



Building leading companies.

Gimv

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2. Risk Factors

Gimv is - just like any other company - exposed to a number of risks. The increasing complexity of society and of the investment projects in which Gimv is involved, along with the changing laws and regulations, call for require a high degree of risk awareness.

Risk management is the process of identification, assessment, management and communication of risk from an integrated and organization-wide perspective. This is a continuous process, if only because the current situation and the fact of taking measures in changing circumstances require this of us.

This section describes the risks with which Gimv is confronted as an investment company, along with the operational and financial risks associated with Gimv's investment activities.

The Company is convinced that risk management is an essential part of good governance and the development of a sustainable business. By maintaining an appropriate balance between risks and returns the Company seeks to maximize business success and shareholder value. Optimal risk management needs also to contribute to the realization of the (strategic) objectives:

- optimizing operational business processes in terms of effectiveness and efficiency;
- increasing the reliability of financial reporting;
- monitoring its activities in accordance with regulations, laws and codes of conduct.

Each year, a new risk assessment is carried out, identifying key risks as a function of strategy and mission, and in terms of both probability and potential impact. With this risk assessment, we update the risk and control matrix, detailing the risks for each process, and the related controls or management measures.

- In a first phase we examine whether the internal controls are structured in a way that meets the needs for effectiveness and efficiency. Where deficiencies are found, improvement actions are undertaken by the persons responsible for the particular process and its control.
- In a second phase, all controls are tested in terms of design and of effectiveness and efficiency. In this way we check whether the controls are operating correctly in the daily activities. If and when deficiencies are found, recommendations are formulated and a second test round is undertaken to verify that all the recommendations have been implemented.

We describe below what we believe to be the most important risks to which the Company is exposed. The order of the risks listed below is arbitrary.

2.1 Economic risk

The evolution of the general economic situation can potentially impact the results of the shareholdings and by extension the valuation of these shareholdings on Gimv's balance sheet. Given Gimv's highly differentiated portfolio, spread over 50 different shareholdings operating in different sectors and countries, fluctuations in the economic situation can have very varied impacts.

The concentration in the portfolio is limited. No individual holding represents more than 10% of the total value of the investment portfolio, and the largest five holdings together represented a quarter of the total portfolio, just as at the end of March 2015 (see table below).

Investment portfolio (in descending order of value)	31-03-2016	31-03-2015
1. Punch Powertrain		1. VCST
2. Vandemoortele		2. Vandemoortele
3. Itho Daalderop / Klimaatgarant		3. United Dutch Breweries (UDB)
4. Almaviva Santé		4. Greenyard Foods
5. United Dutch Breweries (UDB)		5. Grandeco
Share of total portfolio	25.4%	24.6%
6. GreenPeak		6. Almaviva Santé
7. Grandeco		7. GreenPeak
8. Mackevision		8. Teads
9. Teads		9. Wolf
10. Wolf		10. Hansea
Share of total portfolio	37.7%	36.6%

Difficult economic conditions can negatively affect not only on the valuation of the existing Gimv portfolio, but also the quantity and quality of new investment opportunities, the exit opportunities for existing shareholdings (and therefore cash generation) as well as on the ability to raise funds for the co-investment partnerships. It follows from this that Gimv's turnover, earnings and cash flow are subject to many different elements and can therefore fluctuate significantly. Gimv is therefore unable to maintain its current dividend policy at all times.

2.2 Market risk

The value of the listed portion of the portfolio depends directly on the stock market prices of the companies concerned and on the fluctuations thereof.

Under IFRS, the valuation of unlisted investments depends also on a number of market-related elements (inter alia through comparison with a 'peer group' of listed companies). However, the volatility of such market data does not necessarily reflect the performance of the shareholding in question. This means that the unrealized capital gains and losses on the unlisted part of Gimv's portfolio (and therefore Gimv's earnings) are also determined to a large extent by market developments.

A 10% change in the share prices of the listed part of the portfolio and in the value of the unlisted part of the portfolio measured using market-related parameters has an impact of EUR 3 937 and EUR 41 614 respectively (at end-March 2015 this impact was EUR 4 600 and EUR 37 686 respectively). Further information on the value over time of these shareholdings and on the parameters determining this value is given in [clarification 14 to the annual accounts \(16.1.14\)](#).

2.3 Risk in relation to corporate trust legislation

In principle, Gimv invests on a non-recourse basis. This implies that the financial risk is limited to the amount of the investment in the shareholding concerned. Recently, however, private equity companies themselves have been fined for violation of anti-trust legislation by their shareholdings. These violations were committed by shareholdings in which private equity firms held controlling stakes. The anti-trust authorities are of the opinion that maintaining a controlling interest constitutes sufficient grounds for direct liability for the fines imposed, even if the private equity firm itself was in no way involved in the anti-trust offence.

2.4 Competition risk

Gimv operates in a competitive market of both local and international private equity players and a rapidly changing competitive landscape. Gimv's success is largely determined by its ability to maintain a strong competitive and differentiated position. This led among other things to the strategic reorientation implemented in 2012.

2.5 Tax risk

Currently, Gimv has offices in Belgium, the Netherlands, France and Germany. As such, Gimv falls under the jurisdiction of various tax authorities. Its results may therefore be affected by changes in the tax laws of the countries in question.

Capital gains on shares are the most important component of Gimv's result? Currently these are subject only to a Belgian corporation tax levy of 0.412% (except for capital gains realized within one year to which a 25% tax rate is applied). A change in the corporation tax treatment of capital gains could have a material impact on the results of Gimv.

2.6 Regulatory risk

Gimv's key activity consists of private equity investments, a sector that has, in recent years, been increasingly subject to European and national regulations (eg AIFMD).

The ever-changing regulatory environment is closely monitored at Gimv, the impact on the organization, administration or reporting is evaluated on a regular basis, and any necessary adjustments are made. With the rules differing from one type of private equity firm to another and from country to country, Gimv risks suffering competitive disadvantage from a changing regulatory framework.

2.7 Liquidity risk

Gimv's portfolio consists of investments that are generally high risk, unsecured and unlisted and therefore illiquid. The realisation of capital gains on its investments is uncertain, can be slow in coming and is often legally or contractually restricted during certain periods (lock-up, stand still, closed period, etc.). These capital gains depend, among other things, on the earnings evolution of the specific shareholding, on the general economic situation, on the availability of buyers and financing, and on the possibility of IPOs. As a result, the illiquid nature of its assets presents a risk for Gimv's results and cash flow generation. In addition, Gimv does not always control the timing or the course of the sales process, which can possibly lead to a suboptimal return.

With a net cash position and unused credit lines, Gimv is not exposed to the risks associated with debt financing. Gimv does keep watch, however, to ensure that the buyout companies build in sufficient margins and do not incur any debts which could exceed their repayment capacities in normal circumstances. The average debt ratio for Gimv's portfolio companies is 1.9 times operating cash flow (or EBITDA). For this reason the Board considers the liquidity risk a limited one.

2.8 Treasury risk

Gimv incurs credit risk (or counterparty risk) both in respect of its cash position and as a result of the loans in the investment portfolio.

At treasury level this risk is managed through distributing this cash sensibly across a sufficiently large number of banks and other financial institutions with good ratings. This cautious approach to its treasury policy does not, however, give any cast iron guarantee against adverse changes in the financial institutions in question and may potentially have a significant impact on Gimv's cash position.

The credit risk from the loans in the investment portfolio is diversified over a large number of holdings. Total loans as end-March 2016 are EUR 125 358 (12.4% of the total investment portfolio), with the largest loan equal to 3.0% of the total investment portfolio. At end-March 2016, 1.7% of the total loan portfolio was in arrears (3.8% at end-March 2015). A more detailed description of the loans is provided in Note 15 to the financial statements ([clarification 15 to the annual accounts \(16.1.15\)](#)).

The loans that Gimv makes available to its shareholdings are often subordinated to the investments of other parties. This subordination applies generally vis-à-vis funds made available by financial institutions, with the risk of there being insufficient proceeds from the sale or liquidation of the company in question to repay the loans from Gimv. Where a shareholding gets into financial difficulties, Gimv's influence can also decrease to the benefit of the secured creditors. The directors view the change in fair value of investments due to changes in credit risk as insignificant and therefore present no sensitivity figures with respect to credit risk.

2.9 Interest, refinancing and subordination risk

Since Gimv is currently financial debt-free, it is right now not directly subject to any interest or refinancing risk. Gimv's investee companies obviously make frequent use of debt financing. For some of them this means that an interest and/or refinancing risk exists when existing loans mature and need to be refinanced. For instance, it can happen that infrastructure projects with a duration of 30 years can be initially funded for 10 years only, leaving a risk that, after the expiration of the initial term, the loans cannot be refinanced, or only at less favourable terms. A similar interest and refinancing risk exists for buyouts which are co-financed with debt.

Leveraged buyouts bear the inherent risk of the company getting into serious trouble in the event that a drastic fall in earnings erodes its repayment capacity. Moreover, a particular outcome in one shareholding (e.g. bankruptcy) can have a (direct or indirect) impact on the attitude of interested third parties towards one or more other shareholdings.

2.10 Human resources risk

For achieving its objectives, Gimv is largely dependent on the experience, commitment, reputation, deal-making skills and networks of its senior employees. Human capital is a key corporate asset at Gimv. The departure of senior staff can therefore adversely impact Gimv's activities and results.

2.11 Currency hedging

As of 31 March 2016, Gimv group has foreign currency assets with a countervalue of EUR 53 433. The breakdown by currency is shown in the table below:

Portfolio in foreign currency on 31 March 2016	in foreign currency	in k EUR
USD	36 931	32 438
GBP	16 618	20 994
Total		53 433

Portfolio in foreign currency on 31 March 2015	in foreign currency	in k EUR
USD	33 096	30 762
GBP	23 664	32 537
Total		63 299

This shows that Gimv's direct exchange rate risk is rather limited (up to 4.6% of the Group's equity). A 10% change in the USD and GBP exchange rate against the euro has an impact of about EUR 5 343 or 0.6% of Gimv's equity (EUR 6 300 at end-March 2015). Gimv aims for a 60% hedging of the

currency risk of USD denominated assets, through forward sales of USD. These hedges produced in 2015-16 a positive result of EUR 875. The result of this hedging is included in the other operating result, see [clarification 8 to the annual accounts \(see 16.1.8\)](#).

Besides the direct foreign exchange risk through the holding of foreign-currency denominated participating interests, Gimv also has an indirect exchange rate risk from the activities and, potentially, the financing of the portfolio companies. Any hedging against this latter currency risk takes place at the level of the respective portfolio companies.

2.12 Risk in relation to Fund commitments

The company has in the past invested in private equity funds managed by third parties. These investment commitments must be paid in proportionally to the investments that are decided and implemented. Gimv has no further control or power of decision over these investments.

The amount of outstanding commitments fund has fallen sharply in recent years since Gimv has chosen in principle not to make any new commitments to external funds.

At end-March 2016 Gimv had a total EUR 26 050 of such outstanding commitments to funds managed by third parties (= 14.2% of its cash resources). For more details, the reader is referred to the table of outstanding fund commitments in Note 23 to the financial statements (16.1.23). The greatly reduced amount of these fund commitments sharply reduces the risk of investment calls limiting the capacity to make direct investments.

2.13 Risk in relation to the off-balance sheet commitments and significant pending litigation

As part of its investment activities, Gimv has a whole series of commitments that are not expressed on its balance sheet. In a number of cases, for example, Gimv is committed to follow-up investments. These commitments total EUR 16 293 (EUR 18 199 at end-March 2015). There are also a whole series of agreements or commitments that can directly impact the shareholdings and/or their value. The Company's shareholding may be diluted by exercise of share options and the effect of anti-dilution clauses; there can be agreements concerning division of the proceeds of any sale or obligations to co-sell with other investors.

When selling shareholdings, the company has in certain cases to provide warranties with respect to these. At the end of March 2016, there were 17 files (19 at end-March 2015) for which representations and warranties were still outstanding. In addition, the Company is involved in a limited number of judicial proceedings, both as defendant and as plaintiff. Where deemed necessary, the requisite provisions are set aside, based on an assessment of these risks using the available information. A more detailed description can be found in [clarification 24 to the annual accounts \(16.1.24\)](#).

3. Gimv at a glance

50

shareholdings

8 new investments and
13 exits in 2015-2016

1.8

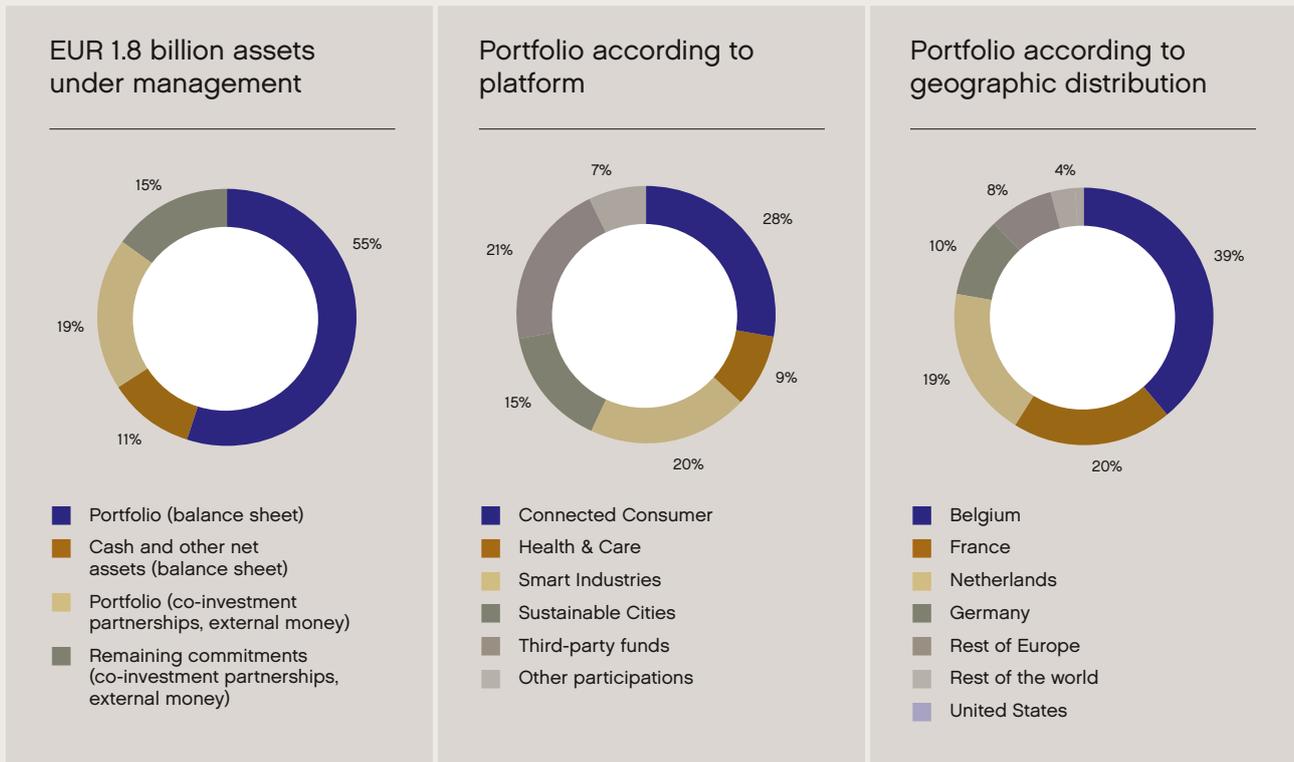
billion euros

assets under management
(including co-investment partnerships)

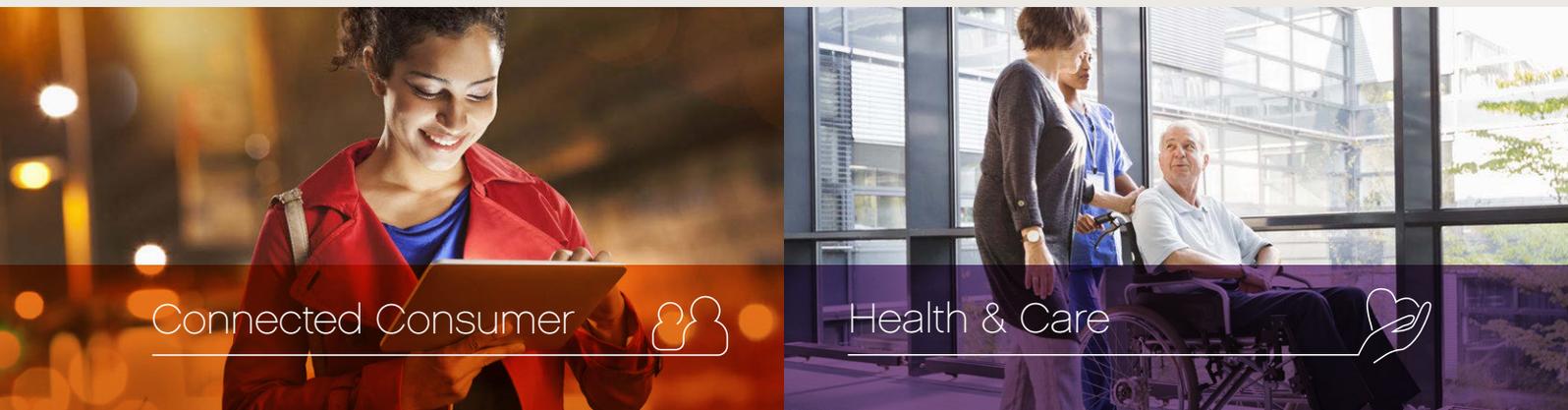
11.8%

long-term return ¹

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↑ The chart 'EUR 1.8 billion of assets under management' shows the distribution of Gimv's assets and commitments (approximately EUR 1.2 billion) and also the assets and commitments of external investors. Further information on the co-investment partnerships, their main features and conditions and the distinction between them and third party funds can be found in Chapter 9. More information on results and key figures can be found in Chapter 10. More information on the composition of the portfolio can be found in Chapter 8.



Connected Consumer

Health & Care

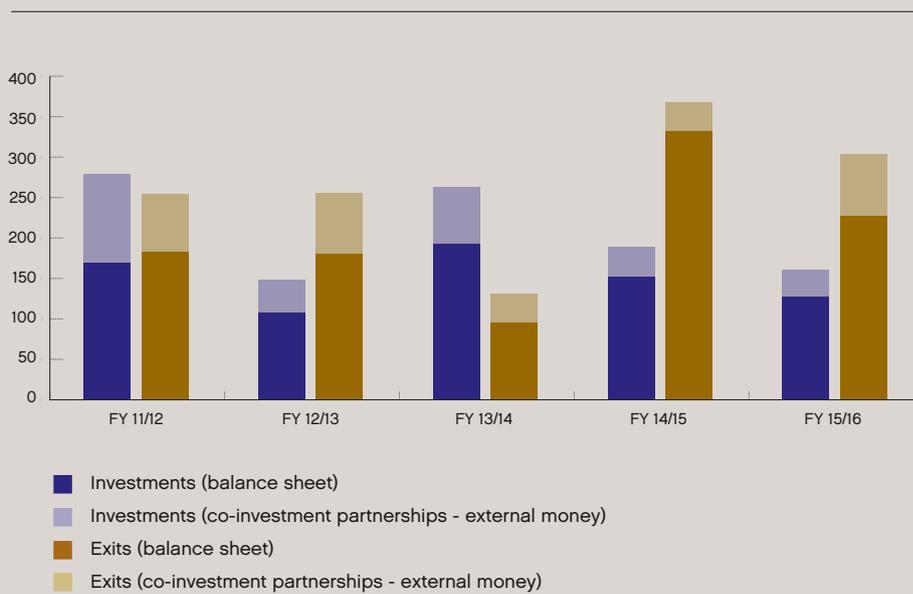
95
employees

4
offices

36
years' experience in private
equity and venture capital

GIMB
LISTED
EURONEXT

Recent investment and divestment history (in EUR million)



The graph 'Recent investments and divestments' shows the investments and divestments which Gimv has undertaken on its own balance sheet and those done with funds from outside investors in the co-investment partnerships. After several years of permanently high levels of investment, the past financial year was also characterized by intense divestment activity, with 13 exits compared with 8 new long-term partnerships.

1 This is the return to a shareholder holding shares in Gimv since its inception. This is calculated on the shareholder cash flows, viz. the historical amounts of capital contributions and dividend payments, supplemented by the equity value on the reporting date.



Smart Industries



Sustainable Cities



10 largest shareholdings across the platforms



Continuous variable transmission systems
www.punchpowertrain.com

Smart
Industries

Belgium



Deep-frozen bakery products and fats
www.vandemoortele.com

Connected
Consumer

Belgium



Total HVAC solutions for residential new building
and renovation markets
www.ithodaalderop.nl

Sustainable
Cities

Netherlands



Group of 22 specialist private hospitals
www.almaviva-sante.fr

Health & Care

France



Independent beer group
www.udbexport.com

Connected
Consumer

Netherlands

Subtotal NAV 5 largest shareholdings:

EUR 257 million



Efficient wireless data communication technology
www.greenpeak.com

Smart
Industries

Netherlands

Grandeco

Wallpaper
www.grandecogroup.com

Connected
Consumer

Belgium



3D visualisation, animation and visual effects
www.mackevision.com

Smart
Industries

Germany



Video advertising on social and premium media
www.teads.tv

Connected
Consumer

France



Design, production and distribution of lingerie
www.wolf-lingerie.com.hk

Connected
Consumer

France

Total NAV 10 largest shareholdings:

EUR 389 million

4. Information and history

4.1 General Information

Legal and commercial name of Gimv

Gimv NV

The place of registration and registration number of Gimv

Gimv is registered in the Antwerp Registry of Legal Persons under company number 0220.324.117.

Date, country and duration of incorporation

Gimv was established in Belgium on 25 February 1980, for an indefinite period.

Registered office and legal form

Gimv NV

Public limited company

Registered Office

Karel Oomsstraat 37
2018 Antwerpen

Tel.: +32 3 290 21 00

Fax: +32 3 290 21 05

info@gimv.com

www.gimv.com

Mission and company profile

Gimv's mission is to enter into temporary partnership, on the basis of selected strategic investment platforms, with entrepreneurial and innovative companies having strong growth potential, with the objective of supporting their growth into market leaders.

In this way, our portfolio companies contribute to economic growth, employment and social welfare. Through these companies performance and with successful exits, Gimv is able to reward its shareholders with double-digit returns and an attractive dividend policy.

Gimv wants to fulfil this mission and achieve its ambitions with integrity and with respect for its shareholders, business partners and colleagues.

4.2 Important events in the development of Gimv

1978

Anti-crisis Law prepares the ground for the establishing of regional investment companies.

1980

25 February: establishment of the Gewestelijke Investeringsmaatschappij voor Vlaanderen (Gimv) with three branches: development bank (provision of private equity), government holding company, manager of government shareholdings ('third function', companies in difficulties).

1983

Gimv makes its first foreign investments.

1989

Establishment of subsidiaries Gimvindus (inherits the Flemish portion of the former national sectors, like Kempische Steenkoolmijnen, Sidmar, Boelwerf, textile companies) and Vlaamse Milieuholding (for attracting PPP in environmental projects).

1993

Last capital contribution by the Flemish government.

1994

Division of tasks: Gimvindus and VMH are disconnected from Gimv, which begins building up its international activity as a venture capital provider.

1995

Establishment of Participatiemaatschappij Vlaanderen (acquires the last 'third function' dossiers); first private placement of 15.23% with private investors (10.57%), Gemeentekrediet (3.58%) and ASLK (1.07%). 84.78% remains in the hands of the Flemish government.

1997

IPO; shareholding of the Flemish government (via Vlaamse Participatiemaatschappij – VPM) falls to 70%.

1999

Buyout funds started.

2000

Acquisition of the Halder venture capital group (now Gimv Netherlands); for the first time Gimv invests more abroad than domestically.

2002

Gimv suffers its first loss due to unrealised capital losses, as a consequence of the 2001-2012 market correction.

2003

Starts setting up its own funds.

2005

Sale of the government's majority position: 30% of Gimv's shares placed with institutional investors.

2006

Government (VPM) sells a further 12.94%, reducing its stake to 27.06%.

2007

Start-up of new office and team in Paris.

Establishment of DG Infra+, in a joint venture with Dexia (now Belfius) for investments in infrastructure projects in the Benelux.

2008

Launch of Gimv-XL as a growth capital fund for larger growth companies in Belgium.
Start-up of new office and team in Munich.

2009

Establishment of Gimv-Agri+ fund to invest in innovative growth companies in agribusiness.

2010

DG Infra Yield launched as a new Benelux infrastructure initiative complementary to DG Infra+.

2012

Gimv redefines its strategy; with a focus on value creation from 4 selected investment platforms.

2013

Launch and first closing of Gimv Health & Care Co-investment Program.

2015

IPO TINC.

2015-2016

See highlights 2015-2016.

5. Organisational structure

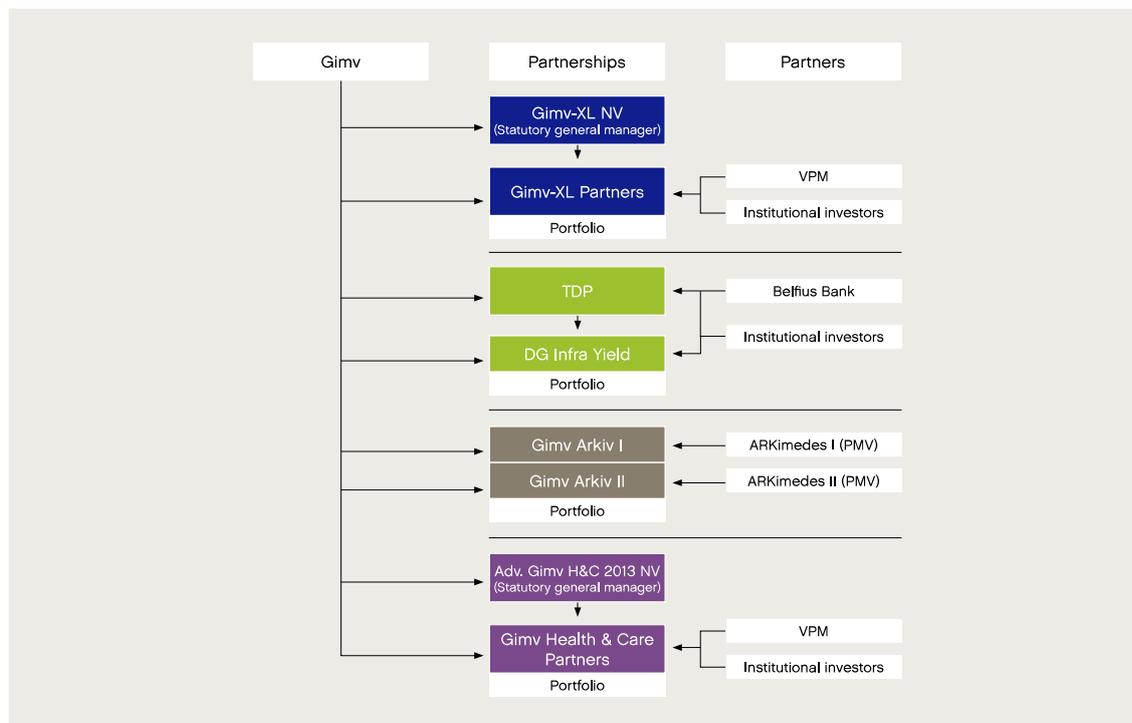
Management Committee

Koen Dejonckheere (CEO) chairs the Management Committee, assisted by Dirk Beeusaert (General Counsel, Executive Vice-President), Alex Brabers (Chief Business Operations), Bart Diels (Head Health & Care), Peter Maenhout (Head Connected Consumer), Benoît Raillard (Operating Partner), Kristof Vande Capelle (CFO) and Ivo Vincente (Head Sustainable Cities).

Co-Investment partnerships

For specific segments, Gimv has taken the initiative to create co-investment partnerships with experienced partners. These are complementary to Gimv's core business and offer investors - institutional investors, wealthy families and entrepreneurs - an opportunity to participate in a targeted manner in specific sectors. In all, about EUR 1 billion of funds have been committed to these co-investment partnerships. Gimv is itself a major investor, with over a third of the commitments. Another 25 external parties account for the other 64%.

These collaborations are illustrated in the diagram below. More information on the activities of these co-investment partnerships in the year under review can be found in [Chapter 9 'Co-Investment Partnerships'](#).



6. Message From Chairman and CEO

Dear reader, dear shareholder,

We look back at an eventful and geopolitically turbulent year. The continuing government austerity programmes and the monetary context also impacted the real economy. Together with revolutionary digital and technology developments, these produced a scenario of disruptive upheavals and innovation opportunities. Economic growth declined worldwide, and despite ECB efforts and persistently low interest rates, consumers remained hesitant and businesses took at times a wait-and-see approach towards further investment. This was reflected also in volatile equity markets.

Despite this, **Gimv again produced excellent results, ending the past financial year with a profit of EUR 137 million.**

Our shareholdings reported significantly improved results, with a favourable knock-on impact on their valuations. Aided by a positive exit environment and high levels of available liquidity, we made 13 divestments with an attractive realized capital gain of EUR 71 million. It was also a busy investment year. We invested at a fast pace, especially in the second half, signing 8 promising new partnerships with an investment outlay of EUR 130 million. And we continued our unceasing efforts to expand our existing portfolio, with 5 follow-on investments. All this created a dynamism that we intend to maintain this year.



Building tomorrow's leaders today. 8 new growth stories that respond to societal trends

Gimv's platform strategy continues to bear fruit. The new shareholdings - carefully selected to match our investment focus and the expertise that characterizes Gimv - respond to the trends of the current economic transformation. Each in its own way offers an answer to the challenges and needs facing society in consumer proximity, care, innovative production and services, and the pursuit of sustainable mobility and living environments.

For example, **Benedenti** (Health & Care) will, together with Gimv, roll out the principle of the modern, multi-disciplinary group practice for dental care throughout Flanders. Organization, consolidation and further professionalization are the keywords here.

The Dutch Itho **Daalderop and Klimaatgarant** group (Sustainable Cities) is another example: the newly merged group will be pulling out the stops to create energy-efficient housing in the Benelux.

We also added **Biom'Up, Brakel, Contraload, Equipe Zorgbedrijven, Legallais and Topas Therapeutics** to our portfolio

Growth levers driving sustainable value creation in the portfolio

Investing, divesting and, above all, strengthening companies is a skilled profession. If we as an investment company want to play a part in accelerating the growth of our portfolio companies, our active strategic involvement is a sine qua non. Levers like organic growth, buy & build and internationalization characterize the way we pursue sustainable value.

Mackevision (Smart Industries) for example, is a model of internationalization. For a leading player in computer animation with 3D visualization and visual effects, the market potential is both large and global. Our role is to help enable Mackevision's management grow the business internationally. Since our entry in 2014, the company has nearly doubled its sales and its employee count.

Almaviva Santé (Health & Care), in contrast, is a strong buy & build story. Through targeted acquisitions this specialist hospitals group has tripled from 7 to 22 entities in the Provence-Alpes-Cotes d'Azur and Paris regions.

These are just some examples of our approach. You can read more about it on our [website](#).

We are proud of the great achievements of our 50 shareholdings, which last year achieved sales growth of 12%. This revenue growth, combined with 25% EBITDA and a number of new investments, is reflected in the 13% growth in the value of our investment portfolio last year to above EUR 1 billion.

Value creation and a propitious exit momentum offered strong divestment prospects

With our diversified portfolio, our task is to convert strong growth stories into divestments at the right moment. Over the past year we were able to sell a number of shareholdings, which contributed largely to our profit.

In spring 2016 for example, **VCST** (Smart Industries - producing among other things precision gears for the automotive market) was sold to BMT and integrated into a large international industrial group with Belgian roots, where it can fully realize its expansion potential. **Punch Powertrain** (Smart Industries - known for its continuously variable transmission technology) signed an agreement with the Chinese group Yinyi, which we hope to complete in summer 2016. The company's strong technological expertise and R&D department remain anchored in Sint-Truiden, while the growing Asian market is enabling it to win more and more customers.

Onedirect (Connected Consumer) too, Europe's largest telecom equipment supplier, was also successfully sold to Naxicap Partners, after capitalizing on the growth of e-commerce, an area in which the Connected Consumer team is particularly well versed.

2015-2016: another strong year

We are pleased with the past year's results, achieved despite modest economic growth, continuing market volatility and global uncertainty.

The net result of EUR 137 million represents a net return on equity of 12.6%, which exceeds our long-term return objective. It also confirms our ambition to create double-digit returns. On the basis of this result a proposal will be put to the general meeting to distribute an unchanged dividend of EUR 2.45 per share.

We are confident that we can continue with the same momentum, constantly looking for further investment opportunities, while mindful of the need to be selective. We want to continue to expand our portfolio by focusing on performance and sustainable value.

It remains to us to **express our thanks** to different people. Posting a strong result is impossible without experienced and committed human capital.

Firstly we want to thank Mr Urbain Vandeurzen: under his chairmanship Gimv has, over the past five years, kept its investment strategy constantly up-to-date. Our sincere thanks also to all who have made Gimv's strategy and results attainable: the various management teams and employees of our holdings, our own employees, directors, investors and shareholders, along with the many other stakeholders who have contributed in one way or another to this result. Gimv is determined to continue the lively momentum.

Hilde Laga, Chairman and Koen Dejonckheere, CEO

7. Highlights 2015-2016



AUGUST 2015

Gimv's portfolio company JenaValve, developer of innovative transcatheter aortic valve repair systems, raises USD 26.5 million from an international investor syndicate.

www.jenavalve.de



JULY 2015

Gimv's participation Almaviva Santé takes on a new dimension by merging with Clinique Arago and the private hospital group Domus Cliniques.

www.almaviva-sante.fr



SEPTEMBER 2015

Biom'Up, French manufacturer of biosurgery devices, secures EUR 31.3 million from Gimv and other life sciences investors.

www.biomup.com



NOVEMBER 2015

Bencis and Gimv-XL reach agreement on the sale of Xeikon, active in digital color printing systems and related consumables, to Flint Group.

www.xeikon.com

OCTOBER 2015

Gimv invests EUR 12.5 million and backs further growth of Equipe Zorgbedrijven, a group of specialised clinics on 11 locations throughout the Netherlands.

www.equipezorgbedrijven.nl



MAY 2015

Gimv sells its stake in XL Video, the world's leading supplier of entertainment and event technology, to PRG.

www.xlvideo.com



MAY 2015

Gimv sells its stake in Acertys Group, supplier to hospitals and medical professions, to Belgian industrial partner Duo-Med.

www.acertys.com



MAY 2015

Circassia Pharmaceuticals acquires Gimv's biopharmaceutical company Prosonix.

www.prosonix.co.uk



MAY 2015

TINC goes public at EUR 11 per share and raises EUR 110 million.

www.tincinvest.com



JANUARY 2016

Gimv invests in further growth of ironmongery distributor Legallais.

www.legallais.com

DECEMBER 2015

Gimv invests in Benedenti, multidisciplinary group practice in dental care, that aims to expand its model throughout Flanders.

www.benedenti.be



DECEMBER 2015

Gimv acquires a majority interest in the international growth of natural climate control and fire safety specialist Brakel.

www.brakel.com





JANUARY 2016

Gimv acquires a majority stake in the newly merged group Itho Daalderop and Klimaatgarant, provider of complete HVAC solutions on the residential new building and renovation markets.

www.ithodaalderop.nl



FEBRUARY 2016

Motion Equity Partners acquire Altair Group (ex-Brunel, provider of cleaning and home care products) from Azulis Capital, Gimv and their co-investors.

www.brunel-fr.com



MARCH 2016

Gimv and Gimv-managed Gimv-XL fund announce the exclusive sale and purchase agreement of Punch Powertrain to the Chinese Yinyi group.

www.punchpowertrain.com



MARCH 2016

Gimv sells VCST, supplier of precision gears for the automotive industry, to the international industrial BMT Group.

www.vcst.be



MARCH 2016

Gimv announces the acquisition of a 32% stake in Belgian logistics service provider Contraload.

www.contraload.com



Gimv sells its stake in Onedirect, Europe's leading provider of telecom equipment, to Naxicap Partners.

www.onedirect.fr

MARCH 2016

MARCH 2016

Gimv invests EUR 4 million in biopharma company Topas Therapeutics confirming its commitment to life sciences.



8. Platform Strategy

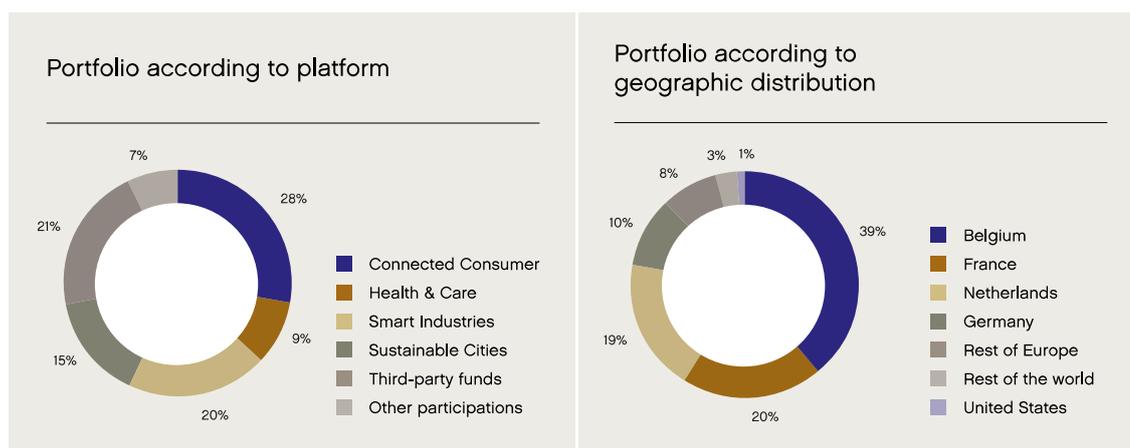
Gimv's mission is to identify companies with strong growth potential, starting from its focus on four investment platforms. Each shareholding offers in its own way an answer to the challenges and needs of society, whether for consumer proximity, health care, innovative production and services, or the pursuit of sustainable mobility and living environments.

“ Building tomorrow's leaders today.

Since the platform strategy was launched in 2012, the Gimv portfolio has undergone a significant transformation. Today the **50 shareholdings** together form a promising whole with a strong dynamic.

Over the past year - in addition to expanding its existing shareholdings and 13 divestments - Gimv concluded 8 new partnerships with promising growth companies.

To achieve the future growth of these companies, we identify, case by case, the most appropriate strategic levers, with which our investment professionals and the companies' managements set to work. These levers include sustainable organic growth, buy & build, international expansion and product development.

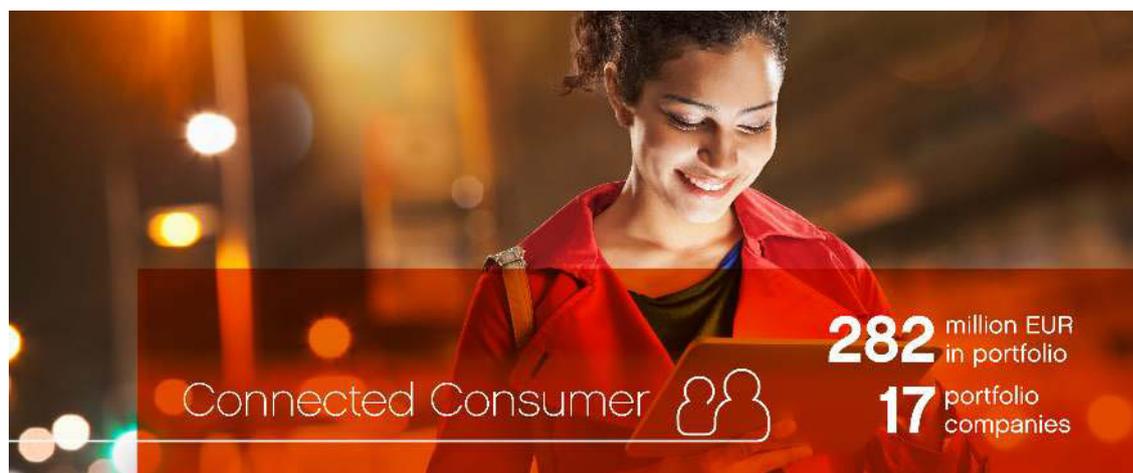


The diagrams above show the distribution of the portfolio by platform and geography as of 31 March 2016. The portfolio, with a total value of EUR 1 013.9 million, is distributed as follows: 28% (EUR 281.5 million) in Connected Consumer, 9% (EUR 93.8 million) in Health & Care, 20% (EUR 208.2 million) in Smart Industries, 15% (EUR 150.1 million) in Sustainable Cities, 21% (EUR 210.8 million) in third party funds and 7% (EUR 69.5 million) in other shareholdings.

The 'Portfolio according to geographic distribution' diagram shows that 85% of our portfolio is in our core countries, with the largest portions in Belgium (39%), France (20%) and the Netherlands (19%).

8.1 Connected Consumer

The life expectancy of the population is increasing with, in emerging countries, a growing middle class with specific needs. Almost everyone is permanently reachable by mobile media, social media are in, and on-line purchasing is widely practised. In short, a growing number of selective and knowledgeable consumers are out looking for ever better and more sophisticated products and services, with a natural use of multimedia in a multi-channel distribution model.



Investment focus

- Consumer goods
- Food & beverage
- Retail
- Consumer services
- Media & content
- Travel & Leisure
- Technology based
- enabling solutions

During the past year, the Connected Consumer team made 1 **new investment, in Legallais** (hardware distributor in France, www.legallais.com - for more info see highlight), and carried out **6 divestments**, of which we highlight a few.

Gimv succeeded in May 2015 in selling its Belgian shareholding **XL Video**, a supplier of creative video solutions and specialized in large and complex screens (www.xlvideo.com), to Production Resource Group (PRG) (www.prg.com), the leading provider of technology for entertainment and events ([see press release](#)).

