



Groupe Bruxelles Lambert

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

EUR 500,000,000 1.875 per cent fixed rate bonds due 19 June 2025

Gross actuarial yield: 1.984 per cent.

Issue Price: 99.294 per cent. – ISIN Code: BE0002595735 – Common Code: 184060639 (the “Bonds”)

Issue Date: 19 June 2018

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 8 to 19 of the Prospectus.

This Prospectus has been approved as a prospectus on 13 June 2018 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 Bonds, 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

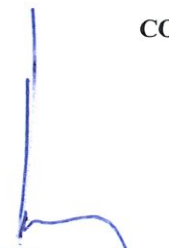
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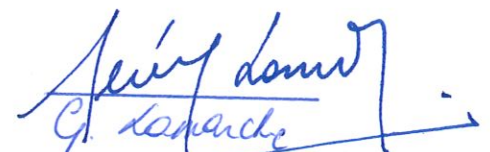
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KBC BANK

SOCIETE GENERALE
CORPORATE AND INVESTMENT BANKING

Prospectus dated 13 June 2018.


X. deker
CFO


G. Loharche
Co-CEO

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 1.875 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, 19 June in each year. The first payment of Interest will occur on 19 June 2019. The Bonds will mature on 19 June 2025 (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 regulated market of Euronext Brussels is a regulated market for the purposes of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as amended (“**MiFID II**”).

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 8 to 19 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 pages 5 and 6 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.

The Bonds are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available to, any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II, or (ii) a customer within the meaning of Directive 2002/92/EC (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II, or (iii) not a qualified investor as defined in the Prospectus Directive. Consequently, no key information document required by Regulation (EU) No 1286/2014, as amended (the “**PRIIPs Regulation**”) for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

The Bonds are not intended to be offered, sold or otherwise made available, and will not be offered, sold or otherwise made available, in Belgium to “consumers” (*consumenten/consommateurs*) within the meaning of the Belgian Code of Economic Law (*Wetboek van economisch recht/Code de droit économique*), as amended.

Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties and professional clients only, each as defined in MiFID II, and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a “**distributor**”) should take into consideration the manufacturers’ target market assessment. However, a distributor subject to MiFID II is responsible for undertaking its own target market

assessment in respect of the Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

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:

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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 (95%) of the Issuer's portfolio at year-end 2017 was composed of eleven 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
SGS	www.sgs.com
LafargeHolcim	www.lafargeholcim.com
Pernod Ricard	www.pernod-ricard.com
adidas	www.adidas-group.com
Umicore	www.umicore.com
Total	www.total.com
Burberry	www.burberryplc.com
Ontex	www.ontexglobal.com
GEA	www.gea.com
Parques Reunidos	www.parquesreunidos.com

The Issuer is also exposed to risks related to its investments carried out through Sienna Capital which nevertheless currently account for 5% of the portfolio value.

On 9 May 2018, the Issuer and its wholly-owned subsidiary GBL Energy S.à r.l. announced the successful sale of 6.6% of the capital of Burberry Group plc, corresponding to 27.6 million shares. The transaction represents the disposal of the entire stake in Burberry. For further information, please see the press releases published by the Issuer on 8 May 2018 (*Groupe Bruxelles Lambert intends to sell 6.6% of Burberry's capital*) and on 9 May 2018 (*Completion of the sale of 6.6% of Burberry's capital by Groupe Bruxelles Lambert*), which are incorporated by reference into this Prospectus.

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 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 Environmental, social and governance risk

The Issuer is directly exposed to environmental, social and governance ("ESG") related risks, notably as an employer and a contributor to the communities in which it operates. As a holding company, with a limited headcount below 50 people and without any production or distribution operations, the Issuer's own impact in terms of social and especially environmental factors is limited. Most of the ESG-related risks are consequently indirect as they are at the portfolio's level and pertain to the Issuer in its quality of responsible investor.

1.2.4 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 24 to the audited consolidated financial statements of the Issuer for the year ended 31 December 2017.

1.2.5 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 24 to the audited consolidated financial statements of the Issuer for the year ended 31 December 2017.

1.2.6 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.

1.2.7 Treasury risk

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

1.2.8 Liquidity risk

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

1.2.9 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 24 to the audited consolidated financial statements of the Issuer for the year ended 31 December 2017.

1.2.10 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 24, 25 and 28 to the audited consolidated financial statements of the Issuer for the year ended 31 December 2017.

1.2.11 Eurozone risk

The transactions carried out by the Issuer are mainly denominated in euros. The European Union and the Eurozone have been weakened over the past years, 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, more recently, by the Brexit process in progress.

1.2.12 Legal risk

As a company listed on a regulated market and as an investor in industrial, consumer goods and business 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 so that changes therein are appropriately taken into account in the management of its activities and governance. Moreover, the Issuer promotes contractual discipline, which is a general matter and is notably applied to the agreements in relation to transactions of financing and cash management, acquisition or disposal as well as derivative instrument contracts. The Issuer must also manage, in an appropriate manner, litigation in the context of its own activities.

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

The Issuer must manage and foresee the tax implications of all its strategic decisions, comply with its legal and tax reporting obligations and monitor potential changes in the Belgian and international legal framework to avoid any risk of non-compliance that could have negative 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.

1.2.14 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.

1.2.15 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.

1.2.16 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.

1.2.17 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.

1.2.18 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.

1.2.19 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 (*Meetings 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. The Agent does not assume any fiduciary or other obligations to the Bondholders.

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 80% 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 2016 and 31 December 2017 (consolidated in accordance with IFRS), together with the audit reports thereon;
- (b) the overview section (*Our commitment to investors*) set out on page 4 of the annual report of the Issuer for the year ended 31 December 2017;
- (c) the section (*Portfolio review*) set out on pages 18 to 49 of the annual report of the Issuer for the year ended 31 December 2017;
- (d) the glossaries set out on pages 198 and 199 of the annual report of the Issuer for the year ended 31 December 2016 and on pages 180 to 182 of the annual report of the Issuer for the year ended 31 December 2017; and
- (e) the following press releases:
 - (i) the press release published by the Issuer on 3 May 2018 (*Results at 31 March 2018*), save for the comment of the Co-CEOs on pages 1 and 2 and section 5 (*Outlook for the 2018 financial year*);
 - (ii) the press release published by the Issuer on 8 May 2018 (*Groupe Bruxelles Lambert intends to sell 6.6% of Burberry's capital*); and
 - (iii) the press release published by the Issuer on 9 May 2018 (*Completion of the sale of 6.6% of Burberry's capital by Groupe Bruxelles Lambert*).

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 2016 and 31 December 2017 in this Prospectus.

The table below includes references to the relevant pages of the audited consolidated financial statements of the Issuer for the financial years ended 31 December 2016 and 31 December 2017, 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	Financial year ended 31 December 2016 (references to the pages of the 2016 annual report)	Financial year ended 31 December 2017 (references to the pages of the 2017 annual report)
Consolidated balance sheet	p. 74	p. 80
Consolidated statement of comprehensive income	p. 75	p. 81
Consolidated statement of changes in shareholders' equity	p. 76	p. 82
Consolidated statement of cash flows	p. 77	p. 83
Accounting policies	p. 78-88	p. 84-93
Notes	p. 89-137	p. 95-133
Statutory auditor's report	p. 138-139	p. 134-143

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

References to the pages of the press release published by the Issuer on 3 May 2018 (<i>Results at 31 March 2018</i>).	
Cash earnings at 31 March 2018, 31 March 2017 and 31 December 2017	p. 1
Net asset value at 31 March 2018, 31 March 2017 and 31 December 2017	p. 1
Loan to value at 31 March 2018, 31 March 2017 and 31 December 2017	p. 1
Comparison of liquidity profile on 31 March 2018 and 31 December 2017	p. 3

PART III – TERMS AND CONDITIONS OF THE BONDS

The issue of the EUR 500,000,000 1.875 per cent. bonds due 19 June 2025 (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 15 March 2018.

The Bonds are issued subject to and with the benefit of a domiciliary and paying agency agreement dated on or about 12 June 2018 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 for the issuance of fixed income securities dated on or about 12 June 2018 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 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

“**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 upon the occurrence of a Major Restructuring*)

“**Call Exercise Period**” has the meaning provided in Condition 6.3 (*Redemption at the option of the Bondholders upon the occurrence of a Major Restructuring*).

“**Clearstream, Luxembourg**” means Clearstream Banking, S.A.

“**Early Redemption Period**” has the meaning provided in Condition 6.4.2 (*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 SA/NV.

“**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 19 June 2025.

“**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 19 June 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 19 June 2018.

“**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 Net Asset Value 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 Net Asset Value of the Issuer falling below EUR 4 billion.

“**Major Restructuring Notice**” has the meaning provided in Condition 6.3.2.

“**NBB**” has the meaning provided in the introduction.

“**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*).

“**Net Asset Value**” 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, to which is added Sienna Capital’s net cash or, where applicable, to which is deducted Sienna Capital’s net debt.

For the purposes of this definition, Net Asset Value shall refer to the last “Net Asset Value” 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 Net Asset Value, the Bondholders shall have the right to request the calculation and audit of the Net Asset Value based on the situation before the occurrence of or the decision regarding the Major Restructuring.

“**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, Brussels Advisors SA, Elliott Capital S.à r.l., FINPAR SA, FINPAR II SA, FINPAR III SA, GBL Advisors Ltd, GBL Energy S.à r.l., GBL Finance S.à r.l., GBL Finance & Treasury SA, GBL Investments Limited, GBL Participations SA, GBL R S.à r.l., GBL Verwaltung S.A., LTI One SA, LTI Two SA, Miles Capital S.à r.l., Oliver Capital S.à r.l., Sagerpar SA, Serena S.à r.l., Sienna Capital S.à r.l., URDAC SA 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 6.3.1.

“**Put Exercise Notice**” has the meaning provided in Condition 6.3.1.

“**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 6.3.2.

“**Put Redemption Amount**” has the meaning provided in Condition 6.3.1.

“**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 1.875 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 19 June 2019.

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 0.30%;

“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 (*Issuer call*), 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 (*Redemption and Purchase*), 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 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/her 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 of 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 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 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 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 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 (b) 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 BE0002595735 and Common Code 184060639. 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 12 June 2018 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 2017, 31 December 2016, 31 December 2015, 31 December 2014, 31 December 2013, 31 December 2012, 31 December 2011, 31 December 2010, 31 December 2009, 31 December 2008, 31 December 2007, 31 December 2006, 31 December 2005, 31 December 2004 and 31 December 2003 and are derived from the audited consolidated financial statements of the Issuer for these same years. Where figures have been restated, this is mentioned in this Part V of the Prospectus.

1 OVERVIEW OF THE ACTIVITIES

The Issuer is an established investment holding company with over sixty years of stock exchange listing, a net asset value of EUR 19 billion and a market capitalisation of EUR 15 billion at the end of 2017.

The Issuer is a leading investor in Europe, focused on long-term value creation and relying on a stable and supportive family shareholder base.

The Issuer strives to maintain a diversified high-quality portfolio composed of global companies, leaders in their sector, in which it can contribute to value creation by being an active professional investor. It seeks to provide attractive returns to its shareholders through a combination of a sustainable dividend and growth in its net asset value.

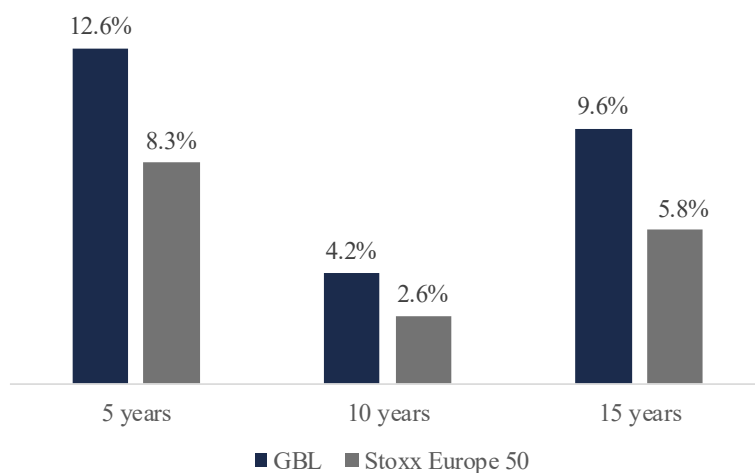
1.1 STRATEGY

1.1.1 The Issuer's strategic objective: value creation through continuous and sustainable growth of its net asset value and dividend distribution

The Issuer's objective is to continue to deliver a total shareholder return outperforming its reference index over the long term through share price performance and continuous dividend growth throughout the cycle.

This pursued objective encompasses the need for the Issuer to maintain an appropriate balance between an attractive dividend yield and a long-term growth of its net asset value.

The below graph shows the total shareholder return of the Issuer compared to the Stoxx Europe 50:

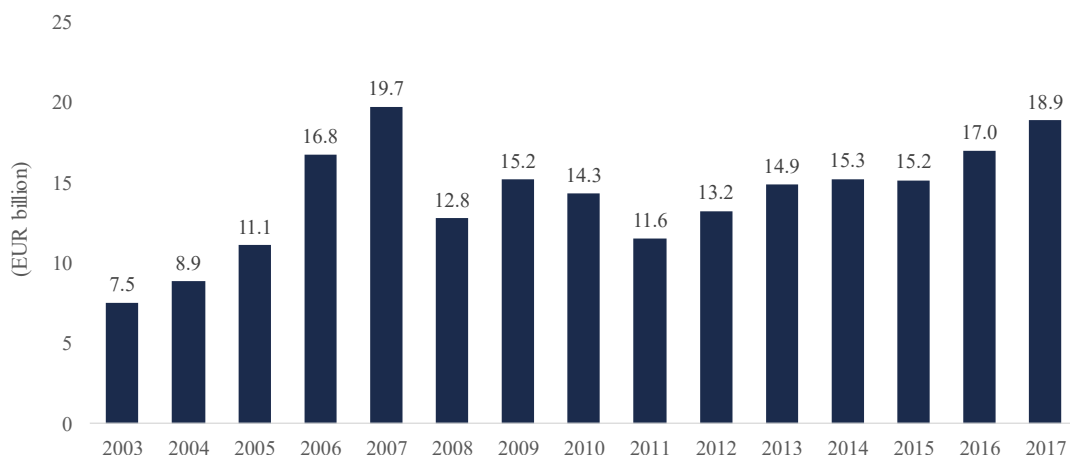


(a) Delivering continuous and sustainable growth of the Issuer’s net asset value over the long term

The growth of the net asset value is pursued by the Issuer through an efficient portfolio rotation and a long-term involvement in the boards of its portfolio companies as an active and responsible investor.

