



Groupe Bruxelles Lambert

Incorporated as a limited liability company (naamloze vennootschap/société anonyme) in Belgium

EUR 500,000,000 1.375 per cent fixed rate bonds due 23 May 2024

Gross actuarial yield: 1.427%

Issue Price: 99.656% per cent. -ISIN Code: BE0002280494 -Common Code: 161825107 (the "Bonds")

Issue Date: 23 May 2017

Application has been made for the Bonds to be listed on Euronext Brussels and to be admitted to trading on the regulated market of Euronext Brussels.

Potential investors are invited to read the Prospectus and in particular Part I (*Risk Factors*) on pages 7 to 18 of the Prospectus.

This Prospectus has been approved as a prospectus on 16 May 2017 by the Belgian Financial Services and Markets Authority (the "FSMA") in its capacity as competent authority under the Law of 16 June 2006 on public offerings of investment instruments and the admission of investment instruments to trading on a regulated market (as amended from time to time) (the "**Prospectus Law**"), which implemented Directive 2003/71/EC as amended (the "**Prospectus Directive**"). The approval by the FSMA does not imply any approval of the appropriateness of the merits of any issue of the Notes, nor of the situation of the Issuer. This Prospectus has been prepared on the basis of annexes IX and XIII of Commission Regulation 809/2004 of 29 April 2004 (as amended from time to time).

Bonds may be held only by, and transferred only to, eligible investors referred to in Article 4 of the Belgian Royal Decree of 26 May 1994, holding their securities in an exempt securities account that has been opened with a financial institution that is a direct or indirect participant in the settlement system operated by the National Bank of Belgium. Bonds issued under this Prospectus will also not be placed with "consumers" within the meaning of the Belgian Code of Economic Law.

Joint Global Co-Ordinators

BNP PARIBAS

SOCIETE GENERALE
CORPORATE AND INVESTMENT BANKING

Joint Lead Managers

BNP PARIBAS

CM-CIC MARKET SOLUTIONS

HSBC

ING BANK N.V.

KBC BANK

SOCIETE GENERALE
CORPORATE AND INVESTMENT BANKING

Prospectus dated 16 May 2017.

Groupe Bruxelles Lambert, a limited liability company (*naamloze vennootschap/société anonyme*) incorporated under Belgian law, having its registered office at Avenue Marnix 24, 1000 Brussels, Belgium and registered with the Crossroads Bank for Enterprises under number 0407.040.209, commercial court of Brussels (the “**Issuer**” or “**GBL**”) intends to issue the Bonds for an aggregate principal amount of EUR 500,000,000. The Bonds will bear interest at the rate of 1.375 per cent. per annum (the “**Interest**”). Interest on the Bonds is payable annually in arrear on the Interest Payment Dates (as defined below) falling on, or nearest to 23 May in each year. The first payment of Interest will occur on 23 May 2018. The Bonds will mature on 23 May 2024 (the “**Final Maturity Date**”).

BNP Paribas and Société Générale are acting as joint global co-ordinators and managers (together, the “**Joint Global Co-Ordinators**”) and Crédit Industriel et Commercial S.A., HSBC Bank plc, ING Bank N.V., Belgian Branch and KBC Bank NV are acting as joint lead managers (together with the Joint Global Co-Ordinators, the “**Managers**”) for the purpose of the offer of the Bonds (the “**Offer**”). BNP Paribas Securities Services, Belgian branch has been appointed as agent (the “**Agent**”).

The Bonds will be issued in denominations of EUR 100,000 each.

Neither the Issuer nor the Bonds have a credit rating.

This prospectus (the “**Prospectus**”) intends to provide the information with regard to the Issuer and the Bonds, which according to the particular nature of the Issuer and the Bonds, is necessary to enable investors to make an informed assessment of the rights attaching to the Bonds and of the assets and liabilities, financial position, profit and losses and prospects of the Issuer. Copies of this Prospectus can be obtained at the registered office of the Issuer and at the registered office of the Managers.

Application has been made for the Bonds to be listed on Euronext Brussels and to be admitted to trading on the regulated market of Euronext Brussels.

The Bonds will be issued in dematerialised form (*gedematerialiseerd/dématérialisé*) in accordance with Article 468 of the Belgian Companies Code (*Wetboek van Vennootschappen/Code des Sociétés*) (the “**Belgian Companies Code**”) and cannot be physically delivered. The Bonds will be represented exclusively by book-entries in the records of the settlement system operated by the National Bank of Belgium (the “**NBB**”) or any successor thereto (the “**NBB-SSS**”). Access to the NBB-SSS is available through those of its NBB-SSS participants whose membership extends to securities such as the Bonds. NBB-SSS participants include certain banks, stockbrokers (*beursvennootschappen/sociétés de bourse*), Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking, *société anonyme*, Luxembourg (“**Clearstream, Luxembourg**”). Accordingly, the Bonds will be eligible for clearance through and will therefore be accepted by Euroclear and Clearstream, Luxembourg. Investors who are not NBB-SSS participants, can hold their Bonds within securities accounts in Euroclear and Clearstream, Luxembourg.

Unless otherwise stated, capitalised terms used in this Prospectus have the meanings set forth in this Prospectus. Where reference is made to the “**Terms and conditions of the Bonds**” or to the “**Conditions**”, reference is made to the terms and conditions of the Bonds as set out in Part III (*Terms and conditions of the Bonds*).

An investment in the Bonds involves risks. Potential investors should take note of Part I (*Risk Factors*) on pages 7 to 18 of the Prospectus to understand which factors may affect the Issuer’s ability to fulfil its obligations under the Bonds.

OFFER OF THE BONDS

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy the Bonds. The distribution of this Prospectus and the offer or sale of Bonds may be restricted by law in certain jurisdictions.

The Issuer and the Managers do not represent that this Prospectus may be lawfully distributed, or that the Bonds may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Managers which is intended to permit a public offering of the Bonds or the distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Bonds may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Bonds may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of Bonds.

For a description of further restrictions on offers and sales of Bonds and distribution of this Prospectus, see Part VIII (*Subscription and Sale*) of the Prospectus.

This Prospectus is to be read in conjunction with all the documents which are incorporated herein by reference (see Part II (*Documents Incorporated by Reference*) of the Prospectus). This Prospectus shall be read and construed on the basis that such documents are incorporated in and form part of the Prospectus.

No person is or has been authorised to give any information or to make any representation not contained in or not consistent with this Prospectus and any information or representation not so contained or inconsistent with this Prospectus or any other information supplied in connection with the Bonds and, if given or made, such information must not be relied upon as having been authorised by or on behalf of the Issuer or the Managers. Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that:

- the information contained in this Prospectus is true subsequent to the date of the Prospectus or otherwise that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented;
- that there has been no adverse change, or any event likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer since the date hereof or, if later, the date upon which this Prospectus has been most recently amended or supplemented; or
- that the information contained in it or any other information supplied in connection with the Bonds is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

Upon the occurrence of any event set out in Article 34, §1 of the Prospectus Law, the Issuer will publish a supplement to the Prospectus (please refer to “Warning” on p. 5 of the Prospectus for more information with respect to the publication of supplements to the Prospectus).

Market data and other statistical information used in the Prospectus have been extracted from a number of sources, including independent industry publications, government publications, reports by market research firms or other independent publications. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, it is able to ascertain from information published by the relevant independent source, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Neither this Prospectus nor any other information supplied in connection with the offering of the Bonds (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer or the Managers that any recipient of this Prospectus or any other information supplied in connection with the offering of the Bonds should purchase any Bonds. Each investor contemplating a purchase

of the Bonds should make its own independent investigation of the financial conditions and affairs, and its own appraisal of the creditworthiness of the Issuer.

Neither this Prospectus nor any other information supplied in connection with the offering of the Bonds constitutes an offer or invitation by or on behalf of the Issuer or the Managers to any person to subscribe for or purchase any Bonds.

Neither the Managers nor any of their respective affiliates have authorised the whole or any part of the Prospectus and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in the Prospectus. To the fullest extent permitted by law, the Managers accept no responsibility whatsoever for the contents of this Prospectus or for any other statement, made or purported to be made by the Managers or on their behalf in connection with the Issuer or the issue and private placement of the Bonds. The Managers accordingly disclaim all liability, whether arising in tort or in contract or in any other event, in relation to the information contained or incorporated by reference in this Prospectus or any other information in connection with the Issuer, the offering of the Bonds or the distribution of the Bonds.

The Bonds have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or the securities laws of any state or other jurisdiction of the United States. The Bonds are being offered and sold solely outside the United States to non-U.S. persons in reliance on *Regulation S* under the Securities Act ("**Regulation S**"). Subject to certain exceptions, the Bonds may not be offered, sold or delivered within the United States or to, or for the account or benefit of U.S. persons (as defined in Regulation S). For a further description of certain restrictions on the offering and sale of the Bonds and on the distribution of this document, please refer to Part VIII (*Subscription and Sale*) of the Prospectus.

All references in this document to "**euro**", "**EUR**" and "**€**" refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

This Prospectus contains various amounts and percentages which are rounded and, as a result, when these amounts and percentages are added up, they may not total.

In connection with the issue of the Bonds, BNP Paribas (the "Stabilising Manager") (or persons acting on behalf of the Stabilising Manager) may over allot Bonds or effect transactions with a view to supporting the price of the Bonds at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Bonds is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the Bonds and 60 days after the date of the allotment of the Bonds. Any stabilisation action or over allotment must be conducted by the Stabilising Manager (or persons acting on behalf of the Stabilising Manager) in accordance with all applicable laws and rules.

RESPONSIBLE PERSONS

The Issuer, having its registered office at Avenue Marnix 24, 1000 Brussels, Belgium, (the "**Responsible Person**") accepts responsibility for the Prospectus and any supplements to the Prospectus.

To the best of the knowledge and belief of the Issuer, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is in accordance with the facts and contains no omissions likely to affect its import.

WARNING

The Prospectus has been prepared to provide information in connection with the listing and admission to trading of the Bonds on the regulated market of Euronext Brussels. When potential investors make a decision to invest in the Bonds, they should base this decision on their own research of the Issuer and the terms and conditions of the Bonds set out in Part III (*Terms and Conditions of the Bonds*) of the Prospectus, including, but not limited to, the associated benefits and risks. The investors must themselves assess, with their own advisors if necessary, whether the Bonds are suitable for them, considering their personal income and financial situation. In case of any doubt about the risk involved in purchasing the Bonds, investors should abstain from investing in the Bonds.

The summaries and descriptions of legal provisions, taxation, accounting principles or comparisons of such principles, legal company forms or contractual relationships reported in the Prospectus may in no circumstances be interpreted as investment, legal or tax advice for potential investors. Potential investors are urged to consult their own advisor, accountant or other advisors concerning the legal, tax, economic, financial and other aspects associated with the subscription to the Bonds.

Pursuant to Article 34 of the Prospectus Law, the Issuer will, in the event of important new developments, material errors or inaccuracies that could affect the assessment of the Bonds, and which occur or are identified between the time of the approval of the Prospectus and the time at which trading on the regulated market of Euronext Brussels commences, have to publish a supplement to the Prospectus containing this information. This supplement will (i) need to be approved by the FSMA and (ii) be published in compliance with at least the same conditions applicable to the Prospectus, and will be published on the websites of the Issuer, the Managers and the website of the FSMA. The Issuer must ensure that any such supplement is published as soon as possible after the occurrence of such new significant factor.

FURTHER INFORMATION

For more information about the Issuer, please contact:

Groupe Bruxelles Lambert
Avenue Marnix 24
1000 Brussels
Belgium
Tel.: +32 2 289 17 17
www.gbl.be

TABLE OF CONTENTS

| | |
|--|----|
| PART I – RISK FACTORS | 7 |
| PART II – DOCUMENTS INCORPORATED BY REFERENCE..... | 19 |
| PART III – TERMS AND CONDITIONS OF THE BONDS | 21 |
| PART IV – SETTLEMENT..... | 34 |
| PART V – DESCRIPTION OF THE ISSUER | 35 |
| PART VI – USE OF PROCEEDS | 90 |
| PART VII – TAXATION | 91 |
| PART VIII – SUBSCRIPTION AND SALE | 96 |
| PART IX – GENERAL INFORMATION | 98 |

PART I – RISK FACTORS

The Issuer believes that the risks described below may affect the Issuer's ability to fulfil its obligations under the Bonds. All of these factors are contingencies which may or may not occur.

In addition, factors which are material for purposes of assessing the market risks associated with the Bonds are described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Bonds, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Bonds may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate. The sequence in which the risk factors are listed is not an indication of their likelihood to occur or of the extent of their commercial consequences. Prospective investors should also read the detailed information set out elsewhere in this Prospectus or incorporated by reference in this Prospectus and reach their own views prior to making any investment decision and consult with their own professional advisors if they consider it necessary.

Terms defined in the Conditions shall have the same meaning where used below.

1 RISKS RELATING TO THE ISSUER

The Issuer has set up a formal risk analysis and assessment process since 2006.

The audit committee of the Issuer carries out a thorough exercise for the identification of risks faced by the Issuer and their ranking every three years. The risks identified during the last assessment carried out in 2015 are presented below. Furthermore, the audit committee of the Issuer annually reassesses the risks and their level of control, notably based on changes in the portfolio, economic parameters or the control environment. When necessary, it ensures that management implements a corrective action plan.

1.1 Specific risks related to the Issuer's participations

Each of the Issuer's investments is exposed to specific risks which, if they were to materialise, could lead to a change in the overall value of the Issuer's portfolio, its distribution capacity or its results profile. The bulk (94%) of the Issuer's portfolio at year-end 2016 was composed of nine participations in major listed groups which themselves analyse their risk environment. These are described and analysed in their respective management reports and registration documents in accordance with legislation in force.

The specific risks related to the participations are identified and addressed by the companies themselves within the framework of their own risk management and internal control. The following table mentions links to the websites where these companies' analyses conducted on risk identification and internal control can be found.

| | |
|---------------|-----------------------|
| Imerys | www.imerys.com |
| LafargeHolcim | www.lafargeholcim.com |
| SGS | www.sgs.com |
| Adidas | www.adidas-group.com |
| Pernod Ricard | www.pernod-ricard.com |
| Umicore | www.umicore.com |
| Total | www.total.com |
| Ontex | www.ontexglobal.com |

The Issuer is also exposed to risks related to its investments carried out through Sienna Capital which nevertheless currently account for 6% of the portfolio value.

1.2 Risks specific to the Issuer

1.2.1 Risk related to strategy implementation

The strategy must reflect a clear vision that addresses shareholders' expectations. It must be shared by the members of the management and carried out through operational action plans, based on appropriate assumptions, in order to avoid the risk of inefficient implementation and failure to comply with the value creation objectives.

1.2.2 Portfolio risk

The composition of the portfolio, determined by the investment and divestment decisions, may involve a particular exposure to certain industrial sectors, certain geographic areas or certain regulations. Decisions related to portfolio changes must be based on sufficient and adequate analyses in order to avoid an imbalance in the Issuer's portfolio in terms of risks and/or expected return.

1.2.3 Stock market risk

The Issuer is exposed, given the nature of its activities, to stock market fluctuations within its portfolio. Moreover, stock market volatility may impact the Issuer's share price. For further details, please refer to note 23 to the audited consolidated financial statements of the Issuer for the year ended 31 December 2016 and to note 20 to the audited consolidated financial statements of the Issuer for the year ended 31 December 2015.

1.2.4 Foreign exchange risk

The Issuer is exposed to foreign exchange risk that may have an impact on its portfolio value through investments listed in foreign currencies, as well as on the dividend flows it receives. For further details, please refer to note 23 to the audited consolidated financial statements of the Issuer for the year ended 31 December 2016 and to note 20 to the audited consolidated financial statements of the Issuer for the year ended 31 December 2015.

1.2.5 Counterparty risk

Counterparty default risk occurs primarily within the framework of deposit, drawdown under the credit lines, hedge transactions, purchase/sale of listed shares, derivative financial instruments or

other transactions carried out with banks or financial intermediaries, including collateral transactions.

1.2.6 Treasury risk

A lack of control over cash inflows, outflows and investments in money market instruments may have significant financial consequences.

1.2.7 Liquidity risk

The Issuer must at all times have sufficient financial resources that can be readily mobilized notably in order to implement its investment strategy and to meet its debt servicing requirements.

1.2.8 Interest rate risk

The Issuer is exposed, given its financial position, to changes in interest rates that could have an impact on both its debt and its cash. For further details, please refer to note 23 to the audited consolidated financial statements of the Issuer for the year ended 31 December 2016 and to note 20 to the audited consolidated financial statements of the Issuer for the year ended 31 December 2015.

1.2.9 Risk related to derivative financial instruments

The value of derivative financial instruments evolves depending on market conditions. Use of such instruments must comply with the prerequisites in terms of technical analysis as well as legal documentation to ensure that these instruments are effective and meet the Issuer's strategy. For further details, please refer to notes 23, 24 and 27 to the audited consolidated financial statements of the Issuer for the year ended 31 December 2016 and to notes 20 and 23 to the audited consolidated financial statements of the Issuer for the year ended 31 December 2015.

1.2.10 Eurozone risk

The transactions carried out by the Issuer are mainly denominated in euros. The European Union and the Eurozone are weakened in particular by the level of sovereign debt, the tensions arisen in 2015 related to the risk of Greece's exit from the Eurozone, and the outcome of the referendum in favor of Brexit in 2016.

1.2.11 Legal risk

As a company listed on a regulated market and as an investor in industrial and services companies, the Issuer is subject to many statutory and regulatory provisions. In the course of its activities and through its strategy, in addition to complying with those rules, the Issuer must also monitor them closely so that changes therein are appropriately taken into account in the management of its activities and governance. Moreover, the protection of the group's assets and the success of its strategy are mainly based on contractual discipline. It is a general and particularly important matter in the case of agreements in relation notably to financing, acquisition or disposal transactions. The Issuer must also manage litigation in the context of its own activities in order to limit the financial loss that could result from it and to preserve the group's reputation.

1.2.12 Tax risk related to current legal and regulatory framework and related to legal and regulatory changes

The Issuer must foresee the tax implications of all its strategic decisions, comply with its legal and tax reporting obligations and anticipate potential changes in the current Belgian and

international legal framework to avoid any risk of non-compliance that could have adverse effects. Given the complexity of the current and constantly changing environment, it is all the more important that the Issuer controls and effectively monitors this tax risk.

1.2.13 Risk related to financial reporting

Complete, reliable and relevant information is a key element of management and governance and is also central to the Issuer's communication. Competent teams in charge of producing that information and appropriate information systems must enable to control the risk that financial information is not prepared in a timely manner, is incomplete or is not understandable to the reader. Budgets and projections are supports to decision-making and management control. Their reliability and relevance can influence the group's performance.

1.2.14 Risk of delegation of authority

An inappropriate definition or the failure to comply with signing authority and delegation of authority could commit the Issuer to unauthorised transactions. A control environment that fails to ensure the segregation of duties and to preserve the group from fraud could result in financial losses and harm its image.

1.2.15 Risk of non-compliance with professional practices and ethics standards

The Issuer is exposed to the risk that behaviour and decisions of its managers or employees, whether individually or collectively, may not comply with professional practices and ethics standards it endorses. The Issuer's historic performance, its investment policy, its behaviour as a shareholder and its approach to ethics and governance contribute to the group's renown. Preserving this is essential, as a failure to do so could trigger financial losses and harm the group's image.

1.2.16 Risk related to IT infrastructure

This risk relates to the general IT environment (including hardware, network, back-up system, software, etc.). The infrastructure and developed tools must address the Issuer's operational needs in an appropriate manner. Any failure must be anticipated or resolved without any impact on the group's activities.

1.2.17 Risk related to information access management

The security of the systems and information access management must ensure that no transaction violates the existing control procedures and that no information is used by unauthorised persons.

1.2.18 Risk related to human resources

The group has to recruit and retain the human resources required to ensure that it operates effectively and achieves its objectives.

2 RISK FACTORS IN RELATION TO THE BONDS

2.1 The Bonds may not be a suitable investment for all investors

Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Prospectus or any applicable supplement;

- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact the Bonds will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Bonds and be familiar with the behaviour of any relevant financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Furthermore, each prospective investor in the Bonds must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Bonds is fully consistent with its financial needs, objectives and condition, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Bonds.

2.2 The Bonds are unsecured obligations of the Issuer and the Issuer may incur additional indebtedness

The right of the Bondholders to receive payment on the Bonds is unsecured. In the event of liquidation, dissolution, judicial reorganisation, bankruptcy or similar procedure affecting the Issuer, the holders of secured indebtedness will be repaid first with the proceeds from the enforcement of such security.

The Bonds do not limit the amount of indebtedness which the Issuer may incur, except that if a security is provided by the Issuer in respect of any Relevant Debt of the Issuer, the Issuer and/or the Relevant Principal Subsidiary will be required to grant the same or similar security for the benefit of the Bondholders pursuant to Condition 4 (*Negative Pledge*).

2.3 The Bonds may be early redeemed

The Bonds may be redeemed prior to maturity at their nominal amount together with, if applicable, interest accrued to (but excluding) the date fixed for redemption (i) upon the occurrence of an Event of Default (as defined in Condition 10 (*Events of Default*)), (ii) pursuant to certain changes in tax law or regulations set out in Condition 6.2 (*Redemption for Taxation Reasons*), (iii) upon the occurrence of an Early Redemption Event as set out in Condition 6.3 (*Redemption at the option of the Bondholders upon the occurrence of a Major Restructuring*), (iv) at the option of the Issuer, in all or in part in accordance with Condition 6.4.1 (*Issuer Call*) or (v) at the option of the Issuer during the Early Redemption Period as set out in Condition 6.4.2 (*During the Early Redemption Period*). In such circumstances, an investor may not be able to reinvest the repayment proceeds (if any) at a yield comparable to that of the Bonds.

The early redemption option referred to in (iv) above may impact the market value of the Bonds as there is a risk that the market value of the Bonds will not increase significantly above the early redemption amount of the Bonds. Similarly, in respect of the early redemption referred to in (v) above, the market value of the Bonds outstanding generally will not rise substantially above the price at which they can be redeemed during the Early Redemption Period. This may also be true prior to the Early Redemption Period. Potential investors should consider reinvestment risk in light of other investments available at that time.

2.4 The Conditions may be modified and defaults may be waived by the defined majorities of the meetings of Bondholders

Condition 11 (*Meeting of Bondholders and Modification*) and the Agency Agreement contain provisions for calling meetings of Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bondholders including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority.

2.5 The Issuer may not be able to repay the Bonds

The Issuer may not be able to repay the Bonds at their maturity. The Issuer's ability to repay the Bonds will depend on its financial condition at the time of the requested repayment, and may be limited by law, by the terms of its indebtedness and by the agreements that it may have entered into on or before such date, which may replace, supplement or amend their existing or future indebtedness. The Issuer's failure to repay the Bonds may result in an event of default under the terms of other outstanding indebtedness. The Issuer may also be required to repay all or part of the Bonds upon the occurrence of an Event of Default (as defined in Condition 10 (*Events of Default*)). If the Bondholders were to request repayment of their Bonds upon the occurrence of an Event of Default (as defined in Condition 10 (*Events of Default*)), the Issuer cannot assure that it will be able to pay the required amount in full.

2.6 The Issuer and the Bonds do not have a public credit rating

The Issuer and the Bonds do not have a public credit rating at the time of the Offer. The Issuer currently does not intend to request a public credit rating for itself or the Bonds at a later date. This may impact the trading price of the Bonds. There is no guarantee that the price of the Bonds and the other Conditions at the time of the Offer, or at a later date, will cover the credit risk related to the Bonds and the Issuer.

2.7 The transfer of the Bonds, any payments made in respect of the Bonds and all communications with the Issuer will occur through the NBB-SSS

The Bonds will be issued in dematerialised form under the Belgian Companies Code and cannot be physically delivered. The Bonds will be represented exclusively by book-entries in the records of the NBB-SSS. Access to the NBB-SSS is available through its NBB-SSS participants whose membership extends to securities such as the Bonds. NBB-SSS participants include certain banks, stockbrokers (*beursvennootschappen/sociétés de bourse*) and Euroclear and Clearstream, Luxembourg. Transfers of the Bonds will be effected between the NBB-SSS participants in accordance with the rules and operating procedures of the NBB-SSS. Transfers between investors will be effected in accordance with the respective rules and operating procedures of the NBB-SSS participants through which they hold their Bonds. The Issuer and BNP Paribas Securities Services, Belgian branch as Agent will have no responsibility for the proper performance by the NBB-SSS or the NBB-SSS participants of their obligations under their respective rules and operating procedures.

A Bondholder must rely on the procedures of the NBB-SSS to receive payment under the Bonds. The Issuer will have no responsibility or liability for the records relating to, or payments made in respect of, the Bonds within the NBB-SSS.

2.8 The Agent is not required to segregate amounts due in respect of the Bonds

The Agency Agreement provides that the Agent will debit the relevant account of the Issuer to pay the Bondholders. The Agent will, simultaneously upon receipt of the relevant amounts into its account, pay any amounts due and payable in respect of the relevant Bonds to the Bondholders directly or through the NBB-SSS. The Agent is not required to segregate any such amounts received in respect of the Bonds from its other assets. This may as a consequence expose investors to a risk of insolvency affecting the

Agent as investors would not have a preference on the relevant amounts held by the Agent in respect of the Bonds.

2.9 Potential conflicts of interest -The Issuer, the Agent and the Managers may engage in transactions adversely affecting the interests of the Bondholders

The Agent and the Managers may have conflicts of interests which could have an adverse effect on the interests of the Bondholders. Potential investors should be aware that the Issuer is involved in a general business relationship and/or in specific transactions with the Agent, and/or each of the Managers and that they might have conflicts of interests which could have an adverse effect to the interests of the Bondholders. Potential investors should also be aware that the Agent and each of the Managers may hold from time to time debt securities and/or other financial instruments of the Issuer.

Within the framework of normal business relationship with its banks, the Issuer or any subsidiary could enter into or has entered into loan agreements and other facilities with any of the Managers and/or the Agent (via bilateral transactions and/or syndicated loans together with other banks). The terms and conditions of these debt financings may differ from the Conditions and certain terms and conditions of such debt financings could be or are more restrictive than the Conditions of the Bonds. The terms and conditions of such debt financings may contain financial covenants, different from or not included in the Conditions of the Bonds. In addition, as part of these debt financings, the lenders may have or have the benefit of certain guarantees or security, whereas the Bondholders will not have the benefit from similar guarantees. This may result in the Bondholders being subordinated to the lenders under such debt financings.

The Bondholders should be aware of the fact that the Agent and the Managers, when they act as lenders to the Issuer (or when they act in any other capacity whatsoever), have no fiduciary duties or other duties of any nature whatsoever vis-à-vis the Bondholders and that they are under no obligation to take into account the interests of the Bondholders.

The Managers, the Agent and their affiliates have engaged in, or may engage in, investment banking and other commercial dealings in the ordinary course of business with the Issuer or its affiliates. They have received, or may receive, customary fees and commissions for these transactions. In addition, in the ordinary course of their business activities, the Managers, the Agent and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its affiliates. The Managers, the Agent and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

These diverging interests may manifest themselves amongst other things in case of an event of default for any of the credit facilities granted by the Managers and/or the Agent before the maturity of the Bonds or in case of a mandatory early repayment and may have a negative impact on the repayment capacity of the Issuer. It is not excluded that these credit facilities will be repaid before the maturity of the Bonds. Neither the Managers nor the Agent have any obligation to take into account the interests of the Bondholders when exercising its rights as lender under the aforementioned credit facilities. Any full or partial repayment of credit facilities granted by the Managers or the Agent will, at that time, have a favourable impact on the exposure of the Managers or the Agent vis-à-vis the Issuer.

2.10 Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Bonds are legal investments for it, (ii) Bonds can be used as collateral for various types of borrowing, and (iii) other restrictions apply to its purchase or pledge of any Bonds. The investors should consult their legal advisers to determine the appropriate treatment of Bonds under any applicable risk-based capital or similar rules.

2.11 There may be no active trading market for the Bonds

The only manner for the Bondholders to convert his or her investment in the Bonds into cash before their Final Maturity Date is to sell them at the applicable market price at that moment. The price can be less than the nominal value of the Bonds. The Bonds are new securities that may not be widely traded and for which there is currently no active trading market. The Issuer has filed an application to have the Bonds listed on Euronext Brussels and admitted to trading on the regulated market of Euronext Brussels. If the Bonds are admitted to trading after their issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. There is no assurance that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for the Bonds. Therefore, investors may not be able to sell their Bonds easily or at all, or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Illiquidity may have a severely adverse effect on the market value of Bonds. Furthermore, it cannot be guaranteed that the listing once approved will be maintained.

2.12 The Bonds are exposed to market interest rate risk

The Bonds provide a fixed interest rate until the Final Maturity Date. Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds. The longer the maturity of bonds, the more exposed the bonds are to fluctuations in market interest rates. An increase in the market interest rates can result in the Bonds trading at prices lower than their nominal amount.

2.13 The market value of the Bonds may fluctuate

The market value of the Bonds may be affected by the creditworthiness of the Issuer and a number of additional factors, such as market interest, exchange rates and yield rates and the time remaining to the Final Maturity Date and more generally all economic, financial and political events in any country, including factors affecting capital markets generally and the stock exchanges on which the Bonds are traded. The price at which a Bondholder will be able to sell the Bonds prior to maturity may be at a discount, which could be substantially lower than the issue price or the purchase price paid by such investor.

The actual yield of an investment in the Bonds will also be reduced by inflation. The inflation risk is the risk of future value of money. The higher the rate of inflation, the lower the actual yield of a Bond will be. If the rate of inflation is equal to or higher than the nominal rate of the Bonds, then the actual output is equal to zero, or the actual yield could even be negative.

2.14 The Bonds may be exposed to exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Bonds in euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "Investor's Currency") other than euro. Exchange rates may significantly change

(including changes due to devaluation of the euro or revaluation of the Investor's Currency) and authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the euro would decrease (1) the Investor's Currency-equivalent yield on the Bonds, (2) the Investor's Currency equivalent value of the principal payable on the Bonds and (3) the Investor's Currency equivalent market value of the Bonds.