In February 2016 the sale was announced of **Altaïr Group (formerly Brunel)**, a manufacturer of household cleaning products, www.brunel-fr.com). This partnership was a story of sustained organic growth: over the past five years, Altaïr successfully strengthened its position in France, launching several new successful product lines and its range of household articles. In 2014 the group moved its main plant to a new location, better adapted to the safety and environmental standards in the industry, and providing a base for future growth ([see press release](#)). The divestment process was completed after the end of the financial year.

Lastly, in late March 2016, Gimv announced the sale of its majority stake in **Onedirect** (Europe's largest telecom equipment supplier, www.onedirect.fr) to Naxicap Partners. With its efficient, multi-channel marketing and sales methodology, Onedirect was able to record strong growth. Gimv helped Onedirect exploit all market opportunities, firstly by boosting the management team and thinking through strategic choices with it, and secondly by guiding the company in its international expansion by setting up operations in the United Kingdom ([see press release](#)). The divestment process was completed after the end of the financial year.

Among existing partnerships, **Vandemoortele** (Belgium, the leading player in the European market for frozen bakery products) underwent www.vandemoortele.com an important evolution. Last year the group completed its acquisition of LAG, Italy's leading frozen focaccia and bread company. This acquisition aligns with Vandemoortele's growth strategy, strengthens its Italian presence in bakery products and expands its range with typical Italian products.

Overview Connected Consumer portfolio

At end-March 2016, the Connected Consumer team managed 17 companies across Belgium, the Netherlands and France. These together represent an amount of EUR 282 million.

Company	Activity	Country
Altair/Brunel	Chemical industry, production of household cleaning products	France
Eden Chocolates	Production of innovative premium chocolates - "Senz"	Belgium
Grandeco	Wallpaper	Belgium
Greenyard Foods	Frozen and canned vegetables, fruit & potatoes	Belgium
Impression International	Posters and point of sales campaigns	Belgium
Legallais	Ironmongery distributor	France
Made in design	Online store for design furniture	France
Marco Vasco	An on-line travel agency specialised in tailor-made, long-haul holiday packages	France
Melijoe	Online sales of brand clothing and accessories	France
Onedirect	Multichannel distribution of professional telecom equipment	France
Powerinbox	Provider of interactive email solutions	Israel
Studiekring	Tutoring and student coaching	the Netherlands
Teads	Video advertising on social and premium media	France
UDB	Independent beer group	the Netherlands
Vandemoortele	Frozen bakery products and lipids	Belgium
Walkro	Production of substrate for the cultivation of mushrooms	the Netherlands
Wolf	Designs, manufactures and distributes women's underwear	France

HIGHLIGHT

Legallais - hardware distributor - France - Gimv took a minority stake in January 2016



"Gimv's international presence and multi-sector sector will enable Legallais to strengthen its ambitious strategy and its striving for excellence."

Profile

Founded in 1889, Legallais grew to be the French market reference for ironware distribution. The company aims to be a one-stop shop for general construction and finishing (building products, consumables, equipment, sanitaryware and electrical materials, etc.) with a complete, high-quality offering for construction and maintenance professionals. These customers are accessed through multiple distribution channels, i.e. direct sales, online channels and physical points of sale. Characteristic of Legallais are the wide product availability and automated and efficient logistics (next-day delivery) giving excellent service for high customer satisfaction.

Besides its strong presence in France - through Legallais and several other brands - Legallais is also active in Germany and Poland. The group has almost 1 000 employees and achieved sales of EUR 225 million in 2015.

Investment Context

Legallais' three-dimensional business model (multi-channel, specialized multi-product offering and different customer groups) matches today's more complex consumer market. The Connected Consumer sales team's know-how in omni-channel marketing strategies and data driven selling provide a strong complement to management's own skills.

Growth strategy

With support from Gimv, Legallais wants to continue to grow in parts of France where it is less present today, and in a number of carefully selected markets elsewhere in Europe.

www.legallais.com

8.2 Health & Care

An ageing population, an increasing number of chronic conditions, the need for specialized care and pressure on budgets have significantly impacted the health care sector.



Investment focus

- Biotech: drugs, platform technologies, vaccines and diagnostic tests
- Medtech: medical equipment and consumables
- Health and care services

A necessary cost and efficiency consciousness is leading hospitals and related services to optimize their care offerings. This includes specialization in certain areas and locations, or flexible hospital care systems (short-stay or day hospitalization) supplemented with outpatient care. In the biotechnology sphere, researchers are continuously working on new technology, often with groundbreaking results. Medical technology, too, is changing.

Responding to these developments, the Health & Care platform had a particularly active year with **4 new partnerships**: **Biom'Up** (French manufacturer of biosurgery devices, www.biomup.com) raised EUR 31.3 million from Gimv and other life sciences investors; a EUR 12.5 million investment in the further growth of **Equipe Zorgbedrijven** (Dutch group of specialist clinics at 11 locations, www.equipezorgbedrijven.nl), a shareholding in **Benedenti** (one of the largest multidisciplinary group dental practices in Flanders, www.benedenti.be, cf. below); and **Topas Therapeutics** (German biopharmaceutical company with unique technology for treating antigen-specific immune tolerance).

The team also undertook **2 divestments**: **Acertys Group** (a leading provider of total medical equipment solutions to hospitals and medical professionals in the Benelux, www.acertys.com), was sold to Belgian industrial partner Duo-Med, and Gimv's interest in **Prosonix** (pharmaceutical company specializing in innovative respiratory drugs, UK, www.prosonix.co.uk) was sold to Circassia Pharmaceuticals PLC, a specialty biopharmaceutical company listed on the London Stock Exchange (Ticker: CIR.L).

Finally, there were **several investment transactions in the existing portfolio**: **Almaviva Santé** (France, group of specialized private hospitals, www.almaviva-sante.fr) moved into a new dimension by merging with Clinique Arago and the Domus Cliniques private hospitals group. And **JenaValve** (Germany, specializing in developing transcatheter aortic valves that can be inserted via the groin or an incision between two ribs, www.jenavalve.de) raised USD 26.5 million from an investor syndicate.

Overview Health & Care portfolio

As of end-March 2016, the Health & Care team had 11 portfolio companies representing EUR 94 million.

Company	Activity	Country
AgroSavfe	Development of innovative formulations of crop production products	Belgium
Almaviva Santé	Group of 22 specialized private clinics	France
Benedenti	Multidisciplinary group practice - dental care	Belgium
Biom'Up	Medical devices for biosurgery	France
Complix	Biopharmaceutical company developing a pipeline of therapeutics mainly focused on oncology and autoimmunity	Belgium
Equipe Zorgbedrijven	Group of specialised clinics	the Netherlands
Eurocept	Offers a unique combination of specialty pharma and medical homecare	the Netherlands
JenaValve	Development of transcatheter aortic valves	Germany
Multiplicom	Molecular diagnostics	Belgium
Oldelft Ultrasound	High-tech medical diagnostics	the Netherlands
Topas Therapeutics	Biopharma company that developed a unique technology for the induction of antigen-specific immune tolerance	Germany

HIGHLIGHT

Benedenti - Multidisciplinary group dental practices - Belgium - Gimv took a minority interest in 2015



"With support from Gimv, Benedenti wants to roll out modern, multidisciplinary group practice for dental care across Flanders."

Profile

Benedenti is one of the largest multidisciplinary group practices in Flanders. With outlets in Herentals, Berlaar and Vlimmeren, it treats many thousand patients a year. Benedenti has 48 employees, including 16 dentists each with their own specialty. The group wants to be known as a one-stop-shop for high-quality dental care for the whole family, with all specialties under one roof, including general dentistry, orthodontics, endodontics, periodontics, implantology and aesthetic dentistry. In this way, dentists can focus 100% on the medical aspect, supported by practice managers and dental assistants.

Investment context

Dental care in Flanders faces many challenges in the coming years: ageing dental corps, shortage of new graduate dentists, numerous technical and scientific developments, and evolving expectations of patients, young dentists and society as a whole.

Growth strategy

Working with Gimv, Benedenti wants to roll out the principle of the modern, multi-disciplinary group practice for dental care throughout Flanders. This calls for organization, consolidation and further professionalization. It can involve taking over and integrating existing dental practices, developing new group practices, and constantly investing in the latest technology, in a quest for top quality.

www.benedenti.be

Or view the report in which our partners talk themselves about cooperation on Gimv's YouTube channel.

8.3 Smart Industries

Across industries, companies are challenged to transform their processes towards sustainable technology and efficient applications. The B2B environment has a major need for smart and innovative services, equipment, software, systems and components. Think of sectors such as automotive, aerospace, industrial, oil & gas, electronics.

Starting from an understanding of underlying market trends like digitalization, resource efficiency, and an increasingly competitive market environment, the Smart Industries team wants to build strong growth stories. The sector is buzzing with activity, the technology is innovative, and the working area international.



Investment focus

- Automotive
- Aerospace
- Industrials
- Instrumentation
- Electronics
- Oil & gas

In the past year, the team carried out **5 divestments**, including selling **Xeikon** (digital colour printing technology and related services, www.xeikon.com) to Flint Group. **VCST** (producer of precision gears for the automotive market, www.vcst.be, see below) was sold and integrated into BMT, a large international industrial group with Belgian roots, where it can fully realize its potential for expansion. **Punch Powertrain** (Smart Industries - known for its continuous variable transmission technology www.punchpowertrain.com) signed an agreement with the Chinese group Yinyi. It is hoped to complete this transaction in summer 2016. The R&D department, with its strong technical expertise, remains anchored in Sint-Truiden, while the growing Asian market is enabling Punch Powertrain to win more and more customers.

Within the existing portfolio, a follow-on investment was made in **Mackevision** (Germany, 3D-visualization, animation and visual effects www.mackevision.com). View our report on this ambitious growth story [on Gimv's Youtube channel](#).

Overview Smart Industries portfolio

At end-March 2016, the Smart Industries team managed 13 companies representing an amount of EUR 208 million.

Company	Activity	Country
CoScale	Software solutions for IT Operations Analytics	Belgium
CR2	Financial channel management software	Ireland
Europlasma	Develops plasma based nano coating solutions	Belgium
GreenPeak	Ultra low power wireless datacommunication technology	the Netherlands
Inside Secure	Smartcard design	France
Leyton	Consultancy in cost optimisation	France
Luciad	Provider of Geospatial Situational Awareness software	Belgium
Mackevision	3D visualization, animation and visual effects	Germany
Nomadesk	Online document management software	Belgium
OTN Systems	Open transport network solutions	Belgium
Punch Powertrain	Variable transmission systems	Belgium
RES Software	User workspace management	the Netherlands
Thinkstep	Sustainability management software	Germany

HIGHLIGHT

VCST - producer of gears, shafts and components for the automotive industry - Belgium - Gimv sold its stake in 2016



"From financial restructuring to industrial growth project"

Profile

VCST is a global supplier of precision gears and other critical components for the engines, transmissions and brake systems of passenger cars and commercial vehicles. The company has a diversified portfolio of blue-chip customers, including Audi, Caterpillar, Continental, Cummins, DAF, General Motors, Punch Powertrain, and Volkswagen. Worldwide, the company has five plants (Belgium, China, Germany, Mexico and Romania), which over the last three years alone invested more than 50 million. An extensive in-house engineering capacity (120 engineers) makes VCST very strong in terms of product development, innovation and project realizations. With 1 250 (full-time) employees, the company generated in 2015 sales of EUR 169 million (nearly doubled since 2009).

Investment context

With collapse of the automotive market in the wake of the previous financial crisis, VCST found itself in trouble in 2008: heavily indebted with an urgent need to strengthen its balance sheet structure. Together with Gimv and LRM, VCST's stakeholders developed a completely new financial structure, allowing the company - in combination with various capital increases - to again focus on growing its business.

Growth strategy

In addition to nursing the balance sheet back to health, the company worked on further internationalization to meet increasing demand from emerging markets. The company opened new plants in China (2011) and Romania (2013), while expanding its customer base with important reference OEMs like Audi/Porsche and Cummins. The company focused on product innovation, while a new CEO was successfully found.

In March 2016, Gimv, together with the other shareholders, sold its stake in VCST to BMT, an international industrial group with Belgian roots, which will place VCST in one division together with its subsidiary IG Watteeuw International (IGW). VCST's current management will play a driving and guiding role in the new VCST/IGW combination. www.vcst.be

8.4 Sustainable Cities

With its Sustainable Cities platform, Gimv focuses on sustainable urban areas, through partnerships with companies working in energy, mobility and communications applications for the cities of the future.



Investment focus

- Utilities companies and consumer goods related to energy and other raw materials and materials.
- Waste treatment, recycling and recovery
- Construction and infrastructure
- Transportation and logistics services

Over the past year, the team partnered with **3 new growth companies**: Gimv took a majority stake in **Brakel** (Netherlands, natural climate control and fire safety specialist, www.brakel.com), a majority interest in the newly merged **Itho Daalderop and Klimaatgarant group** (total HVAC solutions for the new building and residential renovation market in the Netherlands www.ithodaalderop.nl – see below) and a minority shareholding in **Contraload** (Belgium, logistics service provider, including pooling of plastic transport containers www.contraload.com).

Also last year, Gimv **completed the sale of its interest in listed company McPhy** (Innovative French company, active in hydrogen storage for renewable energy, mobility and industrial applications www.mcphy.com).

In the existing portfolio, there was also this year a **follow-on investment in Itineris**, a Belgian company providing innovative software solutions and services for the utilities industry (www.itineris.be). Here Gimv and Gimv-managed Arkiv Tech Fund II together invested EUR 7.5 million in a EUR 10 million financing round. This funding will facilitate product innovation, capacity expansion and accelerated expansion into the American market.

Overview Sustainable Cities portfolio

At end-March 2016, the Sustainable Cities team managed 13 companies representing an amount of EUR 150 million.

Company	Activity	Country
ARS T&T	Integrated solutions for Intelligent Transport Systems (ITS)	the Netherlands
Bioro	Biodiesel	Belgium
BMC Groep	Professional services for the public sector	the Netherlands
Brakel	High-end solutions for glass daylight constructions, ventilation & fire safety systems	the Netherlands
Contraload	Plastic pallet pooling	Belgium
EcoChem	Eco-friendly flame retardant additives	Belgium
Hanse	Transport & logistic services	Belgium
Itho Daalderop / Klimaatgarant	Provider of complete HVAC solutions in the residential renovation and new build markets	the Netherlands
Itineris	Software solution company	Belgium
Lampiris	Independent supplier of green electricity and gas	Belgium
Well Services Group	Service provider to oil and gas industry	the Netherlands

HIGHLIGHT

Itho Daalderop and Klimaatgarant - total HVAC solutions for the residential new construction and renovation market - Netherlands - Gimv took a majority stake in 2016



"Together with Gimv, the merged Itho Daalderop and Klimaatgarant has everything needed for building energy-efficient housing in the Benelux."

Profile

The newly merged group has a unique combination in the housing market: Itho Daalderop develops Heating, Ventilation & Air Conditioning (HVAC) products for the residential market and Klimaatgarant develops energy-neutral new housing projects.

Investment context

Growing climate awareness and stricter energy performance standards call for increasing attention to energy-efficient (re) building. The merged group responds by:

- providing total energy efficiency solutions;
- playing a tone-setting role in the Benelux residential HVAC market;
- offering long-term energy performance guarantees in addition to products.

Growth strategy

Combining two market leaders into a single strong entity is the group's short term aim; in the medium term it is working on increasing brand awareness, fine-tuning products in a growing market and improving the pricing structure of its main products. Longer term, the Group is looking to expand outside the Netherlands.

www.ithodaalderop.nl

9. Co-Investment partnerships

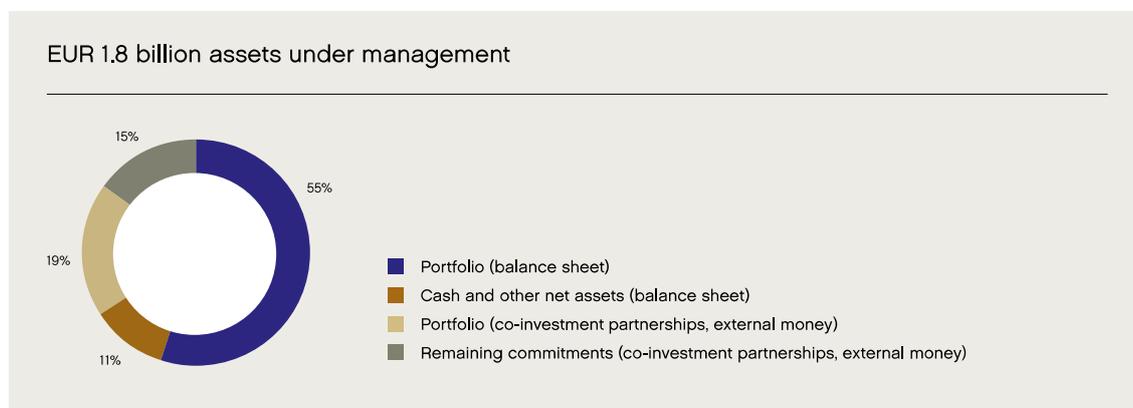
For a number of specific segments, Gimv has since 2008 taken the initiative to create co-investment partnerships and collaborations together with experienced partners. These offer investors - institutional investors, wealthy families and entrepreneurs - an opportunity to participate in a targeted manner in specific sectors. The co-investment partnerships are complementary to Gimv's core business. They have available to them the experience of the platform teams that advise on investment decisions.

In all, a little over EUR 1 billion of funds have been committed to these co-investment partnerships. Gimv is itself the largest investor, with over a third of committed funds. 25 external parties account for the other 64%. The chart below gives a breakdown of investors in the co-investment partnerships. Currently these are all Belgian parties.



These co-investment partnerships are not, however, to be confused with the 'third party funds' that we find on the Gimv balance sheet. The latter are funds set up and managed by external fund managers, in which Gimv acts solely as an investor, with no advisory role. Examples include Halder-Gimv Germany II and Pragma. See also Note 23 to the financial statements (16.1.23).

The chart 'EUR 1.8 billion of assets under management' shows the distribution of Gimv's assets and commitments (approximately EUR 1.2 billion) and also the assets and commitments of external investors. Almost 60% of these commitments have already been invested. EUR 270 million has been committed but not yet called down from investors.



An overview of the co-investment partnerships, their main features and conditions is given in the table below.

	Gimv-XL	DG Infra Yield	Gimv Arkiv Tech Fund II	Gimv Health & Care CIP
Aim & Focus	Larger growth companies (midcap, value EUR 75-750 million)	Infrastructure and related capital-intensive projects, including primary public-private partnerships (PPS) and selective real estate projects	Innovative early- up to midstage companies, wide range of sectors (mainly smaller amounts)	Health and care sector as well as medical technology
Geographic focus	Flanders & Brussels	Benelux & neighbouring countries	Flanders	Belgium, the Netherlands, France, Germany
Investment horizon	12 years	30 years	10 years	12 years
Co-sponsor	VPM	Belfius	ARKimedes Fund II	VPM
Fund size	EUR 609 million	EUR 163 million	EUR 25 million	EUR 150 million
Gimv commitment	EUR 250 million	EUR 7.35 million	EUR 13 million	up to EUR 75 million
Starting year	2008	2011	2011	2014

9.1 Gimv-XL

Gimv-XL with its EUR 609 million is the largest fund ever for midcap companies in Flanders and Brussels. Gimv brought in EUR 250 million as sponsor and core-investor, and the Vlaamse Participatiemaatschappij as co-sponsor another EUR 250 million. In 2012 VPM sold 65 million of its share in Gimv-XL to AG Insurance. The balance comes from institutional investors and wealthy families. On 31 March 2016, Gimv-XL's investment period expired, allowing only follow-on investments in existing shareholdings during the remainder of the co-investment programme.

Gimv-XL was set up to respond to the capital needs of larger growth companies in Flanders. The fund focuses on companies with enterprise values up to EUR 750 million, sound business models and the potential to grow internationally from Flanders. With the support of Gimv-XL, some 7 Flemish companies have been able to achieve strong growth.

Right now the portfolio contains 5 Flemish growth companies: Greenyard Foods, Punch Powertrain, Vandemoortele, Lampiris, and Hansea. In 2015-16, Gimv-XL made its first full divestments by selling XL Video to PRG (May 2015) and Xeikon to Flint Group (November 2015). In July 2015, Gimv-XL, along with Hein Deprez, took part in a successful private placement, leaving Gimv-XL currently holding 4.9% in Greenyard Foods. Finally, it was announced in March 2016 that Gimv-XL along with the other shareholders of Punch Powertrain had signed an exclusive agreement with the Chinese group Yinyi to sell 100% of the shares of Punch Powertrain. The intended transaction is currently still subject to a number of financial and regulatory conditions.

9.2 Infrastructure

In 2007, **Gimv and Belfius Bank** entered into a joint venture with a view to making investments in infrastructure. The structure, known as DG Infra, is managed by TDP (formerly Inframan). Based on this successful combination of expertise in building companies (private equity) and infrastructure financing, TDP has grown into a developer, investor and manager of a wide range of capital-intensive infrastructure and related assets.

TDP is active throughout the entire life and value cycle of infrastructure investments, from development to construction to operation. These include PPP (Public Private Partnership) projects (among others ring roads and motorways, tram infrastructure and a prison project), as well as (renewable) energy projects (solar energy, on-shore and off-shore wind farms) and other infrastructure assets (health care infrastructure, port infrastructure, a services and a business centre,

a car park). The portfolio today consists of 21 infrastructure project investments across Belgium, the Netherlands and France. In 2015-16 TDP also announced its first two full divestments.

TDP today manages (directly and indirectly) two investment initiatives in the infrastructure area, viz. TINC and DG Infra Yield

TINC is a publicly listed investment company that invests predominantly in mature and already operating public and private infrastructure. On 12 May 2015 TINC undertook a successful IPO, raising EUR 110 million to give it a market capitalization of just over EUR 156 million.

DG Infra Yield also invests in infrastructure assets, with an operational character, characterized principally by stable, recurring cash flows. To this end, DG Infra Yield, that invests both via and equity and (subordinated) loans, has a term of 30 years. In this way the investment horizon is consistent with the duration of the investment projects.

In 2015-16, TINC and DG Infra Yield announced their joint investments in the Kreekraksluis wind farm in Zeeland, the Belgian Nobel Wind project and the Dutch Beatrix Lock PPS project. Additionally TINC and DG Infra Yield received at the end of 2015 full repayment of the subordinated loan granted to the Belgian Belwind wind farm. The Elicio Brugge wind farm also repaid in full its subordinated debt at the end of 2015 to DG Infra Yield.

Further information can be found on the websites of TDP (www.tdpartners.com) and TINC (www.tincinvest.com).

9.3 Gimv Health & Care

The Gimv Health & Care Co-Investment Program or CIP focuses on growth companies in the Health & Care Services and Medtech sectors, investing in the development of innovative healthcare concepts and in taking successful business models international. This approach responds to a number of major trends that pose a major challenge to our society.

The size of the co-investment programme is **EUR 150 million**, with Gimv investing EUR 72 million as sponsor and core investor. Given the relevance of this fund for the local health and care sector, the fund can also count on the support of the Flemish Government and various institutional investors.

The Gimv Health & Care CIP focuses on innovative companies in the markets where Gimv too is active (Benelux, Germany and France). With a term of 12 years, it seeks to profile itself as a long-term partner for the projects in which it invests.

The current portfolio consists of **4 promising growth stories**: Al maviva Santé (FR), Benedenti (BE), Equipe Zorgbedrijven (NL) and Eurocept (NL).

Al maviva Santé is a French group of initially seven specialized private clinics. In the course of 2015-2016, thanks to strategic acquisitions with which it was assisted by Gimv, it grew into a group of 22 health care facilities across two regions: PACA and Ile-de-France.

The Flemish **Benedenti group** is the most recent addition to the Gimv Health & Care CIP portfolio. Benedenti is a modern multidisciplinary dental group practice. It stands for a professional organization with a strong culture of committed dentists and staff supported by experienced practice managers, enabling dentists to concentrate exclusively on the medical aspects of their profession. Gimv Health & Care CIP has invested with a view to further partnerships with other dental practices, developing new group practices and continuing to invest in the latest technology.

Eurocept is a Dutch healthcare company with a unique combination of specialized drugs and medical home care services. Since the entry of Gimv Health & Care CIP, Eurocept has already made one acquisition, namely Medizorg, a specialist in home treatments.

Finally, Gimv Health & Care CIP also invested in 2015-2016 in **Equipe Zorgbedrijven**, an independent and fast growing Dutch group of specialized clinics at 11 locations in the Netherlands. Equipe Zorgbedrijven has grown into one of the largest chains of specialized clinics in the Netherlands, each with its own expertise: Xpert Clinic (specializing in hand and wrist surgery), Velthuis clinic (cosmetic surgery and dermatology) and Helder clinic (phlebology and proctology).

9.4 Gimv-Agri+

Gimv-Agri+ is a partnership between Gimv and AIF (Boerenbond Group) dedicated to innovative companies in the agricultural and related sectors in the Benelux and neighbouring countries. The collaboration is a unique combination of Gimv's financial know-how with the industry knowledge of the agricultural specialists of AIF (Boerenbond Group). In 2015-2016, the partnership was renewed by evolving from a traditional fund structure to an informal cooperation with an ongoing exchange of information about potential co-investment opportunities. If such opportunities are assessed positively by Gimv and AIF, both partners invest directly through their own balance sheets.

9.5 Biotech Fonds Vlaanderen

Since 1994, Gimv has, on behalf of the Flemish government, managed the Biotech Fonds Vlaanderen (BFV), a venture capital fund for co-investment in the biotech sector in Flanders, which is funded by the Flemish government. **BFV provides seed and growth capital to new and existing biotech companies in Flanders**, and in so doing contributes to building Flanders into a respected global player in scientific research and industrial development.

BFV has already invested more than **EUR 90 million in some 20 biotech companies**, some of which are now listed and some 16 of which have been divested.

The current portfolio consists of AgroSavfe, Complix and Multiplicom.

The end of 2015 Gimv received the request from the Flemish government to transfer the management of BFV. Under Gimv's expert management, BFV achieved a return of 15%, more than doubling the Flemish Region's initial investment.

9.6 Gimv Arkiv Tech Fund II

Under the second ARKimedees regulation of the Flemish government that activates venture capital to promote innovation, employment and quality of life through collaborations with recognized venture capitalists, Gimv in 2011 again received Arkiv recognition. Following this, the Gimv Arkiv Tech Fund II was launched. **This collaboration focuses on early-to-midstage equity investments in Flemish SMEs in ICT and cleantech.** It has **EUR 25 million** of funds available to it : 12 million from the ARKimedees-fund II and 13 million from Gimv.

The current portfolio consists of 4 shareholdings: CoScale, Europlasma, Itineris and Luciad. In summer 2015, the Gimv Arkiv Tech Fund II participated with EUR 0.75 million in an investment round totalling EUR 2 million for CoScale.

Gimv Arkiv also organized in 2015-16 initiatives to appeal to and bring together young companies. At two Pitch@Gimv gatherings, innovative and entrepreneurial companies unveiled their businesses, with the winners, Twikit (June 2015) and Youknowwatt.eu (December 2015) rewarded in the form of intensive counselling by Gimv.

10. Results and key figures

137.2

million EUR net profit

12.6%

return on equity

162.5

million EUR investments
on balance sheet and through
the co-investment partnerships

Strong EUR 137.2 million result

For FY 2015-2016 Gimv posted a net profit (group share) of EUR 137.2 million. This compares with a net profit of EUR 136.0 million in FY 2014-2015. Just over half this result consists of unrealised gains on the portfolio, the balance of the capital gains on the divestments of past year.

Realised net capital gains during FY 2015-2016 amounted to EUR 70.5 million (2014-2015: EUR 102.6 million). 87% of these were realised in the four investment platforms, with EUR 33.1 million coming from the Health & Care platform, 4.1 million from the Connected Consumer platform, 24.7 million from the Smart Industries platform, and EUR -0.5 million from the Sustainable Cities platform. Additionally, EUR 9.1 million of capital gains were realised as a result of distributions from the third party funds.

Net unrealised capital gains totalled EUR 88.7 million (vs. EUR 45.9 million in FY 2014-2015), coming mainly from Smart Industries (EUR 48.2 million) and Connected Consumer (EUR 11.9 million). The third party funds and other shareholdings also provided a positive result (EUR 32.0 million). Health & Care (EUR -3.4 million), however, made a slightly negative contribution, while the positive and negative fluctuations on the various Sustainable Cities shareholdings balanced each other out (EUR 0.0 million).

The net unrealised capital gains are a direct consequence of the application of the prevailing international private equity valuation rules. These net unrealised capital gains are due primarily to a number of positive elements: (i) expected exits (EUR 72.9 million), (ii) the improved results in the majority of the shareholdings (EUR 61.4 million), (iii) the rise in value of the minority interests in the co-investment funds managed by Gimv (21.1 million),

and (iv) an increase in the value of third-party funds (EUR 14.0 million). These positive effects are partly undone by a number of negative elements: (v) lower multiples for unlisted shareholdings (EUR -28.8 million), (vi) an increase in the net financial debt of shareholdings (EUR -21.5 million), (vii) impairments on a number of shareholdings (EUR -20.2 million), (viii) lower stock market prices for a number of shareholdings (EUR -5.3 million), (ix) negative exchange rate effects (EUR -3.6 million) and (x) the initial revaluation of a number of shareholdings (combined effect of EUR -1.2 million).

The other operating result for FY 2015-2016* came out at EUR -8.5 million, compared with EUR -4.6 million in FY 2014-2015. On the one hand, other operating income fell by around one tenth (EUR 33.5 million vs. 36.6 million), with a decrease in interest received, management fees received and other operating income not fully offset by dividends received. On the other hand, operating costs (incl. transaction costs) remained stable.

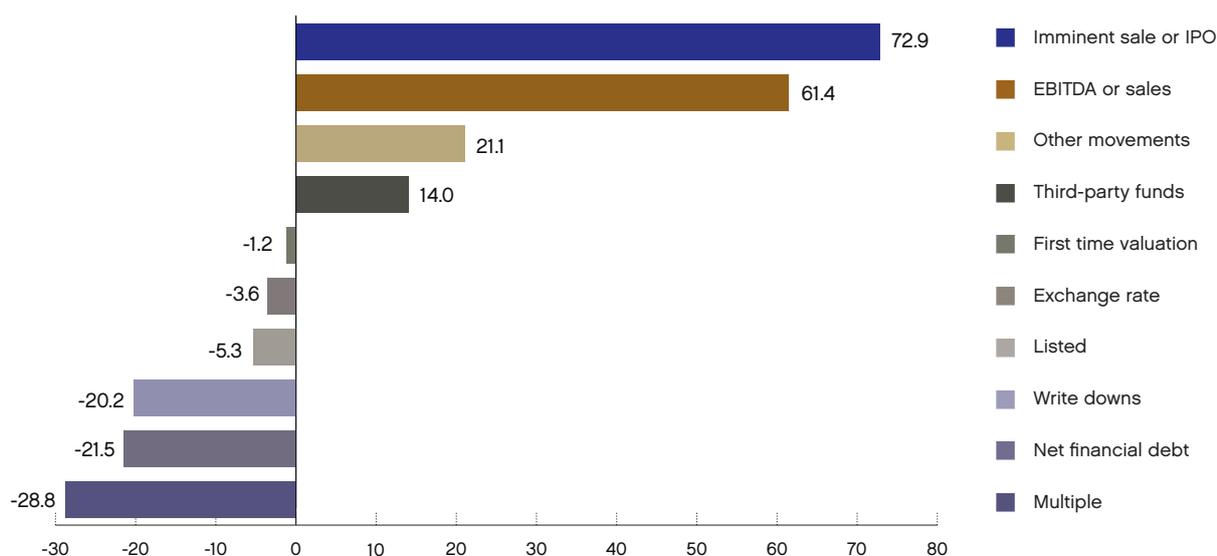
The net financial result for the year is EUR 1.8 million positive, somewhat lower than in the corresponding period of 2014-2015 (EUR 2.7 million). The main explanation is the lower interest received on treasury.

After deducting taxes (EUR -3.8 million) and non-controlling interests (EUR -11.5 million), Gimv realised for the 2015-2016 financial year a net profit (group share) of EUR 137.2 million.

* Dividends, interest, management fees, turnover and other operating income, after deducting services and other goods, personnel costs, amortization of intangible fixed assets, depreciation of land, buildings and equipment, and other operating costs.

“Cashing in a number of strong growth stories at the right moment and active strategic involvement in our businesses enabled us to post attractive earnings during the past financial year of EUR 137 million, with a 20 percent return on our portfolio. We look back on a busy investment year in which we invested in 8 new growth stories, bringing our portfolio to its largest size in more than 10 years: more than 1 billion euros invested in 50 companies.”

Unrealised capital gains and losses together amount to EUR 88.7 million



Active investment year

In FY 2015-2016, Gimv undertook EUR 130.2 million of on-balance sheet investments (versus EUR 154.3 million in FY 2014-2015). An additional EUR 32.3 million were invested via the co-investment funds (as minority interests), bringing the total investments (on balance sheet and via the co-investment funds) to EUR 162.5 million (EUR 191.0 million in FY 2014-2015). The past financial year saw a significant expansion of the Sustainable Cities portfolio with new investments in Brakel, Contraload and Itho Daalderop/Klimaatgarant.

There were also initial investments in Benedenti, Biom'Up, Equipe Zorgbedrijven, Legallais and Topas Therapeutics. There were also various follow-on investments in, among others, Ecochem, JenaValve, Mackevision, Melijoe and Thinkstep.

Total direct investments amounted to EUR 122.8 million, of which EUR 105.4 million (81% of the total investments on the balance sheet) of new investments and EUR 17.4 million (13%) of follow-up investments. EUR 7.4 million (6%) of the total amount invested went to third-party funds (indirect investments).

Continuing intense divestment activity

In FY 2015-2016 Gimv sold, among others, its shareholdings in Acertys, BrandAlley, Datacontact, Easyvoyage, Essar Ports, Maes Compressoren, McPhy, Numac, Prosonix, ProxiAD, VCST, Xeikon and XL Video. It also cashed in part of its stakes in Greenyard Foods (private placement) and TINC (over-allotment option), and there were a number of distributions from the third-party funds. For all these divestments Gimv received a total of EUR 227.2 million (332.0 million in 2014-2015).

Additional divestments via the co-investment funds (minority interests) added a further EUR 76.3 million (EUR 35.5 million in 2014-2015), bringing **total divestments (on balance sheet and via co-investment funds) to EUR 303.5 million** (EUR 367.5 million in 2014-2015).

On top of the exit proceeds of EUR 227.2 million, the sold shareholdings generated in FY 2015-2016 EUR 9.1 million of dividends, interest and management fees. In this way, exits produced a total of EUR 236.3 million. On 31 March 2015 these divestments were carried at a total value of EUR 165.5 million. Consequently, the sales generated 42.7% more (EUR 70.7 million) than their carrying value at 31 March 2015 (measured at fair value in the consolidated figures).

Solid balance sheet structure - portfolio represents 82% of total assets

Total assets amounted at 31 March 2016 to EUR 1 230.3 million. The portfolio amounted to EUR 1 013.9 million compared with EUR 920.2 million at 31 March 2015. Despite the high level of exits, the value of the portfolio rose by 10% as a result of the investments, but also owing to the appreciation of many holdings.

The portfolio breaks down as follows: 28% (EUR 281.5 million) in Connected Consumer, 9% (EUR 93.8 million) in Health & Care, 20% (EUR 208.2 million) in Smart Industries, 15% (EUR 150.1 million) in Sustainable Cities and 7% (EUR 69.5 million) in other participations. An additional 21% (EUR 210.8 million) of the portfolio is in third-party funds.

On 31 March 2016 the unlisted shareholdings made up 91% of the portfolio: 41% of this amount (EUR 416.1 million) is valued on the basis of multiples. The average multiple (EV/EBITDA) for the portion of

the portfolio that Gimv values today on the basis of market multiples is 6.7 (after a 26% discount). 14% (EUR 142.3 million) of the portfolio is valued at investment cost, 21% (EUR 210.8 million) based on the net asset value of the underlying third-party funds, 11% (EUR 111.4 million) based on other valuation methods (including exit price), 3% (EUR 29.8 million) based on the net asset value of the underlying co-investment funds, and the balance of 1% or EUR 9.2 million based on the price established in the most recent financing rounds. The balance of the portfolio consists of listed shareholdings (4% or EUR 39.4 million) and loans (5% or EUR 54.9 million).

Ample liquidity base allows room for further portfolio expansion

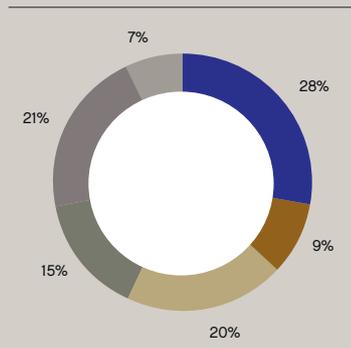
Gimv's net cash position at 31 March 2016 was EUR 183.9 million** compared with 184.8 million at 31 March 2015. This stable level, despite significant divestments during the year (227.2 million), is explained by the investments (EUR 130.2 million) in combination with the dividend paid for the previous year (EUR 62.3 million) and the fact that a portion of the divestment proceeds were received in the form of a vendor loan. It should be noted that the divestments of Altair/Brunel, GreenPeak and OneDirect were/will be finalized only after the end of the financial year, and are therefore not yet reflected in the net cash position at 31 March 2016. During the coming months we shall continue to work on the approval process for Punch Powertrain.

Equity (after dividend payment) rises to EUR 1 167.9 million or EUR 45.93 per share

Equity (group's share) (= net asset value) amounted at 31 March 2016 to EUR 1 167.9 million (EUR 45.93 per share), compared with EUR 1 092.6 million (EUR 42.97 per share) at 31 March 2015 (both figures prior to dividend payment). The increase in equity during FY 2015-2016, combined with the dividends of EUR 62.3 million paid out during the financial year, represents an economic return on equity for the financial year of 12.6%, which once again is above Gimv's long-term return.

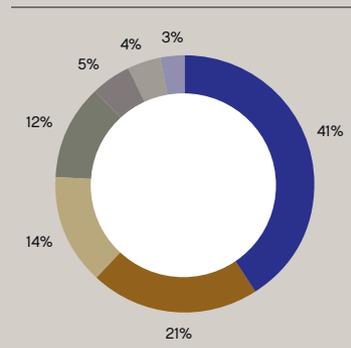
** Cash and cash equivalents of EUR 192.8 million, corrected for advance payments from divestments to be transferred.

Portfolio according to platform



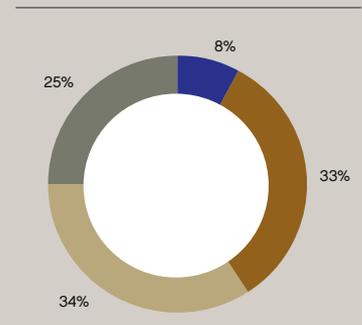
- Connected Consumer
- Health & Care
- Smart Industries
- Sustainable Cities
- Third-party funds
- Other participations

Portfolio per valuation method



- Multiple
- Third-party funds
- Cost
- Other
- Loans
- Listed
- Co-investment partnerships

Portfolio by vintage

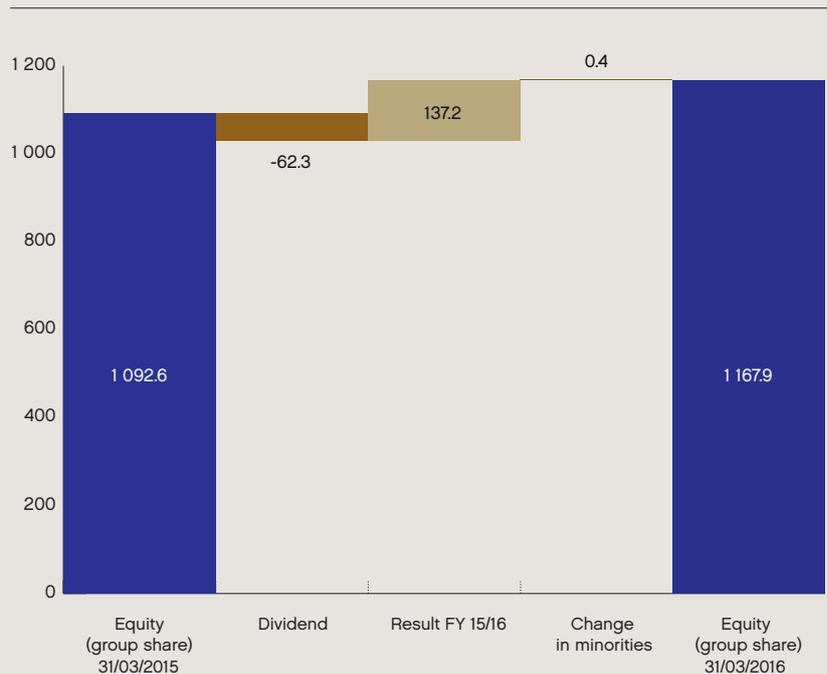


- ≤ 2006
- 2007-2009
- 2010-2013
- ≥ 2014

Research and development

Gimv and its consolidated subsidiaries did not undertake any research and development activities during the past year.