Over the last fifteen years, the Issuer’s net asset value has increased by 6.8% per year, which strongly supported the 9.6% total shareholder return over this period.

The graph below shows the net asset value of the Issuer over the last fifteen years:



(b) Deploying capital in high-quality assets, leaders in their sector

The Issuer has initiated the rebalancing of its portfolio in 2012 with a view to strengthen its portfolio’s growth profile and consequently optimise its potential for long-term value creation. This transformation has been pursued through a significant portfolio rotation, with disposals and acquisitions totalling EUR 14 billion. It has led to a substantial shift from high-yielding assets in the energy and utilities sectors into growth assets in the industry, business services and consumer good sectors which are more exposed to long-term growth trends.

The Issuer seeks to invest into companies with a leading position in their sector and robust business models:

- focused on both organic and external growth as an important lever to long-term value creation;
- developed in a sustainable manner by high-quality management teams driven by a strategic vision; and
- supported by a sound financial structure.

	IMERYS	SGS	LafargeHolcim	Pernod Ricard	adidas	umicore	TOTAL	BURBERRY	Ontex	GEA	Purquey/Reckitt	Portfolio average
Sector ranking	#1	#1	#1	#2	#2	Top 3	Top 5	Top 5	Top 3	#1	Top 3	
EPS 2-year growth⁽¹⁾	+9.6%	+7.7%	+32.5%	+5.8%	+18.1%	+16.0%	+3.9%	+0.6%	+8.5%	+13.7%	+22.8%	
Dividend yield⁽²⁾	2.6%	3.0%	3.6%	1.6%	1.6%	1.8%	5.5%	2.4%	2.2%	2.0%	1.7%	2.5%

⁽¹⁾ Earnings per share CAGR computed from FY17 results (actuals or forecast) to forecasted FY19 results (Source: “EPS Adj+” of Bloomberg consensus at 9 March 2018).

⁽²⁾ Dividend yield at 31 December 2017 (Source: Bloomberg consensus at 9 March 2018), calculated on a weighted average basis with regards to the portfolio average.

(c) Being an active and responsible professional investor

The Issuer is an investment holding company with a long-term investment horizon. It aims at holding significant stakes in order to play an active role within its portfolio companies.

The Issuer’s objective is to contribute to unlocking value through its involvement in the key decision-making governance bodies of its portfolio companies, regarding:

- the overall strategy with a particular focus on organic growth and M&A;
- the nomination and remuneration of the executive management; and
- the capital allocation, and more specifically the dividend policy, share buyback programs, and the capital structure adequacy.

In this context, the Issuer seeks to bring added value by sharing its experience, expertise and network across portfolio companies in order to fully leverage on value creation and entirely fulfil its role as an active professional shareholder, without ever being involved in the daily management of its participations.

In accordance with its long-term approach and as a responsible investor, the Issuer requires Corporate Social Responsibility practices to be ensured at portfolio companies’ level, consistently with best international standards.

									
Board of Directors	6/17	3/10	2/12	2/13	1/16	2/11	1/12	1/10	1/7
Audit Committee	1/3	1/4	1/4	1/3	1/4	1/3	1/4	-/3	-/3
Nomination and / or Remuneration Committee	2/5 2/6	1/3	1/5	1/4	-/3	-/3	1/4	-/3	1/4
Strategic Committee	4/8	N/A	1/4	1/5	N/A	N/A	-/5	N/A	N/A

Information as at 31 December 2017.

(d) Maintaining continued dividend growth over the long term

The Issuer’s dividend policy is to deliver stable or gradually increasing dividends over time, as well as an attractive dividend yield to its shareholders.

Over the last fifteen years, the Issuer has:

- more than doubled its gross dividend per share, which corresponds to a 5.1% compound annual growth rate (CAGR) over this period; and
- returned EUR 5.3 billion to its shareholders.

Based on the proposed dividend for 2017, the Issuer delivers a dividend yield of 3.3%. Distributable reserves amount to EUR 7.7 billion at year-end 2017.

1.1.2 Asset rotation strategy and orientations: further rotating the Issuer’s portfolio, with a flexible mandate

The Issuer’s asset rotation is based on a continuous assessment of the long-term return potential of the existing investments in portfolio, in comparison with new investment alternatives.

(a) Clear investment criteria

The Issuer's investment assessment aims at performing a strict selection of opportunities based on the following grid of qualitative and quantitative investment criteria:

- (i) Sector:
 - Exposure to long-term growth drivers
 - Resilience to economic downturn
 - Favourable competitive dynamics
 - Market consolidation opportunities
- (ii) Company:
 - Market leader with clear business model
 - Foreseeable organic growth
 - Strong cash flow generation capabilities
 - Return on capital employed higher than weighted average cost of capital (WACC)
 - Low financial gearing
 - Well-positioned vis-à-vis digital disruption
- (iii) Valuation:
 - Attractive valuation
 - Potential for shareholder remuneration
- (iv) Governance:
 - Potential to become first shareholder, with influence
 - Potential for board representation
 - Seasoned management
- (v) Environmental, social and governance (ESG): Corporate social responsibility (CSR)/ESG strategy, reporting and relevant governance bodies being in place for listed investment opportunities

(b) Divestment guidelines

As an investment vehicle deploying permanent capital, the Issuer is not constrained by an investment horizon. Investments are therefore held for as long as needed to optimise their value.

Continuous assessment of the portfolio assets is conducted in order to potentially define a disposal strategy. This assessment focuses on the following areas:

- (i) Potential for further value creation
- (ii) Valuation risk:
 - multiples above historical average

- prospective total shareholders' return (TSR) below internal targets
- (iii) Company risk:
- business model's disruption risk related to digital or technological evolutions
 - other company risks including competition, geopolitics and ESG
- (iv) Portfolio concentration risk: objective not to exceed around 15-20% in terms of:
- portfolio's exposure to a single asset
 - cash earnings' contribution from a single asset

(c) Investment universe

The Issuer carries out investments within the following universe:

- target companies are headquartered in Europe and may be listed or private;
- equity investments range primarily between EUR 250 million and EUR 2 billion, potentially in co-investment alongside other leading investment institutions;
- the Issuer aspires to hold a position of core shareholder in the capital of its portfolio companies and play an active role in the governance, through minority or majority stakes;
- the Issuer intends to reinforce the diversification of its portfolio by pursuing the development of its alternative investments through its subsidiary Sienna Capital.

1.1.3 Operational excellence: the Issuer delivers operational efficiency in support to its value creation

(a) Solid and flexible financial structure

The Issuer's objective is to maintain a sound financial structure, with:

- a solid liquidity profile; and
- a limited net indebtedness in comparison to its portfolio value.

The financial strength derived from the liquidity profile ensures readily available resources enabling to quickly seize investment opportunities throughout the economic cycle and allowing to pay a stable or growing dividend over the long term.

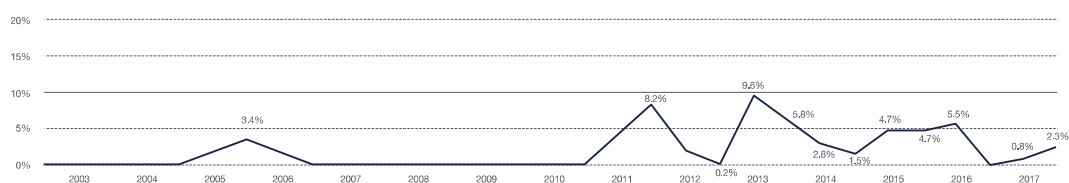
The evolution of the Loan To Value ratio results from the crystallisation of investment opportunities for significant stakes in the capital of companies meeting the Issuer's investment criteria, in the framework of the portfolio rotation strategy.

This ratio is continuously monitored and has been permanently maintained below 10% over the last ten years. This conservative vision is consistent with the Issuer's patrimonial approach and allows to weather potential market downsides through the cycle.

At year-end 2017, the Issuer had:

- a Loan To Value ratio of 2.3%; and
- a liquidity profile of EUR 2.7 billion, consisting of both cash and cash equivalents for EUR 0.6 billion and undrawn committed credit lines for EUR 2.1 billion maturing in 2022 (compared with a liquidity profile of EUR 3.5 billion at 31 December 2016).

Loan To Value



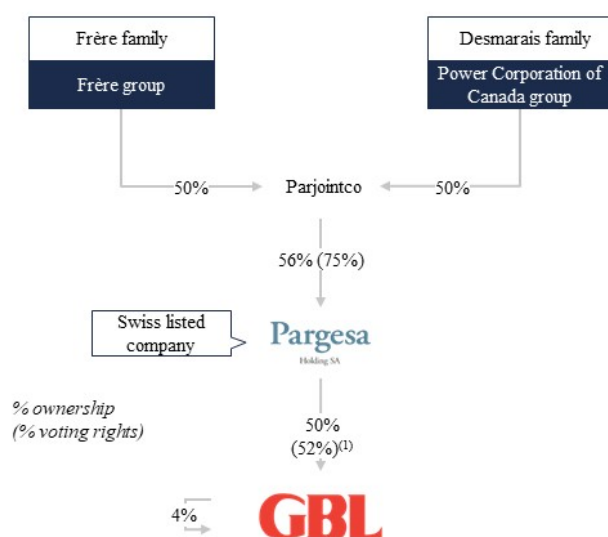
(b) Sound governance

The Issuer has a stable and solid family shareholder base and is supported by the partnership between the Frère and Desmarais families, which has been in place for several decades. The current shareholders' agreement between the two families is effective until 2029 with the possibility of extension and establishes parity control in Pargesa Holding S.A. and the Issuer.

The Issuer has a solid governance in place, as detailed on pages 72 to 87 of this Prospectus, and its strong relations with its controlling shareholders enables it to move quickly to seize investment opportunities.

The remuneration policy defined for the Issuer's co-CEOs aligns their salary package with the shareholders' interests through the absence of a variable cash component and a long-term incentive plan being subject to the Issuer's total shareholder return performance.

Simplified shareholding structure at 31 December 2017



⁽¹⁾ Taking into account the treasury shares whose voting rights are suspended

(c) Cost efficiency

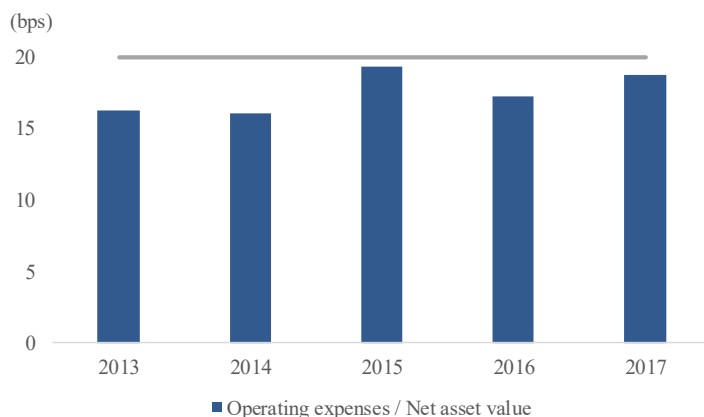
The Issuer pursues operational excellence, maintaining a strong focus on cost discipline. This allows it to record low operational expenditures (as presented in the cash earnings) in comparison to its net asset value, which have historically remained below 20 bps.

(d) Yield enhancement

As an additional lever of value creation, the Issuer has historically developed yield enhancement activities. They consist primarily in the trading of derivatives conducted in a highly conservative manner

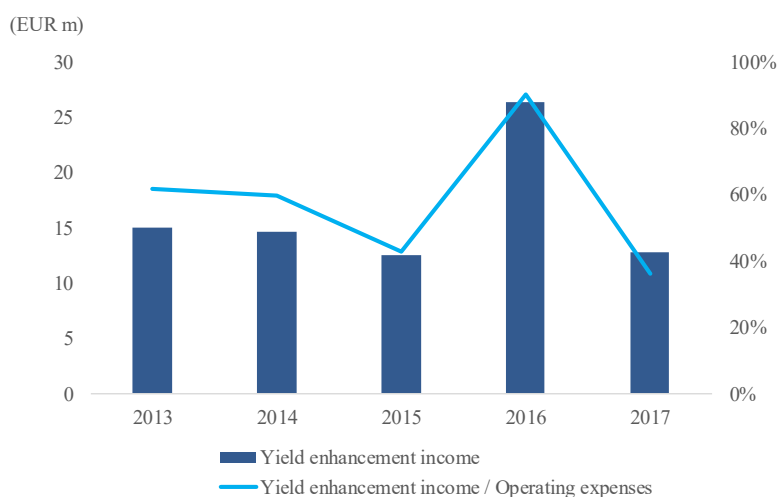
as they are executed by a dedicated team exclusively in vanilla products, with very short maturities and low delta levels, and based on the in-depth knowledge of the underlying assets in portfolio. Since 2012, the income generated by this activity has fluctuated depending on market conditions and covered 58% of the Issuer's operational expenditures⁽¹⁾ on average.

Operating expenses⁽¹⁾ / Net asset value



⁽¹⁾ Other operating income (expense) from operating activities as presented in the cash earnings.

Yield enhancement income⁽¹⁾ / Operating expenses⁽²⁾ coverage

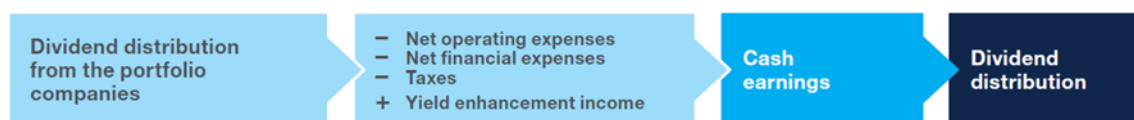


⁽¹⁾ Included in the other financial income (expenses) as presented in the cash earnings.