Government and monetary authorities may impose exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal at all.

2.15 Changes in governing law and practices could modify certain Conditions

The Conditions are based on the laws of Belgium and interpretations thereof and the practices in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to the laws, the official application, interpretation or the administrative practice after the date of this Prospectus.

2.16 The Financial Transaction Tax

On 14 February 2013, the European Commission published a proposal for a Directive (the "Draft Directive") for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia, within the framework of an enhanced cooperation procedure. In December 2015, Estonia withdrew from the group of states willing to introduce the FTT (the "**Participating Member States**").

Pursuant to the Draft Directive, the FTT shall be payable on financial transactions provided at least one party to the financial transaction is established or deemed established in a Participating Member State and there is a financial institution established or deemed established in a Participating Member State which is a party to the financial transaction, or is acting in the name of a party to the transaction. The FTT shall, however, not apply to (inter alia) primary market transactions referred to in Article 5 (c) of Regulation (EC) No 1287/2006, including the activity of underwriting and subsequent allocation of financial instruments in the framework of their issue.

The rates of the FTT shall be fixed by each Participating Member State but for transactions involving financial instruments other than derivatives shall amount to at least 0.1% of the taxable amount. The taxable amount for such transactions shall in general be determined by reference to the consideration paid or owed in return for the transfer. The FTT shall be payable by each financial institution established or deemed established in a Participating Member State which is a party to the financial transaction, acting in the name of a party to the transaction or where the transaction has been carried out on its account. Where the FTT due has not been paid within the applicable time limits, each party to a financial transaction, including persons other than financial institutions, shall become jointly and severally liable for the payment of the FTT due.

Prospective holders should therefore note, in particular, that any sale, purchase or exchange of the Bonds will be subject to the FTT at a minimum rate of 0.1% provided the abovementioned prerequisites are met, and the Draft Directive is adopted and implemented into domestic law of the Participating Member States. The holder may be liable to itself pay this charge or reimburse a financial institution for the charge, and/or the charge may affect the value of the Bonds.

The Draft Directive is still subject to negotiation between the Participating Member States and therefore may be changed at any time. Moreover, once the Draft Directive has been adopted (the "FTT Directive"), it will need to be implemented into the respective domestic laws of the Participating Member States and the domestic provisions implementing the FTT Directive might deviate from the FTT Directive itself.

On 6 May 2014, the Participating Member States issued a joint statement. Pursuant to that statement, FTT will be implemented progressively, with first focus on the taxation of shares and some derivatives.

Prospective holders of the Bonds should consult their own tax advisers in relation to the consequences of the FTT associated with subscribing for, purchasing, holding and disposing of the Bonds.

2.17 The payments made under the Bonds may be subject to withholding tax in circumstances where the Issuer is not obliged to make gross up payments resulting in holders receiving less interest than expected which could significantly adversely affect their return on the Bonds

Currently, no Belgian withholding tax will be applicable to payments of interest and principal under the Bonds by or on behalf of the Issuer if and as long as at the moment of payment or attribution of interest they are held by certain Eligible Investors, subject to certain conditions (see Part VII – Taxation hereinafter).

However, if the Issuer or any other person would be required to make any withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatever nature in respect of any payment in respect of the Bonds, the Issuer or that other person shall make such payment after such withholding or deduction has been made and will account to the relevant authorities for the amount so required to be withheld or deducted.

Potential investors should be aware that neither the Issuer, the NBB nor any other person will be liable for or otherwise obliged to pay, and the relevant Bondholders will be liable for and/or pay, any tax, duty, charge, withholding or other payment whatsoever which may arise as a result of, or in connection with, the ownership, any transfer and/or any payment in respect of the Bonds, except as provided for in Condition 8 (*Taxation*). In particular, potential investors should be aware that pursuant to Condition 8 (*Taxation*), the Issuer will, among others, not be obliged to pay any additional amounts with respect to any Bond to a Bondholder, who at the time of issue of the Bonds, was not an eligible investor within the meaning of Article 4 of the Belgian Royal Decree of 26 May 1994 on the deduction of withholding tax or to a Bondholder who was such an eligible investor at the time of issue of the Bonds but, for reasons within the Bondholder's control, either ceased to be an eligible investor or, at any relevant time on or after the issue of the Bonds, otherwise failed to meet any other condition for the exemption of Belgian withholding tax pursuant to the law of 6 August 1993 relating to certain securities.

Potential investors who are in any doubt as to their tax position should consult their own independent tax advisers.

2.18 Belgian insolvency laws may adversely affect a recovery by the holders of amounts payable under the Bonds

Belgian insolvency laws which should be applicable because the main residence and corporate seat of the Issuer are located in Belgium may adversely affect a recovery by the holders of amounts payable under the Bonds. There are two types of insolvency procedures under Belgian law: (i) the judicial reorganisation (*reorganisation judiciaire/gerechtelijke reorganisatie*) procedure and (ii) bankruptcy (*faillite/faillissement*), each of which is described below.

The main purpose of a **judicial reorganisation** procedure under Belgian law is to preserve the continuity of the business. This procedure initiated by the debtor will grant the debtor a suspension of payments for a specific period of time and will then impose a stay on unsecured creditors and certain secured creditors. Moreover, the debtor cannot be dissolved or declared bankrupt during the judicial reorganisation procedure and any provision providing that an agreement would be terminated because the debtor entered into a judicial reorganisation procedure will be ineffective, subject to certain limited exceptions

set out in the Belgian Act of 15 December 2004 on financial collateral. A judicial reorganisation procedure will be opened if the continuation of the debtor's business is, either immediately or in the future, at risk. The continuation of the debtor's business is in any event deemed to be at risk if, as a result of losses, the debtor's net assets have declined to less than 50 per cent. of the debtor's share capital. At the beginning of a judicial reorganisation procedure, the court will set the duration of the initial suspension period. The initial suspension period has a maximum duration of six months. Upon the debtor's request, the initial suspension period can be extended. However, the total duration of the suspension period cannot exceed twelve months as from the court's ruling to open the judicial reorganisation procedure. In exceptional circumstances (size of the company, complexity, maintenance of employment) and if it is in the creditors' interest, an additional extension of six months will be granted. The judicial reorganisation procedure can be terminated if it becomes manifestly clear that the debtor will not be able to assure the continuity of a part or the whole of its business. Following early termination of the procedure, the debtor can be dissolved or declared bankrupt. During the suspension of payments, the debtor has three options: (i) agree a restructuring with some of its creditors; (ii) present a reorganisation plan to its creditors, which must subsequently be approved by these creditors with a double majority of 50% in number of creditors and 50% in value of the claims; and (iii) a court supervised transfer of (parts of) its business.

The reorganisation plan may involve the rescheduling or the reduction of certain claims. This may impact the recovery of bondholders. The reduction may however not exceed 85% of the claim. In case of a court supervised transfer of (part of) the business of the Issuer the rights of the bondholders will extend to the proceeds of the transfer. In certain circumstances, this may impact the recovery of the bondholders.

As a rule, creditors cannot enforce their rights against the debtor's assets during the period of preliminary suspension of payments, except in the following circumstances: (i) right of set-off in certain circumstances, (ii) failure by the debtor to pay any new debts (e.g. debts which have arisen after the date of the opening of a judicial reorganisation procedure), or (iii) enforcement by a creditor of a pledge over receivables (other than cash and bank accounts except in case of default) or over financial instruments (or certain contractual set-off arrangements) pursuant to the Belgian Act of 15 December 2004 on financial collateral.

A company which, on a sustained basis, has ceased to make payments and whose credit is impaired will be deemed to be in a **state of bankruptcy**. The company must file for bankruptcy within one month after the cessation of payments. Following the court's decision to declare the company bankrupt, all the debt of the company that has not yet become due, will become immediately due. In general, the date on which the company sustainably ceased to make payments will coincide with the date of the court's decision to declare the company bankrupt. However, under certain conditions, the bankruptcy judgment can determine that the date on which the company ceased to make payments occurred already prior to the judgement. The court can in principle fix the date maximum six months prior to its bankruptcy judgment (the "suspect period") (*période suspecte/verdachte periode*), unless a decision to dissolve the company was made more than six months before the date of the bankruptcy judgment, in which case the date could be set on the date of the company's decision for dissolution. Payments made or other transactions executed (as listed below) by the company during the suspect period can be voided for the benefit of the bankrupt estate. The transactions which can or must be voided are (i) any transaction entered into by a bankrupt company during the suspect period if the value of the assets given by the company significantly exceeded the value of the assets that the company received in consideration, (ii) any payment made of due debt or any transaction entered into by a company during the suspect period if the counterparty to the payment or transaction was aware of the suspension of payments, (iii) security interests granted during the suspect period if they intend to secure a debt incurred prior to the suspect period, (iv) any payments (in whatever form), of any debt which was not yet due, as well as all payments

other than money or monetary instruments (i.e. checks, promissory notes, etc.) of any due debt, and (v) any transaction or payment effected with fraudulent intent irrespective of its date. Following a judgment commencing a bankruptcy proceeding, enforcement rights of individual creditors are suspended (subject to exceptions set forth in the Belgian Act of 15 December 2004 on financial collateral). Creditors secured by rights *in rem* over movable assets, such as share pledges, will regain their ability to enforce their rights *in rem* only after the bankruptcy trustee has verified the creditors' claims.

PART II – DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus shall be read and construed in conjunction with:

- (a) the audited consolidated financial statements of the Issuer for the years ended 31 December 2015 and 31 December 2016 (consolidated in accordance with IFRS), together with the audit reports thereon;
- (b) the 2-page overview section (*Our proposal to investors*) set out before page 2 of the annual report of the Issuer for the year ended 31 December 2016;
- (c) the glossary set out on pages 198 and 199 of the annual report of the Issuer for the year ended 31 December 2016; and
- (d) the press release published by the Issuer on 4 May 2017 (*Results at 31 March 2017*), save for the comment of the Co-CEOs on page 1 and section 5 (*Outlook for 2017*).

Such documents shall, in accordance with Article 30 §1 of the Prospectus Law, be incorporated in, and form part of this Prospectus, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus.

Copies of documents incorporated by reference in this Prospectus may be obtained (without charge) from the registered offices of the Issuer and the website of the Issuer (www.gbl.be). The Issuer confirms that it has obtained the approval from its auditors to incorporate the consolidated financial statements and the auditors' reports thereon for the financial years ended 31 December 2015 and 31 December 2016 in this Prospectus.

The tables below include references to the relevant pages of the audited consolidated financial statements of the Issuer for the financial years ended 31 December 2015 and 31 December 2016, as set out in the relevant annual report of the Issuer.

Audited IFRS consolidated financial statements of the Issuer, audit report and explanatory notes of the Issuer for the financial year ended 31 December 2015 (references to the pages of the 2015 annual report).

| | |
|---|------------|
| Consolidated balance sheet | p. 78 |
| Consolidated statement of comprehensive income | p. 79 |
| Consolidated statement of changes in shareholders' equity | p. 80 |
| Consolidated statement of cash flows | p. 81 |
| Accounting policies | p. 82-91 |
| Notes | p. 92-135 |
| Statutory auditor's report | p. 136-137 |

Audited IFRS consolidated financial statements of the Issuer, audit report and explanatory notes of the Issuer for the financial year ended 31 December 2016 (references to the pages of the 2016 annual report).

| | |
|---|------------|
| Consolidated balance sheet | p. 74 |
| Consolidated statement of comprehensive income | p. 75 |
| Consolidated statement of changes in shareholders' equity | p. 76 |
| Consolidated statement of cash flows | p. 77 |
| Accounting policies | p. 78-88 |
| Notes | p. 89-137 |
| Statutory auditor's report | p. 138-139 |

The table below includes references to the relevant pages of the press release referred to in paragraph (d) above.

References to the pages of the press release published by the Issuer on 4 May 2017 (*Results at 31 March 2017*).

| | |
|---|------|
| Cash earnings at 31 March 2017, 31 March 2016 and 31 December 2016 | p. 1 |
| Adjusted net assets at 31 March 2017, 31 March 2016 and 31 December 2016 | p. 1 |
| Loan to value at 31 March 2017, 31 March 2016 and 31 December 2016 | p. 1 |
| Comparison of liquidity profile on 31 March 2017, 31 December 2016 and 31 December 2015 | p. 3 |
| Reconciliation of adjusted net assets with the IFRS consolidated financial statements | p. 5 |
| Reconciliation of own shares with the IFRS consolidated financial statements | p. 5 |

PART III – TERMS AND CONDITIONS OF THE BONDS

The issue of the EUR 500,000,000 1.375 per cent. bonds due 23 May 2024 (the "**Bonds**"), which expression shall in these Conditions, unless the context otherwise requires, include any Further Bonds (as defined below) was (save in respect of any Further Bonds) authorised by a resolution passed by the Board of Directors of Groupe Bruxelles Lambert SA (the "**Issuer**") on 17 March 2017.

The Bonds are issued subject to and with the benefit of a domiciliary and paying agency agreement dated 16 May 2017 entered into between the Issuer and BNP Paribas Securities Services, Belgian Branch acting as domiciliary and paying agent (the "**Agent**"), which expression shall include any successor Agent under the Agency Agreement (such agreement as amended and/or supplemented and/or restated from time to time, the "**Agency Agreement**") and a service agreement relating to the issue of dematerialised bonds dated on or about 16 May 2017 between the Issuer, the National Bank of Belgium (the "**NBB**") and the Agent (such agreement as amended and/or supplemented and/or restated from time to time, the "**Clearing Services Agreement**"). The statements in these terms and conditions (the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Agency Agreement. Copies of the Agency Agreement and the Clearing Services Agreement are available for inspection during normal business hours at the specified office of the Agent. The specified office of the Agent is at Rue de Loos 25, 1000 Brussels, Belgium (the "**Specified Office**"). The Bondholders (as defined below) are bound by and deemed to have notice of all provisions of the Agency Agreement and the Clearing Services Agreement applicable to them.

References herein to "Conditions" are, unless the context otherwise requires, to the numbered paragraphs below.

1 FORM, DENOMINATION AND TITLE

- 1.1 The Bonds are issued in dematerialised form in accordance with Article 468 of the Belgian Companies Code (*Wetboek van Vennootschappen/Code des Sociétés*) (the "**Belgian Companies Code**") and cannot be physically delivered. The Bonds will be represented exclusively by book entries in the records of the X/N securities settlement system operated by the NBB or any successor thereto (the "**NBB-SSS**"). The Bonds can be held by their holders through participants in the NBB-SSS, including Euroclear and Clearstream, Luxembourg and through other financial intermediaries which in turn hold the Bonds through Euroclear and Clearstream, Luxembourg, or other participants in the NBB-SSS. The Bonds are accepted for settlement through the NBB-SSS and are accordingly subject to the applicable settlement regulations, including the Belgian law of 6 August 1993 on transactions in certain securities, its implementing Belgian Royal Decrees of 26 May 1994 and 14 June 1994 and the terms and conditions governing the participation in the NBB Securities Settlement System and its annexes, as issued and modified by the NBB from time to time (the laws, decrees and rules mentioned in this Condition being referred to herein as the "**NBB-SSS Regulations**"). Title to the Bonds will pass by account transfer. The Bonds may not be exchanged for bonds in bearer form. If at any time the Bonds are transferred to another clearing system, not operated or not exclusively operated by the NBB, these provisions shall apply mutatis mutandis to such successor clearing system and successor clearing system operator or any additional clearing system and additional clearing system operator.
- 1.2 The Bonds are issued in denominations of EUR 100,000 each, and can only be settled through the NBB-SSS in nominal amounts equal to that denomination or integral multiples thereof.
- 1.3 Bonds may be held only by, and transferred only to, eligible investors referred to in Article 4 of the Belgian Royal Decree of 26 May 1994, holding their securities in an exempt securities account that has been opened with a financial institution that is a direct or indirect participant in the NBB-SSS.

2 STATUS

The Bonds constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 4 (*Negative Pledge*)) unsecured obligations of the Issuer and rank and will at all times rank *pari passu*, without any preference among themselves, and equally with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future (other than in respect of statutorily preferred creditors).

3 DEFINITIONS

"**Adjusted Net Assets**" are obtained by adding gross cash and treasury shares to the fair value of the investment portfolio of the Issuer and deducting gross debt, based on the following valuation principles for the portfolio:

- (a) investments in listed companies and treasury shares are valued at the closing price, unless there are shares underlying any commitments made by the group, in which case, their value is capped at the conversion/exercise price;
- (b) investments in unlisted companies are valued at their book value, less any impairment losses.
- (c) regarding the portfolio of Sienna Capital, the valuation corresponds to the sum of its investments, marked to market, as determined by fund managers.

For the purposes of this definition, Adjusted Net Assets shall refer to the last "Adjusted Net Assets" published by the Issuer and based on audited figures before the occurrence of or the decision of the competent body of the Issuer or the relevant Principal Subsidiary to proceed with a Major Restructuring. If the Issuer fails to publish the audited figures of the Adjusted Net Assets, the Bondholders shall have the right to request the calculation and audit of the Adjusted Net Assets based on the situation before the occurrence of or the decision regarding the Major Restructuring.

"**Belgian Companies Code**" has the meaning provided in Condition 1 (*Form, Denomination and Title*).

"**Bondholder**" means, in respect of any Bond, the person shown in the records of the NBB-SSS or the records of a participant or sub-participant of the NBB-SSS as the holder of a particular nominal amount of Bonds, as determined in accordance with the NBB-SSS Regulations and the Belgian Companies Code.

"**business day**" means, in relation to any place, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business in that place.

"**Calculation Agent**" has the meaning provided in Condition 6.4.1 (*Issuer call*).

"**Call Date**" has the meaning provided in Condition 6.3 (*Redemption at the option of the Bondholders*)

"**Call Exercise Period**" has the meaning provided in Condition 6.3 (*Redemption at the option of the Bondholders*).

"**Clearstream, Luxembourg**" means Clearstream Banking, société anonyme.

"**Early Redemption Period**" has the meaning provided in Condition 6.4 (*Redemption at the option of the Issuer during the Early Redemption Period*).

"**EUR**" or "**euro**" or "**€**" means the currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended.

"**Euroclear**" means Euroclear Bank S.A./N.V.

"**Event of Default**" has the meaning provided in Condition 10 (*Events of Default*).

"**Extraordinary Resolution**" means a resolution passed at a meeting of Bondholders or by a written resolution relating, in each case, to matters other than the matters referred to in the second and third limbs of the second paragraph of Article 568 of the Belgian Companies Code (including any proposal to modify the maturity of the Bonds or the dates on which interest is payable in respect of the Bonds or to reduce or cancel the principal amount of, or interest on, the Bonds).

"**Final Maturity Date**" means 23 May 2024.

"**Further Bonds**" means any further Bonds issued pursuant to Condition 13 (*Further Issues*) and consolidated and forming a single series with the then outstanding Bonds.

"**Holding Company**" means a company whose principal activities are:

- (a) investing, reinvesting, owning, holding, managing or trading in shareholdings in other companies and/or in any securities, or proposing to do so; and/or
- (b) engaging in treasury management activities,

other than, in each case, a direct or indirect subsidiary of Sienna Capital S. à r.l.

"**Interest Payment Date**" means 23 May each year.

"**Interest Period**" means the period beginning on and including the Issue Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date.

"**Issue Date**" means 23 May 2017.

"**Major Restructuring**" means one (or more) of the following events:

- (a) any distribution of dividend by the Issuer; or
- (b) any transfer or sale of any kind of asset owned by the Issuer or any Principal Subsidiary; or
- (c) any reorganisation or restructuring of the Issuer or any Principal Subsidiary however described and whether consisting of one single transaction or a series of related transactions; or
- (d) any combination of the foregoing;

which results in or will result in either more than 50 per cent. of the Adjusted Net Assets of the Issuer being directly or indirectly distributed to or otherwise made available to or for the benefit of the shareholders as a class or the Adjusted Net Assets of the Issuer falling below EUR 4 billion.

"**Major Restructuring Notice**" has the meaning provided in Condition 6.3 (*Redemption at the option of the Bondholders*).

"**NBB**" has the meaning provided in Condition 1 (*Form, Denomination and Title*).

"**NBB Payment Day**" means any Brussels business day on which (i) the NBB-SSS is operating and (ii) on which day the TARGET System is open.

"**NBB-SSS**" has the meaning provided in Condition 1 (*Form, Denomination and Title*).

"**NBB-SSS Participants**" means the participants in the NBB-SSS.

"**NBB-SSS Regulations**" has the meaning provided in Condition 1 (*Form, Denomination and Title*).

"**Optional Redemption Amount(s)**" has the meaning provided in Condition 6.4.1 (Issuer call).

"Optional Redemption Margin" has the meaning provided in Condition 6.4.1 (Issuer call).

"Ordinary Resolution" means a resolution passed at a meeting of Bondholders or by a written resolution relating, in each case, to matters referred to in the second and third limbs of the second paragraph of Article 568 of the Belgian Companies Code.

a **"person"** includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity).

"Principal Subsidiaries" means:

- (a) Belgian Securities B.V., Brussels Securities SA, GBL Finance & Treasury SA, Sagerpar SA, GBL Verwaltung GmbH (in liquidation), GBL Verwaltung S.A., GBL Energy S. à r. l., GBL Investments Limited, Sienna Capital S. à r. l., Serena S. à r. l., GBL Participations SA, Urdac SA, LTI One S.A., LTI Two SA, Finpar SA, Finpar II SA, GBL R S. à r. l., GBL Finance S. à r. l., Elliott Capital, Miles Capital S.à r.l. and at any time, any company which is a Holding Company and in respect of which, at the relevant time, the Issuer beneficially owns, directly or indirectly, at least 75 per cent. of the outstanding voting shares or other voting securities; or
- (b) any existing or future subsidiary under the exclusive control (in the sense of Art. 8 of the Belgian Companies Code) of the Issuer which is (or becomes immediately upon the transfer) a Holding Company, to which is transferred all or substantially all the assets and undertakings of a subsidiary of the Issuer which immediately prior to such transfer is a Principal Subsidiary under (a) above

"Put Date" has the meaning provided in Condition 6.3 (*Redemption at the option of the Bondholders*).

"Put Exercise Notice" has the meaning provided in Condition 6.3 (*Redemption at the option of the Bondholders*).

"Put Exercise Period" means the period commencing upon the occurrence of a Major Restructuring or the decision by the competent body of the Issuer or the relevant Principal Subsidiary to proceed with a Major Restructuring, whichever is earlier, and ending 45 calendar days following the date on which a Major Restructuring Notice is given to the Bondholders as required by Condition 6.3 (*Redemption at the option of the Bondholders*).

"Put Redemption Amount" has the meaning provided in Condition 6.3 (*Redemption at the option of the Bondholders*).

"Redeemed Bonds" has the meaning provided in Condition 6.4.1 (*Issuer call*).

"Reference Bond" has the meaning provided in Condition 6.4.1 (*Issuer call*).

"Reference Bond Price" has the meaning provided in Condition 6.4.1 (*Issuer call*).

"Reference Market Maker Quotations" has the meaning provided in Condition 6.4.1 (*Issuer call*).

"Reference Market Makers" has the meaning provided in Condition 6.4.1 (*Issuer call*).

"Reference Rate" has the meaning provided in Condition 6.4.1 (*Issuer call*).

"Reference Rate Determination Day" has the meaning provided in Condition 6.4.1 (*Issuer call*).

"Relevant Date" has the meaning provided in Condition 9 (*Prescription*).

"Relevant Debt" means any present and future indebtedness in the form of, or represented by, bonds, notes, debentures, loan stock or other transferable debt securities (*titres de créance négociables sur le marché des*

capitaux/schuldinstrumenten die op de kapitaalmarkt verhandelbaar zijn in the sense of Article 2, 31°, b) of the Belgian law of 2 August 2002 on the supervision of the financial sector and on the financial services) which at the time of issue, are capable of being quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other securities market. For the avoidance of doubt, Relevant Debt does not include indebtedness for borrowed money arising under loan or credit facility agreements.

"**Resolution**" means an Extraordinary Resolution or an Ordinary Resolution, as the case may be.

"**TARGET System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) system, or any successor thereto.

"**Taxes**" has the meaning provided in Condition 8 (*Taxation*).

References to any act or statute or any provision of any act or statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment.

4 NEGATIVE PLEDGE

4.1 So long as any Bond remains outstanding, the Issuer will not, and will procure that none of its Principal Subsidiaries will, create or have outstanding any mortgage, lien (*voorrecht/privilège*) (other than a lien arising by operation of law), pledge, charge or any other form of security interest (*sûreté réelle/zakelijke zekerheid*), or any irrevocable mandate for the creation of any of the same, upon or with respect to the whole or any part of their respective business, undertakings, assets or revenues, present or future, to secure any Relevant Debt of the Issuer or any of its Principal Subsidiaries or any guarantee or indemnity of the Issuer or any of its Principal Subsidiaries in respect of any Relevant Debt, without at the same time or prior thereto in respect of the Bonds either (i) extending or providing the same or substantially the same security in the same rank as is created or subsisting to secure any such Relevant Debt or (ii) providing such other security as shall be approved by an Extraordinary Resolution of the Bondholders.

4.2 The restrictions set out in Condition 4.1 shall not apply in respect of security interests granted by a Principal Subsidiary prior to its acquisition by the Issuer (or a company of the Issuer's group) in respect of Relevant Debt of the Principal Subsidiary existing at the time of such acquisition, provided that (i) such Relevant Debt is not incurred for the purposes of such acquisition and (ii) the amount thereof is not increased.

5 INTEREST

5.1 Each Bond bears interest on its principal amount from (and including) the Issue Date at the rate of 1.375 per cent. per annum. Interest on the Bonds is payable annually in arrears on each Interest Payment Date, commencing with the Interest Payment Date falling on 23 May 2018.

5.2 Interest shall be calculated on an Actual/Actual (ICMA) basis. If interest is required to be calculated in respect of a period which is shorter than an Interest Period, it shall be calculated on the basis of the actual number of days in the relevant period, from and including the immediately preceding Interest Payment Date (or, if none, the Issue Date) to but excluding the date on which it falls due, divided by the number of days in the Interest Period.

5.3 The Bonds will cease to bear interest from and including the due date for redemption unless payment of principal in respect of the Bonds is improperly withheld or refused or unless default is otherwise made in respect of payment. In such event the Bonds shall continue to bear interest at the rate specified in Condition 5.1 (both before and after judgment) until the day on which all sums due in respect of the Bonds up to that day are paid to the NBB for the benefit of the Bondholders.

6 REDEMPTION AND PURCHASE

6.1 Final Redemption

Unless previously purchased and cancelled or redeemed, the Bonds will be redeemed at their principal amount on the Final Maturity Date. The Bonds may not be redeemed at the option of the Issuer other than in accordance with this Condition 6 (*Redemption and Purchase*).

6.2 Redemption for Taxation Reasons

The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Bondholders in accordance with Condition 12 (*Notices*) (which notice shall be irrevocable), at their principal amount, together with interest accrued to the date fixed for redemption, if:

6.2.1 the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Kingdom of Belgium or any political subdivision or any authority thereof having power to tax, or any change in the application or official interpretation of such laws and regulations, which change or amendment becomes effective after the Issue Date; and

6.2.2 the requirement cannot be avoided by the Issuer by taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer shall be obliged to pay such additional amounts were a payment in respect of the Bonds then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Agent a certificate signed by two directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of the change or amendment.

6.3 Redemption at the option of the Bondholders upon the occurrence of a Major Restructuring

6.3.1 In the event that a Major Restructuring occurs, then the holder of each Bond will have the right to require the Issuer to redeem the Bond on the Put Date at its principal amount, together with any accrued but unpaid interest in respect of such Bond up to the Put Date (the "**Put Redemption Amount**"). To exercise such right, the holder of the relevant Bond must (i) deliver at any time during the Put Exercise Period to the Issuer at its registered office, with a copy to the specified office of the Agent, a duly completed and signed notice of exercise (the "**Put Exercise Notice**") and (ii) provide, together with such Put Exercise Notice, a certificate issued by the relevant recognised account holder (as referred to in Article 468 of the Belgian Companies Code) certifying that the relevant Bond is held to its order or under its control and blocked by it or, alternatively, transfer the relevant Bond to the Agent. The Put Exercise Notice shall be substantially in the form as included in annex to the Prospectus in respect of the Bonds and be obtainable from the Agent. The "**Put Date**" shall be the fifteenth NBB Payment Day after the expiry of (i) the Call Exercise Period or (ii), if the holders of the Bonds submitted Put Exercise Notices in respect of less than 85% of the aggregate principal amount of the Bonds outstanding at the end of the Put Exercise Period, the Put Exercise Period.

Payment in respect of any such Bonds shall be made by transfer to a euro account maintained with a bank in a city in which banks have access to the TARGET System as specified by the relevant Bondholder in the Put Exercise Notice.

A Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem all Bonds that are the subject of Put Exercise Notices delivered as aforesaid on the Put Date, provided, however, that if, prior to the relevant Put Date, any such Bond becomes immediately due and payable or on the Put Date payment is not made on that date in accordance with Condition 7 (*Payments*), the Agent shall mail notification thereof to the transferring Bondholder at such address as may have been given by such Bondholder in the relevant Put Exercise Notice and shall upon request transfer such Bond back to such Bondholder. For so long as any outstanding Bond is held by the Agent further to a transfer by a Bondholder made in accordance with this Condition 6.3.1, the person exercising the option in respect of such Bond and not the Agent shall be deemed to be the holder of such Bond for all purposes.

If, as a result of this Condition 6.3.1, holders of the Bonds submit Put Exercise Notices in respect of at least 85% of the aggregate principal amount of the Bonds outstanding at that time, the Issuer may, having given irrevocable notice to the Bondholders in accordance with Condition 12 (*Notices*) specifying the date fixed for redemption at any time during the fifteen calendar days starting the day following the last day of the Put Exercise Period (the "**Call Exercise Period**"), redeem all (but not some only) of the Bonds then outstanding at the Put Redemption Amount. Payment in respect of any such Bonds shall be made as specified above. The date fixed for redemption (the "**Call Date**") shall be the same date as the Put Date.

