Financière de Tubize
Annual Financial report
31 December 2018

FINANCIÈRE DE TUBIZE SA
ALLÉE DE LA RECHERCHE 60, 1070 BRUSSELS (BELGIUM)
COMPANY NUMBER: BE 0403 216 429
WWW.FINANCIERE-TUBIZE.BE
CONTACT : ASPIJCKE@ICLOUD.COM

Financière de Tubize SA
Allée de la Recherche 60
1070 Brussels
BE 0403.216.429

GOVERNANCE AND STATEMENT OF THE BOARD OF DIRECTORS

Governance

Board of directors

François Tesch	Chairman
Vauban NV represented by Gaëtan Hannecart	Member
Cyril Janssen	Member
Marc Speeckaert	Member
Charles-Antoine Janssen	Member
Nicolas Janssen	Member
Evelyn du Monceau	Member
Fiona de Hemptinne	Member
Cédric van Rijckevorsel	Member
Cynthia Favre d'Echallens	Member

Honorary chairman
Daniel Janssen

Observer
Annick van Overstraeten

Statutory auditor
Mazars Réviseurs d'Entreprises SCRL
represented by Xavier Doyen

Day-to-day managment
Anne Sophie Pijcke

Statement of the directors

We confirm that, to the best of our knowledge:

– The annual accounts and the EU-IFRS financial statements, prepared in accordance with the applicable financial reporting standards, give a true and fair view of the net assets, the financial position and the results of Financière de Tubize

– The report of the board of directors includes a fair review of the development of the business, the financial position and the results of Financière de Tubize, together with a description of the principal risks and uncertainties the Company faces.

Brussels, 27th February 2019

The board of directors

Cyril Janssen	Evelyn du Monceau
Member of the board of directors	Member of the board of directors

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REPORT OF THE BOARD OF DIRECTORS

Ladies and Gentlemen,

In accordance with the legal and statutory requirements, we are honoured to report to you on the financial year 2018 and to give an overview of our management of Financière de Tubize (the 'Company' or 'Tubize').

1. Briefing on the evolution of the business, the results and the financial position of the Company, as well as a description of main risks and uncertainties it is facing

1.1. Activities and mission of the Company

Tubize is the reference shareholder of UCB - Tubize is a mono-holding company whose securities are traded on Euronext Brussels' regulated stock market. The Company holds and manages a 35% participating interest in UCB consisting of 68,076,981 shares issued by UCB, a biopharmaceutical company whose securities are also traded on the regulated stock market.

Creating long-term value – The mission of Tubize is to create long-term value for its shareholders, by supporting, as a stable reference shareholder, the maximisation of UCB's potential and the sustainable growth of its industrial project. This long-term approach is particularly important to support research, development and commercialisation of products in a sector with very long cycles. Tubize is a committed investor. Its board of directors monitors, evaluates and influences, through its representatives in the board of directors of UCB, the significant strategic decisions, the performance and the risk profile of UCB. This strategy of primacy to the long term and to stability has been beneficial to the shareholders. During the periods of 1 and 5 years preceding 31 December 2018, the share price of Financière de Tubize has performed significantly better than the BEL-20® and the Euro Stoxx 50.

Evolution of the share price

	Periods preceding 31 December 2018	
	1 year	**5 years**
Financière de Tubize	-5%	+29%
BEL20®	-18%	+11%
Euro Stoxx 50	-15%	-4%

1.2. Significant events that occurred during the financial year 2018

Dividends – Tubize has received the dividend from UCB in relation to financial year 2017 (€ 80,3 million) and has paid to its shareholders its own dividend in relation to financial year 2017 (€ 24,1 million).

Debt – Bank debt exposure has moved from € 192.0 million at 31 December 2017 to €142.5 million at 31 December 2018, thus a decrease of €49.5 million.

Cash flow risk management – A portion of the participation in UCB is financed by bank borrowings (€142.5 million at 31 December 2018). The entirety of these borrowings are short term floating rate drawings under a roll-over credit facility. This has allowed the Company to benefit from a low borrowing cost. To face the risk of possible future increases of interest rates, the Company hedges since October 2017 its entire floating rate debt. To that objective, the Company has concluded, in March 2016, two deferred start interest rate swaps which are effective since 2 October 2017, for notional amounts of € 82 million and € 57 million respectively, which will be completely amortised by mid-May 2021. Both swaps have been designated as hedging instruments against the cash flow risk embedded in the underlying borrowings. Hedge effectiveness has been documented. Note 4.2.7. of the EU-IFRS 31 December 2018 financial statements provides further details about the accounting for the swaps.

Bridge loan – As a reminder, in November 2016, the Company concluded a new credit facility of € 36 million, utilisable during the period from 30 September 2017 through 15 May 2018 in order to cover the expected cash needs during this period. This credit facility has been paid back the 15th of May 2018.

1.3. Results

The profit moves from € 72,688k in 2017 to € 76,977k in 2018, thus an increase of € 4,289k or 5.9%.

The condensed profit or loss account looks as follows:

€ 000	2018	2017
Dividend from UCB	80,331	78,289
Financial income	-	-
Cost of borrowing	-2,401	-4,613
Other financial expenses	-2	-46
General expenses	-951	-942
Profit before tax	76,977	72,688
Income taxes	-	-
Profit	**76,977**	**72,688**

The dividend received from UCB in 2018 in relation to financial year 2017 amounts to € 80,331k (gross dividend of € 1.18 per share) against € 78,289k (€ 1.15 per share) for the prior year.

The cost of bank borrowings has moved from € 4,613k in 2017 to € 2,401k in 2018, thus a decrease of €2,212k. This decrease is linked to the reduction of the average outstanding debt of € 206 million in 2017 to € 157 million in 2018. The average borrowing cost which remained stable between 2016 (2.11%) and 2017 (2.18%) thanks to favourable market conditions and active management of the debt, decreases in 2018 at 1.51%. In 2018, the Company has supported less important commitment fees on the non-utilised part of confirmed credit lines.

Other financial expenses of 2018 include a provision of € 5k for the ineffectiveness of hedge accounting according to the Belgian accounting rules on the subject.

General expenses move from € 942k in 2017 to € 951k in 2018.These general overheads include the directors' remuneration.

Following the application of the system of tax credits for dividends received, no corporate income taxes are due. Indeed, the firm benefits from a 100% tax exemption in accordance with the law of December 25th, 2017.

1.4. Financial position

The condensed balance sheet at 31 December 2018 looks as follows:

€ 000	31/12/2018	31/12/2017
Participation in UCB	1,717,992	1,717,992
Currend investments and cash at bank and in hand	3,653	1,452
Other assets	133	33
Total assets	**1,721,778**	**1,719,477**
Equity	1,553,431	1,501,402
Bank borrowings	142,500	192,000
Other liabilities	25,847	26,075
Total equity and liabilities	**1,721,778**	**1,719,477**

Participation in UCB

The participation in the capital of UCB is recorded at its acquisition value for an amount of € 1,717,992k. The share price of UCB quoted € 71.30 at 31 December 2018 (€ 66.18 at 31 December 2017) against an average acquisition value of € 25.24

Equity

Equity moves from € 1,501,402k at 31 December 2017 to € 1,553,431k at 31 December 2018. This increase of € 52,029 stems from the profit of the year (€ 76,977), partially compensated by the dividend payable in relation to the financial year (€ 24,927 k).

The market capitalization of Tubize amounts to € 2,704,100k at 31 December 2018 (44,548,598 shares at € 60.70 prior to the cancellation of own shares which took place in January 2019) against € 2,845,764k at 31 December 2017 (44,548,598 shares at € 63.88).

The solvency ratio (equity as a percentage of total assets) has increased from 87.32% at 31 Decembre 2017, to 90.22% at 31 December 2018. The ratio remains very strong and largely exceeds the minimum threshold of 70% that the Company has agreed with its banks.

Bank borrowings

The outstanding bank debt has decreased from € 192,000k at 31 December 2017, to € 142,500 at 31 December 2018. The changes during the year 2018 in the confirmed lines and their utilisation are described in note 4.2.6 of the EU-IFRS financial statements.

The indebtedness ratio (outstanding bank debt as a percentage of the market value of the participation in UCB) has decreased from 4.26% at 31 December 2017, to 2.94% at 31 December 2018. This ratio is still very low and largely under the maximum threshold of 30% agreed with the banks.

1.5. Own shares

Within the framework of the autorization from the extraordinary general meeting (held on April 25th 2018), the Board of Directors of Financière de Tubize has acquired, on the 26th of November 2018, 36.000 own shares at a price of €59 per share, adding up to 0.081% of shares representing the firm's capital. The Board of Directors has deemed the acquisition of such shares, transaction that occurred outside of the regulated market, to be an interesting opportunity considering the offered price. The Board of Directors then decided, on the 14th of December 2018, to proceed to the cancellation of the 36.000 own shares the firm owned. The shares have been cancelled on January 30th, 2019. Consequently, as of December 31st, 2018, the firm's capital is represented by 44,548,598 shares.

1.6. Dividend

In May 2018, the Company has received the dividend from UCB related to financial year 2017 (€ 80.331k) and paid its own dividend related to financial year 2017 (€ 24,056k).

Each year, when submitting the annual result appropriation for approval by the general meeting, the Board of Directors takes several elements into consideration. Key considerations impacting the amount of the dividend are the primacy of the long term, the dependency of the dividend of UCB, compliance with contractual debt reimbursements, compliance with bank covenants, and the desire of shareholders to benefit from a recurring remuneration. The board of directors proposes, for the financial year 2018, to distribute a gross dividend of € 0.56 per share, thus an increase of 3.7% compared to the preceding year. For this purpose, a total amount of € 24,927k has been recorded as a liability in the annual accounts as at 31 December 2018.

If the general meeting of the 24th April 2019 approves the 2018 annual accounts and the proposed results appropriation, the dividend will be paid as from 6th of May 2019 onwards at the offices, seats and branches of BNP Paribas Fortis, in exchange of coupon n° 14.

Coupon n° 14	Dates
Ex-coupon	2 May 2019
Record	3 May 2019
Payment	6 May 2019

1.7. EU-IFRS Financial statements

To provide a useful and complete set of information to the market, the Company prepares, in addition to the annual accounts in accordance with the Company Code and Belgian accounting law (BE GAAP), financial statements in accordance with international financial reporting standards as adopted by the European Union (EU-IFRS), with equity accounting of UCB.

The table below compares the BE GAAP net result to the EU-IFRS net result and other changes in equity.

€ 000	2018	2017
Profit BE GAAP	**76,977**	**72,687**
Elimination of received dividend from UCB	-80,331	-78,289
Share of the profit of UCB	288,251	272,233
Amortisation, after tax effect, of 2009 debt restructuring costs	-	-259
Changes in deferred taxes on non-distributed reserves of UCB SA	-	19,464
Ineffectiveness hedge accounting	8	29
Reclassification adjustments related to derivatives	-586	-553
Re-measurement of fair value of derivatives	837	850
Other	-	-228
Profit EU-IFRS	**286,156**	**285,934**
Cash flow hedge	152	1,030
Reclassification adjustments, after tax effect, related to derivatives	586	553
Share of other comprehensive income of UCB	-35,702	-88,661
Comprehensive income EU-IFRS	**250,192**	**198,856**
Paid dividend	-24,056	-23,165
Repurchase of own shares	-2,124	-
Share of the other changes of net assets of UCB[1]	7,639	-22,560
Impact of changes in the percentage of the participation in UCB	-7,763	4.991
Changes in EU-IFRS equity	**223,888**	**158,120**
EU-IFRS equity beginning of the period	2,115,675	1,957,555
EU-IFRS equity end of period	2,339,564	2,115,675
Changes in EU-IFRS equity	**223,888**	**158,120**

1.8. Key figures for 5 year

	2018	2017	2016	2015	2014
Participation in UCB at 31/12					
Number of UCB shares held by Tubize	68,076,981	68,076.981	68,076,981	68,076,981	66,370,000
% of total shares issued by UCB	35,00	35.00	35.00	35.00	34.12
Acquisition value (€ 000)	1,717,992	1,717,992	1,717,992	1,717,992	1,580,240
Equity method value (€ 000)	2,481,939	2,309,844	2,222,130	2,258,543	1,835,036
Fair value (€ 000)	4,853,889	4,505,335	4,146,569	5,666,047	4,194,584
Total assets at 31/12 (€ 000)					
BE GAAP	1,721,778	1,719,477	1,718,681	1,718,604	1,580,628
EU-IFRS	2,483,601	2,311,329	2,222,819	2,259,155	1,835,424
Equity at 31/12 (€ 000)					
BE GAAP	1,553,431	1,501,402	1,452,770	1,406,892	1,369,456
EU-IFRS	2,339,563	2,115,676	1,957,555	1,947,314	1,621,876
Bank borrowings at 31/12 (€ 000)	142,500	192,000	241,000	286,328	187,000
Balance sheet structure at 31/12 (%)					
Solvency[2]	90,22	87.32	84.53	81.86	86.64
Indebtedness[3]	2,94	4.26	5.81	5.05	4.46
Profit (€ 000)					
BE GAAP	76,977	72,688	69,044	63,116	59,733
EU-IFRS	285,156	285,934	181,186	212,526	60,845
Gross dividend per share (€)	0.56	0.54	0.52	0.50	0.48
Share price(€)					
Minimum	58.20	55.43	50.58	49.00	45.75
Maximum	69.90	71.35	68.00	70.70	63.00
Au 31/12	60.70	63.88	59.32	68.03	52.59
Number of shares	44,548,598	44,548,598	44,548,598	44,548,598	44,608,831
Market capitalisation at 31/12 (€ 000)	2,704,100	2,845,764	2,642,623	3,030,641	2,345,978
Daily average volume at Euronext Brussels (number of shares)	6,925	7,121	7,625	12,231	11,716

1.9. Main risks and uncertainties

Concentration risk - Tubize's sole asset consisting of a participation in UCB, the main risk factors and uncertainties the Company is facing are similar to those of UCB. The board of Tubize is informed about these risks and the management thereof via its representatives in the board of directors and the audit committee of UCB.

[1] v. See the statement of changes in equity for a breakdown by category of equity.
[2] Equity as a percentage of total assets (in BE GAAP)
[3] Outstanding bank debts as a percentage of the market value of the participation in UCB

Price risk - Tubize is exposed to the market risk related to the evolution of the UCB share price. Even though elements of market imperfection might affect the share price, the board is confident that the evolution of the share price over a sufficiently long-time horizon is a reliable indicator of the performance of the UCB group and its long-term development.

Cash flow risk – Tubize is exposed to cash flow risk from floating rate bank borrowings. The Company can make use of interest rate swaps (including deferred start interest rate swaps) to cover (part of) its exposure to this risk, if such hedging would be appropriate in light of the results of the periodic reviews of the developments on the interest rate markets.

Liquidity risk - Tubize is exposed to liquidity risk, in particular the risk that the Company might have difficulties in satisfying its obligations under the bank debt agreements. The board considers that the expected flux of dividends from UCB will allow the Company to satisfy the committed reimbursements on the existing borrowings.

Refinancing risk – This risk occurs when Tubize would not be able to ensure the necessary funding at reasonable conditions to reimburse existing debt. The solvency and indebtedness ratios are calculated twice a year; they are well within the limits agreed with the banks. The financial conditions of the bank borrowings depend on the interest rate markets and on the assessment of the credit risk of UCB (the Company has pledged UCB shares in favour of the banks). The Company closely monitors these two variables.

Counterparty risk – This risk occurs when a bank-counterparty to cash at bank amounts or to interest rate swaps would not meet its obligations and Tubize, as a result thereof, would incur a financial loss. The bank-counterparties are Belgian banks with a rating of 'upper medium grade'.

Operational risk – This risk stems from inadequate or failing internal processes and systems, human errors, or external events. The Company has established detailed accounting and IT controls for each significant process. The Company has no personnel. The responsibility of directors and officers is covered by insurance.

Legal risk – This type of risk is linked to the evolution of the law, which may result in some legal uncertainty or interpretation difficulties. The board relies regularly on legal advice from an external law firm.

Compliance risk – This risk stems from non-compliance with applicable laws and regulations. The board relies regularly on external expert advice related to legal, tax and financial matters. The Company has adopted a Dealing Code that establishes detailed conduct of business rules to avoid insider trading; these rules impose certain prohibitions as well as preventive measures. The Company has established a conflict of interest policy based on strict ethical rules and a rigorous compliance of all legal and regulatory requirements applicable to the subject.

Reputational risk – To avoid damage to its image or reputation, the Company has established a corporate governance system based on proactive risk management, listening to all stakeholders, and transparent communication of significant issues.

2. Post balance sheet events

The Board of Directors decided, on the 14th of December 2018, to proceed to the cancellation of the 36.000 own shares the firm owned. The shares have been cancelled on January 30th, 2019. Therefore, the firm does no longer own "own shares". Consequently, to date, the number of shares representing the firm's capital is 44,512,598.

3. Circumstances that might have a notable influence on the development of the Company

Future results of the Company will depend on (i) the dividend per share distributed by UCB, (ii) the number of UCB shares held, and (iii) the cost of the bank borrowings. The EU-IFRS results will, given the equity accounting of UCB, depend on the UCB outlook, which is commented in the UCB annual report.

4. Research and development

The Company has not pursued any activities in the field of research and development.

The activities of UCB are described in its own board report.

5. Branches

The Company has no branches.

6. Justification of the application of the valuation rules in going concern

This clause solely applies when the balance sheet shows losses carried forward or the income statement shows a loss for the year during two consecutive years. The Company is not in such position.

7. Other information by virtue of the Company Code

Article 523, §1 and §3 – During the accounting year 2018, no instances have occurred whereby a director or the general manager had a patrimonial interest opposite to a decision or transaction within the authority of the board of directors or the general manager.

Article 524, §1, 2, 3 and 5 - During the accounting year 2018, no decisions or transactions have taken place that are in scope of this article that deals with conflicts of interest in the relationship with certain affiliated entities.

Article 524, §7 – This clause about substantial limitations or charges imposed by the parent company does not apply, as the Company has no parent.