⁽²⁾ Other operating income (expense) from operating activities as presented in the cash earnings.

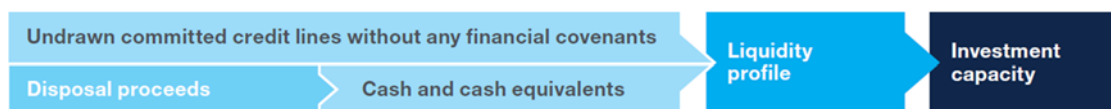
1.1.4 Balanced business model

The Issuer's dividend distribution is primarily derived from the dividend contribution of its portfolio companies, after deduction of its cost structure.



The Issuer's pay-out ratio is computed based on the cash earnings. The pay-out computation consequently does not take into account the capital gains from asset disposals in order to avoid volatility in the pay-out ratio.

As a result of the partial disposal of the high-yielding assets of the energy and utilities sectors, in 2017 the Issuer's dividend distribution has exceeded its cash earnings. This negative dividend gap remains however limited and is considered temporary as the reinvestment of the proceeds from those asset disposals is in progress. On that basis and taking into account the Issuer's material liquidity profile and distributable reserves, this does not jeopardise the Issuer's objective of dividend growth over the long term.

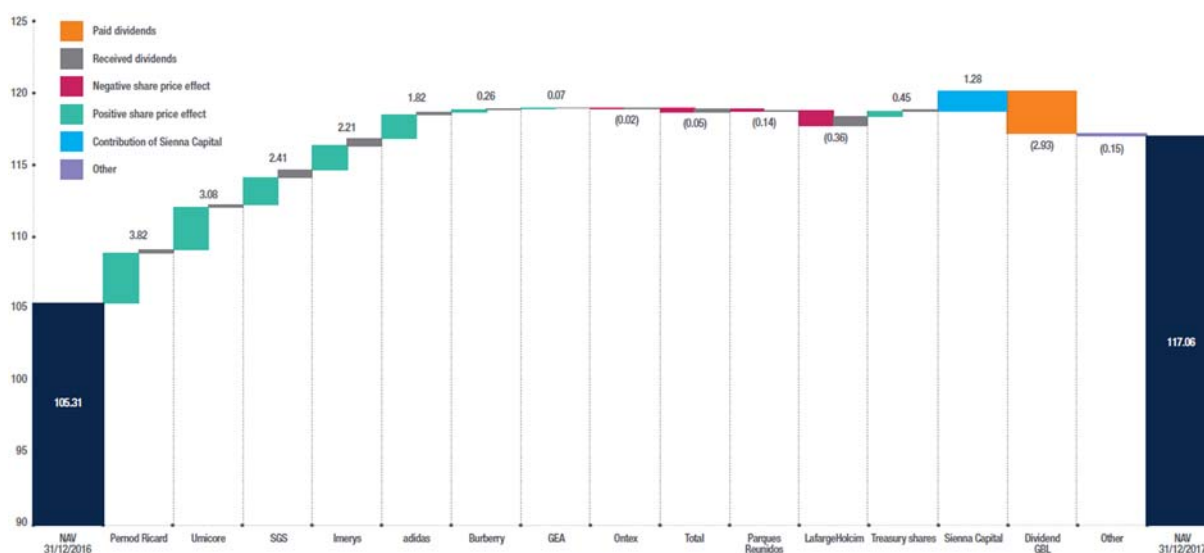


The Issuer has a solid liquidity profile ensuring the availability of resources to implement its investment strategy throughout the cycle.

1.2 NET ASSET VALUE

1.2.1 Change in net asset value in 2017

The below table shows the change in the net asset value (NAV) in 2017:



In EUR per share.

1.2.2 Principles

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

The net asset value is 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, to which is added Sienna Capital's net cash or, where applicable, to which is deducted Sienna Capital's net debt.

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-liquidities (trading assets, etc.) of the Holding segment. This is valued at the book or market value (for certain cash equivalents).

The cash and debt indicators are presented for the Holding segment to reflect the Issuer's own financial structure and the financial resources available to implement its strategy.

The number of shares of the Issuer used to calculate the net asset value 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 net asset value.

The Issuer's detailed net asset value is reported together with the results' publication on a quarterly basis.

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

1.2.3 Breakdown of net asset value at 31 December

At 31 December 2017, the Issuer's net asset value totalled EUR 18.9 billion (EUR 117.06 per share) compared with EUR 17.0 billion (EUR 105.31 per share) at the end of 2016, up by 11.2% and representing a year-on-year increase in absolute terms by EUR 1,896 million. Relative to the share price of EUR 89.99, the discount at this date was 23.1%, down compared with the end of 2016 (24.3%).

This evolution is to be compared with the performance of the reference sector indices with which the group's main assets are compared (- 2% to + 20%) over the same period.

The table below sets out and compares the components of the net asset value at year-end 2017 and year-end 2016.

Breakdown of net asset value at 31 December 2017

			31 December 2017	31 December 2016
	Portfolio % in capital	Share price In EUR	In EUR million	In EUR million
Listed Investments			17,899	15,345
Imerys	53.83%	78.54	3,366	3,088
SGS	16.60%	2,171.42	2,751	2,445
LafargeHolcim	9.43%	47.04	2,693	2,857
Pernod Ricard	7.49%	131.95	2,625	2,048
adidas	7.50%	167.15	2,623	2,356
Umicore	17.01%	39.46	1,503	1,032
Total	0.64%	46.05	746	789
Burberry	6.46%	20.20	557	230
Ontex	19.98%	27.58	454	423
GEA	4.25%	40.01	328	-
Parques Reunidos	21.19%	14.85	254	-
Others			-	77
Sienna Capital			926	955
Portfolio			18,826	16,300
Treasury shares			505	467
Exchangeable/convertible bonds (ENGIE/Issuer)			(450)	(757)
Bank debt and retail bond			(557)	(393)
Cash/quasi-cash/trading			564	1,375
Net asset value (total)			18,888	16,992
Net asset value (in EUR per share)⁽¹⁾			117.06	105.31
Share price (in EUR per share)			89.99	79.72
Discount (in %)			23.1	24.3

⁽¹⁾ Based on 161,358,287 shares

Portfolio's reconciliation with the IFRS consolidated financial statements

At 31 December 2017, the Issuer's portfolio included in the net asset value amounted to EUR 18,826 million (EUR 16,300 million at 31 December 2016).

The reconciliation of this item with the IFRS consolidated financial statements is set out below:

In EUR million	31 December 2017	31 December 2016
Portfolio value as presented in:		
Net asset value	18,826	16,300
Segment information (Holding) - pages 98 and 99 of the 2017 annual report	14,519	12,401
Participations in associates	238	-
Available-for-sale investments	14,281	12,401
Reconciliation items	4,307	3,899
Fair value of Imerys, consolidated using the full consolidation method in IFRS	3,366	3,088
Value of Sienna Capital, consolidated in the Sienna Capital segment	926	955
Reclassification of ENGIE shares, included in gross cash in 2016 and shown under available-for-sale investments in IFRS	(1)	(145)
Valuation difference of Parques Reunidos between net asset value (fair value) and IFRS (equity method)	16	-
Others	-	1

Changes in market variables in 2017



(% change at 31 December 2017-2016)

1.2.4 Historical data over ten years

In EUR million	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Net asset value at the end of the year	18,888.0	16,992.2	15,188.1	15,261.0	14,917.4	13,247.3	11,560.6	14,323.5	15,232.2	12,811.2
Portfolio	18,825.7	16,300.4	15,457.2	15,064.7	15,413.6	12,908.0	12,254.9	13,814.5	14,663.8	11,965.1
Net cash/(net debt)	(442.8)	224.7	(740.0)	(233.1)	(911.7)	(26.6)	(1,007.9)	128.8	176.5	529.0
Treasury shares	505.0	467.1	470.9	429.4	415.5	365.9	313.7	380.2	391.9	317.1
Year-on-year change (in %)	+ 11.2	+ 11.9	- 0.5	+ 2.3	+ 12.6	+ 14.6	- 19.3	- 6.0	+ 18.9	- 35.1

In EUR million	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Net asset value per share	117.06	105.31	94.13	94.58	92.45	82.10	71.65	88.77	94.40	79.39
Share price	89.99	79.72	78.83	70.75	66.73	60.14	51.51	62.93	66.05	56.86
Discount (in %)	23.1	24.3	16.3	25.2	27.8	26.7	28.1	29.1	30.0	28.4

1.3 PORTFOLIO REVIEW

1.3.1 Listed investments

(a) Imerys

Profile

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

Investment case

- Resilience of the business model
- Geographic and customer's final markets diversity
- Leader in its sector: #1 or #2 in almost all of its markets
- High added value functional products providing key properties to its customers' products
- Low exposure to fluctuations in commodities prices
- Low risk of substitution due to the low share in the customers' total costs
- Solid cash-flow generation making it possible to support external growth

Financial data and rating

<i>(in EUR million)</i>	31 December 2017
Net financial debt ⁽¹⁾	2,246
Net financial debt / EBITDA ⁽¹⁾ (x)	2.5
Rating (S&P / Moody's) ⁽²⁾	BBB / Baa2

⁽¹⁾ Source: registration document of Imerys for the year ended 31 December 2017

⁽²⁾ Source: Bloomberg

Market data and information on the Issuer's investment

Stock market data	31 December 2017	31 December 2016	31 December 2015
Number of shares issued (in thousands)	79,604	79,568	79,572
Market capitalisation (in EUR million)	6,252	5,734	5,126
Closing share price (in EUR/share)	78.54	72.07	64.42
Net income from current operations (in EUR/share)	5.11 ⁽¹⁾	4.60	4.31
Dividend (in EUR/share)	2.075	1.870	1.750

⁽¹⁾ Net income from current operations in EUR per share is computed based on the weighted average number of outstanding shares (79,015,367 in 2017 compared to 78,714,966 in 2016)

Issuer's investment	31 December 2017	31 December 2016	31 December 2015
Percentage of share capital (in %)	53.8	53.9	53.9
Percentage of voting rights (in %)	67.5	69.7	69.8
Market value of the investment (in EUR million)	3,366	3,088	2,761
Value of the Issuer's investment in number of days of average daily trading volume ⁽¹⁾	281		
Dividends collected by the Issuer (in EUR million)	80	75	71

Representatives in statutory bodies

6 6 6

⁽¹⁾ This is calculated based on (i) the market value of the Issuer's investment at the end of 2017 expressed in number of shares divided by (ii) the one-year weighted average volumes per day (source: Bloomberg (EU ticker)).

Recent events

On 17 May 2018, Imerys announced that it has entered into an exclusivity agreement with an affiliate of Lone Star Funds, a global private equity firm, for the purpose of the sale of its roofing division Imerys Toiture for an enterprise value of €1.0 billion which implies a transaction multiple of 9 times 2017 EBITDA. Lone Star's offer is firm, binding, and fully financed. The operation is expected to be completed by the fourth quarter of 2018 and is subject to the customary relevant workers' councils consultations and regulatory authorities' approval.

(b) SGS

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 95,000 employees at more than 2,400 offices and laboratories.

Investment case

The industry is characterised by high barriers to entry and attractive fundamentals:

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

- Consolidation

In this sector, SGS offers a particularly attractive profile:

- World leader
- Diversified portfolio
- Ideally positioned to take advantage of growth opportunities
- Resilient across economic cycles

Financial data and rating

<i>(in CHF million)</i>	31 December 2017
Net debt ⁽¹⁾	698
Net debt / EBITDA ⁽¹⁾ (x)	0.6
Rating (S&P / Moody's) ⁽²⁾	N/A / A3

⁽¹⁾ Source: 2017 SGS full year results report for the year ended 31 December 2017

⁽²⁾ Source: Bloomberg

Market data and information on the Issuer's investment

Stock market data	31 December 2017	31 December 2016	31 December 2015
Number of shares issued (in thousands)	7,634	7,822	7,822
Market capitalisation (in CHF million)	19,397	16,208	14,949
Closing share price (in CHF/share)	2,541	2,072	1,911
Basic adjusted earnings per share (in CHF/share)	91.74	83.00	81.95
Diluted earnings per share (in CHF/share)	82.27	71.47	71.95
Dividend (in CHF/share)	75	70	68

Issuer's investment	31 December 2017	31 December 2016	31 December 2015
Percentage of share capital (in %)	16.6	16.2	15.0
Percentage of voting rights (in %)	16.6	16.2	15.0
Market value of the investment (in EUR million)	2,751	2,445	2,067
Value of the Issuer's investment in number of days of average daily trading volume ⁽¹⁾	37		
Dividends collected by the Issuer (in EUR million)	83	73	67

Representatives in statutory bodies	3	3	3
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⁽¹⁾ This is calculated based on (i) the market value of the Issuer's investment at the end of 2017 expressed in number of shares divided by (ii) the one-year weighted average volumes per day (source: Bloomberg (EU ticker)).

(c) LafargeHolcim

Profile

LafargeHolcim, the product of the merger between Lafarge and Holcim, made official in July 2015, is the world leader in construction materials. The company offers the most innovative cement, concrete, and aggregates solutions to meet its customers' needs.

The group employs around 81,000 persons in over 80 countries and has a balanced presence in developing and mature markets.

Investment case

The group is well positioned to meet the challenges of increasing urbanisation and demand for sustainable construction solutions. The stakes of the merger in 2015 have not changed:

- Creation of an uncontested leader in the building material 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

<i>(in CHF million)</i>	31 December 2017
Net financial debt ⁽¹⁾	14,346
Net financial debt / Recurring EBITDA ⁽¹⁾ (x)	2.4
Rating (S&P / Moody's) ⁽²⁾	BBB / Baa2

⁽¹⁾ Source: annual report of LafargeHolcim for the year ended 31 December 2017

⁽²⁾ Source: Bloomberg

Market data and information on the Issuer's investment

Stock market data	31 December 2017	31 December 2016	31 December 2015
Number of shares issued (in thousands)	606,909	606,909	606,909
Market capitalisation (in CHF million)	33,350	32,561	30,528
Closing price (in CHF/share)	54.95	53.65	50.30
Dividend (in CHF/share)	2.00	2.00	1.50

Issuer's investment	31 December 2017	31 December 2016	31 December 2015
Percentage of share capital (in %)	9.4	9.4	9.4
Percentage of voting rights (in %)	9.4	9.4	9.4
Market value of the investment (in EUR million)	2,693	2,857	2,674
Value of the Issuer's investment in number of days of average daily trading volume ⁽¹⁾	16		
Dividends collected by the Issuer (in EUR million)	107	78	77

Representatives in statutory bodies	2	2	2
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⁽¹⁾ This is calculated based on (i) the market value of the Issuer's investment at the end of 2017 expressed in number of shares divided by (ii) the one-year weighted average volumes per day (source: Bloomberg (EU ticker)).