- 6.3.2 Within 10 Brussels business days following the occurrence of a Major Restructuring or the decision of the competent body of the Issuer or the relevant Principal Subsidiary to proceed with a Major Restructuring, whichever is earlier, the Issuer must give notice thereof to the Bondholders in accordance with Condition 12 (*Notices*) (a "**Major Restructuring Notice**"). The Major Restructuring Notice shall contain a statement informing the Bondholders of their entitlement to exercise their right to require redemption of their Bonds pursuant to Condition 6.3.1.

The Major Restructuring Notice shall also specify:

- (a) to the fullest extent permitted by law, all information material to the Bondholders concerning the Major Restructuring;
- (b) the last day of the Put Exercise Period;
- (c) the Put Date; and
- (d) the Put Redemption Amount.

The Agent shall not be required to monitor or take any steps to ascertain whether a Major Restructuring or any event which could lead to a Major Restructuring has occurred or may occur and will not be responsible or liable to the Bondholders or any other person for any loss arising from any failure to do so.

6.4 Redemption at the option of the Issuer

- 6.4.1 **Issuer call:** The Issuer may, at any time, on giving not more than 30 nor less than 15 days' irrevocable notice to the Bondholders in accordance with Condition 12 (*Notices*) specifying the date fixed for redemption, redeem all or some of the Bonds then outstanding at the Optional Redemption Amount(s) together, if appropriate, with interest accrued to (but excluding) the relevant date fixed for redemption. In the case of a partial redemption of Bonds, the Bonds to be redeemed ("**Redeemed Bonds**") will be selected in accordance with the rules of the NBB-SSS not more than 30 days prior to the date fixed for redemption.

In this Condition 6.4.1 (*Issuer call*), unless the context otherwise requires, the following defined terms shall have the meanings set out below:

"Optional Redemption Amount(s)" means:

- (a) the outstanding principal amount of the relevant Bonds ; or
- (b) if higher than the outstanding principal amount of the relevant Bonds, the sum, as determined by the Calculation Agent, of the present values of the remaining scheduled payments of principal and interest on the Bonds to be redeemed (not including any portion of such payments of interest accrued to the date of redemption) discounted to the date fixed for redemption on an annual basis (based on the actual number of days elapsed) at the Reference Rate plus the Optional Redemption Margin.

"Calculation Agent" means BNP Paribas Securities Services, Belgian Branch or such other leading investment, merchant or commercial bank as may be appointed from time to time by the Issuer for purposes of calculating the Optional Redemption Amount, and notified to the Bondholders in accordance with Condition 12 (*Notices*);

"Optional Redemption Margin" means 0.25%

"Reference Bond" means the German *Bundesobligationen* or *Bundesanleihe* selected by the Calculation Agent as having an actual or interpolated maturity comparable to the remaining term of the Bonds that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Bonds;

"Reference Bond Price" means (i) the average of five Reference Market Maker Quotations for the relevant date fixed for redemption, after excluding the highest and lowest Reference Market Maker Quotations, (ii) if the Calculation Agent obtains fewer than five, but more than one, such Reference Market Maker Quotations, the average of all such quotations, or (iii) if only one such Reference Market Maker Quotation is obtained, the amount of the Reference Market Maker Quotation so obtained;

"Reference Market Maker Quotations" means, with respect to each Reference Market Maker and any date fixed for redemption, the average, as determined by the Calculation Agent, of the bid and asked prices for the Reference Bond (expressed in each case as a percentage of its principal amount) quoted in writing to the Calculation Agent at 11 a.m. CET on the Reference Rate Determination Day;

"Reference Market Makers" means five brokers or market makers of securities such as the Reference Bond selected by the Calculation Agent or such other five persons operating in the market for securities such as the Reference Bond as are selected by the Calculation Agent in consultation with the Issuer; and

"Reference Rate" means, with respect to any date fixed for redemption, the rate per annum equal to the equivalent yield to maturity of the Reference Bond, calculated using a price for the Reference Bond (expressed as a percentage of its principal amount) equal to the Reference Bond Price for such date fixed for redemption. The Reference Rate will be calculated on the Reference Rate Determination Day.

"Reference Rate Determination Day" means the third Business Day preceding the date fixed for redemption.

6.4.2 During the Early Redemption Period: The Issuer may, at its option, from and including 3 months before the Final Maturity Date to but excluding the Final Maturity Date (the "**Early Redemption Period**"), subject to having given not more than 30 nor less than 15 calendar days prior notice to the Bondholders in accordance with Condition 12 (*Notices*) (which notice shall be irrevocable), redeem the outstanding Bonds, in whole but not in part, at their principal amount plus accrued interest up to but excluding the date fixed for redemption.

6.4.3 Squeeze-out Redemption: If 80 per cent. or more in principal amount of the Bonds then outstanding have been redeemed or purchased and cancelled, the Issuer may, on not less than 30 or more than 60 calendar days' notice to the Bondholders (which notice shall be irrevocable) given within 12 months from the date of a redemption of part of the Bonds in accordance with Condition 6.4.1, redeem on a date to be specified in such notice (the "**Squeeze Out Redemption Date**"), at its option, all (but not some only) of the remaining Bonds at their principal amount, together with interest accrued to but excluding the Squeeze Out Redemption Date.

6.5 Purchase

Subject to the requirements (if any) of any stock exchange on which Bonds may be admitted to listing and trading at the relevant time and subject to compliance with applicable laws and regulations, the Issuer may at any time purchase any Bonds in the open market or otherwise at any price.

6.6 Cancellation

All Bonds which are redeemed will be cancelled and may not be reissued or resold. Bonds purchased by the Issuer may be held, reissued or resold at the option of the Issuer, or surrendered to the Agent for cancellation.

6.7 Multiple Notices

If more than one notice of redemption is given pursuant to this Condition 6, the first of such notices to be given shall prevail.

7 PAYMENTS

7.1 Method of Payment: All payments of principal or interest owing under the Bonds shall be made through the Agent and the NBB-SSS in accordance with the NBB-SSS Regulations. The payment obligations of the Issuer under the Bonds will be discharged by payment to the NBB in respect of each amount so paid.

7.2 Payments subject to fiscal laws: All payments in respect of principal and interest on the Bonds are subject in all cases to any applicable fiscal or other laws and regulation, but without prejudice to the provisions of Condition 8 (*Taxation*).

7.3 Non-Business Days: If any date for payment in respect of the Bonds is not a NBB Payment Day, the holder shall not be entitled to payment until the next following NBB Payment Day. Bondholders will not be entitled to any interest or other sum in respect of such postponed or anticipated payment. For the purpose of calculating the interest amount payable under the Bonds, the Interest Payment Date shall not be adjusted.

8 TAXATION

All payments of principal and interest by or on behalf of the Issuer in respect of the Bonds shall be made free and clear of, and without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed, levied, collected, withheld or assessed by or on behalf of the Kingdom of Belgium or any authority therein or thereof having power to tax,

unless such withholding or deduction of the Taxes is required by law. In that event the Issuer shall pay such additional amounts as will result in receipt by the Bondholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Bond:

- (a) **Other connection:** to a Bondholder who is liable to such Taxes in respect of such Bond by reason of his having some connection with the Kingdom of Belgium other than the mere holding of the Bond; or
- (b) **Non-Eligible Investor:** to a Bondholder, who at the time of issue of the Bonds, was not an eligible investor within the meaning of Article 4 of the Belgian Royal Decree of 26 May 1994 on the deduction of withholding tax or to a Bondholder who was such an eligible investor at the time of issue of the Bonds but, for reasons within the Bondholder's control, either ceased to be an eligible investor or, at any relevant time on or after the issue of the Bonds, otherwise failed to meet any other condition for the exemption of Belgian withholding tax pursuant to the law of 6 August 1993 relating to certain securities; or
- (c) **Conversion into registered securities:** to a Bondholder who is liable to such Taxes because the Bonds were upon his/her request converted into registered Bonds and could no longer be cleared through the NBB-SSS.

9 PRESCRIPTION

Claims against the Issuer for payment in respect of the Bonds shall be prescribed and become void unless made within 10 years (in the case of principal or any other amount, other than interest payable in respect of the Bonds) or 5 years (in the case of interest) from the appropriate Relevant Date in respect of them.

For purposes of this Condition, "**Relevant Date**" means, in respect of any Bond, the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the day on which such amount is paid to the NBB for the benefit of the Bondholders.

10 EVENTS OF DEFAULT

If any of the following events (each an "**Event of Default**") occurs and is continuing, the holder of any Bond may give written notice to the Issuer at its registered office with a copy to the Agent at its specified office that such Bond is immediately due and repayable, at its principal amount together with accrued interest (if any) to the date of payment, without further formality, unless such event shall have been remedied prior to the receipt of such notice by the Agent:

- 10.1 Non-payment:** the Issuer fails to pay any principal or interest due in respect of the Bonds when due and such failure continues for a period of 7 days in the case of principal and 14 days in the case of interest; or
- 10.2 Breach of other obligations:** if the Issuer fails to perform or observe any of its other obligations under these Conditions and (except in the case where the failure is incapable of remedy, when no continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 20 Brussels business days following the service by any Bondholder on the Issuer (with copy to the Agent at its specified office) of written notice requiring the same to be remedied; or
- 10.3 Cross-default of Issuer or Principal Subsidiary:** (i) any other present or future indebtedness for or in respect of moneys borrowed or raised of the Issuer or any its Principal Subsidiaries becomes due and payable prior to its stated maturity, by reason of an event of default (howsoever described), or (ii) any such indebtedness is not paid when due or, as the case may be, within any applicable grace period, or within five Brussels business days of becoming due if a longer grace period is not applicable or (iii) the Issuer or any of its Principal Subsidiaries fails to pay when due or, as the case may be, within any applicable grace period or within five Brussels business days if a longer grace period is not applicable,

any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised, provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this paragraph 10.1.3 have occurred equals or exceeds EUR 100,000,000 (or its equivalent in any other currency or currencies), whether individually or in aggregate; or

- 10.4 Insolvency:** (i) the Issuer or any of its Principal Subsidiaries becomes insolvent or bankrupt or is unable to pay its debts as they fall due provided that, without prejudice to the foregoing, in the case of a filing for involuntary bankruptcy, liquidation or reorganisation by a creditor against the Issuer or any of its Principal Subsidiaries, such filing will only result in an Event of Default if such filing is not dismissed within 60 days, or (ii) an insolvency administrator (including a *curateur/curator* and a *mandataire de justice/gerechtsmandataris* or *médiateur d'entreprise/ondernemingsbemiddelaar* under the Belgian law of 31 January 2009 on the continuity of enterprises), or a liquidator of the Issuer or any of its Principal Subsidiaries is appointed (or application for any such appointment is made), other than in the context of a solvent liquidation or reorganisation of any Principal Subsidiary, or (iii) the Issuer or any of its Principal Subsidiaries takes any action for a readjustment or deferral of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or declares a moratorium in respect of any of its indebtedness given by it, provided that the events referred to under (i) to (iii) in respect of a Principal Subsidiary have (or reasonably will have) a material adverse effect on the capacity of the Issuer to perform or comply with its obligations under the Bonds; or
- 10.5 Winding up:** an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer or any of its Principal Subsidiaries, other than a solvent liquidation or reorganisation of any Principal Subsidiary and such order or resolution in respect of a Principal Subsidiary has (or reasonably will have) a material adverse effect on the capacity of the Issuer to perform or comply with its obligations under the Bonds; or
- 10.6 Distress on property:** a distress, attachment, execution or other process is levied or enforced upon or against all or any material part of the property of the Issuer or any Principal Subsidiary, unless (other than in the event that possession is taken of the whole or any substantial part of the assets of the Issuer or any Principal Subsidiaries and such distress, attachment, execution or other process in respect of a Principal Subsidiary has (or reasonably will have) a material adverse effect on the capacity of the Issuer to perform or comply with its obligations under the Bonds) it is removed, discharged or paid out within 60 days of it being made; or
- 10.7 Security Enforced:** any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any of its Principal Subsidiaries in respect of all or any material part of the property or assets of the Issuer or any Principal Subsidiary becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person), unless the amount secured by any such security interest which is the subject of the enforcement does not exceed in aggregate EUR 100,000,000 (or its equivalent in any other currency or currencies), provided (i) that such steps taken to enforce any such security interests shall not be discharged or withdrawn within 60 calendar days, and that (ii) such security enforcement process in respect of a Principal Subsidiary has (or reasonably will have) a material adverse effect on the capacity of the Issuer to perform or comply with its obligations under the Bonds; or
- 10.8 Analogous event:** any event occurs which under the laws of the jurisdiction of incorporation of the Issuer or that of a Principal Subsidiary has an analogous effect to any of the events referred to in paragraphs 10.1.4 and 10.1.7 above; or

10.9 Unlawfulness: it is or will become unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Bonds.

11 MEETINGS OF BONDHOLDERS AND MODIFICATION

11.1 Meetings of Bondholders: The Agency Agreement contains provisions for convening meetings of Bondholders to consider matters affecting their interests, including the sanctioning by a Resolution of modifications of these Conditions. For the avoidance of doubt, any such modifications shall always be subject to the consent of the Issuer.

All meetings of Bondholders will be held in accordance with the provisions of the Belgian Companies Code (as such provisions may be amended or replaced from time to time).

Pursuant to the provisions of Article 569 of the Belgian Companies Code, a meeting of Bondholders may be convened by the board of directors of the Issuer or its auditors and must be convened by the Issuer upon request of Bondholders holding not less than 20 per cent. in principal amount of the Bonds outstanding. Meetings of Bondholders must be convened in accordance with Article 570 of the Belgian Companies Code.

The quorum at any meeting convened to consider an Extraordinary Resolution shall be two or more persons holding or representing at least 50 per cent. of the aggregate principal amount of Bonds then outstanding or, at any adjourned meeting after publication of a new convening notice pursuant to Article 570 of the Belgian Companies Code, two or more persons being or representing Bondholders whatever the aggregate principal amount of the Bonds so held or represented. An Extraordinary Resolution is adopted by Bondholders holding or representing at least 75% of the aggregate principal amount of the Bonds outstanding present or represented at the meeting but, if such majority represents less than one-third of the aggregate principal amount of the Bonds outstanding (whether present or represented at the meeting or not), such Extraordinary Resolution is not binding unless approved by the competent Court of Appeal in the district where the Issuer's registered office is located.

No quorum applies to any meeting convened to consider an Ordinary Resolution. An Ordinary Resolution is adopted by Bondholders holding or representing at least a majority of the aggregate principal amount of the Bonds outstanding present or represented at the meeting.

A Resolution duly passed in accordance with the provisions of the Belgian Companies Code at any meeting of the Bondholders and, to the extent required by law, approved by the relevant Court of Appeal, will be binding on Bondholders, whether or not they vote in favour of such a resolution.

The Agency Agreement provides that a resolution in writing signed by or on behalf of Bondholders representing not less than 75 per cent. of the aggregate principal amount of the Bonds outstanding shall for all purposes be as valid and effective as a Resolution passed at a meeting of Bondholders duly convened and held, provided that the terms of the proposed resolution have been notified beforehand to the Bondholders through the NBB-SSS. Such resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Bondholders.

11.2 Modification and Waiver: The Agent may agree, without the consent of the Bondholders, to any modification of, or any waiver or authorisation of any breach or proposed breach of or any failure to comply with, the Agency Agreement, the Clearing Services Agreement, the Bonds or these Conditions, either (i) if to do so could not reasonably be expected to be materially prejudicial to the interests of the relevant Bondholders or (ii) which in the Agent's opinion is of a formal, minor or technical nature or (iii) is made to correct a manifest error or (iv) to comply with mandatory provisions of law.

12 NOTICES

12.1 Notices to Bondholders: Notices to any Bondholder shall be valid if :

- (a) published on the website of the Issuer; and
- (b) delivered by or on behalf of the Issuer to the NBB-SSS for communication by it to the NBB-SSS Participants.

Any such notice shall be deemed to have been given on the latest day of (i) seven days after its delivery to the NBB-SSS and (ii) publication on the website of the Issuer.

With respect to convening notices for a meeting of Bondholders, any such convening notices shall comply with Article 570 of the Belgian Companies Code (as amended or replaced from time to time).

12.2 Notices by Bondholders: Notices to be given by any Bondholder shall be given by registered mail with acknowledgement of receipt to the Issuer and the Agent. A notice will be deemed to be given on the date of receipt of the notice by the addressee.

13 FURTHER ISSUES

The Issuer may from time to time without the consent of the Bondholders create and issue further securities either having the same terms and conditions as the Bonds in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Bonds) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Bonds include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Bonds.

14 AGENT

In acting under the Agency Agreement and in connection with the Bond, the Agent act solely as agent of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Bondholders.

The Issuer reserves the right at any time to vary or terminate the appointment of the Agent and to appoint a successor Agent and additional or successor Agent; provided, however, that the Issuer shall at all times maintain (a) a domiciliary agent that is a participant of the NBB-SSS and a paying agent in Belgium as long as the Bonds are listed on Euronext Brussels.

Notice of any change in any of the Agent or in its Specified Office shall promptly be given to the Bondholders.

15 GOVERNING LAW

15.1 Governing Law: The Bonds and any non-contractual obligations arising out of or in connection with the Bonds are governed by, and shall be construed in accordance with, Belgian law.

15.2 Jurisdiction: The French speaking courts of Brussels, Belgium will have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Bonds and any non-contractual obligations arising out of or in connection with the Bonds and, accordingly, any legal action or proceedings arising out of or in connection with the Bonds and any non-contractual obligations arising out of or in connection with the Bonds may be brought in such courts.

PART IV – SETTLEMENT

The Bonds will be settled through the NBB-SSS. The Bonds will have ISIN number BE0002280494 and Common Code 161825107. The Bonds will accordingly be subject to the NBB-SSS regulations.

The number of Bonds in circulation at any time will be registered in the register of registered securities of the Issuer in the name of the NBB (National Bank of Belgium, Boulevard de Berlaimont 14, B-1000 Brussels).

Access to the NBB-SSS is available through the NBB-SSS participants whose membership extends to securities such as the Bonds.

NBB-SSS participants include certain banks, stockbrokers (*beursvennootschappen/sociétés de bourse*), Euroclear and Clearstream, Luxembourg. Accordingly, the Bonds will be eligible for clearance through Euroclear and Clearstream, Luxembourg and investors can hold their Bonds within securities accounts in Euroclear and Clearstream, Luxembourg.

Transfers of interests in the Bonds will be effected between NBB-SSS participants in accordance with the rules and operating procedures of the NBB-SSS. Transfers between investors will be effected in accordance with the respective rules and operating procedures of the NBB-SSS participants through which they hold their Bonds.

BNP Paribas Securities Services, Belgian branch will perform the obligations of domiciliary agent included in the Agency Agreement and the clearing services agreement that will be entered into on or about 16 May 2017 by the NBB, the Issuer and the Agent (the “**Clearing Services Agreement**”). The Issuer and the Agent will not have any responsibility for the proper performance of the NBB-SSS or the NBB-SSS participants of their obligations under their respective rules and operating procedures.

PART V – DESCRIPTION OF THE ISSUER

















The graphs, tables and figures relating to the Issuer contained in this Part V of the Prospectus are extracted from the Issuer's annual reports for the years ended 31 December 2016, 31 December 2015, 31 December 2014, 31 December 2013, 31 December 2012 and 31 December 2011 and are derived from the audited consolidated financial statements of the Issuer for these same years.

1 SELECTED FINANCIAL INFORMATION

1.1 PORTFOLIO AND ADJUSTED NET ASSETS

1.1.1 Issuer's portfolio at 31 December 2016

The following table provides an overview of the Issuer's portfolio on 31 December 2016:

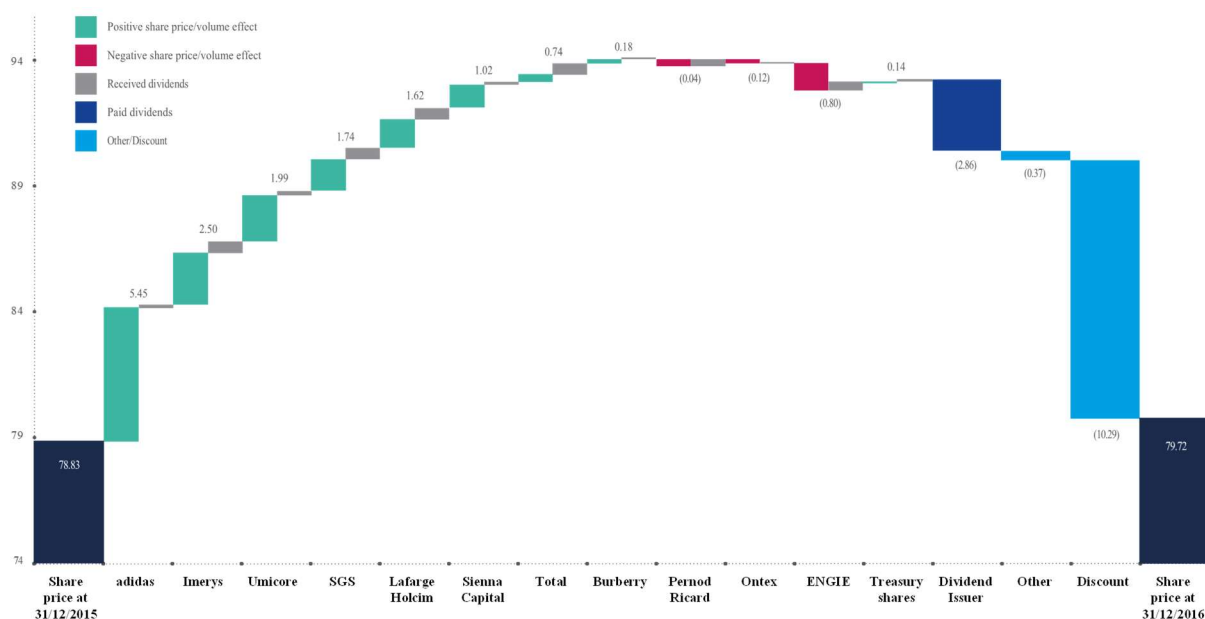
| Strategic Investments | Incubator Investments | Sienna Capital |
|--|---|--|
| <p>Investments generally larger than one billion euros, primarily in listed companies, in which the Issuer can exercise clear influence. These represent the bulk of the adjusted net assets.</p> | <p>A limited selection of smaller (EUR 250 million - EUR 1 billion), listed or not investments having the potential to eventually become Strategic.</p> | <p>Significant investments in private equity, debt or specific thematic funds.</p> |
|  <p>53.9% (69.7%)</p>  <p>9.4% (9.4%)</p>  <p>16.2% (16.2%)</p>  <p>7.5% (7.5%)</p>  <p>7.5% (6.8%)</p>  <p>17.0% (17.0%)</p>  <p>0.7% (1.3%)</p> |  <p>19.98% (19.98%)</p>  <p>2.95% (2.99%)</p> |       <p>Sienna Capital 100.0% ⁽¹⁾</p> |
|  <p>3.7% (0.0%)</p> | | |

% of share capital (% of voting rights)

(1) The 100% shareholding reflects the 100% stake held by the Issuer in Sienna Capital, but it does not reflect the percentage shareholding of the Issuer in the underlying assets or the portfolio companies

1.1.2 Issuer's adjusted net assets at 31 December 2016

(a) Change in the share price of the Issuer (in EUR per share):



(b) Principles

The change in the Issuer's adjusted net assets is, along with the change in its stock price and result, an important criterion for assessing the performance of the group.

The adjusted net assets are a conventional reference obtained by adding gross cash and treasury shares to the fair value of the investment portfolio and deducting gross debt.

The following valuation principles are applied for the portfolio:

- Investments in listed companies and treasury shares are valued at the closing price. However, the value of shares underlying any commitments made by the group is capped at the conversion / exercise price.
- Investments in unlisted companies are valued at their book value, less any impairment losses.
- Regarding the portfolio of Sienna Capital, the valuation corresponds to the sum of its investments, marked to market, as determined by fund managers.

Net cash or, where applicable, net debt (excluding treasury shares), consists of gross cash and gross debt.

Gross debt includes all the financial liabilities of the Holding segment (convertible and exchangeable bonds, bonds and bank debt), valued at their nominal repayment value.

Gross cash includes the cash and cash equivalents as well as the quasi-liquidity (trading assets, etc.) of the Holding segment. This is valued at the book or market value (for trading assets).

The number of the Issuer's shares used to calculate the adjusted net assets per share is the number of company shares outstanding on the valuation date. Some minor events may not

have been taken into account in the value reported. The combined effect of these factors may not exceed 2% of the adjusted net assets.

The Issuer's detailed adjusted net assets are reported together with the results' publication on a quarterly basis.

The value of the adjusted net assets per share is published every Friday after stock exchange closing on the Issuer's website (www.gbl.be).

(c) Breakdown of adjusted net assets at 31 December

At 31 December 2016, the Issuer's adjusted net assets totalled EUR 17.0 billion (EUR 105.31 per share) compared with EUR 15.2 billion (EUR 94.13 per share) at the end of 2015, up by 11.9% and representing a year-on-year increase in absolute terms by EUR 1,804 million. Relative to the share price of EUR 79.72, the discount at this date was 24.3%, up compared with the end of 2015 (16.3%).

This evolution is to be compared with the performance of the reference sector indices with which the group's main assets are compared (- 9% to + 19%) over the same period. The table below sets out and compares the components of the adjusted net assets at year-end 2016, year-end 2015 and year-end 2011.

| | 31 December 2016 | | | 31 December 2015 | 31 December 2011 |
|---|------------------------|--------------------|----------------|------------------|------------------|
| | Portfolio % in capital | Share price In EUR | In EUR million | In EUR million | In EUR million |
| Strategic Investments | | | 14,615 | 12,949 | n.a. |
| Imerys | 53.9 | 72.07 | 3,088 | 2,761 | 1,525 |
| LafargeHolcim / Lafarge | 9.4 | 49.92 | 2,857 | 2,674 | 1,638 |
| SGS | 16.2 | 1,929.42 | 2,445 | 2,067 | - |
| adidas | 7.5 | 150.15 | 2,356 | - | - |
| Pernod Ricard | 7.5 | 102.95 | 2,048 | 2,093 | 1,870 |
| Umicore | 17.0 | 54.15 | 1,032 | - | - |
| Total | 0.7 | 48.72 | 789 | 2,463 | 3,711 |
| ENGIE / GDF SUEZ | - (1) | - | - (1) | 893 | 2,475 |
| Arkema | | | - | - | 339 |
| Suez Environnement | | | - | - | 311 |
| Iberdrola | | | - | - | 69 |
| Private equity & other | | | - | - | 317 |
| Incubator Investments | | | 730 | 1,793 | - |
| Ontex | 19.98 | 28.25 | 423 | 181 | - |
| Burberry | 2.95 | 17.48 | 230 | 2 | - |
| Other | | | 77 | - | - |
| adidas | | | - | 890 | - |
| Umicore | | | - | 720 | - |
| Sienna Capital | | | 955 | 715 | n.a. |
| Portfolio | | | 16,300 | 15,457 | 12,255 |
| Treasury shares | | | 467 | 471 | 314 |
| Exchangeable/convertible bonds (ENGIE/Issuer) | | | (757) | (1,450) | (184) |
| Bank debt and retail bond | | | (393) | (581) | (1,300) |
| Cash/quasi-cash/trading | | | 1,375 | 1,291 | 476 |
| Adjusted net assets (total) | | | 16,992 | 15,188 | 11,561 |
| Adjusted net assets (in EUR per share) (2) | | | 105.31 | 94.13 | 71.65 |
| Share price (in EUR per share) | | | 79.72 | 78.83 | 51.51 |
| Discount (in %) | | | 24.3 | 16.3 | 28.1 |

(1) The value of the investment in ENGIE (EUR 169 million for a stake of 0.6%) is now completely included in the «Cash/quasi-cash/trading» item in the calculation of the Issuer's adjusted net assets. This value does not yet take into account forward sales (4.5 million or 0.2% of the capital) concluded at 31 December 2016 and maturing in the first quarter of 2017

(2) Based on 161,358,287 shares

Changes in market variables in 2016
(% change at 31 December 2016-2015)



(d) Portfolio

- In 2016, Imerys announced the largest contemplated acquisition in 17 years, Kerneos, and the share price slightly outperformed its sector index (+ 11.9% and + 9.2% respectively). The market value of the Issuer's investment in Imerys represented 18.9% of the group's portfolio at the end of December 2016 (EUR 3,088 million) compared with 17.9% at the end of 2015.
- After a challenging start, the LafargeHolcim share price eventually rose in 2016 (+ 6.7%), in particular thanks to market expectations of a steady improvement in the global cycle of the cement industry in 2017. LafargeHolcim's weight in the Issuer's portfolio increased very slightly to 17.5% at 31 December 2016 (EUR 2,857 million).
- The SGS share price rose by 8.4% in 2016 despite the weakness of activity in the oil and gas segment, which adversely affected profit forecasts. The SGS investment accounts for 15.0% of the Issuer's portfolio value (EUR 2,445 million), compared with 13.4% at year-end 2015. At year-end 2016, the Issuer held 16.2% of the company's capital compared with 15.0% at year-end 2015.
- The adidas share performed very well for the second year in a row. In 2016, adidas recorded a 67.0% growth in its market value. At year-end 2016, the market value of the Issuer's investment in adidas represented 14.5% (EUR 2,356 million) of its portfolio value, compared with 5.8% at year-end 2015. The investment in adidas increased from 4.7% of the capital to 7.5% in 2016.
- The Pernod Ricard share price declined slightly in 2016 (- 2.1%), even though the company had posted a net result for 2015-2016 that amounted to a record high. The Issuer's interest in Pernod Ricard accounts for 12.6% of its portfolio value (EUR 2,048 million), compared with 13.5% in 2015.
- The Umicore share ended the year with a performance of + 40.0%. At year-end 2016, the stake in Umicore accounted for 6.3% of the Issuer's portfolio (EUR 1,032 million). Furthermore, the shareholding increased in 2016 from 16.6% to 17.0% of the company's capital.
- The rise in the price of Brent had a positive impact on stocks in the Oil and Gas sector, which is reflected in the index's good performance in 2016 (+ 19.4%). Total also performed well with an 18.1% rise in its share price. After the disposals carried

out throughout the year, the Issuer held 0.7% of Total at the end of 2016. Total's share in the portfolio decreased from 15.9% (end 2015) to 4.8% at 31 December 2016 (EUR 789 million).

