Net financial debt amounts to 32.5 million euro and increased by 37.9 million euro compared to December 2018 especially due to working capital increase and the impact of the new IFRS 16 accounting rule on operating leases with 14.7 million euro added to the net financial debt.

Operating activities

- Revenue
  - Revenue decreased slightly compared to last year.

- EBIT
  - Consolidated EBIT increased from 15.9 million euro to 16.8 million euro (+5.9%). The EBIT is positively affected by a partial insurance payment for the impact of hurricane Michael (+2.5 million euro). As part of the insurance claim is certain, the Group recognized this income.

Report of the Board of Directors

Important developments of the first 6 months

Revenue is slightly lower than the first half-year of 2018 (177.6 million euro compared to 181.0 million euro prior year) as the work reserve at the beginning of the year was lower compared to last year.

The EBIT is positively affected by a partial insurance payment for the impact of hurricane Michael (+2.5 million euro). As part of the insurance claim is certain, the Group recognized this income.

The financial result is 0.5 MEUR lower than prior year and includes 0.2 MEUR interest charges related to IFRS 16. This new standard requires lessees to recognize nearly all leases on the balance sheet reflecting the right to use an asset. For more details, we refer to note 2.

The result of companies accounted for under equity method (Inwatec ApS and TOLON Global Makina A.S.) decreased by 0.7 million euro.

All the items described above resulted in a 0.4 million euro increase in the Groups net income attributable to the shareholders (from 11.4 million euro to 11.8 million euro).

On March 27, 2019, the JENSEN-GROUP increased its shareholding in TOLON GLOBAL MAKINA Sanyi Ve Tikaret Sirketi A.S., Turkey, by 6.34% to 49%.

The recovery of the production facility in Panama City, hit by hurricane Michael the 10th of October 2018, progresses and discussions with the insurance are on-going. Repairs to the building have started and have lead to capex of 1.4 million euro so far.

Outlook for the remaining 6 months

During the first semester 2019, the JENSEN-GROUP received 154.6 million euro orders, slightly above the first semester of last year (+5.8%).

The most important risk factors remain an uncertain political climate, rapid changes in demand, availability of financing to our customers, high exchange rate volatility and fluctuating raw material, energy and transport prices.

Important transactions with related parties

There were no important transactions with related parties.

Events after balance sheet date

There are no significant after balance sheet events.

Ghent, August 8, 2019

Raf Decaluwé	Jesper M. Jensen
Chairman of the Board of Directors	Chief Executive Officer

Statement of the Responsible Persons

We hereby certify that, to the best of our knowledge, the condensed consolidated financial statements for the six months period ended June 30, 2019 which has been prepared in accordance with the IAS 34 ”Interim Financial Reporting” as adopted by the European Union, gives a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the entities included in the consolidation as a whole, and that the interim management report includes a fair review of the important events that have occurred during the first six months of the financial year and of the major transactions with the related parties, and their impact on the condensed consolidated financial statements, together with a description of the principal risks and uncertainties for the remaining six months of the financial year.

Ghent, August 8, 2019

Jesper M. Jensen	Markus Schalch
Chief Executive Officer	Chief Financial Officer

JENSEN-GROUP condensed interim financial information for six months ended on June 30, 2019

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in thousands of euro)	*Notes*	*June 30, 2019*	*December 31, 2018*
Total Non-Current Assets		**60.852**	**40.887**
II. Intangible assets		6.910	6.934
Property, plant and equipment	1	38.991	21.528
Companies accounted for under equity method		7.741	7.015
Trade and other long-term receivables		3.047	1.634
Deferred taxes		4.162	3.776
Total Current Assets		**207.087**	**214.770**
Advance payments		2.663	3.430
Trade receivables		75.811	80.863
Other amounts receivable		6.798	6.768
Gross amounts due from customers for contract work		108.360	89.807
Derivative Financial Instruments		84	131
Trade and other receivables		191.054	177.569
Cash and cash equivalents	5	12.928	33.333
Assets held for sale		443	437
TOTAL ASSETS		**267.939**	**255.656**

The notes on pages 14 to 23 are an integral part of this condensed consolidated interim financial information.