Article 608 - This clause about the utilisation of authorised capital does not apply, as the Company has no authorised capital.

Article 630 – The Company has not pledged its own shares.

8. Financial instruments

The main financial instruments to which the Company is a party, are bank borrowings and interest rate swaps, including swaps with deferred start. All the relevant information concerning these instruments is included in the notes 4.2.6 et 4.2.7 of the EU-IFRS financial statements.

The Company's exposure to financial risks and its objectives and policies to manage these risks are described in section 1.8 of this report and in note 4.2.2 of the EU-IFRS financial statements.

9. Independence and competence with respect to accounting and auditing of at least one member of the audit committee

Based on the exemption set out in article 526bis §3 of the Company Code, the functions assigned to the audit committee are exercised by the board of directors in its entirety. The chairman of the board of directors, François Tesch, is an independent director as defined in article 526ter of the Company Code and Appendix A of the 2009 Belgian Code on Corporate Governance. He is competent with respect to accounting and auditing matters.

10. Corporate governance statement

10.1. reference Code

Tubize adopts the 2009 Belgian Code on Corporate Governance (the 'Code') as reference Code. This Code can be consulted on the website www.corporategovernancecommittee.be. The Company does not apply corporate governance practices other than those required by the Code and the law.

The Corporate Governance Charter of Tubize is published on the website www.financiere-tubize.be. It presents the implementation by Tubize of the recommendations of the Code, taking into account the specificities of the Company, and according to the 'comply or explain' principle.

10.2. Departures from the Code

Given the simplicity of its operating structure and the fact that the Company has only one asset, namely its 35% participation in UCB, certain rules of the Code do not appear to be appropriate. It concerns the following items:

- The Code stipulates that minimum three members of the board of directors are independent according to the criteria set out in Appendix A to the Code. At present, the board of Tubize has two independent directors, and the appointment of an additional independent director will be proposed at the general meeting held on April 24th, 2019.
- The Board has not established any specialised committees (audit committee, appointment or remuneration committee). Under articles 526bis, §3 and 526quater, §4 of the Companies code, the Company is exempt from the obligation to establish an audit committee and a remuneration committee. The functions assigned to those committees are exercised by the board in its entirety. For the same reasons of size, structure and simplicity of operations, the board is of opinion that the same practice can also be applied with respect to the appointment committee.

10.3. Main characteristics of the internal control and risk management systems

The board of directors has implemented a process and a set of procedures, designed to provide reasonable assurance regarding the achievement of strategic objectives (Strategic), effectiveness and efficiency of operations (Operations), compliance with laws and regulations (Compliance), and the integrity and reliability of financial information (Reporting). Once a year the board, in its capacity of audit committee, evaluates this system of internal control.

The system of internal control is tailored to the limited activities of the Company and its simple operating structure. The internal control measures are selected on the basis of the pertinent legal requirements, the principles of the 2009 Belgian Code on corporate governance, the guidelines of the Corporate Governance Commission and the five internal control components developed within the international reference framework COSO (2013).

Five components of internal control

Control environment	Integrity and ethical values; tone at the top supporting internal control; a transparent organisational structure with a clear assignment of authority and responsibility
Risk assessment	Identifying and assessing risks to the achievement of the Company's SOCR objectives
Control activities	Establishing policies and procedures to mitigate these risks
Information and communication	Implementation of information and communication systems to support and monitor the achievement of the objectives
Monitoring	Monitoring and regular evaluation of the implemented measures

In the description of its procedures of internal control and risk management, the Company distinguishes general procedures, specific procedures regarding risk management and specific procedures regarding the process of financial reporting.

General procedures

Integrity and ethical values are fundamental in conducting business. They are embedded in the organisation through several standards and procedures (corporate governance, remuneration policy, dealing code, conflict of interests, social responsibility, gender diversity, ...).

The mission, the objectives and the strategy of the Company are clearly defined.

A clear governance structure, based on the requirements of the Company Code and the principles of the 2009 Belgian Code on corporate governance, has been implemented and described in the articles of association and the corporate governance charter. The effective and efficient functioning of the board of directors is supported by (i) a set of internal regulations specifying the responsibilities of the board and the directors, the composition of the board, the nomination of the directors, the remuneration of the directors, and the general principles of the organisation and functioning of the board, (ii) an annual cycle of agenda items for the board meetings, (iii) a dedicated procedure for the training of the directors, and (iv) detailed profiles for the functions of (independent) director and general manager. The general manager is responsible for the day-to-day management, the secretariat of the board of directors and the general meeting, and the function of compliance officer.

Responsibilities are clearly defined based on a segregation between the responsibilities of the board of directors and those of the general manager, and detailed rules with respect to signature authorities, special authorities and representation of the Company.

A set of internal procedures ensures compliance with legal and regulatory requirements and best practices.

In the annual budget approved by the board of directors, the cost of the resources to deploy a system of internal control are taken into account as an essential component of the run cost of the Company.

Security measures are implemented to ensure the continuity and the reliability of electronic information systems; the data bases of the day-to-day management are backed up on an hourly basis. The data is encrypted locally during the transfer to the server (SSL-1024) and can not be read without a decrypting key (AES-256). The data is stored-encrypt on the server (AES-256). Moreover, the physical protection of datacenters is ensured according to the standards state of art against fire, intrusions and water damage…

External information flows via the website and internal information flows via the portal of the board of directors, are, with the support of specialised external organisations, set up in conformity with international standards of security and confidentiality (strictly coded access to the production environment, secured hosting sites and systems, …). Compliance with these standards is confirmed by external audits and by vulnerability analyses and intrusion tests by external organisations.

Concerning the follow up of its participation in UCB – its sole asset – Tubize positions itself as a committed investor. Its board of directors monitors, evaluates and influences, via its representatives on the board of directors of UCB, the significant strategic decisions, the performance and the risk profile of UCB.

The parameters for managing own funds and debt as well as compliance with financial covenants are strictly adhered to.

Specific procedures regarding risk management

The section 1.8. of the present report shows the risks to which the Company may be exposed and the way to manage these risks.

Specific procedures regarding the financial reporting process

The content of the financial information is clearly defined. The annual financial report consists of (i) the annual accounts prepared in accordance with the legal and regulatory requirements applicable in Belgium (BE GAAP), (ii) the accounts prepared in accordance with the international financial reporting standards adopted by the European Union (EU-IFRS), (iii) the report of the board of directors, and (iv) a statement of the board of directors on the true and fair view of the annual accounts and the EU-IFRS accounts and on the fair review of the board report. The half-year financial report consists of (i) the condensed interim BE GAAP accounts, (ii) the condensed interim accounts in accordance with IAS 34 on interim financial reporting, (iii) the interim report of the board of directors, and (iv) a statement of the board of directors on the true and fair view of the condensed interim accounts.

The bookkeeping is held by an external accountant accredited by the IEC, who uses a detailed procedures manual to ensure ongoing compliance with the legal and regulatory requirements related to bookkeeping of enterprises (Economic Code, Book III, Title 3, Chapter 2 and executory royal decrees as well as the related advices of the *Commission des normes comptables*). The accounting software used is Exact Online. The bookkeeping data processed in this software are safeguarded on professional certified servers. Moreover, most of the documents in possession of the accountant are digitalized and are safeguarded on certified servers of a professional host of which the reliability of its internal control system has been confirmed by an audit. A rigorous system has been put in place to back-up the data on the server.

The BE GAAP annual accounts are prepared by an accountant mandated by the general manager on the basis of the model made available by the Central Balance Sheet Office. The annual accounts are prepared on the basis of the balance of accounts and based on non-accounting information necessary to complete the notes to the annual accounts. After their approval by the shareholders during the annual general meeting, the annual accounts are filed in XBRL format via SOFISTA at the Central Balance Sheet Office. This application contains consistency checks.

In accordance with standard equity accounting practiced by UCB, the EU-IFRS accounts are established by an accountant mandated by the general manager. IFRS ajustements and equity method are managed using the software SIGMA. Concerning the notes, the accountant relies on disclosure checklists of audit firms. The EU-IFRS accounts are influenced by the results of UCB. The latter has adopted a formal procedure of internal control over the process of financial reporting, called the "Transparency Directive Procedure" (for more information on this procedure, see the board report of UCB). The board of Tubize monitors this procedure via its representatives in the board of directors and the audit committee of UCB.

Apart from the organizational measures, there are specific procedures such as analytical review by the general manager/accountant of the account balance, the preparation of a closing file with detailed justification of balances, the reconciliation of accounts with external counterparties, the use of disclosure checklists to ensure compliance with accounting standards, the follow-up if the Commissioner's recommendations, etc.

10.4. Transparency information

10.4.1. Shareholder structure

The shareholders structure of Tubize as it results from (i) notifications received by the Company in accordance with the law of 2 May 2007 concerning the publication of significant participations, and (ii) notifications executed in accordance with the market abuse regulation by the leaders of the Company or by persons closely related to them, and taken into account the breakdown of the voting rights between those held in concert and those held outside concert, can be presented as follows at 31 December 2018:

	In concert		Outside concert		Total	
	Number	%	Number	%	Number	%
Financière Eric Janssen SPRL	8,525,014	19.14%	1,988,800	4.46%	10,513,814	23.60%
Daniel Janssen	5,881,677	13.20%	-	-	5,881,677	13.20%
Altaï Invest SA	4,969,795	11.16%	26,468	0.06%	4,996,263	11.22%
Barnfin SA	3,903,835	8.76%	-	-	3,903,835	8.76%
Jean van Rijckevorsel	11,744	0.03%	-	-	11,744	0.03%
Total voting rights held by the concert	***23,292,065***	***52.29%***	***2,015,268***	***4.52%***	***25,307,303***	***56.81%***
Other shareholders	-	-	19,241,265	43.19%	19,241,265	43.19%
Total voting rights	**23,292,065**	**52.29%**	**21,256,533**	**47.71%**	**44,548,598**	**100.00%**

SPRL Financière Eric Janssen, Daniel Janssen, SA Altaï Invest (controlled by Evelyn du Monceau), Barnfin (controlled by Bridget van Rijckevorsel) and Jean van Rijckevorsel act in concert. For a description of the terms of the concert, see section 10.4.7. here after.

10.4.2. Structure of the capital

The share capital of the Company is fixed at € 235,000,000 and is represented by 44,548,598 ordinary shares at December 31th 2018. Since the cancellation of the 36.000 own shares observed by notary deed the 30th of January 2019, the capital is represented by 44,512,598 ordinary shares. Each share gives the same rights to dividends and entitlement to one vote at the general shareholders meeting.

10.4.3. Restrictions to the transfer of shares

No restrictions apply to the transfer of shares other than those imposed by law or those that might result from shareholders agreements (see section 10.4.7.).

10.4.4. Special control rights

There are no instruments with special control rights.

10.4.5. Control mechanisms in a system of shareholdings by the personnel

No system of shareholdings by the personnel is in place.

10.4.6. Restrictions to the exercise of voting rights

There are no restrictions, other than legal, to the exercise of voting rights.

To attend or be represented at the general meeting and exercise her/his voting right, a shareholder must have carried out the accounting registration of his/her shares no later than the fourteenth day before the general meeting at midnight Belgian time (being Wednesday 10th April 2019, the "Registration Date"), either by registering them in the Company's register of nominative shares, or by registering them in the accounts of a licensed account holder or a settlement institution, the number of shares held on the day of the meeting being disregarded.

The shareholder must also inform the Company of her/his desire to attend the general meeting. A holder of nominative shares should send to the Company the signed original of the attendance notice, this form being appended to the convening notice. A holder of dematerialized shares should send to the Company an attestation, issued by the licensed account holder or by the settlement institution, certifying the number of shares that are registered in the accounts of the account holder or settlement institution on the name of the shareholder at the Registration Date and for which the shareholder has declared he/she wants to participate in the general meeting. The attendance notice or the attestation should reach the Company, at its registered seat, no later than six days before the date of the general meeting (being Thursday 18 April 2019 for the ordinary general meeting of 2019).

10.4.7. Agreements between shareholders

The shareholders identified in section 10.4.1. above, act in concert. The terms of the concert are laid down in a shareholders agreement. The key elements of this agreement can be summarised as follows:

- The objective of the concert is to ensure, through Financière de Tubize, the stability of the shareholder structure of UCB in view of the long-term industrial development of the latter. In this perspective, it aims at preserving the predominance of the family shareholder structure of Financière de Tubize.
- The parties to the concert consult with each other about the decisions to be taken at the general meeting of Tubize, and try, to the extent possible, to reach a consensus. They ensure that they are properly represented in the board of directors of Financière de Tubize. Within this board and through their representatives at the board of directors of UCB, they consult with each other about the significant strategic decisions concerning UCB, and try, to the extent possible, to reach a consensus.
- The parties inform each other prior to any project of significant acquisition or sale of shares of Financière de Tubize; pre-emption rights and tag along are also in place within the family.

10.4.8. Rules applicable to the appointment and replacement of members of the board of directors

The board of directors submits to the general shareholders meeting the appointments or renewals of directorships that it proposes. The shareholders may also propose candidates.

Proposals for appointment shall specify the term proposed for the mandate and indicate the useful information on the professional qualifications of the candidate, as well as a list of functions that the proposed director already exercises.

The general shareholders meeting decides on the proposals by a majority of the votes cast.

Directors are appointed by the general shareholders meeting for a term of 4 years. They are re-eligible. The expiring mandates come to an end after the ordinary general shareholders meeting, which has not renewed them.

In the event of a vacancy on the board, the directors may fill the vacancy temporarily. The general shareholders meeting will at its next meeting conduct a definitive election.

An age limit has been set at the date of the ordinary general meeting following the seventy-fifth anniversary of a member. In such a case, the person concerned resigns from his/her mandate.

10.4.9. Rules applicable to the modification of the articles of association

Only the general meeting of shareholders can amend the articles of association.

The general meeting can only deliberate on amendments of the articles of association if the purpose of the proposed amendments is explicitly mentioned in the convening notice and if those who attend the meeting represent at least half of the capital. If the latter condition is not met, a new meeting can validly deliberate irrespective of the portion of capital represented.

An amendment requires a $3/4^{th}$ majority of the votes, except in those cases where the law requires stricter majority rules.

10.4.10. Powers of the board of directors

The board of directors is the management body of the Company.

It is competent to decide on all matters that the law or the articles of association do not expressly entrust to the general shareholders meeting.

It is responsible for the general strategy of the Company and the implementation thereof.

Within the context of its mission, the tasks of the board of directors include but are not limited to:

- Defining the strategic objectives and implementing structures enabling their achievement

- Establishing the accounts and proposing the appropriation of the result
- Approving investments
- Ensuring the timely publication of the financial statements and other significant financial or non-financial information communicated to the shareholders and to the general public
- Ensuring that all human, IT and financial resources are in place to enable the Company to achieve its objectives
- Implement a system of internal control and risk management
- Assess the performance of the general manager
- Supervise the work of the statutory auditor.

The board of directors allocates adequate resources to exercise its functions.

The board is jointly responsible towards the Company for the good execution of its authorities.

The general shareholders meeting of 25 April 2018 has authorised the board of directors to acquire shares of the Company, under the conditions set out in the law, for a period of five years from the said general meeting. The par value of the purchased shares may not exceed 20% of the subscribed capital. The acquisitions can be realised at a price between € 1 and € 200. Moreover, the general shareholders meeting of 27 April 2016 has authorised the board of directors, for a period of three years from the date of the publication of the amendment of the articles of association by the before mentioned general meeting, to acquire shares of the Company in order to avoid a serious and imminent damage to the Company. The renewal of this authorization, under the same conditions, is proposed to the general meeting of shareholders of this 24 April 2019.

10.4.11. Significant agreements that might be impacted by a takeover bid

The Company is a party to a credit agreement with KBC Bank SA. The conditions governing this agreement include a clause that confers the right to KBC Bank SA to terminate or suspend, entirely or partly, the credit facility of € 82 million, and all its forms of utilisation, for the utilised part as well as for the non-utilised part, without formal notice or prior judicial recourse, with immediate effect at the date of sending the letter notifying the termination or the suspension, all this in case of substantial modifications of the Company's shareholder structure which might have an impact on the composition of the management bodies or on the overall risk assessment by the bank.

The Company is a party to two credit agreements with BNP Paribas Fortis SA. The conditions governing these agreements include a clause conferring the right to BNP Paribas Fortis SA to suspend or terminate, with immediate effect and without formal notice, entirely or partly, the credit facilities of respectively € 75 million and € 36 million, or one of its forms of utilisation, for the utilised part as well as for the non-utilised part, all this in case of substantial modifications of Tubize shareholders structure which might have an impact on the composition of the governing bodies (as well as on the persons responsible for the day-to-day management) or on the overall risk assessment by the bank.

The Company is a party to three interest rate swap transactions with KBC Bank SA. The conditions governing these transactions include a clause that confers the right to KBC Bank SA to terminate – in case of a Credit Event Upon Merger (Section 5(b)(v) of the 2002 ISDA Master Agreement) and in accordance with the requirements of Section 6(b) of the 2002 ISDA Master Agreement (Right to Terminate Following Termination Event) – the three interest rate swap transactions with outstanding notional amounts at 31 December 2018 of respectively € 5 million, € 82 million and € 57 million.

10.4.12. Indemnities in case of a takeover bid

There are no agreements between the Company and its directors or officers that would, as a result of a takeover bid, trigger indemnities to directors or officers resigning or being forced to quit their functions without any valid reason. The Company has no personnel.

10.5. Composition and functioning

10.5.1. Composition

The general shareholders meeting fixes the number of directors. According to the articles of association, the board of directors consists of at least three members.

Today the board consists of ten members (eight representatives of the reference shareholders and two independent directors).