(d) Pernod Ricard

Profile

Since its inception in 1975, Pernod Ricard has built up the most premium portfolio in the industry and has become the world's number two player in the wine and spirits market through organic growth and acquisitions, including Seagram in 2001, Allied Domecq in 2005 and Vin&Spirit in 2008. This portfolio includes notably thirteen strategic international brands, fifteen strategic local brands and four 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 smooth growth and profitability profile:

- Number two player worldwide 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
- Leading positions in categories such as whisky, rum and cognac

Financial data and rating

<i>(in EUR million)</i>	30 June 2017
Net financial debt ⁽¹⁾	7,851
Net financial debt / EBITDA (x) ⁽¹⁾	3.0
Rating (S&P / Moody's) ⁽²⁾	BBB / Baa2

⁽¹⁾ Source: annual report of Pernod Ricard for the year ended 30 June 2017

⁽²⁾ Source: Bloomberg

Market data and information on the Issuer's investment

Stock market data	30 June 2017	30 June 2016	30 June 2015
Number of shares issued (in thousands)	265,422	265,422	265,422
Market capitalisation (in EUR million)	31,121	26,569	27,498
Closing share price (in EUR/share)	117.25	100.10	103.60
Diluted net earnings from recurring operations (in EUR/share)	5.58	5.20	4.99
Dividend (in EUR/share)	2.02	1.88	1.80

Issuer's investment	31 December 2017	31 December 2016	31 December 2015
Percentage of share capital (in %)	7.5	7.5	7.5
Percentage of voting rights (in %)	10.9	6.8	6.9
Market value of the investment (in EUR million)	2,625	2,048	2,093
Value of the Issuer's investment in number of days of average daily trading volume ⁽¹⁾	26		
Dividends collected by the Issuer (in EUR million)	40	37	36
Representatives in statutory bodies	2	2	2

⁽¹⁾ This is calculated based on (i) the market value of the Issuer's investment at the end of 2017 expressed in number of shares divided by (ii) the one-year weighted average volumes per day (source: Bloomberg (EU ticker)).

(e) adidas

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 two main brands: adidas and Reebok. 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 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 in the USA

Financial data and rating

<i>(in EUR million)</i>	31 December 2017⁽¹⁾
Net cash / (net borrowings) ⁽²⁾	484
Debt-equity ratio	N/A
Rating (S&P / Moody's)	N/A / N/A

⁽¹⁾ Restated to reflect continuing operations as a result of the divestiture of the Rockport, TaylorMade, Adams Golf, Ashworth and CCM Hockey business

⁽²⁾ Source: annual report of adidas for the year ended 31 December 2017

Market data and information on the Issuer's investment

Stock market data	31 December 2017⁽¹⁾	31 December 2016⁽¹⁾	31 December 2015⁽²⁾
Number of shares issued (in thousands)	209,216	209,216	209,216
Market capitalisation (in EUR million)	34,970	31,414	18,811
Closing share price (in EUR/share)	167.15	150.15	89.91
Basic earnings from continuing operations (in EUR/share)	7.05⁽³⁾	5.39	3.37
Dividend (in EUR/share)	2.6	2.0	1.6

⁽¹⁾ Restated to reflect continuing operations as a result of the divestiture of the Rockport, TaylorMade, Adams Golf, Ashworth and CCM Hockey business

⁽²⁾ Not restated

⁽³⁾ Excluding a FY17 negative one-time tax impact

Issuer's investment	31 December 2017	31 December 2016	31 December 2015
Percentage of share capital (in %)	7.5	7.5	4.7
Percentage of voting rights (in %)	7.5	7.5	4.7
Market value of the investment (in EUR million)	2,623	2,356	890
Value of the Issuer's investment in number of days of average daily trading volume ⁽¹⁾	15		
Dividends collected by the Issuer (in EUR million)	27	19	3
Representatives in statutory bodies	1	1	0

⁽¹⁾ This is calculated based on (i) the market value of the Issuer's investment at the end of 2017 expressed in number of shares divided by (ii) the one-year weighted average volumes per day (source: Bloomberg (EU ticker)).

(f) Umicore

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 centred on three business groups: 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.

Financial data and rating

<i>(in EUR million)</i>	31 December 2017
Net financial debt ⁽¹⁾	840
Average net debt / EBITDA ⁽¹⁾ (x)	0.9
Rating (S&P / Moody's)	N/A / N/A

⁽¹⁾ Source: annual report of Umicore for the year ended 31 December 2017

Market data and information on the Issuer's investment

Stock market data⁽¹⁾	31 December 2017	31 December 2016	31 December 2015
Number of shares issued (in thousands)	224,000	224,000	224,000
Market capitalisation (in EUR million)	8,838	6,065	4,330
Closing share price (in EUR/share)	39.46	27.08	19.34
Net income from current operations (in EUR/share)	1.22	1.07	1.14
Diluted net income (in EUR/share)	0.96	0.60	0.78
Dividend (in EUR/share)	0.70	0.65	0.60

⁽¹⁾ Pro-forma figures, adjusted for Umicore's share split in October 2017

Issuer's investment	31 December 2017	31 December 2016	31 December 2015
Percentage of share capital (in %)	17.0	17.0	16.6
Percentage of voting rights (in %)	17.0	17.0	16.6
Market value of the investment (in EUR million)	1,503	1,032	720
Value of the Issuer's investment in number of days of average daily trading volume ⁽¹⁾	31		
Dividends collected by the Issuer (in EUR million)	26	25	15
Representatives in statutory bodies	2	2	1

⁽¹⁾ This is calculated based on (i) the market value of the Issuer's investment at the end of 2017 expressed in number of shares divided by (ii) the one-year weighted average volumes per day (source: Bloomberg (EU ticker)).

(g) Total

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

Financial data and rating

<i>(in USD million)</i>	31 December 2017
Net financial debt ⁽¹⁾	15,424
Debt-equity ratio (%) ⁽¹⁾	14
Rating (S&P / Moody's) ⁽²⁾	A+ / Aa3

⁽¹⁾ Source: registration document of Total for the year ended 31 December 2017

⁽²⁾ Source: Bloomberg

Market data and information on the Issuer's investment

Stock market data	31 December 2017	31 December 2016	31 December 2015
Number of shares issued (in thousands)	2,528,990	2,430,366	2,440,058
Market capitalisation (in EUR million)	116,447	118,376	100,689
Closing share price (in EUR/share)	46.05	48.72	41.27
Adjusted fully-diluted net income (in EUR/share)	3.65	3.06	4.51
Dividend (in EUR/share)	2.48⁽¹⁾	2.45	2.44

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

Issuer's investment	31 December 2017	31 December 2016	31 December 2015
Percentage of share capital (in %)	0.6	0.7	2.4
Percentage of voting rights (in %)	1.2	1.3	2.2
Market value of the investment (in EUR million)	746	789	2,463
Value of the Issuer's investment in number of days of average daily trading volume ⁽¹⁾	1		
Dividends collected by the Issuer (in EUR million)	36	75	157

Representatives in statutory bodies

	1	2	2
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⁽¹⁾ This is calculated based on (i) the market value of the Issuer's investment at the end of 2017 expressed in number of shares divided by (ii) the one-year weighted average volumes per day (source: Bloomberg (EU ticker)).

(h) Burberry

Profile

Founded in 1856, Burberry is a global luxury brand with a diversified product offering across apparel, accessories and leather goods. The company designs and manufactures its products, selling them through a diversified network of retail, wholesale, franchisees and licensing channels.

The company further developed its brand image over the last 20 years, by streamlining its product range, building on iconic items and expanding into the digital area.

Investment case

- Luxury goods industry is expected to grow by 3-4% per year in the coming years, driven by demographics, increasing wealth and travel
- Burberry is a globally recognised brand, considered as the best-in-class digital player in the industry
- Burberry offers an attractive shareholders' cash return thanks to its solid balance sheet and strong cash conversion
- The company is committed to applying its capital allocation policy (dividend distribution and a share buyback)

Financial data and rating

<i>(in GBP million)</i>	31 March 2017
Net cash / (net debt) ⁽¹⁾	809
Net debt / EBITDA (x)	N/A
Rating (S&P / Moody's)	N/A / N/A

⁽¹⁾ Source: annual report of Burberry for the year ended 31 March 2017

Market data and information on the Issuer's investment

Stock market data	31 March 2017	31 March 2016	31 March 2015
Number of shares issued (in thousands)	445,173	445,037	444,744
Market capitalisation (in GBP million)	7,675	6,075	7,707
Closing price (in GBP/share)	17.24	13.65	17.33
Adjusted diluted EPS (in GBP/share)	77.4	69.9	76.9
Dividend (in GBP/share)	38.9	37.0	35.2

Issuer's investment	31 December 2017	31 December 2016	31 December 2015
Percentage of share capital (in %)	6.5	3.0	-
Percentage of voting rights (in %)	6.5	3.0	-
Market value of the investment (in EUR million)	557	230	2
Value of the Issuer's investment in number of days of average daily trading volume ⁽¹⁾	9		
Dividends collected by the Issuer (in EUR million)	9	6	-
Representatives in statutory bodies	0	0	0

⁽¹⁾ This is calculated based on (i) the market value of the Issuer's investment at the end of 2017 expressed in number of shares divided by (ii) the one-year weighted average volumes per day (source: Bloomberg (EU ticker)).

Divestment

On 9 May 2018, the Issuer and its wholly-owned subsidiary GBL Energy S.à r.l. announced the successful sale of 6.6% of the capital of Burberry Group plc, corresponding to 27.6 million shares. The transaction represents the disposal of the entire stake in Burberry.

For further information, please see the press releases published by the Issuer on 8 May 2018 (*Groupe Bruxelles Lambert intends to sell 6.6% of Burberry's capital*) and on 9 May 2018 (*Completion of the sale of 6.6% of Burberry's capital by Groupe Bruxelles Lambert*), which are incorporated by reference into this Prospectus.

(i) Ontex

Profile

Ontex is a growing international group specialised in hygienic products for baby, adult and feminine care. Ontex products are distributed in more than 110 countries under the company's own brands and retailer brands. The main sales channels are retail trade, medical institutions and pharmacies.

Investment case

The growth of the industry is 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 in retailer brands, (ii) increases in share of its own brands, including premiumisation, and (iii) its greater exposure to emerging countries and adult incontinence products.

Market data and information on the Issuer's investment

Stock market data	31 December 2017	31 December 2016	31 December 2015
Number of shares issued (in thousands)	192,496	192,496	192,496
Market capitalisation (in EUR million)	7,702	7,359	7,199
Closing price (in EUR/share)	40.01	38.23	37.40
Basic EPS (in EUR/share)	1.31 ⁽¹⁾	1.48	1.88
Diluted EPS (in EUR/share)	1.31 ⁽¹⁾	1.48	1.88
Dividend (in EUR/share)	0.85 ⁽²⁾	0.80	0.80

⁽¹⁾ Based and diluted EPS computed based on the weighted average number of shares outstanding (186.3 million shares at year-end 2017)

⁽²⁾ Dividend per share distributed to a total of 180.5 million shares entitled to dividends, i.e. excluding treasury shares (to be cancelled after the General Shareholders' Meeting)

Issuer's investment	31 December 2017	31 December 2016	31 December 2015
Percentage of share capital (in %)	4.3	-	-
Percentage of voting rights (in %)	4.3	-	-
Market value of the investment (in EUR million)	328	-	-
Value of the Issuer's investment in number of days of average daily trading volume ⁽¹⁾	7	-	-
Dividends collected by the Issuer (in EUR million)	2	-	-
Representatives in statutory bodies	0	-	-

⁽¹⁾ This is calculated based on (i) the market value of the Issuer's investment at the end of 2017 expressed in number of shares divided by (ii) the one-year weighted average volumes per day (source: Bloomberg (EU ticker)).

(k) Parques Reunidos

Profile

Since its inception in 1967 as a small-sized Spanish operator, Parques Reunidos has become one of the leading operators of leisure parks in Europe and the US through organic growth and multiple acquisitions, including Bobbejaanland (Belgium, 2004), Mirabilandia (Italy, 2006), Warner (Spain, 2007) and Palace Entertainment (US, 2007).

The company operates amusement, animal and water parks with a portfolio of regional and local parks, which have strong local brands.

Investment case

The local and regional leisure park market benefits from structural factors, including:

- Appeal of experience
- “Staycation” (i.e., vacation where one returns at home each night) effect providing resilience during downturn
- High industry fragmentation with build-up potential

Parques Reunidos is uniquely positioned:

- Portfolio of over 60 parks with well-known brands
- Multiple avenues of organic and external growth
- Ability to transfer best practices to newly-acquired parks

Financial data and rating

<i>(in EUR million)</i>	30 September 2017
Net financial debt ⁽¹⁾	516
Net financial debt / EBITDA ⁽¹⁾ (x)	3.0
Rating (S&P / Moody's)	N/A / N/A

⁽¹⁾ Source: FY 2017 results presentation of Parques Reunidos for the year ended 30 September 2017

Market data and information on the Issuer's investment

Stock market data	30 September 2017	30 September 2016	30 September 2016
Number of shares issued (in thousands)	80,742	80,742	23,436
Market capitalisation (in EUR million)	1,033	995	n.a.
Closing share price (in EUR/share)	12.80	12.32	n.a.
Pro forma earnings per share (in EUR/share)	0.64	0.76	n.a.
Diluted pro forma earnings per share (in EUR/share)	0.64	0.76	n.a.
Dividend (in EUR/share)	0.25	0.25	0.00

Issuer's investment	31 December 2017	31 December 2016	31 December 2015
Percentage of share capital (in %)	21.2	-	-
Percentage of voting rights (in %)	21.2	-	-
Market value of the investment (in EUR million)	254	-	-
Value of the Issuer's investment in number of days of average daily trading volume ⁽¹⁾	103	-	-
Dividends collected by the Issuer (in EUR million)	3	-	-
Representatives in statutory bodies	1	-	-

⁽¹⁾ This is calculated based on (i) the market value of the Issuer's investment at the end of 2017 expressed in number of shares divided by (ii) the one-year weighted average volumes per day (source: Bloomberg (EU ticker)).