JENSEN-GROUP condensed interim financial information for six months ended on June 30, 2019

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in thousands of euro)	*Notes*	*June 30, 2019*	*December 31, 2018*
Equity		**129.651**	**125.969**
Share Capital		36.524	36.524
Other reserves		-5.943	-6.345
Retained earnings		99.553	95.990
Non-Controlling Interest		-483	-200
Non-Current Liabilities		**54.544**	**36.040**
Borrowings	1	39.854	21.333
Deferred income tax liabilities		820	789
Provisions for employee benefit obligations		13.685	13.715
Derivative financial instruments		185	204
Current Liabilities		**83.743**	**93.648**
Borrowings	1	5.605	6.646
Provisions for other liabilities and charges		11.693	11.540
A. Trade payables		21.787	26.895
B. Advances received for contract work		10.153	14.463
C. Remuneration and social security		15.486	14.053
D. Other amounts payable		1.599	1.820
E. Accrued expenses		10.375	13.367
F. Derivative financial instruments		55	0
Trade and other payables		59.454	70.598
Current income tax liabilities		6.991	4.863
TOTAL EQUITY AND LIABILITIES		**267.939**	**255.656**

The notes on pages 14 to 23 are an integral part of this condensed consolidated interim financial information.

JENSEN-GROUP condensed interim financial information for six months ended on June 30, 2019

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in thousands of euro)	*Notes*	*June 30, 2019*	*June 30, 2018*
Revenue	**3**	**177.626**	**180.997**
Total expenses		-163.507	-165.292
Other Income / (Expense)	4	2.697	168
Operating profit before tax and finance (cost)/ income		**16.816**	**15.873**
Financial income		1.205	1.289
Financial charges		-2.336	-1.968
Profit before tax		**15.685**	**15.194**
Income tax expense		-3.995	-4.502
Profit for the year from continuing operations		**11.690**	**10.693**
Result from assets held for sale		-52	-72
Share in result of associates and joint ventures accounted for using the equity method		-141	636
Consolidated profit for the year		**11.497**	**11.257**
Result attributable to Non-Controlling Interest		-283	-126
Consolidated result attributable to equity holders		**11.780**	**11.383**
Other comprehensive income (OCI):			
Items that may be subsequently reclassified to Profit and Loss			
Financial instruments		26	189
Currency translation differences		155	39
Items that will not be reclassified to Profit and Loss			
Actual gains/(losses) on Defined Benefit Plans		305	44
Tax on OCI		-83	-70
Other comprehensive income for the period		**403**	**202**
Total comprehensive income for the period		**11.900**	**11.459**
Profit attributable to:			
Non-Controlling Interest		-283	-126
Equity holders of the company		11.780	11.383
Total comprehensive income attributable to:			
Non-Controlling Interest		-283	-126
Equity holders of the company		12.183	11.585
Basic and diluted earnings per share (in euro)		1,51	1,46
Weighted average number of shares		7.818.999	7.818.999