	Function	Independent[4]	Executive[5]	Mandate[6]
François Tesch	Chairman	Yes	No	2016-20
NV Vauban represented by Gaëtan Hannecart	Member	Yes	No	2017-21
Marc Speeckaert	Member	No	No	2018-22
Cyril Janssen	Member	No	No	2015-19
Charles-Antoine Janssen	Member	No	No	2015-19
Nicolas Janssen	Member	No	No	2018-22
Evelyn du Monceau	Member	No	No	2015-19
Fiona de Hemptinne	Member	No	No	2018-22
Cédric van Rijckevorsel	Member	No	No	2017-21
Cynthia Favre d'Echallens	Member	No	No	2018-22

At the ordinary general meeting of 24 April 2019, propositions will be made to appoint Annick van Overstraeten as new member of the board and to renew the mandate of Cyril Janssen, Charles-Antoine Janssen and Evelyn du Monceau. These four mandates will have a 4-year duration and will expire at the ordinary general meeting of 2023.

10.5.2. Functioning

The board of directors appoints a chairman from among its members. The chairman coordinates the activities of the board and ensures its proper functioning. He ensures in particular that the best practices of corporate governance apply to the relations between the shareholders, the board of directors and the general manager responsible for the day-to-day management.

The role of company secretary is entrusted to the general manager. The company secretary ensures, under the leadership of the chairman, good information flow within the board of directors. He facilitates the training of board members. Directors can individually call upon the secretary. The company secretary regularly reports to the board, under the leadership of the chairman, on how board procedures, rules and regulations are complied with.

The board of directors meets when it is convened by the chairman or by the director replacing him, as often as the interests of the Company so require. It must in addition be convened when at least two directors so request. Convening is done by a written invitation to each of the directors, eight days before the meeting, except in case of urgency, and including the agenda. The board of directors can validly meet without convening if all directors are present or represented and have agreed on the agenda.

The board of directors meets at least three times a year. In 2018 the board has met six times. The individual attendance rates of the directors is summarized in the table hereafter:

Name	Attendance
François Tesch	83%
NV Vauban represented by Gaëtan Hannecart	83%
Marc Speeckaert	100%
Cyril Janssen	100%
Charles-Antoine Janssen	83%
Nicolas Janssen	83%
Evelyn du Monceau	100%
Fiona de Hemptinne	100%
Cédric van Rijckevorsel	100%
Cynthia Favre d'Echallens	100%

[4] Independent according to article 526ter of the Company Code and Appendix A of the 2009 Belgian Code on Corporate Governance; the non-independent directors are representatives of the reference shareholders

[5] Executive according to article 526bis §3 of the Company Code

[6] Years of the ordinary shareholders meetings that indicate beginning and end of the mandate

Amongst the key agenda items of the board meetings during the accounting year 2018, one could mention: the follow up on the performance of UCB, the financial reports (31 December 2017 and 30 June 2018), the preparation of both the ordinary general meeting and the extraordinary general meeting of 2018, the 2019 budget, several aspects of the functioning of the board (search of a new independent director, valuation, training) and the management of own funds and bank debt.

The chairman of the board of directors draws up the agenda of the meetings. He ensures that the directors receive, prior to the meetings and in good time, the same precise and detailed information.

The meetings of the board of directors are chaired by the chairman or by the director replacing him.

The board may validly decide only if half of the members are present or represented. The quorum of presence is calculated on the basis of the number of directors taking part in the voting, without taking into account those who should withdraw from the deliberation pursuant to the Company Code.

Each director may, by simple letter or proxy, delegate another board member the power to represent him/her. However, no director may have more than two votes, including her/his own vote.

Resolutions are adopted by a majority of votes. In the event of a tie, the chairman of the meeting has the casting vote.

In cases where it is permitted by law, which must remain exceptional and must be duly justified by urgency and the interests of the Company, decisions of the board of directors may be taken by the unanimous written consent of the directors.

The deliberations of the board of directors are documented in minutes that are kept in a special register at the seat of the Company. These minutes are signed by at least the majority of the members who have taken part in the deliberations.

During the accounting year 2018, there have been no transactions or contractual relationships between, on the one hand, the directors and/or the general manager and, on the other hand the Company, other than those in their capacity of director or of general manager of Tubize.

The board assesses regularly if its functioning is effective. An evaluation occurred in 2018. At its meeting on November 12th, 2018, the Board allocated some time to discuss the evaluation of its functioning effectiveness. The Board concluded that, overall, the functioning was very efficient. One-off specific steps were taken to address a few recommendations for improvement.

10.6. Gender diversity

Since the Company has a very simple structure and has no staff so it put in place a diversity policy which essentially concerns the composition of its board of directors. This policy implies that several elements be taken into account, such as the compliance with legal requirements and the Code, but also the reference shareholders representation, the complementarity of expertise and skills, the diversity of funcions, the age, the transition from one generation to another, the gender, the independence, the motivation, the personal qualities, the availability, etc.

Article 518bis §1 of the Company Code requires minimum one third of the board members to have a gender that is different from that of the other members. The required minimum number is rounded to the nearest whole number. Because its free float is less than 50%, this legal requirement will come into effect only as from the accounting year 2019. In 2018, the composition of the board with 7 male and 3 female members complied with the legal requirements. At the Ordinary General Meeting of April 24th 2019, a proposition will be made to appoint a fourth female Director in the person of Mrs. Annick van Overstraeten, which will also meet the legal demands.

Furthermore, since july 2017, as part of the implementation of its diversity policy, Mrs. Anne Sophie Pijcke as the manager of the company Other Look SPRL whose head office is Chaussée de Tervuren 111 at 1160 Auderghem, works as a director of the company.

Finally, Tubize company holding a stable stake in UCB participates in the Diversity Policy of UCB's Board of Directors.

10.7. Remuneration report

10.7.1. Responsibilities

In accordance with article 526quater, §4 of the Company Code, Tubize is exempt from the obligation to establish a remuneration committee. The functions assigned to the remuneration committee are exercised by the board of directors in its entirety. The board determines the remuneration policy for the directors and for the executive responsible for the day-to-day management ('general manager'), as well as their individual remuneration.

10.7.2. Policy

Until 2016 included, the remuneration of the directors solely consisted of fixed fees. The ordinary general meeting of 26 April 2017 has fixed from the accounting year 2017 onwards the remuneration to € 30,000 per year and per director and has also granted an attendance fee of € 1,000 per meeting (general meeting included) for each director. The fixed fee of the chairman of the board of directors is twice the fee of a director. He receives the same attendance fee as a director.

These amounts are exclusive of possible VAT and employer social security contributions, which will be borne by Tubize. A comparative analysis of the remunerations of non-executive directors of Belgian listed companies has demonstrated that the remunerations attributed by Tubize were significantly below the median of the remunerations applied by the Belgian listed companies of the BEL Small segment.

The services agreement between the Company and the general manager provides for a remuneration based on the number of hours performed.

10.7.3. Remuneration and other benefits granted to the directors

In accordance with the decision taken by the ordinary general meeting of 2017, the fixed remuneration for the directors amounts to €30.000 per person for the accounting year 2018. The fixed remuneration of the chairman of the board amounts to €60.000.

The following attendance fees have been paid to each director during accounting year 2018:

Name	Attendance
François Tesch	6.000
NV Vauban represented by Gaëtan Hannecart	6.000
Marc Speeckaert	5.000
Cyril Janssen	7.000
Charles-Antoine Janssen	6.000
Nicolas Janssen	5.000
Evelyn du Monceau	7.000
Fiona de Hemptinne	7.000
Cédric van Rijckevorsel	7.000
Cynthia Favre d'Echallens	7.000

10.7.4. Remuneration and other benefits granted to the general manager

The mandate of general manager is excerced by the company Other Look SPRL (Ol2EF) whose head office is Chaussée de Tervuren, 111 in 1160 Auderghem, represented by its manager Anne Sophie Pijcke (ASP) since the 1st of July 2017.

The management fees granted to ASP for accounting year 2018 amounted to € 78.400 (exclusive VAT).

The general manager does not benefit from a variable remuneration, a pension scheme or any other benefits, and nore does he or she receive shares, share options or any other rights to acquire shares of Tubize.

The service agreement between the Company and the general manager, foresee that everyone could end it by notifying to the one a prior notice of 3 months beginning on 3 days after the notification date of the prior notice by registered letter. No other severance pay has been foreseen in this agreement.

10.7.5. Remuneration and other benefits granted to other directors or executives

As the general manager is the only executive of the Company, this information is not applicable.

10.7.6. Remuneration policy granted to for the two forthcoming financial years

The remuneration policy in place shouldn't be modified during the next two accounting years.

Brussels, the 27th of February 2019

The board of directors

Cyril Janssen
Member of the board of directors

Evelyn du Monceau
Member of the board of directors

Financière de Tubize SA
Allée de la Recherche 60
1070 Brussels
BE 0403.216.429

ANNUAL ACCOUNTS

The 31 December 2018 annual accounts of Financière de Tubize have been established by a resolution of the board of directors of 27 February 2019 and will be submitted for approval by the general shareholders meeting of 24 April 2019.

40				1	EUR		
NAT.	Filing date	Nr.	P.	U.	D.		F 1

ANNUAL ACCOUNTS AND OTHER DOCUMENTS TO BE FILED UNDER BELGIAN COMPANY LAW

IDENTIFICATION DETAILS

NAME: *FINANCIERE DE TUBIZE*

Legal form: *Public limited company*

Address: *Allée de la Recherche* Nr.: *60* Box:

Postal code: *1070* Municipality: *Anderlecht*

Country: *Belgium*

Register of legal persons – commercial court *Brussels, French-speaking*

Website address[1]: *www.financiere-tubize.be*

Company identification number *BE 0403.216.429*

DATE *31 / 01 / 2019* of filing the memorandum of association OR of the most recent document mentioning the date of publication of the memorandum of association and of the act amending the articles of association.

ANNUAL ACCOUNTS ANNUAL ACCOUNTS IN

approved by the general meeting of *24 / 04 / 2019*

Regarding the financial year from *01 / 01 / 2018* to *31 / 12 / 2018*

Preceding financial year from *01 / 01 / 2017* to *31 / 12 / 2017*

The amounts for the preceding period **are** / ~~are not~~[2] identical to the ones previously published.

Total number of pages filed: *34* Numbers of sections of the standard form not filed because they serve no useful purpose: *6.1, 6.2.1, 6.2.2, 6.2.3, 6.2.4, 6.2.5, 6.3.1, 6.3.2, 6.3.3, 6.3.4, 6.3.5, 6.3.6, 6.4.1, 6.4.3, 6.5.2, 6.8, 6.18.1, 6.18.2, 6.20, 7, 8, 9, 10*

Signature
Member of the board of directors

Signature
Member of the board of directors

1 Optional information.
2 Strike out what is not applicable.

OCR9002

LIST OF DIRECTORS, BUSINESS MANAGERS AND AUDITORS AND DECLARATION REGARDING A COMPLIMENTARY REVIEW OR CO RRECTION ASSIGNMENT

LIST OF THE DIRECTORS, BUSINESS MANAGERS AND AUDITORS

COMPLETE LIST with surname, first names, profession, place of residence (address, number, postal code and municipality) and position within the company

François Tesch *Route de Bettembourg 45A, 1899 Luxembourg, Luxembourg*	*Chairman of the board of directors* *27/04/2016 - 22/04/2020*
Fiona de Hemptinne *Fairlawn Grove 20, W4 5EH London, United Kingdom*	*Director* *25/04/2018 - 27/04/2022*
Arnoud de Pret *Chateau de Durnal, Rue de Mianoye 36, 5530 Yvoir, Belgium*	*Director* *23/04/2014 - 25/04/2018*
Evelyn du Monceau *Avenue des Fleurs 14, 1150 Woluwe-Saint-Pierre, Belgium*	*Director* *22/04/2015 - 24/04/2019*
Cynthia Favre d'Echallens *Rue d'Ottignies 74A, 1380 Lasne, Belgium*	*Director* *25/04/2018 - 27/04/2022*
Charles-Antoine Janssen *Chaussée de Bruxelles 110, 1310 La Hulpe, Belgium*	*Director* *22/04/2015 - 24/04/2019*
Cyril Janssen *Rue des Mélèzes 29, 1050 Ixelles, Belgium*	*Director* *22/04/2015 - 24/04/2019*
Nicolas Janssen *Avenue Ernest Solvay 110, 1310 La Hulpe, Belgium*	*Director* *25/04/2018 - 27/04/2022*
Cédric van Rijckevorsel *Chipstead Street 37, SW6 3SR London, United Kingdom*	*Director* *26/04/2017 - 28/04/2021*
Marc Speeckaert *Avenue Albert 201, 1190 Forest, Belgium*	*Director* *25/04/2018 - 27/04/2022*
Vauban NV *Nr.: BE 0838.114.246* *Rue Ducale 47-49, 1000 Brussels,* *Belgium Represented by:* *Gaëtan Hannecart* *Meirstraat 7, 9850 Vosselare, Belgium*	*Director* *26/04/2017 - 28/04/2021*
Mazars Réviseurs *d'Entreprises Nr.: BE* *0428.837.889* *Avenue Marcel Thiry 77 box 4, 1200 Woluwe-Saint-Lambert,* *Belgium Membership nr.: IRE B00021* *Represented* *by:* *Xavier Doyen* *Membership nr.: IRE A01202*	*Auditor* *25/04/2018 - 28/04/2021*

DECLARATION REGARDING A COMPLIMENTARY REVIEW OR CORRECTION ASSIGNMENT

The managing board declares that no audit or correction assignment has been given to a person who was not authorised to do so by law, pursuant to art. 34 and 37 of the law of 22th April 1999 concerning accounting and tax professions.

The annual accounts **~~were~~ / were not*** audited or corrected by an external accountant or by a company auditor who is not the statutory auditor.

If affirmative, mention hereafter: surname, first names, profession and address of each external accountant or company auditor and his membership number with his Institute as well as the nature of his assignment:

A. Bookkeeping of the enterprise **,
B. Preparing the annual accounts **,
C. Auditing the annual accounts and/or
D. Correcting the annual accounts.

If the tasks mentioned under A. or B. are executed by certified accountants or certified bookkeepers - tax specialists, you can mention hereafter: surname, first names, profession and address of each certified accountant or certified bookkeeper - tax specialist and his/her affiliation number with the Institute of Accounting Professional and Tax Experts and the nature of his/her assignment.

Surname, first names, profession and address	Affiliation number	Nature of the assignment (A, B, C and/or D)

* Strike out what is not applicable.

** Optional information.

ANNUAL ACCOUNTS

BALANCE SHEET AFTER APPROPRIATION

ASSETS	Discl.	Codes	Period	Preceding period
Formation expenses	6.1	20	....	....
FIXED ASSETS		21/28	*1.717.992.381*	*1.717.992.381*
Intangible fixed assets	6.2	21	....	....
Tangible fixed assets	6.3	22/27	....	....
Land and buildings		22	....	....
Plant, machinery and equipment		23	....	....
Furniture and vehicles		24	....	....
Leasing and similar rights		25	....	....
Other tangible fixed assets		26	....	....
Assets under construction and advance payments		27	....	....
Financial fixed assets	6.4/6.5.1	28	*1.717.992.381*	*1.717.992.381*
Affiliated enterprises	6.15	280/1	....	....
Participating interests		280	....	....
Amounts receivable		281	....	....
Enterprises linked by participating interests	6.15	282/3	*1.717.992.381*	*1.717.992.381*
Participating interests		282	*1.717.992.381*	*1.717.992.381*
Amounts receivable		283	....	....
Other financial assets		284/8	....	....
Shares		284	....	....
Amounts receivable and cash guarantees		285/8	....	....

	Discl.	Codes	Period	Preceding period
CURRENT ASSETS		29/58	3.785.974	1.484.777
Amounts receivable after more than one year		29		
Trade debtors		290		
Other amounts receivable		291		
Stocks and contracts in progress		3		
Stocks		30/36		
Raw materials and consumables		30/31		
Work in progress		32		
Finished goods		33		
Goods purchased for resale		34		
Immovable property intended for sale		35		
Advance payments		36		
Contracts in progress		37		
Amounts receivable within one year		40/41	101.455	
Trade debtors		40		
Other amounts receivable		41	101.455	
Current investments	6.5.1/6.6	50/53	2.124.000	
Own shares		50	2.124.000	
Other investments		51/53		
Cash at bank and in hand		54/58	1.529.356	1.451.530
Deferred charges and accrued income	6.6	490/1	31.163	33.247
TOTAL ASSETS		20/58	1.721.778.355	1.719.477.158

	Discl.	Codes	Period	Preceding period
EQUITY AND LIABILITIES				
EQUITY		10/15	1.553.451.354	1.501.401.770
Capital	6.7.1	10	235.000.000	235.000.000
Issued capital		100	235.000.000	235.000.000
Uncalled capital		101		
Share premium account		11	1.224.992	1.224.992
Revaluation surpluses		12		
Reserves		13	1.284.821.177	1.239.821.177
Legal reserve		130	23.500.000	23.500.000
Reserves not available		131	2.579.591	455.591
In respect of own shares held		1310	2.124.000	
Other		1311	455.591	455.591
Untaxed reserves		132	38.567.469	38.567.469
Available reserves		133	1.220.174.117	1.177.298.117
Accumulated profits (losses) (+)/(-)		14	32.405.185	25.355.601
Investment grants		15		
Advance to associates on the sharing out of the assets		19		
PROVISIONS AND DEFERRED TAXES		16		
Provisions for liabilities and charges		160/5		
Pensions and similar obligations		160		
Taxation		161		
Major repairs and maintenance		162		
Environmental obligations		163		
Other liabilities and charges	6.8	164/5		
Deferred taxes		168		

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	Discl.	Codes	Period	Preceding period
AMOUNTS PAYABLE		17/49	*168.327.001*	*218.075.388*
Amounts payable after more than one year	6.9	17	*90.000.000*	*140.000.000*
Financial debts		170/4	*90.000.000*	*140.000.000*
Subordinated loans		170		
Unsubordinated debentures		171		
Leasing and other similar obligations		172		
Credit institutions		173	*90.000.000*	*140.000.000*
Other loans		174		
Trade debts		175		
Suppliers		1750		
Bills of exchange payable		1751		
Advances received on contracts in progress		176		
Other amounts payable		178/9		
Amounts payable within one year	6.9	42/48	*77.967.112*	*76.572.076*
Current portion of amounts payable after more than one year falling due within one year		42	*52.500.000*	*52.000.000*
Financial debts		43		
Credit institutions		430/8		
Other loans		439		
Trade debts		44	*104.152*	*79.792*
Suppliers		440/4	*104.152*	*79.792*
Bills of exchange payable		441		
Advances received on contracts in progress		46		
Taxes, remuneration and social security	6.9	45		
Taxes		450/3		
Remuneration and social security		454/9		
Other amounts payable		47/48	*25.362.960*	*24.492.284*
Accruals and deferred income	6.9	492/3	*359.889*	*1.503.312*
TOTAL LIABILITIES		10/49	*1.721.778.355*	*1.719.477.158*