1.3.2 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 2017, Sienna Capital's portfolio was composed of seven managers deploying capital via fourteen 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), a fund which provides long-term capital to family- and founder-led businesses (BDT Capital Partners) and a venture capital fund specialised in new digital technologies (Backed).








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 development and diversification 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 December 2017 cumulative since inception

Fund/year of initial investment	 ERGO CAPITAL PARTNERS 2005	 SAGARD 2002	 KARTESIA 2013	 MERIEUX 2014	 PrimeStone 2015	 BDI CAPITAL PARTNERS 2015	 SACRED 2017	Cumulative
In EUR million								
Commitment	863	398	300	75	150	113	25	1,924
Capital invested	517	266	151	43	150	56	8	1,190
Remaining callable capital	345	131	149	32	-	57	17	733
Distribution received to date	593	199	53	0	-	-	-	844
Value of the stake (Sienna Capital's portfolio)	199	246	150	50	178	62	8	893

Profile

Created in 2005, Ergon Capital Partners (“ECP”) is a private equity fund operating in the mid-market segment. It makes equity investments from EUR 25 million up to EUR 75 million in leading companies with a sustainable competitive position in attractive niche markets located in the Benelux, Italy, Iberia, France, Germany and Switzerland.

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 under management. 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 initially EUR 350 million, ECP III. In July 2016, the size of ECP III was successfully increased by EUR 150 million bringing the total commitment to EUR 500 million.

In 2017, Ergon launched ECP IV in which Sienna Capital committed EUR 200 million. Sienna Capital receives certain favourable financial terms for its support of Ergon.

Financial year 2017

During the year, ECP III completed the sale of its majority stakes held in Golden Goose and ELITech and invested in Keesing Media Group.

In December 2017, ECP IV has been launched with a final closing expected in 2018 and a target of 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 by committing EUR 218 million.

Sienna Capital receives certain preferential financial terms in relation to its support of Sagard 3.

Financial year 2017

During the year, Sagard 3 invested in Ipackchem, one of the global leaders in the manufacturing of “barrier” packaging, and completed add-ons on existing investments.



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

KCO III (previously named KCO I) successfully closed at EUR 507.5 million, of which EUR 150 million from Sienna Capital. In exchange for providing Day 1 capital to support the launch of Kartesia, Sienna Capital receives certain preferred economics.

Kartesia successfully launched a new fund, KCO IV, in which Sienna Capital committed EUR 150 million.

Financial year 2017

At 31 December 2017, KCO III and KCO IV have invested EUR 112 million and EUR 302 million respectively in primary and secondary transactions. In 2017, KCO III has distributed to its investors an amount of EUR 147 million.



Profile

Established in 2009, Mérieux Développement invests in growth equity and venture capital within the healthcare and nutrition sectors, working alongside entrepreneurs whose products and services can bring genuine advances to patients and consumers worldwide.

Mérieux Développement is the investment arm of Institut Mérieux, which employs 15,000 people worldwide and generated revenues in excess of USD 3 billion in 2017.

Sienna Capital & Mérieux Développement

In 2014, Sienna Capital committed an amount of EUR 75 million dedicated to the two funds managed by Mérieux Développement: Mérieux Participations I and Mérieux Participations 2. Sienna Capital benefits from certain favourable financial terms for its support of Mérieux Participations 2.

Financial year 2017

In 2017, Mérieux Participations 2 has invested in four new companies for a total amount of EUR 26 million.

PrimeStone

Profile

PrimeStone was established in 2014 by three former partners from The Carlyle Group, specialising in buy-outs, and who have worked and invested together across Europe for more than fifteen 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 2017

In 2017, PrimeStone completed two 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 5.2 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 2017

In 2017, BDTCP II completed an additional investment for a total of USD 518 million.



BACKED

Profile

Backed is a venture capital fund and has a unique investment proposition, as an investment team of millennials is targeting millennials entrepreneurs who create products and offer services for millennials.

Backed was launched in 2015 by a 29 year old talented investment professional. The fund invests in seed/series A deals.

Sienna Capital & Backed

As part of a long-term agreement, Sienna Capital has committed EUR 25 million in September 2017. In exchange for its support of Backed, Sienna Capital benefits from certain favourable financial terms.

Financial year 2017

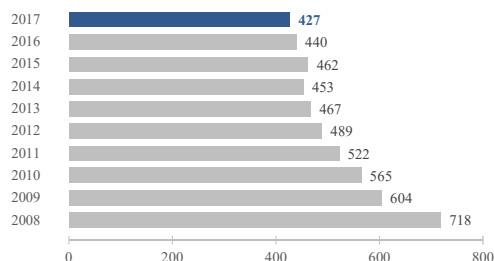
Since inception, Backed invested EUR 13 million across 23 transactions, out of which six have been done in 2017.

2 SELECTED FINANCIAL INFORMATION

2.1 KEY FIGURES

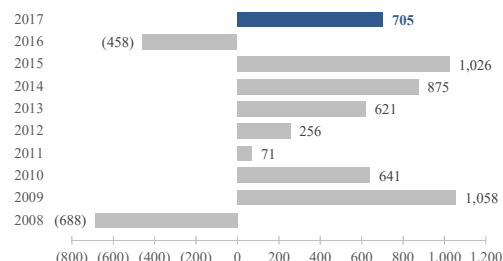
Cash earnings

In EUR million



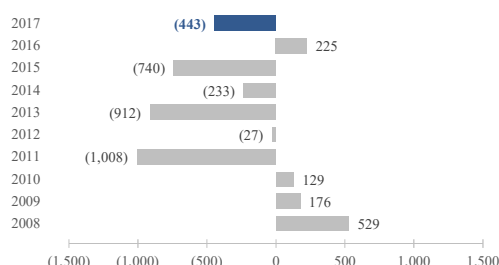
Net result (group's share)

In EUR million



Net cash / (net debt)

In EUR million



2.2 ECONOMIC PRESENTATION OF THE CONSOLIDATED RESULT

In EUR million					31 December 2017	31 December 2016 ⁽¹⁾
Group's share	Cash earnings	Mark to market and other non-cash items	Operating companies (associates or consolidated) and Sienna	Eliminations, capital gains, impairment and reversals	Consolidated	Consolidated
	-	-	219.7	-	219.7	186.6
Profit (loss) of associates and consolidated operating companies						
Net dividends from investments	461.2	(0.4)	-	(120.1)	340.7	338.4
Interest income (expenses)	(23.5)	(4.1)	(2.0)	-	(29.6)	(34.7)
Other financial income (expenses)	24.2	4.9	-	(16.9)	12.2	72.3
Other operating income (expenses)	(35.4)	(5.6)	(17.5)	-	(58.5)	(47.6)
Gains (losses) on disposals, impairments and reversals of non-current assets	-	-	213.8	7.7	221.5	(972.5)
Taxes	-	-	(0.6)	-	(0.6)	(0.2)
IFRS consolidated net result (2017)	426.5	(5.2)	413.4	(129.3)	705.4	
IFRS consolidated net result (2016) ⁽¹⁾	440.4	14.4	223.1	(1,135.6)		(457.7)

⁽¹⁾ The figures presented for comparative purposes have been restated in order to take into account the reclassification of the net capital gain on the disposal by ECP III of the activities of De Boeck for EUR 51 million GBL's share from the item "Profit (loss) of associates and consolidated operating companies" to the item "Gains (losses) from disposals, impairments and reversals of non-current assets"

The consolidated net result, group's share, at 31 December 2017 stands at EUR 705 million, compared with EUR - 458 million at 31 December 2016.

This result is primarily affected by:

- the net dividends from investments amounting to EUR 341 million;
- the net capital gains made on the sale of the participations in Golden Goose and ELITech by ECP III for EUR 216 million (share of the Issuer); and
- Imerys' contribution amounting to EUR 200 million.

2.2.1 Cash earnings (EUR 427 million compared with EUR 440 million)

In EUR million	31 December 2017	31 December 2016
Net dividends from investments	461.2	457.6
Interest income (expenses)	(23.5)	(15.9)
Other income (expenses)		
financial	24.2	38.1
operating	(35.4)	(29.3)
Gains (losses) on disposals, impairments and reversals of non-current assets	-	(10.0)
Taxes	-	(0.1)
Total	426.5	440.4

In 2017, net dividends from investments increased by EUR 4 million compared with 2016.

In EUR million	31 December 2017	31 December 2016
LafargeHolcim	107.0	77.9
SGS	82.8	72.9
Imerys	80.1	75.0
Pernod Ricard	40.2	37.4
Total	35.5	75.1
adidas	26.7	18.8
Umicore	25.7	24.8
Ontex	9.0	5.2
Burberry	8.9	5.8
Parques Reunidos	3.0	-
GEA	2.2	-
ENGIE	0.1	46.5
Listed investments	421.2	439.4
Sienna Capital	40.0	18.2
Total	461.2	457.6

The increase in net dividends from investments is derived from the rise in dividends from LafargeHolcim, SGS, adidas, Imerys and Sienna Capital primarily as a result of the growth in unit dividends as well as contributions from recent investments (Ontex, Burberry, Parques Reunidos and GEA). This positive change is partly offset by the decrease in dividends from Total and ENGIE consecutive to the partial disposals carried out in 2016 and 2017. If the forward sales contracts entered into by the Issuer in relation to ENGIE and Total shares, which were executed and matured during the 2016 financial year, had been executed spot during the second and third quarters of 2016, cash earnings at 31 December 2016 would have been negatively impacted by EUR 38 million.

LafargeHolcim distributed, for the 2016 financial year, a dividend of CHF 2.00 per share (CHF 1.50 in 2016), contributing EUR 107 million to the result at 31 December 2017.

SGS paid an annual dividend of CHF 70.00 per share (CHF 68.00 in 2016), representing EUR 83 million in 2017.

In the second quarter of 2017, Imerys approved an annual dividend of EUR 1.87 per share (EUR 1.75 in 2016), corresponding to a collection of EUR 80 million for the Issuer.

Pernod Ricard declared in the second quarter of 2017 an interim dividend of EUR 0.94 per share (EUR 0.90 in 2016) and paid the balance during the fourth quarter (EUR 1.08 per share, compared with EUR 0.98 in 2016), corresponding to a total amount of EUR 40 million for the Issuer in 2017.

Total approved a dividend of EUR 2.45 per share for 2016 and paid, during 2017, the last quarterly interim dividend, the balance of the 2016 dividend and the first quarterly interim dividend related to the 2017 financial year, i.e., EUR 0.61, EUR 0.62 and EUR 0.62 per share respectively. Total has also announced the distribution of its second interim dividend for EUR 0.62 per share. Total's contribution to the result of the 2017 financial year amounts to EUR 36 million.

adidas distributed a dividend of EUR 2.00 per share in the second quarter of 2017 (EUR 1.60 in 2016), representing EUR 27 million in 2017.

Umicore approved during the second quarter of 2017 the balance of its 2016 dividend of EUR 0,70 per share (unchanged compared with 2016) and paid, in the third quarter of 2017, an interim dividend of EUR 0,65 per share (EUR 0,60 in 2016). Umicore's contribution amounts to EUR 26 million in the 2017 financial year. The dividend per share does not take into account the two-for-one share split, effective as from 16 October 2017, in accordance with the decision taken at the General Shareholders' Meeting of 7 September 2017.

Ontex distributed in the first half of 2017 a dividend of EUR 0.55 per share in relation to the 2016 financial year (EUR 0.46 in 2016), corresponding to an amount of EUR 9 million for the Issuer.

Burberry approved in 2017 the payment of the balance of its dividend (GBP 0.284 per share) and announced during the fourth quarter of 2017 an interim dividend of GBP 0.110 per share contributing EUR 9 million to the Issuer's result.

Parques Reunidos paid in 2017 a dividend of EUR 0.2477 per share, representing a contribution of EUR 3 million.

GEA paid in 2017 a dividend of EUR 0.80 per share corresponding to a contribution of EUR 2 million for the Issuer.

Sienna Capital paid during the last quarter of 2017 a dividend of EUR 40 million (compared with EUR 18 million in 2016).

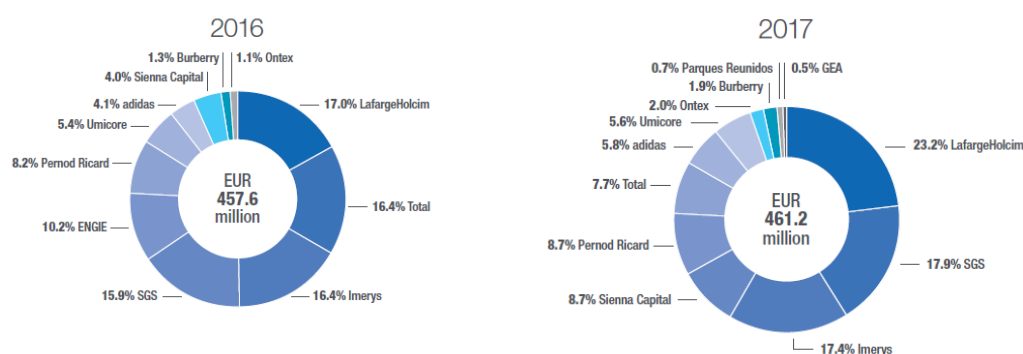
Net interest expenses (EUR - 24 million) are negatively impacted by the lower contribution, this year, of interest income from Sienna Capital. Besides, net interest expenses benefited in 2017 from the partial buyback of bonds exchangeable into ENGIE shares, with consecutive cancellation of the repurchased bonds, carried out in the course of 2016 and the repayment, on 7 February 2017, of the residual bonds. This impact is partially offset by the interest expenses related to the new institutional bond issued in 2017.