Evolution of equity (in EUR million)



Key Figures

Consolidated financial statements (in 000 EUR)	31/03/2016	31/03/2015	31/03/2014	31/03/2013	31/03/2012
Equity	1 167 887	1 092 636	992 043	1 011 829	1 011 260
Portfolio	1 013 894	920 189	930 959	814 357	845 217
Cash and cash equivalents	192 774	184 766	56 637	195 297	183 391
Net cash and cash equivalents	183 881	184 766	56 637	195 297	183 391
Balance sheet total	1 230 329	1 136 048	1 026 721	1 072 483	1 055 185
Net profit	137 175	135 991	14 998	32 746	-21 920
Total gross dividend ¹	62 295	62 295	60 576	58 711	56 781
Investments (own balance sheet)	130 220	154 283	194 566	110 806	171 781
Investments (including co-investment partnerships)	162 492	190 958	264 768	150 888	279 386
Divestments (own balance sheet)	227 168	331 960	95 765	180 686	182 639
Divestments (including co-investment partnerships)	303 468	367 431	131 143	254 833	254 939
Number of employees	95	103	99	97	99
Key figures per share (in EUR)					
Equity	45.93	42.97	40.12	42.22	43.63
Net profit	5.39	5.35	0.61	1.37	-0.95
Diluted net profit	5.39	5.35	0.61	1.37	-0.95
Gross dividend ¹	2.45	2.45	2.45	2.45	2.45
Share price (on the closing date of the financial year)	48.50	41.89	37.12	38.99	38.30
Total number of shares	25 426 672	25 426 672	24 724 780	23 963 786	23 176 005
Ratios					
Pay-out ratio	45.4%	45.8%	403.9%	179.3%	N.V.T
Net return on equity	12.6%	13.7%	1.5%	3.2%	-2.1%
Gross return on portfolio ²	20.0%	17.3%	3.8%	5.9%	-0.2%
Premium (+) / discount (-) on equity	5.6%	-2.6%	-7.5%	-7.7%	-12.2%

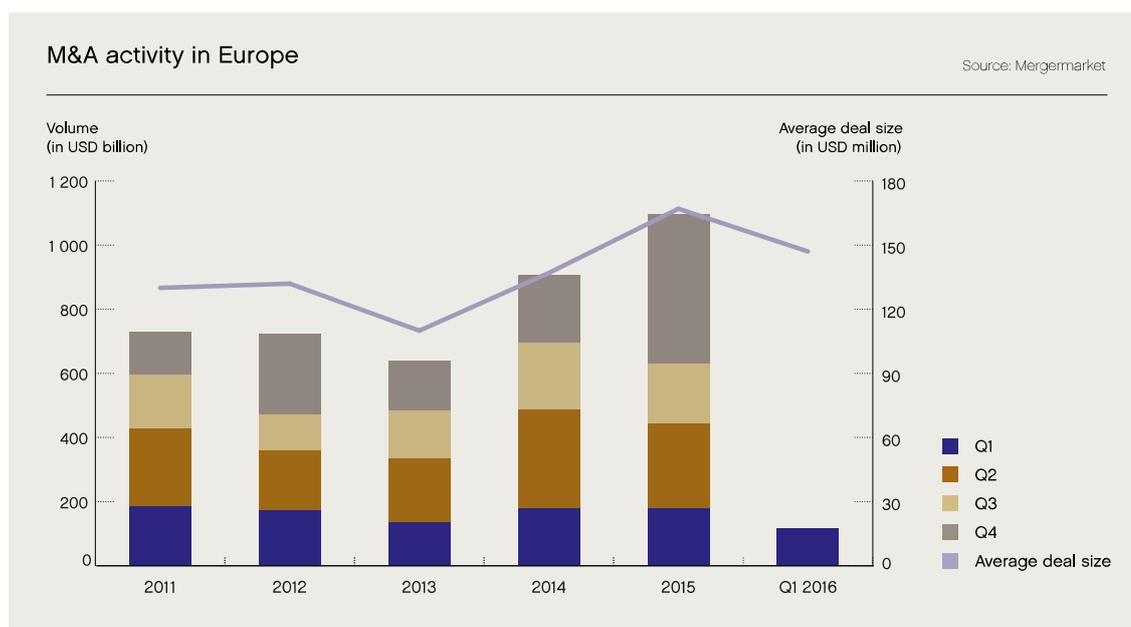
1 For the financial years 2011-12, 2012-13 and 2013-14 paid out as an optional dividend

2 (Realised capital gains + unrealised capital gains on financial fixed assets + dividends + interests + management fees + turnover) / portfolio at start of financial year

11. Market information and trends

11.1 Global M&A market - Europe

2015 was an excellent year for the mergers & acquisitions market. With an overall volume of USD 279 billion, the market rose in 2015 no less than 17% above the previous record and 30% compared with 2014 (USD 3 230 billion). The highest growth was recorded in the United States and Asia. Low interest rates and economic growth in the United States meant that companies could borrow at low interest rates to finance new deals.



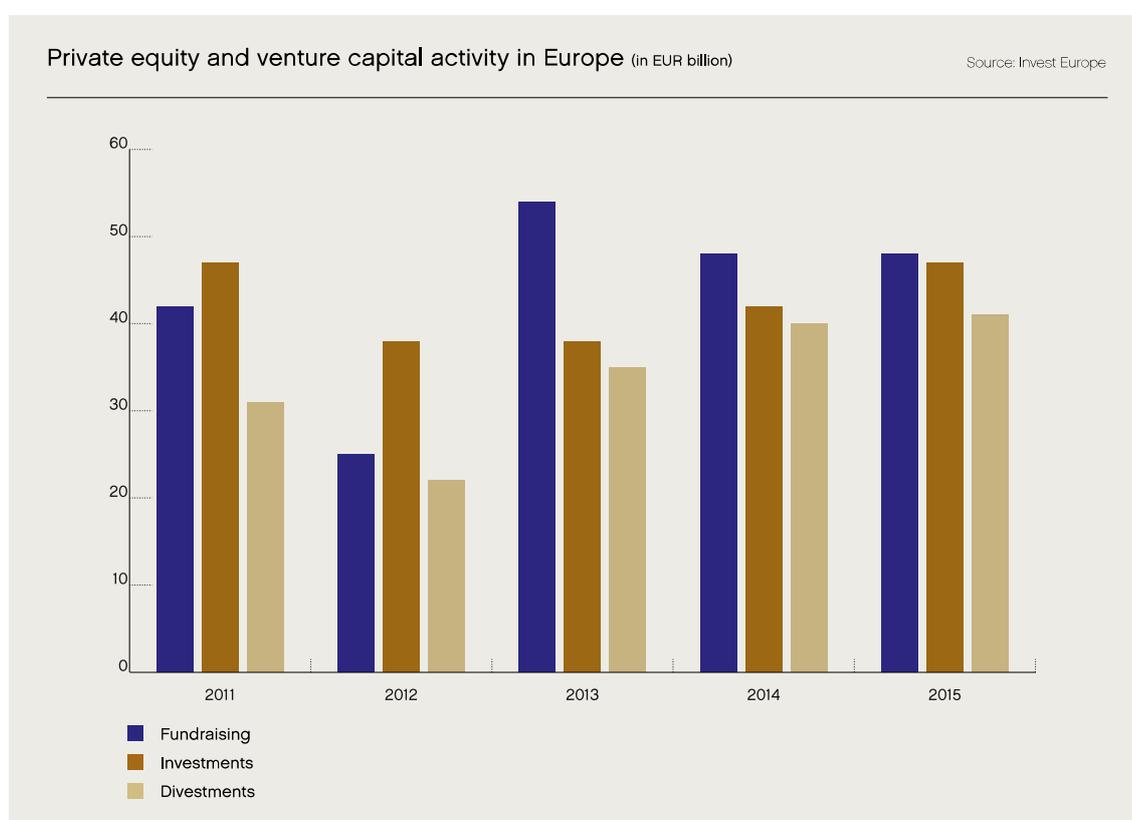
Europe accounted for USD 1 099 billion (26% of the overall volume), climbing to its highest post-crisis level. The positive momentum of 2014 was continued in 2015, with volumes in the first three quarters fluctuating between USD 180 and 260 billion. In the last quarter - under the influence of the high valuations in the sector - a number of mega deals were closed, resulting in a record volume of USD 468 billion. The average deal size in Europe in 2015 was USD 167 million, 22% higher than in 2014. All this took place in a political and economic environment marked by great uncertainty and high volatility. In the first quarter of 2016, USD 175 billion of deals were concluded in Europe, which is 3% higher than in the first quarter of 2015. Prospects for 2016 are therefore rather moderate.

According to data from Mergermarket, the private equity share of the global M&A market amounted in 2015 to about 10% percent of total deal volume. For Europe, this was almost 13%, slightly down on 2014.

11.2 Private equity in Europe

Private equity in Europe is doing well. 2015 our industry - like other sectors - faced weak economic growth, the continuing volatility in the eurozone, low interest rates and hesitant consumers and businesses, all reflected also in volatile equity markets. In addition there are - specific to our industry - the high valuations, tougher regulations and fierce competition owing to an abundance of capital. Fund managers were looking in 2015 for new ways to put their capital to work. Their first focus was on creating further value in their portfolios with follow-on investments and buy & build strategies. At the same time, their investment focus expanded from large companies into the small and medium enterprise (SME) segment.

Competition and high valuations, had also a beneficial side to them, in that 2015 was again a strong year for exits, driven by industrial purchasers looking for buy and build opportunities. These exits brought about a stream of distributions to investors and formed a solid foundation for new fundraising. All this made 2015 a good year for the private equity industry, in which an attractive return could be achieved for investors in this asset category.



11.3 Investments

Provisional figures by Invest Europe (former EVCA) for 2015 show a total of EUR 47 billion invested in Europe, up 14% on 2014. At the same time an 11% decrease in the number of investments to 5 000 points to the role of a limited number of large transactions this increase. Over 86% of the investments were in SMEs.

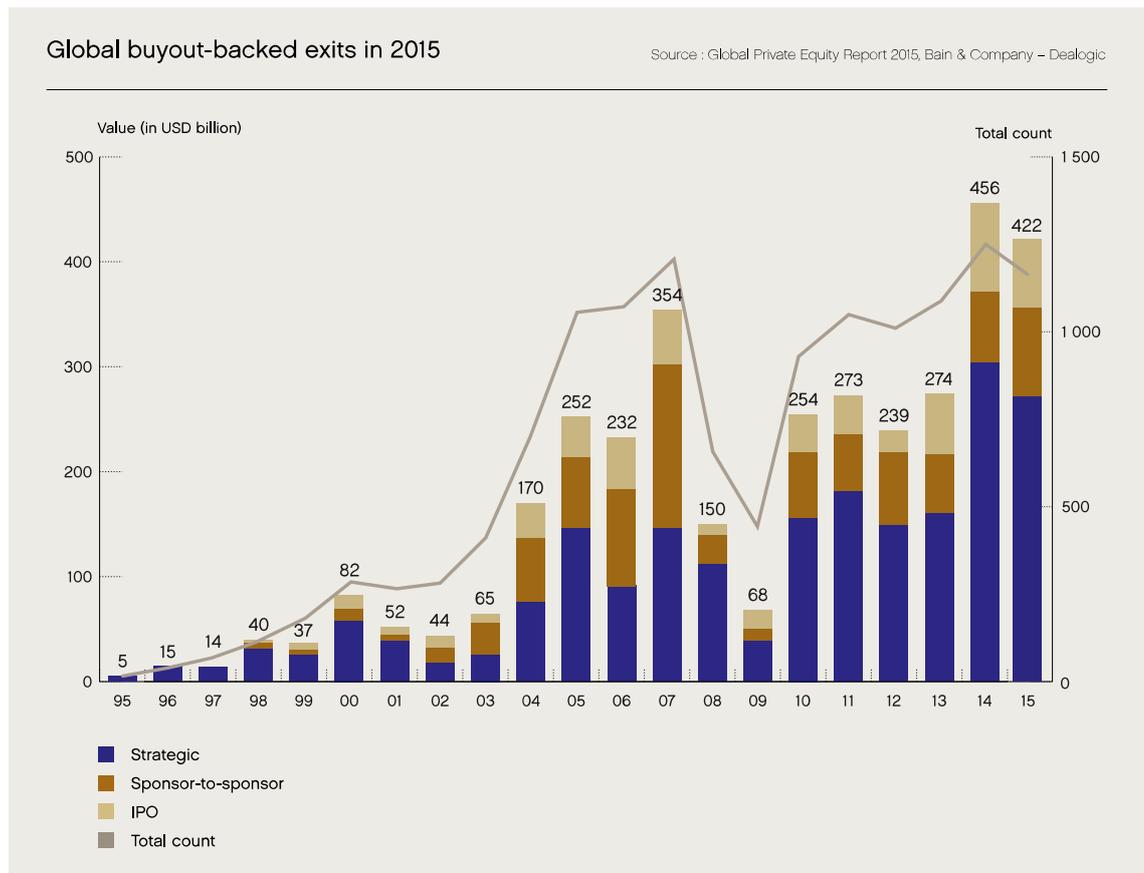
Geographically the differences were less pronounced than in other years. The largest volume and number of deals were closed in the France and the Benelux, which together took 29% of the total volume, ahead of the UK, that with 27% produced an untypically lower volume. Germany followed with 19%.

The level of investment has risen consistently in recent years, helped by the continuing favourable returns generated by the sector, which serve to boost confidence. A large amount of available capital exists in private equity funds. Worldwide, the amount of capital available to fund managers rose from

USD 1.2 trillion at end-2014 to USD 1.3 trillion at end-2015. This gives more than ample room for new investment and - despite the high valuations - many fund managers are under pressure to put that capital to work.

11.4 Exits

2015 was again a very strong year for exits, both in number and value. According to 2015 data from Invest Europe, the total of EUR 41 billion in 2015 was in line with the record year 2014. The number of exits also remained stable at around 2 500. It should be noted that Invest Europe counts exits at cost, without factoring in any capital gains on sales. The chart below from Bain & Company's Global Private Equity Report 2016 better reflects the effect of sale prices, showing a slightly decreased, but still very high exit value in 2015.



According to the Invest Europe data, the preferred divestment routes in 2015 were 1) sale to industrial players (29%) and 2) sales of shareholdings to other private equity players (27%). In addition in 2015 many companies held by private equity players were brought to the stock market (23% of divestments). The above chart confirms this, but shows the very large role played by industrial players in terms of values and sales prices.

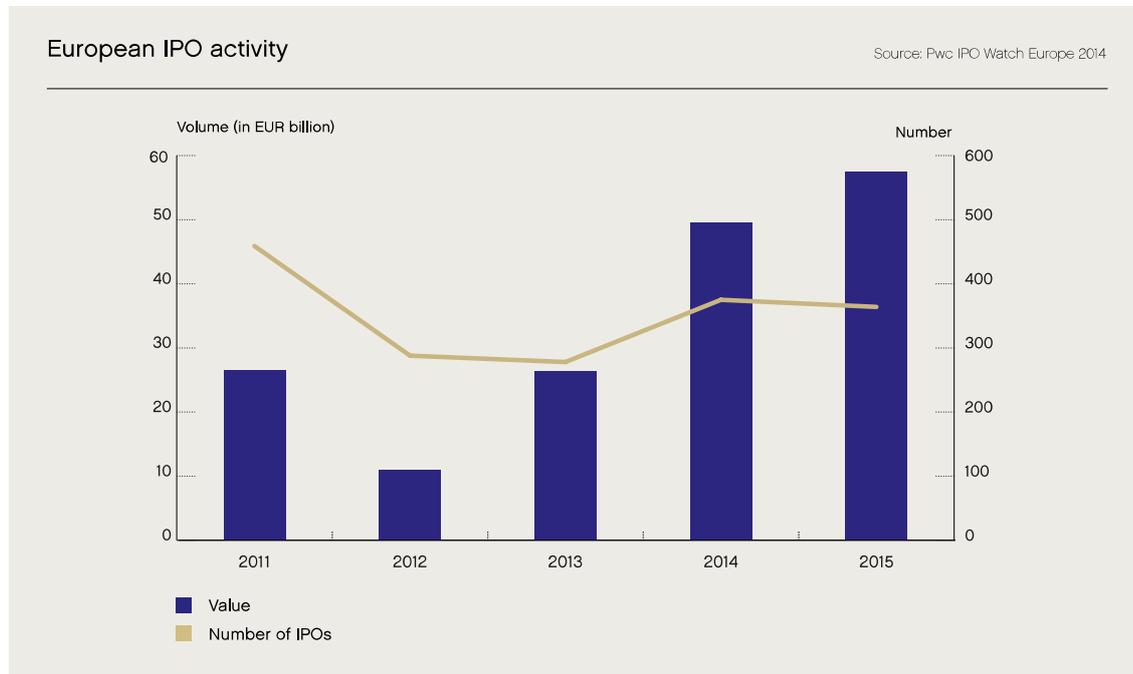
11.5 IPO

2015 was the most successful year for IPOs since 2007. PwC's IPO Watch Europe gives the following figures: 364 IPOs in 2015 (375 in 2014), accounting for a total raised amount of EUR 57 billion, which is 14% up on 2014 (EUR 50 billion). IPOs by private equity players played a prominent role in the past year, accounting for nearly half of all IPOs in volume.

Remarkable was the increase in size of the IPOs, with the average amount raised growing from EUR 196 million in 2014 to EUR 248 million in 2015. This exceptional IPO year was due mainly due to a

small number of large IPOs, like Aena, ABN AMRO and Worldpay. Three of the five largest IPOs were privatizations.

2016 got off to a very uncertain start, with 50 IPOs raising just EUR 3.5 billion. There are a number of transactions in the pipeline, but the current macroeconomic environment makes it uncertain how investor confidence will evolve.



11.6 Fundraising

Spurred on by a record year for exits and resulting distributions to investors in 2014, there was enough cash and appetite around in 2015 to again allocate money to the sector. For the third year running, fundraising ran at a very high level. According to provisional data from Preqin, 1062 private equity funds raised USD 551 billion across the world. Since not all figures were available, this number is set to increase, taking us towards a record year for fundraising.

In addition to the current high distributions, the permanent quest for long-term return is another major driver for investors in PE funds to make new allocations. In the long term, the private equity industry has proven to generate consistently better returns than other asset categories. According to a survey of LPs by Preqin, 50% of respondents plan in the medium term to increase their allocation to the sector.

The number of funds closed in 2015 decreased 24% compared to 2014. In this way average fund size increased to USD 587 million, the highest amount ever. A large part of the fundraising goes to mid-market and mega buyout funds (33% or USD 175 billion). Large investors, like pension funds, insurers or endowment, are opting to place large sums in large funds to reduce their number of commitments. At the same time we are increasingly seeing these these large investors in managed accounts, direct investments and co-investments.

Pension funds are again the main investors in private equity. Government agencies, insurance companies, funds of funds and family offices also continue to play their role. Just as in 2014, about 40% of the amount raised came from investors outside Europe. This confirms that, despite the turbulence in the Eurozone, confidence exists in the European private equity industry. (Source: Invest Europe/PEREP Analytics).

11.7 Return

The private equity industry has since 2013 provided its shareholders with stable and attractive returns. As of 30 June 2015 (12 month period) there was an average return of 14% for the overall sector (Source: 2015 Preqin Global Private Equity Report). A number of attractive exits and rising valuations of existing portfolio companies are mutually reinforcing factors. This is a better performance than the stock markets, which were very volatile and with flat to negative trends in most cases.

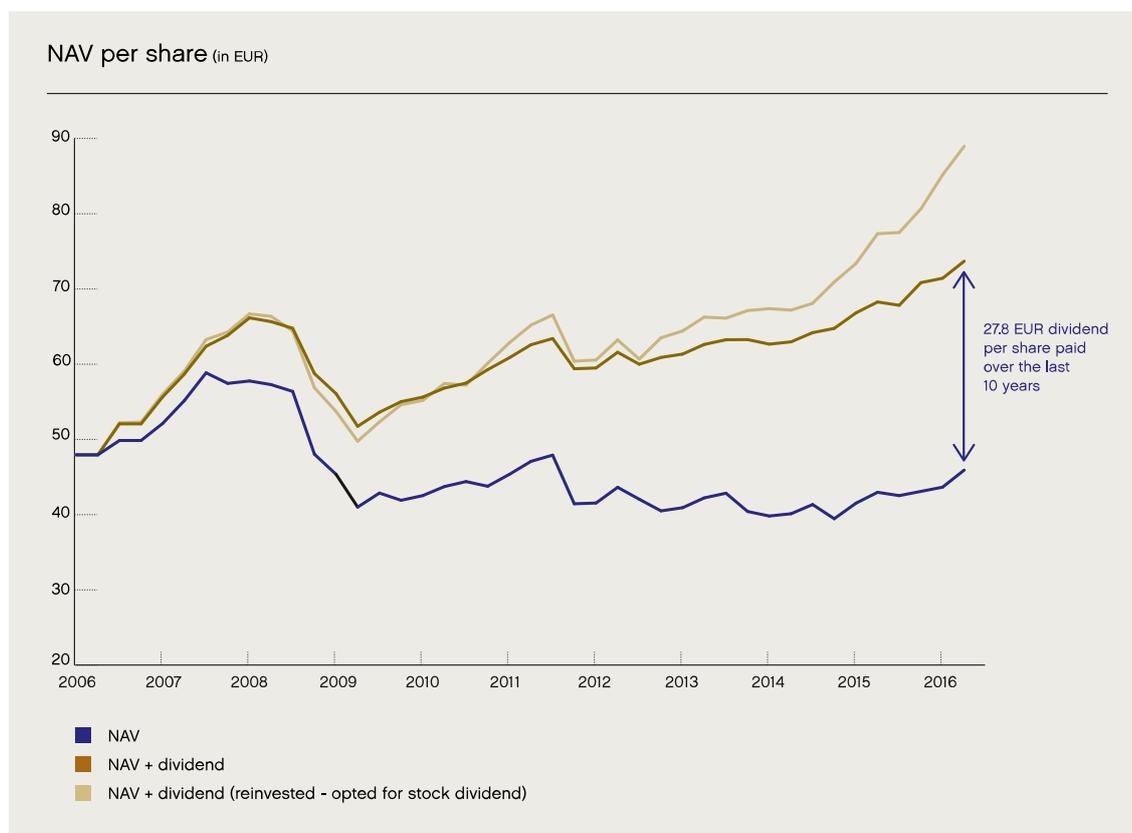
For private equity as an asset category it is more relevant to look at the long-term return. The average net IRR of private equity funds with vintages from 2000 to 2012 varies from 6.5 to 14.8% (Source: 2015 Preqin Global Private Equity Report), a return that is higher on average than stock markets. For this reason private equity remains an interesting asset category for long-term investors.

12. Share and shareholders

12.1 NAV over time

2015-2016 was an active year. Gimv was able to add 8 new promising growth companies to its portfolio, while our existing holdings posted solid results, together increasing the value of our portfolio to over EUR 1 billion. Helped by a positive exit environment, we also made a number of successful divestments, which translated into an excellent annual result, above the long-term average. The evolution of the NAV during the 2015-2016 financial year, together with the dividends paid during the year, represent a total return of 12.6%.

The chart below shows the evolution of NAV per share. Despite fluctuations in NAV, Gimv was able to achieve an attractive return over a 10-year period. For an investor reinvesting his dividend in the Gimv share, the return would have been around 11%, as illustrated by the upper line in the graph.



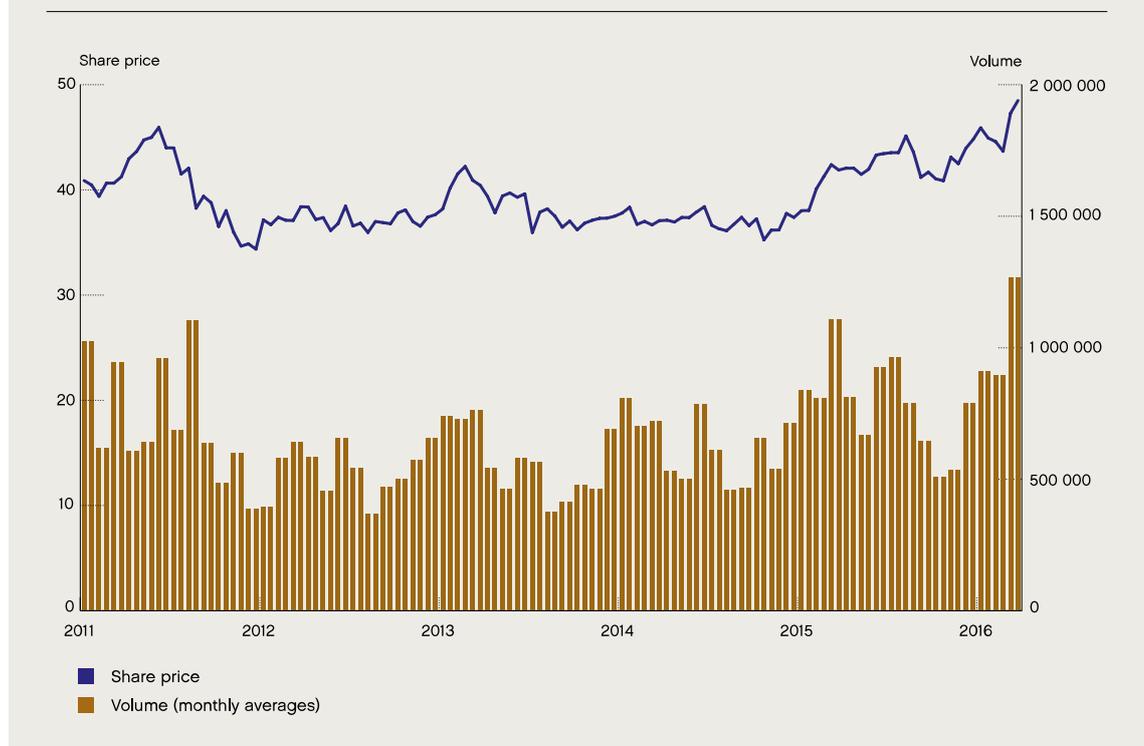
12.2 Share price over time

2015 was a turbulent year for stock markets, with low oil prices, pressure on commodity prices, uncertainty about China's growth prospects and a decline in global economic growth. Despite the attendant stock market volatility, Gimv's share price increased last year by 15.3% to EUR 48.5, back to its pre-crisis level, spurred on by busy M&A activity and good results against a background of extremely low interest rates.

The average share price was EUR 43.5, with a low of EUR 39.5 in August and a high of EUR 49.0 in March 2016. Including the gross dividend paid, the Gimv stock price gave shareholders a total return of 21.2% in the past financial year.

Average daily trading volume during the past year rose to 18 541 shares, compared with 17 523 in FY 2014-2015. This almost 5.8% increase is mainly explained by the intense investment and divestment activity and increased market capitalization, which created greater visibility.

Gimv share price and trading volumes over the past five years (in EUR)



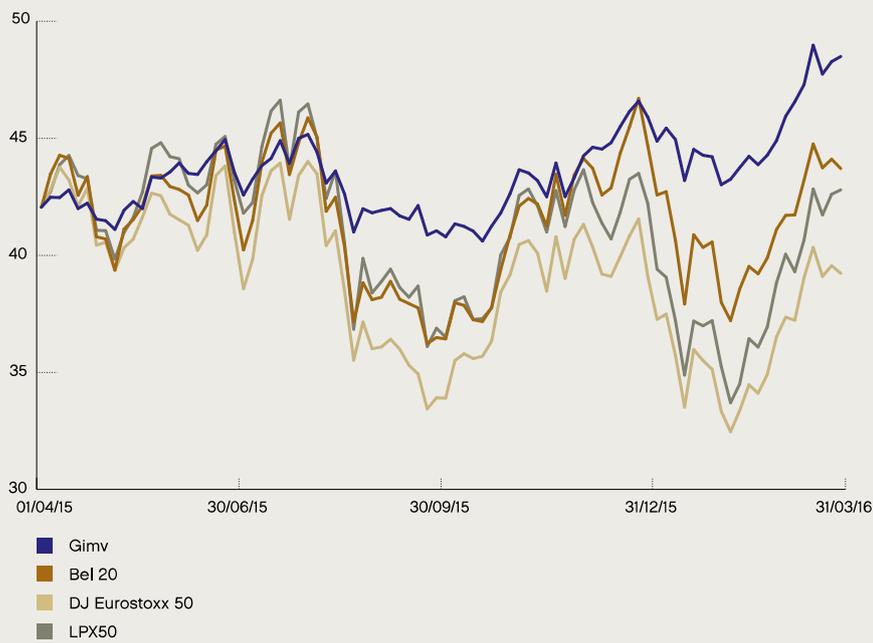
Gimv's share price has remained relatively stable in recent years. Through its consistent value measurement and dividend policy, Gimv can count on a large number of long-term investors, which somewhat limits the volatility of the share price. This aspect can also be seen in the relative performance of the Gimv share compared with the indexes (see chart below). With Gimv's share price less impacted by the crisis in 2008, the increase in the ensuing years was also less dramatic. In 2015-2016 Gimv's stock price increased, unlike that of most stock indexes.

The positive trend of better-performing stock market indices which started in 2012 and 2013, continued through into the first half of 2015. At the end of the summer of 2015, however, the bad news about China's growth prospects caused by the devaluation of the yuan became known to the rest of the world, leading to a correction on the stock markets. The Bel 20, DJ Euro Stoxx 50, and LPX50 experienced a first fall in August 2015 followed by a second in November. Particularly striking this year again is the strong performance of the LPX50, a price index for listed private equity companies.

Gimv share performance versus indexes (5 year)



Gimv share performance versus indexes (1 year)



12.3 Dividend policy

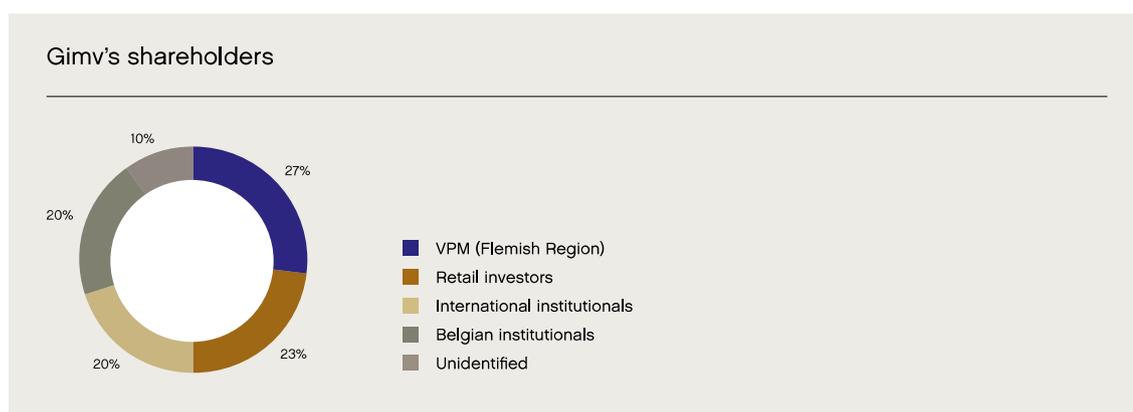
The board of directors will be proposing a gross dividend of EUR 2.45 per share (EUR 1.79 net) to the general shareholders meeting in June. Gimv's dividend policy is not to reduce the dividend and to increase it whenever possible.

Since Gimv's result as an investment company depends on the sale of its investments and the evolution in the value of the portfolio, Gimv cannot guarantee that this policy will continue in the future.

12.4 Shareholding

The Gimv share has been listed on Euronext Brussels since 26 June 1997. The capital of Gimv amounts to EUR 241 364 628 and is represented by 25 426 672 fully paid-up shares without nominal value. All shares are listed on Euronext Brussels, have the same rights and fractional value and are fully paid up.

The largest shareholder in Gimv NV is the Vlaamse Participatiemaatschappij (VPM). VPM held on 2 August 2014 26.82% of the capital or 6,634,126 shares, making it a reference but not a majority shareholder. VPM is 100% owned by the Flemish Region. All other shares are distributed among the investing public. 40% of the shares are held by institutional investors, half of them in Belgium, 23% are held by retail investors and the remaining 10% could not be identified.



12.5 Communication

Gimv attaches the highest importance to providing accurate and timely information to both individual and institutional investors. For this it uses various communication channels such as the website, annual report, press releases and presentations to investors, both in groups and individually.

Share code GIMB	Bloomberg code GIMB BB	GIMB LISTED EURONEXT
ISIN code BE0003699130	Liquidity providers Bank Degroof & KBC Securities	
Reuters code GIMV.BR	Principal paying agent KBC Bank	

12.6 Financial calendar

29 June 2016

General shareholders' meeting in respect of FY 2015-2016

4 July 2016

Ex-date of the 2015-2016 dividend (coupon no. 23)

5 July 2016

Record date of the 2015-2016 dividend (coupon no. 23)

6 July 2016

Payment date of the 2015-2016 dividend (coupon no. 23)

20 July 2016

Business update first quarter FY 2016-2017 results (period 01/04/16-30/06/16)

17 November 2016

Announcement of first half FY 2016-2017 results (period 01/04/16-30/09/16)

13. HR & network

The platform strategy features multidisciplinary teams: investment professionals with industrial, strategic or financial backgrounds complement each other in actively guiding their businesses. To enrich the in-depth understanding of new and existing shareholdings and to deepen the knowledge of the market dynamics of our platforms, each of the international teams also has an industrial partner. Additionally, the teams can call on an operating partner, active across platforms and countries. This organizational structure provides us a strong foundation with which really to connect with the spirit of entrepreneurs.

Our teams are well surrounded, internally and externally. Separately, our employees regularly join forces less formally, as a team or towards entrepreneurs. For many years now we have supported the VLAJO (Flemish Young Enterprises) partnership, by coaching young entrepreneurs with their business plans. Our Dutch colleagues took part in 'Nederlands doet' (the largest voluntary initiative in the Netherlands), as a team giving their free time to painting rooms in an assisted living project. Other colleagues regularly give guest lectures to entrepreneurs-to-be, and as a team we challenge each other to run the extra mile in the Antwerp 10 mile road race. In short, we see it as natural, and without trumpeting it from the rooftops, to convert our 'Responsible Corporate Behaviour' into deeds, as an extension of Gimv's core activity of encouraging entrepreneurship, growth and value creation

Meet us on www.gimv.com (team) or via [LinkedIn](#).

95 employees

4 countries

4 offices



14. Occurrences after closing of the financial year and prospects

14.1 Main events after 31 March 2016

In late February the sale was announced of **Altair/Brunel** (www.brunel-fr.com). The Group is France's leading home maintenance and renovation products and domestic insecticides company. This sale has no impact on the value of Gimv's equity as of 31 March 2016.

On 10 March, Gimv, the Gimv-managed Gimv-XL fund and the other shareholders of **Punch Powertrain** (www.punchpowertrain.com) announced that they had entered into an exclusive purchase and sale agreement with the Chinese group Yinyi to acquire 100 percent of the shares of Belgian Punch Powertrain. It was announced at the time that the valuation agreed in the context of this transaction indicates that the proposed sale could have a major positive impact on the equity of Gimv. The valuation as of 31 March 2016 factors in the financial and regulatory conditions that have still to be fulfilled before the transaction can be finalized.

At the end of March, Gimv announced the sale of its majority stake in the French company **Onedirect** (www.onedirect.fr), the largest supplier of telecom equipment in Europe. Since Gimv's entry in 2010, the size of the company has increased by about a third. This exit has no impact on the value of Gimv's equity as of 31 March 2016.

In mid-April Gimv invested EUR 6 million in a EUR 26 million Series A financing of the Swiss-Dutch company **G-Therapeutics** (www.gtherapeutics.com). This spin-off of the Ecole Polytechnique Fédérale de Lausanne (EPFL) is developing an implantable spinal cord neurostimulator for patients with partial paraplegia. This funding will be used to finance the clinical trials of the company up to the approval of the EC mark (EU) and IDE (USA).

Also in mid-April Gimv sold together with the co-investors its interest in Dutch company **GreenPeak** (www.greenpeak.com) to Nasdaq-listed Qorvo. During the more than 10 years Gimv's shareholdership, GreenPeak has evolved from a concept-only start-up to an award-winning semiconductor company. This sale has a positive impact of approximately EUR 4 million on the Gimv's equity at 31 March 2016.

In late April, Gimv announced it had acquired a 40% stake in the Amsterdam company **Joolz** (www.my-JOOLZ.com), a fast-growing premium pushchairs brand. Gimv will assist with the further geographic expansion and the launch of new products.

At the beginning of May, Gimv invested approximately EUR 10 million in **Arplas** (www.arplassystems.com), a Dutch supplier of innovative welding technology, which provides clear benefits in specific applications in the automotive industry. The technique is cheaper and more energy-efficient, with almost invisible welds. With Gimv as a shareholder, Arplas intends to accelerate its sales in the automotive market.

Also at the beginning of May, Gimv invested USD 2.7 million in a Series D financing round at **EndoStim** (www.endostim.com), a medical device company focused on neurostimulation therapy for gastroesophageal reflux disease (GERD).

Mid-May an agreement was reached with an international private equity firm for the sale of Gimv's holding in Pragma II fund. This exit has no impact on the value of Gimv's equity as of 31 March 2016.

It was recently decided that **Mr Bart Caubergh** will join the executive committee as head of the Smart Industries platform. Bart (°1978) joined Gimv in 2009. Previously to this, he spent five years as a management consultant with the Boston Consulting Group and headed up his own technology consultancy. Bart holds a degree in Civil Engineering- Mechanical Engineering and a PhD in Applied Sciences and a postgraduate degree in Business Administration. He has also attended executive courses at Harvard and Insead.

The Board of Directors has accepted the proposal of the Vlaamse Participatiemaatschappij (VPM), a company controlled by the Flemish Region, to appoint Ms Hilde Laga as its chairman from 1 April 2016. The Board of Directors also co-opted Mr Geert Peeters, nominated by VPM, to replace Mr

Urbain Vandeurzen as a director of the company. Mr. Vandeurzen remained chairman until the end of the past financial year (March 31, 2016).

14.2 Outlook

We see a cautious economic recovery in the euro zone, after a year of considerable geopolitical turbulence. We also see a further slowing of growth in emerging markets and again increased volatility in financial markets.

We are confident, however, that our portfolio, which is sufficiently diversified and positioned across various companies and sectors that are each cyclical to a greater or lesser degree, will also be able to benefit from this albeit modest economic growth. The portfolio again proved during the past year its solidity and value creation potential.

The results of our businesses and the development of the value of the portfolio remain dependent, however, on a number of external factors such as (i) the continuation of the cautious recovery in Europe's economy, (ii) growth prospects in emerging markets, (iii) the recovery of confidence by governments, savers and consumers, hampered by advancing ageing and budgetary measures, (iv) the geopolitical climate in various regions of the world, (v) the stability of the regulatory environment in the markets in which our businesses operate, (vi) the stability and liquidity of the financial system, both in terms of valuation levels and for the financing our companies, (vii) market receptivity to new IPOs and capital transactions, (viii) the appetite of international groups and industry players for further acquisitions, and (ix) the liquidity creation programmes of both the FED and the ECB, which can form in the longer term a source of volatility and as such have a major impact on financial markets. We must also keep in mind that a number of sectors are facing disruptive developments, which bring huge challenges but at the same time are also a source of opportunities. Assessing the combined impact of all these factors for the coming period is particularly difficult.

15. Corporate governance statement

Gimv applies the Belgian Corporate Governance Code for listed companies (2009) as its point of reference (www.corporategovernancecommittee.be). Independent studies have shown that Gimv's corporate governance policy is highly in conformity with the recommendations and guidelines of this Code. PwC Business Advisors' Corporate Governance Survey for December 2015, for instance, has officially confirmed this.

The most important aspects of Gimv's corporate governance policy are explained in its Corporate Governance Charter. The full text is available on [Gimv's website](#) and, on request, Gimv will send a hard copy by regular mail. Gimv updates its Corporate Governance Charter whenever there are relevant developments. The most recent version was approved in December 2015.

Changes and relevant events that occurred during the past financial year, are amplified in the following corporate governance statement. In order to obtain a complete picture, this chapter can best be read together with the Corporate Governance Charter.

15.1 Board of Directors

The key strategic and investment decisions are being made within the board of directors. The board of directors consists of twelve members who convene on a monthly basis whereby defining the principles of the strategic policy. The implementation of this strategic policy is taken on by the chief executive officer.

1 Composition

In accordance with article 12 of Gimv's articles of association, the board of directors of Gimv is composed of:

- five directors nominated by the Flemish Government or a company controlled by the Flemish Government, as long as the Flemish Government holds 25% of the shares. The chairman of the board of directors is elected from these five directors;
- a minimum of three independent directors, appointed in accordance with article 524 of the Belgian Company Code;
- the remaining directors, selected out of candidates who are not nominated by the Flemish Government nor by a company controlled by the Flemish Government.

Koen Dejonckheere has been appointed CEO by the board of directors and is the only executive director within Gimv. The other members of the board of directors are non-executive directors.

During the annual general meeting of Wednesday 29 June 2016, the directors' mandates of 3 directors will expire. Christ'l Joris, Sophie Manigart and Bart Van Hooland are nominated for reappointment. At the end of the financial year, Urbain Vandeurzen resigned as chairman and as director of Gimv. Urbain Vandeurzen was chairman of the board of directors since 2011, and in that capacity he set his shoulders under Gimv's strategic reorientation. Hilde Laga is his successor as chairman. On 19 April 2016, Geert Peeters was co-opted as his replacement as director and this co-optation was presented to the extraordinary general meeting of 27 May 2016 for ratification.

Deviation of best-practice principle 4.1

Five directors within the board of directors are nominated by the Vlaamse Participatiemaatschappij (VPM), of which they are also directors. As such, the nomination procedure for these directors deviates from the regular procedure, since the board of directors of Gimv has no direct influence on the nomination procedure or selection criteria for directors nominated by VPM. This situation is characteristic for Gimv's shareholders' structure (and the management agreement between VPM and

the Flemish Government). This is a factual given that Gimv has to take into account. Nevertheless, VPM adheres to a well-balanced composition and complementarity within the directors' profiles.

Independent directors

The board of directors of Gimv consists of six directors for whom the general meeting concluded at their appointment that they comply with the criteria of article 524 of the Belgian Company Code: Christ'l Joris, Sophie Manigart, Dirk Boogmans, Luc Missorten, Marc Van Gelder and Bart Van Hooland. These directors also meet the criteria of independence as set out in Annex A of the Belgian Corporate Governance Code.