INCOME STATEMENT

	Discl.	Codes	Period	Preceding period
Operating income		70/76A		
Turnover	6.10	70		
Stocks of finished goods and work and contracts in progress: increase (decrease) (+)/(-)		71		
Own work capitalised		72		
Other operating income	6.10	74		
Non-recurring operating income	6.12	76A		
Operating charges		60/66A	*950.681*	*941.355*
Raw materials, consumables		60		
Purchases		600/8		
Stocks: decrease (increase) (+)/(-)		609		
Services and other goods		61	*949.813*	*940.487*
Remuneration, social security costs and pensions (+)/(-)	6.10	62		
Depreciation of and other amounts written off formation expenses, intangible and tangible fixed assets		630		
Amounts written off stocks, contracts in progress and trade debtors: Appropriations (write-backs) (+)/(-)	6.10	631/4		
Provisions for liabilities and charges: Appropriations (uses and write-backs) (+)/(-)	6.10	635/8		
Other operating charges	6.10	640/8	*868*	*868*
Operating charges carried to assets as restructuring costs (-)		649		
Non-recurring operating charges	6.12	66A		
Operating profit (loss) (+)/(-)		9901	*-950.681*	*-941.355*

	Discl.	Codes	Period	Preceding period
Financial income		75/76B	*80.330.838*	*78.288.528*
Recurring financial income		75	*80.330.838*	*78.288.528*
Income from financial fixed assets		750	*80.330.838*	*78.288.528*
Income from current assets		751		
Other financial income	6.11	752/9		
Non-recurring financial income	6.12	76B		
Financial charges		65/66B	*2.403.518*	*4.659.348*
Recurring financial charges	6.11	65	*2.399.270*	*4.659.348*
Debt charges		650	*2.401.387*	*4.613.301*
Amounts written off current assets except stocks, contracts in progress and trade debtors: appropriations (write-backs) (+)/(-)		651		
Other financial charges		652/9	*-2.117*	*46.047*
Non-recurring financial charges	6.12	66B	*4.248*	
Gain (loss) for the period before taxes (+)/(-)		9903	*76.976.639*	*72.687.825*
Transfer from deferred taxes		780		
Transfer to deferred taxes		680		
Income taxes (+)/(-)	6.13	67/77		
Taxes		670/3		
Adjustment of income taxes and write-back of tax provisions		77		
Gain (loss) of the period (+)/(-)		9904	*76.976.639*	*72.687.825*
Transfer from untaxed reserves		789		
Transfer to untaxed reserves		689		
Gain (loss) of the period available for appropriation (+)/(-)		9905	*76.976.639*	*72.687.825*

APPROPRIATION ACCOUNT

	Codes	Period	Preceding period
Profit (loss) to be appropriated ....(+)/(-)	9906	102.332.240	94.411.844
Gain (loss) of the period available for appropriation ....(+)/(-)	(9905)	76.976.639	72.687.825
Profit (loss) brought forward ....(+)/(-)	14P	25.355.601	21.724.019
Withdrawals from capital and reserves	791/2		
from capital and share premium account	791		
from reserves	792		
Transfer to capital and reserves	691/2	45.000.000	45.000.000
to capital and share premium account	691		
to legal reserve	6920		
to other reserves	6921	45.000.000	45.000.000
Accumulated profits (losses) ....(+)/(-)	(14)	32.405.185	25.355.601
Owners' contribution in respect of losses	794		
Profit to be distributed	694/7	24.927.055	24.056.243
Dividends	694	24.927.055	24.056.243
Directors' or managers' entitlements	695		
Employees	696		
Other beneficiaries	697		

	Codes	Period	Preceding period
ENTERPRISES LINKED BY A PARTICIPATING INTEREST - PARTICIPATING INTERESTS AND SHARES			
Acquisition value at the end of the period	8392P	xxxxxxxxxxxxxxx	1.717.992.381
Movements during the period			
Acquisitions	8362	....	
Sales and disposals	8372	....	
Transfers from one heading to another (+)/(-)	8382	....	
Acquisition value at the end of the period	8392	1.717.992.381	
Revaluation surpluses at the end of the period	8452P	xxxxxxxxxxxxxxx	....
Movements during the period			
Recorded	8412	....	
Acquisitions from third parties	8422	....	
Cancelled	8432	....	
Transferred from one heading to another (+)/(-)	8442	....	
Revaluation surpluses at the end of the period	8452	....	
Amounts written down at the end of the period	8522P	xxxxxxxxxxxxxxx	....
Movements during the period			
Recorded	8472	....	
Written back	8482	....	
Acquisitions from third parties	8492	....	
Cancelled owing to sales and disposals	8502	....	
Transferred from one heading to another (+)/(-)	8512	....	
Amounts written down at the end of the period	8522	....	
Uncalled amounts at the end of the period	8552P	xxxxxxxxxxxxxxx	....
Movements during the period (+)/(-)	8542	....	
Uncalled amounts at the end of the period	8552	....	
NET BOOK VALUE AT THE END OF THE PERIOD	(282)	1.717.992.381	
ENTERPRISES LINKED BY A PARTICIPATING INTEREST - AMOUNTS RECEIVABLE			
NET BOOK VALUE AT THE END OF THE PERIOD	283P	xxxxxxxxxxxxxxx	....
Movements during the period			
Additions	8582	....	
Repayments	8592	....	
Amounts written down	8602	....	
Amounts written back	8612	....	
Exchange differences (+)/(-)	8622	....	
Other movements (+)/(-)	8632	....	
NET BOOK VALUE AT THE END OF THE PERIOD	(283)	....	
ACCUMULATED AMOUNTS WRITTEN OFF AMOUNTS RECEIVABLE AT END OF THE PERIOD	8652	....	

PARTICIPATING INTERESTS INFORMATION PARTICIPATING

INTERESTS AND SHARES IN OTHER ENTERPRISES

List of the enterprises in which the enterprise holds a participating interest, (recorded in heading 280 and 282 of assets) and the other enterprises in which the enterprise holds rights (recorded in headings 284 and 51/53 of assets) for an amount of at least 10 % of the capital issued.

NAME, full address of the REGISTERED OFFICE and for an enterprise governed by Belgian law, the COMPANY IDENTIFICATION NUMBER	Rights held				Data extracted from the most recent annual accounts			
	Nature	directly		subsidiaries	Annual accounts as per	Currency code	Capita land reserves	Net result
		Number	%	%			(+) or (-) *(in units)*	
UCB *BE 0403.053.608* *Public limited company* *Allée de la Recherche 60* *1070 Anderlecht* *Belgium*	*Voting rights*	*68.076.981*	*35,0*	*0,0*	*31/12/2017*	*EUR*	*5.547.315.798*	*36.323.515*

Nr.	BE 0403.216.429		F 6.6

OTHER INVESTMENTS AND DEPOSITS, ALLOCATION DEFERRED CHARGES AND ACCRUED INCOME

	Codes	Period	Preceding period
INVESTMENTS: OTHER INVESTMENTS AND DEPOSITS			
Shares and current investments other than fixed income investments	51	....	....
Shares - Book value increased with the uncalled amount	8681	....	....
Shares - Uncalled amount	8682	....	....
Precious metals and works of art	8683	....	....
Fixed income securities	52	....	....
Fixed income securities issued by credit institutions	8684	....	....
Fixed term accounts with credit institutions	53	....	....
With residual term or notice of withdrawal			
up to one month	8686	....	....
between one month and one year	8687	....	....
over one year	8688	....	....
Other investments not mentioned above	8689	....	....

	Period
DEFERRED CHARGES AND ACCRUED INCOME	
Allocation of heading 490/1 of assets if the amount is significant	
....	*16.388*
....	*1.555*
....	*13.220*
....	....

STATEMENT OF CAPITAL AND SHAREHOLDING STRUCTURE

	Codes	Period	Preceding period
STATEMENT OF CAPITAL			
Social capital			
Issued capital at the end of the period	100P	xxxxxxxxxxxxxxx	235.000.000
Issued capital at the end of the period	(100)	235.000.000	

	Codes	Value	Number of shares
Changes during the period			
....		....	....
....		....	....
....		....	....
....		....	....
Structure of the capital Different categories of shares			
Ordinary shares		235.000.000	44.548.598
....		....	....
....		....	....
....		....	....
Registered shares	8702	xxxxxxxxxxxxxx	33.751.038
Shares dematerialized	8703	xxxxxxxxxxxxxx	10.797.560

	Codes	Uncalled amount	Capital called but not paid
Capital not paid			
Uncalled capital	(101)	....	xxxxxxxxxxxxxx
Called up capital, unpaid	8712	xxxxxxxxxxxxxx	....
Shareholders having yet to pay up in full			
....		....	....
....		....	....
....		....	....
....		....	....

	Codes	Period
Own shares		
Held by the company itself		
Amount of capital held	8721	189.905
Corresponding number of shares	8722	36.000
Held by the subsidiaries		
Amount of capital held	8731	....
Corresponding number of shares	8732	....
Commitments to issue shares		
Owing to the exercise of conversion rights		
Amount of outstanding convertible loans	8740	....
Amount of capital to be subscribed	8741	....
Corresponding maximum number of shares to be issued	8742	....
Owing to the exercise of subscription rights		
Number of outstanding subscription rights	8745	....
Amount of capital to be subscribed	8746	....
Corresponding maximum number of shares to be issued	8747	....
Authorized capital not issued	8751	....

	Codes	Period
Shares issued, non representing capital		
Distribution		
Number of shares	8761	....
Number of voting rights attached thereto	8762	....
Allocation by shareholder		
Number of shares held by the company itself	8771	....
Number of shares held by its subsidiaries	8781	....

SHAREHOLDER STRUCTURE OF THE ENTERPRISE AT THE DATE OF END-OF-YEAR PROCEDURE

according to the notifications that the enterprise has received pursuant to art. 631 §2, last subsection and art. 632 §2 last subsection of the Belgian company law; art. 14 fourth subsection of the law of 2nd May 2007 on the disclosure of major shareholdings; and article 5 of the royal decree of 21st August 2008 laying down further rules on certain multilateral trading facilities.

NAME of the persons who hold the rights of the enterprise, specifying the ADDRESS (of the registered office, when it involves a legal person) and the COMPANY IDENTIFICATION NUMBER, when it involves an enterprise under Belgian law	Rights held			
	Nature	Number of voting rights		%
		Linked to securities	Not linked to securities	
Financière Eric Janssen SPRL *BE 0456.059.653* *Rue Gachard 88 box 14* *1050 Ixelles* *Belgium*	*Voting rights*	*10.513.814*	*0*	*23,6*
Altaï Invest SA BE *0466.614.441* *Avenue de Tervueren 412 box 13* *1150 Woluwe-Saint-Pierre* *Belgium*	*Voting rights*	*4.996.263*	*0*	*11,22*
Barnfin SA *BE 0461.348.628* *Avenue de Tervueren 186-188 box 17* *1150 Woluwe-Saint-Pierre* *Belgium*	*Voting rights*	*3.903.835*	*0*	*8,76*
Janssen Daniel *Chaussée de Bruxelles 110A* *1310 La Hulpe* *Belgium*	*Voting rights*	*5.881.677*	*0*	*13,2*
van Rijckevorsel Jean *Clos du Soleil 6* *1150 Woluwe-Saint-Pierre* *Belgium*	*Voting rights*	*11.744*	*0*	*0,03*

STATEMENT OF AMOUNTS PAYABLE, ACCRUED CHARGES AND DEFERRED INCOME

	Codes	Period
BREAKDOWN OF AMOUNTS PAYABLE WITH AN ORIGINAL PERIOD TO MATURITY OF MORE THAN ONE YEAR, ACCORDING TO THEIR RESIDUAL TERM		
Current portion of amounts payable after more than one year falling due within one year		
Financial debts	8801	52.500.000
Subordinated loans	8811	....
Unsubordinated debentures	8821	....
Leasing and other similar obligations	8831	....
Credit institutions	8841	52.500.000
Other loans	8851	....
Trade debts	8861	....
Suppliers	8871	....
Bills of exchange payable	8881	....
Advance payments received on contract in progress	8891	....
Other amounts payable	8901	....
Total current portion of amounts payable after more than one year falling due within one year	(42)	52.500.000
Amounts payable with a remaining term of more than one but not more than five years		
Financial debts	8802	90.000.000
Subordinated loans	8812	....
Unsubordinated debentures	8822	....
Leasing and other similar obligations	8832	....
Credit institutions	8842	90.000.000
Other loans	8852	....
Trade debts	8862	....
Suppliers	8872	....
Bills of exchange payable	8882	....
Advance payments received on contracts in progress	8892	....
Other amounts payable	8902	....
Total amounts payable with a remaining term of more than one but not more than five years	8912	90.000.000
Amounts payable with a remaining term of more than five years		
Financial debts	8803	....
Subordinated loans	8813	....
Unsubordinated debentures	8823	....
Leasing and other similar obligations	8833	....
Credit institutions	8843	....
Other loans	8853	....
Trade debts	8863	....
Suppliers	8873	....
Bills of exchange payable	8883	....
Advance payments received on contracts in progress	8893	....
Other amounts payable	8903	....
Total amounts payable with a remaining term of more than five years	8913	....

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	Codes	Period
GUARANTEED AMOUNTS PAYABLE *(included in headings 17 and 42/48 of the liabilities)*		
Amounts payable guaranteed by Belgian public authorities		
Financial debts	8921	....
Subordinated loans	8931	....
Unsubordinated debentures	8941	....
Leasing and similar obligations	8951	....
Credit institutions	8961	....
Other loans	8971	....
Trade debts	8981	....
Suppliers	8991	....
Bills of exchange payable	9001	....
Advance payments received on contracts in progress	9011	....
Remuneration and social security	9021	....
Other amounts payable	9051	....
Total amounts payable guaranteed by Belgian public authorities	9061	....
Amounts payable guaranteed by real securities or irrevocably promised by the enterprise on its own assets		
Financial debts	8922	*142.500.000*
Subordinated loans	8932	....
Unsubordinated debentures	8942	....
Leasing and similar obligations	8952	....
Credit institutions	8962	*142.500.000*
Other loans	8972	....
Trade debts	8982	....
Suppliers	8992	....
Bills of exchange payable	9002	....
Advance payments received on contracts in progress	9012	....
Taxes, remuneration and social security	9022	....
Taxes	9032	....
Remuneration and social security	9042	....
Other amounts payable	9052	....
Total amounts payable guaranteed by real securities or irrevocably promised by the enterprise on its own assets	9062	*142.500.000*

	Codes	Period
TAXES, REMUNERATION AND SOCIAL SECURITY		
Taxes *(heading 450/3 of the liabilities)*		
Outstanding tax debts	9072	....
Accruing taxes payable	9073	....
Estimated taxes payable	450	....
Remuneration and social security *(heading 454/9 of the liabilities)*		
Amounts due to the National Social Security Office	9076	....
Other amounts payable in respect of remuneration and social security	9077	....

ACCRUALS AND DEFERRED INCOME

Allocation of heading 492/3 of liabilities if the amount is significant

	Period
....	*299.521*
....	*59.760*
....	*608*
....	....

OPERATING RESULTS

	Codes	Period	Preceding period
OPERATING INCOME			
Net turnover			
Allocation by categories of activity			
....		....	....
....		....	....
....		....	....
....		....	....
Allocation into geographical markets			
....		....	....
....		....	....
....		....	....
....		....	....
Other operating income			
Operating subsidies and compensatory amounts received from public authorities	740	....	....
OPERATING CHARGES			
Employees for whom the enterprise submitted a DIMONA declaration or who are recorded in the general personnel register			
Total number at the closing date	9086	....	....
Average number of employees calculated in full-time equivalents	9087	....	....
Number of actual worked hours	9088	....	....
Personnel costs			
Remuneration and direct social benefits	620	....	....
Employers' contribution for social security	621	....	....
Employers' premiums for extra statutory insurance	622	....	....
Other personnel costs (+)/(-)	623	....	....
Retirement and survivors' pensions	624	....	....

	Codes	Period	Preceding period
Provisions for pensions and other similar rights			
Appropriations (uses and write-backs) ....(+)/(-)	635	....	....
Amounts written off			
Stocks and contracts in progress			
Recorded	9110	....	....
Written back	9111	....	....
Trade debts			
Recorded	9112	....	....
Written back	9113	....	....
Provisions for liabilities and charges			
Additions	9115	....	....
Uses and write-backs	9116	....	....
Other operating charges			
Taxes related to operation	640	*868*	*868*
Other costs	641/8	....	....
Hired temporary staff and personnel placed at the enterprise's disposal			
Total number at the closing date	9096	....	....
Average number calculated in full-time equivalents	9097	....	....
Number of actual worked hours	9098	....	....
Costs to the enterprise	617	....	....