The notes on pages 14 to 23 are an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In thousands of euro	*Capital*	*Share premium*	*Total Share Capital*	*Translation differences*	*Hedging Reserves*	*Actuarial gains and losses on Defined Benefit Plans*	*Total other Reserves*	*Retained earnings*	***Total***	*Non-Controlling Interest*	***Total Equity***
December 31, 2017	**30.710**	**5.813**	**36.523**	**276**	**-334**	**-7.774**	**-7.832**	**84.684**	**113.375**	**131**	**113.506**
Entry in consolidation	0	0	0	0	0	0	0	0	**0**	0	**0**
Result of the period	0	0	0	0	0	0	0	11.383	**11.383**	-126	**11.257**
Other comprehensive income											
Currency Translation Difference	0	0	0	39	0	0	39	0	**39**	-1	**38**
Financial instruments	0	0	0	0	189	0	189	0	**189**	0	**189**
Defined Benefit Plans	0	0	0	0	0	44	44	0	**44**	0	**44**
Tax on OCI	0	0	0	0	-57	-13	-70	0	**-70**	0	**-70**
Total other comprehensive income/(loss) for the period, net of tax	**0**	**0**	**0**	**39**	**132**	**31**	**202**	**0**	**202**	**-1**	**201**
Dividend paid out	0	0	0	0	0	0	0	-7.818	**-7.818**	0	**-7.818**
June 30, 2018	**30.710**	**5.813**	**36.523**	**315**	**-202**	**-7.743**	**-7.630**	**88.249**	**117.142**	**4**	**117.146**

The notes on pages 14 to 23 are an integral part of this condensed consolidated interim financial information.

JENSEN-GROUP condensed interim financial information for six months ended on June 30, 2019

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In thousands of euro	*Notes*	*Capital*	*Share premium*	*Total Share Capital*	*Translation differences*	*Hedging Reserves*	*Actuarial gains and losses on Defined Benefit Plans*	*Total other Reserves*	*Retained earnings*	***Total***	*Non-Controlling Interest*	***Total Equity***
December 31, 2018		**30.710**	**5.813**	**36.523**	**438**	**-159**	**-6.623**	**-6.345**	**95.990**	**126.169**	**-200**	**125.969**
IFRIC 23 - Uncertain tax positions	*1*								-400	**-400**		**-400**
Result of the period		0	0	0	0	0	0	0	11.780	**11.780**	-283	**11.497**
Other comprehensive income												
Currency Translation Difference		0	1	1	154	0	0	154	0	**155**	0	**155**
Financial instruments		0	0	0	0	26	0	26	0	**26**	0	**26**
Defined Benefit Plans		0	0	0	0	0	305	305	0	**305**	0	**305**
Tax on OCI		0	0	0	0	-6	-76	-83	0	**-83**	0	**-83**
Total other comprehensive income/(loss) for the period, net of tax		**0**	**1**	**1**	**154**	**19**	**229**	**402**	**0**	**403**	**0**	**403**
Dividend paid out		0	0	0	0	0	0	0	-7.818	**-7.818**	0	**-7.818**
treasury shares		0	0	0	0	0	0	0	0	**0**	0	**0**
June 30, 2019		**30.710**	**5.814**	**36.524**	**592**	**-140**	**-6.394**	**-5.943**	**99.553**	**130.134**	**-483**	**129.651**

The notes on pages 14 to 23 are an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

(in thousands of euro)	*Notes*	*June 30, 2019*	*June 30, 2018*
Cash flows from operating activities		21.051	20.053
Changes in working capital		-25.314	-37.745
Corporate income tax paid		-2.267	-6.431
Net cash generated from operating activities - continuing operations		**-6.530**	**-24.123**
Net cash generated from operating activities - Result from assets held for sale		-6	-83
Net cash generated from operating activities - total		**-6.536**	**-24.206**
Net cash used in investing activities		-7.129	-4.526
Cash flow before financing		**-13.665**	**-28.732**
Net cash used in financing activities		-4.138	-10.053
Net Change in cash and cash equivalents		**-17.803**	**-38.785**
Cash, cash equivalent and bank overdrafts at the beginning of the year		27.808	36.451
Exchange gains/(losses) on cash and bank overdrafts		155	39
Cash, cash equivalent and bank overdrafts at the end of the year	**5**	**10.160**	**-2.295**

The notes on pages 14 to 23 are an integral part of this condensed consolidated interim financial information.