- Ontex had a challenging year 2016, with a 13.8% drop in its share price. The Issuer took advantage of this volatility to increase its investment from 7.6% (end 2015) to 19.98% at end 2016. The stake in Ontex accounted for 2.6% of the Issuer's portfolio and had a market value of EUR 423 million at 31 December 2016.
- At 31 December 2016, the group held 2.95% of the capital of Burberry for a market value of EUR 230 million.
- Sienna Capital invested EUR 161 million in 2016 through its underlying managers. At 31 December 2016, Sienna Capital was valued to EUR 955 million compared with EUR 715 million at end 2015.

(e) Financial position

At 31 December 2016, the Issuer presents a net cash position of EUR 225 million.

It is characterised by:

- Gross cash excluding treasury shares of EUR 1,375 million (EUR 1,291 million at end 2015); and
- Gross debt of EUR 1,150 million (EUR 2,031 million at end 2015).

The weighted average maturity of the gross debt was 1.3 year at the end of December 2016 (1.7 year at end 2015).

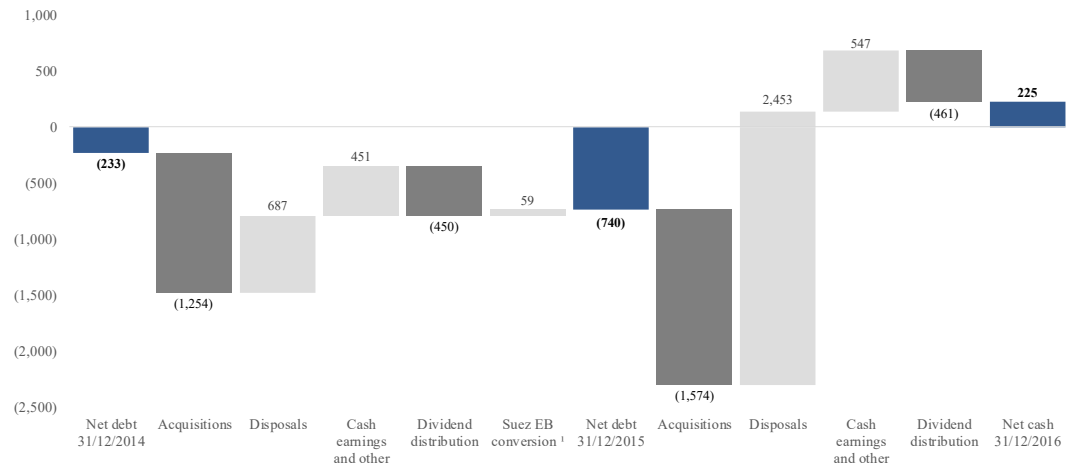
At 31 December 2016, committed credit lines total EUR 2,150 million (entirely undrawn) and these will mature in 2021.

This position does not include the Issuer's commitments in respect of Sienna Capital, which total EUR 601 million at the end of December 2016 (EUR 413 million at 31 December 2015).

Finally, the 5,924,416 treasury shares (including 5 million treasury shares underlying the Issuer's convertible bonds) represented 3.7% of the issued capital and were valued at EUR 467 million, compared with 3.8% and EUR 471 million respectively at the end of the previous year.

Financial position: change over 2 years

In EUR million



(1) Conversions of bonds exchangeable into Suez shares

The issuance of the Bonds will impact the Issuer's debt maturity profile, by extending the weighted average maturity of the gross debt from 1.3 year at the end of December 2016 to 3.6 years at the date of this Prospectus.

(f) Breakdown of the financial position at 31 December

At 31 December 2016, gross cash excluding treasury shares stands at EUR 1,375 million (EUR 1,291 million at 31 December 2015). The following table presents its components in correlation with the Issuer's consolidated financial statements:

| In EUR million | Notes | 31 December 2016 | 31 December 2015 |
|---|-------|------------------|------------------|
| Gross cash as presented in: | | | |
| Adjusted net assets | | 1,375 | 1,291 |
| Segment information (Holding) | | 1,235 | 1,097 |
| -Trading financial assets | | 1,020 | 645 |
| -Cash and cash equivalents | | 213 | 436 |
| -Other current assets | 17 | 42 | 62 |
| -Trade payables | | (2) | (3) |
| -Tax liabilities | | (8) | (3) |
| -Other current liabilities | 22 | (30) | (40) |
| Reconciliation items | | | |
| Bank debt compensation -bank deposits | 16.2. | - | 200 |
| Reclassification of ENGIE shares previously taken into account in the adjusted net assets and included in 2016 in grosscash | | 145 | - |
| Other | | (5) | (6) |

At 31 December 2016, gross debt of EUR 1,150 million (EUR 2,031 million at 31 December 2015) breaks down as follows:

| In EUR million | 31 December 2016 | 31 December 2015 |
|----------------------------------|------------------|------------------|
| Retail bond | 350 | 350 |
| Drawdown under bank credit lines | - | 200 |
| ENGIE exchangeable bonds | 306 | 1,000 |
| Issuer convertible bonds | 450 | 450 |
| Other | 43 | 31 |
| Gross debt | 1,150 | 2,031 |

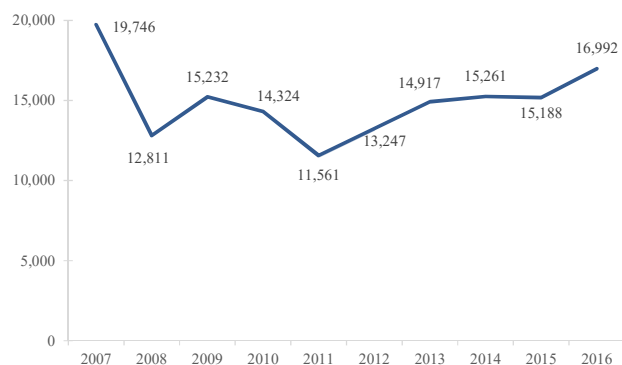
At 31 December 2016, the Issuer presented a net cash position of EUR 225 million. At 31 December 2015, net debt of EUR 740 million presented the following Loan to Value ratio:

| In EUR million | 31 December 2015 |
|--|------------------|
| Net debt (excluding treasury shares) | 740 |
| Market value of the portfolio | 15,457 |
| Market value of the treasury shares underlying the bonds convertible into shares of the Issuer | 394 |
| Loan to Value | 4.7% |

The Loan to Value ratio is calculated on (i) net indebtedness relative to (ii) the portfolio's value increased by the value of the treasury shares underlying the bonds convertible into shares of the Issuer.

1.1.3 Issuer's adjusted net assets over 10 years

The following chart presents the evolution of the adjusted net assets of the Issuer over the last 10 years (in EUR million):



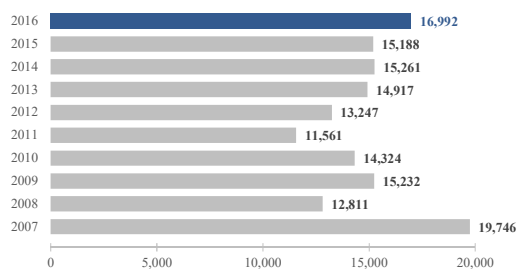
1.2 CONSOLIDATED FIGURES

1.2.1 Key figures

At year-end 2016, the Issuer's adjusted net assets totalled EUR 17.0 billion, an increase of 12% compared to 2015. The consolidated net result of EUR - 458 million has to be compared with EUR 1,026 million the previous year.

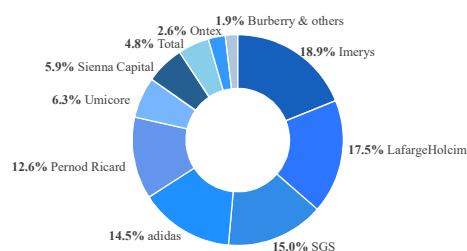
Adjusted net assets

In EUR million



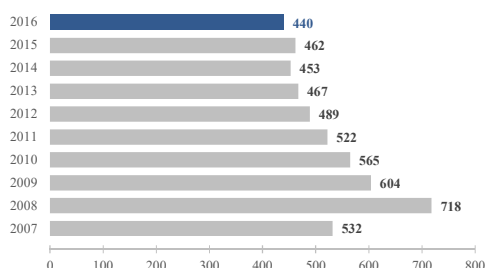
Contribution of the participations to the portfolio value

At 31/12/2016



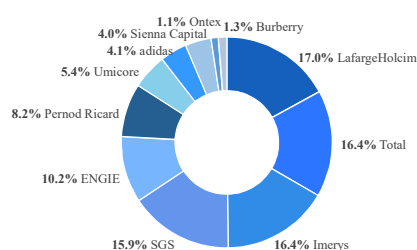
Cash earnings

In EUR million



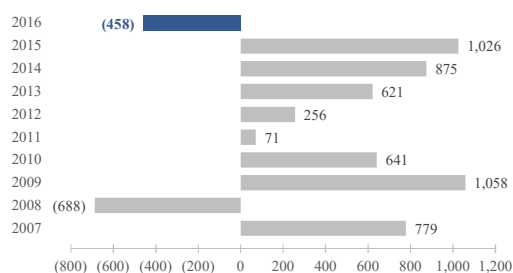
Contribution of the participations to the collected net dividends

In 2016



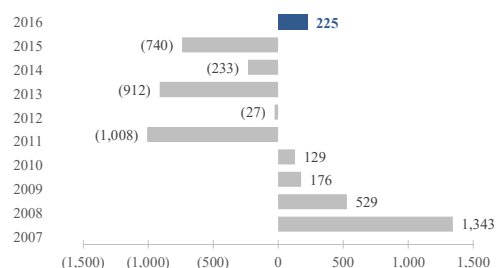
Net result (group's share)

In EUR million



Net cash / (net debt)

In EUR million



Cash earnings primarily include dividends from investments and treasury shares, income coming mainly from cash management, net earnings from the trading activity and tax refunds, less general overheads, gross debt-related charges and taxes. All these results relate to the Holding activity.

The table below presents key figures over the last 5 years:

| In EUR million | 2016 | 2015 | 2014 | 2013 | 2012 |
|--|-----------------|----------------|--------------|--------------|--------------|
| Adjusted net assets at the end of the year | 16,992.2 | 15,188.1 | 15,261.0 | 14,917.4 | 13,247.3 |
| Portfolio | 16,300.4 | 15,457.2 | 15,064.7 | 15,413.6 | 12,908.0 |
| Net cash/net debt | 224.7 | (740.0) | (233.1) | (911.7) | (26.6) |
| Treasury shares | 467.1 | 470.9 | 429.4 | 415.5 | 365.9 |
| Year-on-year change (in %) | + 11.9 | -0.5 | + 2.3 | + 12.6 | + 14.6 |
| In EUR | | | | | |
| Adjusted net assets per share | 105.31 | 94.13 | 94.58 | 92.45 | 82.10 |
| Share price | 79.72 | 78.83 | 70.75 | 66.73 | 60.14 |
| Discount (in %) | 24.3 | 16.3 | 25.2 | 27.8 | 26.7 |
| In EUR million | | | | | |
| Consolidated result | | | | | |
| Cash earnings | 440.4 | 461.6 | 452.8 | 467.0 | 489.3 |
| Including dividend contribution from the energy & utilities sector (1) | 121.6 | 203.6 | 217.5 | 333.1 | 402.2 |
| Mark to market and other non-cash items | 14.4 | 90.9 | (27.8) | (167.4) | (25.7) |
| Operating companies (associated or consolidated) and Sienna Capital | 223.1 | (45.2) | 225.0 | 256.0 | 189.0 |
| Eliminations, capital gains (losses), impairments and reversals | (1,135.6) | 519.1 | 225.3 | 65.0 | (397.0) |
| Consolidated result (group's share) | (457.7) | 1,026.4 | 875.3 | 620.6 | 255.6 |
| Consolidated result of the period | (310.9) | 1,055.9 | 993.1 | 724.7 | 375.5 |
| Total distribution | 472.8 | 461.5 | 450.2 | 438.9 | 427.6 |
| Consolidated balance sheet | | | | | |
| Assets | | | | | |
| Non-current assets | 17,945.3 | 17,124.1 | 15,707.4 | 15,730.9 | 14,488.0 |
| Current assets | 3,927.5 | 3,281.5 | 3,977.4 | 3,226.8 | 2,933.8 |
| Liabilities | | | | | |
| Shareholders' equity | 16,374.2 | 14,543.5 | 14,284.2 | 13,690.8 | 13,391.7 |
| Non-current liabilities | 3,226.5 | 4,379.6 | 4,236.9 | 4,266.9 | 2,996.7 |
| Current liabilities | 2,272.1 | 1,482.5 | 1,163.7 | 1,000.0 | 1,033.4 |
| Number of shares at the end of the year | | | | | |
| Basic | 155,374,131 | 155,243,926 | 155,139,245 | 155,060,703 | 155,253,541 |
| Diluted | 160,815,820 | 160,841,125 | 160,649,657 | 156,869,069 | 156,324,572 |
| Payout (in %) | | | | | |
| Dividend/cash earnings | 107.4 | 100.0 | 99.4 | 94.0 | 87.4 |
| Dividend/consolidated result | (152.1) | 43.7 | 45.3 | 60.6 | 113.9 |
| Consolidated result per share (group's share) | (2.95) | 6.61 | 5.64 | 4.00 | 1.65 |
| Consolidated cash earnings per share (group's share) | 2.73 | 2.86 | 2.81 | 2.89 | 3.03 |

(1) Figures of dividend contribution from the energy & utilities sector (i.e. Total, ENGIE / GDF SUEZ, Suez / Suez Environnement and Iberdrola) calculated based on disclosed information

1.2.2 Economic presentation of the consolidated result

| In EUR million | | | | | 31 December 2016 | 31 December 2015 |
|--|------------------|---|---|--|---------------------|---------------------|
| Group's share | Cash earnings | Mark to market and other non-cash items | Operating companies (associates or consolidated) and Sienna Capital | Eliminations, capital gains, impairment and reversals | Consolidated | Consolidated |
| Profit (loss) of associates and consolidated operating companies | - | - | 238.1 | - | 238.1 | (46.7) |
| Net dividends from investments | 457.6 | (26.0) | - | (93.2) | 338.4 | 323.5 |
| Interest income (expenses) | (15.9) | (7.3) | (11.5) | - | (34.7) | (37.2) |
| Other financial income (expenses) | 38.1 | 51.2 | - | (17.0) | 72.3 | 89.6 |
| Other operating income (expenses) | (29.3) | (1.0) | (17.3) | - | (47.6) | (52.4) |
| Gains (losses) on disposals, impairments and reversals of non-current assets | (10.0) | (2.5) | 13.9 | (1,025.4) | (1,024.0) | 749.8 |
| Taxes | (0.1) | - | (0.1) | - | (0.2) | (0.2) |
| IFRS consolidated net result (2016) | 440.4 | 14.4 | 223.1 | (1,135.6) | (457.7) | |
| IFRS consolidated net result (2015) ⁽¹⁾ | 461.6 | 90.9 | (45.2) | 519.1 | | 1,026.4 |

(1) Figures presented for comparative purposes have been restated to take account of the reclassification of the elimination of the dividend on treasury shares (for EUR - 17 million), previously included under Mark to market and now in the «Eliminations, Capital gains, depreciation and reversals» column

The consolidated net result, group's share, at 31 December 2016 stood at EUR - 458 million, compared with EUR 1,026 million at 31 December 2015. This result is primarily affected by:

- the impairment recognised on LafargeHolcim and ENGIE for EUR - 1,682 million and EUR - 62 million respectively;
- the net capital gain realised on the sale of 1.8% of Total's capital amounting to EUR 732 million (EUR 282 million in 2015);
- the net dividends from investments amounting to EUR 338 million;
- the contribution from Imerys and Sienna Capital amounting to EUR 160 million and EUR 63 million respectively; and
- the mark to market of the derivative components embedded in the exchangeable and convertible bonds having a positive impact of EUR 72 million (EUR 88 million in 2015, excluding the negative mark to market reversal previously recorded at the conversion of the exchangeable bonds into Suez shares).

(a) Cash earnings (EUR 440 million compared with EUR 462 million)

| In EUR million | 31 December 2016 | 31 December 2015 |
|---|------------------|------------------|
| Net dividends from investments | 457.6 | 489.5 |
| Interest income (expenses) | (15.9) | (22.6) |
| Other income (expenses) | | |
| financial | 38.1 | 24.1 |
| operating | (29.3) | (29.3) |
| Gains (losses) on disposals, impairments and reversals of non-current | (10.0) | - |
| Taxes | (0.1) | (0.1) |
| Total | 440.4 | 461.6 |

In 2016, net dividends from investments decreased by EUR 32 million compared with 2015.

| In EUR million | 31 December 2016 | 31 December 2015 |
|----------------|------------------|------------------|
| LafargeHolcim | 77.9 | 77.1 |
| Total | 75.1 | 156.6 |
| Imerys | 75.0 | 70.5 |
| SGS | 72.9 | 67.1 |
| ENGIE | 46.5 | 46.5 |
| Pernod Ricard | 37.4 | 35.8 |
| Umicore | 24.8 | 15.3 |
| adidas | 18.8 | 3.0 |
| Sienna Capital | 18.2 | 16.1 |
| Ontex | 5.2 | 1.0 |
| Burberry | 5.8 | - |
| Suez | - | 0.5 |
| Total | 457.6 | 489.5 |

These changes essentially reflect the lower contribution from Total following the disposals carried out in 2015 and 2016. This decrease is partially offset by the increase in the unit dividends from Sienna Capital, Imerys, LafargeHolcim, Pernod Ricard and Umicore, as well as the increase in dividends from adidas, Ontex and Burberry further to the acquisitions made.

It should be noted that, if the forward sales contracts on ENGIE and Total shares, concluded and having matured in 2016, had been executed spot during the second and third quarters of 2016, the cash earnings at 31 December 2016 would have been negatively impacted by EUR 38 million.

LafargeHolcim distributed a dividend of EUR 1.36 per share for the 2015 financial year, contributing EUR 78 million to the Issuer's result at 31 December 2016. In 2015, Lafarge distributed a dividend of EUR 1.27 per share, contributing to the Issuer's result for EUR 77 million.

Total approved a dividend of EUR 2.44 per share for the 2015 financial year and paid in 2016 the last quarterly interim dividend, the balance of the 2015 dividend and the first two quarterly interim dividends, namely four times EUR 0.61 per share. Total's contribution to the result for 2016 thus amounted to EUR 75 million.

In the second quarter of 2016, Imerys approved an annual dividend of EUR 1.75 per share (EUR 1.65 in 2015), corresponding to a total collection of EUR 75 million for the Issuer.

SGS distributed an annual dividend of CHF 68 per share (unchanged compared with 2015), representing EUR 73 million at 31 December 2016.

In the second quarter of 2016, ENGIE paid the balance of its dividend for 2015 of EUR 0.50 per share (unchanged compared with the previous year) and, in the fourth quarter of 2016, an interim dividend of EUR 0.50 per share (unchanged compared with 2015), representing a total contribution of EUR 46 million.

In the second quarter of 2016, Pernod Ricard announced an interim dividend of EUR 0.90 per share (compared with EUR 0.82 per share the previous year) and distributed the balance during the fourth quarter (EUR 0.98 per share, unchanged compared with 2015), corresponding to a total amount of EUR 37 million for the Issuer in 2016.

During the second quarter of 2016, Umicore approved the balance of its dividend for 2015 of EUR 0.70 per share (compared with EUR 0.50 the previous year) and paid, in the third quarter of 2016, an interim dividend of EUR 0.60 per share (compared with EUR 0.50 in 2015). The contribution of Umicore to the Issuer's result amounted to EUR 25 million in 2016.

adidas distributed a dividend of EUR 1.60 per share in the second quarter of 2016 (compared with EUR 1.50 per share in 2015), representing EUR 19 million over the year 2016.

During the first half of 2016, ECP II (Sienna Capital) paid a dividend of EUR 18 million.

In the first half of 2016, Ontex approved a dividend of EUR 0.46 per share (compared with EUR 0.19 per share the previous year), corresponding to an amount of EUR 5 million for the Issuer.

Burberry distributed an interim dividend of GBP 10.2 per share in the first quarter of 2016 and the balance of GBP 26.8 per share in the third quarter of 2016, corresponding to an amount of EUR 6 million for the Issuer.

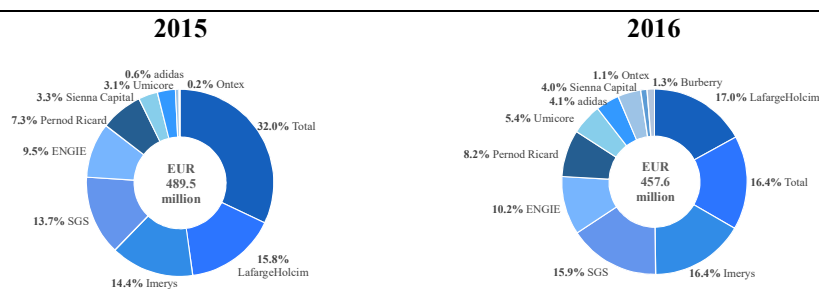
Net interest expenses (EUR - 16 million), lower than in 2015, were impacted by the decrease in interest expenses on exchangeable bonds into ENGIE shares following the repurchases carried out throughout 2016.

Other financial income (expenses) (EUR 38 million) comprised primarily trading income of EUR 26 million (EUR 13 million in 2015) and dividends collected on treasury shares (EUR 17 million, unchanged compared with 2015).

Other operating income (expenses) amounted to EUR -29 million in 2016 and were in line with the previous year.

Gains (losses) from disposals, impairments and reversals of non-current assets of EUR - 10 million include the total cost relating to the repurchases of exchangeable bonds into ENGIE shares (including banking fees).

Contribution of investments to net collected dividends



(b) Mark to market and other non-cash items (EUR 14 million compared with EUR 91 million)

| In EUR million | 31 December 2016 | 31 December 2015 |
|--|------------------|------------------|
| Net dividends from investments | (26.0) | (2.3) |
| Interest income (expenses) | (7.3) | (10.7) |
| Other financial income (expenses) | 51.2 | 112.2 |
| Other operating income (expenses) | (1.0) | (8.3) |
| Profit (losses) on disposals, impairment and reversals of non-current assets | (2.5) | - |
| Total ⁽¹⁾ | 14.4 | 90.9 |

(1) Figures presented for comparative purposes have been restated to take account of the reclassification of the elimination of the dividend on treasury shares (for EUR - 17 million), previously included under Mark to market and now in the «Eliminations, Capital gains, depreciation and reversals» column

Net dividends from investments include, on the one hand, the reversal of Total's interim dividend which had been recorded under this item at the end of 2015 and, on the other hand, the recognition of the third interim dividend of 2016, announced in October 2016 and which will be paid in April 2017. The variation of this item is due to disposals of Total shares in 2016.

Interest income (expenses) include the impact of the valuation at amortised cost of the exchangeable bonds into ENGIE shares and the convertible bonds into shares of the Issuer (EUR - 7 million compared with EUR - 11 million last year). This item is down compared to the previous year, benefiting from the influence of repurchases of exchangeable bonds into ENGIE shares carried out throughout 2016.

Furthermore, "**Other financial income (expenses)**" include the mark to market of the trading portfolio and derivative instruments (EUR -21 million compared with EUR 8 million in 2015), as well as the derivative component embedded in the exchangeable and convertible bonds (EUR 72 million compared with EUR 104 million in 2015).

This non-monetary gain of EUR 72 million includes the change in the value of the call options on underlying securities implicitly embedded in the exchangeable and convertible bonds issued in 2013 still being in circulation. In 2016, the change in value of these derivative instruments was primarily attributable to the change since 1 January 2016 of the market price of the shares underlying the bonds and to the completed repurchases.

Profit at 31 December 2016 illustrates, as commented on in previous closings, the accounting asymmetry and volatility of periodic results, which will persist throughout the lifetime of the exchangeable and convertible bonds.

The group applied hedge accounting for all of its forward sales contracts relating to ENGIE shares in place at 31 December 2016.

(c) Operating companies (associates or consolidated) and Sienna Capital (EUR 223 million compared with EUR - 45 million)

| In EUR million | 31 December 2016 | 31 December 2015 |
|--|------------------|------------------|
| Profit (loss) of associates and consolidated operating companies | 238.1 | (46.7) |
| Interest income (expenses) | (11.5) | (3.9) |
| Other operating income (expenses) | (17.3) | (14.8) |
| Profit (losses) on disposals, impairment and reversals of non-current assets | 13.9 | 20.3 |
| Taxes | (0.1) | (0.1) |
| Total | 223.1 | (45.2) |

Net profit (loss) of associates and consolidated operating companies amounted to EUR 238 million compared with EUR - 47 million in 2015:

| In EUR million | 31 December 2016 | 31 December 2015 |
|--|------------------|------------------|
| Imerys | 159.6 | 36.9 |
| Lafarge | - | (100.4) |
| Sienna Capital | 78.5 | 16.8 |
| <i>ECP I & II</i> | <i>(0.6)</i> | <i>11.9</i> |
| <i>Operating subsidiaries of ECP III</i> | <i>54.3</i> | <i>(0.8)</i> |
| <i>Kartesia</i> | <i>22.2</i> | <i>4.5</i> |
| <i>Mérieux Participations II</i> | <i>2.6</i> | <i>1.2</i> |
| Total | 238.1 | (46.7) |

Imerys (EUR 160 million compared with EUR 37 million)

Net current income increased by 6.0% to EUR 362 million at 31 December 2016 (EUR 342 million at 31 December 2015), as a result of the improved current operating income, at EUR 582 million (EUR 538 million at 31 December 2015). The net result, group's share, amounted to EUR 293 million at 31 December 2016 (EUR 68 million at 31 December 2015). Imerys contributed EUR 160 million to the Issuer's consolidated net result in 2016 (EUR 37 million in 2015), reflecting the 54.5% consolidation rate for Imerys in 2016 (54.0% in 2015).

The press release relating to Imerys group's results for 2016 is available at www.imerys.com.

Lafarge (EUR 0 million compared with EUR - 100 million)

Lafarge was consolidated in the Issuer's results according to the equity method until 30 June 2015.

At 31 December 2016, the Issuer held 9.4% of LafargeHolcim and this stake has been accounted as an investment available for sale since 10 July 2015.

Based on a participation rate of 21.0%, Lafarge had contributed EUR - 100 million to the Issuer's revenue at 31 December 2015.

Sienna Capital (EUR 79 million compared with EUR 17 million)

Net profit (loss) of associates and consolidated operating companies in Sienna Capital totalled EUR 79 million, compared with EUR 17 million last year. The result for the period mainly included the net capital gain on the sale of De Boeck's activities by ECP III (EUR 51 million attributable to the Issuer).

The result for 2015 reflected the net capital gain on the sale of Joris Ide by ECP II (EUR 14 million attributable to the Issuer).

Gains (losses) on disposals, impairments and reversals of non-current assets mainly take into account the capital gain on the disposal of FläktWoods by Sagard II (EUR 12 million). In 2015, this item included the capital gains on the disposal of Cérélia by Sagard II and of Santiane by Sagard 3 for EUR 14 million and EUR 7 million respectively.

(d) **Eliminations, capital gains, impairments and reversals (EUR - 1,136 million compared with EUR 519 million)**

| In EUR million | 31 December 2016 | 31 December 2015 |
|--|---|---|
| Elimination of dividends | (Sienna Capital, Imerys) (93.2) | (Lafarge, Imerys and Sienna Capital) (163.7) |
| Other financial income (expenses) | (Issuer) (17.0) | (Issuer, Suez) (46.7) |
| Capital gains (losses) on disposals | (Total, ENGIE, other) 720.9 | (Total, Suez, LafargeHolcim) 141.0 |
| Impairment losses on available-for-sale securities | (LafargeHolcim, ENGIE, other) (1,746.3) | (LafargeHolcim, ENGIE) 588.5 |
| Total ⁽¹⁾ | (1,135.6) | 519.1 |

(1) Figures presented for comparative purposes have been restated to take account of the reclassification of the elimination of the dividend on treasury shares (for EUR - 17 million), previously included under Mark to market and now in «Eliminations, Capital gains, depreciation and reversals» column

Elimination of dividends

Net dividends from operating investments (associates or consolidated companies) were eliminated and represented EUR 93 million from Imerys and Sienna Capital.

Other financial income (expenses)

This item includes the elimination of the dividend on treasury shares amounting to EUR - 17 million. In 2015, the item also included the EUR 30 million expense generated by the conversion of exchangeable bonds into Suez shares which was due to the difference between the exchange price (EUR 11.45 per share) and the average share price of the converted shares in the first nine months of 2015 (EUR 17.21 per share). This loss was partly offset by the recycling of revaluation reserves restated as capital gains on disposals (see below).

Capital gains (losses) on sales

This item includes the capital gain from the sale of 1.8% of Total for EUR 732 million as well as the consolidated capital loss on the sale of 1.8% of Engie for EUR 11 million.