FINANCIAL RESULTS

	Codes	Period	Preceding period
RECURRING FINANCIAL INCOME			
Other financial income			
Subsidies granted by public authorities and recorded as income for the period			
Capital subsidies	9125	....	....
Interest subsidies	9126	....	....
Allocation of other financial income			
....		....	....
....		....	....
....		....	....
RECURRING FINANCIAL CHARGES			
Depreciation of loan issue expenses	6501	....	....
Capitalized Interests	6503	....	....
Amounts written off current assets			
Recorded	6510	....	....
Written back	6511	....	....
Other financial charges			
Amount of the discount borne by the enterprise, as a result of negotiating amounts receivable	653	....	....
Provisions of a financial nature			
Appropriations	6560	....	....
Uses and write-backs	6561	....	....
Allocation of other financial charges			
Bank costs (+)/(-)		*2.445*	*2.372*
Unrealized loss on interest rate swaps (non-effective portion of hedge accounting) (+)/(-)		*-4.597*	*43.382*
Realized exchange differences (+)/(-)		*35*	*293*

INCOME AND CHARGE OF EXCEPTIONAL SIZE OR INCIDENCE

	Codes	Period	Preceding period
NON RECURRING INCOME	76		
Non-recurring operating income	(76A)		
Write-back of depreciation and of amounts written off intangible and tangible fixed assets	760		
Write-back of provisions for extraordinary operating liabilities and charges	7620		
Capital gains on disposal of intangible and tangible fixed asset	7630		
Other non-recurring operating income	764/8		
Non-recurring financial income	(76B)		
Write-back of amounts written down financial fixed assets	761		
Write-back of provisions for extraordinary financial liabilities and charges	7621		
Capital gains on disposal of financial fixed assets	7631		
Other non-recurring financial income	769		
NON-RECURRING EXPENSES	66	*4.248*	
Non-recurring operating charges	(66A)		
Non-recurring depreciation of and amounts written off formation expenses, intangible and tangible fixed assets	660		
Provisions for extraordinary operating liabilities and charges: Appropriations (uses) (+)/(-)	6620		
Capital losses on disposal of intangible and tangible fixed assets	6630		
Other non-recurring operating charges	664/7		
Non-recurring operating charges carried to assets as restructuring costs (-)	6690		
Non-recurring financial charges	(66B)	*4.248*	
Amounts written off financial fixed assets	661		
Provisions for extraordinary financial liabilities and charges - Appropriations (uses) (+)/(-)	6621		
Capital losses on disposal of financial fixed assets	6631		
Other non-recurring financial charges	668	*4.248*	
Non-recurring financial charges carried to assets as restructuring costs (-)	6691		

INCOME TAXES AND OTHER TAXES

	Codes	Period
INCOME TAXES		
Income taxes on the result of the period	9134	....
Income taxes paid and withholding taxes due or paid	9135	....
Excess of income tax prepayments and withholding taxes paid recorded under assets	9136	....
Estimated additional taxes	9137	....
Income taxes on the result of prior periods	9138	....
Additional income taxes due or paid	9139	....
Additional income taxes estimated or provided for	9140	....
In so far as taxes of the period are materially affected by differences between the profit before taxes as stated in annual accounts and the estimated taxable profit		
....		*-76.976.640*
....		....
....		....
....		....

	Period
Impact of non recurring results on the amount of the income taxes relating to the current period	
....	....
....	....
....	....
....	

	Codes	Period
Status of deferred taxes		
Deferred taxes representing assets	9141	....
Accumulated tax losses deductible from future taxable profits	9142	....
Other deferred taxes representing assets		
....		*139.254.245*
....		....
....		....
Deferred taxes representing liabilities	9144	....
Allocation of deferred taxes representing liabilities		
....		....
....		....
....		....

	Codes	Period	Preceding period
VALUE ADDED TAXES AND OTHER TAXES BORNE BY THIRD PARTIES			
Value added taxes charged			
To the enterprise (deductible)	9145	....	....
By the enterprise	9146	....	....
Amounts withheld on behalf of third party			
For payroll withholding taxes	9147	*81.762*	*75.945*
For withholding taxes on investment income	9148	*4.582.964*	*4.425.357*

RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET

	Codes	Period
PERSONAL GUARANTEES PROVIDED OR IRREVOCABLY PROMISED BY THE ENTERPRISE AS SECURITY FOR DEBTS AND COMMITMENTS OF THIRD PARTIES	9149	....
Of which		
Bills of exchange in circulation endorsed by the enterprise	9150	....
Bills of exchange in circulation drawn or guaranteed by the enterprise	9151	....
Maximum amount for which other debts or commitments of third parties are guaranteed by the enterprise	9153	....
REAL GUARANTEES		
Real guarantees provided or irrevocably promised by the enterprise on its own assets as security of debts and commitments of the enterprise		
Mortgages		
Book value of the immovable properties mortgaged	9161	....
Amount of registration	9171	....
Pledging of goodwill - Amount of the registration	9181	....
Pledging of other assets - Book value of other assets pledged	9191	*102.205.900*
Guarantees provided on future assets - Amount of assets involved	9201	....
Real guarantees provided or irrevocably promised by the enterprise on its own assets as security of debts and commitments of third parties		
Mortgages		
Book value of the immovable properties mortgaged	9162	....
Amount of registration	9172	....
Pledging of goodwill - Amount of the registration	9182	....
Pledging of other assets - Book value of other assets pledged	9192	....
Guarantees provided on future assets - Amount of assets involved	9202	....

	Codes	Period
GOODS AND VALUES, NOT DISCLOSED IN THE BALANCE SHEET, HELD BY THIRD PARTIES IN THEIR OWN NAME BUT AT RISK TO AND FOR THE BENEFIT OF THE ENTERPRISE		
....		....
....		....
....		....
SUBSTANTIAL COMMITMENTS TO ACQUIRE FIXED ASSETS		
....		....
....		....
....		....
SUBSTANTIAL COMMITMENTS TO DISPOSE OF FIXED ASSETS		
....		....
....		....
....		....
FORWARD TRANSACTIONS		
Goods purchased (to be received)	9213	....
Goods sold (to be delivered)	9214	....
Currencies purchased (to be received)	9215	....
Currencies sold (to be delivered)	9216	....

	Period
COMMITMENTS RELATING TO TECHNICAL GUARANTEES IN RESPECT OF SALES OR SERVICES	
....	....
....	....
....	....
....	....

	Period
AMOUNT, NATURE AND FORM CONCERNING LITIGATION AND OTHER IMPORTANT COMMITMENTS	
....	....
....	....
....	....
....	....

SUPPLEMENT RETIREMENTS OR SURVIVORS PENSION PLANS IN FAVOUR OF THE PERSONNEL OR THE EXECUTIVES OF THE ENTERPRISE

Brief description

Measures taken by the enterprise to cover the resulting charges

	Codes	Period
PENSIONS FUNDED BY THE ENTERPRISE		
Estimated amount of the commitments resulting from past services	9220	....
Methods of estimation		
....		
....		
....		
....		

	Period
NATURE AND FINANCIAL IMPACT OF SIGNIFICANT EVENTS AFTER THE CLOSING DATE NOT INCLUDED IN THE BALANCE SHEET OR THE INCOME STATEMENT	
....	....
....	....
....	....
....	....

	Period
COMMITMENTS TO PURCHASE OR SALE AVAILABLE TO THE COMPANY AS ISSUER OF OPTIONS FOR SALE OR PURCHASE	
....	....
....	....
....	....
....	....

	Period
NATURE, COMMERCIAL OBJECTIVE AND FINANCIAL CONSEQUENCES OF TRANSACTIONS NOT REFLECTED IN THE BALANCE SHEET	
Provided that the risks or advantages coming from these transactions are significant and if the disclosure of the risks or advantages is necessary to appreciate the financial situation of the company	
....	....
....	....
....	....
....	....

	Period
OTHER RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET (including those which can not be quantified)	
Interest rate swaps to hedge the exposure to cash flow risks arising from floating rate bank borrowings:	*0*
- A swap amortizing to € 5,000,000 on 15 May 2019 and € 0 on 15 May 2020	*5.000.000*
- Deferred start swap since 2 October 2017, amortizing to € 54,500,000 on 15 May 2019, to € 27,000,000 on 15 May 2020 and to € 0 on 15 May 2021	*82.000.000*
- Deferred start swap since 2 October 2017, amortizing to € 36,500,000 on 15 May 2019, to € 9,000,000 on 15 May 2020 and to € 0 on 15 May 2021	*57.000.000*
Margins available on confirmed credit lines:	*14.500.000*
Outstanding bank loans cannot exceed 30% of the market value of the investment in UCB	*3*
The solvency ratio (equity as a percentage of total assets) must be higher than 70%	*90*
Collateral must consist of a number of UCB shares with a total market higher than 157% of outstanding bank loans	*202*

RELATIONSHIPS WITH AFFILIATED ENTERPRISES, ASSOCIATED ENTERPRISES AND OTHERS ENTERPRISES LINKED BY PARTICIPATING INTERESTS

	Codes	Period	Preceding period
AFFILIATED ENTERPRISES			
Financial fixed assets	(280/1)	....	....
Participating interests	(280)	....	....
Subordinated amounts receivable	9271	....	....
Other amounts receivable	9281	....	....
Amounts receivable	9291	....	....
Over one year	9301	....	....
Within one year	9311	....	....
Current investments	9321	....	....
Shares	9331	....	....
Amounts receivable	9341	....	....
Amounts payable	9351	....	....
Over one year	9361	....	....
Within one year	9371	....	....
Personal and real guarantees			
Provided or irrevocably promised by the enterprise as security for debts or commitments of affiliated enterprises	9381	....	....
Provided or irrevocably promised by affiliated enterprises as security for debts or commitments of the enterprise	9391	....	....
Other significant financial commitments	9401	....	....
Financial results			
Income from financial fixed assets	9421	....	....
Income from current assets	9431	....	....
Other financial income	9441	....	....
Debt charges	9461	....	....
Other financial charges	9471	....	....
Disposal of fixed assets			
Capital gains obtained	9481	....	....
Capital losses suffered	9491	....	....

	Codes	Period	Preceding period
ASSOCIATED ENTERPRISES			
Financial fixed assets	9253	*1.717.992.381*	*1.717.992.381*
Participating interests	9263	*1.717.992.381*	*1.717.992.381*
Subordinated amounts receivable	9273		
Other amounts receivable	9283		
Amounts receivable	9293		
Over one year	9303		
Within one year	9313		
Amounts payable	9353		
Over one year	9363		
Within one year	9373		
Personal and real guarantees			
Provided or irrevocably promised by the enterprise as security for debts or commitments of associated enterprises	9383		
Provided or irrevocably promised by associated enterprises as security for debts or commitments of the enterprise	9393		
Other significant financial commitments	9403		
OTHER ENTERPRISES LINKED BY PARTICIPATING INTERESTS			
Financial fixed assets	9252		
Participating interests	9262		
Subordinated amounts receivable	9272		
Other amounts receivable	9282		
Amounts receivable	9292		
Over one year	9302		
Within one year	9312		
Amounts payable	9352		
Over one year	9362		
Within one year	9372		

	Period
TRANSACTIONS WITH ENTERPRISES LINKED BY PARTICIPATING INTERESTS OUT OF MARKET CONDITIONS **Mention of these transactions if they are significant, including the amount of the transactions, the nature of the link, and all information about the transactions which should be necessary to get a better understanding of the situation of the company**	
	0

FINANCIAL RELATIONSHIPS WITH

DIRECTORS, MANAGERS, INDIVIDUALS OR BODIES CORPORATE WHO CONTROL THE ENTERPRISE WITHOUT BEING ASSOCIATED THEREWITH OR OTHER ENTERPRISES CONTROLLED BY THESE PERSONS

	Codes	Period
Amounts receivable from these persons	9500	....
Conditions on amounts receivable, rate, duration, possibly reimbursed amounts, canceled amounts or renounced amounts		
Guarantees provided in their favour	9501	....
Other significant commitments undertaken in their favour	9502	....
Amount of direct and indirect remunerations and pensions, included in the income statement, as long as this disclosure does not concern exclusively or mainly, the situation of a single identifiable person		
To directors and managers	9503	*406.235*
To former directors and former managers	9504	....

AUDITORS OR PEOPLE THEY ARE LINKED TO

	Codes	Period
Auditor's fees	9505	*12.100*
Fees for exceptional services or special missions executed in the company by the auditor		
Other attestation missions	95061	....
Tax consultancy	95062	....
Other missions external to the audit	95063	*1.200*
Fees for exceptional services or special missions executed in the company by people they are linked to		
Other attestation missions	95081	....
Tax consultancy	95082	....
Other missions external to the audit	95083	....

Mentions related to article 133, paragraph 6 from the Companies Code

DERIVATIVES NOT MEASURED AT FAIR VALUE

FOR EACH CATEGORY OF FINANCIAL DERIVATIVES NOT MEASURED AT FAIR VALUE

Category derivative financial instruments	Hedged risk	Speculation / hedging	Scope	Period: Booked value	Period: Real value	Preceding period: Booked value	Preceding period: Real value
....	....	*Hedging*	*144000000*	*-247.257*	*-888.973*	*-1.359.183*	*-2.993.021*
....	....	....	....	....	....	....	....
....	....	....	....	....	....	....	....
....	....	....	....	....	....	....	....

FINANCIAL FIXED ASSETS CARRIED AT AN AMOUNT IN EXCESS OF FAIR VALUE

Amount of individual assets or appropriate groupings of those assets

	Booked value	Real value
....	....	....
....	....	....
....	....	....
....	....	....

Reasons for not reducing the book value

Informations that suggest than the book value will be recovered

VALUATION RULES

General principles

The board of directors has established the valuation rules in conformity with the requirements of the royal decree of 30 January 2001 implementing the Belgian Company Code, and taken into account the specificities of the Company.

The rules are established and the valuations are performed under the assumption of going concern.

The valuations satisfy the criteria of prudence, sincerity and good faith.

Charges and income relating to the current financial year or prior financial years are accounted for irrespective of the date when these charges or income are paid or received, unless the collection of the income is uncertain.

The content of the valuation rules nor their application have been modified compared to the previous financial year.

The balance sheet is presented in such a way that a distinction is made between current and non-current items. An asset is current when it is cash or cash equivalents, or when it is expected to be realized within twelve months after the reporting date. All other assets are classified as non-current. A liability is current when it is expected to be settled within twelve months after the reporting date, or when it is due to be settled within twelve months after the reporting date and the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. All other liabilities are classified as non-current.

Specific rules

Financial fixed assets

The participating interest in UCB is recorded on the balance sheet at acquisition value after deduction of impairment, if any. The acquisition value is either the acquisition price (purchase price increased by all expenditures that are directly attributable to the acquisition) or the contribution value. At the end of each financial year, the value of the participating interest is reassessed based on the financial situation, the profitability, the perspectives and the market value of UCB; if the estimated value of the participating interest is lower that its book value and if the board of directors, based on the application of the principles of prudence, sincerity and good faith, is of the opinion that the observed unrealized loss has, partly or in its entirety, a permanent character, an impairment loss will be recorded for an amount equal to the permanent portion of the unrealized loss.

Amounts payable

Amounts payable are stated in the balance sheet at their nominal value.

Cash flows hedges

The Company has access to interest rate swaps to hedge (part of) its exposure to cash flow risks arising from variable rate bank borrowings. Interest paid and received in respect of the swaps as well as accrued interest not yet paid or received are recognized in the income statement. These interest charges and income are presented as a net financial charge or a net financial income in the income statement; accrued interest payable and receivable on both legs of the swaps are also presented on a net basis on the balance sheet. The Company documents, both at hedge inception and on an on-going basis, that the interest rate swaps are highly effective in offsetting changes in cash flows of the bank borrowings. As long as this is the case, movements of the clean price of the swaps are not recognized. If its financing needs decrease, the Company may turn into a position of overhedging, in which case the unrealized loss on that part of the swap that no longer hedges floating rate bank borrowings, will be charged to the net result.

Cash at bank and in hand

Cash at bank and in hand are stated in the balance sheet at their nominal value.

OTHER INFORMATIONS TO DISCLOSE

To provide a useful and complete set of information, the Company prepares, in addition to the present annual accounts in accordance with the Company Code and Belgian accounting law (BE GAAP), financial statements in accordance with international financial reporting standards as adopted by the European Union (EU-IFRS), with equity accounting of UCB..

These financial statements are part of the annual financial report available on the website of the Company.

Company Number: BE 0403.216.429

STATUTORY AUDITOR'S REPORT TO THE GENERAL SHAREHOLDERS' MEETING OF FINANCIERE DE TUBIZE SA/NV ON THE ANNUAL ACCOUNTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2018

In the context of the statutory audit of the annual accounts of your company, we hereby submit our statutory audit report to you. This report includes our report on the annual accounts together with our report on other legal and regulatory requirements. These two reports are considered as one report and are inseparable.

We were appointed in our capacity as statutory auditor by the shareholders' meeting of 25 April 2018 in accordance with the proposal of the Board of Directors. Our mandate will expire on the date of the shareholders' meeting deliberating on the annual accounts for the year ending 31 December 2020. We have performed the statutory audit of the annuals accounts of the company Financière de Tubize for more than 25 subsequent years.

Report on the annual accounts

Unqualified opinion

We have audited the annual accounts of the company Financière de Tubize (the " company") which comprise the balance sheet as at 31 December 2018, the income statement for the year then ended and notes to the annual accounts, which shows a balance sheet total of K€ 1.721.778 and of which the income statement shows a profit for the year of K€ 76.977.

In our opinion, the annual accounts give a true and fair view of the company's net equity and financial position as at 31 December 2018 and of its results for the year then ended in accordance with accounting standards applicable in Belgium.

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Responsibilities of the statutory auditor for the audit of the annual accounts" section of our report. We have complied with all ethical requirements relevant to the statutory audit of annual accounts in Belgium, including those regarding independence.

We have obtained from the Board of Directors and the company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Company Number: BE 0403.216.429

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of our audit of the annual accounts as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of financial investments

Reference to the notes to the annual accounts: C6.4.2, C6.5.1, C6.19

Description of the key audit matter

The sole activity of Financière de Tubize is the holding of a stake in the listed company UCB SA (ISIN: BE0003739530). At the closing date, the company holds 35% of the total shares issued by UCB for an amount of K€ 1.717.992 in the statutory accounts and, through the application of the equity method, for an amount of K€ 2.481.939 in the EU- IFRS financial statements, ie respectively 99,91% and 99,93% of the total balance sheet. The valuation of this asset is a determining factor in the issuing of this opinion given its relative importance both on the company's results and on its total balance sheet.

How the matter was addressed in the audit

Our audit work consisted primarily in evaluating the compliance of the accounting treatment of any movements (purchases / sales, dividends) of UCB securities over the period in relation to the applicable accounting framework and assessing the valuation of the investment by comparing it with the various internal and external available data.