Other financial income (expenses) (EUR 24 million) primarily comprise yield enhancement income of EUR 13 million (EUR 26 million in 2016) and dividends collected on treasury shares (EUR 17 million, unchanged compared with 2016).

Other operating income (expenses) amount to EUR - 35 million in 2017. Their increase compared with 2016 stems from non-recurring items.

Gains (losses) from disposals, impairments and reversals of non-current assets of EUR - 10 million in 2016 included the total cost relating to the early buybacks of exchangeable bonds into ENGIE shares (including banking fees).

Contribution of investments to net dividends from investments



2.2.2 Mark to market and other non cash (EUR - 5 million compared with EUR 14 million)

In EUR million	31 December 2017	31 December 2016
Net dividends from investments	(0.4)	(26.0)
Interest income (expenses)	(4.1)	(7.3)
Other financial income (expenses)	4.9	51.2
Other operating income (expenses)	(5.6)	(1.0)
Profit (losses) on disposals, impairment and reversals of non-current assets	-	(2.5)
Total	(5.2)	14.4

Net dividends from investments included at 31 December 2016, 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 had been paid in April 2017.

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 - 4 million compared with EUR - 7 million last year).

The other financial income (expenses) notably include the mark to market of the trading portfolio and derivative instruments (EUR 15 million compared with EUR - 21 million in 2016), as well as the derivative component embedded in the exchangeable and convertible bonds for EUR - 11 million (compared with EUR 72 million in 2016). This non-monetary loss of EUR 11 million includes the change in the value of the call options on underlying securities implicitly embedded in the convertible bonds issued in 2013. In 2017, the change in value of these derivative instruments was primarily attributable to the change since 1 January 2017 of the Issuer's stock price.

The 2017 result illustrates, as commented on in previous closings, the accounting asymmetry and volatility of periodic results, which will persist throughout the lifetime of the convertible bonds.

2.2.3 Operating companies (associates or consolidated) and Sienna Capital (EUR 413 million compared with EUR 223 million)

In EUR million	31 December 2017	31 December 2016 ⁽¹⁾
Profit (loss) of associates and consolidated operating companies	219.7	186.6
Interest income (expenses)	(2.0)	(11.5)
Other operating income (expenses)	(17.5)	(17.3)
Profit (losses) on disposals, impairment and reversals of non-current assets	213.8	65.4
Taxes	(0.6)	(0.1)
Total	413.4	223.1

⁽¹⁾ The figures presented for comparative purposes have been restated in order to take into account the reclassification of the net capital gain on the disposal by ECP III of the activities of De Boeck for EUR 51 million GBL's share from the item "Profit (loss) of associates and consolidated operating companies" to the item "Gains (losses) from disposals, impairments and reversals of non-current assets"

Net profit (loss) of associates and consolidated operating companies amounts to EUR 220 million compared with EUR 187 million in 2016:

In EUR million	31 December 2017	31 December 2016 ⁽¹⁾
Imerys	199.8	159.6
Sienna Capital	19.9	27.0
<i>ECP I & II</i>	(7.7)	(0.6)
<i>Operating subsidiaries of ECP III</i>	(4.0)	2.8
<i>Kartesia</i>	24.2	22.2
<i>Mérieux Participations 2</i>	7.4	2.6
Total	219.7	186.6

⁽¹⁾ The figures presented for comparative purposes have been restated in order to take into account the reclassification of the net capital gain on the disposal by ECP III of the activities of De Boeck for EUR 51 million GBL's share from the item "Profit (loss) of associates and consolidated operating companies" to the item "Gains (losses) from disposals, impairments and reversals of non-current assets"

Imerys (EUR 200 million compared with EUR 160 million)

Net current income increases by 11.4% to EUR 403 million at 31 December 2017 (EUR 362 million at 31 December 2016), as a result of the improved current operating income, at EUR 648 million (EUR 582 million at 31 December 2016). The net result, group's share, amounts to EUR 368 million at 31 December 2017 (EUR 293 million at 31 December 2016).

Imerys contributed EUR 200 million to the Issuer's result in 2017 (EUR 160 million in 2016), reflecting the increase in the net result, group's share, and the 54.3% consolidation rate for Imerys in 2017 (54.5% in 2016).

The press release relating to Imerys' results for 2017 is available at www.imerys.com.

Sienna Capital (EUR 20 million compared with EUR 27 million)

Net profit (loss) of associates and consolidated operating companies at Sienna Capital stands at EUR 20 million, compared with EUR 27 million a year earlier. The result of the period includes mainly the share of Kartesia's result attributable to the Issuer (EUR 24 million in 2017 compared with EUR 22 million in 2016).

The gains (losses) from disposals, impairments and reversals of non-current assets mainly consist of the net capital gain of the disposals by ECP III of Golden Goose (EUR 112 million) and ELITech (EUR 104 million). In 2016, this item consisted primarily of the net capital gain on the disposal of De Boeck's activities by ECP III (EUR 51 million share of the Issuer) as well as the capital gain on the disposal of FläktWoods by Sagard II (EUR 12 million).

2.2.4 Eliminations, capital gains, impairments and reversals (EUR - 129 million compared with EUR - 1,136 million)

In EUR million	31 December 2017	31 December 2016
Elimination of dividends (Imerys and Sienna Capital)	(120.1)	(93.2)
Other financial income (expenses) (Issuer)	(16.9)	(17.0)
Capital gains (losses) on disposals (Total, ENGIE and others)	8.1	720.9
Impairments on AFS investments and reversals of non-current assets (LafargeHolcim, ENGIE and others)	(0.4)	(1,746.3)
Total	(129.3)	(1,135.6)

Elimination of dividends

Net dividends from operating investments (associates or consolidated companies) are eliminated and represent EUR 120 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.

Capital gains on disposals

In 2017, the capital gains are not significant. This item included in 2016 the capital gain from the sale of 1.8% of Total's capital for EUR 732 million, as well as the consolidated capital loss on the sale of 1.8% of ENGIE for EUR 11 million.

Impairments on AFS investments and reversals of non-current assets

At 31 December 2016, this item was mainly composed of:

- an impairment of EUR 1,682 million on the LafargeHolcim stake, 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 stake during the first and fourth quarters of 2016, 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).

2.2.5 Comprehensive income 2017 – 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 2,071 million in 2017 compared with EUR 2,057 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 2,071 million gives an indication of the value creation achieved by the company in 2017. It is based on the consolidated result, group's share, for the period (EUR 705 million), plus the market value impact on the available for sale investments (LafargeHolcim, adidas, Total, etc.), i.e., EUR 1,554 million, and the changes in the equity of associates and consolidated companies, group's share, amounting to EUR - 189 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				2017	2016
	Result of the period	Elements entered directly in shareholder's equity		Comprehensive income	Comprehensive income
Group's share		Mark to market	Associated and consolidated companies		
Investments' contribution	781.9	1,554.4	(188.6)	2,147.7	2,049.4
Total	35.1	(42.9)	-	(7.8)	117.3
ENGIE	1.3	0.2	-	1.5	(129.7)
LafargeHolcim	107.0	(164.6)	-	(57.6)	260.8
Pernod Ricard	40.2	579.9	-	620.1	(7.1)
Imerys	199.8	-	(145.2)	54.6	213.5
SGS	82.8	306.6	-	389.4	281.2
Umicore	25.8	473.1	-	498.9	320.6
adidas	26.7	270.7	-	297.4	877.0
Ontex	9.0	(12.9)	-	(3.9)	(19.6)
Burberry	8.4	33.8	-	42.2	-
Parques Reunidos	3.0	-	(41.2)	(38.2)	-
GEA	2.2	8.8	-	11.0	-
Sienna Capital	233.7	103.9	(4.0)	333.6	135.7
Other	6.9	(2.2)	1.8	6.5	(0.3)
Other income (expenses)	(76.5)	-	-	(76.5)	7.4
31 December 2017	705.4	1,554.4	(188.6)	2,071.2	
31 December 2016	(457.7)	2,460.9	53.6	2,147.7	2,056.8

2.3 ECONOMIC PRESENTATION OF THE FINANCIAL POSITION

At 31 December 2017, the Issuer presents a net debt position of EUR 443 million.

It is characterised by:

- gross cash excluding treasury shares of EUR 564 million (EUR 1,375 million at year-end 2016); and
- gross debt of EUR 1,007 million (EUR 1,150 million at year-end 2016).

The weighted average maturity of the gross debt is 4.0 years at the end of December 2017 (1.3 year at year-end 2016).

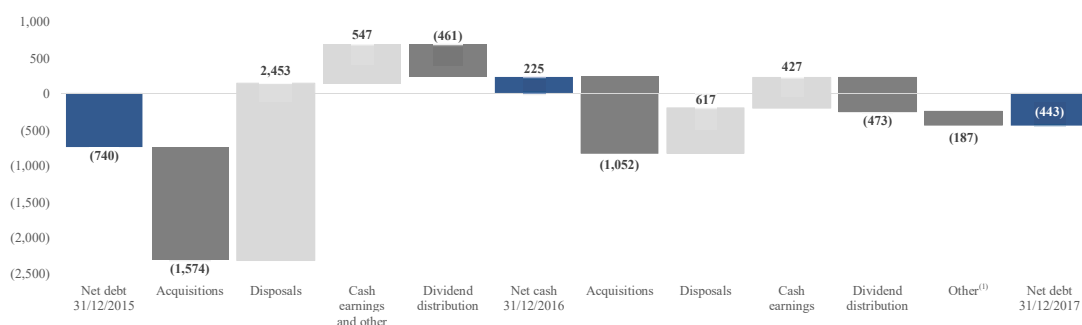
At 31 December 2017, committed credit lines total EUR 2,150 million (entirely undrawn) and mature in 2022.

This position does not include the Issuer's commitments in respect of Sienna Capital, which total EUR 733 million at the end of December 2017 (EUR 601 million at 31 December 2016).

Finally, the 5,660,482 treasury shares (including five million of treasury shares underlying the Issuer's convertible bonds) represent 3.5% of the issued capital and are valued at EUR 505 million, compared with 3.7% and EUR 467 million respectively at the end of the previous year.

Financial position: change over 2 years

In EUR million



⁽¹⁾ Corresponding mainly to the elimination of the disposal of ENGIE shares (reclassified in cash at 31/12/2016) and Sienna Capital's dividend.

The issuance of the Bonds will impact the Issuer's debt maturity profile. At the end of March 2018, the weighted average maturity of the gross debt was 3.7 years. Through the issue of the Bonds, the weighted average maturity (as calculated on a pro forma basis, by adding the weighted maturity of the Bonds to the weighted average maturity at the end of March 2018) will be extended to 4.9 years.

Breakdown of the financial position at 31 December

At 31 December 2017, gross cash excluding treasury shares stands at EUR 564 million (EUR 1,375 million at 31 December 2016).

The following table presents its components in correlation with the Issuer's consolidated financial statements:

In EUR million	Notes	31 December 2017	31 December 2016
Gross cash as presented in:			
Net asset value		564	1,375
Segment information (Holding)		555	1,235
-Trading financial assets		485	1,020
-Cash and cash equivalents		82	213
-Other current assets	18	33	42
-Trade payables		(3)	(2)
-Tax liabilities		(4)	(8)
-Other current liabilities	23	(38)	(30)
Reconciliation items			
Reclassification of ENGIE shares previously taken into account in the net asset value and included in 2016 in gross cash		9	140
Other		1	145
		8	(5)

At 31 December 2017, gross debt of EUR 1,007 million (EUR 1,150 million at 31 December 2016) breaks down as follows:

In EUR million	31 December 2017	31 December 2016
Retail and institutional bonds	500	350
ENGIE exchangeable bonds	-	306
Issuer convertible bonds	450	450
Other	57	43
Gross debt	1,007	1,150

The following table presents the components of the gross debt in correlation with the IFRS consolidated financial statements:

In EUR million	31 December 2017	31 December 2016
Gross debt, included in the segment information (Holding)	996	1,133
Non-current financial liabilities	553	477
Current financial liabilities	443	656
Reconciliation items	11	17
Impact of the recognition of financial liabilities at amortised cost in IFRS	11	17

At 31 December 2017, the Issuer presents a net debt position of EUR 443 million. The net debt presents the following Loan To Value ratio:

In EUR million	31 December 2017	31 December 2016
Net debt (excluding treasury shares)	443	n.a.
Market value of the portfolio	18,826	n.a.
Market value of the treasury shares underlying the bonds convertible into shares of the Issuer	450	n.a.
Loan to Value	2.3%	-

Treasury shares, valued at their historic value, are recorded as a deduction from shareholders' equity in IFRS. The treasury shares (EUR 505 million at 31 December 2017 and EUR 467 million at 31 December 2016) are valued by applying the valuation principles set out in the glossary in the 2017 annual report.

2.4 HISTORICAL DATA OVER TEN YEARS

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

In EUR million	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Consolidated result										
Cash earnings	426.5	440.4	461.6	452.8	467.0	489.3	522.3	565.0	603.5	718.1
Mark to market and other non-cash items	(5.2)	14.4	90.9	(27.8)	(167.4)	(25.7)	18.9	(20.0)	4.7	(117.8)
Operating companies (associated or consolidated) and Sienna Capital	413.4	223.1	(45.2)	225.0	256.0	189.0	284.4	260.2	135.5	337.7
Eliminations, capital gains (losses) on disposals, impairments and reversals	(129.3)	(1,135.6)	519.1	225.3	65.0	(397.0)	(750.6)	(164.4)	314.0	(1,625.5)
Consolidated result (group's share)	705.4	(457.7)	1,026.4	875.3	620.6	255.6	75.0	640.8	1,057.7	(687.5)
Consolidated result of the period	891.1	(310.9)	1,055.9	993.1	724.7	375.5	167.3	638.4	1,057.7	(687.5)
Total distribution	484.1	472.8	461.5	450.2	438.9	427.6	419.5	409.9	390.5	371.1
Number of shares at the end of the year⁽¹⁾										
Basic	155,607,490	155,374,131	155,243,926	155,139,245	155,060,703	155,253,541	155,258,843	155,223,385	155,641,380	155,849,909
Diluted	160,785,245	160,815,820	160,841,125	160,649,657	156,869,069	156,324,572	157,431,914	158,721,241	161,202,533	155,849,909
Payout (in %)										
Dividend/cash earnings	113.5	107.4	100.0	99.4	94.0	87.4	80.3	72.5	64.7	51.7
Consolidated result per share (group's share)⁽²⁾										
	4.53	(2.95)	6.61	5.64	4.00	1.65	0.48	4.13	6.80	(4.41)
Consolidated cash earnings per share (group's share)⁽³⁾										
	2.64	2.73	2.86	2.81	2.89	3.03	3.24	3.50	3.74	4.45

⁽¹⁾ The calculation of the number of basic and diluted shares is detailed in the 2017 annual report

⁽²⁾ The calculation of the consolidated result per share takes into account the basic number of shares

⁽³⁾ The calculation of the consolidated cash earnings per share takes into account the number of shares issued

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 www.corporategovernancecommittee.be.