In 2015, the item included:

- the capital gain from the sale of 0.5% of Total for EUR 282 million;
- the result from early conversions of exchangeable bonds into Suez shares for EUR 38 million (corresponding to the recycling of the revaluation reserves of the shares, calculated on the basis of the average share price of Suez over the first nine months of 2015); and
- the impact relating to the LafargeHolcim merger, coming from the recycling as income of the other items of comprehensive revenue attributable to Lafarge and recorded in the Issuer's shareholders' equity since it was first recorded as an equity-accounted company, i.e. on 1st January 2008. This had a negative impact of EUR - 179 million on the Issuer's net result.

Impairments on AFS investments and reversals of non-current assets

At 31 December 2016, this heading included mainly:

- an impairment of EUR 1,682 million on the LafargeHolcim investment, adjusting the book value of these securities (EUR 66.49 per share) to their market value at 30 June 2016 (EUR 37.10 per share); and
- an additional impairment of EUR 62 million, accounted for the ENGIE investment in the first and fourth quarters of 2016, thus adjusting the book value of these securities (EUR 14.44 per share at the end of December 2015) to their market value at 31 December 2016 (EUR 12.12 per share respectively).

These impairments, which are accounting adjustments, do not have an impact on cash earnings or adjusted net assets.

At 31 December 2015, this item included mainly:

- an additional impairment of EUR 32 million, accounted for the ENGIE investment adjusting the book value of these securities (EUR 15.02 per share at the end of June 2015) to their market value at 30 September 2015 (EUR 14.44 per share);
- a partial reversal, recorded on 30 June 2015, of the impairment that was previously recorded with regard to Lafarge, corresponding to the difference in value of the Lafarge shares held by the Issuer at that date, which were valued (i) at the 30 June 2015 closing price and (ii) at the most recent (equity method) investment value of the stake, i.e. EUR 403 million; and
- an additional reversal of the impairment that was previously recognised for Lafarge following a loss of influence in the new LafargeHolcim group since 10 July 2015, and its classification as an asset available for sale, corresponding to the change in market value of the investment between (i) 30 June 2015 and (ii) 10 July 2015, i.e. EUR 218 million.

(e) Comprehensive income 2016 – group’s share

In accordance with IAS 1 – *Presentation of financial statements*, the Issuer publishes its consolidated comprehensive income as an integral part of the consolidated financial statements. This income, group’s share, amounted to EUR 2,057 million in 2016 compared with EUR 438 million the previous year. This change is mainly the result of the change in the market prices of the investments held in the portfolio.

This income of EUR 2,057 million gives an indication of the value creation achieved by the company in 2016. It is based on the consolidated result, group’s share, for the period (EUR - 458 million), plus the market value impact on the available for sale investments (LafargeHolcim, adidas, Total, etc.), i.e. EUR 2,461 million, and the changes in the equity of associates and consolidated companies, group’s share, amounting to EUR 54 million. The consolidated comprehensive income, group’s share, shown in the table below, is broken down according to each investment’s contribution.

| In EUR million | | | | 2016 | 2015 |
|--------------------------------|----------------------|---|---------------------------------------|----------------------|----------------------|
| Group's share | Result of the period | Elements entered directly in shareholder's equity | | Comprehensive income | Comprehensive income |
| | | Mark to market | Associated and consolidated companies | | |
| Investments' contribution | (468.1) | 2,460.9 | 53.6 | 2,046.4 | 389.5 |
| Total | 781.1 | (663.8) | - | 117.3 | 122.8 |
| ENGIE | (26.6) | (103.1) | - | (129.7) | (123.2) |
| LafargeHolcim | (1,604.6) | 1,865.4 | - | 260.8 | (501.9) |
| Pernod Ricard | 37.4 | (44.5) | - | (7.1) | 292.2 |
| Imerys | 159.6 | - | 53.9 | 213.5 | 53.0 |
| SGS | 72.9 | 208.3 | - | 281.2 | 136.0 |
| Umicore | 24.8 | 295.8 | - | 320.6 | 103.4 |
| adidas | 18.8 | 858.2 | - | 877.0 | 237.2 |
| Ontex | 5.2 | (24.8) | - | (19.6) | 38.0 |
| Other | 63.3 | 69.4 | (0.3) | 132.4 | 32.0 |
| Other income (expenses) | 10.4 | - | - | 10.4 | 48.3 |
| 31 December 2016 | (457.7) | 2,460.9 | 53.6 | 2,056.8 | |
| 31 December 2015 | 1,026.4 | (836.8) | 248.2 | | 437.8 |

2 OVERVIEW OF THE ACTIVITIES

The Issuer is the second largest listed holding company in Europe with adjusted net assets of EUR 17.0 billion and a market capitalisation of EUR 12.9 billion at the end of 2016. As a holding company focused on long-term value creation, the Issuer relies on a stable, family shareholder base. Its portfolio is composed of global industrial and services companies, leaders in their market and in which the Issuer plays its role of professional shareholder.

The Issuer's primary objective is to create value for its shareholders. The Issuer strives to develop a quality portfolio focused on a targeted number of companies that are leaders in their market and in which it can play an active role as a professional shareholder over the long term.

The Issuer invests and divests depending on companies' development and market opportunities in order to achieve its objective of value creation, while maintaining a solid financial structure. The Issuer's dividend policy seeks to achieve a sound balance between providing an attractive yield and achieving growth in adjusted net assets.

2.1 STRATEGY

The Issuer began redesigning its portfolio in 2012 in order to take into account changes in the market environment and to optimize its objective of long-term value creation for its shareholders. The Issuer's strategy is based on three strategic priorities.

Priority 1:

Further diversification of the portfolio aiming at a rebalancing between growth and yield

Broader geographical and sectorial diversification

Partial disposal of or exit from participations in the energy sector (Total, ENGIE, Suez) and acquisition of a 16.2% stake in SGS, a 17.0% stake in Umicore and a 7.5% stake in adidas.










Reinforcement of the growth profile of the portfolio companies

Extension of the investment scope to smaller companies

Creation of the Incubator and participation in the capital of Ontex (19.98%) and Burberry (2.95%).

Greater exposure to alternative investments through Sienna Capital

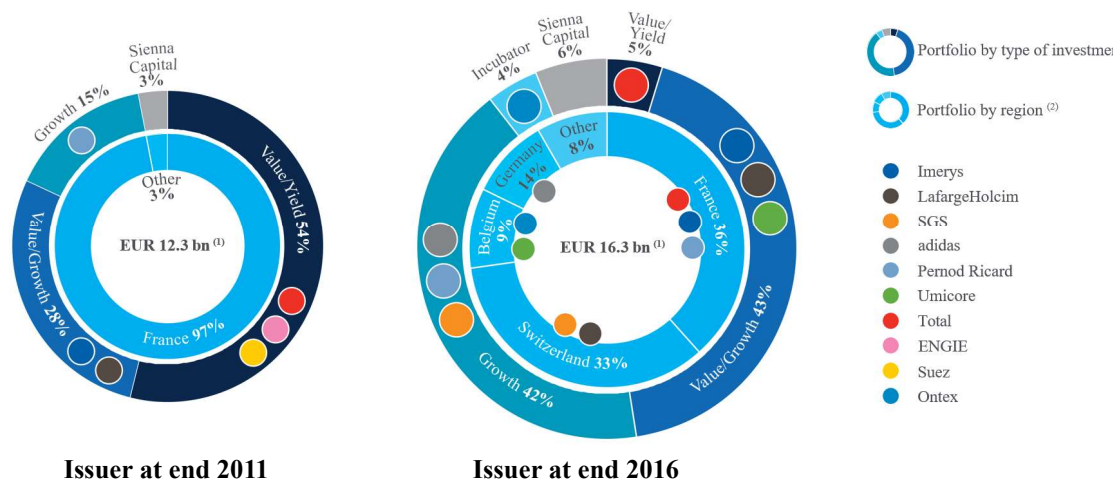
Commitments for EUR 1.7 billion, of which EUR 1.1 billion invested since inception.

| | Strategic investments | | | | | | | Incubator | |
|-------------------------------------|---|--|--|---|--|--|--|--|--|
| |  IMERYS |  LafargeHolcim |  SGS |  adidas GROUP |  Fresco Record |  umicore |  TOTAL |  Ontex |  BURBERRY London England |
| Sector ranking | #1 | #1 | #1 | #2 | #2 | Top 3 | Top 5 | Top 3 | Top 10 |
| Dividend yield 2016 | 2.4% | 2.8% | 3.3% | 1.1% | 1.8% | 2.4% | 5.0% | 1.6% | 2.5% |
| EBITDA growth ⁽¹⁾ | 9.4% | 8.8% | 5.7% | 14.8% | 4.6% | 10.5% | 19.3% | 14.4% | 5.8% |

(1) CAGR 16-18 (Bloomberg consensus)

The Issuer is pursuing its transformation in order to strengthen the portfolio's growth profile. The Issuer is looking for significant stakes in companies of lower size and with higher growth potential. The Issuer has followed the same investment philosophy since 1982, based on clearly defined strategic and financial criteria. The Issuer thus seeks to invest, as a professional shareholder, in companies with a leading position in their sector and a business model focused on organic and external growth, led by experienced management teams and benefiting from the necessary financial resources.

The investment portfolio has significantly evolved and now has a geographic exposure profile and growth/yield balance in line with the Issuer's objectives.



(1) Portfolio value
 (2) In terms of location of the headquarters

**Priority 2:
 Being an active and responsible professional shareholder**

Greater influence within the participations








Reference shareholder within each of the participations
 Equity stakes between 10% and 30% (minimum)

Key role in the merger of LafargeHolcim, support to the acquisition of S&B and the contemplated acquisition of Kerneos by Imerys, one additional representative in Umicore's board of directors, and one representative in adidas' supervisory board

The Issuer is an active holding company with a long-term investment outlook. As an investment vehicle financed by permanent capital, the Issuer is not constrained by an investment horizon. Investments are therefore held for as long as needed to optimize their value. Periodic assessment of the value creation potential of the different assets is performed in order to define a disposal strategy.

The Issuer aims at holding significant stakes in order for it to play an active role within its portfolio participations. The Issuer's objective is to share its experience, expertise, notably in M&A, and network with the Management of its participations in order to fully leverage on value creation and entirely fulfil its role as a professional shareholder. Its strategy is to adopt a friendly approach with the aim to build long-term relationships and to play an active role within governance bodies, notably in the context of strategic decision-making by the companies.

An active and responsible professional investor

| At 31/12/2016 | Year of the first investment and name | Issuer's ranking in the shareholding / equity ownership | Issuer's presence in the boards of directors | Number of members in the committees |
|---|--|---|--|---|
|  | 1987 Imetal | #1 / 53.9% | 6 / 17 | Audit committee 1 / 3 Strategic committee 4 / 8 Nomination and remunerations committee 2 / 5 Total 7 |
|  | 2005 Lafarge | #2 / 9.4% | 2 / 14 | Audit committee 1 / 5 Strategic, investment and sustainable development committee 1 / 5 Nomination, corporate governance and remunerations committee 1 / 4 Total 3 |
|  | 2013 SGS | #1 / 16.2% | 3 / 10 | Audit committee 1 / 4 Nomination and remunerations committee 1 / 3 Total 2 |
|  | 2015 adidas | #1 / 7.5% | 1 / 16 | |
|  | 2006 Pernod Ricard | #3 / 7.5% | 2 / 14 | Strategic committee 1 / 6 Audit committee 1 / 3 Remunerations committee 1 / 3 Total 3 |
|  | 2013 Umicore | #1 / 17.0% | 2 / 11 | |
|  | 1998 Merger between Petrofina and Total | Top 5 / 0.7% | 2 / 12 | Audit committee 1 / 4 Remunerations committee 1 / 4 Total 2 |

Priority 3:

Maintain a solid and flexible financial structure

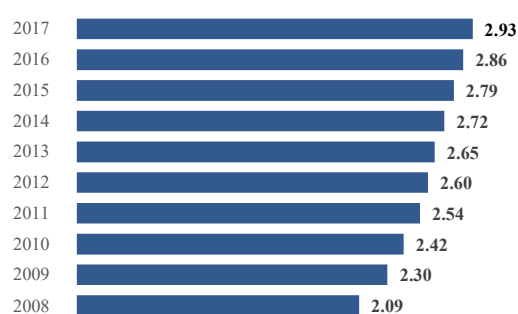
Maintaining a solid financial structure enabling to seize investment opportunities and pay a stable or growing dividend

Solid liquidity profile

Structurally limited net financial leverage

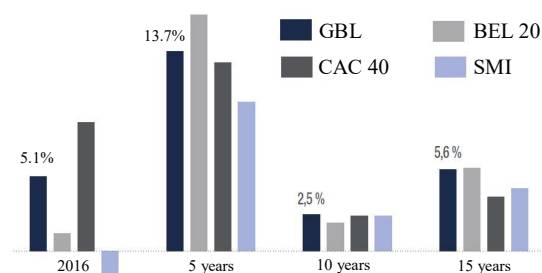
Stable and continuous dividend growth historically and liquidity profile of EUR 3.5 billion at year-end 2016

Dividend distribution history



Note : by year of payment

Return on the share price with reinvested dividends



Source: Bloomberg

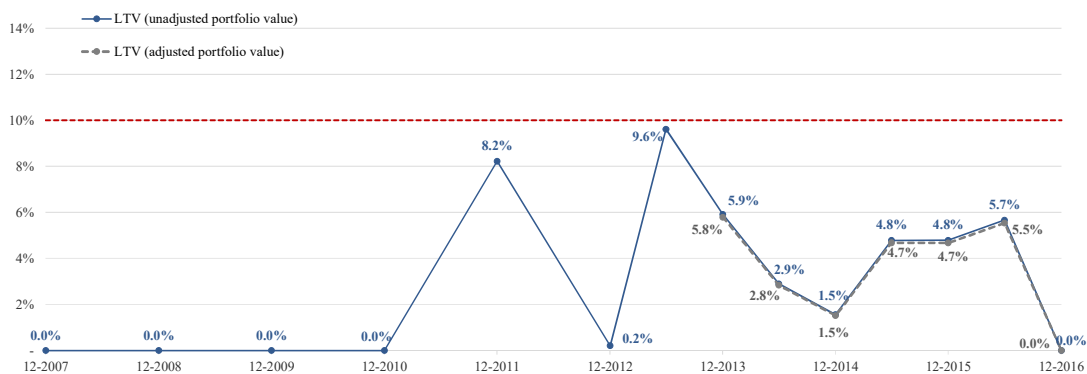
The Issuer's objective is to maintain a sound financial structure, with a solid liquidity profile, ensuring readily available resources, and a limited net indebtedness in comparison to its portfolio value.

This policy gives the Issuer the flexibility required to quickly seize investment opportunities. End of 2016, the Issuer's Loan to Value ratio stands at 0% (4.7% at end-2015) and the Issuer presents a solid

liquidity profile of EUR 3.5 billion (corresponding to the cash and the undrawn portion of the committed credit lines).

The evolution of the Loan to Value ratio results from the crystallization of investment opportunities for significant stakes in the capital of companies meeting the Issuer’s investment criteria, in the framework of the Issuer’s portfolio rotation strategy.

Loan to Value



(1) Calculated (i) based on information disclosed in GBL’s annual and half-yearly reports and (ii) using (a) the portfolio value over the 10-year analysed period (blue line) and (b) the adjusted portfolio value (i.e. increased by the value of the treasury shares underlying the bonds convertible into GBL shares issued in October 2013) since year-end 2013 (dotted grey line)

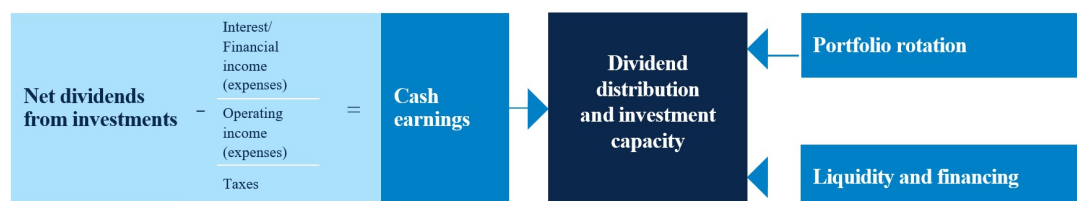
Strategic objective: Value creation through continuous and sustainable growth of its intrinsic value and the dividends paid

The Issuer’s objective is to continue to deliver above-average share price performance while ensuring regular dividend growth.

This pursued policy therefore aims at reaching a balance between an attractive dividend yield and a long-term growth potential with regards to the investment portfolio.

The Issuer is committed to distinguishing itself from other listed investment companies by playing a role of active and professional shareholder within its participations. The Issuer is also committed to a regular portfolio rotation and a limited and optimized cost structure. Finally, the ultimate lever of value creation for shareholders is based on the reduction of the discount.

The Issuer’s investment model



Clear investment criteria

The Issuer invests in European companies with a worldwide footprint and exposure to high growth markets. Investments must meet the following main criteria:

Strategic criteria

- Leader in their field
- European group but with an international scope
- High quality management
- Potential for organic and external growth
- Dividend distribution capacity
- Simple and solid, value-creating business model
- Geographical and sectorial diversification

Corporate governance criteria

- Position of main shareholder (1st or 2nd)
- Active contribution to value creation in close collaboration with the Management
- Active role within the governance bodies (board of directors and committees)
- Participation in strategic decision-making, nominations and remunerations of the Management, adequacy of the financial structure and the future development of the participations (M&A)

Financial criteria

- Strong cash flow generation
- Financial flexibility allowing to exploit strategic opportunities

2.2 PORTFOLIO REVIEW BY ASSET CATEGORY

The Issuer aims to create value over the long term through a diversified portfolio focused on three types of assets: Strategic Investments, Incubator Investments and Sienna Capital.

2.2.1 Strategic Investments

The Strategic Investments are generally larger than EUR 1 billion, primarily in listed companies in which the Issuer can exercise a marked influence. These represent the bulk of the adjusted net assets. Sources of revenue corresponds to dividends and capital gains.

The Issuer plays its role of long-term shareholder within these Strategic Investments, while periodically rotating them to ensure a balance in the portfolio between growth and yield companies.

Ultimately, this investment category could represent between 75% and 80% of the Issuer's portfolio value.

Governance

The Issuer aspires to hold a position of core shareholder in the capital of its Strategic Investments so as to play an active role in their governance. The Issuer is the largest shareholder in Imerys, Umicore and adidas and the second largest in LafargeHolcim. It is the lead shareholder, alongside other family groups, in Pernod Ricard or SGS. The Issuer is represented on the board of directors of all its Strategic Investments as well as the committees (strategic, audit and nomination and remuneration committees, with the exception of adidas).

The Issuer contributes to the value creation in close collaboration with management teams of the participations at three levels: approval and support of the Issuer's strategy, decisions about the management selection and the remuneration policy and definition of the most appropriate financial structure for value creation.

Investment criteria

The portfolio of Strategic Investments and the Issuer's new investments meet clear criteria.

Strategic Investments may be listed or private, must have their registered office in Europe, be global sector leaders and be exposed to growth markets giving them high potential for value creation. They must have financial resources aligned with their strategy and be led by high quality managers driven by a strategic and value-creating vision, which the support of a long-term, friendly shareholder such as the Issuer will allow them to achieve.

(a) Imerys: world leader in speciality minerals with almost 260 sites in 54 countries

Profile

Imerys extracts, transforms, develops and combines a unique range of minerals to provide functionalities that are vital to its customers' products and production processes. These specialities have a very wide range of uses and are becoming more common on growing markets.

Investment case

- Business Model resilience
- Geographic and customer's final markets diversity

- Imerys is the leader in its sector: #1 or #2 in almost all of its markets
- High added value functional solutions providing the key properties for its customers' products
- Low exposure to fluctuations in commodities prices
- Low risk of substitution due in particular to the customer's low share in total costs
- Solid cash-flow generation making it possible to support external growth

Financial data and rating

| (in EUR million) | 31 December 2016 |
|--|------------------|
| Net financial debt ⁽¹⁾ | 1,367 |
| Net financial debt / EBITDA (x) ⁽¹⁾ | 1.7 |
| Rating (S&P / Moody's) ⁽²⁾ | BBB / Baa2 |

(1) Source: registration document of Imerys for the year ended 31 December 2016

(2) Source: Bloomberg

Market data and information on the Issuer's investment

| Stock market data | 2016 | 2015 | 2014 |
|--|--------|--------|--------|
| Number of shares issued (in thousands) | 79,568 | 79,572 | 75,886 |
| Market capitalisation (in EUR million) | 5,734 | 5,126 | 4,623 |
| Closing share price (in EUR/share) | 72.07 | 64.42 | 61.01 |
| Current net income (in EUR/share) | 4.60 | 4.31 | 4.15 |
| Diluted net income (in EUR/share) | 3.66 | 0.85 | 3.51 |
| Dividend (in EUR/share) | 1.87 | 1.75 | 1.65 |

Issuer's investment

| | | | |
|--|-------|-------|-------|
| Percentage of share capital (in %) | 53.9 | 53.9 | 56.5 |
| Percentage of voting rights (in %) | 69.7 | 69.8 | 71.9 |
| Investment: | | | |
| In EUR million | 3,088 | 2,761 | 2,614 |
| In number of days of ADTV ⁽¹⁾ | 290 | nc | nc |
| Dividends collected by the Issuer (in EUR million) | 75 | 71 | 69 |
| Representatives in statutory bodies | 6 | 6 | 7 |

(1) Average Daily Trading Volume on a 1-year weighted average at 31/12/2016 (source: Bloomberg)

(b) LafargeHolcim, the world leader in construction materials: cement, aggregates and concrete

Profile

LafargeHolcim, the product of the merger between Lafarge and Holcim, made official in July 2015, is the world leader in construction materials (cement, aggregates and concrete) for private individuals and professionals.

The group employs around 90,000 persons in over 80 countries and has a balanced presence in developing and mature markets. This geographical distribution provides an ideal positioning to meet the challenges of increasing urbanisation.

Investment case

The group is well positioned to meet the challenges of increasing urbanization, with strong positions in most emerging countries. The business model has evolved towards i) sustainable development, ii) an asset-light approach, and iii) a positioning on the value

chain geared towards higher value-added solutions. The stakes of the merger in 2015 have not changed:

- Creation of an uncontested leader in the building materials sector
- Rebalancing of the portfolio towards the most promising regions in terms of growth
- Potential for significant synergies
- Improved operating performance and strength of the balance sheet

Financial data and rating

| (in CHF million) | 31 December 2016 |
|---|------------------|
| Net financial debt ⁽¹⁾ | 14,724 |
| Net financial debt / adjusted EBITDA (x) ⁽¹⁾ | 2.5 |
| Rating (S&P / Moody's) ⁽²⁾ | BBB / Baa2 |

(1) Source: annual report of LafargeHolcim for the year ended 31 December 2016

(2) Source: Bloomberg

Market data and information on the Issuer's investment

| Stock market data | 2016 | 2015 | 2014 |
|--|---------|---------|------|
| Number of shares issued (in thousands) | 606,909 | 606,909 | n.a |
| Market capitalisation (in CHF million) | 32,561 | 30,528 | n.a |
| Closing share price (in CHF/share) | 53.65 | 50.30 | n.a |
| Dividend (in CHF/share) | 2.00 | 1.50 | n.a |

Issuer's investment

| | | | |
|--|-------|-------|-----|
| Percentage of share capital (in %) | 9.4 | 9.4 | n.a |
| Percentage of voting rights (in %) | 9.4 | 9.4 | n.a |
| Investment: | | | |
| In EUR million | 2,857 | 2,674 | n.a |
| In number of days of ADTV ⁽¹⁾ | 13 | nc | |
| Dividends collected by the Issuer (in EUR million) | 78 | 77 | n.a |
| Representatives in statutory bodies | 2 | 2 | n.a |

(1) Average Daily Trading Volume on a 1-year weighted average at 31/12/2016 (source: Bloomberg)

(c) SGS, the world leader in inspection, verification, testing and certification

Profile

SGS provides tailored inspection, verification, testing and certification solutions to its customers to make their commercial activities faster, simpler and more efficient. Its worldwide network consists of more than 90,000 employees at more than 2,000 offices and laboratories.

Investment case

The Testing, Inspection and Certification industry is characterised by high barriers to entry and is driven by attractive fundamentals, in particular:

- Expansion and ageing of infrastructure
- Externalisation and privatisation of activities
- Development of regulations
- Growing complexity of products

- Consolidation and economies of scale

In this sector, SGS offers a particularly attractive profile in terms of growth, profitability and cash flow generation:

- World leader with a global geographic presence
- Diversified portfolio of activities
- Ideally positioned to take advantage of growth opportunities
- Agile and resilient facing the hazards of economic cycles

Financial data and rating

| (in CHF million) | 31 December 2016 |
|--|------------------|
| Net financial debt ⁽¹⁾ | 736 |
| Net financial debt / EBITDA (x) ⁽¹⁾ | 0.6 |
| Rating (S&P / Moody's) ⁽²⁾ | n.a. / A3 |

(1) Source: annual report of SGS for the year ended 31 December 2016

(2) Source: Bloomberg

Market data and information on the Issuer's investment

| Stock market data | 2016 | 2015 | 2014 |
|--|----------------------|--------|--------|
| Number of shares issued (in thousands) | 7,822 | 7,822 | 7,822 |
| Market capitalisation (in CHF million) | 16,208 | 14,949 | 15,997 |
| Closing share price (in CHF/share) | 2,072 | 1,911 | 2,045 |
| Diluted earnings per share (in CHF/share) | 71.47 | 71.95 | 81.65 |
| Basic adjusted earnings per share (in CHF/share) | 83.00 | 81.95 | 82.69 |
| Ordinary dividend (in CHF/share) | 70.00 ⁽¹⁾ | 68.00 | 68.00 |

Issuer's investment

| | | | |
|--|-------|-------|-------|
| Percentage of share capital (in %) | 16.2 | 15.0 | 15.0 |
| Percentage of voting rights (in %) | 16.2 | 15.0 | 15.0 |
| Investment: | | | |
| In EUR million | 2,445 | 2,067 | 1,995 |
| In number of days of ADTV ⁽¹⁾ | 30 | nc | nc |
| Dividends collected by the Issuer (in EUR million) | 72.9 | 67.1 | 62.3 |
| Representatives in statutory bodies | 3 | 3 | 3 |

(1) Average Daily Trading Volume on a 1-year weighted average at 31/12/2016 (source: Bloomberg)

(d) adidas, the European leader in sports equipment

Profile

adidas is a global leader specialised in the design, development, production and distribution of sporting goods (footwear, clothing and equipment). The group's business is built around four main brands: adidas, Reebok, Taylor Made and CCM. Distribution is done through its own stores retail network, eCommerce and independent distributors.

Investment case

adidas is a strong brand: #1 in Europe and #2 worldwide in the design and distribution of sporting goods. There is strong potential for growth in sales supported by (i) advertising and promotional expenditure, (ii) the company's ability to introduce innovative products and (iii) the omni-channel (including digital) approach.

adidas has the possibility to improve its EBIT margin from currently c. 7.7% to historical levels (c. 10% in 2008) via:

- Optimising the structure of central costs, mainly through economies of scale
- Increased profitability in the USA and Russia
- A restructuring of the brand Reebok

Financial data and rating

| (in EUR million) | 31 December 2016 |
|--|------------------|
| Net financial debt ⁽¹⁾ | 103 |
| Net financial debt / EBITDA (x) ⁽¹⁾ | 0.1 |
| Rating (S&P / Moody's) ⁽²⁾ | n.a. / n.a. |

(1) Source: annual report of adidas for the year ended 31 December 2016

(2) Source: Bloomberg

Market data and information on the Issuer's investment

| Stock market data | 2016 | 2015 | 2014 |
|--|--------------------|---------|---------|
| Number of shares issued (in thousands) | 209,216 | 209,216 | 209,216 |
| Market capitalisation (in EUR million) | 31,414 | 18,811 | 12,055 |
| Closing share price (in EUR/share) | 150.2 | 89.9 | 57.6 |
| Adjusted diluted net income (in EUR/share) | 5.08 | 3.37 | 2.67 |
| Dividend (in EUR/share) | 2.0 ⁽¹⁾ | 1.6 | 1.5 |

Issuer's investment

| | | | |
|--|-------|-----|-----|
| Percentage of share capital (in %) | 7.5 | 4.7 | 0.0 |
| Percentage of voting rights (in %) | 7.5 | 4.7 | 0.0 |
| Investment: | | | |
| In EUR million | 2,356 | 890 | 0 |
| In number of days of ADTV ⁽²⁾ | 10 | nc | nc |
| Dividends collected by the Issuer (in EUR million) | 18.8 | 3.0 | 0.0 |
| Representatives in statutory bodies | 1 | 0 | 0 |

(1) Subject to the approval of the 2017 adidas General Shareholders' Meeting

(2) Average Daily Trading Volume on a 1-year weighted average at 31/12/2016 (source: Bloomberg)

(e) Pernod Ricard, the world's co-leader in Wines & Spirits, holding a leading position on all continents

Profile

Since its inception in 1975, Pernod Ricard has built up the most premium portfolio in the industry and has become the world co-leader in the Wine & Spirits market through significant organic growth and numerous acquisitions, including Seagram in 2001, Allied Domecq in 2005 and Vin & Spirit in 2008. This portfolio includes in particular 13 strategic international brands, 15 strategic local brands and 4 premium wine brands, produced and distributed by the group through its own worldwide distribution network.