Financing operations

Reference to the notes to the annual accounts: C6.9, C6.11, C6.14, C6.17, C6.19

Description of the key audit matter

In the course of its business, the company has contracted bank borrowings, with a fixed rate or variable rate and subject to bank covenants. In order to hedge its exposure to interest rate risk resulting from variable rate borrowings, the Company has also contracted several derivative financial instruments to hedge this risk. The treatment and valuation of these instruments are the subject of particular attention at each closing date, in view of the related technical aspects.

How the matter was addressed in the audit

We assessed the compliance of the accounting treatment of financing transactions with the applicable financial reporting framework. We reviewed the internal and external documentation obtained as part of our audit procedures, in particular with respect to the banks covenants, the treatment of derivatives and the ability of the company to meet its repayment obligations. As regards more specifically our work relating to derivatives, we assessed compliance with the EMIR provisions for listed companies as well as the assumptions used in the accounting treatment of hedging transactions. We also assessed the quality of the information included in the notes to the annual accounts.

Company Number: BE 0403.216.429

Responsibility of the Board of Directors for the preparation of the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of the annual accounts in accordance with the accounting standards applicable in Belgium, and for such internal control as the Board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Board of Directors is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board of Directors either intends to liquidate the company or to cease business operations, or has no realistic alternative but to do so.

Responsibilities of the statutory auditor for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit, in accordance with ISAs, we exercise professional judgment and we maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to these risks and obtain audit evidence which is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatement resulting from fraud is higher than one resulting from error, as fraud may Involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit 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 company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of the accounting estimates and related disclosures made by the Board of Directors ;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of the statutory auditor's report. However, future events or conditions maycause the company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the annual accounts, and whether these annual accounts reflect the underlying transactions and events in a true and fair view.

Based on the exemption set out in article 526bis §3 of the Companies Code, the functions assigned to the audit committee are exercised by the Board of Directors in its entirety. We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our statutory auditor's report, unless law or regulation precludes public disclosure of the matter.

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Report on other legal and regulatory requirements

Responsibilities of the Board of Directors

The Board of Directors is responsible for the preparation and the content of the Director's report, as well as for the compliance with the legal and regulatory requirements regarding bookkeeping with the Companies Code and the company's articles of association.

Responsibilities of the statutory auditor

In the context of our mandate and in accordance with the Belgian standard (Revised) which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, the Directors' report, as well as compliance with certain requirements of the Companies Code and to report any matters.

Aspects relating to the Directors' report

In our opinion, after carrying out specific procedures on Directors' report. the Directors' report is consistent with the annual accounts and has been prepared in accordance with articles 95 and 96 of the Companies Code.

In the context of our audit of the annual accounts, we are also responsible to consider whether, based on the information that we became aware of during the performance of our audit, the Directors' report contains any material inconsistencies or contains Information that is inaccurate or otherwise misleading. In light of the work performed, we do not need to report any material inconsistencies.

Company Number: BE 0403.216.429

Statement relating to independence

- We have not carried out any assignments that were incompatible with the statutory audit of the annual accounts, and we remained independent vis-à-vis the company throughout our assignment.
- The fees relating to additional assignments compatible with the statutory audit of the annual accounts referred to in Article 134 of the Companies Code have been correctly valued and disclosed in the notes to the annual accounts.

Other communications

- Without prejudice to certain formal aspects of minor importance, the accounting records are maintained in accordance with legal and regulatory requirements applicable in Belgium.
- The appropriation of results proposed to the general meeting is in accordance with legal and statutory requirements.
- We do not have to report any transactions undertaken or decisions taken in violation of the articles of association or the Companies Code.
- This report conforms to the content of our additional report to the Board of Directors as referred to in Article 11 of Regulation (EU) No. 537/2014.

Brussels, 27 February 2019

MAZARS RÉVISEURS D'ENTREPRISES SCRL
Statutory auditor represented by

Xavier DOYEN

Financière de Tubize SA
Allée de la Recherche 60
1070 Brussels
BE 0403.216.429

EU-IFRS FINANCIAL STATEMENTS

The EU-IFRS financial statements of Financière de Tubize for the financial year ended 31 December 2018 have been established by a resolution of the board of directors of 27 February 2019 and will be communicated to the general shareholders meeting of 24 April 2019.

1. General information

1.1. Identification

NAME: Financière de Tubize
Legal form: Public Limited Company
Address: Allée de la Recherche 60, 1070 Anderlecht, Belgium
Register of legal persons – Commercial Court of Brussels
Website: http://www.financiere-tubize.be

		Company number	BE 0403 216 429
EU-IFRS FINANCIAL STATEMENTS to be communicated to the general meeting of			24/04/2019
Period from	01/01/2018	au	31/12/2018
Prior period from	01/01/2017	au	31/12/2017

1.2. Board of Directors

François Tesch, chairman of the board of directors, Route de Bettembourg 45 boîte A, L-1899 Luxembourg
Vauban NV (BE 0338.114.246), member of the board of directors, Rue Ducale 47-49, B-1000 Bruxelles, represented by Gaëtan Hannecart
Marc Speeckaert, member of the board of directors, avenue Albert 201, B-1190 Forest
Cyril Janssen, member of the board of directors, Rue des Mélèzes 29, B-1150 Ixelles
Charles-Antoine Janssen, member of the board of directors, Claire Colline, Chaussée de Bruxelles 110, B-1310 La Hulpe
Nicolas Janssen, member of the board of directors, Avenue Ernest Solvay 108, B-1310 La Hulpe
Evelyn du Monceau, member of the board of directors, Avenue des Fleurs 14, B-1150 Woluwé-Saint-Pierre
Fiona de Hemptinne, member of the board of directors, Fairlawn Grove 20, W4 5EH London, UK
Cédric van Rijckevorsel, member of the board of directors, Chipstead Street 37, SW6 3S3 London, UK
Cynthia Favre d'Echallens, member of the board of directors, Route d'Ottignies 74A, B-1380 Lasne

1.3. Independent Auditor

Mazars Réviseurs d'Entreprises SCRL (BE 0428 837 889), statutory auditor (IRE register n° B00021), Avenue Marcel Thiry 77/4, B-1200 Woluwé-Saint-Lambert, represented by Xavier DOYEN (IRE register n° A01202)

1.4. Activities and mission

Financière de Tubize (the "Company") is a mono-holding company, listed on Euronext Brussels under the ISIN code TUB BE0003823409, that holds and manages a participating interest of 68,076,981 UCB shares, representing 35.00% of the total shares issued by UCB, a biopharmaceutical company domiciled in Belgium whose shares are also listed on Euronext Brussels. Financière de Tubize is the reference shareholder of UCB.

The mission of Financière de Tubize is to create long term value for its shareholders by supporting, as a stable reference shareholder, the maximisation of UCB's potential and a sustainable growth of its industrial project.

For information about UCB : www.ucb.com

Cyril Janssen	*Evelyn du Monceau*
Member of the board of directors	*Member of the board of directors*

2. Financial statements

2.1. Statement of financial position

€ 000 31 December	Notes	2018	2017
Participating interest in UCB	4.1.1.	2.481.939	2.309.844
Non-current assets		***2.481.939***	***2.309.844***
Prepayments	4.2.4.	31	33
Other receivables		102	-
Cash and cash equivalents	4.2.5.	*1.529*	*1.452*
Current assets		***1.662***	***1.485***
Assets		**2.483.601**	**2.311.329**
Equity		**2.339.563**	**2.115.676**
Bank borrowings	4.2.6.	90.000	140.000
Derivatives	4.2.7.	318	741
Non-current liabilities		***90.318***	***140.741***
Bank borrowings	4.2.6.	52.613	52.144
Derivatives	4.2.7.	571	2.252
Other creditors	4.2.8.	536	516
Current liabilities		***53.720***	***54.912***
Liabilities		**144.038**	**195.652**
Equity and liabilities		**2.483.601**	**2.311.329**

2.2. Statement of profit or loss and other comprehensive income

€ 000	Notes	2018	2017
PROFIT OR LOSS			
Share of profit of UCB		288,521	272,233
Borrowing cost	4.2.6.	-2,144	-5,118
General and administrative expenses	4.4.	-951	-941
Profit before tax		***285,156***	***266,174***
Income tax	4.3.2.	-	19,760
Profit		**285,156**	**285,934**
OTHER COMPREHENSIVE INCOME			
Share, after tax, of other comprehensive income of UCB		***-35,702***	***-88,661***
Those that will not be reclassified to profit or loss	4.1.2.	3,203	3,288
Those that will be reclassified subsequently to profit or loss when certain conditions are met	4.1.2.	-38,905	-91,949
Other items, after tax, of other comprehensive income, after tax, that will be reclassified subsequently to profit or loss when certain conditions are met		***738***	***1,583***
Cash flow hedges	4.2.7.	738	1,583
Other comprehensive income		**-34,964**	**-87,078**
COMPREHENSIVE INCOME		**250,192**	**198,856**
Profit attributable to			
Non-controlling interests		-	-
Owners of the parent		285,156	285,934
Comprehensive income attributable to			
Non-controlling interests		-	-
Owners of the parent		250,192	198,856
Earnings per share (in €)			
Basic and diluted	4.5.	6.40	6.42

2.3. Statement of changes in equity

	Capital and share premium	Retained earnings	Treasury shares	Other reserves	Translation adjustments	Assets held for sale	Cash flow hedges	Total equity
Balance at 01/01/2018	**236,225**	**2,108,415**	**-130,844**	**-56,459**	**-79,463**	**10,629**	**27,173**	**2,115,676**
Dividends		-24,056						-24,056
Comprehensive income			-2,124					
– Profit		*285,156*						*285,156*
– Share of other comprehensive income of UCB				*3,203*	*24,587*	*-12,643*	*-50,849*	*-35,702*
– Cash flow hedges								*-*
– Reclassification adjustment								
Share of other changes of net assets of UCB								
– Share based payments		*21,049*						*21,049*
– Transfer between reserves		*-19,093*	*19,093*					*-*
– Treasury shares			*-13,410*					*-13,410*
		1,956	5,683					7,639
Changes in the number of own shares held by UCB		-8,581	477	208	293	-39	-122	-7,763
Balance at 31/12/2018	**236,225**	**2,362,890**	**-126,808**	**-53,048**	**-54,583**	**-2,053**	**-23,060**	**2,339,563**

	Capital and share premium	Retained earnings	Treasury shares	Other reserves	Translation adjustments	Assets held for sale	Cash flow hedges	Total equity
Balance at 01/01/2017	**236,225**	**1,833,036**	**-102,256**	**-59,596**	**47,726**	**15,099**	**-12,679**	**1,957,555**
Dividends		-23,165						-23,165
Comprehensive income								
– Profit		*285,934*						*285,934*
– Share of other comprehensive income of UCB				*3,288*	*-127,308*	*-4,509*	*39,868*	*-88,661*
– Cash flow hedges		*1,030*						*1,030*
– Reclassification adjustments		*553*						*553*
		287,517	-	3,288	-127,308	-4,509	39,868	198,856
Share of other changes in net assets of UCB								
– Share based payments		*23,155*						*23,155*
– Transfer between reserves		*-17,383*	*17,383*					*-*
– Treasury shares			*-45,715*					*-45,715*
		5,772	-28,332	-	-			***-22,561***
Changes in the percentage of the participating interest in UCB		*5,258*	*-257*	*-150*	*120*	*38*	*-17*	*4,991*
Balance at 31/12/2017	**236,225**	**2,108,415**	**-130,844**	**-56,459**	**-79,463**	**10,629**	**27,173**	**2,115,676**

2.4. Statement of cash flows

€ 000	Notes	2018	2017
Directors remuneration & attendance fees		-406	-377
Remuneration general manager		-96	-161
Statutory auditor's fee		-12	-6
Professional services fees		-161	-53
Contributions		-125	-113
Payment of services		-86	-91
Payment of expenses		-52	-9
Gift		-20	-25
Advances		-	-
Indirect taxes		-102	-70
Cash flows from operating activities		***-1,060***	***-905***
Dividends received		80,331	78,289
Cash flows from investing activities		***80,331***	***78,289***
Dividends paid		-24,056	-23,165
Interests and commissions paid		-3,514	-4,422
Reimbursement of bank borrowings		-53,000	-152,000
Drawings from the confirmed lines		3,500	103,000
Payment dividends prior years			-6
Repurchase of own shares		-2,124	-
Cash flows from finance activities		***-79,194***	***-76,593***
Total cash flows		**77**	**791**
Cash and cash equivalents beginning of period	4.2.5.	1,452	662
Cash and cash equivalents end of period	4.2.5.	1,529	1,452

See also Note 4.2.6. with respect to disclosures required by Amendments to IAS 7: Disclosure initiative.

3. Accounting policies

3.1. Basis of preparation of the financial statements

To provide a useful and complete set of information to the market, the Company prepares, in addition to the annual accounts established in accordance with the Company Code and Belgian accounting law (BE GAAP), financial statements in accordance with international financial reporting standards as adopted by the European Union (EU-IFRS), with equity accounting of UCB.

The EU-IFRS financial statements are prepared on a historical cost basis, except for derivative financial instruments that are measured at fair value.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between willing parties at the measurement date.

The Company uses valuation techniques to measure fair values, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All inputs to measure fair value are categorised within one of the following levels:
Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 – directly or indirectly observable inputs, other than those of level 1
Level 3 – unobservable inputs.
For assets and liabilities that are measured at fair value on a recurring basis, the Company determines at each reporting date when transfers, if any, have occurred between levels in the hierarchy.

For the purpose of fair value disclosures (note 4.2.3.), the Company has determined classes of assets and liabilities on the basis of the items disclosed on the face of the statement of financial position.

Current / non-current classification

An asset is current when it is cash or cash equivalents, or when it is expected to be realised within twelve months after the reporting date. All other assets are classified as non-current.

A liability is current when it is expected to be settled within twelve months after the reporting date, or when it is due to be settled within twelve months after the reporting date and the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period. All other liabilities are classified as non-current.

Deferred taxes are always classified as non-current.

3.2. Summary of significant accounting policies

3.2.1. Equity accounting of UCB

The Company having significant influence over UCB, the latter is considered to be an associated company as defined in IAS 28. Consequently, the investment in UCB is accounted for using the equity method.

The equity method is a method of accounting whereby the investment in UCB is initially recorded at cost and adjusted thereafter for the post acquisition change in the Company's share of the net assets of UCB.

Cost comprises either the acquisition price (the purchase price and any expenditures that are directly attributable to the acquisition), or the contribution value. Any excess of the cost of the investment over the Company's share of the net fair value of UCB's identifiable assets and liabilities (goodwill) is included in the carrying amount of the investment. When the Company acquires an additional interest in UCB whereby UCB continues to be an associate, the cost of acquiring the additional interest is added to the existing carrying amount of the participating interest. The increase in the participating interest is split between goodwill and the additional interest in the fair value of the net assets of UCB at the date of the increase of the participating interest. The existing goodwill is not re-measured.

A change in the Company's share of the net assets of UCB occurs when there is a change in the percentage of the participating interest of the Company in UCB ("change of type 1"), or, without a change in the percentage of the participating interest of the Company in UCB, when there is a change in the net assets of UCB that is attributable to Financière de Tubize ("change of type 2"). The impact of a type 1 change is recorded in the statement of changes in equity. The impact of a type 2 change is recorded as follows: the Company's share of UCB's profits or losses is recognised in profit or loss in the statement of profit or loss and other comprehensive income; its share of UCB's other comprehensive income is recognised in other comprehensive income in the statement of profit or loss and other comprehensive income; and its share of other changes in the net assets of UCB is recognised in the statement of changes in equity. The cumulative post acquisition movements adjust the carrying amount of the participating interest. Distributions received from UCB reduce the carrying amount of the participating interest.

After application of the equity method, whenever there is any objective indication that the participating interest may be impaired, the Company performs an impairment test by comparing the carrying amount of the participating interest (including goodwill which is not tested for impairment separately) with its recoverable amount (the higher of value in use and fair value less costs to sell). If the recoverable amount is lower than the carrying amount, an impairment loss equal to the difference between both amounts is recorded as a loss in the statement of profit or loss.

3.2.2. Bank borrowings

Bank borrowings are initially measured at the cash obtained, net of directly attributable transaction costs.

They are subsequently measured at amortised cost using the effective interest method with gains and losses recognised in profit or loss when the debt is derecognised as well as through the amortisation process.

Bank borrowings, or part of it, are derecognised when they are extinguished, that is, when the obligation specified in the borrowing contract is (partly) discharged by paying the bank.

Debt restructuring is accounted for as an extinguishment of the original debt and the recognition of a new debt, only if the terms of the debt have substantially changed, which is the case if the net present value of the cash flows under the new terms (including any fees and costs incurred) discounted at the original effective interest rate is at least 10% different from the discounted present value of the remaining cash flows of the original debt. If the restructuring is accounted for as an extinguishment of the original debt, the difference between the carrying amount of the original debt and the fair value of the new debt assumed, as well as any fees and costs incurred, are recognised in profit or loss at the date of extinguishment. If the restructuring is not accounted for as an extinguishment, the carrying value of the original debt, net of fees and costs incurred, is treated as the new basis for amortised cost accounting, using the new effective interest rate; fees and costs incurred as part of the restructuring are thus amortised over the remaining term of the restructured debt according to the effective interest method.

Borrowings are classified as current liabilities unless there is an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

3.2.3. Cash flow hedges

The Company uses interest rate swaps (including deferred start swaps) to hedge (part of) its exposure to cash flow risks arising from variable rate bank borrowings. The Company documents, both at hedge inception and on an on-going basis, that the interest rate swaps are highly effective in offsetting changes in cash flows of the hedged bank borrowings.

The interest rate swaps that have passed the effectiveness test and have been designated as hedging instrument, are initially recorded at fair value and attributable transaction costs are recognised in profit or loss when incurred. The interest rate swaps are subsequently re-measured at fair value. The effective portion of changes in the fair value of the interest rate swaps is recognised in other comprehensive income. The gain or loss relating to the ineffective portion, if any, is recognised immediately in profit or loss.