The mandates of Christ'l Joris, Sophie Manigart and Bart Van Hooland will expire during the annual general meeting of 2016 and the mandates of the remaining independent directors will expire during the annual general meeting of 2018. Christ'l Joris, Sophie Manigart and Bart Van Hooland are nominated for reappointment at the annual general shareholders' meeting of 29 June 2016.

2 Members



Dirk Boogmans, Director

Dirk Boogmans has been a company director and advisor since 2008. Previously, he was CEO both at Gimv and at building group CFE.

He presides the audit committees of VUB, UZ Brussels and the Flemish Council for Science and Innovation (VRWI). Dirk Boogmans is a director at BNP Paribas Fortis Bank, Vinçotte Group and ASAP HR Groep NV.

He has been a board member of Gimv since June 2010.

Brigitte Boone, Director

Brigitte Boone obtained a master degree in law as well as in economic law. She is alumna from INSEAD (AMP) and Harvard Business School.

Between 1985 and 2009, Brigitte Boone held various positions (legal counsel, head tax department, CEO Fortis Private Equity, CEO commercial and investment banking at Generale Bank, which subsequently merged into Fortis Bank). Until May 2009, she was also executive director at Fortis Bank.

Currently, Brigitte Boone is managing director at 2B projects. In addition, Brigitte Boone holds independent director's mandates at Amonis OFF, Studio 100, Plopsaland, DS Textiles and Gabecon. Brigitte Boone is also non-executive director at Imec, I-minds and BTC.

Brigitte Boone has been a member of Gimv's board of directors since June 2015.

Koen Dejonckheere, Chief Executive Officer

Koen Dejonckheere was appointed CEO of Gimv in 2008, coming from KBC Securities, where he took up the positions of managing director and head of Corporate Finance.

Previously, Koen Dejonckheere worked at Nesbic Private Equity, Halder Private Equity, Price Waterhouse Europe and Bank Brussels Lambert Corporate Finance.

He is a member of the boards of directors of CapMan Plc. (Finland), hospital group AZ Delta, Home Invest, Roularta, Enternext, VOKA, Belgian Venture & Private Equity Association and EuropeanIssuers. In addition, he is chairman of VEV and the Belgian Association of Listed Companies and an executive committee member of the Federation of Enterprises in Belgium (VBO/FEB).

Koen Dejonckheere graduated in civil engineering at Ghent University and has an MBA from IEFSI-EDHEC in Lille (France).

Marc Descheemaecker, Director

Marc Descheemaecker graduated in Masters in Applied Economics from UFSIA (University of Antwerp). In 1978 he completed his studies at the College of Europe in Bruges, where he obtained a postgraduate degree in European Economy.

Marc Descheemaecker was CEO of the NMBS (Belgium's national railroad company) from 2004 until 2013 and is since 2013 chairman of the board of directors of BAC (Brussels Airport Company).

Marc Descheemaecker is also chairman of the board of directors of De Lijn, chairman of Lijncom and vice-chairman of Lijninvest. Furthermore, he is independent director at the High Diamond Council of Antwerp and director at Vitrufin (the holding above Ethias).

Previously, Marc Descheemaecker was a member of the board at Eurostar, NMBS Logistics, European Bulk Terminals and VEV.

He has been a board member of Gimv since October 2014, and in April 2015, he became a member of the board of directors of the European Investment Bank.

Christ'l Joris, Director

Christ'l Joris is chairman of the board of directors at ETAP and of the supervisory board of Parfibel, as well as of Agoria. Starting her career as an academic, she subsequently started to work in the mental health sector and for the King Baudouin Foundation. She is a member of the executive committee at VBO/FEB and is a member of the general assembly at UZA and Technopolis.

She has been a board member of Gimv since June 2010.

Hilde Laga, Chairman

Hilde Laga has been a member of Gimv's board of directors since June 2015 and chairman of Gimv since 1 April 2016. She is a member of the board of directors at Barco, Agfa Gevaert and Greenyard Foods, all listed on Euronext. In addition, she is a guest professor at KU Leuven, as well as a member of the Belgian Corporate Governance Commission. She is the founder of the law firm Laga, where she was managing partner for a very long time, as well as head of the corporate and M&A practice.

Sophie Manigart, Director

Sophie Manigart is Professor Corporate Finance at the Faculty of Economics and Business Administration at Ghent University. She is also a partner at Vlerick Business School.

In addition, Sophie Manigart is a director at AXA Belgium and at the Belgian Venture Capital and Private Equity Association and member of the Flemish Council for Science and Innovation (VRWI).

She has been a board member of Gimv since June 2010.

Luc Missorten, Director

Luc Missorten was CEO of Corelio until the end of September 2014. Previously, Missorten held positions at the law firm Linklaters and Citibank, and after that, he was appointed chief financial officer at AB Inbev and UCB.

Luc Missorten holds various director's positions, mainly in listed companies (Barco, Ontex and Recticel).

Luc Missorten has been a member of Gimv's board of directors since June 2014.

Geert Peeters, Director

Geert Peeters is currently COO at Cath Kidston Ltd. He previously held various positions throughout a long career at VF Corporation and Levi Strauss & Co and also worked for Bacardi Ltd and Sofinal SA.

Geert Peeters holds a master degree in industrial engineering/textile chemistry and is alumnus executive MBA from AMS and Vlerick.

Geert Peeters has been a member of Gimv's board of directors since April 2016.

Karel Plasman, Director

Karel Plasman holds a master degree in commercial and financial sciences. He was a professor at the Handelshogeschool in Antwerp (in the meantime called Lessius) teaching modern financial techniques for 5 years.

Karel Plasman has held senior management positions at international financial organisations such as Rabobank Nederland, VISA International London and the Almanij-group.

In June 2002, Karel Plasman started up Corgo SA Luxemburg, which was integrated in Acerta Consult, and he was appointed CEO of the Acerta group until May 2014.

Karel Plasman has been a member of Gimv's board of directors since June 2015.

Dr. ir. Urbain Vandeurzen, Chairman until 31-03-2016

Dr. ir. Urbain Vandeurzen was chairman of the board of directors of Gimv as from June 2011 until 30 March 2016. Between 1996 and 2003, he was also director at Gimv. In 1980, Urbain Vandeurzen was co-founder of high-tech company LMS International, where he took up the role of chairman and CEO until January 2013.

Since 2012, he has been director at KU Leuven and chairman of the 'Opening the Future' fundraising campaign and the new Strategic Research Center of Manufacturing Industry (Flanders Make). Furthermore, Urbain Vandeurzen is a key figure in the transformation of the local economy in Limburg as president of the Entrepreneurial Platform Limburg (OPL), the Limburg Innovation Center (Limburgs Innovatiecentrum) and managing director of Locate in Limburg.

Since April 2015, he has been director at Vanbreda Risk & Benefits and at Unibreda NV and since May 2015 director at Econopolis. In addition, he is honorary president of VOKA-Vlaams Economisch Verbond. He has also served as Vice-President of the Federation of Enterprises in Belgium, Vice-Chairman of Agoria Flanders and Vice-Chairman of the Leuven Chamber of Commerce. He was also chairman on the boards of directors of Scia, Flanders' Drive and until mid-2011 he was a director at Barco. Furthermore, he is involved in educational reform and innovation policy in Flanders as chairman of the 'Focus on Talent' committee of the King Baudouin Foundation and the Fund for Scientific Research (FWO). As chairman of VOKA-VEV, he was also deeply involved in defining the 'Flanders in Action' transformation programme.

During his flourishing career, he has won several awards and titles, including four nominations for 'Trends Manager of the Year', and with LMS, he won the Flemish government prize for the 'Most Innovative Company' and 'Company of the Year'.

Marc Van Gelder, Director

Marc Van Gelder is the former CEO of Mediq BV, a retail- and distribution company for pharmaceutical and medical appliances. Prior to that, he held various positions at Mc Kinsey & Company and Royal Ahold, in the US as well as in the Netherlands.

Marc Van Gelder is a member of the board of directors at Vastned, Maxeda and Action and member of the supervisory board at the Helen Dowling Institute, Royal Palace Het Loo and Mint Solutions BV. He is also chairman of the Diabetic Fund.

Marc Van Gelder has been a member of Gimv's board of directors since June 2014.

Bart Van Hooland, Director

Bart Van Hooland is an entrepreneur active in SMEs in various sectors. His main activity today is managing DROIA, an investment and venturing organisation focused on new cancer therapies. He is also involved as shareholder and director in producers of building and garden materials, and in companies with water-related activities such as surveying, diving and dredging. He develops activities as start-ups or through new partnerships.

He has been a board member of Gimv since June 2010.

Corporate mandates

Hereafter you will find a full overview of all corporate mandates held by Gimv's directors on 31 March 2016, as well as their various mandates during the past five years.

Name	Board memberships (End date)
Dirk Boogmans	Ceasar Real Estate Fund (2015), CFE (2010), P&V (2015), Vivium (2015), BNP Paribas Fortis Bank, Vinçotte Groep, Vitrufin (previously Ethias Finance) (2014), Collibra NV (2015), ASAP HR Groep NV, Global Lifting Partners (2013), Chairman advisory committee QAT Funds (2013), Chairman investment committee QAT 3, Chairman commission Hercules Invest, Chairman Flemish Board of Science and Innovation, Chairman audit committee VUB, Chairman UZ Brussel, Induss NV (2015)
Brigitte Boone	Studio 100, Plopsaland, Gabecon, DS Textiles, VPM, Imec, Fidemec, i-Minds, Amonis OFF, BTC, Outside Broadcast (2012), Gemma-Frisius (2012), NPG Energy (2013), Connective (2015), Right Brain (2015)
Koen Dejonckheere	CapMan Plc (2016), Hospital Group AZ Delta, VOKA, VEV, Roularta Media Group NV, Belgian Venture Capital & Private Equity Association, Home Invest Belgium, Enternext SA, VBO, Federation of Enterprises in Belgium
Marc Descheemaecker	De Lijn, BAC, VITRUFIN, HRD Antwerp, LIJNCOM, LIJNINVEST, European Investment Bank, NMBS (2013), EBT (2013), Eurostar (2013), NMBS Logistics (2014), VEV
Christ'l Joris	ETAP, ETAP BV, ETAP GmbH, ETAP SA, Parfibel NV, Stichting Paribel (the Netherlands), Agoria (2016), Flanders Investment & Trade (2015), TRI NV, Group Joos NV (2013), Wolkammerij CVBA, UZA, FT.I vzw/ Technopolis, Member Board of Censors National Bank of Belgium, member remuneration committee National Bank of Belgium
Hilde Laga	Barco, Agfa-Gevaert, Greenyard Foods, KU Leuven, management and association committee UZ Leuven, law firm Laga (2014), Aedifica (2015), supervisory board FSMA (2015), Elia System Operator, Fund+
Sophie Manigart	AXA Belgium, BAN Flanders vzw (2015), Beschutte Werkplaats Ryhove vzw, Belgian Venture Capital and Private Equity Association
Luc Missorten	Corelio, Barco, Ontex, Recticel, Scandinavian Tobacco Group, LMS (2013), Bank Degroof (2012)
Karel Plasman	Oscare, Rinkven International Golf & Country Club, Anautica VZW, Rozemarijn VZW (2010), Acerta Public (2014), Shéhérazade Développement (2014), Doccle (2014), Doccle.up (2014), Acerta (2014), Acerta Consult (2014)
Urbain Vandeurzen	Honorary Chairman VOKA-VEV (2009), VIVES (2011), Barco NV (2011), Agoria Flanders Automotive Industrie Sector (2011), LMS International (2012), FWO (2011), VMF Invest, Prins Albert Fonds (2013), KUL, Vlaamse Participatiemaatschappij (2016), chairman Ondernemersplatform Limburg, chairman Flanders Make, Vanbreda Risk & Benefits, Unibreda, Econopolis, Fund+
Marc Van Gelder	Mediq bv (NL) (2014), Vastned (NL), Maxeda (NL), Action (NL), Helen Dowling Instituut (NL), Paleis Het Loo (NL), Mint Solutions BV, Diabetes Fund
Bart Van Hooland	Scala International, Scala Plastics, Scala Plastics Poland, Sunclear Distribution (2015) Polet Quality Products (2015), Ghent Dredging, G-tec sa, G-tec Sea Mineral Resources (2014), Deco, Financing Worldwide (2015), Boribat, Pont, Tux, Warande (2013), IWT (2016), VOKA Oost-Vlaanderen (2015), VOKA-VEV (2015), PX Biosolutions (Australia), Gems International (2011), Xia BVBA, Clair Sàrl (Lux), DROIA SA (Lux), DROIA NV, DROIA Invest SA (Lux), DROIA Inc (US), TUSK Therapeutics SA (Lux), TUSK Therapeutics NV, TUSK Therapeutics Ltd (UK), Normoxys Inc (US), Aura Invest NV

3 Operations

Activity report

The board of directors exercised its powers during financial year 2015-2016 as described in the Corporate Governance Charter.

In addition to its usual activities and investment decisions, the board of directors has intensively worked on a further reinforcement of the interests and processes in the framework of its investment activities and investment teams.

- The board of directors has replaced the discretionary bonus for all members of staff with a bonus plan. In the framework of this bonus plan, both quantitative as well as qualitative objectives will be determined for the Company on an annual basis. The degree of achievement of these objectives will determine the bonus budget available for that particular financial year. The individual share of each member of staff in this bonus budget is, in turn, determined by the achievement of annual predetermined individual and team objectives on the one hand, and by their respective position within the Company, on the other hand.
- In 2012, it was strategically decided that Gimv would focus its investment activities around 4 platforms by means of cross-border investment teams. 3 years later, the board of directors decided to reassess this strategy and to update it where necessary.
- Furthermore, the board of directors has supported the development of the joint venture with Belfius in order to facilitate its growth and to attract external investors. In that respect, the board of directors has approved the IPO of Tinc and the incorporation of TDP (Tinc Development Partners).

Number of meetings and attendances

During financial year 2015-2016, the board of directors convened eleven meetings, five of which occurred during the first and second quarter, and six during the third and fourth quarter of the financial year.

On average, 89% of the directors were present. The directors' individual attendances are listed in the remuneration report (cfr. [infra, point 15.7](#)).

Conflicts of interest - Article 523 of the Belgian Company Code

During the meetings of the board of directors throughout financial year 2015-2016, one situation has given rise to the application of the procedure for conflicts of interest.

During its meeting of 19 May 2015, the board of directors deliberated and resolved on the CEO's discretionary bonus with regard to financial year 2014-2015. The following paragraph was added to the minutes of this meeting:

Prior to the deliberation on this item on the agenda, the CEO leaves the meeting. For the evaluation and decision of his discretionary bonus, the CEO points out that he is faced with an interest of proprietary nature in accordance with article 523 BCC, because he himself is a beneficiary.

The chairman of the remuneration committee announces that the proposal of discretionary bonus for the CEO over the past financial year amounts to 110 000 EUR.

Decision

Taking the Company's results over the past financial year and the status of the objectives into account, the board of directors approves – upon recommendation of the remuneration committee – the CEO's discretionary bonus at 110 000 EUR.

Conflicts of interest - Article 524 of the Belgian Company Code

Listed companies are required to subject decisions which are situated within the powers of the board of directors and which relate to the relation between the company and its affiliated companies, to a committee of three independent directors. These directors are assisted by one or more independent experts. Article 524 of the Belgian Company Code sets out the procedure to be followed.

During the meetings of the board of directors throughout financial year 2015-2016, there have been no situations which have given rise to the application of this procedure for conflicts of interest.

Gimv shares owned by the members of the board of directors

In the beginning of the financial year, Dr. Ir U. Vandeurzen Management Firm NV, the estate company which is led by Urbain Vandeurzen, owned 30 000 shares, which were acquired during the open period of July 2014 through the stock market. As per 31 March 2016, this situation is unchanged.

Hilde Laga, the current chairman, owns no Gimv shares.

In the beginning of the financial year, Koen Dejonckheere held 6 434 Gimv shares. As per 31 March 2016, this situation is unchanged.

Christ'l Joris has also informed the Company that she owns Gimv shares on 31 March 2016 as part of her private assets.

4 Evaluation

Every two years, the chairman organises an evaluation of the board of directors' performance. This exercise consists of a questionnaire with regard to various aspects of governance, as well as of individual interviews with each director.

The aim of this exercise is to capture individual opinions and feedback by means of a quantitative instrument. The following items are included in the questionnaire:

- to what extent is information timely and accurately presented to the directors and how does management formulate answers to questions and remarks?
- how do discussions and decision-making processes work within the board and is there adequate opportunity to present all points of view?
- how is the participation of each individual director rated, as well as each director's contribution of their specific expertise during discussions?
- how is the leadership by the chairman perceived during meetings, with particular attention to everybody's right to speak, the conformity of the decisions with the discussions and consensus of the directors?

In 2016, the board of directors has evaluated its performance in accordance with the procedure set out above. The chairman drew up a written report on the results of these interviews, which was further discussed during a board meeting. This report is a summary of the board's strengths and includes a set of recommendations for further optimisation of the board's performance, as well as an evaluation

of 'best practices' in relation to good governance. The board members were invited to provide their comments on the findings of the report.

5 Remuneration

The remuneration of the directors is set forth in the remuneration report ([cfr infra point 15.7](#))

6 Code of Conduct

Internal code of conduct

In order to maintain a high standard of business ethics, Gimv implemented a code of conduct for its board of directors and all employees. The full text of the code of conduct is available as Appendix A to the Corporate Governance Charter (please also see chapter 6 'Code of Conduct' of the Corporate Governance Charter). Part of this code specifically deals with market abuse and abuse of inside information. These clauses have a broader scope than the applicable Belgian law. Each of the directors and employees of Gimv has individually committed themselves to observe this code of conduct.

Code of conduct

Gimv is inspired by the code of conduct of the Belgian Venture Capital & Private Equity Association (BVA). This code aims to contribute to the continuous development of the private equity sector in Belgium. The most important points of this code deal with sustainable value creation and an active involvement of the shareholders in portfolio companies, as well as an ethical use of investment means based on integrity, trust and clear communication. The full text of the code can be found on the website of the BVA (www.bva.be).

15.2 Advisory committees within the board of directors

Three specialised advisory committees are set up within the board of directors: the **audit committee**, the **remuneration committee** and the **nomination committee**. The establishment and functioning of these committees is set out in Gimv's articles of association and Corporate Governance Charter. After each meeting, the board of directors receives a report with recommendations from each committee.

1 Audit committee

Composition

The members of the audit committee are Luc Missorten (chairman), Brigitte Boone (since September 2015), Sophie Manigart, Marc Van Gelder and Urbain Vandeurzen (until 31 March 2016). It is thus comprised solely of non-executive board members, the majority of which are independent. All members of the audit committee meet the criteria of expertise regarding bookkeeping and audit.

On 19 April 2016, the board of directors appointed Marc Descheemaecker as new member of the audit committee.

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The main role of the audit committee is to direct and supervise the financial reporting, the accounting process and the administrative records of the Company. Each quarter, the financial reports are discussed, with special attention to valuation decisions regarding portfolio participations and funds. The audit committee also monitors the efficiency of internal control and risk management within Gimv. The audit committee systematically reports to the board of directors with regard to its activities, and yearly reassesses the audit committee charter.

During financial year 2015-2016, the audit committee has paid special attention to a number of particular subjects:

- The financial reporting was discussed in detail during all of the four meetings of the audit committee, both for the applied reporting process as for the portfolio valuation and -results. During the meetings of May and November, the annual and bi-annual results, respectively, and the financial communication were discussed in the presence of the statutory auditor. The meeting in May also discussed the financial report as included in the annual report 2014-2015, and the 1-on-1 rule for E&Y's non-audit services was evaluated.
- The applied valuation methods, as set out in Gimv's valuation guidelines, have been continuously monitored by the audit committee. During the past financial year, specific focus went to the various components of the valuation evolution, whereby emphasizing the impact of the results of the portfolio companies on the valuation, as well as the evolution of the applied valuation methods. Furthermore, the composition of the peer group of listed companies and the granting of discounts was studied for various portfolio companies.
- Annually, the audit committee analyses the fiscal situation of Gimv group, as well as any possible tax disputes. In addition, the ongoing legal disputes, as well as the off-balance sheet obligations, have been discussed on the basis of internal and external reports. The audit committee concluded that the annual accounts and the annual report provide an accurate and complete view of all issues.

The audit committee has also studied the activities and methodology of the statutory auditor. Based on this assessment, the audit committee has formulated its proposal with regard to the appointment of the statutory auditor to the board of directors.

With regard to the internal control programme, the past financial year was a year of evaluation. The current approach was analysed in terms of its efficiency and specific attention went to the major portfolio- and process risks to which Gimv is liable because of its activities. This reflection will be translated into a new internal control programme which should allow Gimv's management to ensure the accuracy as well as the consistency of the applied processes and to continuously improve them. The objective is to improve the control mechanisms where necessary and to come to an even more efficient risk management. The full report on the internal control measures and methodology can be found in the chapter that focuses on Internal control and risk management (cfr. [infra point 15.6](#)).

The auditor's management letter contained no recommendations for material adjustments.

The audit committee has no knowledge of facts or circumstances with a potentially large impact on Gimv which are not included in the annual accounts or the annual report.

Number of meetings and attendances

During financial year 2015-2016, the audit committee convened four meetings, with a general attendance rate of more than 67%. The individual attendances of the members of the audit committee are included in the remuneration report under the overview of the remuneration of the board of directors (cfr. [infra point 15.7](#)).

The audit committee meets at least once a year without the members of the executive committee and at least once without the auditor.

2 Remuneration committee

Composition

The members of the remuneration committee are Dirk Boogmans (chairman), Christ'l Joris, Bart Van Hooland, Karel Plasman (since September 2015) and Urbain Vandeurzen (until 31 March 2016).

It is thus comprised solely of non-executive board members, three of whom are independent.

On 19 April 2016, the board of directors appointed Geert Peeters as new member of the remuneration committee.

Operations

Activity report

During financial year 2015-2016, the remuneration committee has examined the recurrent activities such as the remuneration policy and the objectives for the executive management. In the framework of the annual general meeting of 29 June 2016, the remuneration committee has compared the remuneration structure of the non-executive directors with the market standards and has presented its recommendations to the board of directors.

In addition, the remuneration committee has set out the principles for the 2016-2018 vintage of the carried interest and has also paid special attention to a number of specific issues such as the status of the group insurance schemes within Gimv group.

Number of meetings and attendances

During financial year 2015-2016, the remuneration committee convened six meetings. On average, 91% of its members were present. The individual attendances of the members are listed in the remuneration report under the heading 'Remuneration of the board of directors'. (cfr. [infra point 15.7](#))

3 Nomination committee

Composition

The nomination committee is composed of Urbain Vandeurzen (chairman until 31 March 2016), Christ'l Joris, Hilde Laga (since September 2015), Marc Van Gelder (since September 2015) and Dirk Boogmans.

It is thus comprised solely of non-executive board members, three of whom are independent.

On 19 April 2016, the board of directors appointed Marc Descheemaecker as new member of the nomination committee and Hilde Laga was appointed chairman of the nomination committee on 1 April 2016.

Operations

Activity report

In the framework of the appointment of independent directors during the annual general meeting of June 2016, the nomination committee convened one meeting during the past financial year. As such, the nomination committee advised the board of directors to reappoint the three independent directors whose mandates will expire.

Number of meetings and attendances

During financial year 2015-2016, the nomination committee convened one meeting with a full attendance rate.

Deviation of best-practice principles 5.3.1 and 5.3.4

The nomination committee has no authority to nominate members of the executive committee, except for the CEO. Unlike companies with a one-tier management structure, Gimv has a two-tier structure, which gives the CEO responsibility for the daily management of the Company and, as such, for the composition of the management.

15.3 Executive committee

It is the chief executive officer's responsibility to follow up on the strategic and investment decisions of the board of directors. The CEO is assisted in the execution of his duties by the executive committee.



Peter Maenhout
Koen Dejonckheere, Benoît Raillard
Bart Diels, Alex Brabers,
Ivo Vincente, Dirk Beeusaert, Kristof Vande Capelle.

1 Members

Alongside the CEO, the executive committee is comprised of the following members:

Dirk Beeusaert, Executive Vice President

Dirk Beeusaert has worked for Gimv since 1996. He is responsible for business development and providing support with the legal aspects of deals. He is also company secretary and, as such, co-responsible for the proper functioning of the Gimv group.

He has a law degree from the University of Ghent and a special degree in tax law and accounting (Vlerick).

Alex Brabers, Chief Business Operations

Alex Brabers joined Gimv in 1990, after working for one of the predecessors of Belfius Bank. Alex developed the international venture capital activity of Gimv, by investing in new innovative companies, followed by active support of the management team and eventually exiting either through IPO or trade sale. He built the VC team of Gimv and coached them in developing its place in the European VC ecosystem. Since 2012, Alex is responsible for all investment activity of Gimv, overseeing the 4 investment platforms.

He is a board member of various listed and non-listed companies. Alex is involved in policy issues for the European VC and PE industry as board member of Invest Europe and as previous chairman of the Venture Capital Platform of Invest Europe.

Alex Brabers holds a Master degree in Economics KU Leuven (Belgium).

Bart Diels, Head Health & Care

During his career of more than 20 years at Gimv, Bart Diels has built a successful and broad full cycle track record, both in early and late stage investments as well as in business building, buy & build strategies and exits (IPO & trade sale) and this in different sectors. Today, Bart is chairman at OTN Systems and board member at Al maviva Santé and Eurocept. His broad experience will be vital in further expanding Gimv's Health & Care platform.

Bart holds a Master's degree in Financial and Quantitative Economics and an MBA, both from the University of Antwerp (Belgium).

Peter Maenhout, Head Connected Consumer

Peter Maenhout joined Gimv in 2009 as Executive Vice-President for the Belgian Buyout & Growth activities, incl. the Gimv-XL Fund. Before joining Gimv, he was head of the Benelux office for investment manager Amber Capital. Prior to that, he was active in mergers & acquisitions and equity capital market transactions at Petercam and Generale Bank.

In his various functions he has been working closely together with management teams of both private and public companies, but also with their shareholders and entrepreneurs and this across a wide variety of industries in the Benelux.

Peter Maenhout holds Master Degrees in International Relations (UG) and in Finance (Vlerick) as well as an MBA from the University of Chicago

Benoît Raillard, Operating Partner

Benoît Raillard joined Gimv in 2014 as an Operating Partner. Before starting at Gimv, Benoît was a Senior Director at AlixPartners, held executive positions in BtoB service and retail companies (Elis, 5àSec) under several LBO transactions, has been a strategy consultant at Bain & Co, a sales and marketing manager at Eli Lilly & Co, and a manager at BNP Paribas in New York. Benoît has a significant experience in operational effectiveness improvement, in corporate strategy, in operational and financial restructuring, and in working-capital improvement. His industry sector expertise includes retail, food and beverage services, garden centers, healthcare (pharmaceuticals and services), industrial equipment rental and maintenance, and business services.

Benoît has an MBA from the Harvard Business School, an MSc. in aeronautic engineering from Ecole Centrale de Paris and a finance degree from the Institut d'Études Politiques de Paris

Kristof Vande Capelle, Chief Financial Officer

Kristof Vande Capelle is Gimv's Chief Financial Officer.

Before joining Gimv in September 2007, he worked at Mobistar as Director Strategic Planning and Investor Relations. Other professional experiences are Credit Analyst at KBC and Academic Assistant at the University of Leuven. He holds a Master in Applied Economics (major in Corporate Finance) and a Master of Arts in Economics, both from the KU Leuven.

Ivo Vincente, Head Sustainable Cities

Before joining Gimv in 2002, Ivo Vincente worked with Alpinvest Partners and PwC. Throughout the years, he gained a lot of experience with numerous transactions. Ivo holds board seats at various Gimv portfolio companies. At Gimv, he is the Managing Partner in charge of the Sustainable Cities platform. Until January 2014, he was Head of Gimv the Netherlands.

Ivo Vincente holds a Master's degree in Fiscal Law from the University of Leiden (the Netherlands).

2 Remuneration

For the remuneration of the members of the executive committee, see the remuneration report (cfr. [infra point 15.7](#)).

3 Evaluation

The CEO evaluates the members of the executive committee on a yearly basis. The results are presented to and discussed within the remuneration committee.

Each year, the remuneration committee evaluates the CEO's performance. This evaluation is prepared jointly by the chairman of the board of directors and the chairman of the remuneration committee.

The remuneration committee informs the board of directors on the abovementioned evaluations.

4 Ownership of shares

Dirk Beeusaert owns 3 090 Gimv shares on 31 March 2016, which is the same amount as at the beginning of the financial year.

Alex Brabers owns 10 050 Gimv shares on 31 March 2016, which is the same amount as at the beginning of the financial year.

Bart Diels owns 2 935 Gimv shares on 31 March 2016, which is the same amount as at the beginning of the financial year.

Peter Maenhout owns 4593 Gimv shares on 31 March 2016, which is the same amount as at the beginning of the financial year.

Kristof Vande Capelle owns 3 101 Gimv shares on 31 March 2016, which is the same amount as at the beginning of the financial year.

Benoît Raillard owns 3 884 Gimv shares on 31 March 2016. He acquired these shares through the stock market during the open period of July 2015.

Ivo Vincente owns 2 707 Gimv shares on 31 March 2016, which is the same amount as at the beginning of the financial year.

15.4 Capital

Reference shareholder

Since the private placement on 12 October 2006, the Vlaamse Participatiemaatschappij (VPM) owns 6 270 403 Gimv shares, which equals a stake of 27.06% in the Company. For financial years 2011-2012, 2012-2013 and 2013-2014, VPM has decided to convert 50% of its (stock)dividend into new Gimv shares. In this respect, VPM has acquired 548 004 new shares, which brings its total shareholding to 6 818 407 shares or 26.82%.

Listed companies have to submit decisions belonging to the competence of the board of directors and relating to the relationship between the Company and its affiliates (other than its subsidiaries) to a committee of three independent directors in advance. The directors are assisted by one or more independent experts. Article 524 of the Belgian Company Code describes the procedure to be followed.

Evolution of the capital

Gimv's share capital amounts to 241 364 628.63 EUR and is represented by 25 426 672 shares without nominal value. All shares have the same rights and fractional value and are fully paid up. Since 1995, the following capital increases have been carried out (in euro):

Date	Capital		Share premium	Total number of shares
	Increase	Total		
31-01-1995	672 262.43	102 756 848.68	1 021 820.48	4 145 201
31-07-1995	12 146 782.71	114 903 631.39	37 436 384.32	4 635 201
27-05-1997 (1)	103 240 216.26	218 146 301.80	-	23 176 005
05-12-2000 (2)	1 853 698.20	220 000 000.00	-	23 176 005
03-08-2012 (3)	7 478 071.40	227 478 071.40	17 130 237.58	23 963 786
02-08-2013 (3)	7 223 793.74	234 701 865.14	17 946 082.81	24 724 780
01-08-2014 (3)	6 662 763.59	241 364 628.63	16 552 314.41	25 426 672

(1) Incorporation of premium and stock split 1:5

(2) Capital increase and conversion in euro

(3) Capital increase through the offering of a stock dividend

Apart from the aforementioned shares, the Company has not issued any other securities that could increase the number of shares upon exercise or conversion.

All the Company's shares are listed on the First Market of Euronext Brussels, with share code GIMB, ISIN-code BE0003699130, Reuters-code Gimv.BR and Bloomberg code GIMB BB.

Authorised capital and purchase of own shares

The board of directors is authorised to increase the capital of the Company in one or more installments with a total amount of maximum EUR 220 000 000.

Until 19 July 2018, the board of directors can exercise this right in the following special circumstances:

- when an unforeseen urgent need for financing arises and market conditions do not lend themselves to a public issue;
- where it appears necessary to enable the Company to react quickly to market opportunities, especially with regard to the full or partial acquisition of companies, mergers and/or establishing strategic alliances;
- whenever the costs of convening a general shareholders' meeting are disproportionate to the amount of the intended capital increase;
- when, owing to the pressing urgency of the particular situation, a capital increase under the capital procedure appears necessary in the interest of the Company;
- whenever the Company wishes to issue shares, warrants, options or other securities for the employees, directors or advisers of the Company or associated companies;
- when a capital increase is carried out in the framework of the granting of a stock dividend, whether the dividend is paid up directly in new shares, or indirectly in cash, whereby the money will be used immediately for subscription to new shares;
- and for all transactions related thereto.

Furthermore, the board of directors is specifically authorised to use the aforementioned authorised capital in the event of a public takeover bid on securities issued by the Company. The board of

directors may exercise this right until 19 July 2016. During the past financial year, the board of directors did not make use of this authorisation.

The board of directors is also authorised to acquire or dispose of its own shares, inside or outside the stock market, whereby treating all shareholders equally. This authorisation has been granted for a period until 26 June 2018. The Company has not used the possibility of purchasing its own shares during the past financial year.

Threshold for convening the general meeting

Shareholders who represent, independently or jointly, 3% of the authorized capital, have the right to put items on the agenda of the general meeting and to submit proposals for resolutions.

In addition, the board of directors takes every reasonable proposal from any shareholder, irrespective of the amount of shares he owns, into consideration. If the proposal is of interest for Gimv and its shareholders, the board of directors will put the item on the agenda of the general meeting.

15.5 External audit

The external audit of Gimv and most of its subsidiaries was entrusted to B.C.V EY Bedrijfsrevisoren, represented by Ömer Turna, by decision of the general meeting of 26 June 2013. Gimv paid EUR 783 059 (VAT excluded) during financial year 2015-2016 to EY Bedrijfsrevisoren, not taking due diligence assignments into account. This amount includes:

- EUR 91 400 for statutory audit of Gimv's annual accounts;
- EUR 221 827 for statutory audit of the annual accounts of Gimv's subsidiaries, for which EY Bedrijfsrevisoren is appointed as company auditor;
- EUR 380 080 for all other audit assignments, mostly in connection with audit assignments of Gimv's subsidiaries;
- EUR 65 557 for tax advice assignments of Gimv's subsidiaries;
- EUR 24 195 for assignments outside the scope of auditing, including the verification of the variable remuneration and monitoring of the value of share options of co-investment companies.

The remuneration for the statutory audits of the annual accounts of Gimv and its (direct or indirect) subsidiaries is subject to the yearly evolution of the consumer price index.

Article 134, §4 of the Belgian Company Code mandates companies to incorporate the 'subject and remuneration connected to tasks, mandates or assignments entrusted to a person with whom the statutory auditor has concluded an employment agreement or collaborates with professionally, and to companies or people affiliated with the auditor' in an annex to the annual accounts and this within Gimv, Gimv's Belgian affiliates and its subsidiaries abroad. Since Gimv, as an investment company, is active in an elevated number of participations, in Belgium as well as abroad, it has agreed to the following procedures with its auditor:

- the additional statutory tasks assigned to, as well as the other services provided by the statutory auditor (and the companies that he has links or a form of cooperation with) are subject to a strict monitoring or even approval procedure by the audit committee;
- Gimv requires a specific report of the assignments EY (and the companies that it has links or a form of cooperation with) has carried out for Gimv's Belgian affiliates where Gimv holds more than 50% of the shares, and its subsidiaries abroad;
- for any other participations, whether or not these companies are linked to Gimv, the Company asks its auditor EY (or any other company linked to EY) whether any tasks, mandates or assignments have been carried out. Gimv's management is usually not involved in the choice of service providers for its portfolio companies, so it does not have this information. A survey has shown that the only material assignments EY has provided were due diligence exercises with regard to acquisitions. These assignments, amounting to EUR 467 147, are not subject to the one-on-one rule;
- EY also has internal systems which are able to timely detect conflicts of interest. Although Gimv has no reason to doubt the correctness of the information thus obtained, it cannot give any guarantee about the accuracy and completeness.

It appears that the remuneration for assignments outside the realm of the external audit, and relevant for the one-on-one rule, are significantly lower than the remuneration for the external audit assignments that EY has performed as statutory auditor during financial year 2015-2016.

15.6 Internal control and risk management

Internal control can be defined as a system, developed by Management, which contributes to the governance of the Company's activities, its efficient performance and an optimal use of its assets, whereby taking the targets, size and complexity of the activities into account.

The ever-increasing complexity of today's society and of Gimv's investment projects in general, as well as the changing laws and regulations necessitate a higher risk-awareness.

Risk management is the process of identification, evaluation, control and communication of risks from an integrated and organisation-wide perspective. It is a continuous process, since today's changing society and the need for new measures in changing circumstances forces us to guard it.

This chapter gives an overview of Gimv's possible risks as an investment company, as well as the operational and financial risks in the specific market segments where the Company operates.

As previously mentioned, Gimv applies the Belgian Corporate Governance Code for listed companies as a point of reference. In accordance with article 1.4 of this Code, this chapter elaborates on the most important elements of Gimv's internal control and risk management systems.

Control environment

The control environment of the Company is based on its corporate culture and determines how the organisation deals with risk management:

- mission and values (cfr. 4.1 and 5), organisational culture, management style and philosophy and corporate structure;
- definition of integrity and ethics in the code of conduct and the code of conduct for the board of directors and employees (www.gimv.com, about Gimv, corporate governance, corporate governance charter);
- role and responsibilities of the board of directors and the various committees as defined in the corporate governance charter (www.gimv.com, about Gimv, corporate governance, corporate governance charter); on the one hand, each department within Gimv operates with a high level of independence, but on the other hand, Gimv also developed a powerful and centralised decision process for new investments.

Approach according to COSO-model

The Company is convinced that risk management is an essential part of good governance and the development of a sustainable corporate performance. Through its risk management and by finding the right risk return balance, the Company aims to maximise its performance and value creation for its shareholders. More specifically, it aims for a better realisation of the objectives in the areas of strategy, operations, finance (reporting) and compliance:

- optimisation of the effectiveness and efficiency of operational company processes;
- reliability of financial reporting;
- consistency with laws, regulations and codes of conduct.

This approach is in line with the COSO-model, an international framework for an integrated system of internal control and risk management, developed by the Committee of Sponsoring Organisation of the Treadway Commission ('COSO') and built around 5 components: (i) control environment, (ii) process of risk management, (iii) control activity, (iv) information and communication and (v) supervision and monitoring. This model is acknowledged as the standard framework for internal control.

Risk assessment

As previously set out in the activity report of the audit committee, Gimv conducted a renewed and broad risk assessment during the past financial year in order to identify the most important risks, according to impact and probability, starting from its strategy and mission. The areas of risk were subdivided into 4 levels: strategic risks, operational risks, financial risks and compliance risks.

Management measures and internal control

This renewed risk analysis will be the basis for an update of the risk- and control matrix which maps the major risks and corresponding processes. This matrix shows the risks and the accompanying control measures for each process. It includes operational risks as well as risks concerning financial reporting.

- During a first phase, Gimv evaluated whether the set-up of the internal control mechanisms was sufficiently effective and efficient. In case of deficiencies, remedial measures were taken by the responsible for the relevant process and control mechanisms.
- In a second phase, all control mechanisms which were evaluated as effective and efficient, were tested by random checks. In this manner, it is studied which the control mechanisms are that are built in into the ordinary business processes and whether they work properly. In case of any shortcomings, recommendations are formulated and a second round of checks will determine whether all recommendations have been implemented.

Assessment of current approach

The internal control programme has been reassessed during the past financial year. The applied approach was assessed as to its efficiency, and special attention was paid to the major portfolio- and process risks to which Gimv is liable because of its activities. This reflection will be translated into a new internal control programme which should allow Gimv's management to ensure the accuracy as well as the consistency of the applied processes and to continuously improve them. The objective is to improve the control mechanisms where necessary and to come to an even more efficient risk management

The most important risks

The Company's major risk factors are defined in Chapter 2. ([Risk factors](#)).

15.7 Remuneration report

Procedure for the development of the remuneration policy and establishment of the remuneration level

The annual shareholders' meeting decides upon the remuneration of the members of the board of directors. The total amount of fixed remuneration and attendance fees for all directors, Chairman and CEO included, is established for a duration of one year during the annual shareholders' meeting, whereby granting authorisation to the board of directors to distribute the remuneration amongst the directors. In principle, the market conformity of the directors' remuneration is evaluated every two years. The latest evaluation was carried out in 2016.

The remuneration committee and the board of directors want to ensure that the remuneration package is able to attract the required profiles for the board of directors.

As for the CEO, the other members of the executive committee and the staff, the remuneration committee, in cooperation with the CEO, sets out the principles of the remuneration policy: (i) fixed/variable, in cash/in kind and their mutual ratio, (ii) the yearly evolution of the total remuneration package and (iii) the terms and conditions that apply for dismissal or departure of an employee. The actual implementation of the remuneration policy is divided as follows:

- The annual shareholders' meeting decides upon the CEO's remuneration, as a component of the total remuneration for the board of directors.
- For the remuneration of the individual members of the executive committee, the CEO presents proposals to the remuneration committee, in principle on a yearly basis. Subsequently, the remuneration committee presents its advice to the board of directors. It is the latter who makes the final decision.
- The CEO is responsible for the implementation of the remuneration policy for all other staff members. He is hereby guided by the budgetary envelopes approved by the board of directors, upon advice of the remuneration committee

The CEO does not take part in the remuneration committee's deliberations pertaining to his own remuneration. Consequently, he will also not take part in the board of directors negotiations nor vote in this respect, in accordance with the legislation on conflicts of interest.

Remuneration of the Board of Directors

Policy and remuneration level

Gimv's non-executive directors are entitled to a fixed annual remuneration and attendance fees:

- there is a fixed annual remuneration for the board members as well as for the chairman of (each of) the committees;
- there is also an attendance fee for board- as well as committee meetings, except for the chairman of the board of directors.

This remuneration structure aims for an active participation in both board and committee meetings. The fixed remuneration for the committee chairpersons is justified by the fact that the proper operation of these committees requires adequate preparation by their chairpersons.

The objective, independent judgment of the non-executive directors is further encouraged by the fact that they do not receive any other remuneration from the Company than their fixed directors' remuneration and their attendance fees.