Notes to the condensed consolidated financial statements

Note 1 - Basis of Preparation

The JENSEN-GROUP (hereafter "The Group") is one of the major suppliers to the heavy-duty laundry industry. The Group markets its products and services under the JENSEN brand and is a leading supplier to the heavy-duty market. The product range varies from transportation and handling systems, tunnel washers, separators, feeders, ironers and folders to complete project management for fully-equipped and professionally managed industrial laundries. The JENSEN-GROUP has operations in 23 countries and distributes its products in more than 40 countries. Worldwide, the JENSEN-GROUP employs approximately 1,756 people.

JENSEN-GROUP N.V. (hereafter "The Company") is incorporated in Belgium. Its registered office is at Bijenstraat 6, 9051 Sint-Denijs-Westrem, Belgium.

The JENSEN-GROUP shares are quoted on the Euronext Stock Exchange.

This condensed consolidated interim financial information is for the first half-year ended June 30, 2019. These interim financial statements are prepared in accordance with IAS 34 "Interim Financial Reporting", as adopted by the EU. The accounting policies used in the preparation of the interim financial statements are consistent with those used in the annual financial statements for the year ended December 31, 2018.

This condensed consolidated interim financial information should be read in conjunction with the 2018 annual IFRS consolidated financial statements.

This condensed consolidated interim financial information has not been audited by the external auditor.

The policies have been consistently applied to all the periods presented.

Taxation is determined annually and, accordingly, the tax charge for the interim period involves making an estimate of the likely effective tax rate for the year. The calculation of the effective tax rate is based on an estimate of the tax charge or credit for the year expressed as a percentage of the expected accounting profit or loss. This percentage is then applied to the interim result, and the tax is recognized rateably over the year as a whole.

This condensed consolidated interim financial information has been prepared in accordance with those IFRS standards and IFRIC interpretations issued and effective or issued and early adopted as at 30 June 2019 which have been adopted by the European Union, as follows:

The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2019 and have been endorsed by the European Union:

- IFRS 16, 'Leases' (effective 1 January 2019).
- Amendments to IFRS 9, 'Prepayment features with negative compensation' (effective 1 January 2019 with the EU).
- IFRIC 23, 'Uncertainty over income tax treatments' (effective 1 January 2019).
- Amendments to IAS 28, 'Long term interests in associates and joint ventures' (effective 1 January 2019).
- Amendments to IAS 19, 'Plan Amendment, Curtailment or Settlement' (effective 1 January 2019).
- Annual improvements to IFRS Standards 2015-2017 cycle, applicable as of 1 January 2019 and containing the following amendments to IFRSs:
    - IFRS 3 Business combination, paragraph 42A.
    - IFRS 11 Joint Arrangements, paragraph B33CA.
    - IAS 12 Income Taxes, paragraph 57A.
    - IAS 23 Borrowing Costs, paragraph 14.

The following new standards and amendments have been issued, but are not mandatory for the first time for the financial year beginning 1 January 2019 and have not been endorsed by the European Union:

- Amendments to References to the Conceptual Framework in IFRS Standards (effective 1 January 2020).
- Amendments to IFRS 3 Business Combinations (effective 1 January 2020).
- Amendments to IAS 1 and IAS 8 (effective 1 January 2020).
- IFRS 17 'Insurance contracts' (effective 1 January 2022).

The following standard is mandatory since the financial year beginning 1 January 2016 (however not yet subjected to EU endorsement). The European Commission has decided not to launch the endorsement process of this interim standard but to wait for the final standard:

- IFRS 14, 'Regulatory deferral accounts' (effective 1 January 2016).

The Group is currently assessing the impact of the new requirements.

This condensed consolidated interim financial information is prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, and financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

This condensed consolidated interim financial information is prepared on an accrual basis and on the assumption that the Group is a going concern and will continue in operation for the foreseeable future.

The preparation of the condensed consolidated interim financial information in accordance with IAS 34 requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in the accounting policies.