A cash flow hedge relationship is discontinued prospectively if the hedge fails the effectiveness test, the hedging instrument is sold or terminated, or management revokes the hedge designation. As from the date of discontinuation of the hedge relationship, changes in fair value of the swap are recorded in profit or loss, and the accumulated balance of the clean price at that date, is accounted for as follows: (i) the portions of the hedging that correspond to cash flows that are no longer expected to occur (over-hedging) are reclassified from equity to profit or loss of the period during which the discontinuation has occurred, and (ii) the remaining balance is reclassified from equity to profit or loss over the remaining lifetime of the swap based on the time weighted notional amounts.

The allocation of the clean price of the interest rate swaps between current and non-current is based on the time weighted notional amounts. The interest accruals are classified as current.

Accrued interest payable and receivable on the same swap are offset in the statement of financial position. Such offsetting equally applies to interest income and interest expenses in the statement of profit or loss.

3.2.4. Income taxes

Income tax expenses or credits comprise current and deferred income taxes. They are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income, in which case the tax expenses or credits are recognised in other comprehensive income.

Current income taxes are calculated on the basis of the tax laws enacted or substantially enacted in Belgium at the balance sheet date.

Deferred income taxes are calculated on temporary differences between the carrying amounts of assets and liabilities and their corresponding tax bases. Deferred income tax liabilities are generally recognised for all taxable temporary differences and deferred income tax assets are recognised to the extent it is probable that future taxable profits will be available against which deductible temporary differences, carried forward tax credits or carried forward tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred income taxes are calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset realised. Deferred tax assets and liabilities are not discounted.

Deferred income tax assets and liabilities are only offset if the Company has a legally enforceable right to offset current tax liabilities and assets and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Deferred income tax assets and liabilities are classified as non-current.

3.2.5. Significant accounting policies UCB

Reference is also made to UCB's summary of significant accounting policies; through the equity method of accounting they do impact the Company's financial position and results.

3.3. Judgements, accounting estimates and assumptions

The preparation of the consolidated financial statements requires the board of directors to make judgments, accounting estimates and assumptions that affect the reported assets and disclosures. Where applicable, such judgments, estimates and assumptions are explained in the relevant notes.

3.4. Initial application of amended standards

During this accounting period, the Company applied all new or revised standards or interpretations as issued by the International Accounting Standards Board (IASB) and by the International Financial Reporting Interpretations Committee (IFRIC) of the IASB, to the extent that they are relevant to its activities and applicable for the accounting period starting January 1, 2018. The Company has not applied anticipatively neither new Standards nor Interpretations for which the mandatory applicable date is subsequent to December 31, 2018.

The following Standards, Interpretations and Amendments, as issued by the IASB or IFRIC, are in force since this accounting period:

- Annual improvements to IFRS Standards 2014-2016 cycle (applicable as from 1/1/2018). The Company does not expect any impact from these annual improvements;
- Amendments to IAS 12 " Income Tax": Recognition of deferred tax assets for unrealised losses. The company having no unrealised losses, these amendments are not applicable;
- Amendments to IFRS 4 Insurance Contracts - Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts. The standard dealing with insurance contracts is not applicable to the Company;
- IFRS 15 Revenue from Contracts with Customers and Clarifications to IFRS 15 Revenue from Contracts with Customers. The Company does not derive any revenue from contracts with customers and accordingly the Company will not be impacted by this standard;
- IFRS 9 Financial Instruments. The Company has financial instruments in place (borrowings and derivatives). However, considering the current accounting practices of the Company, the application of IFRS 9 will not have any impact.
- IFRIC 22 Foreign Currency Transactions and Advance Consideration. This interpretation will not impact the Company considering that there is no transactions in foreign currencies;
- Amendments to IAS 40 Transfers of Investment Property (applicable as from 1/1/2018). These amendments do not apply to the Company as the Company has no investment property;

3.5. Impact of future application of issued new standards

New IFRS standards or interpretations that have been issued by the IASB or IFRIC but are not yet mandatorily applicable in 2018 are discussed hereafter. If relevant, the Company will adopt these texts when they become mandatory. Reference is also made to UCB's note on the subject who anticipatively adopted 'IFRS 16: leases' norms. Through the equity method of accounting, the Company's financial position and results will be impacted for its ownership interest in UCB. It relates to the following texts:

Texts endorsed by EFRAG:

- IFRS 16 Leases (applicable as from 1/1/2019). The Company is not a party to any lease agreement and accordingly the application of this standard will not impact the Company;
- IFRIC 23 Uncertainty over Income Tax Treatments (applicable as from 1/1/2019). The Company does not anticipate any impact from the application of this interpretation;

- Amendments to IFRS 2 Classification and measurement of share-based payment transactions (applicable as from 1/1/2018). This amendment should not impact the Company considering the absence of share-based payment transaction;
- Amendments to IFRS 9 Prepayment features with negative compensation (applicable as from 1/1/2019). These amendments will not impact the Company as it does not enter into transactions scoped by these amendments;
- Amendments to IAS 28 Long-term Interests in Associates and Joint Ventures (applicable as from 1/1/2019). These amendments address the impairment of interests in associates or joint ventures. The application of these amendments should not impact the Company as there is no impairment indicator of the interest of the Company in UCB;

Texts not yet endorsed by EFRAG:

- IFRS 17 Insurance Contracts (applicable as from 1/1/2021). This standard is not applicable to the Company;
- In February 2018, the IASB also published amendments to IAS 19 standard, dealing with employee benefits. As the Company has no employee, the application of these amendments will not impact the Company;
- Annual Improvements to IFRS Standards - 2015 - 2017 Cycle (applicable as from 1/1/2019). No impact is expected from these annual improvements;
- Amendments to references to the IFRS conceptual framework (applicable as from 1/1/2020);
- Amendments to IFRS 3 Business Combinations (applicable as from 1/1/2020);
- Amendments to IAS 1 and IAS 8 Definition of metrial (applicable as from 1/1/2020);

4. Notes

4.1. Participating interest in UCB

4.1.1. Carrying value

	Share of the net assets of UCB		Goodwill		Total	
€ 000	**2018**	**2017**	**2018**	**2017**	**2018**	**2016**
At 1 January	**2,102,405**	**2,014,691**	**207,439**	**207,439**	**2,102,405**	**2,258,543**
Distribution	-80,331	-78,289	-	-	-80,331	-78,289
Share of the profit of UCB	288,251	272,233	-	-	288,251	272,233
Share of other comprehensive income of UCB (note 4.1.3.)	-35,702	-88,661	-	-	-35,702	-88,661
Share of other changes in net assets of UCB[7]	7,640	-22,561	-	-	7,640	-22,561
Changes in the percentage of participating interest as a result of changes in the number of own shares held by UCB	-7,763	4,991	-	-	-7,763	4,991
At 31 December	**2,274,500**	**2,102,405**	**207,439**	**207,439**	**2,439,939**	**2,309,844**

[7] See the statement of changes in equity for a breakdown by item of net assets

4.1.2. Share of other comprehensive income of UCB

	2018			2017		
€ 000	**Gross**	**Tax**	**Net**	**Gross**	**Tax**	**Net**
Items that will not be reclassified to profit or loss						
- Re-measurement of defined benefit obligations	***4,520***	***-1,317***	***3,203***	***9,758***	***-6,470***	***3,288***
	4,520	-1,317	**3,203**	9,758	-6,470	**3,288**
Elements that may be reclassified subsequently to profit or loss	***-38,905***	***-***	***-38,905***	***-91,949***	***-***	***-91,949***
- Translation adjustment	24,587	-	24,587	-127,308	-	-127,308
- Net result from available-for-sale financial assets	-12,643		-12,647	-4,509		-4,509
- Effective portion of cash flow hedges	-50,849	-	-50,849	39,868	-	39,868
		-			-	
Share of other comprehensive income of UCB	**-34,385**	**-1,317**	**-88,661**	**-82,191**	**-6,470**	**-88,661**

4.1.3. Fair value

31 December	**2018**	**2017**
Number of UCB shares	68,076,981	68,076,981
Share price UCB (€)	71,3	66.18
Fair value of the participating interest in UCB (€ 000)	**4,853,889**	**4,505,335**
Carrying value (€ 000)	2,481,939	2,309,844
Excess of fair value over carrying value	**2,371,950**	**2,195,491**

4.1.4. Concert

	Number of voting rights		% of voting rights	
31 December	**2018**	**2017**	**2018**	**2017**
Financière de Tubize	68,076,981	68,076,981	35.00	35.00
Schwarz Vermögensverwaltung	0	2,021,404	0	1.04
Total	**68,076,981**	**70,098,385**	**35,00**	**36.04**

On January 19, 2018, the Company received from Schwarz Vermögensverwaltung the confirmation of the ending of the concert agreement. In accordance with Article 14 of the Law of May 2, 2007, the Company made a transparency declaration to UCB on January 25, 2018.

4.1.5. Summarised financial information about UCB

Summarised statement of financial position

€ 000 000 **31 December**	**2018**	**2017**
Non-current assets	7,564	7,240
Current assets	2,950	2,677
Non-current liabilities	-2,021	-2,213
Current liabilities	-2,238	-1,950
Net assets	**6,255**	**5,736**
Non-controlling interests	-54	-77
Net assets attributable to UCB shareholders	**6,309**	**5,813**

Summarised statement of comprehensive income

€ 000 000	**2018**	**2017**
Revenue	4,632	4,530
Profit from continuing operations	915	770
Profit from discontinued operations	8	1
Other comprehensive income	-102	-233
Comprehensive income	721	538

Reconciliation of summarised financial information to carrying value

€ 000 000 31 December	2018	2017
Net assets attributable to UCB shareholders	6,309	5,813
Interest of the Company[8]	36.0370%	36.1706%
Company's share of net assets of UCB	2,275	2,103
Goodwill on acquisition	207	207
Carrying value of participating interest in UCB	**2,482**	**2,310**

4.2. Financial instruments

4.2.1. Financial instruments by category

€ 000	Loans & Receivables		Liabilities at amortised cost		Derivatives	
31 December	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**
Prepayments	31	33	-	-	-	-
Other receivables	102	-	-			
Cash & cash equivalents	1,529	1,452	-	-	-	-
Bank borrowings	-	-	-142,613	-192,144	-	-
Derivatives	-	-	-	-	-889	-2,993
Other creditors	-	-	-536	-516	-	-
Total	**1,662**	**1,485**	**-143.149**	**-192,660**	**-889**	**-2,993**

4.2.2. Risks related to financial instruments

The Company is exposed to interest rate risk resulting from fixed rate bank borrowings. The risk is monitored through periodic calculations of the fair value of these borrowings. The fair values at 31 December 2018 of these borrowings are disclosed in note 4.2.3.

The Company is exposed to cash flow risk resulting from floating rate bank borrowings. The Company can make use of interest rate swaps (including deferred start swaps) to protect itself against the risk of an increase of interest rates. The Company permanently follows the developments on the interest rate markets and takes hedging initiatives in function of its assessment of the risks. The situation of the bank borrowings and their hedging as at 31 December 2018 is reflected in the notes 4.2.6. and 4.2.7.

The Company is exposed to liquidity risk, in particular the risk of facing difficulties in meeting its obligations under the bank borrowings. The contractual maturities of these borrowings are summarised in note 4.2.6. The Company considers that the dividend flow from UCB and, to the extent necessary, new credit recourse will ensure that today's contractually scheduled reimbursements be met.

The Company is exposed to credit risk to the extent a bank-counterparty to cash at bank or to interest rate swaps would not meet its obligations and the Company, as a result thereof, would incur a financial loss. The bank-counterparties are Belgian banks with a rating of 'upper medium grade'.

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* When calculating the percentage, the 5,828,462 own shares held by UCB as at 31/12/2016 are excluded from the denominator

4.2.3. Fair value of financial instruments

Set out below is a comparison, by class, of the carrying amounts and the fair values of the Company's financial instruments:

€ 000 31 December	Level of the inputs in the fair value hierarchy	Carrying values		Fair values	
		2018	2017	2018	2017
Prepayments	-	31	33	31	33
Other receivables	2	102	-	102	-
Cash and cash equivalents	-	1,529	1,452	1,529	1,452
Bank borrowings	2	-142,613	-192,144	-142,613	-192,144
Derivatives	2	-889	-2,993	-889	-2,993
Other creditors	-	-536	-516	-536	-516

The fair value of prepayments, cash and cash equivalents, suppliers and other creditors approximates the carrying amount because of the short-term maturities of these instruments.

The fair value of floating rate bank borrowings approximates the carrying value because the floating rates reflect the short-term market rates.

The Company uses a present value technique to determine the fair value of its fixed rate bank borrowings. The technique calculates the fair value by discounting all future interest and principal repayments using a discount rate equal to the Company's borrowing rate at the measurement date. This rate is based on observable inputs of level 2 in the fair value hierarchy, such as market interest rates and inputs concerning the spreads.

As at December 31st, 2018, all borrowings in place are floating rate borrowings.

The Company uses valuation techniques to determine the fair value of its hedging interest rate swaps. These techniques include present value models and incorporate observable inputs of level 2 in the fair value hierarchy, such as interest rate curves and inputs concerning the spreads.

No transfers between levels of the fair value hierarchy have occurred during the financial year 2018.

4.2.4. Prepayments

€ 000 31 December	2018	2017
Deferred charges		
– Insurance premium	16	17
– Insurance brokerage	2	2
– Portal of the board of directors	13	15
Total	**31**	**33**

4.2.5. Cash and cash equivalents

€ 000 31 December	2018	2017
Cash at bank	1,529	1,452
Short-term deposits	-	-
Total	**1,529**	**1,452**

Cash and cash equivalents comprise cash at banks and short-term deposits at banks with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

4.2.6. Bank borrowings

Carrying values

€ 000 31 December	Non-current		Current		Total	
	2018	2017	2018	2017	2018	2017
Floating rate borrowings	-90,000	-140,000	-52,500	-52,000	-142,500	-192,000
Fixed rate borrowings	-	-	-	-	-	-
Unamortised balance of debt restructuring costs	-	-	-	-	-	-
Accrued interest	-	-	-113	-144	-113	-144
Accrued commitment fees	-	-	-	-	-	-
Total	**-90,000**	**-140,000**	**-52,613**	**-52,144**	**-142,613**	**-192,144**

At 31st December 2018, the confirmed credit lines of € 157,0 million were utilised up to €142,5 million. The available margin on confirmed credit lines amounted to €14,5 million at 31st December 2018.
Floating rate borrowings range between 1-month fixed advances and 12-month fixed advances.

Change of outstanding debt throughout 2018

€ 000		Confirmed lines	Utilised			Available
			Floating	Fix	Total	
01/01/2018	**Opening**	**193,000**	**-192.000**	**-**	**-192,000**	**1,000**
15/05/2018	Fixed term reimbursement and closing	-36,000	36,000		36,000	
15/05/2018	Roll-Over credit line advance reimbursement		17,000		17,000	17,000
27/11/2018	New advance		-3,500		-3,500	-3,500
31/12/2018	**Closing**	**157,000**	**-142,500**	**-**	**142,500**	**14,500**

The UCB dividend cashed-in by the Company in May 2018, served to reimburse € 36 million of advances. In May 2018, the Company paid back a credit line of € 36 million contracted in September 2016 and callable during the period covering September 30, 2017 until May 15, 2018.

Contractual maturities

€ 000	Floating	Total
30/06/2019	-52,500	-52,500
30/06/2020	-52,500	-52,500
06/11/2021	-52,000	-52,000
	-157,000	**-157,000**

The one-off reimbursement of € 36 million as at August 15, 2018 has been financed by dividend income expected from UCB with respect to the 2018 result appropriation. To this contractual reimbursement of € 36 million, it is foreseen that the Company will reimburse an additional € 16 million on a voluntarily basis in the course of 2018.

Collateral

The borrowings are collateralised through a pledge on 4,050,000 UCB shares as at 31 December 2018. The carrying value of these pledged shares amounts to € 102,206k.

Covenants

The Company must comply with the following debt covenants:

- Collateral for the bank borrowings must consist of a number of UCB shares, the total market value of which must be at the minimum 157% of the outstanding debt, this ratio equals 202% at 31 December 2018
- Borrowings may not exceed 30% of the fair value of the investment in UCB; as at 31 December 2018, this ratio amounted to 3%
- The solvency ratio (equity versus balance sheet total on a BE GAAP basis) must exceed 70%; as at 31 December 2018, this ratio equals 90%

Cash flow risk management

Most of the bank borrowings (€ 142,5 million as at 31 December 2018) are structured as roll-over credits with short term floating rate straight drawings. The cash flow risk associated with these borrowings, was, at 31 December 2018, partly covered by an interest rate swap with a notional value of € 5 million, which effectively converts the portion of the borrowings that corresponds to this notional value, into a fixed rate loan until maturity. Accounting-wise, hedge accounting for this swap and the underlying borrowings has been ceased as per 1 January 2015.

To protect itself against the risk of a future increase in interest rates, the Company has further decided to hedge, as from October 2017 onwards, its entire floating rate debt. The Company has therefore signed, in March 2016, two deferred start swaps that became effective as from 2 October 2017 onwards for notional amounts of respectively € 82 million and € 57 million, which will be entirely amortised by mid-May 2021. Both swaps have been designated as hedging instruments for the cash flow risks resulting from floating rate bank borrowings. The effectiveness of the hedge has been documented and hedge accounting is applied.

See note 4.2.7. for more information about the accounting for the swaps.

Borrowing cost

€ 000	2018	2017
Interest expenses	-2,369	-4,591
Commitment fee	-32	-120
Amortisation of debt restructuring costs	-	-393
Change of the clean price of an IRS not designated as hedging instrument (note 4.2.7.)	837	850
Non-effective portion of the hedging IRS (note 4.2.7.)	8	-27
Reclassification adjustments (note 4.2.7.)	-586	-837
Other expenses	-2	-
Total	**-2,144**	**-5,118**

Interest expenses on bank borrowings have moved from € 4,591k in 2017 to € 2,369k in 2018, reflecting the decrease of the average outstanding debt from € 206 million in 2017 to € 157 million in 2018. Thanks to continued favourable market conditions and an active debt management, the average borrowing cost remained stable in 2018 and approximates 1.51% (2.23% in 2017). Interest rates on floating rate borrowings as at December 31, 2018 range between 0.00% and 0.33%.