Principles established by the general meeting and the board of directors

On 24 June 2015, Gimv's annual general meeting established the total remuneration of all board members, including chairman and CEO, at EUR 1 450 000 per year. The directors were authorised

to further distribute this remuneration. The following distribution was agreed within the board of directors:

- the remuneration of the chairman of the board of directors is set at EUR 222 953 (premiums for group insurance and reimbursement of expenses excluded);
- the fixed remuneration for the CEO amounts to EUR 507 330 (premiums for group insurance and reimbursement of expenses excluded);
- the fixed remuneration for non-executive directors amounts to EUR 21 000 a year;
- committee chairpersons (except for the chairman of the board of directors) receive a fixed annual remuneration of EUR 7 500 and the committee members (except for the chairman of the board of directors) receive a fixed annual remuneration of EUR 3 750.

In addition, the directors (other than the chairman of the board) receive an attendance fee of EUR 670 per board or committee meeting, whereby the total annual amount for attendance fees per member cannot exceed EUR 3 350.

Apart from the fixed remuneration and attendance fees, non-executive directors do not receive any other remuneration, nor do they participate in the group insurance scheme for Gimv employees, with the exception of the chairman (who is a beneficiary of the group insurance and who is entitled to reimbursement of expenses (cfr infra)).

The CEO is entitled to a fixed remuneration, receives a variable remuneration as well as certain benefits in kind and is also a beneficiary of the group insurance and of the co-investment structure (cfr infra). In this manner, the CEO is the only director who takes part in any incentive plan for Gimv employees. The annual shareholders' meeting of 26 May 2005 approved the CEO's participation in all variable remuneration systems for the Company's staff members. However, the board of directors still has final decision power in this respect.

The principles of remuneration for the directors have been in place for several years. On the basis of market data, the high frequency of meetings and the decision-making responsibility of the directors, the board has decided - upon advice of the remuneration committee and subject to the approval of the annual general meeting - that there is room for a rise in the remuneration of the non-executive directors, thereby bringing them to a market-based level. As such, as from 1 July 2016, the board of directors will increase the attendance fee of EUR 670 to EUR 1 250 per meeting (with a maximum per member and per committee of EUR 6 250 per calendar year). With the new chairman (as from 1 April 2016), a fixed remuneration of EUR 175 000 per year (expenses excluded) was agreed. As such, the total amount of directors' remuneration is maintained at EUR 1 450 000, which is the same level as agreed by the annual general meeting of 2007.

Remuneration for the board of directors paid out during financial year 2015-2016

The total remuneration actually paid out and charged to financial year 2015-2016 amounted to EUR 1 294 980, including the remunerations for the chairman and the CEO. This amount is distributed as follows.

	year of birth	appointed director		fixed remuneration			attendance fee		total financial year	total received financial year	
		since	until	BoD	committee	presence/ meeting	fee	presence/ meeting			fee
BoD											
Committee											
Dirk Boogmans	1955	2010	2018	21 000	11 250	11/13	7 370	6/6	4 020	43 640	38 950
Brigitte Boone	1960	2015	2019	10 500	1 875	8/9	5 360	2/2	1 340	19 075	15 725
Koen Dejonckheere	1969	2009	2017	**	**	13/13	**	nvt	nvt	**	**
Marc Descheemaeker	1955	2014	2019	21 000	nvt	12/13	8 040	nvt	nvt	29 040	25 690
Christl Joris	1954	2010	2016	21 000	7 500	12/13	8 040	6/6	4 020	40 560	36 540
Hilde Laga	1956	2015	2019	10 500	nvt	8/9	5 360	nvt	nvt	15 860	13 180
Sophie Manigart	1962	2010	2016	21 000	3 750	9/13	6 030	1/4	670	31 450	30 110
Luc Missorten	1955	2014	2018	21 000	7 500	11/13	7 370	4/4	2 680	38 550	35 870
Karel Plasman	1954	2015	2019	10 500	1 875	9/9	6 030	3/3	2 010	20 415	14 833
Martine Reynaers	1956	1999	2015	10 500	nvt	3/4	2 010	nvt	nvt	12 510	11 840
Francis Vanderhoydonck	1958	2011	2015	10 500	1 875	4/4	2 680	1/2	670	15 725	15 055
Urbain Vandeurzen	1956	2011	2016	*	*	13/13	*	8/10	*	*	*
Christine Van Broeckhoven	1953	2011	2015	10 500	nvt	2/4	1 340	nvt	nvt	11 840	11 840
Marc Van Gelder	1961	2014	2018	21 000	7 500	11/13	7 370	4/4	2 680	38 550	30 780
Bart Van Hooland	1964	2010	2016	21 000	3 750	13/13	8 710	5/6	3 350	36 810	32 790

* cfr. fee Chairman

** cfr. fee CEO

Chairman

In addition to his pro rata annual director's remuneration of EUR 222 953 (excluding reimbursement of expenses), Gimv paid EUR 71 047 of premiums during financial year 2015-2016 to the chairman's group insurance. The chairman is not entitled to any attendance fees for his participation in board or committee meetings.

In addition to her annual director's remuneration amounting to EUR 175 000 (excluding reimbursement of expenses) as from 1 April 2016, the new chairman is not granted any group insurance premiums. In addition, she does not receive any attendance fees for board or committee meetings.

CEO

During financial year 2015-2016, Gimv paid a total amount of EUR 689 595 to the CEO in his capacity of independent service provider⁽¹⁾. This amount includes:

- a fixed remuneration of EUR 507 330 and a group insurance premium of EUR 70 448;
- a discretionary bonus of EUR 110 000 paid out in cash during financial year 2015-2016, pertaining to financial year 2014-2015;
- a bodily injury insurance premium of EUR 1 818.

(1) Apart from the remuneration for his mandate as chief executive officer responsible for the daily operations, the CEO does not receive any additional remuneration for his mandate as director.

The tax value of the benefits in kind included in the CEO's remuneration package amounts to EUR 11 396. These benefits comprise a company car and the reimbursement of telecommunication expenses. The CEO's discretionary bonus has been approved by the board of directors, upon advice of the remuneration committee, on the basis of yearly evaluation meetings and in accordance with the Company's corporate governance charter. This bonus is granted in a fully discretionary manner, i.e. without any predetermined financial or other intent. Consequently, a repayment settlement procedure is not relevant.

The CEO participates in the co-investment structure, which can be compared to a carried interest (cfr. infra). In his capacity as member of the various boards of directors of the co-investment companies, the CEO owns approximately 4% of the total number of options on shares of the co-investment companies set up in 2007, 8% of the total number of options on shares of the co-investment companies set up in 2010 and 5% of the total number of options on shares of the co-investment companies set up in 2013. The value of the carried interest is fully dependent on the evolution of the underlying shareholdings. Koen Dejonckheere does not participate in the exit bonus.

During the past financial year, the fixed remuneration amounted to approximately 85% and the variable components to approximately 15% of the CEO's total remuneration. In this ratio, only the cash payments are taken into account; the component of the remuneration package which is dependent on the realised results and exits of the investment portfolio is too volatile in order to be relevant in respect of the ratio between his fixed and variable remuneration components.

In the framework of the CEO's reappointment during the annual general meeting of 26 June 2013, his exit bonus was limited to twelve months' worth of fixed and variable remuneration. In this manner, the exit bonus will be in accordance with the provisions of article 554 of the Belgian Company Code. If his mandate is terminated after the age of 60, there will be no severance payment.

Remuneration of the members of the executive committee

Gimv's remuneration policy aims to attract reputed profiles with the necessary experience to ensure the Company's continuous sustainable and profitable growth. Management should support the retention of this kind of profiles and strive to keep them motivated.

The total remuneration package for the members of the executive committee is composed of three elements:

- a fixed monthly salary;
- a variable component, existing in turn of a bonus and an exit bonus (the exit bonus is only granted to those employees who were already working at Gimv in 2001);
- carried interest, through the granting of stock options in the co-investment vehicles.

Each of these components is explained in more detail below. The principles for the fixed remuneration, exit bonus and co-investment structure have been in place for several years already and the Company does not expect any major changes for the next two financial years. During the past financial year, the discretionary bonus has been replaced by a bonus.

Save for the bonus, all incentive systems are aimed at the long term (more than eight years); payments are only based upon results achieved and are carried out more than eight years after they were granted. Upon payment, it is thus certain that the compensation is justified. The bonus over financial year 2015-2016 has neither been determined nor paid during the past financial year and the discretionary bonus over 2014-2015 has not been granted on the basis of financial objectives. Therefore, any claw-back arrangements are not applicable for the various incentive schemes.

An important part of the remuneration package highly depends on the realised profits and exits of the portfolio companies and, as a result, can fluctuate in time. In addition, there are significant differences in the allocation between the individual members of the executive committee, especially where carried interest is concerned. Through its remuneration policy, the Company does not only aim at motivating its employees, but also at attracting strong profiles. If, nevertheless, one has to formulate a rule of thumb for the whole remuneration package, it could be said that the fixed remuneration counts for about 60% of the total remuneration.

Fixed and variable remuneration

During financial year 2015-2016, Gimv paid EUR 1 970 003 in gross salaries and group insurance premiums to the members of the executive committee (cfr. [supra 15.3 point 1](#)), excluding the CEO. This amount includes:

- a total fixed remuneration of EUR 1 710 048 and annual fixed group insurance premiums of EUR 259 956; for 3 members, this amount is determined by a goal to be achieved, 3 members have a fixed contribution to the group insurance, and for one member of the executive committee there are no provisions for a group insurance scheme;
- a total variable component of EUR 9 847 which was paid out during financial year 2015-2016; in addition, the members of the executive committee received a discretionary bonus of EUR 550 000.
This discretionary bonus was paid out during financial year 2015-2016, but pertains to financial year 2014-2015.

The total tax value of benefits in kind for members of the executive committee (not including the CEO) amounts to EUR 26 703. These benefits comprise a company car and the reimbursement of telecommunication expense.

No special agreements have been made in relation to the recruitment or dismissal of members of the executive committee (the CEO not included), which are governed by the usual labour legislation provisions.

Bonus

As from financial year 2015-2016, the discretionary bonus for staff members has been transformed into a bonus plan. The ensuing bonus payments are only to be paid after the end of the financial year, so for the first time during the current financial year 2016-2017. The bonus is set up as a short term incentive and as a guidance tool. The bonus is clearly complementary to the other incentive schemes which run over a period of 8 years and whose goals are long term.

The total annual bonus budget is dependent on the realisation of the group objectives. The maximum bonus budget amounts to 30% of the total salary cost. At the start of the financial year, the board of directors determines these group objectives upon recommendation of the remuneration committee. These objectives are principally financial, but partly also collective and strategic goals. In addition,

some minimum financial group objectives are determined; if these minima are not realised, there will be no bonus budget for that financial year.

- For financial year 2015-2016, the group objectives consist on the one hand of net profit objectives which need to be realised for a certain part and on the other hand of quantitative investment objectives which are linked to qualitative criteria. The realisation of the Company's mid-long term plan can be guaranteed by means of the group objectives. The threshold for the net profit objective for financial year 2015-2016 was established at 2/3, below which threshold the bonus budget is naught.

The individual share of an employee in this bonus budget depends on two components: (i) his or her position and (ii) the realisation of the team and individual objectives. At the start of the financial year, each beneficiary is informed of his/her team and individual objectives. The weight of the team objectives next to the individual objectives depends upon the position of the employee. The reasoning behind this is that the bonus for junior employees is less dependent on the team objectives.

	analyst/associate	principal	partner
team objectives	30%	40%	50%
individual objectives	70%	60%	50%

For the members of the executive committee, the team objectives are equally important as the group objectives with a weight of 50%. The other half of their bonus depends on individual objectives.

Both the team- and individual objectives are jointly decided upon by manager and employee, based on yearly assessment meetings, and are recorded in the yearly appraisal report. Next to the evaluation meetings, no other evaluation criteria or methods are applied.

In general, the bonus is paid each year after the closing of the financial year and after the evaluation of the realisation of the objectives. Since the amount of the bonus is lower than a quarter of the annual remuneration, this variable remuneration component is not subject to the stipulations of article 520ter of the Belgian Company Code.

Exit bonus

By way of the exit bonus plan, certain staff members, including certain members of the executive committee, share in the capital gains realised between 31 March 2009 and 31 March 2016 on investments made prior to 2001 (with the exception of Barco). The financial impact of this exit bonus plan on Gimv is fully dependent on the evolution of the value of the underlying shareholdings. The members of the executive committee are jointly entitled to 47% of the total exit bonus plan. The CEO does not participate in the exit bonus plan. In the framework of this plan, Gimv set up a total provision for all beneficiaries of EUR 2 590 146 during this past financial year. At the beginning of the financial year, this provision amounted to EUR 2 796 314. This decrease reflects the value evolution of the underlying participations in these companies.

The conditions and modalities of this exit bonus plan are described in detail in agreements between the Company and each of the beneficiaries.

Co-investment structure

In accordance with international market practices in the private equity and venture capital industry, Gimv has created a co-investment structure ('carried interest') since 2001, whereby members of the executive committee and staff members are more closely involved in the investment activities by allowing them to participate in the investment portfolio and thereby also in the long-term investment results. In this manner, the interests of the staff members are more closely aligned with those of the Company.

In this respect, Gimv has set up co-investment companies for the various business activities. Gimv has granted options on the shares of the co-investment vehicles and these options are subject to a so-called vesting condition, spread over eight years. These stock options can be viewed as options on existing shares, or as new shares (warrants) to be granted. Members of the executive committee and the staff members involved participate, via stock options, in the share capital of

these co-investment companies in their capacity as members of the boards or investment advisory committees.

After the eight-year vesting period, the Company and the beneficiaries agree to a liquidity scheme for the co-investment company's shares. The conditions and modalities of the co-investment structure are described in detail in agreements between the Company and each of the beneficiaries.

For investment period 2007-2009, the co-investment plan beneficiaries, through this own investment, are jointly entitled to 10% of the capital gains realised on exits of shareholdings in the respective investment portfolios after deduction of financing and management costs. In this way, the structure represents a carried interest of 10% within Gimv group. The board of directors has fixed this percentage at 12.5% for the investment periods 2010-2012 and 2013-2015, bearing in mind (i) the usual percentages applicable in this kind of structures within the venture capital sector, (ii) the involvement of the Gimv partners in attracting third party funds and (iii) the increased personal financial involvement of the members of the executive committee of the Company.

In their capacity as members of the boards and/or investment advisory committees of these co-investment companies, the members of the executive committee jointly own approximately 27% of the total number of options on shares of the co-investment companies set up in 2004 and 2007, approximately 24% of the co-investment companies set up in 2010 and approximately 26% of the co-investment companies set up in 2013. The other options on shares are being held by staff members.

The value of the carried interest depends entirely on the evolution of the value of these companies' shareholdings and this value evolution is mainly a derivation of the value of the participations of these companies. During the past financial year, the total value of the carried interest rights has increased with EUR 5 020 089. This evolution is explained as follows:

a. First of all, the Company reserves a provision for the options on shares of the co-investment companies which have not yet been exercised. That provision also includes an amount for future payments on the outstanding call price of shares in co-investments companies.

An evolution in this provision can have three causes: (i) the valuation of the underlying investment portfolio can change, (ii) the number of outstanding options can change or (iii) payment of the outstanding call price of shares in co-investment companies has taken place. As per 31 March 2016, the total provision in the framework of the co-investment structure amounts to EUR 10 644 529. At the start of financial year 2015-2016, this provision amounted to EUR 5 624 440 and this evolution can be explained as follows:

- The value evolution in the underlying portfolio of the co-investment companies has increased the provision with an amount of EUR 6 110 484;
- The number of outstanding options has changed and as such, the provision decreased with EUR 71 764;
- Finally, the provision includes an amount of EUR 2 176 898 with regard to the estimated settlement of previously exercised options from investment periods 2004-2006; this amount is the result of an increase of EUR 512 960 brought on by value evolutions and a decrease of EUR 1 531 592, the latter chiefly because of the payment of the outstanding purchase price.

This provision has been reserved under the assumption that the employees remain involved with the Company until the end of the vesting scheme and it is based on the valuation of the financial fixed assets of the co-investment companies at the end of the financial year.

b. Furthermore, the value of the shares acquired by the beneficiaries after exercising their stock options is taken into account.

The value of the co-investments companies' shares is variable every year and is reflected in the minority shareholdings of the equity capital. Changes are not only brought about by the evolution in the valuation of the underlying investment portfolio. The number of shares can also evolve: the minority participations increase when stock options are exercised and they decrease in case of a transfer of shares to the Company.

As per 31 March 2016, the total value of these shares amounts to EUR 16 729 663 and this amount is the result of an increase during the past financial year of EUR 11 618 817 and a decrease of EUR 3 342 215.

Evolutions in the minority shareholdings do not as such have an impact on the Company's results.

Remuneration for staff members of Gimv group

Just like it does for the executive committee, Gimv wants to attract, through its remuneration policy, reputed profiles with the necessary experience to ensure a sustainable and profitable growth of the Company. Such policy needs to bind and aim at continuously motivating this kind of profiles.

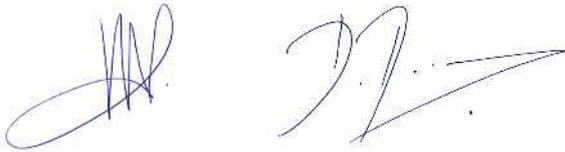
Each year, the CEO presents the remuneration committee with a proposal for a bonus budget, including the possible individual share for the members of the executive committee. The remuneration committee provides its advice to the board of directors, which makes the final decision.

The total remuneration package for the staff is comprised of the same three elements as that of the executive committee: (i) a fixed monthly salary, (ii) a variable component, existing in turn of a bonus and - for some of the staff members - an exit bonus, and (iii) carried interest, by way of granting options on shares in the co-investment vehicles.

The principles for the fixed and variable remuneration, exit bonus and co-investment structure have been in place for several years already and the Company does not expect any major changes in the near future. As from financial year 2015-2016, the bonus for staff members is determined on the basis of a bonus plan (cfr supra). This bonus replaces the incentive of the discretionary bonus.

An important part of the remuneration package depends heavily on the realised profits and exits of the portfolio companies and, as a result, can fluctuate in time. In addition, there are significant differences in allocation between the individual staff members, especially where carried interest is concerned. If, nevertheless, one has to set forth a rule of thumb for the whole remuneration package, it could be said that the fixed remuneration counts for about 60% of the total remuneration.

On behalf of the board of directors, 17 May 2016

Two handwritten signatures in blue ink, one on the left and one on the right, representing the chairman and a director.

Hilde Laga, chairman and Dirk Boogmans, director

16. Annual accounts

General information

Gimv NV

Public Limited Company

Registered office

Karel Oomsstraat 37
2018 Antwerp
T +32 3 290 21 00
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info@gimv.com
www.gimv.com

Commercial register: Antwerp no. 222.348

Enterprise no.: 0220.324.117

Date of formation: 25/02/1980

Financial year: 1 April 2015 – 31 March 2016

Financial servicing: KBC Bank

Number of shares (31/03/2016): 25 426 672

The consolidated financial statements of Gimv NV at 31 March 2016 were approved for publication by the Board of Directors on 17 May 2016.

Consolidation

As a result of the exemption from compulsory consolidation for investment entities, approved by the European authorities on 20 November 2013, Gimv as an investment entity is no longer required to fully consolidate its majority shareholdings in the statutory consolidation. In accordance with IFRS 9 Financial Instruments, Gimv records these subsidiaries at fair value through profit and loss.

With the application of IFRS 10, Gimv has changed its valuation rules for assessing the control and consolidation of other entities. IFRS 10 introduces a new control model that applies to all entities. Among other things this requires Gimv to consolidate entities that it de facto controls. However, an exception is allowed if an entity meets the definition of an investment entity.

IFRS 10 (2012) defines an investment entity as an entity that:

- obtains funds from one or more investors for the purpose of providing these investors with investment management services;
- commits to its investor(s) to achieve capital gains or other investment income or a combination of both (corporate purpose);
- measures and evaluates the performance of substantially all of its investments on a fair value basis

Funding sources

As a publicly listed investment company Gimv obtains its funds from a wide variety of investors (who are shareholders of the listed company). In addition to a number of institutional investors, there are also a large number of (mainly Belgian) retail investors who through their shares in Gimv gain access to a portfolio of unlisted growth companies.

Gimv also carries out investments in the form of co-investment partnerships, using funds provided by external parties.

Corporate Objective

Gimv's stated aim is to 'achieve double-digit returns and implement an attractive dividend policy through the performances of our portfolio companies and through successful exits'. Gimv invests in

companies with a view to achieving a financial return on exit, and not to developing products and services in cooperation with the investee companies.

It strives first of all to build strongly performing companies, with the potential to grow on the basis of, among other things, competitive advantage, dominant market position, strong management and potential scalability in other markets. Starting from carefully selected macro trends, Gimv's vision for the future is translated into four investment platforms, each with a specific investment approach: Connected Consumer, Health & Care, Smart Industries en Sustainable Cities.

Fair value

Gimv management assesses the performance of the investments on the basis of fair value.

The results of the portfolio valuation (by reference to fair value) are explained in detail in the external financial communication to investors, analysts and the press.

Impact of new or amended standards applicable after 31 March 2016

The Group has noted the following new, amended or improved standards. Certain of these were applied for the first time in the year ended 31 March 2016.

- Improvements to IFRS 10, IFRS 12 and IAS 28 - Investment entities: implementation of the consolidation exception⁽¹⁾, effective 1 January 2016
- Improvements to IFRS 11 Joint Arrangements - Recognition of the acquisition of interests in joint operations, effective 1 January 2016
- Improvements to IAS 1 Presentation of Financial Statements - Initiative on disclosures, effective 1 January 2016
- Improvements to IAS 16 Property, plant and equipment and IAS 38 Intangible assets:
 - Clarification of Acceptable Methods of Depreciation and Amortization, effective 1 January 2016
 - Improvement to IAS 16 Property, plant and equipment and IAS 41 Agriculture - Bearer plants, effective 1 January 2016
- Improvements to IAS 19 Employee Benefits: DEfined benefit plans: Employee contributions, effective 1 February 2015
- Improvements to IAS 27 Separate Financial Statements - Equity Method in Separate Financial Statements, effective 1 January 2016
- Annual improvements to IFRSs 2010-2012 cycle (published in December 2013), effective 1 February 2015
- Annual improvements to IFRSs 2012-2014 cycle (published in September 2014), effective 1 January 2016

The first time application of these new, amended or improved standards did not always affect the Group's consolidated balance sheet, the consolidated results, the consolidated cash flow statement and/or the notes to the financial statements.

(1) Not yet adopted by the EU as of 31 March 2016

The nature and impact of these new, altered or improved standards is described below:

Improvements to IFRS 10, IFRS 12 and IAS 28 - Investment entities: Application of the consolidation exception.

The improvements are applied retrospectively and deal with issues arising from the application of the consolidation exception for investment entities under IFRS 10. The improvements to IFRS 10 clarify that the exemption from the requirement to present consolidated financial statements applies to a parent company which is a subsidiary of an investment entity when the investment entity already measures its subsidiaries at fair value. The improvements to IFRS 10 also clarify that only a subsidiary of an investment entity, which is in itself not a collective investment entity and which offers support activities to the investment entity is consolidated. All other subsidiaries of an investment entity are measured at fair value.

The improvements to IAS 28 allow an investor, whenever the equity method is applied by a participating interest of an investment entity or a joint venture, to maintain the fair value measurement of its share in the subsidiaries. The improvements are required to be applied to financial years starting from 1 January 2016, but may be applied earlier. These improvements have no significant

impact on the presentation and disclosures in the Group's financial statements, as they were already implemented in a consistent fashion in previous years.

Improvements to IAS 1 - Presentation of Financial Statements

The improvements have to IAS 1 are intended to clarify, rather than significantly alter, the standard. The improvements clarify:

- The materiality requirements of IAS 1;
- That specific lines in the income statements and statement of comprehensive income may be displayed in a disaggregated manner;
- That companies have flexibility in deciding in what order they show the notes to the financial statements;
- The share of results in participating interests and joint ventures accounted for under the equity method should be shown aggregated as a single line in the statement of comprehensive income, and must be broken down into data that are or are not subsequently reclassified in the profit and loss accounts.

The improvements also clarify the requirements that apply when additional subtotals are presented in the balance sheet, income statement and statement of comprehensive income. The improvements must be applied in financial years starting from 1 January 2016.

These improvements have no significant impact on the disclosures in the Group's financial statements, as they were already implemented in a consistent fashion in earlier years in line with the clarifications to IAS.

Improvements to IAS 19 - Employee benefits - Defined benefit plan: Employee contributions

IAS 19 requires that a company take into account the contributions from employees or third parties to a defined benefit plan. Where those contributions are related to services, these should be allocated to the period of service as a negative contribution. These improvements clarify that, if the contribution amount is independent of length of service, a company may deduct these contributions from the 'service cost' in the period in which the service was provided and hence is not longer required to assign it to the period in which the service is provided. The amended standard is effective for financial years beginning on or after 1 February 2015.

This improvement had a limited impact on the Group, since none of the Group companies has a defined benefit plan with contributions by employees or third parties.

Standards that have been published but are not yet in effect

The following standards and interpretations are those that were already issued during the financial year, but are not yet in force.

- IFRS 9 Financial Instruments⁽¹⁾, applicable from 1 January 2018
- IFRS 15 Revenue from Contracts with Customers⁽¹⁾, effective 1 January 2016
- Improvements to IAS 1 Presentation of Financial Statements - Initiative on disclosures 1, effective 1 January 2016
- IFRS 16 Leases⁽¹⁾, effective 1 January 2019
- Improvements to IAS 7 Statement of Cash Flows - Disclosure initiative⁽¹⁾, effective January 2017
- Improvements to IAS 12 Income Taxes - Recognition of deferred taxes on unrealized losses⁽¹⁾, effective 1 January 1, 2017

The Group is currently analysing the impact of the amendments on its balance sheet and results.

(1) Not yet adopted by the EU as of 31 March 2016

The standards listed below are expected to potentially impact the Group.

IFRS 9 Financial instruments

The IASB published the final version of IFRS 9 which contains all phases of the project to replace IAS 39 Financial Instruments - Recognition and Measurement (the new classification and measurement requirements, impairments and hedge accounting).

This standard is effective for financial years beginning on or after 1 January 2018. Earlier application is permitted. With the exception of hedge accounting, retrospective application of these changes is mandatory, though with no obligation to provide comparative information. With respect to financial instruments that are part of hedge accounting, the application of this standard is applied prospectively, in general, with some limited exceptions.

Improvements to IAS 7 Statement of Cash Flows - disclosure initiative.

The improvements require a reconciliation of all balance sheet items included in cash flows from financing activities. The improvements are effective for all financial years beginning on or after 1 January 2017. Earlier application is permitted.

Improvements to IAS 12 Income Taxes - Recognition of deferred taxes on unrealized losses

The narrow-scope amendments to IAS 12 clarify the processing of deferred tax for a debt instrument measured at fair value. These improvements are effective for all financial years beginning on or after 1 January 2017. Earlier application is permitted.

Significant judgements and estimates

In putting together the balance sheet and income statement, estimates or assumptions are often made that influence the assets or liabilities reported at balance sheet closing date and the income and charges for the reporting period. Although such estimates are made in a rational fashion, based on management's knowledge of the business, it is possible that actual figures will differ from the estimated figures. The largest risk of material adaptations relates to the estimates made in determining the fair value of the financial assets and loans to companies in the investment portfolio (done in accordance with the [valuation rules described in section 16.1.5.](#))

16.1 Consolidated annual accounts

1 Income statement

	Explanation	2015-2016	2014-2015	2013-2014
1. Operating income		266 897	278 763	159 056
1.1. Dividend income	7.1 - 1.1 / 8	15 582	8 740	3 027
1.2. Interest income	7.1 - 1.2 / 8	10 623	13 567	11 476
1.3. Gain on disposal of investments	7.1 - 1.5 / 8	74 506	114 097	24 337
1.4. Unrealised gains on financial assets at fair value through P&L	7.1 - 3 / 8	158 920	128 108	100 759
1.5. Management fees	7.1 - 1.3 / 8	3 200	7 426	8 633
1.6. Turnover	7.1 - 1.4 / 8	1 288	1 473	2 862
1.7. Other operating income	8	2 779	5 352	7 961
2. Operating expenses (-)		-116 145	-134 880	-146 562
2.1. Realised losses on disposal of investments	7.1 - 2 / 8	-3 973	-11 525	-16 474
2.2. Unrealised losses on financial assets at fair value through P&L	7.1 - 3 / 8	-57 227	-67 799	-91 938
2.3. Impairment losses	7.1 - 12.2 / 8	-12 983	-14 408	-5 527
2.4. Purchase of goods and services	8	-14 176	-13 479	-14 534
2.5. Personnel expenses	8	-18 977	-17 784	-16 931
2.6. Depreciation of intangible assets	8	-168	-102	-82
2.7. Depreciation of property, plant and equipment	8	-996	-958	-916
2.8. Other operating expenses	8	-7 646	-8 826	-160
3. Operating result, profit (loss)		150 752	143 883	12 494
4. Financial income	9	2 403	3 387	5 364
5. Financial costs (-)	9	-611	-725	-923
6. Share of profit (loss) of associates		-	-	-
7. Result before tax, profit (loss)		152 544	146 544	16 934
8. Tax expenses (-)	10	-3 839	-3 825	-1 680
9. Net profit (loss) of the period		148 705	142 719	15 254
9.1 Non controlling interest		11 530	6 728	256
9.2 Attributable to equity holders of the parent		137 175	135 991	14 998
Earnings per share (in EUR)		2015-2016	2014-2015	2013-2014
1. Basic earnings per share	11	5.39	5.40	0.61
2. Diluted gains earnings per share (1)	11	5.39	5.40	0.61

(1) Assumed that all stock options/warrants which were in the money as at the end of the period would be exercised

2 Balance sheet

Assets	Explanation	31-03-2016	31-03-2015	31-03-2014
I. Non-current assets		1 023 548	930 055	940 912
1. Goodwill and other intangible assets		630	356	351
2. Property, plant and equipment	13	9 024	9 511	9 601
3. Financial assets at fair value through P&L	14	888 536	788 284	794 774
4. Loans to investee companies	15	125 358	131 904	136 185
5. Other financial assets		-	-	-
Total equity and liabilities		206 781	205 993	85 809
6. Trade and other receivables	16	12 000	17 124	23 375
7. Loans to investee companies		-	-	-
8. Cash, deposits and cash equivalents	17	192 031	181 019	53 090
9. Marketable securities and other instruments	17	744	3 747	3 546
10. Other current assets		2 006	4 103	5 798
Total assets		1 230 329	1 136 048	1 026 721

Liabilities	Explanation	31-03-2016	31-03-2015	31-03-2014
I. Equity	3	1 195 074	1 111 210	1 003 034
A. Equity attributable to equity holders of the parent company		1 167 887	1 092 636	992 043
1. Issued capital		241 365	241 365	234 702
2. Share premium account / Treasury shares		51 629	51 629	35 077
3. Retained earnings		874 893	799 642	722 264
B. Non controlling intrest		27 187	18 575	10 990
II. Liabilities		35 254	24 838	23 688
A. Non-current liabilities		12 309	7 095	9 394
4. Pension liabilities	19	-	-	-
5. Provisions	20	11 415	6 491	9 394
6. Deferred tax liabilities		895	604	-
B. Current liabilities	21	22 945	17 743	14 294
7. Financial Liabilities	21	-	-	-
8. Trade and other payables	10	18 235	9 102	10 023
9. Income tax payables		1 039	467	310
10. Other liabilities		3 670	8 173	3 961
Total equity and liabilities		1 230 329	1 136 048	1 026 721

3 Changes in equity

	Year 2015-2016						
	Explanation	Attributable to shareholders of the parent					
Issued capital		Share-premium account	Retained earnings	Total	Non-controlling interests		
Total 01/04/2015	2	241 365	51 629	799 642	1 092 636	18 575	1 111 210
1. Net profit (loss) of the period	1	-	-	137 175	137 175	11 530	148 705
2. Capital increase		-	-	-	-	742	742
3. Acquisition of subsidiaries		-	-	-	-	-	-
4. Dividends to shareholders	12	-	-	-62 295	-62 295	-	-62 295
5. Other changes		-	-	372	372	-3 661	-3 289
Total 31/03/2016	2	241 365	51 629	874 893	1 167 887	27 187	1 195 074

	Year 2014-2015						
	Explanation	Attributable to shareholders of the parent					
Issued capital		Share-premium account	Retained earnings	Total	Non-controlling interests		
Total 01/04/2014	2	234 702	35 077	722 264	992 043	10 990	1 003 034
1. Net profit (loss) of the period	1	-	-	135 991	135 991	6 728	142 719
2. Capital increase		6 663	16 552	-	23 215	2 041	25 256
3. Acquisition of subsidiaries		-	-	-	-	-	-
4. Dividends to shareholders	12	-	-	-60 576	-60 576	-	-60 576
5. Other changes		-	-	1 962	1 962	-1 185	777
Total 31/03/2015	2	241 365	51 629	799 642	1 092 636	18 575	1 111 210

	Year 2013-2014						
	Explanation	Attributable to shareholders of the parent					
Issued capital		Share-premium account	Retained earnings	Total	Non-controlling interests		
Total 01/04/2013	2	227 478	17 131	767 220	1 011 829	8 852	1 020 681
1. Net profit (loss) of the period	1	-	-	14 998	14 998	256	15 254
2. Capital increase		7 224	17 946	-	25 170	-	25 170
3. Acquisition of subsidiaries		-	-	-	-	-	-
4. Dividends to shareholders	12	-	-	-58 711	-58 711	-	-58 711
5. Other changes		-	-	-1 242	-1 242	1 881	639
Total 31/03/2014	2	234 702	35 077	722 264	992 043	10 990	1 003 034

4 Cash Flow statement

This cash flow is based on Gimv and its subsidiaries. Gimv group reports its majority shareholdings at market value based on the exception for investment entities (in line with IFRS 10). Gimv group has no claim whatsoever on the cash balances of its majority shareholdings. Gimv group is responsible solely for the value of the group's investment in the company in question.

	Explanation	31-03-2016	31-03-2015	31-03-2014
I. NET CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES (1 + 2)		-23 504	-30 740	-14 953
1. Cash generated from operations (1.1. + 1.2. + 1.3.)		-20 237	-27 676	-13 149
1.1. Operating result		150 752	143 883	12 494
1.2. Adjustment for		-182 839	-182 796	-23 178
1.2.1. Interest income (-)	7.1 - 1.2	-10 623	-13 567	-11 476
1.2.2. Dividend income (-)	7.1 - 1.1	-15 582	-8 740	-3 027
1.2.3. Gain on disposal of investments	7.1 - 1.5	-74 506	-114 097	-24 337
1.2.4. Losses on disposal of investments	7.1 - 2	3 973	11 525	16 474
1.2.5. Depreciation and amortisation	8	1 164	1 060	997
1.2.6. Impairment losses	7.1 - 12.2	12 983	14 408	5 527
1.2.7. Translation differences		-	-	-
1.2.8. Unrealised gains (losses) on financial assets at fair value through P&L		-101 693	-60 309	-8 820
1.2.9. Increase (decrease) in provisions		4 923	-2 902	-1 453
1.2.10. Increase (decrease) pension liabilities (assets)		-	-	-
1.2.11. Other adjustments		-3 479	-10 173	2 938
1.3. Change in working capital		11 850	11 238	-2 464
1.3.1. Increase (decrease) in trade and other receivables		5 124	6 251	2 675
1.3.2. Increase (decrease) in trade and other payables (-)		9 133	-921	-1 994
1.3.3. Other changes in working capital		-2 407	5 908	-3 145
2. Income taxes paid (received)		-3 267	-3 064	-1 804
II. NET CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES		92 016	193 568	-94 606
1. Purchase of property, plant and equipment (-)	13	-526	-810	-939
2. Purchase of investment property (-)		-	-	-254
3. Purchase of intangible assets (-)		-	-	-
4. Proceeds from disposal of property, plant and equipment (+)		17	-	-
6. Proceeds from disposal of intangible assets (+)		-	-	-
7. Proceeds from disposal of financial assets at fair value through P&L (+)		176 904	306 283	80 499
8. Proceeds from repayment of loans granted to investee companies (+)		22 333	25 676	6 490
9. Investment in financial assets at fair value through P&L (-)		-121 623	-140 186	-167 173
10. Loans granted to investee companies (-)		-8 597	-14 096	-27 393

The consolidated financial statements are expressed in thousands of euros unless otherwise mentioned.

11. Net investment in other financial assets		-	-	-
12. Acquisitions / Disposals of subsidiaries, associates or joint ventures, net of cash acquired (-)		-	-	-
13. Interest received		10 623	7 104	11 476
14. Dividends received		15 582	8 740	3 027
15. Government grants received		-	-	-
16. Other cash flows from investing activities		-2 697	857	-339
III. NET CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES		-60 503	-34 699	-29 101
1. Proceeds from capital increase	3	-	23 215	25 170
2. Proceeds from borrowings		-	-	-
3. Proceeds from the sale of treasury shares		-	-	-
4. Capital repayment		-	-	-
5. Repayment of borrowings (-)		-	-	-
6. Purchase of treasury shares (-)		-	-	-
7. Interest paid (-)		-611	-725	-923
8. Dividends paid (-)	3	-62 295	-60 576	-58 711
9. Other cash flows from financing activities		2 403	3 387	5 364
IV. NET INCREASE (DECREASE) IN CASH AND (I + II + III)		8 008	128 129	-138 659
V. CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD		184 766	56 637	195 296
VI. CASH AND CASH EQUIVALENTS, END OF PERIOD (IV + V)		192 774	184 766	56 637

5 Valuation rules (IFRS)

5.1 Consolidation principles

The consolidated financial statements of the Company are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union.

Scope of consolidation

Since 21 November 2013, the amendment to IFRS 10, IFRS 12 and IAS 27 entitled 'Investment Entities' has been approved by the European Union. The amendment introduces an exemption for investment entities to the general principle that a parent must consolidate all of its subsidiaries.

An investment entity is defined as an entity that acquires funds from one or more investors for the purpose of providing investment management services to these investors, undertakes to its investors to realize capital gains or other investment income or a combination of both, and measures and assesses the performance of all its investments on a fair value basis.

Given that Gimv meets the definition of an investment entity, it measures all majority shareholdings at fair value with changes in value recognized through profit and loss. See below ('determination of fair value') for more information about the measurement procedure.

Subsidiaries of an investment entity that provide asset management services to third parties are, however, required to be consolidated.

All assets, liabilities, capital, profits, losses and cash flows deriving from transactions within the Gimv consolidated group are fully eliminated.

5.2 Associates

Associates are undertakings in which Gimv has significant influence over the financial and operating policies, but which it does not control. Given that Gimv is an investment company, these investments are measured at fair value, in accordance with IAS 28, para. 1 and are presented in the balance sheet as 'Financial assets at fair value through profit and loss'. Changes in fair value are included in profit or loss in the period in which the change took place.

5.3 Foreign currencies

Transactions in foreign currencies are recorded at the rates of exchange prevailing at the dates of the individual transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange prevailing at the balance sheet closing date. Foreign exchange gains and losses resulting from currency transactions and from the translation of monetary assets and liabilities are recognized in the income statement. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

5.4 Financial derivatives

Derivatives are measured at fair value. Changes in fair value are recognized in the income statement. Gimv does not apply hedge accounting for IAS 39 purposes.

5.5 Financing costs

Financing costs are charged against the income statement as soon as incurred.

5.6 Intangible assets

Acquired intangible assets other than goodwill are recognized at cost and amortized on a straight line basis over a period of five years. The amortization period and method are reviewed annually. The carrying values of intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable.

5.7 Property, plant and equipment

Property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation and impairment losses. Depreciation is recorded over the estimated useful lives of the assets using the straight line method.

Estimated useful lives are:

- buildings 20-30 years
- installations: 10 years
- machinery 5 years
- furniture: 10 years
- office equipment: 5 years
- computers: 3 years
- vehicles: 5 years
- leasehold improvements: the remaining period of the lease contract.

Depreciation is calculated from the date the asset is available for use.

5.8 Impairment of fixed assets

At each closing date, the Group assesses whether there is any indication that an asset may be impaired. Where such indications of impairment exist, the Group makes an estimate of the recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable value. The recoverable value of an asset is the greater of either the fair value less costs to sell or the value in use. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current money market yields and the risks specific to the asset. For an asset that does not generate separately identifiable cash inflows, the recoverable amount is determined at the level of the cash-generating unit to which the asset belongs.

Impairment losses are recognized in the income statement.

5.9 Financial assets

Gimv follows the International Private Equity and Venture Capital Valuation Guidelines (IPEV Guidelines) as explained below. In December 2015 a new version of these guidelines was published, replacing the previous version as from 1 September 2015.

Shareholdings are classified as financial fixed assets and measured at fair value via the income statement. This covers equity instruments belonging to the Group's investment portfolio, including associates. These investments are initially recorded at cost. Subsequently the unrealized gains and losses resulting from the periodical revaluations are recognized in the income statement.

Loans to portfolio companies are financial assets with fixed or determinable payments that are not listed in an active market. After initial recognition, these financial assets are measured at cost less any impairment losses when there are doubts about the recoverability of the loan.

Realized gains and losses on investments are calculated as the difference between the selling price and the carrying amount of the investment at the date of disposal. All 'regular way' purchases and sales of financial assets undertaken are recognized on the trade date.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace.

Determination of fair value

a. Listed companies

For investments that are actively traded in organized financial markets, fair value is determined by reference to the stock exchange bid prices on the balance sheet closing date. Any limitations on the negotiability of the share, or situations where the share price is not representative given the size of the shareholding, are taken into account in the valuation. Generally no discounts are applied to listed prices, except where contractual, governmental or other legally enforceable limitations exist that can influence the value.

b. Instruments for which no quoted market price exists

In accordance with IAS 13, fair value is determined as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. In the absence of an active market for a financial instrument, the Gimv group uses valuation models. Gimv follows here the International Private Equity and Venture Capital Valuation Guidelines. The valuation methodologies are applied consistently from period to period, except where a change would result in a better estimate of fair value.