Note 2 – Changes in accounting policies and other changes, and their impact on equity

There are two changes in the accounting policies compared with the accounting policies used in the preparation of the consolidated financial statements as per December 31, 2018. These changes relate to the implementation of IFRS 16 and to the implementation of IFRIC 23:

Implementation IFRS 16

The new IFRS standard on leases, IFRS 16, is effective as from January 1, 2019. The new standard requires lessees to recognize nearly all leases on the balance sheet reflecting the right to use an asset over the lease term as well as the associated lease liability for payments required to be made by the lessee to the lessor over the lease term. IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

Nature of the effect of adoption of IFRS 16

Leases where the Group is acting as a lessee under contracts that were previously classified as operating lease contracts

The Group mainly acts as a lessee under lease contract for buildings, vehicles and computer equipment.

The Group adopted IFRS 16 on 1 January 2019, in accordance with the transitional provisions of IFRS 16, using the modified retrospective approach. Therefore, the Group has chosen to measure the right-of-use asset at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to these leases recognized in the balance sheet immediately before the data of initial application. Consequently, the cumulative effect of adopting IFRS 16 was recognized as an adjustment to the opening balance of retained earnings as at 1 January 2019, with no restatement of the comparative figures.

The Group has applied the following practical expedients, as permitted by IFRS 16, on the transition date:

- No reassessment whether a contract is, or contains, a lease at the date of initial application. Instead, the Group applied IFRS 16 to contracts that were previously identified as leases applying IAS 17 Leases and IFRIC 4 Determining whether an Arrangement contains a Lease;
- The use of a single discount rate to a portfolio of leases with reasonably similar characteristics;
- Reliance on previous assessments on whether leases are onerous instead of performing an impairment review;
- Not to recognize operating leases with a remaining lease term of less than 12 months; and
- Not to recognize a right of use asset and a lease liability for low value leases (5,000 euro).

Other leases of the Group

The Group has no other major lease contracts than those recognized under the new IFRS 16 standard.

Impact of IFRS 16 upon transition and as per 30 June 2019:

Implementing IFRS 16 affected the following items on the balance sheet on January 1, 2019:

Upon transition, the lease liabilities were measured at the present value of the remaining lease payments (for building: intention to stay), discounting using the lessee's incremental borrowing rate as of January 1, 2019. Our weighted average incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 2.5 %. The leases are recognized as a right-of-use asset and a corresponding liability. The right-of-use asset is depreciated over the asset's useful life on a straight-line basis. The following amounts were recognized as per 1 January 2019:

Fixed assets – Right of use assets - Building: + 14.7 million euro

Fixed assets – Right of use assets – Other: + 1.4 million euro

Long Term Lease liabilities: + 13.1 million euro

Short Term Lease liabilities: + 3.0 million euro

Implementing IFRS 16 affected consolidated statement of comprehensive income on June 30, 2019:

The impact as per 30 June 2019 is as follows:

Impact on the EBIT (Earnings before Interest and Taxes): - 0.3 million euro

Impact on the EBITDA (Earnings before Interest, Taxes, Depreciation and Amortisation): +1.2 million euro

Impact on Financial Result: - 0.2 million euro

Impact on net result: -0.5 million euro

Change in accounting policies with effect from 1 January 2019 as a result of the adoption of IFRS 16:

Since 1 January 2019, the Group applies the following accounting policy regarding IFRS 16:

Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any

remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.
Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

<u>Lease liabilities</u>

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occur.

The Group presents interests paid on its lease liabilities as financing activities in the cash-flow statement. Variable payments as well as amounts paid for short-term and low-value leases are presented in the line operating activities.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

<u>Short-term leases and leases of low-value assets</u>

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value (i.e., below €5,000). Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Significant judgement in determining the lease term of contracts with renewal options:

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

Implementation IFRIC 23 – Uncertain tax positions

IFRIC 23 – Uncertainty over income tax treatments is effective as from January 1, 2019. The JENSEN-GROUP estimated the uncertain tax positions and concluded to account for a provision amounting to 0,4 million euro. This provision is accounted for directly into equity.