Commitment fees on the non-utilised part of confirmed credit lines amounted to € 32k in 2018 (€ 120k in 2017). The fee amounts to 0.28% at 31 December 2018.

4.2.7. Derivatives

€ 000	IRS designated as hedging instrument		IRS not designated as hedging instrument		Total IRS	
31 December	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**
Notional amounts	**139,000**	**139,000**	**5,000**	**55,000**	**144,000**	**194,000**
Full fair value	**-709**	**-870**	**-180**	**-2,123**	**-889**	**-2,993**
Non-current	-318	-532	-	-209	-318	-741
Current	-391	-338	-180	-1,914	-571	-2,252
Accrued interest	**-74**	**-75**	**-113**	**-1,219**	**-187**	**-1,294**
Payable	-74	-75	-113	-1,219	-187	-1,294
Receivable	-	-				
Clean price	**-635**	**-795**	**-67**	**-904**	**-702**	**-1,699**
Clean price, prior year end	-795		-904		-1,699	
Gain/loss(-) during the period, after tax	**160**		**837**		**997**	
Reported in profit or loss	**8**		**251**		**259**	
Gain/loss(-) during the period	8		837		937	
Reclassification adjustment	-		-586		-586	
Reported in other comprehensive income	**152**		**586**		**738**	
Gain/loss(-) during the period	152		-		152	
Reclassification adjustment	-		586		586	

As at December 31, 2018, the derivatives as per the accounting records of the Company, consisted of three interest rate swaps (receive floating, pay fix) that were entered into in order to hedge the cash flow risk resulting from floating rate bank borrowings. The outstanding notional amounts of these swaps as at December 31, 2018 are respectively € 82 million, € 57 million and € 5 million.

Swap accounting-wise not designated as hedging instrument – For the initial swap of € 55 million, hedge accounting has been discontinued starting January, 1 2015. Accordingly, all changes in fair value of this swap are recorded in profit or loss. An amount of € 850k has been accounted for in 2017 as a profit (credit to borrowing cost).

The cumulated balance of the clean price as at 1 January 2015 (€ -6,452k) is reclassified from equity to profit or loss (borrowing cost). The portion corresponding to cash flows that are no longer expected to occur (over-hedging) has been immediately charged to profit or loss of the first half of 2015. The remaining balance (€ -5,534k) is reclassified over the remaining lifetime of the swap (until mid 2018) based on the time weighted notional amounts. The amount reclassified during financial year 2018 amounts to € 586k.

The € 50 million reduction of the notional swap non-designated as a hedging instrument complies with the depreciation table foreseen in the contract.

€ 000	31/12/2018	31/12/2017	Variation
Notional amount	5,000	55.000	-50,000
Full fair value	-180	-2.123	1,943
Accrued interest	-113	-1.219	1,106
Clean price	-67	-904	837

Swaps designated as hedging instruments accounting-wise – It relates to two interest rate swaps with a deferred start at 2 October 2017 for notional amounts of respectively € 82 million and € 57 million. Hedge accounting is applied. Changes in fair value of the swaps (€ 160k) are recorded in other comprehensive income, except for an amount of € 8k corresponding to the ineffective portion of the hedge.

4.2.8. Other creditors

€ 000 31 December	2018	2017
Suppliers and invoices to receive	-104	-80
Non-collected dividends from prior years	-432	-436
Total	**-536**	**-516**

The provision for non-collected dividends from prior years has been re-estimated on the basis of the principles set out by the *Commission des Normes Comptables* in its advice 2016/12 related to prescribed liabilities and on the basis of a legal analysis of the applicable prescription rules.

4.3. Income taxes

4.3.1. Deferred tax assets and liabilities

€ 000	Total		Recognised		Unrecognised	
31 December	2018	2017	2018	2017	2018	2017
Derivatives	176	502	-	-	176	502
Unused tax credits	34,814	39,648	-	-	34,814	39,648
Deferred tax assets	**34,990**	**40,123**	**-**	**-**	**34,990**	**40,123**

IAS 12 restricts the recognition of deferred tax assets to the extent that it is probable that taxable profit will be available against which the underlying deductible temporary differences can be utilised. It is 'probable' that there will be sufficient taxable profit if a deferred tax asset can be offset against a deferred tax liability, which will reverse in the same period as the asset, or in a period into which a loss arising from the asset may be carried forward. The deferred tax asset arising from unused tax credits from tax exempt dividends is not recognised, as there is no convincing evidence that sufficient taxable profit will be available against which the unused tax credits can be utilised by the Company. The tax credits do not have a fixed expiry date.

4.3.2. Relationship between tax expense and accounting profit

€ 000	2018	2017
Profit before tax	285,156	266,174
Theoretical income tax rate	29,58%	33.99%
Theoretical income tax	-84,349	-90,473
Reported income tax	-	19,760
Difference between theoretical and reported income tax	**-84,349**	**-110,233**
Dividend	-23,762	-26,610
Share of the profit of UCB	85,264	92,532
Tax exempt dividend*	22,770	24,707
Impact of tax reform on UCB reserves	-	19,464
Amortisation of debt restructuring cost	-	133
Net profit on derivatives	77	-293
Others	-	-300
Total effects of difference between theoretical and reported tax	**84, 349**	**110,233**

*limited to the statutory profit of the Company

4.4. General and administrative expenses

€ 000	2018	2017
Directors' remuneration	341	337
Attendance fee	65	46
General manager remuneration	96	173
Statutory auditors' fee	12	11
Service providers		
- Bookkeeping	84	44
- Advise (legal, tax, social, financial, insurance)	73	79
- Notary public	3	
- Paying agent	10	
Contributions		
- Euronext	51	48
- Euroclear	15	15
- FSMA	57	59
- Others	3	15
Services		
- Financial publicity	44	34
- Insurance	33	33
- Board portal	15	9
- Training		
Miscellaneous (post, bank, office supplies, travel, …)	29	12
Gift	20	25
VAT		
Total	**951**	**940**

4.5. Earnings per share

As there are no instruments with potential dilutive effect, basic and dilutive earnings per share are the same. They are calculated by dividing the profit by the weighted average number of shares in issue during the year. Throughout the financial year 2018, the number of subscribed shares still amounts to 44,548,598. The weighted average amount of shares circulating throughout financial year 2018 is slightly different in spite of the acquisition of 36.000 own shares and amounts to 44.545.598 shares.

Within the framework of the autorization from the extraordinary general meeting (held on April 25th 2018), the Board of Directors of Financière de Tubize has acquired, on the 26th of November 2018, 36.000 own shares at a price of €59 per share, adding up to 0.081% of shares representing the firm's capital. The Board of Directors has deemed the acquisition of such shares, transaction that occurred outside of the regulated market, to be an interesting opportunity considering the offered price. The Board of Directors then decided, on the 14th of December 2018, to proceed to the cancellation of the 36.000 own shares the firm owned. The shares have been cancelled on January 30th 2019. Therefore, the firm does no longer own "own shares" and the amount of shares representing the firm's capital is reduced from 44,548,598 shares to 44,512,598.

4.6. Dividends

In respect of the accounting year 2018, a proposal to pay a gross dividend of € 0.56 per share, or a total amount of € 24,9 million, will be submitted for approval to the shareholders meeting of 24 April 2019. In accordance with IAS 10, the proposed dividend has not been recognised as a liability at year-end.

4.7. Capital management

For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves disclosed in the statement of changes in equity.

The issued share capital of the Company amounts to € 235 million and is fully paid up. The share premium reserve amounts to 1,225k. The share capital at 31 December 2018 is represented by 44,548,598 shares, unchanged compared to 31 December 2017. The number of registered shares was 33,751,038 at 31 December 2018; the remainder of the shares are de-materialised. The holders of the shares are entitled to receive dividends as declared. They have one vote per share at the shareholders meeting. Included in the total number of shares are zero shares that represent a reserve for exchanging against attribution rights, both issued or in reserve for issue; these reserve shares do not give right to dividend or voting.

The Company manages its capital structure in light of its participating interest in UCB and its indebtedness. The Company's capital management aims to ensure that it meets all financial covenants. Breaches in meeting the financial covenants would permit the bank to immediately call its borrowings. There have been no breaches in the financial covenants during the financial years ended 31 December 2018 and 2017. See also note 4.2.6. for more information on the nature and the calculation of the covenants.

4.8. Related parties' transactions

Shareholders

On the basis of the transparency and leaders' declarations notified to the Company, the shareholders structure at 31 December 2018 can be summarised as follows:

	In concert		Outside concert		Total	
	Number	**%**	**Number**	**%**	**Number**	**%**
Financière Eric Janssen SPRL	8,525,014	19.14%	1,988,800	4.46%	10,513,814	23.60%
Daniel Janssen	5,881,677	13.20%	-	-	5,881,677	13.20%
Altaï Invest SA	4,969,795	11.16%	26,468	0.06%	4,996,263	11.22%
Barnfin SA	3,903,835	8.76%	-	-	3,903,835	8.76%
Jean van Rijckevorsel	11,744	0.03%	-	-	11,744	0.03%
Total voting rights held by the reference shareholders	***23,292,065***	***52.29%***	***2,015,268***	***4.52%***	***25,307,303***	***56.81%***
Other shareholders	-	-	19,241,265	43.19%	19,241,265	43.19%
Total voting rights	**23,292,065**	**52.29%**	**21,256,533**	**47.71%**	**44,548,598**	**100.00%**

Altaï Invest is controlled by Evelyn du Monceau. Barnfin is controlled by Bridget van Rijckevorsel.

The reference shareholders act in concert. The terms of the concert are laid down in a shareholders agreement. The key elements of this agreement can be summarised as follows:

- The objective of the concert is to ensure, through Financière de Tubize, the stability of the shareholder structure of UCB in view of the long-term industrial development of the latter. In this perspective, it aims at preserving the predominance of the family shareholder structure of Financière de Tubize.
- The parties to the concert consult with each other about the decisions to be taken at the general meeting of Financière de Tubize, and try, to the extent possible, to reach a consensus. They ensure that they are properly represented at the board of directors of Financière de Tubize. Within this board and through their representatives at the board of directors of UCB, they consult with each other about the significant strategic decisions concerning UCB, and try, to the extent possible, to reach a consensus.
- The parties inform each other prior to any project of significant acquisition or sale of shares of Financière de Tubize; pre-emption rights and tag along are also in place within the family.

The reference shareholders and the persons closely related to them have no direct or indirect relationships with the Company other than those resulting from their capacity as shareholder or, when applicable, their representation in the board of directors.

Directors

The short-term benefits attributed to the directors (10 directors and the general manager) amount to € 485k in total for the financial year 2018. The directors did not benefit from any other type of remuneration during the year 2018.

UCB

In 2018, the Company has received a dividend from UCB in relation to accounting year 2017 for a total amount of € 80,331k. There have been no other transactions with UCB during the year 2018.

Commissaires

Auditor

In 2018, the auditor fees amount to € 13,3k, to breakdown between the audit engagement (€ 12,1k) and the other missions (€ 1,2k).

Company Number: BE 0403.216.429

STATUTORY AUDITOR'S REPORT TO THE GENERAL SHAREHOLDERS' MEETING OF FINANCIERE DE TUBIZE SA/NV ON THE EU-IFRS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2018

In the context of the statutory audit of the EU-IFRS financial statements of your company, we hereby submit our statutory audit report to you. This report includes our report on the EU-IFRS financial statements together with our report on other legal and regulatory requirements. These two reports are considered as one report and are inseparable.

We were appointed in our capacity as statutory auditor by the shareholders' meeting of 25 April 2018 in accordance with the proposal of the Board of Directors. Our mandate will expire on the date of the shareholders' meeting deliberating on the financial statements for the year ending 31 December 2020. We have performed the statutory audit of the financial statements of the company Financière de Tubize for more than 25 subsequent years.

Report on the EU-IFRS financial statements

Unqualified opinion

We have audited the EU-IFRS financial statements of the company Financière de Tubize (the "company") which comprise the statement of financial position as at 31 December 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year ended 31 December 2018, and the accounting policies and other related notes, which show a statement of financial position total of K€ 2.483.601 and of which the statement of profit or loss shows a profit for the year of K€ 285.156.

In our opinion, the EU-IFRS financial statements give a true and fair view of the company's equity and financial position as at 31 December 2018 and of its results and its cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Responsibilities of the statutory auditor for the audit of the EU-IFRS financial statements" section of our report. We have complied with all ethical requirements relevant to the statutory audit of EU-IFRS financial statements in Belgium, including those regarding independence.

We have obtained from the Board of Directors and the company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Mazars Réviseurs d'Entreprises - Bedrijfsrevisoren
Avenue Marcel Thirylaan 77 B4, 1200 Bruxelles / Brussel

Société Civile sous forme de Société Coopérative à Responsabilité Limitée
Burgerlijke Vennootschap onder de vorm van een Cooperatieve Vennootschap met Beperkte Aansprakelijkheid

Tél.: +32 (0)2 779 02 02 - Fax: +32 (0)2 779 03 33 - www.mazars.be - info@mazars.be
TVA / BTW : BE 0428.837.889 - RPM Bruxelles / RPR Brussel - Banque / Bank : BIC BBRUBEBB - IBAN BE44 3630 5388 4045

Company Number: BE 0403.216.429

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the EU-IFRS financial statements of the current period. These matters were addressed in the context of our audit of the EU-IFRS financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of financial investments

Reference to the notes to the EU-IFRS financial statements: 3.2, 4.1

Description of the key audit matter

The sole activity of Financière de Tubize is the holding of a stake in the listed company UCB SA (ISIN: BE0003739530). At the closing date, the company holds 35% of the total shares issued by UCB for an amount of K€ 1.717.992 in the statutory accounts and, through the application of the equity method, for an amount of K€ K€ 2.481.939 in the EU- IFRS financial statements, ie respectively 99,91% and 99,93% of the total balance sheet. The valuation of this asset is a determining factor in the issuing of this opinion given its relative importance both on the company's results and on its total balance sheet.

How the matter was addressed in the audit

Our audit work consisted primarily in evaluating the compliance of the accounting treatment of any movements (purchases / sales, dividends) of UCB securities over the period in relation to the applicable accounting framework and assessing the valuation of the investment by comparing it with the various internal and external available data.

Financing operations

Reference to the notes to the EU-IFRS financial statements: 3.2, 4.2

Description of the key audit matter

In the course of its business, the company has contracted bank borrowings, with a fixed rate or variable rate and subject to bank covenants. In order to hedge its exposure to interest rate risk resulting from variable rate borrowings, the Company has also contracted several derivative financial instruments to hedge this risk. The treatment and valuation of these instruments are the subject of particular attention at each closing date, in view of the related technical aspects.

How the matter was addressed in the audit

We assessed the compliance of the accounting treatment of financing transactions with the applicable financial reporting framework. We reviewed the internal and external documentation obtained as part of our audit procedures, in particular with respect to the banks covenants, the treatment of derivatives and the ability of the company to meet its repayment obligations. As regards more specifically our work relating to derivatives, we assessed compliance with the EMIR provisions for listed companies as well as the assumptions used in the accounting treatment of hedging transactions. We also assessed the quality of the information included in the notes to the EU-IFRS financial statements.

Company Number: BE 0403.216.429

Responsibility of the Board of Directors for the preparation of the EU-IFRS financial statements

The Board of Directors is responsible for the preparation and fair presentation of the EU-IFRS financial statements in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of EU-IFRS financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the EU-IFRS financial statements, the Board of Directors is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Board of Directors either intends to liquidate the company or to cease business operations, or has no realistic alternative but to do so.

Responsibilities of the statutory auditor for the audit of the EU-IFRS financial statements

Our objectives are to obtain reasonable assurance about whether the EU-IFRS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these EU-IFRS financial statements.

As part of an audit, in accordance with ISAs, we exercise professional judgment and we maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the EU-IFRS financial statements, whether due to fraud or error, design and perform audit procedures responsive to these risks and obtain audit evidence which is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatement resulting from fraud is higher than one resulting from error, as fraud may Involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit 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 company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of the accounting estimates and related disclosures made by the Board of Directors ;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the EU-IFRS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of the statutory auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the EU-IFRS financial statements, and whether these EU-IFRS financial statements reflect the underlying transactions and events in a true and fair view.

Based on the exemption set out in article 526bis §3 of the Companies Code, the functions assigned to the audit committee are exercised by the Board of Directors in its entirety. We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our statutory auditor's report, unless law or regulation precludes public disclosure of the matter.

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Report on other legal and regulatory requirements

Responsibilities of the Board of Directors

The Board of Directors is responsible for the preparation and the content of the Director's report.

Responsibilities of the statutory auditor

In the context of our mandate and in accordance with the Belgian standard (Revised) which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, the Directors' report and to report any matters.

Aspects relating to the Directors' report

In our opinion, after carrying out specific procedures on Directors' report. the Directors' report is consistent with the EU-IFRS financial statements and has been prepared in accordance with articles 95 and 96 of the Companies Code.

In the context of our audit of the EU-IFRS financial statements, we are also responsible to consider whether, based on the information that we became aware of during the performance of our audit, the Directors' report contains any material inconsistencies or contains Information that is inaccurate or otherwise misleading. In light of the work performed, we do not need to report any material inconsistencies.

Company Number: BE 0403.216.429

Statement relating to independence

- We have not carried out any assignments that were incompatible with the statutory audit of the EU-IFRS financial statements, and we remained independent vis-à-vis the company throughout our assignment.

Other communications

- This report conforms to the content of our additional report to the the Board of Directors as referred to in Article 11 of Regulation (EU) No. 537/2014.

Brussels, 27 February 2019

MAZARS RÉVISEURS D'ENTREPRISES SCRL
Statutory
auditor
represent
ed by

Xavier DOYEN