Investment case

The spirits market is supported by favourable long-term trends, in particular:

- expanding urban population
- growing market share compared to beer and wine

- upmarket move by consumers

Pernod Ricard has a solid growth and profitability profile:

- global co-leader with one of the industry's most complete brand portfolios
- systematic upmarket move thanks to its superior-quality and innovative products
- numerous high-potential brands such as Jameson, Absolut and the Indian whiskies
- leading positions in categories such as whiskey, rum and luxury Cognac that outperform the market and enjoy high barriers to entry, for example guarantee of origin requirements and the need to set aside stocks for ageing

Financial data and rating

| (in EUR million) | 30 June 2016 |
|--|--------------|
| Net financial debt ⁽¹⁾ | 8,716 |
| Net financial debt / EBITDA (x) ⁽¹⁾ | 3.4 |
| Rating (S&P / Moody's) ⁽²⁾ | BBB- / Baa2 |

(1) Source: annual report of Pernod Ricard for the year ended 30 June 2016

(2) Source: Bloomberg

Market data and information on the Issuer's investment

| Stock market data | 30/06/2016 | 30/06/2015 | 30/06/2014 |
|--|------------|------------|------------|
| Number of shares issued (in thousands) | 265,422 | 265,422 | 265,422 |
| Market capitalisation (in EUR million) | 26,569 | 27,498 | 23,277 |
| Closing share price (in EUR/share) | 100.10 | 103.60 | 87.70 |
| Diluted adjusted net income (in EUR/share) | 5.20 | 4.99 | 4.46 |
| Dividend (in EUR/share) | 1.88 | 1.80 | 1.64 |

| Issuer's investment at 31 December | 31/12/2016 | 31/12/2015 | 31/12/2014 |
|--|------------|------------|------------|
| Percentage of share capital (in %) | 7.5 | 7.5 | 7.5 |
| Percentage of voting rights (in %) | 6.8 | 6.9 | 6.9 |
| Investment: | | | |
| In EUR million | 2,048 | 2,093 | 1,835 |
| In number of days of ADTV ⁽¹⁾ | 20 | nc | nc |
| Dividends collected by the Issuer (in EUR million) | 37 | 36 | 33 |
| Representatives in statutory bodies | 2 | 2 | 2 |

(1) Average Daily Trading Volume on a 1-year weighted average at 31/12/2016 (source: Bloomberg)

(f) Umicore, a group specialised in materials technology and the recycling of precious metals

Profile

Umicore is a global group specialised in materials technology and the recycling of precious metals. Its activity is focused on application fields where its expertise in materials science, chemistry and metallurgy is widely recognized.

It is centered on three business lines: Catalysis, Energy & Surface Technologies and Recycling.

Investment case

- Umicore has a business model geared towards clean technologies that are benefiting from favourable long-term trends, namely through activities in automotive catalysts, batteries for electric cars and precious metals recycling.
- In these areas, Umicore enjoys a global leadership position, along with solid knowhow, high-quality means of production and a talented management team.
- Umicore was the Issuer’s first investment in its “Incubator” portfolio before becoming Strategic in 2016.

Financial data and rating

| (in EUR million) | 31 December 2016 |
|--|------------------|
| Net financial debt ⁽¹⁾ | 296 |
| Net financial debt / recurring EBITDA (x) ⁽¹⁾ | 0.6 |
| Rating (S&P / Moody’s) ⁽²⁾ | n.a. / n.a. |

(1) Source: annual report of Umicore for the year ended 31 December 2016
(2) Source: Bloomberg

Market data and information on the Issuer’s investment

| Stock market data | 2016 | 2015 | 2014 |
|--|---------|---------|---------|
| Number of shares issued (in thousands) | 112,000 | 112,000 | 112,000 |
| Market capitalisation (in EUR million) | 6.06 | 4.33 | 3.73 |
| Closing share price (in EUR/share) | 54.15 | 38.67 | 33.31 |
| Adjusted net income (in EUR/share) | 2.14 | 2.27 | 1.79 |
| Dividend (in EUR/share) | 1.30 | 1.20 | 1.00 |

Issuer’s investment

| | | | |
|--|-------|------|------|
| Percentage of share capital (in %) | 17.0 | 16.6 | 12.4 |
| Percentage of voting rights (in %) | 17.0 | 16.6 | 12.4 |
| Investment: | | | |
| In EUR million | 1,032 | 720 | 464 |
| In number of days of ADTV ⁽¹⁾ | 27 | nc | nc |
| Dividends collected by the Issuer (in EUR million) | 25 | 15 | 10 |
| Representatives in statutory bodies | 2 | 1 | - |

(1) Average Daily Trading Volume on a 1-year weighted average at 31/12/2016 (source: Bloomberg)

(g) Total, an integrated global oil and gas group with a presence in chemicals

Profile

Total is one of the leading global oil and gas groups. The company operates in more than 130 countries and covers every oil industry segment, from Upstream to Downstream. Total is also a major player in chemicals and is committed to the development of renewable energy.

Investment case

Total outperformed its peers and demonstrated its resilience in a difficult environment:

- Integrated model, from exploration to the final customer
- Operational excellence for all its activities
- Disciplined approach to costs and investments
- Oil activity with low breakeven point

- Development of gas activities
- Objective of becoming the major player in responsible energy to meet energy challenges

Within the framework of its portfolio rotation strategy, the Issuer had reduced its position to 0.7% of the capital at end December 2016:

- De-concentration of the risks relating to energy and commodities
- Geographic diversification of the portfolio
- Diversification of dividend sources

Financial data and rating

| (in USD million) | 31 December 2016 |
|--|------------------|
| Net financial debt ⁽¹⁾ | 27,121 |
| Debt to equity ratio (in %) ⁽¹⁾ | 27 |
| Rating (S&P / Moody's) ⁽²⁾ | A+ / Aa3 |

(1) Source: registration document of Total for the year ended 31 December 2016

(2) Source: Bloomberg

Market data and information on the Issuer's investment

| Stock market data | 2016 | 2015 | 2014 |
|--|---------------------|-----------|-----------|
| Number of shares issued (in thousands) | 2,430,366 | 2,440,058 | 2,385,268 |
| Market capitalisation (in EUR million) | 118,376 | 100,689 | 101,374 |
| Closing share price (in EUR/share) | 48.72 | 41.27 | 42.52 |
| Adjusted fully-diluted net income (in EUR/share) | 3.06 | 4.51 | 5.63 |
| Dividend (in EUR/share) | 2.45 ⁽¹⁾ | 2.44 | 2.44 |

Issuer's investment

| | | | |
|--|-----|-------|-------|
| Percentage of share capital (in %) | 0.7 | 2.4 | 3.0 |
| Percentage of voting rights (in %) | 1.3 | 2.2 | 2.7 |
| Investment: | | | |
| In EUR million | 789 | 2,463 | 3,052 |
| In number of days of ADTV ⁽²⁾ | 1 | nc | nc |
| Dividends collected by the Issuer (in EUR million) | 75 | 157 | 160 |
| Representatives in statutory bodies | 2 | 2 | 2 |

(1) Subject to the approval of Total's 2017 General Shareholders' Meeting

(2) Average Daily Trading Volume on a 1-year weighted average at 31/12/2016 (source: Bloomberg)

2.2.2 Incubator Investments

In addition to the Strategic Investment portfolio that encompasses the companies in which the Issuer has an interest of more than EUR 1 billion, the Issuer intends to invest amounts of between EUR 250 million and EUR 1 billion in private or listed companies.

The Issuer aims at becoming a core shareholder and, for mid-sized and private companies, to possibly hold a majority stake.

In both cases, its ambition is to find new opportunities that constitute an "incubator" of strategic assets over the long term. Ultimately, this investment category could represent between 10% and 15% of the Issuer's portfolio value.

Sources of revenue corresponds to capital gains and potentially dividends.

Approach

The Issuer wishes to gradually acquire in a friendly manner an interest in the share capital of these companies while deepening its understanding of their strategy and ability to create value. Depending on its belief in the potential of these investments and its percentage interest, the Issuer might ask to be represented on their board of directors so as to play an active role in the areas of governance and strategic decision-making, in close cooperation with the management teams.

(a) Ontex, global leader specialised in hygienic consumables

Profile

Ontex is a group specialised in hygiene products for babies, women and adults. Ontex products are distributed in more than 100 countries under the company's own brands and distributors' private labels. The main sales channels are retail trade, medical institutions and pharmacies.

Investment case

The growth of the industry in recent years has been supported by (i) the resilience of the business (hygiene basics), (ii) an ageing population in mature countries and (iii) the growth in population and product adoption rates for hygiene products in emerging countries.

Ontex should be able to continue to outperform the market thanks to (i) increases in market share for private label products, (ii) the premiumisation of its brands and (iii) its greater exposure to emerging countries and adults incontinence products.

Financial data and rating

| (in EUR million) | 31 December 2016 |
|--|------------------|
| Net financial debt ⁽¹⁾ | 665 |
| Net financial debt / EBITDA (x) ⁽¹⁾ | 2.7 |
| Rating (S&P / Moody's) ⁽²⁾ | BB / Ba2 |

(1) Source: annual report of Ontex for the year ended 31 December 2016

(2) Source: Bloomberg

Market data and information on the Issuer's investment

| Stock market data | 2016 | 2015 | 2014 |
|--|---------------------|--------|--------|
| Number of shares issued (in thousands) | 74,861 | 72,139 | 68,056 |
| Market capitalisation (in EUR million) | 2,115 | 2,363 | 1,614 |
| Closing share price (in EUR/share) | 28.3 | 32.8 | 23.7 |
| Adjusted fully-diluted net income (in EUR/share) | 1.77 | 1.50 | 0.95 |
| Dividend (in EUR/share) | 0.55 ⁽¹⁾ | 0.46 | 0.19 |

The Issuer's investment

| | | | |
|--|-------|-----|-----|
| Percentage of share capital (in %) | 19.98 | 7.6 | 0.0 |
| Percentage of voting rights (in %) | 19.98 | 7.6 | 0.0 |
| Investment: | | | |
| In EUR million | 423 | 181 | 0 |
| In number of days of ADTV ⁽²⁾ | 54 | nc | |
| Dividends collected by the Issuer (in EUR million) | 5.2 | 1.0 | 0.0 |
| Representatives in statutory bodies | 0 | 0 | 0 |

(1) Subject to the approval of the 2017 Ontex General Shareholders' Meeting

(2) Average Daily Trading Volume on a 1-year weighted average at 31/12/2016 (source: Bloomberg)

2.2.3 Sienna Capital

The Issuer intends to reinforce the diversification of its portfolio and achieve its value-creation objectives by pursuing the development of its alternative investments within its subsidiary Sienna Capital.

Sienna Capital aims to generate attractive risk-adjusted returns by constructing a diversified portfolio of investment managers performing well in their area of expertise (e.g. private equity, debt and specific thematic funds).

Sienna Capital is an active and involved partner for the managers it invests in. Sienna Capital supports managers by helping them raise money, attract talent and source investment opportunities as well as by providing advice on good governance and best practices.

At the end of 2016, Sienna Capital's portfolio was composed of six managers deploying capital via twelve funds into almost a hundred companies. The portfolio includes investments in private equity funds (Ergon, Sagard), a debt fund (Kartesia), a healthcare growth capital fund (Mérieux Développement), a fund whose strategy consists of acquiring long-term shareholdings in mid-sized European companies (PrimeStone), and a fund which provides long-term capital to family- and founder-led businesses (BDT Capital Partners).

As of 31 December 2016, Sienna Capital was valued at EUR 955 million which represents 6% of the Issuer's portfolio.

Ultimately, this investment category could represent 10% of the Issuer's portfolio value.






Strategy

Sienna Capital offers a differentiated proposition to investment managers: long-term patient capital in exchange for attractive financial terms and a role as an active, value-added partner.

Its strategy consists of supporting the launch of new funds, as well as examining opportunities for direct investments in external managers.

Sienna Capital generates revenue via capital gains, interest income, dividends and fees earned through revenue-sharing agreements with its underlying managers.

Sienna Capital's key figures – at 31/12/2016 cumulative since inception

| In EUR million |  |  |  |  | PrimeStone |  | |
|--|---|---|---|--|------------|---|---------------------------|
| Commitment | 663 | 398 | 300 | 75 | 150 | 113 | 1,699 |
| Capital invested | 480 | 250 | 138 | 33 | 150 | 48 | 1,098 |
| Remaining callable capital | 183 | 149 | 163 | 42 | - | 65 | 601 |
| Distribution received to date | 322 | 194 | 10 | - | - | - | 526 |
| Value of the stake (Sienna Capital's portfolio) | 342 | 144 | 155 | 34 | 161 | 53 | 889 ⁽¹⁾ |

(1) GBL's Adjusted Net Assets mentions a valuation of Sienna Capital of EUR 955 million, including a receivable on Sagard 3 of EUR 66 million



Profile

Created in 2005, Ergon Capital Partners is a private equity fund operating in the mid-market segment. It invests between EUR 20 million and EUR 70 million in companies operating in niche markets in the Benelux, Italy, Spain, France, Germany and Switzerland, holding positions that are dominant and sustainable over the long term.

Sienna Capital & Ergon

ECP I was founded in 2005 with shareholders consisting of the Issuer and Parcom Capital, a subsidiary of ING.

The first fund had EUR 150 million in assets. In 2007, these same shareholders backed a second fund, ECP II, in the amount of EUR 275 million.

In 2010, the Issuer supported a third fund of EUR 350 million, ECP III. The size of ECP III has been increased by EUR 150 million, raising the size of the fund to EUR 500 million. Sienna Capital receives certain favourable financial terms for its support of Ergon.

Financial year 2016

During the year, ECP completed the sale of its participation in Stroili.

Furthermore, ECP III invested in Looping and DIH and sold De Boeck and Larcier. In July 2016, the size of ECP III was successfully increased by EUR 150 million bringing the total commitment to EUR 500 million.



Profile

Created in 2002 on the initiative of Power Corporation of Canada, Sagard invests in companies valued at more than EUR 100 million that are leaders in their markets, primarily in French-speaking European countries. Working with company management, it supports them in their growth.

Sienna Capital & Sagard

The Issuer agreed to invest in the first Sagard fund (Sagard I) for an amount of EUR 50 million. During the financial year 2006, the Issuer invested an initial amount of EUR 150 million in the fund's successor, Sagard II, reduced in 2014 to EUR 113 million.

In 2013, Sienna Capital participated in the launch of Sagard 3, making a commitment to invest EUR 200 million. Sienna Capital receives certain preferential financial terms in relation to its support of Sagard 3.

Financial year 2016

During the year, Sagard II completed the sale of its participation in Fläkt Woods. Furthermore, Sagard 3 invested a.o. in Prosol-Grand Frais.

Sagard 3 raised EUR 404 million of additional capital. Sienna Capital committed an additional amount of EUR 17 million in this context.



Profile

Kartesia offers liquidity and credit solutions to mid-sized European companies, while providing a higher stable return to its investors. More generally, Kartesia wishes to facilitate the participation of institutional investors and major individual investors in the European LBO debt market, by offering them exposure to highly rated, resilient and diversified credit through primary, secondary or rescue financing operations carried out with duly selected mid-sized companies.

Sienna Capital & Kartesia

In March 2015, Kartesia closed its fund at EUR 508 million, of which EUR 150 million from Sienna Capital. In exchange for its support since the launch of Kartesia, Sienna Capital benefits from favorable financial conditions.

In 2016, Kartesia launched a new fund, KCO IV, and Sienna Capital committed an amount of EUR 150 million.

Financial year 2016

At 31 December 2016, the fund invested EUR 468 million in primary and secondary transactions. In 2016, Kartesia has distributed to its investors an amount of EUR 24 million.



Profile

Established in 2009, Mérieux Développement is an investment manager specialising in growth and venture capital investments in the healthcare sector. Mérieux Développement works alongside entrepreneurs whose products and services can bring genuine advances to the health of patients and consumers worldwide. Mérieux Développement is the financial arm of Institut Mérieux, which employs 16,500 persons globally and realized a turnover in excess of USD 3 billion in 2015.

Sienna Capital & Mérieux Développement

In 2014, Sienna Capital committed an amount of EUR 75 million dedicated to both funds managed by Mérieux Développement: Mérieux Participations I and Mérieux Participations II. Sienna Capital benefits from certain favourable financial terms for its support of Mérieux Participations II.

Financial year 2016

In 2016, Mérieux Participations II has invested in three new companies: Keranova, NovaCap and Le Noble Age for a total amount of EUR 40 million.

PrimeStone

Profile

PrimeStone was established in 2014 by three former partners from The Carlyle Group, specialising in buyouts, and who have worked and invested together across Europe for more than 15 years.

PrimeStone has a strategy of constructive and active management in mid-sized listed European companies that have significant value creation potential through strategic, operational or financial improvement. PrimeStone creates value by taking a long-term perspective, adopting an active approach and having a significant influence over its underlying investments through a constructive dialogue with boards and management teams.

Sienna Capital & Primestone

As part of a long-term agreement, Sienna Capital invested EUR 150 million in February 2015. In exchange for its support of PrimeStone, Sienna Capital benefits from certain favourable financial terms.

Financial year 2016

In 2016, PrimeStone completed six new investments.



Profile

BDT Capital Partners was created in 2009 by Byron Trott, a long-standing partner of Goldman Sachs, with the aim of meeting the strategic and financial needs of families and/or company founders around the globe. BDT Capital Partners successfully raised USD 3 billion over 2 fundraisings in 2010 and 2012, and then a second fund in 2014, BDT Capital Partners Fund II ("BDTCP II"), amounting to USD 5 billion. In 2015, BDTCP II was reopened to new investors, in order to raise USD 1 billion of new capital.

Sienna Capital & BDT Capital Partners

In 2015, in the context of the reopening of BDTCP II, Sienna Capital committed to invest EUR 113 million.

Financial year 2016

In 2016, BDTCP II completed three investments for a total of USD 2 billion.

3 CORPORATE GOVERNANCE

The Issuer ensures to respect all corporate governance regulations.

It notably complies with the provisions of the 2009 Belgian Corporate Governance Code (the "**2009 Code**"), which is its reference code, in accordance with the Royal Decree of 6 June 2010, and which may be consulted at <http://www.corporategovernancecommittee.be>.

The Issuer has gradually increased the number of women on its board and its committees and achieved the one-third quota after the 2017 general shareholders' meeting according to the law of 28 July 2011 aimed at guaranteeing the presence of women on the board of directors of listed companies. Indeed, as the general shareholders' meeting of 25 April 2017 approved the appointment of Laurence Danon Arnaud, the board includes six female directors out of a total of eighteen members and has, furthermore, five independent directors.

The rules of conduct for the members of the Issuer's board of directors and of its specialised committees, as well as the rules governing the functioning of these bodies, are laid out in the Corporate Governance Charter

(the "**Charter**"). This document also includes the Dealing Code, which defines the rules applicable to transactions in shares of the Issuer. The Issuer's Charter was published for the first time at the end of 2005. Since then, the board of directors has ensured that this document remains in line with the 2009 Code and the various legal developments in the field of corporate governance. It was last amended on 29 July 2016 mainly to adapt it to the new regulations on statutory audit and on market abuse as well as to the decisions taken in 2016 by the board of directors and the general shareholders' meeting regarding the remuneration policy. The document thus amended is available on the Issuer's website (www.gbl.be).

3.1 COMPOSITION OF THE BOARD OF DIRECTORS AT THE DATE OF THIS PROSPECTUS

| | <i>Current term of office</i> | <i>Participation in board committees and/or in the executive management</i> |
|---|-------------------------------|---|
| Chairman of the board of directors Gérald Frère | 2015-2019 | Member of the standing committee |
| Vice-chairmen, directors Paul Desmarais, Jr. | 2015-2019 | Member of the standing committee |
| Thierry de Rudder | 2016-2020 | Chairman of the standing committee |
| Co-CEOs Ian Gallienne | 2016-2020 | Member of the standing committee Member of the executive management |
| Gérard Lamarche | 2015-2019 | Member of the standing committee Member of the executive management |
| Directors | | |
| Victor Delloye | 2017-2021 | Member of the standing committee |
| Paul Desmarais III | 2014-2018 | Member of the standing committee |
| Cédric Frère | 2015-2019 | Member of the standing committee |
| Ségolène Gallienne | 2015-2019 | Member of the standing committee (*) |
| Jocelyn Lefebvre | 2017-2021 | Member of the standing committee |
| Gilles Samyn | 2015-2019 | Member of the standing committee, the audit committee and the nomination and remuneration committee |
| Amaury de Seze | 2017-2021 | Member of the standing committee and chairman of the nomination and remuneration committee |
| Arnaud Vial | 2017-2021 | Member of the standing committee and the audit committee |

| | <i>Current term of office</i> | <i>Participation in board committees and/or in the executive management</i> |
|--|-------------------------------|--|
| Independent directors | | |
| Countess Antoinette d'Aspremont Lynden | 2015-2019 | Chairwoman of the audit committee |
| Laurence Danon Arnaud | 2017-2021 | Member of the nomination and remuneration committee |
| Christine Morin-Postel | 2017-2021 | Member of the nomination and remuneration committee |
| Marie Polet | 2015-2019 | Member of the audit committee (*) and of the nomination and remuneration committee |
| Martine Verluyten | 2017-2021 | Member of the audit committee |

(*) Since the Ordinary General Shareholders' Meeting of 26 April 2016

The composition of the Issuer's board of directors reflects the Issuer's controlling shareholder structure. The Issuer is controlled by Pargesa Holding S.A. (through its wholly-owned subsidiary Pargesa Netherlands B.V.). Pargesa Holding S.A., incorporated under Swiss law, is itself controlled by Parjointco N.V., incorporated under the laws of the Netherlands and equally controlled by the Frère and Power Corporation of Canada groups, under an agreement concluded by the two groups in 1990.

This agreement aims to establish and maintain equal control between the Power Corporation of Canada group and the Frère group in Pargesa Holding S.A., the Issuer and their respective designated subsidiaries. It was extended on 18 December 2012 and will expire in 2029 if not renewed.

At the date of this Prospectus, out of a total of eighteen members, the Issuer's board of directors includes ten representatives proposed by the controlling shareholder, Pargesa Holding S.A.

The shareholding structure explains the composition of the board of directors, which departs from the 2009 Code that recommends a board composition such that no individual or group of directors could dominate the decision-making.

This control situation also justifies the presence of representatives proposed by the controlling shareholder, Pargesa Holding S.A., on the audit committee of the Issuer (two members out of five) and the standing committee of the Issuer (ten members out of thirteen) at the date of this Prospectus.

Concerned by the proper application of corporate governance provisions and respect of the interests of all of the Issuer's shareholders, the board of directors ensures the presence and contribution of a sufficient number and level of independent directors.

In addition, the Issuer is continuing its efforts to promote diversity on its board of directors. In this context, the 2017 general shareholders' meeting renewed the term of office of Christine Morin-Postel and Martine Verluyten as independent directors. The shareholders' meeting also decided on the appointment of Laurence Danon Arnaud as independent director. Based on these appointments, the number of women on the board has increased to six, five of which are independent directors.

3.2 INFORMATION ON DIRECTORS

3.2.1 Main activity and other offices held by the members of the board of directors

Gérald Frère

Chairman of the board of directors

Born on 17 May 1951, in Charleroi, Belgium, Belgian nationality.

After being educated in Switzerland, Gérald Frère joined the family company, Frère-Bourgeois group (Belgium), where he took up the duties of managing director. He is also chairman of the board of directors of Loverval Finance S.A. and a regent of the National Bank of Belgium.

He was appointed to the board of directors of the Issuer in 1982. In 1993, he was named managing director and chairman of the standing committee, duties he held until he retired at the end of 2011. He has been chairman of the board of directors since 1st January 2012.

Paul Desmarais, Jr.

Vice-chairman of the board of directors

Born on 3 July 1954, in Sudbury, Ontario, Canada, Canadian nationality

Paul Desmarais, Jr. obtained a Bachelor of commerce from McGill University in Montreal and an MBA from INSEAD in Fontainebleau.

He joined Power Corporation of Canada in 1981 and assumed the position of vice-president the following year. In 1984, he led the creation of Power Financial Corporation to consolidate Power's major financial holdings, as well as Pargesa Holding S.A., under a single corporate entity. Paul Desmarais, Jr. served as vice-president of Power Financial Corporation from 1984 to 1986, as president and chief operating officer from 1986 to 1989, as executive vice-chairman from 1989 to 1990, as executive chairman of the board from 1990 to 2005, as chairman of the executive committee from 2006 to 2008 and as executive co-chairman from 2008 until today. He also served as vice-chairman of Power Corporation from 1991 to 1996. He was named chairman of the board and co-CEO of Power Corporation in 1996.

He has been a director of the Issuer since 1990.

Thierry de Rudder

Vice-chairman of the board of directors

Born on 3 September 1949, in Paris, France, Belgian and French nationality.

Thierry de Rudder obtained a degree in Mathematics from the University of Geneva and the Université Libre de Bruxelles (ULB). He holds an MBA from the Wharton School in Philadelphia.

He began his career in the United States and joined Citibank in 1975, where he held various positions in New York and then in Europe.

He is currently vice-chairman of the board of directors and chairman of the standing committee of the Issuer, which he joined in 1986 and where he held the position of managing director until December 2011.

Ian Gallienne
Co-CEO

Born on 23 January 1971, in Boulogne-Billancourt, France, French nationality.

Ian Gallienne holds an MBA from INSEAD in Fontainebleau.

He began his career in Spain in 1992 as co-founder of a commercial company.

From 1995 to 1997, he was manager of a consulting firm specialised in the reorganisation of ailing companies in France. From 1998 to 2005, he was director at the private equity funds Rhone Capital LLC in New York and London. In 2005, he founded the private equity fund Ergon Capital in Brussels and was its managing director until 2012.

In 2012, he became Co-CEO of the Issuer of which he had been a director of since 2009.

G rard Lamarche
Co-CEO

Born on 15 July 1961, in Huy, Belgium, Belgian nationality.

G rard Lamarche is a graduate in Economics Sciences from the University of Louvain-La-Neuve and the INSEAD Management Institute (Advanced Management Program for Suez Group Executives). He also trained at the Wharton International Forum in 1998-1999 (Global Leadership Series).

He began his career at Deloitte Haskins & Sells in Belgium in 1983 and in the Netherlands in 1987. In 1988, G rard Lamarche joined Soci t  G n rale de Belgique as investment manager and was controller from 1989 to 1991, before becoming an advisor on strategic transactions from 1992 to 1995.

He joined Compagnie Financiere de Suez as Advisor to the chairman and secretary to the executive committee (1995-1997) before being appointed senior vice president in charge of Planning, Control and Accounting.

In 2000, G rard Lamarche pursued his career in the industrial sector by joining NALCO (the US subsidiary of the Suez group, world leader in industrial water treatment) as general managing director. In January 2003, he was appointed CFO of the Suez group.

He has been a director of the Issuer since 2011 and Co-CEO since 1st January 2012.

Antoinette d'Aspremont Lynden
Director

Born on 24 October 1949, in London, United Kingdom, Belgian nationality.

Antoinette d'Aspremont Lynden holds a Master of Science degree from the School of Engineering of Stanford University in California and a PhD in Applied Economics from the Catholic University of Louvain (UCL). She began her career in the area of quantitative methods consulting in Palo Alto, California. Between 1973 and 1990, she held several positions at Bank Brussels Lambert in Brussels. She was then a management professor for twenty years at Charles-de-Gaulle University (Lille 3). In addition, she is a visiting professor of Accounting and Financial Analysis at the Political Science Institute (Sciences Po) in Lille. She is also active in the non-profit sector as chairwoman of the Royal Philanthropic Society in Brussels, Treasurer of St Michael and St Gudula's Cathedral in Brussels, chairwoman of the

French-speaking jury for the Queen Paola Prize for education, a Member of the Organising Authority of the Maredsous Private School (Belgium) and director of the Royal Trust (Belgium).

She has been a director of the Issuer since 2011.

Laurence Danon Arnaud

Director

Born on 6 January 1956, in Caudéran (Gironde), France, French nationality.

Laurence Danon Arnaud joined the Ecole Normale Supérieure Paris in 1977. She became an associate professor of Physical Sciences in 1980. After two years of research in the laboratories of the CNRS (French National Centre for Scientific Research), she entered the École Nationale Supérieure des Mines in 1981 and left as a Corps des Mines Engineer in 1984.

After five years at the Ministry of Industry and at its Hydrocarbons Division, Laurence Danon Arnaud joined the ELF group in 1989. From 1989 to 2001, she held various positions in the Chemicals branch of TOTAL FINA ELF group including in particular, between 1996 and 2001, the position of CEO of BOSTIK, the number 2 worldwide in adhesives.

In 2001, she was appointed CEO of Printemps and member of the executive board of PPR (KERING). After the repositioning of Printemps and the successful sale in 2007, she joined the world of finance, from 2007 to 2013 as chairwoman of the management board of Edmond de Rothschild Corporate Finance and from 2013 as chairwoman of the investment bank Leonardo & Co. SAS (subsidiary of the Italian group Banca Leonardo). Following the sale of Leonardo & Co. SAS to NATIXIS in 2015, she devoted herself to her family office, PRIMROSE SAS.

Laurence Danon Arnaud has been a director of the company Amundi since 2015 and is chairwoman of the strategic committee. She has also been a member of the board of directors of TF1 since 2010 and chairs its audit committee. On the other hand, she was a member of the boards of directors of other companies, such as the UK company Diageo (2006 to 2015), Plastic Omnium (2003-2010), Experian Plc (2007-2010), Rhodia (2008-2011) and of the Supervisory Board of BPCE (2009-2013), where she chaired the nomination and remuneration committee.

Moreover, Laurence Danon Arnaud was the chairwoman of committees at MEDEF (French employers' federation) from 2005 to 2013.

From 2000 to 2003, she was chairwoman of the board of directors of the École des Mines de Nantes and, between 2004 and 2006, chairwoman of the Fondation de l'École Normale Supérieure Paris.

She has been a director of the Issuer since 2017.

Victor Delloye

Director

Born on 27 September 1953, Belgian nationality.

Victor Delloye has a Bachelor's degree in law from the Catholic University of Louvain (UCL) and a Master's degree in Taxation from the ICHEC Brussels Management School.

Since the start of the 1989-1990 academic year, he has been a lecturer at the Solvay Brussels School of Economics & Management (ULB) in the Executive Master's programme in Tax Planning.

He joined the Frère-Bourgeois group in 1987 and is director and general secretary of Frère-Bourgeois and its subsidiary, Compagnie Nationale à Portefeuille S.A. (CNP/NPM). He is also vice-chairman of the Association Belge des Sociétés Cotées A.S.B.L.

He has been a director of the Issuer since 1999.

Paul Desmarais III

Director

Born on 8 June 1982, in Montreal, Quebec, Canada, Canadian nationality.