Valuation methodologies

1. Price of a recent transaction

This method will be applied in the case of a recent investment in a company which has no significant profits or significant positive cash flows. For these starting enterprises, there are usually no existing earnings or positive cash flows, nor will there be in the short-term future. It is difficult to gauge the probability and financial impact of the success or failure of development or research activities and to make reliable cash flow forecasts. Consequently the most appropriate approach to determine fair value is a methodology that is based on market data, that being the price of a recent investment. Where there has been a recent investment in the enterprise in question, the price will generally provide a good indication of fair value, if the purchase price was representative of the fair value at the time. In the event of an internal round involving only existing investors proportionally to their existing investments, it is important to must examine whether specific conditions exist that could reduce the reliability of this financing round as an indication of real value. Nevertheless a financing with investors at a lower price than the valuation at the most recent reporting date may indicate a decrease in value and is taken into consideration.

The objectives of investors in making an internal down round may vary. Although a down round evidences that the company was unable to raise funds from investors at a higher valuation, the purpose of such a round may be, among others, the dilution of the founders or of investors not participating in the financing round.

Similarly when a financing is done at a higher valuation (internal up round), in the absence of new investors or other significant factors which indicate that value has been enhanced, the transaction alone is unlikely to be a reliable indicator of fair value. By using the 'recent transaction price' method, Gimv takes the costs of the investment itself or the price at which a significant new investment was made in the company for determining the fair value of the investment. Gimv does this only for a limited period following the date of the relevant transaction. This length of this period will depend on the specific features of the investment in question. During the limited period following

the date of the relevant transaction, Gimv assesses whether changes or events subsequent to the relevant transaction would imply a change in the investment's fair value. Where Gimv decides that an indication exists that the fair value has changed (on the basis of objective data or the particular investment manager's experience), it will adjust the price of the most recent financing round.

2. Earnings Multiple

The method is applied to investments in an established business with an identifiable stream of turnover or profit that can be considered to be maintainable.

(i) In using the earnings multiple method to determine the fair value of an investment, a multiple is applied that is appropriate and reasonable (given the risk profile and earnings growth prospects of the company) to the maintainable turnover or profit of the company. Depending on the circumstances the multiple will be determined by reference to a one or more comparable companies or the earnings multiple of a quoted stock market sector or sub-sector. It is important that the market-based multiple derived from the group of comparable listed companies (the 'peer group') be corrected for the differences between the peer group and the company to be valued. Account is taken here of the difference in liquidity of the shares being valued compared with that of listed shares. Other reasons for correcting multiples can be size, growth, diversity, type of activities, differences in markets, competitive position, etc. Recent transactions involving the sale of similar companies may also serve as a basis for determining an appropriate multiple.

(ii) The factor defined under (i) is adjusted for any surplus assets or liabilities and other relevant factors to derive an enterprise value for the company;

(iii) From this enterprise value are deducted all amounts relating to financial instruments ranking ahead of the highest ranking instrument of the Group in a liquidation and taking into account the effect of any instrument that may dilute the Group's investment in order to derive the net equity value;

(iv) The net equity value is appropriately apportioned between the relevant financial instruments. Recent transactions involving the sale of similar companies may also be used as a basis to determine an appropriate multiple.

The data used are based on the most recent available information Gimv can rely on (historical, current or forecast), and are adjusted for exceptional or non-recurring items, the impact of discontinued operations and acquisitions and forecasted downturns in profits.

The following methods are in use at Gimv:

- comparable price/earnings, price/cash flow, enterprise value/earnings before interest (and tax and depreciation) and enterprise value/sales multiples
- reference to relevant and applicable sub-sector average multiples
- actual entry multiples paid for an investment.

3. Investments in funds not managed by the Gimv group

For investments in funds not managed by the Gimv group, the fair value of the investment is derived from the value of the net assets of the fund. Depending on market circumstances it can be decided to base the valuation of the funds on individual valuations of the underlying shareholdings, based on the Gimv valuation methodology. In turbulent markets the value of the funds can be adapted as a function of the relevant stock market indexes between the fund reporting date and the Gimv balance sheet closing date.

Although the reported fund value provides a relevant starting point for determining the fair value of the fund, it may be necessary to adjust this value on the basis of the best available information at reporting date. Elements that can give rise to an adjustment are: a timing difference between the fund's and Gimv's reporting dates, major valuation differences or any other element that can impact the value of the fund.

4. Discounted cash flows or earnings

This methodology involves determining the value by calculating the present value of the expected future cash flows of the underlying business. Owing to the high degree of subjectivity of the inputs,

discounted cash flow is only used as a cross-check of values determined using market-based methodologies.

Specific considerations

- Movements in exchange rates that may impact the value of the investments are taken into account.
- Where the reporting currency is different from the currency in which the investment is denominated, the translation into the reporting currency is done using the exchange rate at reporting date.
- Major positions in options and warrants are valued separately from the underlying investments, using an option valuation model. The fair value is based on the assumption that options and warrants will be exercised whenever the fair value is in excess of the exercise price.
- Other rights such as conversion options and ratchets, which may impact the fair value, are reviewed on a regular basis to assess whether these are likely to be exercised and the extent of any impact on the value of the investment.
- Differential allocation of proceeds, such as liquidation preferences, may have an impact on the valuation. If these exist, they are reviewed to assess whether they give a benefit to the Gimv group or to third parties.
- Loans granted pending a coming financing round are, in the case of an initial investment (bridge loans), measured at cost. Where doubts exist as to the feasibility of the final financing, a discount may be applied.
- Whenever bridge finance is provided to an existing investment in anticipation of a follow-on investment, the bridge finance is included together with the original investment and valued as a package.
- Many financial instruments used in private equity accumulate the interest, which is paid out in cash only at redemption of the instrument. In measuring these, Gimv takes into account the total amount receivable, including the increase in accumulated interest.
- When a mezzanine loan is the only instrument held by Gimv, this is measured on a stand-alone basis. The issue price is a reliable indicator here of the fair value at that time. Any indication of a significant weakening of activities or a major change in the expected return at a subsequent date can lead to a revision of the fair value. Any warrants attached to this loan are measured separately.
- Where the mezzanine loan is one of a number of instruments held by the Gimv group in the underlying business, then the mezzanine loan and any attached warrants are included as a part of the overall investment package being valued.
- Where doubts exist as to the creditworthiness of the beneficiary of a loan, and hence as to the repayment of the loan in question, a discount can be applied to the nominal amount.
- Indicative offers are not used in isolation but need to be corroborated by one of the valuation methodologies.

5.10 Criteria for the writing out of financial assets and liabilities

Financial assets and liabilities are written out of the books whenever the Gimv group no longer manages the contractual rights attached to them. It does this whenever the financial assets are sold or whenever the cash flows attributable to these assets and liabilities are transferred to an independent third party. After initial recognition, these investments are measured at fair value, with unrealized gains and losses recognized in the income statement. Realized gains and losses on investments are calculated as the difference between the selling price and the carrying amount of the investment at the date of disposal. All 'regular way' purchases and sales of financial assets undertaken are recognized on the trade date. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace.

5.11 Regular purchase and sales of financial assets

Regular purchases and sales of financial assets are recorded at transaction date.

5.12 Other current and non-current assets

Other non-current and current assets are measured at amortised cost.

5.13 Income tax

Current taxes are based on the results of the group companies and are calculated according to the local tax rules. Deferred income tax is provided, based on the liability method, on all temporary differences between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes.

5.14 Liquid assets

Cash and cash equivalents are split into two categories. The first consists of cash, bank deposits and liquid assets. These are all treasury resources held in cash or on a bank deposit, including treasury resources invested in liquid products not subject to fluctuations in value. These products are therefore reported at nominal value. The second comprises negotiable securities and other liquid assets. These are treasury resources invested in negotiable securities or funds which are subject to market valuation. These investments may be originally recognized at fair value, being equal to their cost price at recognition date. Subsequently these products are measured at fair value, with any fluctuations taken into the financial result.

5.15 Non-controlling interests

'Non-controlling interests' is that part of the net results and of net assets of a subsidiary attributable to interests which are not owned, directly or indirectly through subsidiaries, by the Gimv group.

5.16 Provisions

Provisions are recognized when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligations and a reliable estimate of the amounts can be made. Where the group expects an amount which has been provided for to be reimbursed, the reimbursement is recognized as an asset only when the reimbursement is virtually certain.

5.17 Revenue Recognition

Interest revenue is recognized as revenue using the effective interest method as set out in IAS 39. Dividends allocated to Gimv group are recorded as revenue once the general meeting of shareholders has approved the dividend. Fees are recorded as revenue in accordance with the contractual provisions in the relevant agreement.

5.18 Employee benefits

Post-employment benefits comprise pensions, life insurance and medical care.

Retirement benefits under defined contribution and defined benefit plans are provided through separate funds or insurance plans.

- Defined benefit plans: for defined benefit plans, the amount recognized in the balance sheet is determined as the present value of the defined benefit obligation less any past service costs not yet recognized and the fair value of any plan assets. Where the calculation results in a net surplus the recognized asset is limited to the total of all cumulative unrecognized past service costs and the present value of any refunds from or reductions in future contributions to the plan.

- Defined contribution plans: As a result of the legislative changes, Gimv no longer values defined contribution plans at intrinsic value. In line with the defined benefit plans, the net outstanding pension liability is determined by actuarial calculation in accordance with IAS 19 (using the PUC method).

The recognition of actuarial gains and losses is determined separately for each defined benefit plan. Actuarial gains and losses are fully recognized in the income statement in the period in which they are established.

5.19 Share-based payment transactions

In order to involve employees more closely in the respective investment portfolios, options, warrants and/ or shares are offered to members of staff in the co-investment companies which have been set up by business unit. The value of these options is subsequently determined based on the evolution of the value of the underlying portfolio in the co-investment company in question. The fair values of these options are calculated annually and presented in accordance with IAS 37.

5.20 Financial liabilities

Interest-bearing loans and borrowings are initially measured at cost less transaction-related costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. The amortized cost calculation factors in any issue costs and any redemption discount or premium.

5.21 Dividends

Dividends proposed by the board of directors after year-end are not recorded as debts in the financial statements until they have been approved by the shareholders at the annual general meeting.

5.22 Earnings per share

The Group calculates both basic and diluted earnings per share in accordance with IAS 33. The basic earnings per share is calculated based on the weighted average number of shares outstanding during the period. Diluted earnings per share is computed using the average number of shares outstanding during the period plus the dilutive effect of warrants and stock options outstanding during the period.

6 Subsidiaries

Subsidiaries not falling under IFRS 10 are fully consolidated. Regardless of the participation percentage, Gimv retains control over these companies under the contractual provisions.

Name of the subsidiary	City, country	Company number	% voting right	Change to previous year	Reason why > 50% does not lead to consolidation
Consolidation					
Acertys	Aartselaar, Belgium	0413 534 556	0.00%	-51.38%	IFRS 10
Adviesbeheer Gimv Buyouts & Growth Belgium 2010	Antwerp, Belgium	0823 741 915	88.54%	0.00%	
Adviesbeheer Gimv Buyouts & Growth 2004	Antwerp, Belgium	0863 249 322	100.00%	0.00%	
Adviesbeheer Gimv Buyouts & Growth 2007	Antwerp, Belgium	0887 141 115	100.00%	57.68%	
Adviesbeheer Gimv Buyouts & Growth 2010	Antwerp, Belgium	0824 507 397	88.40%	0.00%	
Adviesbeheer Gimv Buyouts & Growth Netherlands 2010	The Hague, The Netherlands	50482904	67.67%	0.00%	
Adviesbeheer Gimv CO2020 2013	Antwerp, Belgium	0518 892 392	85.89%	-3.13%	
Adviesbeheer Gimv CO 2016	Antwerp, Belgium	0649 473 594	100.00%	100.0%	
Adviesbeheer Gimv CT 2007	Antwerp, Belgium	0893 833 224	100.00%	0.00%	
Adviesbeheer Gimv DS 2004	Antwerp, Belgium	0863 250 114	91.92%	-8.08%	
Adviesbeheer Gimv DS 2007	Antwerp, Belgium	0887 077 371	100.00%	87.76%	
Adviesbeheer Gimv Fund Deals 2007	Antwerp, Belgium	0893 837 083	100.00%	0.00%	
Adviesbeheer Gimv Group 2010	Antwerp, Belgium	0824 472 383	40.83%	4.40%	
Adviesbeheer Gimv Group 2013	Antwerp, Belgium	0515 977 741	68.37%	5.74%	
Adviesbeheer Gimv Group 2016	Antwerp, Belgium	0649 467 260	100.00%	100.00%	
Adviesbeheer Gimv HC 2013	Antwerp, Belgium	0518 890 018	92.74%	0.00%	
Adviesbeheer Gimv HC 2016	Antwerp, Belgium	0649 474 782	100.00%	100.00%	
Adviesbeheer Gimv LS 2004	Antwerp, Belgium	0863 241 897	100.00%	0.00%	
Adviesbeheer Gimv LS 2007	Antwerp, Belgium	0887 140 224	100.00%	42.77%	
Adviesbeheer Gimv Participants 2004 BV	The Hague, The Netherlands	27340017	100.00%	0.00%	
Adviesbeheer Gimv Participants 2007 BV	The Hague, The Netherlands	27362562	100.00%	100.00%	
Adviesbeheer Gimv SC 2013	Antwerp, Belgium	0518894 273	83.47%	2.21%	
Adviesbeheer Gimv SC 2016	Antwerp, Belgium	0649 474 188	100.00%	100.00%	
Adviesbeheer Gimv SI 2013	Antwerp, Belgium	0518 893 085	94.85%	9.86%	
Adviesbeheer Gimv SI 2016	Antwerp, Belgium	0649 472 705	100.00%	100.00%	
Adviesbeheer Gimv Tech 2004	Antwerp, Belgium	0863 241 107	92.69%	0.00%	
Adviesbeheer Gimv Tech 2007	Antwerp, Belgium	0887 142 303	100.00%	57.01%	
Adviesbeheer Gimv Venture Capital 2010	Antwerp, Belgium	0823 743 893	71.65%	4.81%	
Adviesbeheer Gimv XL	Antwerp, Belgium	0823 740 430	100.00%	0.00%	

Almaviva Santé	Marseille, France		28.54%	-21.46%	IFRS 10
Aquila	Leuven, Belgium	0534 804 946	52.06%	0.00%	IFRS 10
Artichem (Ecochem)	Olen, Belgium	0506 792 732	54.13%	-5.22%	IFRS 10
Brakel Investments BV	Uden, The Netherlands	64709612	75.00%	75.00%	IFRS 10
Buyouts & Growth Participants 2004 BV	The Hague, The Netherlands	27331774	100.00%	0.00%	
Buyouts & Growth Participants 2007	The Hague, The Netherlands	27331772	100.00%	100.00%	
CFL Holding BV (Itho Daalderop)	Tiel, The Netherlands	64664457	71.32%	71.32%	IFRS 10
Datacontact	Warszawa, Polen		100.00%	19.99%	IFRS 10
Eagle Venture Partners BV	Vlaardingen, The Netherlands		68.50%	0.00%	IFRS 10
Eagle Venture Partners Limited	Guernsey, UK		73.30%	0.00%	IFRS 10
Erunam	The Hague, The Netherlands	54141141	100.00%	0.00%	IFRS 10
Finimmo	Antwerp, Belgium	0436 044 197	0.00%	-50.00%	IFRS 10
Gimo-Hold Noorderlaan	Antwerp, Belgium	0449 794 740	0.00%	-100.00%	IFRS 10
Gimv Arkiv Tech Fund II	Antwerp, Belgium	0839 659 912	52.00%	0.00%	
Gimv Arkiv Technology Fund	Antwerp, Belgium	0878 764 174	50.17%	0.00%	
Gimv Buyouts & Growth 2004 BV	The Hague, The Netherlands	27274508	89.00%	0.00%	
Gimv Buyouts & Growth 2007 BV	The Hague, The Netherlands	27306207	90.00%	0.00%	
Gimv Buyouts & Growth Netherlands 2010 BV	The Hague, The Netherlands	27378792	100.00%	0.00%	
Gimv B&G France FCPR	Paris, France		100.00%	0.00%	
Gimv France FCPR 2010	Paris, France		100.00%	0.00%	
Gimv France FPCI 2013	Paris, France		100.00%	0.00%	
Gimv France SAS	Paris, France		100.00%	0.00%	
Gimv Investments H&C Netherlands 2013 BV	The Hague, The Netherlands	57093156	100.00%	0.00%	
Gimv Investments SC Netherlands 2013 BV	The Hague, The Netherlands	59482583	100.00%	0.00%	
Gimv Investments CO Netherlands 2013 BV	The Hague, The Netherlands	62731521	100.00%	0.00%	
Gimv Investments SI Netherlands 2013 BV	The Hague, The Netherlands	65423445	100.00%	100.00%	
Gimv Nederland BV	The Hague, The Netherlands	27162749	100.00%	0.00%	
Gimv Nederland holding BV	The Hague, The Netherlands	27258597	100.00%	0.00%	
Gimv-Agri+ Investment Fund	Antwerp, Belgium	0878 764 174	50.00%	0.00%	
Gimv-XL NV	Antwerp, Belgium	0820 802 914	100.00%	0.00%	
Grandeco	Tielt, Belgium	0889 387 654	98.10%	0.00%	IFRS 10
Halder Investments IV BV	The Hague, The Netherlands	27127858	100.00%	0.00%	
Halder-GIMV Germany Management BV	The Hague, The Netherlands	27114196	100.00%	0.00%	

Immopad NV	Antwerp, Belgium	0422 112 920	100.00%	0.00%	
Impression International	Antwerp, Belgium	0895 599 119	85.00%	0.00%	IFRS 10
Kopria BV	The Hague, The Netherlands	54162300	100.00%	0.00%	IFRS 10
Mackevision Medien Design	Stuttgart, Germany		54.11%	-3.45%	IFRS 10
Nelumbo (Europlasma)	Oudenaarde, Belgium	0564 887 616	75.50%	0.00%	IFRS 10
Numac Investments BV (1)	Venray, The Netherlands		0.00%	-61.49%	IFRS 10
OBP Adjunct II	Boston, USA		99.00%	0.00%	IFRS 10
OBP Adjunct III	Boston, USA		99.00%	0.00%	IFRS 10
Onyx Investments BV	Delft, The Netherlands		69.26%	-13.43%	IFRS 10
Onedirect	France		55.30%	0.00%	IFRS 10
OTN Systems	Herentals, Belgium	0898 723 509	91.67%	0.00%	IFRS 10
SK Talents Investments BV	Utrecht, The Netherlands		65.00%	3.42%	IFRS 10
United Investments BV	Breda, The Netherlands	62747444	83.86%	0.00%	IFRS 10
TDP	Brussel, Belgium	0891 786 920	50.00%	0.00%	IFRS 10
VCST	Luxembourg		0.00%	-79.83%	IFRS 10
Wolf	Paris, France		52.00%	0.00%	IFRS 10

(1) and the subsidiaries that Gimv consolidates

In a number of subsidiaries which are consolidated, the evolution of voting rights is due to the partial exercise of options by employees or an eventual call by Gimv on the shares held by employees.

7 Segment information

Since FY 2013-2014, Gimv has reported its investment activities with a focus on four platforms. The management reporting also follows this new structure in line with the requirements of IFRS 8.

The four segments are: **Connected Consumer**, companies with a clear vision of the needs and preferences of the customer of the future; **Health & Care**, solutions for the health and care sector that cater to a growing, ageing and health-conscious society; **Smart Industries**, suppliers of smart systems and services that offer added value through intelligent and differentiating technologies; and **Sustainable Cities**, services, utilities and infrastructure with a sustainable impact on society. All investments are divided into these four platforms.

The additional information, in line with the so-called IFRS 8 Entity-wide disclosures, is provided on a geographic basis.

I. Segmentation according to the activities							
Year 2015-2016	Connected Consumer	Health & Care	Smart Industries	Sustainable Cities	Other	Funding & services	Total
1. Revenue	12 144	36 980	33 741	7 091	15 244	-	105 199
1.1. Dividend income	5	109	7 067	6 790	1 611	-	15 582
1.2. Interest income	6 916	1 237	1 732	286	454	-	10 623
1.3. Management fees	-	-	-	-	3 200	-	3 200
1.4. Turnover	63	922	247	15	42	-	1 288
1.5. Realised gains on disposal of investments	5 161	34 713	24 696	-	9 937	-	74 506
2. Realised losses on disposal of investments	-1 018	-1 591	-	-509	-854	-	-3 973
3. Unrealised gains (losses) on financial assets at fair value through P&L	13 655	-1 269	57 326	23	31 957	-	101 693
4. Segment result	28 156	47 385	33 610	19 231	34 391	-	162 773
5. Unallocated expenses & profits	-	-	-	-	-	-12 020	-12 020
6. Operating result	28 156	47 385	33 610	19 231	34 391	-12 020	150 752
7. Net Finance costs (+/-)	-	-	-	-	-	-	1 792
8. Result before tax	-	-	-	-	-	-	152 544
9. Tax expenses	-	-	-	-	-	-	-3 639
10 Net result	-	-	-	-	-	-	148 705
12. Assets & Liabilities							
11.1. Segment assets	281 512	93 761	208 348	150 070	286 175	210 463	1 230 329
11.2. Segment liabilities	-	-	-	-	-	1 230 329	1 230 329
12. Other segment information							
12.1. Capital expenditure	13 333	18 562	7 368	82 442	8 515	-	130 220
12.1.1 Financial assets at fair value through P&L	12 533	18 163	5 750	77 442	7 735	-	121 623
12.1.2. Loans to investee companies	800	399	1 618	5 000	780	-	8 597
12.2. Impairment losses	-1 706	-2 132	-9 145	-	-	-	-12 983

II. Geographical information									
Year 2015-2016	Belgium	The Netherlands	Germany	France	Rest of Europe	USA	Other countries	Funding & services	Total
1. Revenue	64 426	225	848	13 281	21 567	821	4 030	-	105 199
1.1. Dividend income	15 076	-	-	-	506	-	-	-	15 582
1.2. Interest income	7 671	125	82	2 231	514	-	-	-	10 623
1.3. Management fees	3 200	-	-	-	-	-	-	-	3 200
1.4 Turnover	1 208	58	-1	21	3	-	-	-	1 288
1.5. Realised gains on disposal of investments	37 272	42	768	11 029	20 544	821	4 030	-	74 506
2. Segment assets	398 822	193 969	106 910	198 337	84 262	8 212	29 355	210 463	1 230 329
3. Capital expenditure	26 535	68 517	11 039	19 140	2 995	513	1 482	-	130 220
3.1. Financial assets at fair value through P&L	25 216	62 717	9 561	19 140	2 995	513	1 482	-	121 623
3.2. Loans to investee companies	1 319	5 800	1 478	-	-	-	-	-	8 597

I. Segmentation according to the activities							
Year 2014-2015	Connected Consumer	Health & Care	Smart Industries	Sustainable Cities	Other	Funding & services	Total
1. Revenue	13 776	57 081	26 492	18 564	29 390		145 303
1.1. Dividend income	704	2 260	1 875	1 533	2 368		8 740
1.2. Interest income	9 276	549	2 534	1 188	21		13 567
1.3. Management fees	-	-	-	-	7 426		7 426
1.4. Turnover	88	34	257	900	194		1 473
1.5. Realised gains on disposal of investments	3 708	54 239	21 827	14 943	19 381		114 097
2. Realised losses on disposal of investments	-200	-1 909	-8 014	-801	-602		-11 525
3. Unrealised gains (losses) on financial assets at fair value through P&L	27 646	-2 317	21 541	2 090	11 349		60 309
4. Segment result	28 156	47 385	33 610	19 231	34 391		162 773
5. Unallocated expenses & profits	-	-	-	-	-	-18 890	-18 890
6. Operating result	28 156	47 385	33 610	19 231	34 391	-18 890	143 882
7. Net Finance costs (+/-)	-	-	-	-	-	2 662	2 662
8. Result before tax	-	-	-	-	-	146 544	146 544
9. Tax expenses	-	-	-	-	-	-3 825	-3 825
10 Net result	-	-	-	-	-	142 719	142 719
11. Assets & Liabilities							
11.1. Segment assets	285 349	84 923	196 832	124 011	243 872	201 060	1 136 048
11.2. Segment liabilities	-	-	-	-	-	1 136 048	1 136 048
12. Other segment information							
12.1. Capital expenditure	50 147	9 722	31 400	23 243	39 771	-	154 283
12.1.1 Financial assets at fair value through P&L	48 493	6 251	23 041	22 756	39 646	-	140 186
12.1.2. Loans to investee companies	1 654	3 471	8 359	487	125	-	14 096
12.2. Impairment losses	-9 121	-2 093	-3 194	-	-	-	-14 408

II. Geographical information									
Year 2014-2015	Belgium	The Netherlands	Germany	France	Rest of Europe	USA	Other countries	Funding & services	Total
1. Revenu	58 216	19 154	371	18 810	40 777	6 007	1 967	-	145 303
1.1. Dividend income	4 651	2 301	-	1 450	337	-	-	-	8 740
1.2. Interest income	8 555	171	-	4 256	586	-	-	-	13 567
1.3. Management fees	7 426	-	-	-	-	-	-	-	7 426
1.4 Turnover	1 224	83	128	34	3	-	-	-	1 473
1.5. Realised gains on disposal of investments	36 360	16 599	243	13 070	39 851	6 007	1 967	-	114 097
2. Segment assets	376 978	125 833	98 986	183 461	100 416	10 155	24 359	215 859	1 136 048
3. Capital expenditure	32 389	47 793	42 241	16 818	12 660	606	1 775	-	154 283
3.1. Financial assets at fair value through P&L	21 818	47 793	42 241	13 294	12 660	606	1 775	-	140 186
3.2. Loans to investee companies	10 572	-	-	3 524	-	-	-	-	14 096

I. Segmentation according to the activities							Total
Year 2013-2014	Connected Consumer	Health & Care	Smart Industries	Sustainable Cities	Other	Funding & services	Total
1. Revenue	8 832	11 606	5 489	3 172	21 236	-	50 336
1.1. Dividend income	291	-	1 750	371	615	-	3 027
1.2. Interest income	7 365	1 005	517	2 523	66	-	11 476
1.3. Management fees	-	-	-	-	8 633	-	8 633
1.4. Turnover	77	1 816	281	249	439	-	2 862
1.5. Realised gains on disposal of investments	1 099	8 786	2 941	29	11 482	-	24 337
2. Realised losses on disposal of investments	-	-3 945	-	-10 398	-2 131	-	-16 474
3. Unrealised gains (losses) on financial assets at fair value through P&L	21 745	7 343	-7 044	-3 854	-9 370	-	8 820
4. Segment result	24 384	10 512	-3 768	-11 422	4 445	-	24 151
5. Unallocated expenses & profits	-	-	-	-	-	-11 656	-11 656
6. Operating result	24 384	10 512	-3 768	-11 422	4 445	-11 656	12 494
7. Net Finance costs (+/-)	-	-	-	-	-	-	4 441
8. Result before tax	-	-	-	-	-	-	16 934
9. Tax expenses	-	-	-	-	-	-	-1 680
10 Net result	-	-	-	-	-	-	15 254
12. Assets & Liabilities	-	-	-	-	-	-	-
11.1. Segment assets	223 327	95 482	249 127	141 563	221 461	95 762	1 026 721
11.2. Segment liabilities	-	-	-	-	-	1 026 721	1 026 721
12. Other segment information	-	-	-	-	-	-	-
12.1. Capital expenditure	33 288	49 232	24 545	49 319	38 182	-	194 566
12.1.1 Financial assets at fair value through P&L	28 302	38 000	17 263	45 425	38 182	-	167 173
12.1.2. Loans to investee companies	4 986	11 232	7 281	3 894	-	-	27 393
12.2. Impairment losses	-2 856	-1 263	-684	-443	-281	-	-5 527

II. Geographical information									
Year 2013-2014	Belgium	The Netherlands	Germany	France	Rest of Europe	USA	Other countries	Funding & services	Total
1. Revenu	28 449	1 083	2 800	2 958	12 265	1 779	1 001		50 335
1.1. Dividend income	3 027	-	-	-	-	-	-		3 027
1.2. Interest income	9 317	502	38	1 115	504				11 476
1.3. Management fees	8 385	-	249	-	-				8 633
1.4 Turnover	2 437	54	204	135	32				2 861
1.5. Realised gains on disposal of investments	5 284	527	2 310	1 709	11 729	1 779	1 001		24 337
2. Segment assets	443 890	90 493	59 045	200 929	101 132	18 422	17 049	95 762	1 026 721
3. Capital expenditure	75 741	17 510	24 308	54 220	15 568	3 761	3 460		194 566
3.1. Financial assets at fair value through P&L	64 782	17 403	23 671	39 655	14 441	3 761	3 460		167 173
3.2. Loans to investee companies	10 958	107	637	14 565	1 127	-	-		27 393

8 Operating result

Dividends, interest, management fees and turnover	2015-2016	2014-2015	2013-2014
Dividends	15 582	8 740	3 027
Interest	10 623	13 567	11 476
Management fees	3 200	7 426	8 633
Turnover	1 288	1 473	2 862
Total	30 693	31 206	25 999

This item fell by EUR 513. Dividends increased by EUR 6 842, being received primarily from Xeikon and Hansea. Interest reduced by EUR 2 944 as a result of conversions of loans into shares, among others by Easyvoyage and Greenyard Foods, and of the loan repayments from Essar Ports, Acertys and XL Video. Management fees fell by EUR 4 226. This is mainly due to the recalculation of the Gimv-XL fund fee, which is no longer calculated on the commitments but on the amount invested.

The EUR 5 207 increase in 2014-2015 is explained as follows: Dividends increased by EUR 5 712, the main dividends received come Onyx Investments BV (Oldelft) (EUR 2 260), Sofinnova Capital V (EUR 1 450) and Biodiesel Holding (EUR 1 009). Interest income increased by EUR 2 091 mainly from the granting of a number of loans to new companies in the portfolio. Management fees fell by EUR 1 208, with the renegotiation of the fee from the Gimv-Agri+ fund to EUR 300 per year and the recalculation of the fee from the Gimv-XL fund to the invested amounts. Additionally, revenue received by the Gimv group from investee companies declined by EUR 1 388, mainly because the previous year's figure had included a significant remuneration from Biotech Fonds Vlaanderen.

The EUR 11 411 decline in 2013-2014 is mainly explained by the EUR 5 303 decrease in interest income and the EUR 6 805 decrease in revenue/management fees. This reduction in interest income reflects the conversion and repayment of a number of loans. The main reason for the change in management fees and revenue is the transfer of the management company from the Halder-Gimv Germany Fund (HGGF) to the team. This resulted in the loss of the management fee from HGGF and the associated charging on of operating costs. The other management fees that Gimv group receives relate to the management of the Gimv-XL fund and the Gimv-Agri+ fund. Revenue comprises the management and administration fees that Gimv group receives from investee companies and the fees deriving from the performance of portfolios such as Biotech Fonds Vlaanderen.

Realised gains and losses	2015-2016	2014-2015	2013-2014
Capital gains on disposal of investments	74 506	114 097	24 337
Losses on disposal of investments	-3 973	-11 525	-16 474
Total	70 533	102 572	7 863

Realised gains and losses in 2015-2016 by activity	Connected Consumer	Health & Care	Smart Industries	Sustainable Cities	Other	Total
Capital gains on disposal of investments	5 161	34 713	24 696	-	9 937	74 506
Losses on disposal of investments	-1 018	-1 591	-	-509	-854	-3 973
Total	4 142	33 122	24 696	-509	9 083	70 533
Listed companies	589	-269	-	-	282	602
Funds	-	-	-	-	8 121	8 121
Shareholdings	3 553	33 391	24 696	-509	680	61 810
Total	4 142	33 122	24 696	-509	9 083	70 533

Gimv recorded in 2015-2016 a realized result of EUR 70 533. This result is the difference between the selling price of the divested investments and the IFRS carrying value. The main capital gains were achieved on the following divestments: Greenyard Foods and XL Video (Connected Consumer), Acertys and Prosonix (Health & Care), and VCST and Xeikon (Smart Industries).

Unrealised gains and losses	2015-2016	2014-2015	2013-2014
Unrealised gains from financial assets at fair value	158 920	128 108	100 759
Unrealised losses on financial assets at fair value	-57 227	-67 799	-91 938
Impairment losses	-12 983	-14 408	-5 527
Total	88 710	45 901	3 294

Unrealised gains and losses in 2015-2016 by activity	Connected Consumer	Health & Care	Smart Industries	Sustainable Cities	Other	Total
Unrealised gains from financial assets at fair value	29 045	3 680	77 217	5 319	43 660	158 920
Unrealised losses on financial assets at fair value	-15 389	-4 948	-19 891	-5 295	-11 702	-57 227
Impairment losses	-1 706	-2 132	-9 145	-	-	-12 983
Total	11 950	-3 401	48 180	23	31 957	88 710
Listed companies	-1 026	-	-6 582	-	2 339	-5 269
Funds	-	-	-	-	23 564	23 564
Shareholdings	12 976	-3 401	54 762	23	6 054	70 415
Total	11 950	-3 401	48 180	23	31 957	88 710

The unrealised gains and losses item reflects the periodic revaluations of shareholdings and of loans to investee companies.

These shareholdings are classed as financial assets and measured at fair value through P&L. These investments are initially recorded at cost. Subsequently the unrealized gains and losses resulting from the periodical revaluations are recognized in the income statement.

Loans to investee companies are financial assets with fixed or determinable payments that are not listed in an active market. After initial recognition, these financial assets are measured at cost less any impairment losses when there are doubts about the recoverability of the loan.

These revaluations take place on a quarterly basis based on decisions of the valuation committee. This committee determines the fair value in accordance with IAS 13. Listed investments are measured based on the bid price at the balance sheet closing date, taking into account any trading limitations.

Where no stock market price is available, the fair value is determined using the valuation methods most appropriate to the particular type of investment. Gimv follows here the International Private Equity and Venture Capital Valuation Guidelines. [cfr. supra 16.5.9](#)

Unrealised value fluctuations amounted to a net EUR 88 710 gain in 2015-2016. These value changes are driven primarily by the improved performances of investee companies and the revaluation of three investee companies where sales negotiations are at an advanced stage. Further information can be found in [Note 14 Financial assets](#).

Purchase of goods and other services, personnel expenses and depreciation	2015-2016	2014-2015	2013-2014
Goods and services	-14 176	-13 479	-14 534
Personnel expenses	-18 977	-17 784	-16 931
Depreciation	-1 164	-1 060	-997
Total	-34 317	-32 323	-32 463

This item increased by EUR 1 994 in 2015-2016. Spending on other goods and services was up by EUR 697, owing to higher due diligence costs in the context of possible investments. Remuneration increased by EUR 1 193, reflecting the recruitment of a number of senior investment managers, mainly in France and Germany, and a number of termination benefits paid.

In 2014-2015, this item decreased by EUR 140. Spending on other goods and services decreased by EUR 1 056, while remuneration rose by EUR 853, mainly due to the 4.6 FTE increase in staff count.

In 2013-2014, this item decreased by EUR 2 636, owing mainly to the EUR 3 090 fall in remuneration. This reflects the the transfer of the HGGF's management company to the team, as a result of which the personnel costs are no longer payable by Gimv NV.

Other operating result	2015-2016	2014-2015	2013-2014
Foreign exchange income	241	403	188
Take back provisions for liabilities and charges	-	2 126	1 358
Take back unrealised loss on current assets	-	1 249	2 144
Result from derivatives	875	-	3 120
Other operating income	1 663	1 574	1 152
Total operating income	2 779	5 352	7 961
Other financial expenses	-719	-	-147
Provisions for liabilities and charges	-4 923	-	-
Provisions for pensions	-	-	-
Taxes and operating costs	-	-	-
Foreign exchange expenses	-126	-	-
Result from derivatives	-	-6 967	-
Other operating expenses	-1 878	-1 859	-13
Total operating expenses	-7 646	-8 826	-160
Other operating result	-4 867	-3 474	7 801

In 2015-2016, other operating result fell by a net EUR 1 393. The result on the USD hedging is EUR 875 positive compared to a loss of EUR 6 967 the year before, giving a positive variation of EUR 7 842. At Gimv group level, the USD is hedged by forward contracts. The purpose of this hedging is to offset value fluctuations in the USD portfolio by opposing value movements on these contracts so as to neutralize the impact of the US dollar evolution on net income. These derivatives are valued quarterly using a fair value approach.

In the previous financial year, provisions were reversed in an amount of EUR 2 126 EUR; this financial year an additional EUR 4 923 of provisions for liabilities and charges were set up, mainly for the co-investment structures (see also Note 20 'Provisions'). Last year, EUR 1 249 of write-downs on current assets were reversed. This year, selling costs were also incurred in an amount of EUR 719.

In 2014-2015, other operating result fell by EUR 11 275. In the previous financial year, a positive result of EUR 3 120 was achieved on the USD hedge. In 2014-2015, however, the evolution of the USD resulted in a negative result of EUR 6 967 on the USD hedging

In FY 2014-2015, Gimv NV also ended the dispute with Gealan with a settlement of EUR 962 (Gealan had accused Gimv NV of a breach of representations and warranties (in particular concerning tax) in the context of the sale in 2004 of its stake in Gealan). The provision of EUR 1 800 set aside for this dispute was reversed with a net positive result of EUR 838.

In 2013-2014, other operating result rose by EUR 12 390. In FY 2013-14 we recognized a positive result of EUR 3 120 on the USD hedges, as against a loss of EUR 2 909 in 2012-2013. Also, provisions for liabilities and charges were reduced by EUR 1 452; in the year before, provisions had been set up in an amount of EUR 1 580. Further, valuation adjustments on escrows were reversed and EUR 2 905 of other charges were passed on.

9 Financial result

	2015-2016	2014-2015	2013-2014
Financial income	2 403	3 387	5 364
Financial costs	-611	-725	-923
Total	1 792	2 662	4 441

In 2015-2016, the financial result fell by EUR 1 870. Financial income decreased by EUR 984 as a result of falling interest rates. Financial expenses decreased slightly.

In 2014-2015, the financial result fell by EUR 1 779. Financial income decreased by EUR 1 977 as a result of falling interest rates, despite the higher cash position.

In 2013-2014, the financial result reduced by EUR 1 478. The high investment amount and the dividends paid during the past financial year reduced the average cash balance, compared with the year before, resulting in a lower financial income.

10 Income taxes

	2015-2016	2014-2015	2013-2014
Consolidated income statement			
Current income tax	3 548	3 221	1 680
Current income tax charge	3 548	3 221	1 680
Adjustment in respect of current income tax of previous periods	-	-	-
Deferred tax liability	291	604	-
Income tax expense reported in consolidated income statement	3 839	3 825	1 680
Consolidated statement of changes in equity			
Current income tax	-	-	-
Income tax expense/benefit reported in equity	-	-	-
Reconciliation of income tax expense applicable to result before tax at the statutory income tax rate to income tax expense at the group's effective income tax rate			
Result before tax	152 544	146 544	16 934
At Local statutory income tax rate	51 850	49 810	5 756
Higher (lower) income tax rates of other countries	-	-	-
Adjustments in respect of current income tax of previous periods	-	-	-
Expenses non-deductible for tax purposes	4 489	4 515	-
Tax exempt profits	-54 510	-52 305	-5 756
Non-deductible amortization of goodwill	-	-	-
Non-recorded deferred income tax assets	-	-	-
Other	1 719	1 201	1 680
Taxes at effective income tax rate	3 548	3 221	1 680
Effective income tax rate	2.5%	2.2%	9.9%

Gimv group's core business consists of investing in shareholdings that are then sold after a certain period with a capital gain. In the countries where we have branches, capital gains on the sale of shares are fully or almost fully tax-exempt.

As from tax year 2013, capital gains on shares are tax-exempt only if the shares have been kept in full ownership for an uninterrupted period of at least 1 year. In the case of non-fulfilment of this holding period, these capital gains are taxed at a special rate of 25.75% (incl. crisis contribution). The tax base may be reduced by the loss from the tax period, by the definitively taxed income deduction, by the notional interest deduction and/or previous losses.

In addition, capital gains on shares that qualify for complete exemption are nonetheless taxable, starting in the 2014 tax year, at a rate of 0.412% (incl. crisis contribution). These are no deductions from this tax base. For FY 2015-2016, this tax amounted for Gimv to EUR 408. In addition, a provision of EUR 895 was set up, in line with IFRS, for the resulting latent tax (EUR 291 higher than in FY 2014-2015) on the basis of the unrealized capital gains on equity investments.

Gimv NV has definitively taxed income and extensive carryforwardable tax losses from the past. Since the introduction of notional interest deduction, a considerable amount of notional interest deduction has been created every year.

The tax expense for Gimv group is EUR 3 839. As an investment company, Gimv NV is mixed VAT liable, and therefore has non-tax deductible VAT in an amount of EUR 1 719. There are also certain companies in the group which pay corporation tax.

11 Earnings per share

		2015-2016	2014-2015	2013-2014
(in EUR 000)				
Net profit attributable to ordinary equity holders of the parent	A	137 175	135 991	14 998
Interest on convertible non-cumulative redeemable preference shares				
Net profit attributable to ordinary equity holders of the parent adjusted for the effect of convertible preference shares	B	137 175	135 991	14 998
(in 000)				
Weighted average number of ordinary shares (excluding treasury shares) for basic earnings per share	A	25 427	25 192	24 468
Effect of dilution:				
Share options		-	-	-
Redeemable preference shares		-	-	-
Weighted average number of ordinary shares (excluding treasury shares) adjusted for the effect of dilution	B	25 427	25 192	24 468
(in EUR)				
Earnings per share	A	5.39	5.40	0.61
Earnings per share with effect of dilution	B	5.39	5.40	0.61

Earnings per share is obtained by dividing the net profit attributable to the holders of ordinary shares of the parent company by the weighted average number of shares outstanding during the financial year.