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 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 by the board of directors on 15 March 2018 to take into account organisational changes that had taken place within the Issuer. The document thus amended is available on the Issuer’s website (www.gbl.be).

3.1 BOARD OF DIRECTORS

3.1.1 Composition of the board of directors as at the date of this Prospectus

	Current term of office	Participation in board committees and/or in the executive management
Chairman of the board of directors Gérald Frère	2015-2019	Member of the standing committee
Vice-chairmen, directors Paul Desmarais, Jr. Thierry de Rudder	2015-2019 2016-2020	Member of the standing committee Chairman of the standing committee
Co-CEOs Ian Gallienne Gérard Lamarche	2016-2020 2015-2019	Member of the standing committee Member of the executive management Member of the standing committee Member of the executive management
Directors Victor Delloye Paul Desmarais III Cédric Frère Ségolène Gallienne Jocelyn Lefebvre ⁽¹⁾ Gilles Samyn	 2017-2021 2018-2022 2015-2019 2015-2019 2017-2021 2015-2019 2017-2021	 Member of the standing committee Member of the standing committee Member of the standing committee Member of the standing committee Member of the standing committee ⁽¹⁾ Member of the standing committee, the audit committee and the nomination and remuneration committee ⁽²⁾

Amaury de Seze		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
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 ⁽¹⁾
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
Honorary Chairman		
Baron Frère		
Honorary Managing Directors		
Jacques Moulaert and Emile Quevrin		
Honorary directors		
Count Baudouin du Chastel de la Howarderie, Jacques-Henri Gougenheim, Count Jean-Jacques de Launoit and Aldo Vastapane		

⁽¹⁾ Since the Ordinary General Shareholders' Meeting of 25 April 2017

⁽²⁾ Member of the Nomination and Remuneration Committee since the Ordinary General Shareholders' Meeting of 25 April 2017

The composition of the Issuer's board of directors reflects the Issuer's controlling shareholding structure. Specifically, 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 put forward 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 should dominate the decision-making.

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

It is in this context that the Issuer has developed a diversity policy for its board of directors in accordance with the Law of 3 September 2017 on the disclosure of non-financial information and diversity information by certain companies and groups (for more details, please see the 2017 annual report). The Issuer also ensures the presence and contribution of independent directors in a sufficient quantity and quality, thereby ensuring that the interests of all the Issuer's shareholders are respected. It has also gradually increased the number of women on its board and its committees, as required by the law of 28 July 2011 aimed at guaranteeing the presence of women on the board of directors of listed companies. The Issuer's board of directors has five independent directors and has six female directors out of a total of eighteen members.

3.1.2 Information on directors

(a) 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 was also chairman of the board of directors of Loverval Finance S.A. until 28 December 2017. He is also 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 1 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's degree in Business from McGill University in Montreal and an MBA from INSEAD in Fontainebleau.

He joined Power Corporation of Canada in 1981 and took up the position of vice-president the following year. In 1984, he guided the creation of the 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 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 since 2008. 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. 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 turning around struggling businesses in France. From 1998 to 2005 he was manager at the private equity funds Rhone Capital LLC in New York and London. In 2005 he created the private equity fund Ergon Capital in Brussels and was its managing director until 2012.

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

Gérard Lamarche
Co-CEO

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

Gérard Lamarche graduated in Economics 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 Gérard Lamarche joined Société Générale de Belgique as investment manager and was controller from 1989 to 1991, before becoming an advisor on strategic operations from 1992 to 1995.

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

In 2000 Gérard Lamarche pursued his career in the industrial sector by joining NALCO (a US subsidiary of the Suez group, world leader in industrial waste water treatment) as 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 1 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 Banque Bruxelles 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 president of the Royal Philanthropic Society in Brussels, Treasurer of St Michael and St Gudula's Cathedral in Brussels, president of the French-speaking jury for the Queen Paola Prize for education, a member of the Organising Authority of the Collège de Maredsous (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 studied at the Ecole Normale Supérieure Paris (1977), qualified in physical sciences (1980) and is an Engineer of the Corps des Mines (1981-1984).

After five years at the Ministry of Industry and at the Hydrocarbons Directorate, Laurence Danon Arnaud joined ELF group in 1989. She held various positions in the Chemistry branch of TOTAL FINA ELF group including in particular, between 1996 and 2001, that of CEO of BOSTIK, the number two 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 its 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 merchant bank Leonardo & Co. Following the sale of Leonardo & Co. to NATIXIS in 2015 she devoted herself to her family office, PRIMROSE SAS.

Laurence Danon Arnaud has been a director of Gecina since 2017 as well as Amundi since 2015 and TF1 since 2010. She has been a member of other boards of directors: Diageo (2006-2015), Plastic Omnium (2003-2010), Experian Plc. (2007-2010), Rhodia (2008-2011) and of the supervisory board of BPCE (2009-2013).

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 (CNP-NPM). He is also vice-chairman of the Association Belge des Sociétés Cotées ASBL.

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 went to work for Imerys in France as a project manager and in 2012 joined Great-West Lifeco (Canada) as assistant vice-president of 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.

Cedric Frère holds 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 on to 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. (until 28 December 2017), 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). Previous positions include Head of Public Relations at Belgacom (which became Proximus) and Head of Communication at Dior Fine Jewelry. 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 holds a degree from the Ecole des Hautes Etudes Commerciales de Montréal and is also a member of 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 industrial group M.I.L. Inc., where he was successively deputy to the CEO, vice-president of Administration and of M.I.L. Special Projects, and then of Corporate Affairs while holding the position of chairman 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 sat on the board 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 boards 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 research development 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 chairwoman and 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, and was in charge of human resources until she retired in 2003.

Since then, she has been an independent director of several industrial and financial groups, including 3i Group plc., Pilkington, Alcan and Royal Dutch Shell plc.

She was also a director of British American Tobacco plc. until December 2016. She currently sits on the board of directors of High Payment Systems S.A. and is a 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 plc. (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 US, 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 president and CEO of Imperial Tobacco Canada, which has its head office in Montreal. Since then she has been director Strategy, Planning and Insights of the group 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 Business School (ULB), where he has held research and teaching positions since 1969.

He began his career at Mouvement Coopératif Belge in 1972, then moved to the Issuer at the end of 1974. After spending a year in self-employment 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 the board of Power Financial Corporation and is a former 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. 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 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 sits on the nomination committee.

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. He has been first vice-chairman of Power Corporation of Canada and Power Financial Corporation since 1997. On 1 June 2013, he became managing director of Pargesa Holding S.A. He has been sitting on the board of directors of Imerys since May 2016.

He has been a director of the Issuer since 2004.

(b) 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 as well as in the Issuer's Diversity & Inclusion Policy. Gérald Frère, in his capacity as non-executive director and chairman of the board of directors, is responsible for the director selection process.

(c) Professional development

New directors receive appropriate information enabling them to contribute rapidly to the work of the board of directors. 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. New 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.

(d) 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.

(e) 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 as provided for in the Issuer's Diversity & Inclusion Policy.

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

(f) 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.

(g) 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 during the last five years, except Gilles Samyn in the liquidation of Astra Oil Company and Arnaud Vial in the dissolution of SiHMM (Luxembourg). That dissolution took place after SiHMM had sold its assets and distributed the corresponding income to its shareholders.

(h) 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 managing director 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., managing director 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, Jocelyn Lefebvre 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 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.

(i) 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.

3.1.3 Executive management

(a) Composition

At the date of this Prospectus, the Issuer's day-to-day management was entrusted to Ian Gallienne and Gérard Lamarche, Co-CEOs who form the Issuer's executive management.

(b) 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.).

It is in this context that the Issuer has developed a Diversity & Inclusion Policy for the executive management in accordance with the Law of 3 September 2017 on the disclosure of non-financial information and diversity information by certain companies and groups (for further information please see the 2017 annual report).

(c) 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 2017 financial year was held on 2 November 2017.

3.2 SHAREHOLDERS

3.2.1 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.

3.2.2 Relations with the controlling shareholder

The Issuer's shareholding is characterised by the presence of a controlling shareholder, 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.

Each group has agreed not to 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. The new agreement includes the possibility of extending it beyond 2029.

3.2.3 Information on shareholding structure

(a) 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 1 September 2007.

This notification was transmitted in accordance with Article 74, §7 of the law of 1 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., 1 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 the Issuer an update of the controlling shareholding structure as at 1 September 2017, which is reproduced below:

Shareholders	Number of shares with voting rights	%
Pargesa Netherlands B.V.	80,680,729	50.00
Sagerpar ⁽¹⁾	4,885,460	3.03
GBL Verwaltung ⁽¹⁾	27,500	0.02
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
FINPAR II ⁽¹⁾	171,678	0.11
Loverval Finance S.A.	38,500	0.02
The Desmarais Family Residuary Trust ⁽²⁾	500	p.m.
Total	86,441,070	53.57

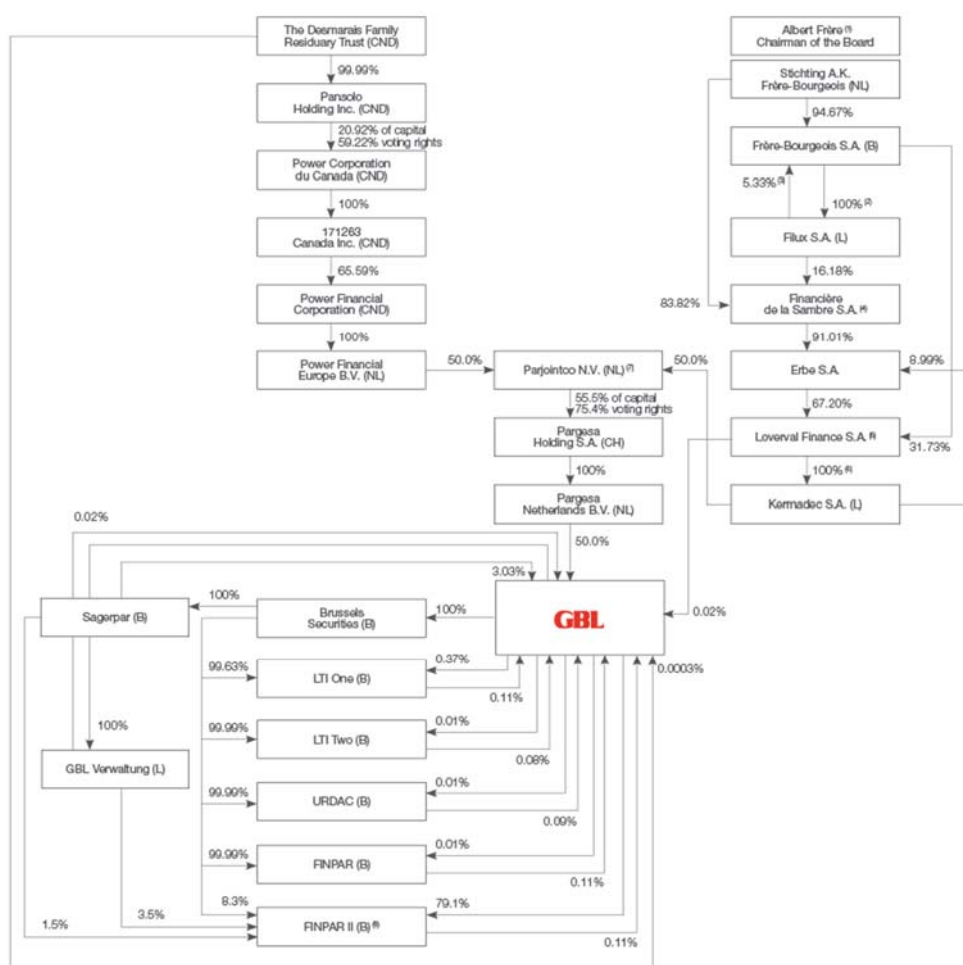
⁽¹⁾ Shares whose voting rights are suspended

⁽²⁾ Formerly called Desmarais Family Trust

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

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

Chain of control at 1 September 2017



⁽¹⁾ In accordance with the articles of association of the Stichting Administratiekantoor Frère-Bourgeois, Rotterdam, Netherlands

⁽²⁾ 100% less one share held by another company of the group

⁽³⁾ Of which 0.20% held by a Luxembourg subsidiary of Filux S.A.

⁽⁴⁾ Owns 0.39% of Loverval Finance S.A.

⁽⁵⁾ 0.68% of Loverval Finance S.A. is held by two Belgian sub-subsidiaries of Loverval Finance S.A.

⁽⁶⁾ Loverval Finance S.A. owns 100% (less one share held by another company of the group) of the ordinary shares of Kermadec S.A. One Luxembourg sub-subsidiary of Loverval Finance S.A. owns 100% of the preferential shares of Kermadec S.A.

⁽⁷⁾ Joint control

⁽⁸⁾ The remaining capital of FINPAR II is held by a wholly-owned subsidiary of the Issuer

(b) Notification of major holdings

In accordance with the transitional scheme put in place by the new Belgian regulation on transparency, all shareholders of the Issuer whose interest at 1 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 contents of this notification are summarised below.