Paul Desmarais III obtained a Bachelor's degree in Economics from Harvard University and holds an MBA from INSEAD in Fontainebleau.

He began his career in 2004 at Goldman Sachs in the United States. In 2010, he worked in project management at Imerys in France and in 2012, joined Great-West Lifeco (Canada) as assistant vice-president in Risk Management. In May 2014, he was appointed vice-chairman of Power Corporation of Canada and Power Financial Corporation.

He has been a director of the Issuer since 2014.

Cédric Frère

Director

Born on 13 April 1984, in Charleroi, Belgium, Belgian and French nationality.

Cédric Frère has a Bachelor of Arts in Business and Economics from Vesalius College in Brussels, Vrije Universiteit Brussel (VUB).

He began his career in the banking sector (at Goldman Sachs in Paris and at the Royal Bank of Scotland in London). In 2008, he moved into the Private Deals department of Banque Degroof in Brussels.

In 2010, he joined CNP/NPM, where he is now an investment manager.

He is currently a director of various companies, including Frère-Bourgeois, CNP/NPM, Erbe S.A., Cheval Blanc Finance SAS and Pargesa Holding S.A. He is also a tenured director of Cheval des Andes.

He has been a director of the Issuer since 2015.

Ségolène Gallienne

Director

Born on 7 June 1977, in Uccle, Belgium, Belgian nationality.

Ségolène Gallienne holds a Bachelor of Arts in Business and Economics from Vesalius College in Brussels, Vrije Universiteit Brussel (VUB).

Her previous positions include Head of Public Relations at Belgacom (now Proximus) and Head of Communication at Dior Fine Jewellery.

She is currently a director of various French and international companies (including Christian Dior S.A., Société Civile du Château Cheval Blanc, Frère-Bourgeois and Pargesa Holding S.A.) and chairwoman of the board of directors of Diane S.A., a company specialised in the trading of works of art.

She has been a director of the Issuer since 2015.

Jocelyn Lefebvre

Director

Born on 22 December 1957, in Quebec, Canada, Canadian and French nationality.

Jocelyn Lefebvre is graduate from the Ecole des Hautes Etudes Commerciales in Montreal and is also a member of the Ordre des Comptables Professionnels Agréés du Québec (CPA, Quebec Order of Chartered Accountants).

He began his career in 1980 at Arthur Andersen, first in Montreal and then in Brussels. In 1986, he joined the Canadian manufacturing group M.I.L. Inc., where he was successively deputy to the CEO, vice-president of Administration and of Special Projects, and then of Corporate Affairs while holding the position of CEO of Vickers Inc, one of its main subsidiaries, until 1991. In 1992, Jocelyn Lefebvre joined the Power Corporation of Canada group, where he has held various positions in Europe. In this context, he held a seat on the boards of directors of group companies (Imerys, Parfinance, RTL, Suez-Tractebel, Kartesia, AFE, Orior Food). Today he is CEO of Sagard Private Equity and is also a member of the management board of Parjointco N.V. and of Power Financial Europe B.V.

He has been a director of the Issuer since 2017.

Christine Morin-Postel

Director

Born on 6 October 1946, in Paris, France, French nationality.

After completing her studies in political science and management, Christine Morin-Postel began her career in the area of technology transfer and venture capital.

In October 1979 she joined Lyonnaise des Eaux and later became chief operating officer for international operations.

She joined Banque Indosuez in June 1993 as managing partner of Financière Indosuez and subsequently became CEO of the Crédisuez group, a subsidiary of the Suez group dedicated to real estate financing and mortgage lending. From February 1998 to March 2001, she was managing director and chairwoman of the executive committee of Société Générale de Belgique. She joined the executive committee of the Suez group in September 2000, in charge of human resources. She retired in April 2003 and became an independent director of several industrial and financial groups, including 3i Group plc, Pilkington, Alcan and Royal Dutch Shell. She was also director of British American Tobacco plc. until December 2016. Today, she is a director of Hightech Payment Systems S.A. and member of the investment committee of Capmezzanine 2.

She has been a director of the Issuer since 2013.

Marie Polet
Director

Born on 5 December 1954, in Eupen, Belgium, Belgian nationality.

After obtaining a Bachelor's degree in Economics, Marie Polet joined British American Tobacco (BAT), the world's second largest tobacco company.

She worked in marketing before being promoted to corporate management positions. She was a managing director of British American Tobacco Belgium until July 2008.

She also spent a lot of time abroad for the BAT group, in the United States, Germany and the Netherlands, before being appointed Head of Marketing for Europe in London. After she successfully oversaw the merger between BAT and STC (cigars) in Belgium, the multinational tasked her with managing the takeover of the Scandinavian tobacco market leader. She was as such made general manager Denmark, working in Copenhagen until January 2010.

She was then promoted to Group Head of Strategy & Planning at the group's head office in London. From 1 October 2011 to 16 January 2015, she served as chairwoman & CEO of Imperial Tobacco Canada, which has its head office in Montreal. Since then she has been group director Strategy, Planning and Insights in London.

She has been a director of the Issuer since 2015.

Gilles Samyn
Director

Born on 2 January 1950, in Cannes, France, Belgian and French nationality.

Gilles Samyn holds a Commercial Engineering degree from the Solvay Brussels School of Economics & Management (ULB), where he has held research and teaching positions since 1969.

He began his career at Mouvement Coopératif Belge in 1972, then moved to Groupe Bruxelles Lambert at the end of 1974. After spending a year as self-employed, he started working for the Frère-Bourgeois group in 1983 and is now a managing director, as well as chairman of the board of directors of CNP/NPM.

He has been a director of the Issuer since 1987.

Amaury de Seze
Director

Born on 7 May 1946, French nationality.

Amaury de Seze holds a degree from the Centre de Perfectionnement dans l'Administration des Affaires and from the Stanford Graduate School of Business.

His career began at Bull General Electric.

From 1978 to 1993, he worked for Volvo group as chairman of Volvo Europe and member of the group's executive committee. In 1993, he joined Paribas group as a member of the executive board in charge of industrial affairs. He is currently vice-chairman of Power Financial Corporation, lead board director of Carrefour S.A. and chairman of PAI Partners.

He has been a director of the Issuer since 1994.

Martine Verluyten
Director

Born on 14 April 1951, in Leuven, Belgium, Belgian nationality.

Martine Verluyten has a degree in applied economics from the Catholic University of Leuven (KU Leuven). She started her career at the audit firm Peat, Marwick, Mitchell, which later became KPMG. After being promoted to senior auditor she joined the Californian company Raychem, which specialises in heat-shrinkable polymeric products, where she held a number of financial positions in Belgium and the United States.

In 2000, she joined Mobistar, Belgium's second-largest mobile network operator, and quickly became CFO. She ended her career as CFO at Umicore (2006-2011).

Martine Verluyten is currently a non-executive director on the boards of 3i Group plc, STMicroelectronics N.V. and Thomas Cook Group plc. She chairs the audit committees of STMicroelectronics N.V. and Thomas Cook Group plc where she also has a seat on the nomination committee.

She is a member of the valuation committee, the nomination committee and the audit committee of 3i Group plc.

She has been a director of the Issuer since 2013.

Arnaud Vial
Director

Born on 3 January 1953, in Paris, France, French and Canadian nationality.

After graduating from the Ecole Supérieure d'Electricité, Arnaud Vial began his career in 1977 with Banque Paribas (Paris). In 1988 he joined Pargesa group. Since 1997, he has been senior vice-chairman of Power Corporation of Canada and Power Financial Corporation. He was appointed managing director of Pargesa Holding S.A. on 1st June 2013. He has been a director of Imerys since May 2016.

He has been a director of the Issuer since 2004.

3.2.2 Designation and appointment of directors

Directors are designated and appointed on the basis of procedures and selection criteria that are described in the Charter in Chapter III, point A. 2. and comply with the 2009 Code. Gérald Frère, in his capacity as non-executive director and chairman of the board of directors of the Issuer, is responsible for the director selection process.

3.2.3 Professional development

New directors receive appropriate information enabling them to contribute rapidly to the work of the board of directors of the Issuer. If the director sits on a board committee as well, the information transmitted also includes a description of the committee's duties, and all other information related to its tasks. Directors are also given the opportunity to discuss any questions about the execution of their mandate with the Issuer's executive management. As the selection of new directors is primarily based on the level of professional experience and competence with respect to the activities of a holding company, no other formal training is currently provided.

Throughout their term of office, directors update their skills and develop their knowledge of the Issuer in order to carry out their responsibilities in the board of directors and in the committees.

3.2.4 Family ties between members of the board of directors

- Gérald Frère is the brother-in-law of Thierry de Rudder and Ian Gallienne.
- Gérald Frère is the father of Cédric Frère and the brother of Ségolène Gallienne.
- Ian Gallienne is married to Ségolène Gallienne.
- Thierry de Rudder is the uncle of Cédric Frère.
- Paul Desmarais, Jr. is the father of Paul Desmarais III.

3.2.5 Management expertise and experience of members of the board of directors

Among the criteria laid down for the selection of directors is their expertise and experience in management and finance.

The activity exercised and offices held by each of the directors reflect their individual expertise and experience.

3.2.6 No conviction for fraud and incrimination and/or public sanction

For the last five years, there has been no conviction for fraud, incrimination and/or public sanction issued against any of the directors by statutory or regulatory authorities.

Likewise, for the last five years, no director has been prohibited by a court from being a member of a management, executive or supervision body or from being involved in the management or conduct of an issuer's activities.

3.2.7 Bankruptcy, receivership or liquidation of companies in which a director has been involved as an executive for the last five years

No directors have been involved in any bankruptcy, receivership or liquidation for the last five years.

3.2.8 Potential conflicts of interests between members of the board of directors

The following theoretical potential conflicts of interests have been identified:

- Gérald Frère is vice-chairman and CEO of Pargesa Holding S.A., director of Power Financial Corporation and holds various directorships in the Frère-Bourgeois group.
- Cédric Frère is a director of Pargesa Holding S.A. and holds various directorships in the Frère-Bourgeois group.
- Ségolène Gallienne is a director of Pargesa Holding S.A. and holds various directorships in the Frère-Bourgeois group.
- Gilles Samyn is a director of Pargesa Holding S.A., CEO of Frère-Bourgeois and a director of other companies in the Frère-Bourgeois group.
- Victor Delloye is a director of Pargesa Holding S.A. and also holds various executive directorships in the Frère-Bourgeois group.

- Paul Desmarais, Jr., Paul Desmarais III and Arnaud Vial are directors of Pargesa Holding S.A. and hold various directorships in the Power Corporation of Canada group.
- Amaury de Seze is a director of Pargesa Holding S.A. and Erbe S.A., a Frère-Bourgeois group company, and vice-chairman of Power Financial Corporation.
- Arnaud Vial is senior vice-president of Power Corporation of Canada and Power Financial Corporation. He is managing director of Pargesa Holding S.A.
- Jocelyn Lefebvre is CEO of Sagard Private Equity and is a member of the Management Board of Parjointco N.V. and of Power Financial Europe B.V.

3.2.9 Arrangements or agreements concluded with the main shareholders

The Issuer has not concluded with its main shareholders any arrangements or agreements by virtue of which the directors would have been selected as members of the board of directors.

3.3 EXECUTIVE MANAGEMENT

3.3.1 Composition

At the date of this Prospectus, the Issuer's day-to-day management was entrusted to two Co-CEOs who, acting collectively, form the Issuer's executive management.

At its meeting of 18 March 2016, the board of directors of the Issuer had decided to again entrust the Issuer's day-to-day management to Ian Gallienne, subject to the renewal of his term of office as director by the general shareholders' meeting of 26 April 2016. Since his term of office was renewed by this general shareholders' meeting, the day-to-day management of the Issuer continues to be carried out by Ian Gallienne and Gérard Lamarche who, together, form the executive management.

3.3.2 Powers and functioning of the executive management

The executive management ensures the group's operational management on a collective basis. It enjoys a large degree of autonomy: its powers are not limited to the implementation of the board of directors' decisions but also include all of the acts necessary to ensure that the Issuer and its subsidiaries operate normally and to successfully implement the Issuer's strategy (see Charter, Chapter III, points B. 1. and 2.).

3.3.3 Assessment of the executive management

The Charter does not stipulate any specific procedures for assessing the performance of the executive management, as provided for by the 2009 Code. This assessment occurs on an ongoing and informal basis within the framework of meetings of the board and its committees and more formally through the triennial assessment of the board of directors' performance (see Charter, Chapter III, point A. 4.2.5. and Chapter III, point B. 4.).

Furthermore, the non-executive directors meet annually, in the absence of the executive management, to review the interaction between the non-executive directors and the executive management. The meeting on the 2016 financial year was held on 4 November 2016.

4 SHAREHOLDERS

4.1 COMPLIANCE WITH THE PROVISIONS OF THE 2009 CODE CONCERNING SHAREHOLDERS

The Issuer complies with all of the provisions of the 2009 Code concerning shareholders.

Accordingly, one or more shareholders who collectively own at least 3% of the Issuer's share capital may request the adding of an item to the agenda of the general shareholders' meeting, and may also submit proposals for decisions concerning the items to be discussed or to be placed on the agenda. The threshold as from which one or more shareholders may request the calling of a general shareholders' meeting is set at 20% of the share capital.

The Issuer publishes the results of votes and the minutes of the general shareholders' meeting on its website as soon as possible and no later than fifteen days following the meeting.

4.2 RELATIONS WITH THE CONTROLLING SHAREHOLDER

The Issuer's shareholding is characterised by the presence of a controlling shareholder, Pargesa Holding S.A. (via its wholly-owned subsidiary Pargesa Netherlands B.V.). Pargesa Holding S.A., incorporated under Swiss law, is itself controlled by Parjointco N.V., incorporated under the laws of the Netherlands and equally controlled by the Frère and Power Corporation of Canada groups, under an agreement concluded by the two groups in 1990.

This agreement aims to establish and maintain equal control between the Power Corporation of Canada group and the Frère group in Pargesa Holding S.A., the Issuer and their respective designated subsidiaries.

Each group has agreed to not acquire, hold or sell interests in these companies, either directly or indirectly, except with the agreement of the other party, and has granted the other group a right of pre-emption, subject to certain restrictions, on shares in Pargesa Holding S.A. and the Issuer in the event of the disposal of such shares during a five-year period following expiry of the agreement.

This agreement was extended in 1996 until 2014 if not renewed. On 18 December 2012, it was extended until 2029, with the possibility of extending it beyond 2029.

4.3 INFORMATION ON SHAREHOLDING STRUCTURE

4.3.1 Notification in accordance with legislation on takeover bids

On 21 February 2008, the Issuer received a notification from its controlling shareholders concerning their interest in the Issuer at 1st September 2007.

This notification was transmitted in accordance with Article 74 § 7 of the law of 1st April 2007 on takeover bids. Under this law, shareholders who own more than 30% of the capital of a listed company are exempted from the obligation to launch a public takeover bid on this company provided that they have notified the FSMA of their shareholding by the time of the law's entry into force (i.e. 1st September 2007) and the company concerned by 21 February 2008 at the latest.

Also pursuant to this law, these shareholders are obliged to report any change in their controlling interest to the FSMA and to the company each year. They therefore sent to the Issuer an update of the controlling shareholder structure as at 1st September 2016, which is reproduced below:

Number and percentage of shares with voting right held by the declaring parties

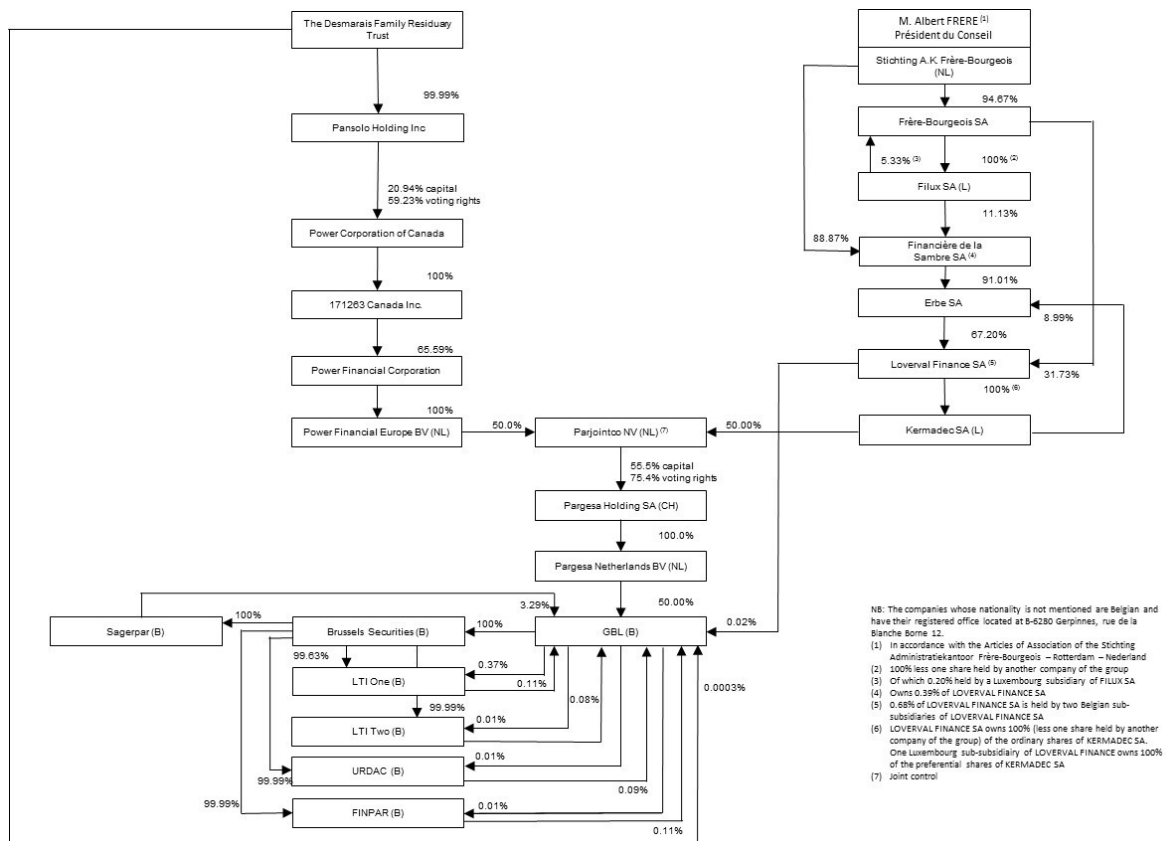
| Shareholders | Number of shares with voting right | % |
|--|------------------------------------|--------------|
| Pargesa Netherlands B.V. | 80,680,729 | 50.00 |
| Sagerpar (1) | 5,305,877 | 3.29 |
| LTI One (1) | 185,185 | 0.11 |
| LTI Two (1) | 129,770 | 0.08 |
| URDAC (1) | 141,108 | 0.09 |
| FINPAR (1) | 180,640 | 0.11 |
| Loverval Finance S.A. | 38,500 | 0.02 |
| The Desmarais Family Residuary Trust (2) | 500 | p.m. |
| Total | 86,662,309 | 53.71 |

- (1) Shares whose voting rights are suspended
(2) Formerly called Desmarais Family Trust

Natural and/or legal person(s) ultimately controlling declaring legal persons

The Desmarais Family Residuary Trust and Albert Frère, bound by an acting-in-concert agreement.

Chain of control at 1st September 2016



4.3.2 Notification of major holdings

On 1st September 2008, the new Belgian regulation on transparency entered into force. In accordance with the transitional scheme, all shareholders of the Issuer whose interest at 1st

September 2008 reached or exceeded a legal threshold were obliged to submit notification thereof no later than 31 October 2008.

Subsequently, the shareholders have to disclose whenever their voting rights either exceed or fall below the 5%, 10%, 15% (and other multiples of 5%) of total voting rights.

The Issuer's articles of association do not lay down a disclosure threshold lower than 5% or 10%.

On 14 October 2013, the Issuer received a transparency notification from its controlling shareholder regarding its interest in the Issuer at 8 October 2013, the date when Paul G. Desmarais passed away. The content of this notification is summarised below.

The declaring parties indicated that the Desmarais Family Trust remains bound by the acting-in-concert agreement, as notified, to the Frère group, of which CNP/NPM is a member, and to the other parties to this agreement, which is not affected by the passing away of Paul G. Desmarais.

Note that, on 30 October 2008, Paul G. Desmarais, Albert Frère and Pargesa Netherlands B.V. declared that they were acting in concert pursuant to an agreement on the exercising of their voting rights, in order to adopt a lasting common policy and to obtain control, frustrate a bid or maintain control.

Notification of 14 October 2013 relating to the situation at 8 October 2013

Denominator taken into account: 161,358,287

A) Voting rights

| <i>Holders of voting rights</i> | <i>Notification of 30 October 2008 Situation at 1st September 2008</i> | <i>Notification of 14 October 2013 Situation at 8 October 2013</i> | |
|---|---|--|--|
| | <i>Number of voting rights (attached to shares)</i> | <i>Number of voting rights (attached to shares)</i> | <i>% of voting rights (attached to shares)</i> |
| Desmarais Family Trust | (1) 500 | 500 | pm |
| Albert Frère | 0 | - | 0.00 |
| Compagnie Nationale à Portefeuille S.A. | 38,500 | 38,500 | 0.02 |
| Pargesa Netherlands B.V. | 80,680,729 | 80,680,729 | 50.00 |
| Sagerpar | 5,576,651 | (2) 6,128,926 | (2) 3.80 |
| LTI One (3) | - | (2) 185,185 | (2) 0.11 |
| TOTAL | 86,296,380 | 87,033,840 | 53.93 |

(1) Paul G. Desmarais

(2) Suspended voting rights

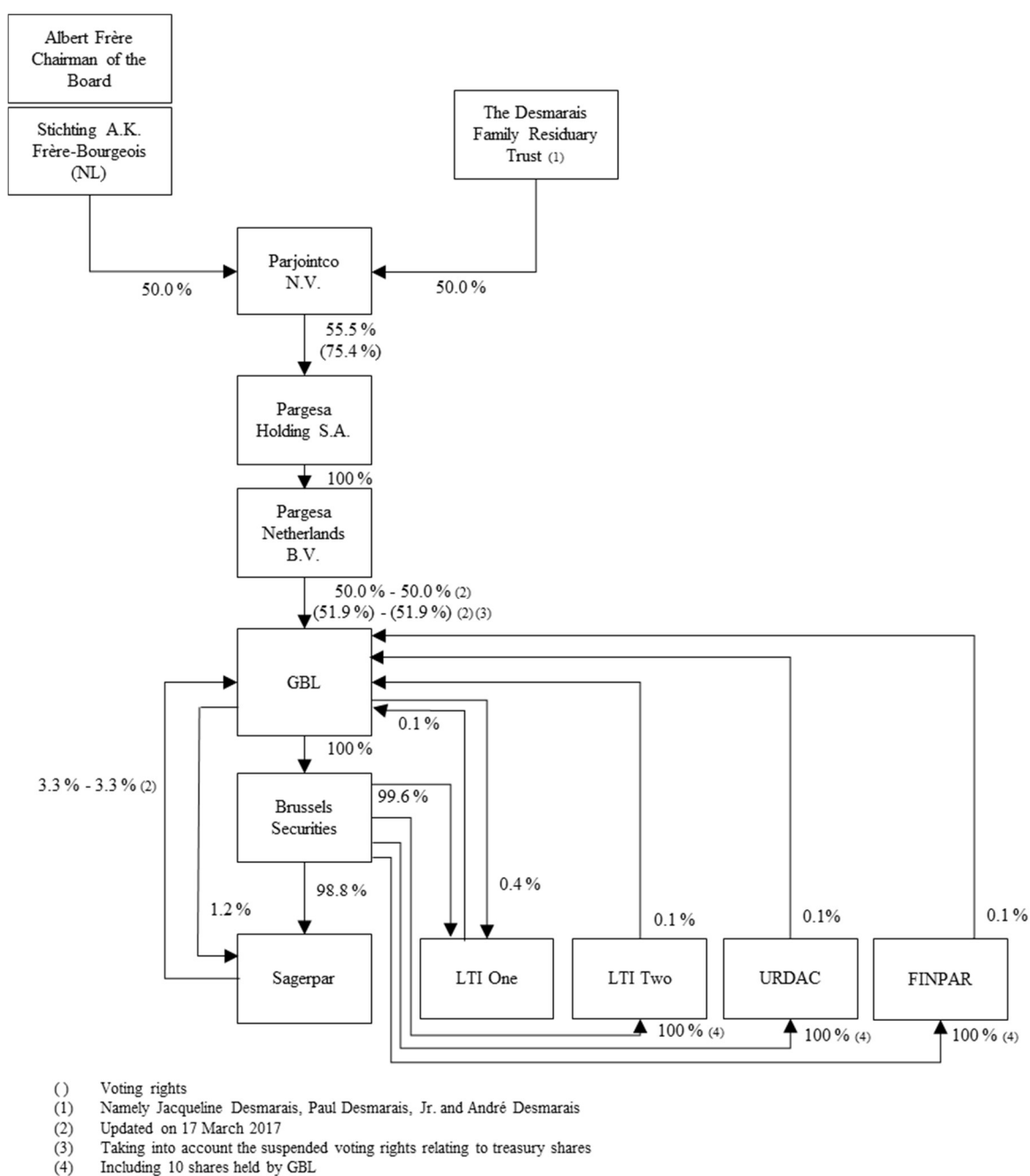
(3) GBL sub-subsiary

B) Equivalent financial instruments

| <i>Holders of equivalent financial instruments</i> | <i>Type of financial instruments</i> | <i>Expiry date</i> | <i>Exercise date or period</i> | <i>% of voting rights</i> |
|--|--------------------------------------|--------------------|--|---------------------------|
| Albert Frère ⁽¹⁾ | 44,885 stock options | 25/05/2017 | at any time after vesting, from 01/01/2011 to 24/05/2017 inclusive | 0.00 |
| Albert Frère ⁽¹⁾ | 60,561 stock options | 10/04/2018 | at any time after vesting, from 01/01/2012 to 09/04/2018 inclusive | 0.00 |
| Albert Frère ⁽¹⁾ | 90,230 stock options | 17/04/2019 | at any time after vesting, from 01/01/2013 to 16/04/2019 inclusive | 0.00 |
| Albert Frère ⁽¹⁾ | 59,822 stock options | 16/04/2020 | at any time after vesting, from 01/01/2014 to 15/04/2020 inclusive | 0.00 |
| Albert Frère ⁽¹⁾ | 73,570 stock options | 15/04/2021 | at any time after vesting, from 01/01/2015 to 14/04/2021 inclusive | 0.00 |
| TOTAL | | | | 0.00 |

⁽¹⁾ For the sake of clarity, the 44,885, 60,561, 90,230, 59,822 and 73,570 stock options were not included in the numerator to avoid double counting of the voting rights, as they are covered by treasury shares held by GBL through Sagerpar

4.3.3 Simplified control chart of the Issuer at 31 December 2016 updated on 17 March 2017



5 OTHER INFORMATION RELATING TO THE ISSUER

5.1 HISTORY AND DEVELOPMENT

The Issuer was founded as the result of the merger in April 2001 between GBL S.A. and Electrafina, in which GBL S.A. held a stake of more than 80%.

Over the years, Electrafina became the “energy arm” of the group, holding its interests in the oil and electricity industries. Later, it also invested in media. GBL S.A. on the other hand held direct interests in fields such as financial services, real estate and trade. Over time, the differences between the assets

of the parent company and its subsidiary became less pronounced and their assets were brought together into a single entity.

This merger also fit in with the group's strategy of keeping its assets internationally positioned in a context of concentration and increasing competition, which resulted in the divestment of the financial services and the sale of interests that had become marginal.

Since then, the group's portfolio has been composed of industrial and services companies with an international footprint, that are leaders in their market and for whom the Issuer plays its role of professional shareholder.

5.2 NAME

The name of the Issuer is Groupe Bruxelles Lambert/Groep Brussel Lambert, in abbreviated form "GBL". The French and Dutch registered names may be used together or separately.

5.3 REGISTERED OFFICE

The registered office of the Issuer is 24, avenue Marnix - 1000 Brussels. The registered office may be transferred to any other address in Belgium by decision of the board of directors.

5.4 LEGAL FORM, INCORPORATION AND STATUTORY PUBLICATIONS

The Issuer was incorporated on 4 January 1902 as a limited liability company under Belgian law, by deed executed by Edouard Van Halteren, Notary in Brussels, published in the Appendices to the Belgian Official Gazette of 10 January 1902, reference number 176. The articles of association have been amended on a number of occasions, most recently by a deed enacted on 26 April 2016 published in the Appendices to the Belgian Official Gazette of 7 June 2016, reference numbers 16077518 and 16077519.

5.5 LEGISLATION GOVERNING ITS ACTIVITIES

The Issuer is governed by existing and future laws and regulations applicable to public limited companies and by its articles of association.

5.6 REGISTER OF LEGAL ENTITIES AND LEGAL ENTITY IDENTIFIER

The Issuer is registered in the Register of Legal Entities (RLE) under the business number 0407.040.209. The Legal Entity Identifier (LEI) of the Issuer is 549300KV0ZEHT2KVU152.

5.7 TERM

The Issuer is incorporated for an unlimited period.

5.8 CORPORATE PURPOSE

The Issuer's purpose is to:

- conduct, on its own behalf or on behalf of third parties, any real estate, financial and portfolio management transactions; to this effect, it may create companies or bodies, acquire shares therein, and conduct any financing, payment, lending, security or deposit operations;

- carry out any studies and provide technical, legal, accounting, financial, commercial, administrative or management assistance, on behalf of companies or bodies in which it directly or indirectly owns shares, or on behalf of third parties;
- provide, on its own behalf or on behalf of third parties, any transport or transit operations.

The Issuer may have an interest, through a contribution or merger, in any companies or bodies already created or to be created whose purpose is similar, related to its own or is of such a nature as to confer an advantage in the pursuit of its corporate purpose.