The diluted earnings per share is calculated by dividing the net profit attributable to the holders of ordinary shares of the parent company (after deducting interest on convertible, redeemable, non-cumulative preference shares) by the sum of the weighted average number of outstanding shares throughout the financial year and the weighted average number of ordinary shares that would be issued upon the conversion into ordinary shares of all rights to ordinary shares having a potentially dilutive effect.

The table above gives information on the profit and shares figures used in calculating normal and diluted earnings per share

12 Paid and proposed dividends

	2015-2016	2014-2015	2013-2014
Paid dividends			
Closing dividend (total value) (in EUR 000)	62 295	60 576	58 711
Closing dividend (value per share) (in EUR)	2.45	2.45	2.45
Interim dividend (total value) (in EUR 000)	-	-	-
Interim dividend (value per share) (in EUR)	-	-	-
Total dividends paid	62 295	60 576	58 711
Proposed dividends			
Closing dividend (total value) (in EUR 000)	62 295	62 295	60 576
Closing dividend (value per share) (in EUR)	2.45	2.45	2.45

The board of directors will be proposing to the ordinary general meeting of shareholders that the company declare a gross dividend of EUR 2.45 per share in respect of FY 2015-2016. After 27% investment withholding tax, the net dividend amounts to EUR 1.79 per share.

13 Property, plant and equipment

2015-2016	Land and buildings	Machinery and equipment	Furniture and vehicles	Other property, plant and equipment	Total
1. Opening balance, net carrying amount	8 092	252	1 167	-	9 511
1.1. Gross carrying amount	15 242	733	4 268	-	20 243
1.2. Accumulated depreciation and impairment (-)	-7 150	-481	-3 101	-	-10 732
2. Additions	216	5	305	-	526
3. Acquisition through business combinations	-	-	-	-	-
4. Sales and disposals (-)	-	-	-17	-	-17
5. Disposal of subsidiaries (-)	-	-	-	-	-
6. Depreciations (-)	-565	-28	-403	-	-996
7. Impairment losses recognised in profit & loss (-) during the period or reversed (+)	-	-	-	-	-
8. Increase (decrease) translation differences	-	-	-	-	-
9. Transfer from (to)	-	-	-	-	-
10. Other increase (decrease)	-	-	-	-	-
11. Closing balance, net carrying amount	7 743	229	1 051	-	9 024
11.1. Gross carrying amount	15 458	738	4 556	-	20 752
11.2. Accumulated depreciation and impairment (-)	-7 715	-509	-3 505	-	-11 728

2014-2015	Land and buildings	Machinery and equipment	Furniture and vehicles	Other	Total
1. Opening balance, net carrying amount	8 393	237	971	-	9 601
1.1. Gross carrying amount	14 953	690	3 732	-	19 375
1.2. Accumulated depreciation and impairment (-)	-6 560	-453	-2 761	-	-9 774
2. Additions	289	43	539	-	871
3. Acquisition through business combinations	-	-	-	-	-
4. Sales and disposals (-)	-	-	-3	-	-3
5. Disposal of subsidiaries (-)	-	-	-	-	-
6. Depreciations (-)	-590	-28	-340	-	-958
7. Impairment losses recognised in profit & loss (-) during the period or reversed (+)	-	-	-	-	-
8. Increase (decrease) translation differences	-	-	-	-	-
9. Transfer from (to)	-	-	-	-	-
10. Other increase (decrease)	-	-	-	-	-
11. Closing balance, net carrying amount	8 092	252	1 167	-	9 511
11.1. Gross carrying amount	15 242	733	4 268	-	20 243
11.2. Accumulated depreciation and impairment (-)	-7 150	-481	-3 101	-	-10 732

2013-2014	Land and buildings	Machinery and equipment	Furniture and vehicles	Other property, plant and equipment	Total
1. Opening balance, net carrying amount	8 224	237	1 007	-	9 468
1.1. Gross carrying amount	14 242	667	3 418	-	18 326
1.2. Accumulated depreciation and impairment (-)	-6 017	-429	-2 411	-	-8 858
2. Additions	856	23	314	-	1 193
3. Acquisition through business combinations	-	-	-	-	-
4. Sales and disposals (-)	-144	-	-	-	-144
5. Disposal of subsidiaries (-)	-	-	-	-	-
6. Depreciations (-)	-543	-23	-350	-	-916
7. Impairment losses recognised in profit & loss (-) during the period or reversed (+)	-	-	-	-	-
8. Increase (decrease) translation differences	-	-	-	-	-
9. Transfer from (to)	-	-	-	-	-
10. Other increase (decrease)					
11. Closing balance, net carrying amount	8 393	237	971	-	9 601
11.1. Gross carrying amount	14 953	690	3 732	-	19 375
11.2. Accumulated depreciation and impairment (-)	-6 560	-453	-2 761	-	-9 774

14 Financial assets

	31-03-2016	31-03-2015	31-03-2014
Financial assets at fair value through the income statement	888 536	788 284	794 774
of which listed shareholdings	39 366	42 266	126 457
Loans to investee companies	125 358	131 904	136 185
Total	1 013 894	920 189	930 959

The financial assets include equity shareholdings at fair value through profit or loss and loans to investee companies. The total investment portfolio has increased by EUR 93 705 or 10% to over EUR 1 billion.

	2015-2016	2014-2015	2013-2014
1. Opening balance	788 284	794 774	672 884
1.1. Investments	121 623	140 186	167 173
1.2. Acquisition through business combination	-	-	-
1.3. Divestments (-)	-143 378	-203 481	-69 024
1.4. Disposal of subsidiaries	-	-	-
1.5. Unrealized change (increase (+), decrease(-) in fair value)	97 094	49 347	-5 036
1.6. Increase (decrease) translation differences	-	-	-
1.7. Other (increase (+), decrease(-))	24 913	7 458	28 777
2. Closing balance	888 536	788 284	794 774
Of which			
Shares - listed	39 366	42 266	126 457
Shares - unlisted	849 170	746 018	668 317
Change in fair value recognised in profit & loss during the period	97 094	49 347	-5 036
Unlisted Portfolio	-7 066	112	-13 680
Listed Portfolio	104 160	49 235	8 645

Financial assets, consisting of the shareholdings of Gimv NV and its subsidiaries, increased by EUR 100 251. Gimv invested EUR 121 623 in shareholdings. 8 new companies were invested in: Legallais (Connected Consumer), Equipe Zorgbedrijven, Biom'Up, Benedenti and Topas Therapeutics (Health & Care) and Brakel, Itho Daalderop / Klimaatgarant and Contraload (Sustainable Cities). There were a number of follow-on investments in existing shareholdings including Mackevision and Artichem.

A total of 13 portfolio companies were divested in 2015-2016 for an amount of EUR 143 378 (at IFRS opening carrying value). The main divestments were Easy Voyage, Greenyard Foods and XL Video (Connected Consumer), Prosonix and Acertys (Health & Care); VCST, Xeikon en ProxiAD (Smart Industries) and Essar Ports (Sustainable Cities).

Unrealized valuation movements amounted to EUR 97 094. These reflect the periodic valuation exercises on the overall portfolio and are explained mainly by the improved operating results of the portfolio companies and the upward valuation of portfolio companies at an advanced stage of sales negotiations. The Gimv group values listed shareholdings at their bid price and unlisted shareholdings based on the valuation methods most appropriate for the particular type of investment, following the International Private Equity and Venture Capital Valuation Guidelines.

The remaining changes reflect transfers due to reclassifications, conversions of loans into shares and the capitalisation of interest.

In 2014-2015, Gimv group's shareholdings fell by EUR 6 490. Gimv invested EUR 140 186 in shareholdings. The principal investments, including 6 new companies were: Connected Consumer invested in two new portfolio companies, United Investments BV (UDB) and Melijoe. A follow-on investment was also made in Private Outlet (BrandAlley) Health & Care made significant follow-on investments in Almaviva Santé and Jena Valve. Smart Industries invested in 2 new shareholdings, Mackevision and Europlasma, and stepped up its investments in Thinkstep and OTN Systems. Sustainable Cities invested in two new portfolio companies, Well Services BV and Ecochem and additionally in Itineris.

Substantial divestments were undertaken in 2014-2015, totalling EUR 203 481 (at IFRS opening carrying value). The main divestments were Funico International (Connected Consumer), Covagen, Prosensa and Endosense (Health & Care), Barco, Greenleaf, Movea and Dcinex (Smart Industries) and EBT, Viabuild Group and McPhy (Sustainable Cities).

Unrealized valuation increases amounted to EUR 49 347.

In 2013-2014 the total financial assets rose by EUR 116 602.

Financial assets, consisting of the shareholdings of Gimv NV and its subsidiaries, increased by EUR 121 890. This evolution is explained mainly by Gimv's investing EUR 167 173 in shareholdings in 2013-2014. The main investments in that financial year were Wolf Group, Marco Vasco (ex-Planetveo), Grandeco and XL Video (Connected Consumer), Almaviva Santé, Eurocept, Complix, JenaValve and Covagen (Health & Care), Luciad, CoScale, Govecs and Xeikon (Smart Industries) and Hansea (ex-Veolia Transport Belgium), Lampiris and Itineris (Sustainable Cities). There were also divestments of EUR 69 024 (at IFRS opening carrying value). The main divestments were Netprint (ex-ExpertPhoto) (Connected Consumer), Ablynx, Endosense and Ambit (Health & Care), Punch Powertrain (Smart Industries) and Ceres and Electrawinds (loan) (Sustainable Cities). There was also a significant capital reduction at Greenyard Foods (Connected Consumer).

Unrealized capital losses amounted to EUR 5 036. The remaining changes reflect transfers due to reclassifications, conversions of loans into shares and the capitalisation of interest.

Overview of listed shareholdings

Company	Bloomberg symbol	Holding in %	Holding in n° of outstanding shares
CapMan	CPMBV FH	9.74%	8 431 978
Electrawinds	EWI GR	3.12%	1 632 416
Inside Secure	INSD FP	12.23%	4 254 171
Greenyard	GRYFO BB	2.03%	900 280
TINC	TINC BB	7.41%	1 455 599

Limitations

Gimv receives income in the form of dividends and interest from its portfolio companies. There are no significant restrictions on transfers of funds from these portfolio companies to Gimv.

Support

As of 31 March 2016, Gimv has contractual obligations to provide financial support to 8 companies in the portfolio in an amount of EUR 16 293 of binding financial commitments.

Hierarchy of fair values

At 31 March 2016 the group held the following financial instruments recorded at fair value.

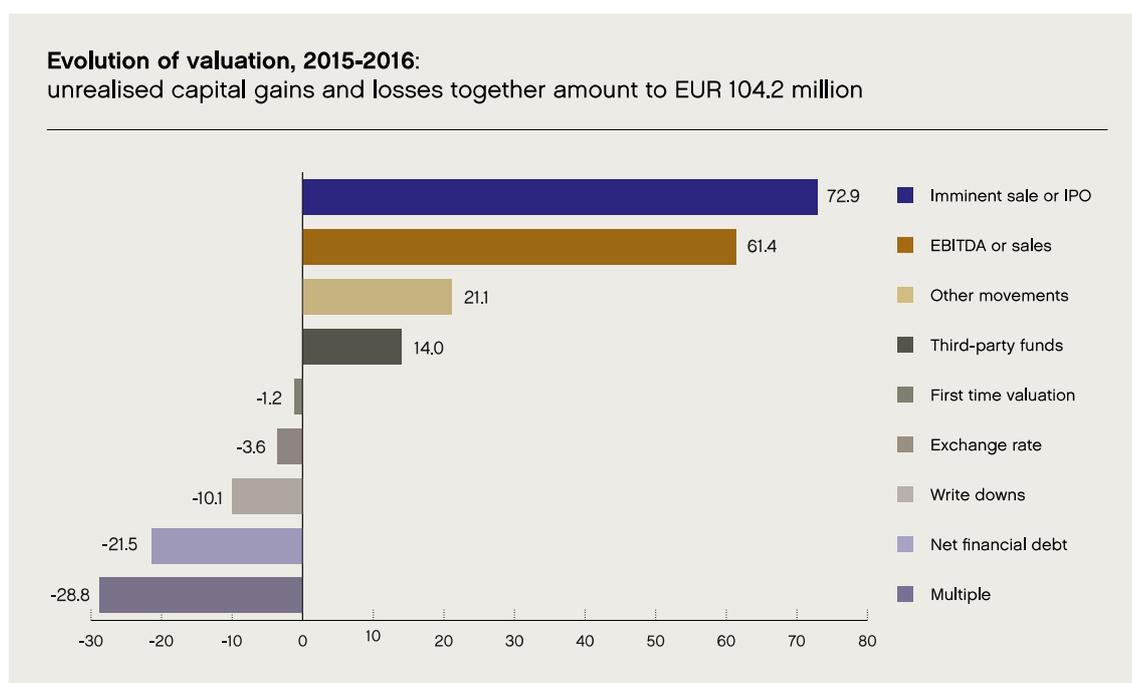
The group applies the following hierarchy for determining and disclosing the fair value of financial instruments, by valuation technique

- Level 1: listed (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: other methods in which all variables have a significant effect on the calculated fair value and are observable, either directly or indirectly;
- Level 3: techniques using inputs which have a significant effect on the recorded fair value, but are not based on observable market data.

Assets measured at fair value		Total	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss	2015-2016	888 536	39 366	-	849 170
	2014-2015	788 284	42 266	-	746 018
	2013-2014	794 774	126 457	-	668 317

Evolution of valuation 2015-2016

The graph below shows the evolution of the valuation of the unlisted portfolio companies (level 3). This clearly shows that this positive evolution is largely explained by the improved performance of the portfolio companies, expressed in the evolution of EBITDA/sales. To this is added the value appreciation as a result of the upward revaluation of two portfolio companies at an advanced stage of sales negotiation. In total, the unrealized gains on the unlisted portfolio companies amount to a net EUR 104 160. For a further description the valuation methods underlying this graph, we refer to the valuation rules explained in Section 5.9 'Financial Assets'.

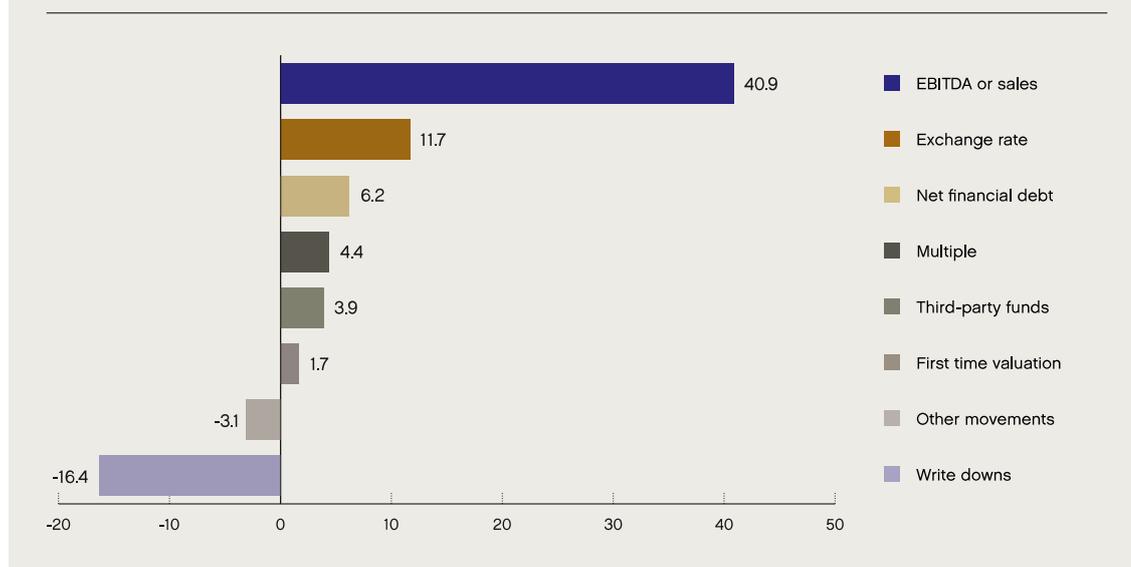


Evolution of valuation 2014-2015

The graph below shows the evolution of the valuation of the unlisted portfolio companies (level 3). This clearly shows that this positive evolution is largely explained by the improved performance of the portfolio companies, expressed in the evolution of EBITDA/sales. The portfolio also shows a significant positive currency effect due to the evolution of the US dollar and the Swiss Franc. This is offset by the negative impact of write-downs on a number of shareholdings. In total, the unrealized gains on the unlisted portfolio companies amount to a net EUR 49 235. For a further description the valuation methods underlying this graph, we refer to the valuation rules explained in section 5.9 Financial Assets.

Evolution of valuation, 2014-2015:

unrealised capital gains and losses together amount to EUR 49.2 million

**Evolution of valuation 2013-2014**

On one hand there was the positive impact of the improved stock market, reflected in the increased multiples and the effect of reduced debt levels in a number of shareholdings. On the other hand there was the negative impact of the reduced results (EBITDA/sales) of a number of shareholdings. A substantial write-down was recorded on HGGF (third-party funds, 3F) and a number of venture capital files were written down following new rounds at lower valuations. In total, unrealised gains and losses on the unlisted portfolio companies amounted to a net EUR 8.6 million gain.

15 Loans to portfolio companies

In 2015-2016, loans to portfolio companies declined by EUR 6 546 to EUR 125 358. New loans totalling EUR 8 597 were made, the largest being to Itho Daalderop/Klimaatgarant, Benedenti, Thinkstep and United Dutch Breweries. Loan repayments of EUR 22 153 were received (at book value on an IFRS basis). The main divestments were Acertys, Xeikon, Proxiad and Essar Ports. The net impact of the valuation fluctuations and transfers amounts to EUR 7 009 positive.

In 2014-2015, loans to portfolio companies declined by EUR 4 281 to EUR 131 904. New loans totalling EUR 14 096 were made, the largest being to: Europlasma, Luciad, Almaviva Santé, XL Video and OTN Systems. Loan repayments of EUR 27 467 were received (at book value on an IFRS basis). The main divestments were Walkro, Dcinex, Viabuild Group and Greenleaf. The net impact of the valuation fluctuations and transfers amounts to EUR 9 090 positive.

In 2013-2014, loans to shareholdings declined by a total EUR 5 288. New loans totalling EUR 27 393 were made, the largest being to: Wolf, Almaviva Santé, Prosonix, Luciad, Xeikon and McPhy. Loans of EUR 19 462 were divested (at book value on an IFRS basis). The largest divestment related to Electrawinds. Gimv sold part of its receivable from Electrawinds NV to Tecteo group.

	2015-2016	2014-2015	2013-2014
1. Opening balance	131 904	136 185	141 473
1.1. Gross carrying amount	169 737	170 572	214 554
1.2. Accumulated impairment (-)	-37 833	-34 387	-73 081
2. Additions	8 597	14 096	27 393
3. Repayment (-)	-22 153	-27 467	-19 462
4. Impairment losses	-8 384	-3 446	8 330
5. Reversal of impairment losses (+)	-	-	-
6. Increase (decrease) translation differences	-	-	-
7. Transfer to (from)	15 394	12 536	-21 549
8. Other (increase (+), decrease(-))	-	-	-
9. Closing balance	125 358	131 904	136 185
9.1. Gross carrying amount	171 575	169 737	170 572
9.2. Accumulated impairment (-)	-46 217	-37 833	-34 387

Additional information regarding loans to portfolio companies 2015-2016				
Duration		Max 1 year	1 tot 5 year	Total
		33 148	92 210	125 358
Currency	EUR	USD	GBP	Total
	125 358	-	-	125 358
Applied interest rate		Fixed interest rate	Variable interest rate	Total
		119 730	5 628	125 358
Average interest rate		9.05%	1.09%	

Additional information regarding loans to portfolio companies 2014-2015				
Duration		Max 1 year	1 tot 5 year	Total
		24 802	107 102	131 904
Currency	EUR	USD	GBP	Total
	129 595	1 117	1 192	131 904
Applied interest rate		Fixed interest rate	Variable interest rate	Total
		127 953	3 951	131 904
Average interest rate		8.60%	2.08%	

Additional information regarding loans to portfolio companies 2013-2014				
Duration		Max 1 year	1 tot 5 year	Total
		23 838	112 347	136 185
Currency	EUR	USD	GBP	Total
	133 478	1 054	1 653	136 185
Applied interest rate		Fixed interest rate	Variable interest rate	Total
		109 685	26 500	136 185
Average interest rate		8.83%	3.14%	

16 Trade and other receivables

In 2015-2016, trade and other receivables fell by EUR 5 124. Trade receivables increased by EUR 3 819. Other receivables fell by EUR 9 289. The outstanding claim on TINC (in an amount of EUR 4 300) was fully repaid following the TINC IPO. The claim on TDP in an amount of EUR 10 187 was reimbursed significantly down to EUR 2 888. Following the capital reduction of Vectis Participaties II, a receivable of EUR 1 919 was recorded.

In 2014-2015, trade and other receivables fell by EUR 6 250. Recoverable taxes fell by EUR 3 933. An amount of EUR 3 912 was received in respect of withholding tax claims. Trade receivables fell by EUR 1 497 and other receivables by EUR 820.

In 2013-2014, trade and other receivables fell by EUR 2 675. This fall is explained primarily by a EUR 5 924 decrease in trade receivables. This decrease is due to a EUR 1 765 decrease in the outstanding performance fee receivable as a result of the reduced market value of HGGF. There was also an outstanding claim of EUR 3 557 in respect of the management fee from the Gimv-XL Partners fund.

Tax refund claims rose by EUR 2 120, owing mainly to a EUR 2 201 increase in refundable investment withholding tax. Other receivables include an amount receivable on a divested file and Gimv's financing of Inframan.

	2015-2016	2014-2015	2013-2014
More than 1 year			
Trade receivables	-	-	-
Other receivables	-	-	-
Closing balance	-	-	-
Maximum 1 year			
Trade receivables	4 836	1 017	2 514
Intrest receivables	-	-	-
Tax receivable, other than income tax	636	344	4 277
Derivative financial instruments with positive fair values	-	-	-
Other receivables	6 528	15 764	16 584
Closing balance	12 000	17 124	23 375

17 Cash and marketable securities

Cash, bank deposits and liquid assets covers all treasury resources held in cash or on a bank deposit. This amount also includes treasury resources invested in liquid products which are not subject to fluctuations in value.

In 2015-2016, the cash position rose by EUR 8 008. The cash-in from divestments (at sales price) is EUR 199 237. Gimv invested EUR 130 220 and paid a cash dividend of EUR 62 295 in respect of 2015-2015. In connection with the sale of a portfolio company, Gimv has acted as an intermediary between shareholders and still needs a remit a sum of EUR 8 893 to the other shareholders. Consequently, the net cash position is EUR 183 881. All liquid resources are invested in products that are convertible into cash within one week's notice.

Marketable securities and other liquid instruments contain treasury resources invested in marketable securities or in funds subject to market valuation. As of end March 2016, the share of these securities (bonds only) had declined further to EUR 744 or 0.4% of total cash.

In 2014-2015 the cash position increased by EUR 128 130 with the high level of divestments. The cash-in from divestments (at sales price) was EUR 331 960. Investments amounted to EUR 154 282 and Gimv paid out, as in the previous year, a cash dividend of EUR 37 361 in respect of 2013-2014.

The EUR 138 659 fall in liquid resources in 2013-2014 results from EUR 194 566 of investments and EUR 85 496 of cash from divestments (at sales price). Additionally Gimv paid out a cash dividend of EUR 33 541 in respect of 2012-2013.

In 2012-2013, liquid resources rose by EUR 11 905, mainly as a result of EUR 110 806 of investments and EUR 177 866 of cash from divestments (at sales price). Gimv also paid out a cash dividend of EUR 32 173 in respect of 2011-2012.

	2015-2016	2014-2015	2013-2014
I. Cash, deposits and cash equivalents			
Short term bank deposits	151 657	137 924	11 946
Cash and other cash equivalents	40 373	43 095	41 144
Gross carrying amount	192 031	181 019	53 090
II. Marketable securities and other instruments			
Marketable securities and other instruments	744	3 747	3 546
Gross carrying amount	744	3 747	3 546

18 Outstanding capital and reserves

In August 2013, the dividend was paid in respect of the 2012-2013 financial year.

That time round, a large portion of shareholders subscribed to the stock dividend, creating 760 994 additional shares, increasing capital by EUR 7 224 to EUR 234 702, and bringing to total number of shares to 24 724 780.

In August 2014, the dividend was paid in respect of the 2013-2014 financial year. Due to the success of the optional dividend 701 892 new shares were created, and capital was increased by EUR 6 663 to EUR 241 365, bringing to final number of shares is 25 426 672.

In 2015-2016 the capital remained unchanged.

Gimv is a publicly traded company. 26.82% of the shares are owned by the Vlaamse Participatiemaatschappij (VPM); the rest is spread across a large number of institutional and retail shareholders.

	2015-2016	2014-2015	2013-2014	2015-2016	2014-2015	2013-2014
	Number (in 000)			Amount (in 000 EUR)		
Shares authorised	25 427	25 427	24 725	241 365	234 702	234 702
Par value per share	-	-	-	-	-	-
Shares issued and fully paid at the beginning of the period	25 427	24 725	23 964	241 365	234 702	227 478
Change	-	702	761	-	6 663	7 224
Shares issued and fully paid at the end of the period	25 427	25 427	24 725	241 365	241 365	234 702

19 Pension liabilities

Some employees have a defined contribution plan. Others have defined benefit plans, entitling them, at pension date, to an amount that is set in relation to their final salary. As a result of the legislative changes, Gimv no longer values defined contribution plans at intrinsic value. In line with the defined benefit plans, the net outstanding pension liability is determined by actuarial calculation in accordance with IAS 19 (using the PUC method). These plans comply with Belgian law and are therefore subject to the statutory minimum return. There are no specific risks in these pension plans.

There have been no amendments made to these plans in the financial year and surrenders have occurred. Under IFRS, both types of plans are treated as a defined benefit plan. Gimv group has the actuarial calculation for both plans updated annually by the group insurance administrator. The fair value of the assets in this plan amounts to EUR 30 949. Based on the actuarial analysis, these assets are more than adequate to meet future obligations. There are therefore no unfunded pension liabilities.

	01-04-2015	Service cost	Interest cost	Subtotal included in P&L	Benefits paid	Return on plan assets (excl. amounts included in net interest expenses)	Actuarial changes arising from changes in demographic assumptions	Experience adjustments	Subtotal included in OCI	Contributions by employer	31-03-2016
Defined benefit obligation	28 818	632	720	1 352	-	-	-	-	-	-	30 170
Fair value of plan assets	29 635	-	748	748	-	-	-	-	-	565	30 949
Benefit liability	-818	632	-28	604	-	-	-	-	-	-565	-779

Since the fair value of the assets is sufficient to meet its future obligations (DBO), no future pension liability needs to be recorded in the balance sheet.

The overall change in the present value of the Defined Benefit Obligation for Gimv	
DBO 01-04-2015 (1)	28 818
Service cost	632
Interest cost	720
Benefits paid	-
Exchange differences	-
DBO 31-03-2016	30 170
DBO 01-04-2014	25 413
Service cost	450
Interest cost	635
Benefits paid	1 821
Exchange differences	-
DBO 31-03-2015	28 320

(1) a one-time payment from the financing fund to the individual contracts was done on April 1, 2015. The result of this operation is an increase in the defined benefit obligation.

The major categories of plan assets of the fair value of the total plan assets are as follows	31-03-2016	31-03-2015
Equities	1 040	940
Derivates	99	74
Bonds	24 436	23 757
Commercial papers	31	688
Cash	2 394	1 421
Real estate	257	195
Loans	2 691	2 560
Total	30 949	29 635

The principal assumptions used in determining pension and post-employment benefit obligations	31-03-2016	31-03-2015
Discount rate	2.50%	2.00%
Inflation rate	1.50%	1.50%
Salary increase (inflation included)		
< 50 year	3.00%	4.00%
> 50 year	1.50%	0.00%

Mortality tables: given the limited number of insureds, no assumptions have been made here.
Departures - new participants: no potential departures are factored in.

Sensitivity analysis	31-03-2016	31-03-2015
Discount rate		
0.5% increase	29 336	27 415
0.5% decrease	32 322	30 416
Future salary		
0.5% increase	13 266	12 009
0.5% decrease	11 716	10 516
Expected payments		
2016	45	45
2017-2021	9 491	9 491
2022-2026	17 612	17 612
> 2026	46 090	46 090

The average lifespan of the plans is 17.4 years.

20 Provisions

In 2015-2016, provisions rose by EUR 4 923, mainly within the framework of the co-investment structure.

In line with international market practice in the private equity and venture capital industry, Gimv has since 2001 had a co-investment structure ('carried interest'), whereby Executive Committee members and employees are more closely involved in the investment activities by allowing them to participate in the investment portfolio out of their own resources and consequently also in the long-term investment results. In this way, the interests of the employees are very directly aligned with those of the Company.

To this end Gimv set up co-investment companies for the various investment activities. Gimv has granted options on the shares of these co-investment companies. These options are finally acquired after a vesting period of eight years (the so-called 'vesting condition'). These options can be on existing shares or on shares to be newly issued (warrants). On exercising their stock options, the members of the management committee and employees involved become shareholders and participate in the equity of these co-investment companies.

At the end of the eight-year vesting period, there is a settlement point in time between the Company and the beneficiaries, at which Gimv can acquire the shares in the particular co-investment company. All the conditions and arrangements of this co-investment structure are detailed in an agreement between the Company and each of the beneficiaries.

For the 2007-2009 investment period, the co-investment plan beneficiaries, through their own investment, are jointly entitled to 10% of the capital gains on exits from shareholdings in the respective investment portfolios, after deducting financing and management costs. This structure represents in this way a carried interest of 10% within the Gimv group.

For the 2010-2012 and 2013-2015 investment periods, the board of directors has set this percentage at 12.5%, bearing in mind (i) the customary percentages applicable in this kind of structure in the venture capital sector, (ii) the involvement of the Gimv partners in attracting third party funds and (iii) the personal financial involvement of the members of the Company's Executive Committee.

In their capacity as members of the boards and/or investment advisory committees of these co-investment companies, executive committee members (excluding the CEO) jointly own approximately 25% of the total options on the shares of the co-investment companies set up in 2004 and 2007,

approximately 36% of the share options in the co-investment companies set up in 2010 and approximately 30% of the share options in the co-investment companies set up in 2013. The remaining share options are held by the employees of the Gimv group.

The value of the carried interest depends entirely on the evolution of the value of the share capital of these co-investment companies, this value being derived principally from the value of these companies' shareholdings.

The Company has established a provision for unexercised purchase options on shares of co-investment companies. The same provision also contains an amount for future payments on the outstanding purchase price of shares in co-investment companies.

This provision may be modified in one of three ways: (i) the valuation of the underlying investment portfolio can change, (ii) the number of outstanding options can change, or (iii) there can be a payment of the outstanding purchase price of shares in co-investment companies.

The total provision set up by the company in past years in the context of this co-investment structure amounted at 31 March 2015 to EUR 10 645. At the start of FY 2015-2016, this provision amounted to EUR 5 624. This change is explained as follows:

- the evolution in the value of the underlying portfolio of the co-investment companies, causing the provision to increase by EUR 6 110;
- a change in the number of still unexercised options, causing the provision to change by EUR -72;
- the provision also includes EUR 2 177 relating to the estimated settlement of previously exercised options from the 2004-2006 investment period. The evolution of this amount is the net result of an increase of EUR 512 due to value changes and a decrease of EUR 1 532, the latter largely due to the payment of an outstanding acquisition price.

Finally it should be mentioned that this provision is calculated on the assumption that the employees concerned remain with the company until the end of the vesting scheme and is based on the valuation of the relevant financial assets of the co-investment companies at the end of the financial year.

In 2014-2015, the provisions reduced by EUR 2 902, this reflects:

- Gimv's settling of a dispute with Gealan with the payment of a sum of EUR 962. The provision of EUR 1 800 previously set up for this was therefore reversed.
- On buying Verhaeren in 2011, Gimv entered into a contractual obligation to take over an existing earn-out obligation of the transferor of the shares (= Verhaeren & Co). For this, a provision of EUR 1 750 was set up. At the time of the exit from Viabuild, this earn-out was settled, and this provision therefore reversed.
- The provision for carried interest rights has increased by EUR 1 167.

The total provision set up by the company in past years in the context of this co-investment structure amounted at 31 March 2015 to EUR 5 624. At the start of FY 2014-2015, this provision amounted to EUR 4 458. This change is explained as follows:

- the evolution in the the value of the underlying portfolio of the co-investment companies, causing the provision to increase by EUR 2 188;
- a change in the number of still unexercised options, causing the provision to decrease by EUR -1 131; this being the joint effect of a decrease caused by the exercise of options in respect of the 2007-2012 investment period and an increase from the additional granting of new options in respect of the 2013-2015 investment period.
- the provision also includes EUR 3 195 relating to the estimated settlement of previously exercised options from the 2004-2006 and 2007-2010 investment periods. The evolution of this amount is the net result of an increase of EUR 999 due to value changes and a decrease of EUR -889, the latter largely due to the payment of an outstanding acquisition price.

In 2013-2014, the provisions reduced by EUR 1 453, due mainly to the EUR 1 241 decrease in carried rights.

The total provision set up by the Company in past years in the context of this co-investment structure amounted at 31 March 2014 to EUR 4 458. At the beginning of 2013-2014 this provision amounted to EUR 5 699, with the change explained as follows:

- the evolution in the the value of the underlying portfolio of the co-investment companies, causing the provision to increase by EUR 1 191;
- a change in the number of still unexercised options, causing the provision to decrease by EUR 2 171; this being the joint effect of a decrease caused by the exercise of options in respect of the 2010-2012 investment period and an increase from the granting of new options in respect of the 2013-2015 investment period.
- Finally, the provision also includes EUR 3 086 relating to the estimated settlement of previously exercised options from the 2004-2006 investment period. The evolution of this amount is the net result of a decrease of EUR -166 due to value changes and a decrease of EUR -95, the latter largely due to the payment of an outstanding acquisition price.

	Technical warranty	Provisions for litigations	Restructuring provision	Environmental risk	Post-employment benefits	Provisions / others	Total
1. Opening Balance	692	-	50	-	5 749	-	6 491
1.1. Non-current provisions	692	-	50	-	4 226	-	6 491
1.2. Current provisions	-	-	-	-	1 523	-	1 523
2. Additional provisions made	-	-	-	-	6 567	-	6 567
3. Provisions utilised (-)	-62	-	-	-	-1 532	-	-1 593
4. Provisions: unused amounts reversed	-	-	-50	-	-	-	-50
5. Changes in consolidation scope	-	-	-	-	-	-	-
6. Translation differences increase (decrease)	-	-	-	-	-	-	-
7. Effect of changes due to discounting	-	-	-	-	-	-	-
8. Other increase (decrease)	-	-	-	-	-	-	-
9. Closing balance	631	-	-	-	10 784	-	11 415
9.1. Non-current provisions	631	-	-	-	9 972	-	10 603
9.2. Current provisions	-	-	-	-	812	-	812

21 Financial liabilities and trade payables

The Gimv group has no financial debts.

In 2015-2016, trade and other payables rose by EUR 9 133, In connection with the sale of a portfolio company, Gimv has acted as an intermediary between shareholders and still needs a remit a sum of EUR 8 893 to the other shareholders.

In 2014-15, trade and other payables fell by EUR 2 915, being a EUR 713 reduction in trade payables and a EUR 2 202 decrease in other liabilities (of which EUR 1 086 of remuneration and social security).

In 2013-14, trade and other payables fell by EUR 1 994, being a EUR 594 decrease in trade payables and a EUR 969 reduction in remuneration and social security payable.

Year 2015-2016	Maximum 1 year	1 to 5 years	More than 5 years	Total
I. Interest bearing loans and borrowings				
1. Loans	-	-	-	-
2. Bond loans	-	-	-	-
3. Convertible loans	-	-	-	-
4. Obligations under finance leases	-	-	-	-
5. Bank overdrafts	-	-	-	-
6. Other loans	-	-	-	-
Total	-	-	-	-
II. Trade and other payables				
1. Trade payables	1 157	-	-	1 157
2. Received advances	-	-	-	-
3. Other payables	17 078	-	-	17 078
of which due to employees	8 026	-	-	8 026
Total	18 235	-	-	18 235

Year 2014-2015	Maximum 1 year	1 to 5 years	More than 5 years	Total
I. Interest bearing loans and borrowings				
1. Loans	-	-	-	-
2. Bond loans	-	-	-	-
3. Convertible loans	-	-	-	-
4. Obligations under finance leases	-	-	-	-
5. Bank overdrafts	-	-	-	-
6. Other loans	-	-	-	-
Total	-	-	-	-
II. Trade and other payables				
1. Trade payables	9 102	-	-	9 102
2. Received advances	1 006	-	-	1 006
3. Other payables	-	-	-	-
3. Other payables	8 096	-	-	8 096
of which due to employees	8 096	-	-	8 096
Total	9 102	-	-	9 102

Year 2013-2014	Maximum 1 year	1 to 5 years	More than 5 years	Total
I. Interest bearing loans and borrowings				
1. Loans	-	-	-	-
2. Bond loans	-	-	-	-
3. Convertible loans	-	-	-	-
4. Obligations under finance leases	-	-	-	-
5. Bank overdrafts	-	-	-	-
6. Other loans	-	-	-	-
Total	-	-	-	-
II. Trade and other payables				
1. Trade payables	1 125	-	-	1 125
2. Received advances	-	-	-	-
3. Other payables	8 898	-	-	8 898
of which due to employees	8 598	-	-	8 598
Total	10 023	-	-	10 023

22 Related parties

2015-2016	Subsidiar	Unconsol subsidiar	Associa ¹	Key managem	Other related parties	Total
I. Amounts owed by related parties	299 454	8 634	1 125	-	-	309 213
1. Loans to investee comp. and other financial assets	299 454	8 634	1 125	-	-	309 213
1.1. Loans	-	8 634	1 125	-	-	9 759
1.2. Other financial assets	299 454	-	-	-	-	299 454
2. Receivables	-	-	-	-	-	-
2.1. Trade receivables	-	-	-	-	-	-
2.2. Other receivables	-	-	-	-	-	-
3. Other assets	-	-	-	-	-	-
II. Amounts owed to related parties	299 454	-	-	-	-	-
1. Financial liabilities	-	-	-	-	-	-
2. Trade and other payables	299 454	-	-	-	-	-
2.1. Trade payables	-	-	-	-	-	-
2.2. Other payables	299 454	-	-	-	-	-
3. Other liabilities	-	-	-	-	-	-
III. Transactions with related parties	-	3	-	3 595	-	3 598
1. Sales of goods	877	3	-	-	-	880
2. Purchase of goods (-)	-	-	-	-	-	-
3. Management fees	-	-	-	-	-	-
4. Purchase of services (-)	-877	-	-	-	-	-877
5. Financing arrangements	-	-	-	-	-	-
6. Compensation of key management of the Group	-	-	-	3 595	-	3 595
6.1. Short-term employee benefits	-	-	-	3 185	-	3 185
6.2. Pension payments	-	-	-	410	-	410
6.3. Resignation fees	-	-	-	-	-	-
6.4. Share-based payments	-	-	-	-	-	-

2014-2015	Subsidiaries	Unconsolidated subsidiaries	Associates	Key management	Other related parties	Total
I. Amounts owed by related parties	242 144	8 155	25 771	-	-	276 070
1. Loans to investee comp. and other financial assets	242 144	8 155	25 771	-	-	276 070
1.1. Loans	-	8 155	25 771	-	-	33 926
1.2. Other financial assets	242 144	-	-	-	-	242 144
2. Receivables	-	-	-	-	-	-
2.1. Trade receivables	-	-	-	-	-	-
2.2. Other receivables	-	-	-	-	-	-
3. Other assets	-	-	-	-	-	-
II. Amounts owed to related parties	242 144	-	-	-	-	-
1. Financial liabilities	-	-	-	-	-	-
2. Trade and other payables	242 144	-	-	-	-	-
2.1. Trade payables	-	-	-	-	-	-
2.2. Other payables	242 144	-	-	-	-	-
3. Other liabilities	-	-	-	-	-	-
III. Transactions with related parties	-	3	38	3 979	-	4 020
1. Sales of goods	1 088	3	38	-	-	1 129
2. Purchase of goods (-)	-	-	-	-	-	-
3. Management fees	-	-	-	-	-	-
4. Purchase of services (-)	- 1 088	-	-	-	-	- 1 088
5. Financing arrangements	-	-	-	-	-	-
6. Compensation of key management of the Group	-	-	-	3 979	-	3 979
6.1. Short-term employee benefits	-	-	-	3 443	-	3 443
6.2. Pension payments	-	-	-	536	-	536
6.3. Resignation fees	-	-	-	-	-	-
6.4. Share-based payments	-	-	-	-	-	-

The consolidated financial statements are expressed in thousands of euros unless otherwise mentioned.

2013-2014	Subsidiaries	unconsolidated subsidiaries	Associates	Key management	Other related parties	Total
I. Amounts owed by related parties	-195 376	6 431	24 481	-	-	30 912
1. Loans to investee comp. and other financial assets	-195 376	6 431	24 481	-	-	30 912
1.1. Loans	-	6 431	24 481	-	-	30 912
1.2. Other financial assets	195 376	-	-	-	-	-
2. Receivables	-	-	-	-	-	-
2.1. Trade receivables	-	-	-	-	-	-
2.2. Other receivables	-	-	-	-	-	-
3. Other assets	-	-	-	-	-	-
II. Amounts owed to related parties	195 376	-	-	-	-	-
1. Financial liabilities	-	-	-	-	-	-
2. Trade and other payables	195 376	-	-	-	-	-
2.1. Trade payables	-	-	-	-	-	-
2.2. Other payables	195 376	-	-	-	-	-
3. Other liabilities	-	-	-	-	-	-
III. Transactions with related parties	-	3	23	-	-	26
1. Sales of goods	938	3	23	-	-	26
2. Purchase of goods (-)	-	-	-	-	-	-
3. Management fees	-	-	-	-	-	-
4. Purchase of services (-)	-938	-	-	-	-	-
5. Financing arrangements	-	-	-	-	-	-
6. Compensation of key management of the Group	-	-	-	-	-	-
6.1. Short-term employee benefits	-	-	-	-	-	-
6.2. Pension payments	-	-	-	-	-	-
6.3. Resignation fees	-	-	-	-	-	-
6.4. Share-based payments	-	-	-	-	-	-

The consolidated financial statements are expressed in thousands of euros unless otherwise mentioned.