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

Denominator taken into account: 161,358,287

Voting rights

Holders of voting rights	Notification of 30 October 2008	Notification of 14 October 2013		
	Situation at 1 September 2008	Number of voting rights (attached to shares)	Number of voting rights (attached to shares)	% of voting rights (attached to shares)
Desmarais Family Trust	500 ⁽¹⁾	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	6,128,926 ⁽²⁾		3.80
LTI One ⁽³⁾	-	185,185 ⁽²⁾		0.11
Total	86,296,380	87,033,840		53.93

⁽¹⁾ Paul G. Desmarais

⁽²⁾ Suspended voting rights

⁽³⁾ Sub-subsidiary of the Issuer

Equivalent financial instruments

Holders of equivalent financial instruments	Type of financial instruments	Expiry date	Exercise date or period	% of voting rights
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 entirely covered by treasury shares held by the Issuer through Sagerpar

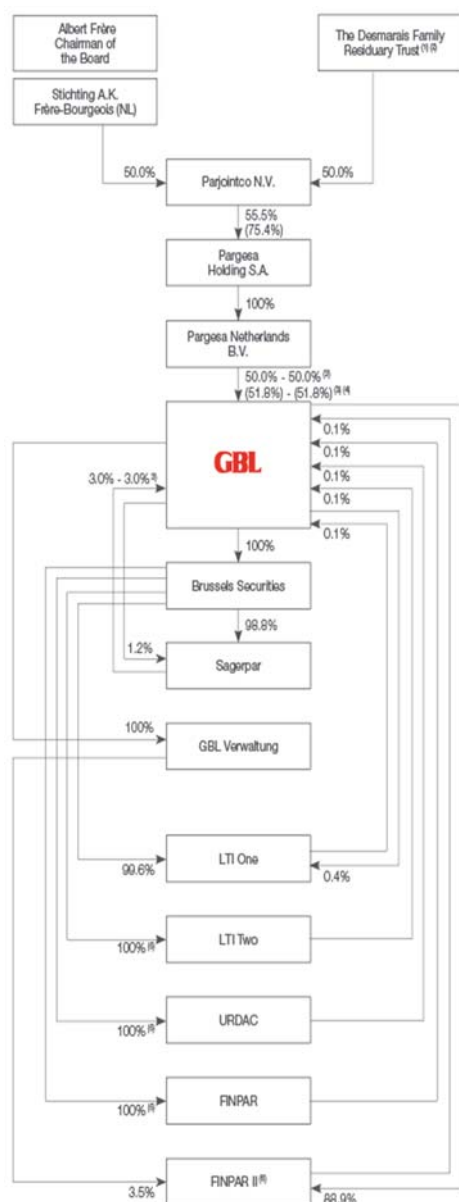
The declaring parties indicated that the Desmarais Family Trust remains bound by the acting-in-concert agreement, as notified, to the Frère family group, of which CNP-NPM is a member, and to the other parties to this agreement, which is not affected by the passing away of Paul G. Desmarais.

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.

Transparency notifications after 1 September 2017

After the receipt of the update of the controlling shareholding structure as at 1 September 2017, as mentioned under paragraph (a) above, and in accordance with article 14, first paragraph of the law of 2 May 2007 on disclosure of major holdings, the Issuer received a transparency notification from Artisan Partners Asset Management Inc. and Artisan Partners Limited Partnership, having their address at 875 East Wisconsin Avenue, Suite 800, Milwaukee, WI 53202, United States, on 19 March 2018 stating that further to an acquisition of shares of the Issuer they have crossed on 14 March 2018 the threshold of 5%, holding 5.01% of the Issuer's voting rights.

(c) **Control chart of the Issuer at 31 December 2017, updated on 15 March 2018**



() *Voting rights*

(1) Trustees of a trust established following the passing away of Paul G. Desmarais, for the benefit of certain members of the Desmarais family

(2) Jacqueline Desmarais passed away on 3 March 2018

(3) Updated on 15 March 2018

(4) Taking into account the suspended voting rights relating to treasury shares

(5) Including 10 shares held by the Issuer

(6) The remaining capital of FINPAR II is held by a 100%-subsidiary of the Issuer

4 OTHER INFORMATION RELATING TO THE ISSUER

4.1 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 these 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.

4.2 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.

4.3 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.

4.4 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.

4.5 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.

4.6 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.

4.7 TERM

The Issuer is incorporated for an unlimited period.

4.8 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.

4.9 SHARE CAPITAL

4.9.1 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 1 January 2014 were automatically converted into dematerialised shares and registered in a securities account in the Issuer's name.

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

The law also provides that, as from 1 January 2015, issuers must put any unclaimed bearer shares up for sale on the stock market and announce this mandatory sale in good time. 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 2 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 1 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.

4.9.2 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.

4.9.3 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 twelve 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 shares 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 rules.

4.9.4 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%.

4.9.5 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.

4.10 LEGAL PROCEEDINGS

4.10.1 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.

4.11 TREND INFORMATION

There has been no material adverse change in the prospects of the Issuer since 31 December 2017.

4.12 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 2017, except for those circumstances or events mentioned or referred elsewhere in this Prospectus or in the press releases published by the Issuer on 3 May 2018 (*Results at 31 March 2018*) (save for the comment of the Co-CEOs on pages 1 and 2 and section 5 (*Outlook for the 2018 financial year*)), on 8 May 2018 (*Groupe Bruxelles Lambert intends to sell 6.6% of Burberry's capital*) and on 9 May 2018 (*Completion of the sale of 6.6% of Burberry's capital by Groupe Bruxelles Lambert*), which are incorporated by reference into this Prospectus.

4.13 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.

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.

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 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.

These identification requirements do not apply to Bonds held in Euroclear, Clearstream Luxembourg or any other central securities depository (as defined in Article 2, 1, 1 of Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories (“**CSD**”)) as Participants to the NBB-SSS (each a “**NBB-CSD**”), provided that the relevant NBB-CSD (i) only holds an Exempt Account and (ii) is able to identify the holders for whom they hold Bonds in such account. For the identification requirements not to apply, it is furthermore required that the contracts which were concluded by the relevant NBB-CSD as Participants include the commitment that all their clients, holder of an account, are Eligible Investors.

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 29.58 per cent. as of assessment year 2019 linked to a taxable period starting at the earliest on 1 January 2018. Furthermore, small and medium-sized companies (as defined in Article 15, §§1-6 of the Belgian Companies Code) are taxable at the reduced corporate income tax rate of 20.4 per cent. for the first EUR 100,000 of their taxable base. As of assessment year 2021 linked to a taxable period starting at the earliest on 1 January 2020, the ordinary corporate income tax rate will be 25 per cent. and the reduced corporate income tax rate 20 per cent.

Capital losses realised upon the sale of the Bonds are in principle tax deductible.

Other tax rules apply to investment companies within the meaning of Article 185*bis* of the Belgian Income Tax Code 1992.

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 securities accounts

Pursuant to the Law of 7 February 2018 introducing a tax on securities accounts, a tax of 0.15 per cent. will be levied on Belgian resident and non-resident individuals on their share in the average value of the qualifying financial instruments (including but not limited to shares, notes and units of undertakings for collective investment) held on one or more securities accounts during a reference period of twelve consecutive months starting on 1 October and ending on 30 September of the subsequent year (the “**Tax on Securities Accounts**”). The first reference period starts on the day of entry into effect of the law (i.e., 10 March 2018) and ends on 30 September 2018.

No Tax on Securities Accounts will be due provided the holder’s share in the average value of the qualifying financial instruments on those accounts amounts to less than EUR 500,000. If, however, the holder’s share in the average value of the qualifying financial instruments on those accounts amounts to EUR 500,000 or more, the Tax on Securities Accounts will be due on the entire share of the holder in the average value of the qualifying financial instruments on those accounts (and, hence, not only on the part which exceeds the EUR 500,000 threshold).

Qualifying financial instruments held by non-resident individuals only fall within the scope of the Tax on Securities Accounts provided they are held on securities accounts with a financial intermediary established or located in Belgium. Note that pursuant to certain double tax treaties, Belgium has no right to tax capital. Hence, to the extent the Tax on Securities Accounts is viewed as a tax on capital within the meaning of these double tax treaties, treaty protection may, subject to certain conditions, be claimed.

For the purpose of the Tax on Securities Accounts, a financial intermediary is defined as (i) a credit institution or a stockbroking firm as defined by Article 1, §2 and §3 of the Law of 25 April 2014 on the status and supervision of credit institutions and investment companies and (ii) the investment companies as defined by Article 3, §1 of the Law of 25 October 2016 on access to the activity of investment services and on the legal status and supervision of portfolio management and investment advice companies, which are, pursuant to national law, admitted to hold financial instruments for the account of customers.

The Tax on Securities Accounts is in principle due by the financial intermediary established or located in Belgium if (i) the holder's share in the average value of the qualifying financial instruments held on one or more securities accounts with said intermediary amounts to EUR 500,000 or more or (ii) the holder instructed the financial intermediary to levy the Tax on Securities Accounts due (e.g. in case such holder holds qualifying financial instruments on several securities accounts held with multiple intermediaries of which the average value does not amount to EUR 500,000 or more, but of which the holder's share in the total average value of these accounts amounts to at least EUR 500,000 EUR). The Tax on Securities Accounts would otherwise have to be declared and would be due by the holder itself unless the holder provides evidence that the Tax on Securities Accounts has already been withheld, declared and paid by an intermediary which is not established or located in Belgium. In that respect, intermediaries located or established outside of Belgium could appoint a Tax on the Securities Accounts representative in Belgium, subject to certain conditions and formalities (the "**Tax on the Securities Accounts Representative**"). Such Tax on the Securities Accounts Representative will then be liable towards the Belgian Treasury for the Tax on the Securities Accounts due and for complying with certain reporting obligations in that respect.

Belgian resident individuals will have to report in their annual income tax return various securities accounts held with one or more financial intermediaries of which they are considered as a holder within the meaning of the Tax on Securities Accounts. Non-resident individuals have to report in their annual Belgian non-resident income tax return various securities accounts held with one or more financial intermediaries established or located in Belgium of which they are considered as a holder within the meaning of the Tax on Securities Accounts.

Prospective investors are urged to consult their own tax advisors as to the tax consequences of the application of this new tax on their investment in Bonds.

4 Tax on stock exchange transactions and tax on the repurchase 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 such transaction is either entered into or carried out in Belgium through a professional intermediary.

The rate applicable for secondary sales and purchases through a professional intermediary is 0.12 per cent., with a maximum amount of EUR 1,300 per transaction and per party and collected by the professional intermediary. The tax is due separately from each party to any such transaction, i.e., the seller (transferor) and the purchaser (transferee), both collected by the professional intermediary.

The acquisition of Bonds upon their issuance (primary market) is not subject to the tax on stock exchange transactions.

Pursuant to the Law of 25 December 2016 on access to the activity of investment services and on the legal status and supervision of portfolio management and investment advice companies, the scope of application of the tax on stock exchange transactions has been extended as of 1 January 2017 to secondary market transactions of which the order is directly or indirectly made to a professional intermediary established outside of Belgium by (i) a private individual with habitual residence in Belgium or (ii) a legal entity for the account of its seat or establishment in Belgium (both referred to as a "**Belgian Investor**"). In such case, the tax on stock exchange

transactions is due by the ordering private individual or legal entity (who will be responsible for the filing of a stock exchange tax return and for the timely payment of the amount of stock exchange tax due) unless that individual or entity can demonstrate that the tax on stock exchange transactions due has already been paid by the professional intermediary established outside Belgium. In the latter case, the foreign professional intermediary also has to provide each client (which gives such intermediary an order) with a qualifying order statement (*borderel/bordereau*), at the latest on the business day after the day on which the relevant transaction was realised. The qualifying order statements must be numbered in series and duplicates must be retained by the financial intermediary. A duplicate can be replaced by a qualifying agent day-to-day listing, numbered in series. Alternatively, professional intermediaries established outside Belgium have the possibility to appoint a stock exchange tax representative in Belgium, subject to certain conditions and formalities (a “**Stock Exchange Tax Representative**”). Such Stock Exchange Tax Representative will then be liable toward the Belgian Treasury for the tax on stock exchange transactions on behalf of clients that fall within one of the aforementioned categories (provided that these clients do not qualify as exempt persons for stock exchange tax purposes – see below) and to comply with the reporting obligations and the obligations relating to the order statement (*borderel/bordereau*) in that respect.

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 EUR 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.

The proposal is still subject to negotiation between the participating Member States and therefore may be changed at any time.

5 Common Reporting Standard

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

On 15 January 2018, 98 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.

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 Belgian government has implemented the DAC, 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. In a Royal Decree of 14 June 2017, it has been determined that the automatic provision of information must be provided as from 2017 (for financial year 2016) for a first list of 18 jurisdictions, and as from 2018 (for financial year 2017) for a second list of 44 jurisdictions.

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

6 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 12 June 2018 (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.

Prohibition of sales to EEA Retail Investors

Each Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds to any retail investor in the European Economic Area. For the purposes of this provision:

- (a) the expression “retail investor” means a person who is one (or more) of the following:
 - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”);
 - (ii) a customer within the meaning of Directive 2002/92/EC (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
 - (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended); and
- (b) the expression “offer” includes 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 or subscribe the Bonds.

Prohibition of sales to consumers in Belgium

Each Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds in Belgium to consumers (*consumenten/ consommateurs*) within the meaning of the Belgian Code of Economic Law, as amended from time to time (*Wetboek van economisch recht/Code de droit économique*) (i.e., any natural person resident or located in Belgium and acting for purposes which are outside his/her trade, business or profession).

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 United States Securities Act of 1933, as amended (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.

Eligible investors

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 13 June 2018. 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 15 March 2018.
- 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 BE0002595735 and Common Code 184060639. 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 2016 and 31 December 2017 (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 Gateway Building, Luchthaven Nationaal 1 J, 1930 Zaventem, Belgium, represented by Corine Magnin (member of the *Institut des Réviseurs d'Entreprises/ Instituut van Bedrijfsrevisoren*), has audited the Issuer's consolidated and standalone financial statements for the years ended 31 December 2016 and 31 December 2017.

Issuer

Groupe Bruxelles Lambert

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Belgium

Joint Global Co-Ordinators

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Agent

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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 13 June 2018 (the “**Prospectus**”), in respect of the listing of EUR 500,000,000 1.875 per cent fixed rate bonds due 19 June 2025, ISIN Code BE0002595735 (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.