Note 3 – Segment reporting

The total laundry industry can be split up into consumer, commercial and heavy-duty laundry. The JENSEN-GROUP entities serve end-customers in the Heavy Duty laundry segment. They follow the same process. The JENSEN-GROUP sells its products and services under the JENSEN brand through own sales and service companies and independent distributors worldwide. In this way the JENSEN-GROUP operates only in one single segment.

The following table presents revenue and non-current asset information based on the Group's geographical areas:

	Europe + CIS		America		Middle East, Far East and Australia		TOTAL	
(in thousands of euro)	*June 2019*	*June 2018*	*June 2019*	*June 2018*	*June 2019*	*June 2018*	*June 2019*	*June 2018*
Revenue from external customers	108.971	103.747	37.604	47.169	31.051	30.082	177.626	180.998
Other segment information								
Non-current assets	42.999	32.079	3.740	3.069	9.950	4.577	56.689	39.725

The difference between the non-current assets in the table above (56.7 million euro) and the non-current assets as per the condensed consolidated statements of the financial position (60.9 million euro) relates to the deferred tax assets (4.2 million euro).

Note 4 – Other operating result

(in thousands of euro)	*June 30, 2019*	*June 30, 2018*
Other Income / (Expense)	2.697	168

The other operating result includes 2.5 million euro related to hurricane Michael: On October 10, 2018, JENSEN USA was hit by hurricane Michael. Despite receiving an advance from the insurance company, JENSEN-GROUP decided in 2018 to defer the income until the claim was settled. During 2019 part of the claim is certain and accounted for in P&L.

Note 5 - Cash flow statement

Cash, cash equivalent and bank overdrafts include the following for the purpose of the cash flow statement:

(in thousands of euro)	*June 30, 2019*	*June 30, 2018*
Cash and cash equivalent	12.928	8.572
Overdraft	-2.768	-10.867
Net cash and cash equivalents	**10.160**	**-2.295**

The cash and cash equivalent increased as the Group signed a long-term loan agreement during the second semester of 2018.

Note 6 – Commitments and contingencies

There are no major changes compared to December 31, 2018.

Note 7 – Scope of consolidation

On March 27, 2019, the JENSEN-GROUP increased its shareholding in TOLON GLOBAL MAKINA Sanyi Ve Tikaret Sirketi A.S., Turkey, by 6.34% to 49%. As the JENSEN-GROUP only holds a 49% participation and does not control the company, this participation is consolidated under the equity method.

On April 10, 2018, the JENSEN-GROUP increased its shareholding in TOLON GLOBAL MAKINA Sanyi Ve Tikaret Sirketi A.S., Turkey, by 6.33% to 42.66%.

Note 8 - Related party transactions

The shareholders of the Group as per June 30, 2019 are:

JENSEN Invest:	53.1%
LAZARD Frères Gestion SAS	5.2%
Free float:	41.7%

There are no significant changes in compensation of key management.

Note 9 – Acquisitions

On March 27, 2019, the JENSEN-GROUP increased its shareholding in TOLON GLOBAL MAKINA Sanyi Ve Tikaret Sirketi A.S., Turkey, by 6.34% to 49%.

The table below gives an overview of the acquisition-date fair value of the total consideration transferred and the remaining amount of goodwill recognized for the acquisition:

JENSEN-GROUP condensed interim financial information for six months ended on June 30, 2019

(in thousands of euro)	2019
Non current assets	3.693
Current assets	8.688
Non current liabilities	- 7.443
Net assets acquired	4.937
Group share in net assets acquired	313
Goodwill	338
Purchase price	651
Net cash out for acquisitions of subsidiaries	**651**

The fair value of the assets and liabilities acquired in the above transaction is determined on a provisional basis. Any adjustment to the provisional amounts will be recorded within twelve months of acquisition date.

Note 10 - Events after balance sheet date

There are no significant after balance sheet events.