Explanation of the remuneration of the executive committee and board of directors		2015-2016	2014-2015	2013-2014
1. Remuneration				
Fixed	Executive committee	1 710	1 993	1 879
	Board of directors	756	753	750
Variable	Executive committee	551	632	664
	Board of directors	110	65	173
Subtotal	Executive committee	2 261	2 625	2 543
	Board of directors	866	818	923
2. Group insurance				
Fixed	Executive committee	260	364	364
	Board of directors	141	140	138
Variable	Executive committee	9	73	353
	Board of directors	-	-	-
Subtotal	Executive committee	269	396	718
	Board of directors	141	140	138
Total	Executive committee	2 530	3 062	3 261
	Board of directors	1 008	958	1 061

23 Outstanding Fund commitments

The table below provides an insight into Gimv's outstanding fund commitments. In the past Gimv invested in funds managed by external managers in order to explore certain markets and sectors. For several years there have been no new commitments to third party funds. Given the long duration of these funds, these still represent a major part of our on-balance sheet portfolio. The still outstanding commitments to these third-party funds amounted at the end of March 2016 to EUR 26 050.

For a number of specific segments, Gimv has since 2008 taken the initiative to create independent investment partnerships and collaborations with experienced partners. Complementary to its core business, these co-investment partnerships increase Gimv's clout, and give external investors an opportunity to participate in a focused way in specific sectors. In all, nearly EUR 1.2 billion of funds have been committed to these co-investment partnerships. Gimv is itself the largest investor, with over a third of committed funds. 25 external parties account for the other 64%. All of these funds, both 'third party funds' and 'co-investment partnerships', are valued at fair value, in accordance with the IPEV valuation rules as explained in [section 5.9 Financial assets](#).

(1) co-investment partnership

(2) Gimv's investment in the participation of the Gimv-XL fund is recorded directly in the Gimv balance sheet

(3) This fund is being managed by a management team consisting 50% of Gimv employees

Name fund	Year	Currency	Total commitment	Total commitment	Outstanding commitment on 31/03/2016	Value on 31/03/2016
Active third-party funds						
Alta Biopharma Partners III	2004	USD	10 000	8 783		
CapMan IX Buyout	2009	EUR	13 000	13 000		
CapMan Public Market Fund	2009	EUR	1 905	1 905		
CapMan Russia Fund	2009	EUR	7 922	7 922		
CapMan Russia Fund II	2013	EUR	11 000	11 000		
CapMan Technology Fund	2009	EUR	5 232	5 232		
CapMan VIII Buyout	2006	EUR	20 000	20 000		
CapMan X Buyout	2012	EUR	14 000	14 000		
Emerald Technology Ventures II	2006	EUR	30 000	30 000		
EPF III	2006	EUR	5 000	5 000		
Fintech Gimv Fund	2007	USD	15 000	13 175		
Genesis III	2000	USD	10 000	8 783		
Genesis IV	2009	USD	10 000	8 783		
Genesis Private Equity II	2009	EUR	10 000	10 000		
Halder-Gimv Germany II	2008	EUR	81 250	81 250		
I-source	2006	EUR	5 000	5 000		
Lyceum Capital II	2008	GBP	21 000	26 530		
Pragma II	2007	EUR	40 000	40 000		
Seedcamp II	2011	EUR	250	250		
Sofinnova Capital V	2005	EUR	7 500	7 500		
Sofinnova Capital VI	2008	EUR	5 000	5 000		
Vectis	2004	EUR	3 000	3 000		
Vectis II	2011	EUR	5 000	5 000		
Total active third-party funds				331 115	25 891	205 990
Total tail-end third-party funds before 2002				85 853	160	4 847
Total third-party funds				416 968	26 050	210 837
Co-investment partnership						
Gimv Arkiv Technology Fund	2006	EUR	15 100	15 100		
Gimv Arkiv II	2011	EUR	13 000	13 000		
Gimv-XL (2)	2008	EUR	251 520	251 520		
DG Infra+ Bis (3)	2007	EUR	15 973	15 973		
DG Infra Yield (3)	2010	EUR	7 350	7 350		
Gimv H&C Partners (2)	2013	EUR	72 000	72 000		
Halder-Gimv Germany I (1)	2003	EUR	34 069	34 069		
Total co-investment partnership				439 012	139 949	210 656

The consolidated financial statements are expressed in thousands of euros unless otherwise mentioned.

24 Off-balance sheet obligations and major pending litigation

The text below gives an overview of off-balance sheet obligations in relation to shareholdings which represent a material portion of the Gimv group's non-current financial assets:

Apart from commitments to invest in funds (cfr. supra):

- there are 8 files with binding financial commitments totalling EUR 16 293;
- in two-thirds of investments Gimv's interest can be diluted, albeit generally to a relatively limited extent, by stock option plans or securities entitling their holders to shares upon exercise or conversion;
- in two-thirds of the files, agreements have been made which, in the event of an exit, could result in an uneven distribution of the proceeds, to the benefit or detriment of Gimv depending on the investment and/or the circumstances;
- just under a quarter of the files include an anti-dilution clause which comes into effect whenever additional capital is obtained at a lower price per share, and which in most cases, but not always, operates to Gimv's advantage;
- half of investments commit Gimv to co-selling its holdings, in most cases together with the other members of the financial consortium;
- in 3 files Gimv has granted a call option on all or part of its shares in a particular shareholding, and in 4 files one or more third parties have put options on Gimv;
- there are 16 files in which Gimv has agreed, in the event of an exit, to cede part of its capital gain above a certain return to one or more other shareholders;
- given the 16 divestments during the past year, there are currently only 17 cases in which representations and warranties have been given that are still effective. At the year-end closing date there was no indication whatsoever to suggest that any claim might in future be made against these representations and warranties.

In the pending litigation in which Gimv group is involved at 31 March 2016, the appropriate provisions have been set up where necessary, taking into account the assessment of the risks on the basis of the information available at the close of the financial year.

25 Risk Factors

Gimv is - just like any other company - exposed to a number of risks. The increasing complexity of society and of the investment projects in which Gimv is involved, along with the changing laws and regulations, call for require a high degree of risk awareness.

Risk management is the process of identification, assessment, management and communication of risk from an integrated and organization-wide perspective. This is a continuous process, if only because the current situation and the fact of taking measures in changing circumstances require this of us.

This section describes the risks with which Gimv is confronted as an investment company, along with the operational and financial risks associated with Gimv's investment activities.

The Company is convinced that risk management is an essential part of good governance and the development of a sustainable business. By maintaining an appropriate balance between risks and returns the Company seeks to maximize business success and shareholder value. Optimal risk management needs also to contribute to the realization of the (strategic) objectives:

- optimizing operational business processes in terms of effectiveness and efficiency;
- increasing the reliability of financial reporting;
- monitoring its activities in accordance with regulations, laws and codes of conduct.

Each year, a new risk assessment is carried out, identifying key risks as a function of strategy and mission, and in terms of both probability and potential impact. With this risk assessment, we

update the risk and control matrix, detailing the risks for each process, and the related controls or management measures.

- In a first phase we examine whether the internal controls are structured in a way that meets the needs for effectiveness and efficiency. Where deficiencies are found, improvement actions are undertaken by the persons responsible for the particular process and its control.
- In a second phase, all controls are tested in terms of design and of effectiveness and efficiency. In this way we check whether the the controls are operating correctly in the daily activities. If and when deficiencies are found, recommendations are formulated and a second test round is undertaken to verify that all the recommendations have been implemented.

We describe below what we believe to be the most important risks to which the Company is exposed. The order of the risks listed below is arbitrary.

25.1 Economic risk

The evolution of the general economic situation can potentially impact the results of the shareholdings and by extension the valuation of these shareholdings on Gimv's balance sheet. Given Gimv's highly differentiated portfolio, spread over 50 different shareholdings operating in different sectors and countries, fluctuations in the economic situation can have very varied impacts.

The concentration in the portfolio is limited. No individual holding represents more than 10% of the total value of the investment portfolio, and the largest five holdings together represented a quarter of the total portfolio, just as at the end of March 2015 (see table below).

Investment portfolio (in descending order of value)	31-03-2016	31-03-2015
1. Punch Powertrain		1. VCST
2. Vandemoortele		2. Vandemoortele
3. Itho Daalderop / Klimaatgarant		3. United Dutch Breweries (UDB)
4. Almaviva		4. Greenyard Foods
5. United Dutch Breweries (UDB)		5. Grandeco
Share of total portfolio	25.4%	24.6%
6. GreenPeak Technologies		6. Almaviva
7. Grandeco		7. GreenPeak Technologies
8. Mackevision		8. Teads
9. Teads		9. Wolf
10. Wolf		10. Hansea
Share of total portfolio	37.7%	36.6%

Difficult economic conditions can negatively affect not only on the valuation of the existing Gimv portfolio, but also the quantity and quality of new investment opportunities, the exit opportunities for existing shareholdings (and therefore cash generation) as well as on the ability to raise funds for the co-investment partnerships. It follows from this that Gimv's turnover, earnings and cash flow are subject to many different elements and can therefore fluctuate significantly. Gimv is therefore unable to maintain its current dividend policy at all times.

25.2 Market risk

The value of the listed portion of the portfolio depends directly on the stock market prices of the companies concerned and on the fluctuations thereof.

Under IFRS, the valuation of unlisted investments depends also on a number of market-related elements (*inter alia* through comparison with a 'peer group' of listed companies). However, the volatility of such market data does not necessarily reflect the performance of the shareholding

in question. This means that the unrealized capital gains and losses on the unlisted part of Gimv's portfolio (and therefore Gimv's earnings) are also determined to a large extent by market developments.

A 10% change in the share prices of the listed part of the portfolio and in the value of the unlisted part of the portfolio measured using market-related parameters has an impact of EUR 3 937 and EUR 41 614 respectively (at end-March 2015 this impact was EUR 4 600 and EUR 37 686 respectively). Further information on the value over time of these shareholdings and on the parameters determining this value is given in [Note 14 of the annual financial statements \(16.1.14\)](#).

25.3 Risk in relation to corporate trust legislation

In principle, Gimv invests on a non-recourse basis. This implies that the financial risk is limited to the amount of the investment in the shareholding concerned. Recently, however, private equity companies themselves have been fined for violation of anti-trust legislation by their shareholdings. These violations were committed by shareholdings in which private equity firms held controlling stakes. The anti-trust authorities are of the opinion that maintaining a controlling interest constitutes sufficient grounds for direct liability for the fines imposed, even if the private equity firm itself was in no way involved in the anti-trust offence.

25.4 Competition risk

Gimv operates in a competitive market of both local and international private equity players and a rapidly changing competitive landscape. Gimv's success is largely determined by its ability to maintain a strong competitive and differentiated position. This led among other things to the strategic reorientation implemented in 2012.

25.5 Tax risk

Currently, Gimv has offices in Belgium, the Netherlands, France and Germany. As such, Gimv falls under the jurisdiction of various tax authorities. Its results may therefore be affected by changes in the tax laws of the countries in question.

Capital gains on shares are the most important component of Gimv's result. Currently these are subject only to a Belgian corporation tax levy of 0.412% (except for capital gains realized within one year to which a 25.75% tax rate is applied). A change in the corporation tax treatment of capital gains could have a material impact on the results of Gimv.

25.6 Regulatory risk

Gimv's key activity consists of private equity investments, a sector that has, in recent years, been increasingly subject to European and national regulations (eg AIFMD).

The ever-changing regulatory environment is closely monitored at Gimv, the impact on the organization, administration or reporting is evaluated on a regular basis, and any necessary adjustments are made. With the rules differing from one type of private equity firm to another and from country to country, Gimv risks suffering competitive disadvantage from a changing regulatory framework.

25.7 Liquidity risk

Gimv's portfolio consists of investments that are generally high risk, unsecured and unlisted and therefore illiquid. The realisation of capital gains on its investments is uncertain, can be slow in coming and is often legally or contractually restricted during certain periods (lock-up, stand still, closed period, etc.). These capital gains depend, among other things, on the earnings evolution of the specific shareholding, on the general economic situation, on the availability of buyers and

financing, and on the possibility of IPOs. As a result, the illiquid nature of its assets presents a risk for Gimv's results and cash flow generation. In addition, Gimv does not always control the timing or the course of the sales process, which can possibly lead to a suboptimal return.

With a net cash position and unused credit lines, Gimv is not exposed to the risks associated with debt financing. Gimv does keep watch, however, to ensure that the buyout companies build in sufficient margins and do not incur any debts which could exceed their repayment capacities in normal circumstances. The average debt ratio for Gimv's portfolio companies is 1.9 times operating cash flow (or EBITDA). For this reason the Board considers the liquidity risk a limited one.

25.8 Treasury risk

Gimv incurs credit risk (or counterparty risk) both in respect of its cash position and as a result of the loans in the investment portfolio.

At treasury level this risk is managed through distributing this cash sensibly across a sufficiently large number of banks and other financial institutions with good ratings. This cautious approach to its treasury policy does not, however, give any cast iron guarantee against adverse changes in the financial institutions in question and may potentially have a significant impact on Gimv's cash position.

The credit risk from the loans in the investment portfolio is diversified over a large number of holdings. Total loans as end-March 2016 are EUR 125 358 (12.4% of the total investment portfolio), with the largest loan equal to 3.0% of the total investment portfolio. At end-March 2016, 1.7% of the total loan portfolio was in arrears (3.8% at end-March 2015). A more detailed description of the loans is provided in Note 15 to the financial statements.

The loans that Gimv makes available to its shareholdings are often subordinated to the investments of other parties. This subordination applies generally vis-à-vis funds made available by financial institutions, with the risk of there being insufficient proceeds from the sale or liquidation of the company in question to repay the loans from Gimv. Where a shareholding gets into financial difficulties, Gimv's influence can also decrease to the benefit of the secured creditors. The directors view the change in fair value of investments due to changes in credit risk as insignificant and therefore present no sensitivity figures with respect to credit risk.

25.9 Interest, refinancing and subordination risk

Since Gimv is currently financial debt-free, it is right now not directly subject to any interest or refinancing risk. Gimv's investee companies obviously make frequent use of debt financing. For some of them this means that an interest and/or refinancing risk exists when existing loans mature and need to be refinanced. For instance, it can happen that infrastructure projects with a duration of 30 years can be initially funded for 10 years only, leaving a risk that, after the expiration of the initial term, the loans cannot be refinanced, or only at less favourable terms. A similar interest and refinancing risk exists for buyouts which are co-financed with debt.

Leveraged buyouts bear the inherent risk of the company getting into serious trouble in the event that a drastic fall in earnings erodes its repayment capacity. Moreover, a particular outcome in one shareholding (e.g. bankruptcy) can have a (direct or indirect) impact on the attitude of interested third parties towards one or more other shareholdings.

25.10 Human resources risk

For achieving its objectives, Gimv is largely dependent on the experience, commitment, reputation, deal-making skills and networks of its senior employees. Human capital is a key corporate asset at Gimv. The departure of senior staff can therefore adversely impact Gimv's activities and results.

25.11 Currency hedging

As of 31 March 2016, Gimv group has foreign currency assets with a countervalue of EUR 53 433. The breakdown by currency is shown in the table below:

Portfolio in foreign currency on 31 March 2016	in foreign currency	in k EUR
USD	36 931	32 438
GBP	16 618	20 994
Totaal		53 433

Portfolio in foreign currency on 31 March 2015	in foreign currency	in k EUR
USD	33 096	30 762
GBP	23 664	32 537
Risk in relation to fund commitments		63 299

This shows that Gimv's direct exchange rate risk is rather limited (up to 4.6% of the Group's equity). A 10% change in the USD and GBP exchange rate against the euro has an impact of about EUR 5 343 or 0.6% of Gimv's equity (EUR 6 300 at end-March 2015). Gimv aims for a 60% hedging of the currency risk of USD denominated assets, through forward sales of USD. These hedges produced in 2015-16 a positive result of EUR 875. The result of this hedging is included in the other operating result (see 16.8).

Besides the direct foreign exchange risk through the holding of foreign-currency denominated participating interests, Gimv also has an indirect exchange rate risk from the activities and, potentially, the financing of the portfolio companies. Any hedging against this latter currency risk takes place at the level of the respective portfolio companies.

25.12 Risk in relation to fund commitments

The company has in the past invested in private equity funds managed by third parties. These investment commitments must be paid in proportionally to the investments that are decided and implemented. Gimv has no further control or power of decision over these investments.

The amount of outstanding commitments fund has fallen sharply in recent years since Gimv has chosen in principle not to make any new commitments to external funds.

At end-March 2016 Gimv had a total EUR 26 050 of such outstanding commitments to funds managed by third parties (= 14.2% of its cash resources). For more details, the reader is referred to the table of outstanding fund commitments in [Note 23 to the financial statements \(16.1.23\)](#). The greatly reduced amount of these fund commitments sharply reduces the risk of investment calls limiting the capacity to make direct investments.

25.13 Risk in relation to the off-balance sheet commitments and significant pending litigation

As part of its investment activities, Gimv has a whole series of commitments that are not expressed on its balance sheet. In a number of cases, for example, Gimv is committed to follow-up investments. These commitments total EUR 16 293 (EUR 18 199 at end-March 2015). There are also a whole series of agreements or commitments that can directly impact the shareholdings and/or their value. The Company's shareholding may be diluted by exercise of share options and the effect of anti-dilution clauses; there can be agreements concerning division of the proceeds of any sale or obligations to co-sell with other investors.

When selling shareholdings, the company has in certain cases to provide warranties with respect to these. At the end of March 2016, there were 17 files (19 at end-March 2015) for which representations and warranties were still outstanding. In addition, the Company is involved in a limited number of judicial proceedings, both as defendant and as plaintiff. Where deemed necessary, the requisite provisions are set aside, based on an assessment of these risks using the available information. A more detailed description can be found [Note 24 to the financial statements \(16.1.24\)](#).

16.2 Auditor's report

Statutory auditor's report to the general meeting of shareholders of Gimv NV as of and for the year ended 31 March 2016

In accordance with the legal requirements, we report to you in the context of our statutory auditor's mandate. This report includes our opinion on the consolidated balance sheet as at 31 March 2016, the consolidated statement of the realized and non-realized results, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended 31 March 2016 and the notes (all elements together 'the Consolidated Financial Statements'), and includes as well our report on other legal and regulatory requirements.

Report on the Consolidated Financial Statements - unqualified opinion

We have audited the Consolidated Financial Statements of Gimv NV ('the Company') and its subsidiaries (together 'the Group') as of and for the year ended 31 March 2016, prepared in accordance with the *International Financial Reporting Standards* as adopted by the European Union, which show a consolidated balance sheet total of € 1,230,328 (in thousands) and of which the consolidated income statement shows a profit for the year of € 148,705 (in thousands).

Responsibility of the board of directors for the preparation of the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of Consolidated Financial Statements that give a true and fair view in accordance with the *International Financial Reporting Standards* as adopted by the European Union. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation of Consolidated Financial Statements that give a true and fair view and that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the given circumstances.

Responsibility of the statutory auditor

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing ('ISAs'). Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the statutory auditor considers internal control relevant to the Group's preparation and presentation of the Consolidated Financial Statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used, the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We have obtained from the Board of Directors and the Company's officials the explanations and information necessary for performing our audit and we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Unqualified opinion

In our opinion, the Consolidated Financial Statements of the Group as at 31 March 2016 give a true and fair view of the consolidated net equity and financial position, as well as its consolidated

results and its consolidated cash flows for the year then ended in accordance with the International Financial Reporting Standards as adopted by the European Union.

Report on other legal and regulatory requirements

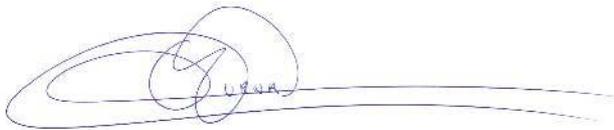
The Board of Directors is responsible for the preparation and the content of the Board of Director's report on the Consolidated Financial Statements, in accordance with article 119 of the Belgian Company Code.

In the context of our mandate and in accordance with the additional standard issued by the 'Instituut van de Bedrijfsrevisoren/Institut des Réviseurs d'Entreprises' as published in the Belgian Gazette on 28 August 2013 (the 'Additional Standard'), it is our responsibility to perform certain procedures to verify, in all material respects, compliance with certain legal and regulatory requirements, as defined in the Additional Standard. On this basis, we make the following additional statement which does not modify the scope of our opinion on the Consolidated Financial Statements.

- The Board of Director's report to the Consolidated Financial Statements includes the information required by law, is consistent with the Consolidated Financial Statements and does not present any material inconsistencies with the information that we became aware of during the performance of our mandate.

Antwerp, 17 May 2016

Ernst & Young Bedrijfsrevisoren BCVBA
Statutory auditor
represented by

A handwritten signature in blue ink, consisting of a large, stylized loop followed by a horizontal line that tapers to the right. The signature is written over a faint, light blue circular stamp.

Ömer Turna
Partner*

* Acting on behalf of a BVBA

16.3 Unconsolidated Financial statements

In the following two notes we give abridged versions of the balance sheet and income statement of Gimv nv.

The full financial statements, audited by EY and for which they have issued an unqualified opinion, will be filed electronically with the National Bank of Belgium.

This filing will be made within thirty days of the Annual General Meeting of 29 June 2016.

1 Balance sheet

Assets	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Fixed assets	918 959	897 500	915 030	829 499	850 670
I. Intangible fixed assets	630	356	351	97	130
II. Tangible fixed assets	6 961	7 553	7 782	8 792	8 727
A. Land and buildings	6 066	6 495	6 891	7 845	7 921
B. Plant, machinery and equipment	-	-	-	-	1
C. Furniture and vehicles	895	1 058	891	946	805
F. Assets under construction and advance payments	-	-	-	-	-
IV. Financial fixed assets	911 367	889 591	906 896	820 610	841 813
A. Affiliated enterprises	517 866	466 050	406 391	355 394	336 024
1. Shares	332 393	337 298	317 456	263 736	245 646
2. Amounts receivable	185 472	128 752	88 935	91 658	90 378
B. Enterprises linked by participating interests	225 803	258 108	313 426	269 292	298 867
1. Shares	210 647	222 210	276 472	235 394	261 579
2. Amounts receivable	15 157	35 897	36 953	33 897	37 288
C. Other financial fixed assets	167 698	165 433	187 079	195 924	206 922
1. Shares	112 167	121 522	136 587	133 325	142 281
2. Amounts receivable and cash guarantees	55 531	43 911	50 492	62 599	64 641
Current assets	194 339	188 733	73 635	189 475	170 972
V. Amounts receivable after one year	-	-	-	-	-
B. Other amounts receivable	-	-	-	-	-
VII. Amounts receivable within one year	10 003	15 527	21 001	21 507	9 019
A. Trade debtors	3 965	138	831	4 936	514
B. Other amounts receivable	6 038	15 389	20 170	16 571	8 505
VIII. Cash investments	110 087	94 394	46 605	161 124	153 876
B. Other investments	110 087	94 394	46 605	161 124	153 876
IX. Cash at bank and in hand	73 988	78 468	5 729	6 570	7 880
X. Deferred charges and accrued income	262	344	300	273	197
Total assets	1 113 298	1 086 233	988 665	1 018 973	1 021 642

Liabilities	31-03-2016	31-03-2015	31-03-2014	31-03-2013	31-03-2012
Equity	904 389	882 498	795 908	829 801	839 814
I. Capital	241 365	241 365	234 702	227 478	220 000
II. Share premium account	51 629	51 629	35 077	17 131	1
IV. Reserves	322 601	322 601	321 288	321 212	320 464
V. Profit carried forward	288 795	266 903	204 842	263 980	299 349
VII. Provisions for liabilities and charges	2 807	3 931	7 739	8 177	14 307
1. Pensions and similar obligations	-	-	-	-	-
2. Taxes	-	-	-	-	-
4. Other liabilities and charges	2 807	3 931	7 739	8 177	14 307
Liabilities					
VIII. Amounts payable after one year	-	-	-	-	-
A. Long-term financial debts	-	-	-	-	-
4. Credit institutions	-	-	-	-	-
5. Other loans	-	-	-	-	-
D. Other amounts payable	-	-	-	-	-
IX. Amounts payable within one year	203 348	192 479	181 451	180 996	165 788
A. Current portion of amounts payable after one year	-	-	-	-	-
B. Financial debts	-	-	-	-	-
1. Credit institutions	-	-	-	-	-
2. Other loans	-	-	-	-	-
C. Trade debts	957	946	794	1 587	2 105
1. Suppliers	957	946	794	1 587	2 105
E. Taxes, payroll and related obligations	6 830	6 865	6 795	6 862	5 642
1. Taxes	-	101	157	1	2
2. Payroll and social security	6 830	6 764	6 638	6 861	5 640
F. Other amounts payable	195 560	184 669	173 862	170 597	158 041
X. Accrued charges and deferred income	2 754	7 324	3 567	1 950	1 733
Total liabilities	1 113 298	1 086 233	988 665	1 018 973	1 021 642

2 Income statement

Charges	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012
A. Interest and other debt charges	508	706	1 032	927	1 798
B. Other financial charges	785	727	183	983	198
C. Services and other goods	11 245	10 310	10 690	10 315	11 443
D. Payroll, social security charges and pensions	14 259	14 074	13 541	14 232	12 365
E. Other operating charges	1 624	7 515	1 703	3 793	3 495
F. Depreciation and write-downs on formation expenses, tangible and intangible fixed assets	968	887	901	842	856
G. Write-downs on	44 342	48 950	60 729	91 008	77 690
1. financial fixed assets	44 342	48 950	60 729	89 524	77 093
2. current assets	-	-	-	1 485	597
H. Provisions for liabilities and charges	-1 124	-3 807	-438	-6 131	10 077
I. Losses on the disposal of	257	3 118	12 049	1 822	20 426
1. financial fixed assets	257	3 118	12 048	1 822	20 426
2. tangible fixed assets	-	-	1	-	-
3. current assets	-	-	-	-	-
J. Extraordinary charges	-	-	-	-	-
K. Taxes	397	581	157	1	2
L. Profit / loss for the financial year	84 187	125 670	1 513	24 090	28 293

Income	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012
A. Income from financial fixed assets	21 825	13 698	11 735	15 129	23 462
1. Dividends	13 730	5 319	2 702	2 329	8 065
2. Interest	8 095	8 379	9 033	12 800	15 397
B. Income from current assets	2 336	3 276	5 074	5 564	5 566
C. Other financial income	218	370	173		210
D. Income from services provided	5 329	9 756	12 741	14 414	11 641
E. Other operating income	2 424	1 027	1 519	818	892
G. Write-back of write-downs on	23 522	25 732	33 518	16 716	17 684
1. financial fixed assets	23 522	24 660	31 527	15 588	17 684
2. current assets	-	1 072	1 991	1 128	-
H. Write-back of provisions for liabilities and charges	-	-	-	-	-
I. Capital gains on the disposal of	101 788	154 382	37 295	88 943	94 277
1. financial fixed assets	101 788	154 382	37 295	88 943	94 277
2. current assets	-	-	-	-	-
J. Extraordinary income	3	187	3	1	12 556
K. Adjustment of income taxes	4	303	-	297	355

3 Share capital

	31-03-2016	31-03-2015	31-03-2014
Capital	241 365	241 365	234 702

In August 2013, the dividend was paid in respect of the 2012-2013 financial year, with a stock dividend option. A large portion of shareholders subscribed to the optional stock dividend. In this way, 760 994 additional shares were created, increasing capital by EUR 7 224 to EUR 234 702 and bringing the total number of shares to 24 724 780.

In August 2014, the dividend was paid in respect of the 2013-2014 financial year, again with a stock dividend option. Due to the success of the optional stock dividend, 701 892 new shares were created and capital was increased by EUR 6 663 to EUR 241 365. bringing the total number of shares to 25 426 672.

In 2015-2016, there were no changes in the capital.

Gimv NV is a publicly traded company. 26.82% of the shares are owned by the Vlaamse Participatiemaatschappij (VPM); the rest are spread across a large number of institutional and retail shareholders.

4 Valuation rules (BGAAP)

4.1 Formation expenses

Formation expenses are recorded at cost and are charged in full to the income statement in the financial year in which they are incurred.

4.2 Intangible assets

Intangible fixed assets are carried at acquisition or production cost, less amortization. The recorded production price of intangible fixed assets other than those acquired from third parties is not higher than a conservative estimate of their value in use or their future return for the companies in question.

The amortization rates applied are:

- licences: 20% straight line;
- internally developed software: 20% straight line.

Additional or extraordinary amortization is recorded whenever, as the result of technical obsolescence or changes in economic or technological conditions, the carrying value of certain intangible fixed assets is higher than their value in use for the enterprise.

Note:

The acquisition cost of tangible fixed assets may include interest on borrowings used to finance them, but only in respect to the period prior to these fixed assets becoming ready for use.

4.3 Property, plant and equipment

Tangible fixed assets of unlimited useful life are carried at cost. Reductions in value are recorded in the event of a permanent loss or impairment of value. Tangible fixed assets of limited useful life are carried at cost less depreciation, calculated in principle on a straight-line basis.

The depreciation percentages used for calculating linear or declining balance depreciation are based on the estimated economic life of the assets in question. The following percentages are applied systematically without regard to the result:

- land: zero;
- administrative buildings: 3% declining balance;
- lifts, electricity: 6% declining balance;
- telephony installations: 10% declining balance
- finishing of buildings, landscaping: 15% straight line;
- office equipment: 20% straight line;
- furniture: 15% straight line;
- vehicles: 25% straight line;
- interior decoration and fittings: 33% straight line;
- computer hardware: 20% straight line;

In the year of acquisition, new investments are depreciated pro rata temporis from the day they enter the enterprise.

Additional or extraordinary depreciation is also recorded on tangible fixed assets whenever, as the result of technical obsolescence or changes in economic or technological conditions, the carrying value of certain tangible fixed assets is higher than their value in use for the enterprise. Additional or extraordinary depreciation is also recorded on tangible fixed assets that have been decommissioned or no longer contribute to activity in a lasting way where the probable realization value is lower than the book value.

4.4 Financial fixed assets

Listed shares are valued at the lower of cost or most recent stock market quotation. Unlisted securities are valued at cost. Reductions in value are recorded in the event of permanent reduction or loss of value, caused by the condition, profitability or prospects of the companies in which the shares are held.

Supplementary acquisition costs are charged in full to the income statement of the financial year in which the financial fixed assets in question are acquired. The purchase price of subscription rights and warrants forms an integral part of the acquisition price of subscribed shares.

Amounts receivable are measured at nominal value.

The collectibility of receivables recorded under financial fixed assets is assessed individually at balance sheet date. Reductions in value are recorded when uncertainty exists as to the collectibility of certain receivables.

Fixed-interest securities are valued at cost. Write-downs are applied whenever repayment of all or part of a receivable at due date is uncertain.

4.5 Amounts receivable and payable

This paragraph contains the valuation rules for receivables and payables maturing both after and within one year.

All amounts receivable and payable are carried at nominal value.

The collectibility of receivables is assessed individually at balance sheet date. Reductions in value are recorded when uncertainty exists as to the collectibility of certain receivables.

Account will be taken in such cases of any existing or future rules concerning interest rates and/or discounts specified by any legislation.

Fixed-interest securities are valued at cost.

4.6 Cash investments and cash at bank and in hand

Listed securities are valued at the lower of cost or listed price (or bid price) on the last day of the financial year.

Unlisted securities are valued at cost.

Supplementary acquisition costs are charged in full to the income statement of the financial year in which the financial fixed assets in question are acquired.

Reductions in value are applied where the realization value on the balance sheet date is lower than the acquisition cost. Additional reductions in value are applied in order to reflect changes in the realization or market value.

Fixed-interest securities are valued at cost. The supplementary costs are charged against the income statement along with interest paid.

Any difference between the cost price and the redemption value is taken into income as part of the interest yield of the securities, pro rata temporis to the remaining term of the securities, and is added to or subtracted from the cost price of the securities. The resulting carrying value is compared annually at the end of the financial year with the most recent stock market price and any negative differences are charged against income. Additional reductions in value are applied in order to reflect changes in the realization or market value.

Own shares are valued at cost.

Liquid assets are carried at nominal value.

4.7 Accruals and deferrals

Deferred and accrued income and charges are recorded and valued at cost, with the portion 'carried over' to the following financial year(s) recorded in the balance sheet.

4.8 Provisions for liabilities and charges

Provisions are recorded to cover clearly defined losses or charges that are likely or certain at the balance sheet date, but the amount of which is not yet established.

Provisions may be set up to cover tax liabilities ensuing from a change in the taxable basis or in the way tax is calculated. They may also be set up to cover other liabilities and charges arising from collateral, commitments or guarantees granted or from pending litigation.

4.9 Foreign currencies

Transactions in foreign currencies during the year are recorded at the exchange rate on the transaction date.

At balance sheet date all foreign currency assets and liabilities are converted, per currency, at the spot exchange rate. Whenever the balance for a particular currency is negative, this foreign exchange loss is recognized in the income statement for the previous financial year. Unrealized currency gains, however, are recorded as deferred income, with the exception of positive translation adjustments on cash at bank and in hand and accounts of a similar nature, where they are taken into income.

4.10 Structure of presentation of income statement

The special status of portfolio companies (which previously allowed Gimv to use an adjusted structure for presenting its figures) was discontinued by article 134 of the Act of 2 August 2002 concerning the supervision of the financial sector. Gimv has, however, applied for a waiver, based on article 125 of the Companies Code, to allow the Company, for financial years ending on 31 December 2003 or after, to continue to use an adjusted structure for its statutory (unconsolidated) and consolidated income statements. This has the advantage of preserving consistency of presentation.

17. Glossary

Add-on acquisition

a shareholding acquired in another enterprise, which improves existing operations without major restructurings or changes

Associate

undertaking in which Gimv has significant influence over the financial and operating policies, but which it does not control

Bank deposit

money placed by an investor with a bank at interest for a pre-determined, fixed period

Bid price

the best price offered for a security

Blue chip

a company that is well known and financially reliable.

Buy-and-build

enlarging an enterprise by buying up and combining companies, producing operational and strategic synergy advantages which result in greater profit

Call option

an option that gives the buyer the right to purchase the underlying security at a pre-set price at a future date

Carried interest

the share of the profit that is paid to the management of a private equity fund

Closed-end fund

a fund consisting of a fixed number of issued shares. The price of the share is determined entirely by offer and demand. The fund manager cannot decide to buy-in shares if there are too many on offer, nor can he issue new shares in a situation of heavy demand

Corporate Governance

rules and behaviours constituting good governance that companies need to adopt and for which they must give account (Belgian Corporate Governance code - www.corporategovernancecommittee.be)

Covenant

a financial performance requirement placed on a borrower, generally in terms of debt or profit or cash flow ratios, which if not met, can trigger the early repayment of a loan

Default rate

ratio of debtors which are no longer able to repay their loans. This ratio is viewed by investors as an instrument for determining their risk, and by economists for assessing the health of the economy

Discount

In the case of a holding company: the negative difference between the price at which a share or bond in the holding company is trading and the share in its assets that that share or bond represents. If a share is trading at EUR 45 and represents a EUR 50 share in the holding company's assets, then it is trading at a discount of EUR 5

Distressed debt

situation in which a company's debt level has run too high and is jeopardising the development of future activities

Due diligence

the in-depth analysis and assessment of the commercial, legal, financial, technical and environmental aspects of a company targeted for investment.

Early stage financing

financing of companies which have developed their products, but need additional financial resources to bring them to market and sell them. Companies at this stage are not yet developing profits

EBITDA

earnings before interest, taxes, depreciation and amortisation = operating cash flow

Equity consolidation

consolidation method whereby the net carrying value of an enterprise is replaced with the share held in capital and reserves

Ex-date dividend

closing date a few days before payment of the dividends, after which a newly purchased share is not entitled to the upcoming dividend

Exit

the termination of an investment as private equity investor by means of IPO, trade sale or secondary buy-out

Fair value

the value at which the investment could be sold at the reporting date to an interested and independent buyer if the seller was ready to divest of this investment at the particular point in time

Follow-on investment

investment in a company that has already received venture capital financing

Free float

the portion of a company's share capital that is freely negotiable on the stock market.

Growth financing

capital that is invested in an expanding company. These funds can be used to increase production capacity, for product development, for marketing or to provide additional working capital.

IFRS

International Financing Reporting Standards (www.ifrs.com)

Initial Public Offering

the introduction (flotation) of a company onto a stock exchange

In the money

an option is in the money when a profit can be made from exercising it. Call options are 'in the money' when the exercise price is lower than the price of the underlying security. Put options are 'in the money' when the exercise price is higher than the price of the underlying security

IPO

(Initial Public Offering) the introduction of a company onto a stock exchange

IRR

(Internal Rate of Return) the return on a yearly basis on an investment.

Joint venture

a form of cooperation in which two or more organisations found a new undertaking to jointly develop (new) activities

LBO

(Leveraged Buyout) is a financing method whereby a company is acquired mainly with borrowed money, which has to be repaid later by the acquired company, and with the assets of the acquired company serving as collateral

Lead investor

the investor in a private equity financing round that makes the largest investment and is the most involved in the financing project

Leverage

the degree of debt financing of a takeover

Majority shareholdings

companies in which Gimv holds a majority share and which are fully consolidated in the statutory consolidation. Gimv's risk is limited to its investment in these enterprises.

Management buyout

financing where a company's existing management takes over a company together with an external financier.

Management buyout (MBO)

financing where a company's existing management takes over a company together with an external financier

Management letter

the report by a company's external auditor to the board of directors (or supervisory board) covering both the management and the administrative organisation of a company or organisation

Market capitalisation

the total stock exchange value of a company, i.e. the share price times the number of shares outstanding of a public company

Mark-to-market

accounting rules for establishing the value of financial enterprises, based on the current financial situation

Mezzanine financing

financing with subordinated loans or convertible bonds. The risk level of this type of financing lies midway between equity and bank debt

Multiple

the result of comparing two parameters like cash flow or profits with each other, used to measure the health of an organisation. Can also serve to measure the return on an investment

Notional interest deduction

companies are allowed in Belgium to deduct a fictional interest charge from their profit, also referred to as 'risk capital deduction'

Payment date

date on which the dividend is paid out

Payout ratio

the percentage of net earnings paid to the shareholders.

PIPE transaction

(Private Investment in Public Equity): a transaction in which a private equity investor takes a shareholding in a listed company

Private equity

investment in non-listed companies

Put option

an option that gives the buyer the right to sell at a pre-set price at a future date

Quasi equity

subordinated loan in which a creditor agrees to (an)other creditor(s) that his claim on their joint debtor will be repaid only after the debt to the first creditor(s) has been (partly or fully) repaid

Ratchet

an incentive mechanism whereby a well-performing management receives an additional bonus in the form of shares

Record date

dividends are paid out to shareholders which are registered on the 'record date'. No dividends are paid on shares not registered on the record date

Risk capital

see venture capital

Secondary buyout

an exit formula by which an investment company sells its shareholding in a company to another venture capital provider

Secondary fund

a fund that either buys a portfolio of direct investments from an existing private equity fund or limited partner positions in these funds

Spin-off

company set up on the basis of a technology transfer, in particular technology coming from a university or higher education institution

Spin-out

the splitting off of a part of a company to form an independent company. Spin-outs occur frequently when companies in the traditional economy want to become part of the new economy

Subordinated loan

a loan which, in a bankruptcy situation, is repaid only after all other creditors have been repaid

Subsidiary

company that is owned for more than 50 percent by Gimv, the parent company. These companies (not including the majority shareholdings) are consolidated in the limited consolidation

Trade sale

the sale of a shareholding to an industrial party rather than via the stock market

Treasury investments

a collective name for short-term securities which are traded on the money market. These are issued by major corporations and certain governmental authorities. Corporations wishing to issue treasury certificates need to fulfil specific legal and financial requirements

Turnaround

restructuring with the goal of bringing operations back to health or making them healthier

Venture capital

capital financing of young, fast growing companies

Vintage

the starting year of an investment company or the year of the setting up of the first fund

VPF agreement

(Virtual Print Fee) an agreement whereby the film studio commits to pay a certain remuneration per booking to the integrator (like XDC), when specific conditions are met.

Warrant

a negotiable right to acquire new shares from the issuing institution during a certain period at a specified price.

18. Financial calendar

29 June 2016

General shareholders' meeting in respect of FY 2015-2016

4 July 2016

Ex-date of the 2015-2016 dividend (coupon no. 23)

5 July 2016

Record date of the 2015-2016 dividend (coupon no. 23)

6 July 2016

Payment date of the 2015-2016 dividend (coupon no. 23)

20 July 2016

Business update first quarter FY 2016-2017 results (period 01/04/16-30/06/16)

17 November 2016

Announcement of first half FY 2016-2017 results (period 01/04/16-30/09/16)

19. Contact

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Investor Relations

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On the Gimv website www.gimv.com ([investors](#) / [ir-publications](#) / [annual-report](#)) you will find previous annual reports, press releases, the portfolio, the stock price and other information on the Gimv group (in Dutch and English).

Order summary

As a sustainable company Gimv wants to preserve the environment. For legal reasons only we print a small amount of the full 2015-2016 annual report, as the report is available in a user-friendly website. If you want a printed reference book, then you can [order a printed summary of the report](#). You can also download the pdf from www.gimv.com

- the printed summary is available on www.gimv.com, media and news, mediacenter, factsheets
- the full report is available on www.gimv.com, [investors](#), [ir-publications](#), [annual-report](#)