5.9 SHARE CAPITAL

5.9.1 Issued capital

At the date of this Prospectus, the fully paid-up share capital amounted to EUR 653,136,356.46. It is represented by 161,358,287 shares without nominal value.

All of the shares making up the share capital have the same rights.

In accordance with Article 27 of the articles of association, each share entitles its holder to one vote. The Issuer has not issued any other class of shares, such as non-voting or preferential shares.

In accordance with the law of 14 December 2005 on the elimination of bearer shares, holders of bearer shares had to convert them into registered or dematerialised shares by 31 December 2013 at the latest. The bearer shares that had not yet been converted into registered or dematerialised shares at 1st January 2014 were automatically converted into dematerialised shares registered in a securities account in the Issuer's name.

Since 1st January 2014, the exercising of bearer share rights has been suspended in accordance with the law.

The law also provides that, as from 1st January 2015, issuers must put any unclaimed bearer shares up for sale on the stock market and announce this mandatory sale in good time in line with the applicable regulations. Once the unclaimed bearer shares have been sold, the net proceeds of this sale (in other words the proceeds less any costs incurred) must be transferred to the Caisse des Dépôts et Consignations within fifteen days.

In accordance with this obligation two notices, which among other things stated the maximum number of securities liable to be put up for sale and the depositing deadline and location for bearer shares, were published by the Issuer and Euronext on their websites.

An initial notice was published on 5 December 2014 and concerned 69,082 unclaimed bearer shares, while a second notice was published on 2nd October 2015 relating to 32,656 bearer shares from share exchange reserves. These notices were also inserted in the Belgian Official Gazette of 11 December 2014 and 6 October 2015 respectively. Following the publication of these notices, the shares in question were sold on the stock exchange on 21 January 2015 (69,082 shares) and 16 November 2015 (32,656 shares). The proceeds from these sales were transferred on 23 January 2015 and 18 November 2015 to the Caisse des Dépôts et Consignations.

Since 31 December 2015 the owners of these old bearer shares have been entitled to demand payment of the corresponding proceeds from the Caisse des Dépôts et Consignations, subject to these owners being able to provide proof of ownership. However, the law of 14 December 2005 provides that, as from 1st January 2016, such a repayment will be subject to a fine of 10% of the

proceeds from the sale of the underlying bearer shares, calculated by year of delay commenced. The Issuer is therefore no longer involved in this process.

5.9.2 Authorised capital

The extraordinary general shareholders' meeting of 26 April 2016 renewed, for a period of five years, the authorisation given to the board of directors to:

- increase the share capital, on one or more occasions, by up to EUR 125 million;
- decide to issue, on one or more occasions, convertible bonds or bonds redeemable in shares, subscription rights or other financial instruments, whether or not they are attached to bonds or other securities and that may in time give rise to capital increases of a maximum amount such that the amount of the capital increases that may result from the exercising of these conversion or subscription rights, whether or not they are attached to such securities, does not exceed the authorised amount remaining as defined by the above-mentioned limits.

In both cases, the board of directors may, in the interests of the Issuer, limit or cancel the preferential subscription rights of the existing shareholders according to the conditions provided for by law.

This authorisation, initially granted in 1987, was renewed on 25 May 1993, 28 May 1996, 25 May 1999, 27 April 2004, 24 April 2007, 12 April 2011 and most recently on 26 April 2016.

It is valid for a five-year period from 7 June 2016, i.e. until June 2021.

At the date of this Prospectus, the authorised capital amounted to EUR 125 million. Based on this amount, a maximum of 30,881,431 new shares may be created.

5.9.3 Treasury shares

The extraordinary general shareholders' meeting of 26 April 2016 renewed the authorisation given to the Issuer's board of directors, for a period of five years, to buy a maximum of 32,271,657 shares of the Issuer, in accordance with the legal provisions. The unit price may not be more than 10% lower than the lowest price in the 12 months preceding the transaction, or more than 10% higher than the highest share price out of the last 20 quotes.

This authorisation also covers acquisitions by the Issuer's direct and indirect subsidiaries.

The same extraordinary general shareholders' meeting also renewed the board of directors' authorisation to acquire and dispose of its treasury shares when such an acquisition or disposal is necessary to prevent serious and imminent harm to the Issuer.

This authorisation is valid for three years from 7 June 2016, i.e. until June 2019.

Under the Issuer's articles of association, the board of directors may also dispose of shares of the Issuer on or off the stock market without the prior intervention of the general shareholders' meeting and with unlimited effect.

Within this context, the Issuer has set up a liquidity agreement with a third-party to improve the market liquidity of the share of the Issuer.

This agreement is executed on a discretionary basis by a third-party on behalf of the Issuer within the limits of the authorisation granted by the 26 April 2016 general shareholders' meeting as well as in compliance with the applicable laws.

5.9.4 Exchangeable and convertible bonds

In February 2013, the Issuer, through its wholly-owned subsidiary GBL Verwaltung S.A., issued a bond exchangeable for ENGIE shares (EUR 1.0 billion), with a 4-year maturity and bearing interest at an annual rate of 1.25%. The bond matured on 7 February 2017 and was fully repaid on that date.

On 27 September 2013, the Issuer, through its wholly-owned subsidiary Sagerpar, launched an issue of bonds convertible into shares of the Issuer (EUR 428.4 million), maturing on 9 October 2018 and exchangeable for 5,000,000 existing treasury shares of the Issuer. These bonds bear interest at an annual rate of 0.375%.

5.9.5 Voting rights

There are no statutory restrictions on the exercise of voting rights, without prejudice to general rules on admission to the general shareholders' meeting.

5.10 LEGAL PROCEEDINGS

5.10.1 Rhodia dispute

At the start of 2004, non-controlling shareholders of Rhodia initiated proceedings against the Issuer and two of its directors in the Paris Commercial Court, calling into question their responsibility as directors of Rhodia. At the same time, criminal legal proceedings were initiated against persons unknown.

On 27 January 2006, the Court of Paris decided to suspend the civil proceedings until a decision is made in the criminal legal proceedings. Since then, very little headway has been made with this dispute: it is still adjourned pending the outcome of the criminal proceedings.

No amount has been provisioned in the consolidated financial statements of the Issuer in respect of these proceedings.

5.11 TREND INFORMATION

There has been no material adverse change in the prospects of the Issuer since 31 December 2016.

5.12 NO SIGNIFICANT CHANGE IN FINANCIAL OR TRADING POSITION

There has been no significant change in the financial or trading position of the Issuer since 31 December 2016, except for those circumstances or events mentioned or referred elsewhere in this Prospectus or in the press release published by the Issuer on 4 May 2017 (*Results at 31 March 2017*) which, save for the comment of the Co-CEOs on page 1 and section 5 (*Outlook for 2017*), is incorporated by reference into this Prospectus.

5.13 NO MATERIAL CONTRACT

The Issuer is not party to any material contract entered into outside of the ordinary course of the Issuer's business which could result in any member of the Issuer's group under an obligation or entitlement that is material to the Issuer's ability to meet its obligation to holders of the Bonds in respect of the Bonds.

PART VI – USE OF PROCEEDS

The Issuer intends to use the net proceeds from the issuance of Bonds for its general corporate purposes within the context of the Issuer's funding diversification policy.

PART VII – TAXATION

The following is a general description of the principal Belgian tax consequences for Eligible Investors receiving interest in respect of, or disposing of, the Bonds and is of a general nature. It does not purport to be a complete analysis of tax considerations relating to the Bonds whether in Belgium or elsewhere.

This general description is based upon the law as in effect on the date of this Prospectus and is subject to any change in law that may take effect after such date (or with retroactive effect). Investors should appreciate that, as a result of changing law or practice, the tax consequences may be otherwise than as stated below. Investors should consult their professional advisors on the possible tax consequences of subscribing for, purchasing, holding or selling the Bonds under the laws of their countries of citizenship, residence, ordinary residence or domicile. This description is for general information only and does not purport to be comprehensive.

1 Belgian withholding tax

Payments of interest and principal under the Bonds by or on behalf of the Issuer may be made without deduction of withholding tax in respect of the Bonds if and as long as at the moment of payment or attribution of interest they are held by certain eligible investors (the “**Eligible Investors**”, see hereinafter) in an exempt securities account (an “**Exempt Account**”) that has been opened with a financial institution that is a direct or indirect participant (a “**Participant**”) in the settlement system operated by the National Bank of Belgium (the “**NBB-SSS**”). Euroclear and Clearstream Luxembourg are directly or indirectly Participants for this purpose.

In this regard, “**interest**” means (i) the periodic interest income, (ii) any amount paid by or on behalf of the Issuer in excess of the Issue Price in respect of the relevant Bonds (whether or not on the Final Maturity Date) and, (iii) in case of a disposal of the Bonds between two interest payment dates, the pro rata part of accrued interest corresponding to the holding period.

Holding the Bonds through the NBB-SSS enables Eligible Investors to receive the gross interest income on their Bonds and to transfer the Bonds on a gross basis.

Participants to the NBB-SSS must enter the Bonds which they hold on behalf of Eligible Investors in an Exempt Account.

Eligible Investors are those entities referred to in Article 4 of the Belgian Royal Decree of 26 May 1994 on the deduction of withholding tax (*koninklijk besluit van 26 mei 1994 over de inhouding en de vergoeding van de roerende voorheffing/arrêté royal du 26 mai 1994 relatif à la perception et à la bonification du précompte mobilier*) (as amended from time to time) which include, *inter alia*:

- (i) Belgian corporations subject to Belgian corporate income tax;
- (ii) institutions, associations or companies specified in Article 2, §3 of the Law of 9 July 1975 on the control of insurance companies other than those referred to in 1° and 3° subject to the application of Article 262, 1° and 5° of the Belgian Income Tax Code 1992 (*wetboek van de inkomstenbelastingen 1992/code des impôts sur les revenus 1992*);
- (iii) state regulated institutions (*parastatalen/institutions parastatales*) for social security, or institutions which are assimilated therewith, provided for in Article 105, 2° of the Royal Decree of 27 August 1993 implementing the Belgian Income Tax Code 1992 (*koninklijk besluit tot uitvoering van het wetboek inkomstenbelastingen 1992/arrêté royal d'exécution du code des impôts sur les revenus 1992*);
- (iv) non-resident investors whose holding of the Bonds is not connected to a professional activity in Belgium, referred to in Article 105, 5° of the same decree;

- (v) investment funds, recognised in the framework of pension savings, provided for in Article 115 of the same decree;
- (vi) investors provided for in Article 227, 2° of the Belgian Income Tax Code 1992 which have used the income generating capital for the exercise of their professional activities in Belgium and which are subject to non-resident income tax pursuant to Article 233 of the same code;
- (vii) the Belgian State in respect of investments which are exempt from withholding tax in accordance with Article 265 of the Belgian Income Tax Code 1992;
- (viii) investment funds governed by foreign law which are an indivisible estate managed by a management company for the account of the participants, provided the fund units are not offered publicly in Belgium or traded in Belgium; and
- (ix) Belgian resident corporations, not provided for under (i) above, when their activities exclusively or principally consist of the granting of credits and loans.

Eligible Investors do not include, *inter alios*, Belgian resident investors who are individuals or non-profit making organisations, other than those mentioned under (ii) and (iii) above.

Upon opening of an Exempt Account, an Eligible Investor is required to provide the Participant with a statement of its eligible status on a form approved by the Minister of Finance. There is no ongoing declaration requirement to the NBB-SSS as to the eligible status. However, Participants are required to annually provide the National Bank of Belgium with listings of investors who have held an Exempt Account during the preceding calendar year.

These identification requirements do not apply to Bonds held in Euroclear or Clearstream Luxembourg as Participants to the NBB-SSS, provided that Euroclear or Clearstream only hold Exempt Accounts and that they are able to identify the Bondholders for whom they hold Bonds in such account. An Exempt Account may be opened with a Participant by an intermediary (an “**Intermediary**”) in respect of Bonds that the Intermediary holds for the account of its clients (the “**Beneficial Owners**”), provided that each Beneficial Owner is an Eligible Investor. In such a case, the Intermediary must deliver to the Participant a statement on a form approved by the Minister of Finance confirming that (i) the Intermediary is itself an Eligible Investor and (ii) the Beneficial Owners holding their Bonds through it are also Eligible Investors. A Beneficial Owner is also required to deliver a statement of its eligible status to the intermediary.

2 Belgian tax on income and capital gains

2.1 Belgian resident individuals

The Bonds may only be held by Eligible Investors.

Consequently, the Bonds may not be held by Belgian resident individuals as they do not qualify as Eligible Investors.

2.2 Belgian resident companies

Interest attributed or paid to corporate Bondholders who are Belgian residents for tax purposes, i.e. which are subject to the Belgian Corporate Income Tax (*vennootschapsbelasting/impôt des sociétés*), as well as capital gains realised upon the sale of the Bonds, are taxable at the ordinary corporate income tax rate of in principle 33.99 per cent. Capital losses realised upon the sale of the Bonds are in principle tax deductible.

2.3 Belgian resident legal entities

Belgian legal entities subject to Belgian legal entities tax (*rechtspersonenbelasting/impôt des personnes morales*) which qualify as Eligible Investors and which consequently have received gross interest income, are required to declare and pay a 30 per cent. withholding tax to the Belgian tax authorities themselves (which withholding tax then generally also constitutes the final taxation in the hands of the relevant investors).

Capital gains realised on the sale of the Bonds are in principle tax exempt, unless the capital gains qualify as interest (as defined in Section 1). Capital losses are in principle not tax deductible.

2.4 Non-residents

Bondholders who are non-residents of Belgium for Belgian tax purposes and who are not holding the Bonds through a Belgian permanent establishment and do not invest the Bonds in the course of their Belgian professional activity will in principle not incur or become liable for any Belgian tax on interest income or capital gains by reason only of the acquisition or disposal of the Bonds provided that they qualify as Eligible Investors and that they hold their Bonds in an Exempt Account.

3 Tax on stock exchange transactions

A tax on stock exchange transactions (*taks op de beursverrichtingen/taxe sur les opérations de bourse*) will be levied on the acquisition and disposal of Bonds on the secondary market if executed in Belgium through a professional intermediary. The tax is due at a rate of 0.09 per cent. on each acquisition and disposal separately, with a maximum amount of Euro 1,300 per transaction and per party and collected by the professional intermediary. No transfer will be due on the issuance of the Bonds (primary market).

A tax on repurchase transactions (*taks op de reportverrichtingen/taxe sur les reports*) at the rate of 0.085 per cent. will be due from each party to any such transaction entered into or settled in Belgium in which a stockbroker acts for either party (with a maximum amount of Euro 1,300 per transaction and per party).

However neither of the taxes referred to above will be payable by exempt persons acting for their own account including investors who are not Belgian residents, provided they deliver an affidavit to the financial intermediary in Belgium confirming their non-resident status, and certain Belgian institutional investors as defined in Article 126.1 2° of the code of miscellaneous duties and taxes (*wetboek diverse rechten en taksen/code des droits et taxes divers*) for the tax on stock exchange transactions and Article 139, second paragraph, of the same code for the tax on repurchase transactions.

As stated below, the European Commission has published a proposal for a Directive for a common financial transactions tax (the “FTT”). The proposal currently stipulates that once the FTT enters into force, the participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or VAT as provided in the Council Directive 2006/112/EC of November 28, 2006 on the common system of value added tax). For Belgium, the tax on stock exchange transactions and the tax on repurchase transactions should thus be abolished once the FTT enters into force.

4 Common Reporting Standard

Following recent international developments, the exchange of information will be governed by the Common Reporting Standard (“CRS”).

On 29 October 2014, 51 jurisdictions signed the multilateral competent authority agreement (“MCAA”), which is a multilateral framework agreement to automatically exchange financial and personal information, with the subsequent bilateral exchanges coming into effect between those signatories that file the subsequent notifications.

More than 50 jurisdictions have committed to a specific and ambitious timetable leading to the first automatic information exchanges in 2017 (“**early adopters**”). These first automatic information exchanges would concern income of 2016.

Under CRS, financial institutions resident in a CRS country would be required to report, according to a due diligence standard, financial information with respect to reportable accounts, which includes interest, dividends, account balance or value, income from certain insurance products, sales proceeds from financial assets and other income generated with respect to assets held in the account or payments made with respect to the account. Reportable accounts include accounts held by individuals and entities (which includes trusts and foundations) with fiscal residence in another CRS country. The standard includes a requirement to look through passive entities to report on the relevant controlling persons.

On 9 December 2014, EU Member States adopted Directive 2014/107/EU on administrative cooperation in direct taxation (“**DAC**”), which provides for mandatory automatic exchange of financial information as foreseen in CRS. DAC amends the previous Directive on administrative cooperation in direct taxation, Directive 2011/16/EU.

The mandatory automatic exchange of financial information by EU Member States as foreseen in DAC will at the latest take place as of 30 September 2017, except with regard to Austria. The mandatory automatic exchange of financial information by Austria will at the latest take place as of 30 September 2018.

The Belgian government has implemented said Directive 2014/107/EU, respectively the Common Reporting Standard, per the law of 16 December 2015 regarding the exchange of information on financial accounts by Belgian financial institutions and by the Belgian tax administration, in the context of an automatic exchange of information on an international level and for tax purposes (the “**Law of 16 December 2015**”).

As a result of the Law of 16 December 2015, the mandatory automatic exchange of information applies in Belgium (i) as of income year 2016 (first information exchange in 2017) towards the EU Member States (including Austria, irrespective the fact that the automatic exchange of information by Austria towards other EU Member States is only foreseen as of income year 2017), (ii) as of income year 2014 (first information exchange in 2016) towards the US and (iii) with respect to any other non-EU States that have signed the MCAA, as of the respective date to be further determined by Royal Decree.

Investors who are in any doubt as to their position should consult their professional advisers.

5 Financial Transaction Tax

On 14 February 2013, the European Commission published a proposal for a Directive (the “**Draft Directive**”) for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia, within the framework of an enhanced cooperation procedure. In December 2015, Estonia withdrew from the group of states willing to introduce the FTT (the “**Participating Member States**”).

Pursuant to the Draft Directive, the FTT shall be payable on financial transactions provided at least one party to the financial transaction is established or deemed established in a Participating Member State and there is a financial institution established or deemed established in a Participating Member State which is a party to the financial transaction, or is acting in the name of a party to the transaction. The FTT shall, however, not apply to (inter alia) primary market transactions referred to in Article 5 (c) of Regulation (EC) No 1287/2006, including the activity of underwriting and subsequent allocation of financial instruments in the framework of their issue.

The rates of the FTT shall be fixed by each Participating Member State but for transactions involving financial instruments other than derivatives shall amount to at least 0.1% of the taxable amount. The taxable amount for such transactions shall in general be determined by reference to the consideration paid or owed in return for the

transfer. The FTT shall be payable by each financial institution established or deemed established in a Participating Member State which is a party to the financial transaction, acting in the name of a party to the transaction or where the transaction has been carried out on its account. Where the FTT due has not been paid within the applicable time limits, each party to a financial transaction, including persons other than financial institutions, shall become jointly and severally liable for the payment of the FTT due.

Prospective holders should therefore note, in particular, that any sale, purchase or exchange of the Bonds will be subject to the FTT at a minimum rate of 0.1% provided the abovementioned prerequisites are met, and the Draft Directive is adopted and implemented into domestic law of the Participating Member States. The holder may be liable to itself pay this charge or reimburse a financial institution for the charge, and/or the charge may affect the value of the Bonds.

The Draft Directive is still subject to negotiation between the Participating Member States and therefore may be changed at any time. Moreover, once the Draft Directive has been adopted (the “**FTT Directive**”), it will need to be implemented into the respective domestic laws of the Participating Member States and the domestic provisions implementing the FTT Directive might deviate from the FTT Directive itself. On 6 May 2014, the Participating Member States issued a joint statement. Pursuant to that statement, FTT will be implemented progressively, with first focus on the taxation of shares and some derivatives.

Prospective holders of the Bonds should consult their own tax advisers in relation to the consequences of the FTT associated with subscribing for, purchasing, holding and disposing of the Bonds.

PART VIII – SUBSCRIPTION AND SALE

BNP Paribas and Société Générale are acting as joint global co-ordinators and managers (together, the “**Joint Global Co-Ordinators**”) and Crédit Industriel et Commercial S.A., HSBC Bank plc, ING Bank N.V., Belgian Branch and KBC Bank NV are acting as managers (together with the Joint Global Co-Ordinators, the “**Managers**”) and will, pursuant to a subscription agreement dated on or about 16 May 2017 (the “**Subscription Agreement**”), agree with the Issuer, subject to certain terms and conditions, to subscribe, or procure subscribers, and pay for the Bonds at the issue price and the other conditions as set out in the Subscription Agreement. The aggregate amount payable for the Bonds calculated at the issue price less any due fee will be paid by the Managers to the Issuer in the manner as set out in the Subscription Agreement. Fees and costs in connection with the issue of the Bonds to be paid and/or reimbursed by the Issuer to the Managers have been agreed in the Subscription Agreement. The Subscription Agreement will entitle the parties to terminate their obligations in certain circumstances prior to payment being made to the Issuer.

General

The Bonds have been offered within the framework of a private placement. Neither the Issuer nor any of the Managers has made any representation that any action will be taken in any jurisdiction by the Managers or the Issuer that would permit a public offering of the Bonds, or possession or distribution of this Prospectus or any other offering or publicity material relating to the Bonds (including roadshow materials and investor presentations) in any country or jurisdiction where action for that purpose is required. Each of the Managers has agreed that it will comply to the best of its knowledge and belief in all material respects with all applicable laws and regulations in each jurisdiction in which it acquires, offers, sells or delivers Bonds or has in its possession or distributes this Prospectus or any such other material, in all cases at its own expense. It will also ensure that no obligations are imposed on the Issuer in any such jurisdiction as a result of any of the foregoing actions.

The following sections set out specific notices in relation to certain countries that, if stricter, shall prevail over the foregoing general notice.

Selling restrictions in the EEA

The Issuer has not authorised any offer to the public of Bonds in any Member State of the European Economic Area. In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**), an offer to the public of any Bonds may not be made in that Relevant Member State, except that an offer to the public in that Relevant Member State of any Bonds may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- (a) to legal entities which are qualified investors as defined under the Prospectus Directive;
- (b) by the Managers to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive;
- (c) in respect of an offer of securities whose denomination per unit amounts to at least EUR 100,000; or
- (d) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of the Bonds shall result in a requirement for the Issuer or the Managers to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of the provisions above, the expression an offer to the public in relation to any Bonds in any Relevant Member State means the communication in any form and by any means of sufficient information on

the terms of the Offer and the Bonds to be offered so as to enable an investor to decide to purchase any Bonds, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression Prospectus Directive means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in each Relevant Member State and the expression 2010 PD Amending Directive means Directive 2010/73/EU.

Selling restrictions in the United Kingdom

Each Manager has represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the “**Financial Services and Markets Act**”)) received by it in connection with the issue or sale of any Bonds in circumstances in which Section 21(1) of the Financial Services and Markets Act does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the Financial Services and Markets Act with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

Selling restrictions in the United States

The Bonds have not been and will not be registered under the Securities Act and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Each Manager represents that it has not offered and sold the Bonds, and agrees that it will not offer or sell any Bonds constituting part of its allotment within the United States except in accordance with Rule 903 of Regulation S under the Securities Act. Accordingly, neither it, its affiliates, nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Bonds.

Terms used in this paragraph have the meanings given to them by Regulation S.

Selling restrictions in Belgium

The Bonds may be held only by, and transferred only to, eligible investors referred to in Article 4 of the Belgian Royal Decree of 26 May 1994, holding their securities in an exempt securities account that has been opened with a financial institution that is a direct or indirect participant in the NBB-SSS.

PART IX – GENERAL INFORMATION

- 1 Application has been made for the Bonds to be listed and admitted to trading on the regulated market of Euronext Brussels as from the Issue Date. The Issuer estimates the costs for the listing of the Bonds to be approximately EUR 7,800 (excluding VAT).
- 2 The Prospectus has been approved by the FSMA on 16 May 2017. The FSMA does not assume any responsibility for economic and financial solidity of the transaction and the quality or the solvency of the Issuer.
- 3 The issue of the Bonds was authorised by resolutions passed by the board of directors of the Issuer on 17 March 2017.
- 4 The Bonds have been accepted for clearance through the settlement system operated by the National Bank of Belgium. The Bonds will have ISIN number BE0002280494 and Common Code 161825107. The address of the National Bank of Belgium is Boulevard de Berlaimont 14, B-1000 Brussels.
- 5 Except as set out in the Prospectus, so far as the Issuer is aware, no other person involved in the Offer has any interest, including conflicting ones, that is material to the offer of the Bonds, save for any fees payable to the Managers. Certain Managers are creditors of the Issuer in the framework of its banking operations. In addition, in the ordinary course of business, the Managers or their affiliates have provided and may in the future provide commercial, financial advisory or investment banking services for the Issuer and its subsidiaries for which they have received or will receive customary compensation.
- 6 Where information in this Prospectus has been sourced from third parties, this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain, to its reasonable knowledge, from the information published by such third parties no facts have been omitted which would render the reproduced information inaccurate or misleading in any material respect. The source of third party information is identified where used.
- 7 During the life of the Bonds, copies of the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the registered office of the Issuer, avenue Marnix 24, 1000 Brussels, Belgium:
 - (a) the articles of association (*statuts/statuten*) of the Issuer, in Dutch and French;
 - (b) the audited financial statements of the Issuer for the years ended 31 December 2015 and 31 December 2016 (consolidated in accordance with IFRS) together with the audit reports thereon;
 - (c) a copy of this Prospectus together with any supplement to this Prospectus; and
 - (d) a copy of the Agency Agreement and the Clearing Services Agreement.

The documents identified under paragraphs (a) to (c) above are also available on the Issuer's website (www.gbl.be).

- 8 Deloitte Bedrijfsrevisoren BV o.v.v.e CVBA, having its registered office at Berkenlaan 8b, 1831 Diegem (Brussels), Belgium, has audited the Issuer's consolidated and standalone financial statements for the years ended 31 December 2015 and 31 December 2016. It was represented by Michel Denayer (member of the *Institut des Réviseurs d'Entreprises/Instituut van Bedrijfsrevisoren*) for the purposes of the audit of the Issuer's consolidated and standalone financial statements for the year ended 31 December 2015 and by Corine Magnin (member of the *Institut des Réviseurs d'Entreprises/Instituut van Bedrijfsrevisoren*) for the purposes of the audit of the Issuer's consolidated and standalone financial statements for the year ended 31 December 2016.

Issuer

Groupe Bruxelles Lambert

Avenue Marnix 24
1000 Brussels
Belgium

Joint Global Co-Ordinators

BNP Paribas

10 Harewood Avenue
London NW1 6AA
United Kingdom

Société Générale

29, boulevard Haussmann
75009 Paris
France

Joint Lead Managers

BNP Paribas

10 Harewood Avenue
London NW1 6AA
United Kingdom

Credit Industriel et Commercial S.A.

6, avenue de Provence
75452 Paris cedex 09
France

HSBC Bank plc

8 Canada Square
London, E14 5HQ
United Kingdom

ING Bank N.V., Belgian Branch

Avenue Marnixlaan 24
1000 Brussels
Belgium

KBC Bank NV

Havenlaan 2
1080 Brussels
Belgium

Société Générale

29, boulevard Haussmann
75009 Paris
France

Agent

BNP Paribas Securities Services, Belgian branch

Rue de Loosum 25
1000 Brussels
Belgium

Legal Advisors

to the Issuer

Linklaters LLP
Rue Brederodestraat 13
1000 Brussels
Belgium

to the Managers

Clifford Chance LLP
Avenue Louise 65 Box 2
1050 Brussels
Belgium

ANNEX – Form of Put Exercise Notice

| Addressee | Copy to the Agent |
|--|---|
| GBL (the “ Issuer ”) 24 Avenue Marnix B-1000 Brussels Attn : Chief Financial Officer | BNP Paribas Securities Services, Belgian branch (the “ Agent ”) Montagne du Parc 3 B-1000 Brussels Attn : Debt Capital Markets Desk |

Reference is made to the prospectus dated 16 May 2017 (the “**Prospectus**”), in respect of the listing of EUR 500,000,000 1.375 per cent fixed rate bonds due 23 May 2024, ISIN Code BE0002280494 (the “**Bonds**”).

Terms not otherwise defined herein shall have the meaning assigned to them in the Prospectus.

By (i) sending this duly completed Put Exercise Notice to the Issuer with a copy to the Agent for the above mentioned Bonds and (ii) sending a certificate issued by the relevant recognised account holder (as referred to in Article 468 of the Belgian Companies Code) certifying that such Bonds are held to its order or under its control and blocked by it or transferring such Bonds to the Agent, the undersigned Bondholder irrevocably exercises its option to have the Bonds redeemed early in accordance with Condition 6.3.1. on the Put Date for an aggregate nominal amount of €¹ for which the undersigned Bondholder hereby confirms that (i) he/she holds this amount of Bonds and (ii) he/she hereby commits not to sell or transfer this amount of Bonds until the Put Date.

Contact details of the Bondholder requesting the early redemption²:

Name and first name:

Address:

Payment Instructions³:

Please make payment in respect of the above-mentioned Bonds by transfer to the following bank account:

Name of the bank:

Branch Address:

Account Number:

I hereby confirm that the payment will be done against debit of my securities account N° with the bank for the above mentioned nominal amount of the Bonds in dematerialised form.

Signature of the holder: Signature Date:.....

NOTE:

N.B. The Agent will not in any circumstances be liable to any Bondholder or any other person for any loss or damage arising from any act, default or omission of such Agent in relation to the said Bonds or any of them unless such loss or damage was caused by the fraud or negligence of such Agent.

¹ Complete as appropriate

² Complete as appropriate

³ Complete as appropriate

This Put Exercise Notice is not valid unless (i) all of the paragraphs requiring completion are duly completed and (ii) it is duly signed and sent. Once validly given this Put Exercise Notice is irrevocable.