Financière de Tubize
Annual financial report
31 December 2016

FINANCIÈRE DE TUBIZE SA/NV
ALLÉE DE LA RECHERCHE 60, 1070 BRUSSELS (BELGIUM)
COMPANY NUMBER: BE 0403 216 429
WWW.FINANCIERE-TUBIZE.BE
CONTACT : MARC.VAN.STEENVOORT@GMAIL.COM

Financière de Tubize SA/NV
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
Charlofin NV, represented by Karel Boone	Member
Cyril Janssen	Member
Arnoud de Pret	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

Statutory auditor
Mazars Réviseurs d'Entreprises / Bedrijfsrevisoren
represented by Xavier Doyen

Day-to-day management
Marc Van Steenvoort

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, 22 February 2017

The board of directors

François Tesch	Evelyn du Monceau
Chairman 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 2016 and to account 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. The Company holds and manages a participating interest in UCB consisting of 68,076,981 shares issued by UCB, a biopharmaceutical company whose securities are also traded on Euronext Brussels. The participation of Tubize represents 35.00% of all shares issued by UCB. Furthermore, the Company acts in concert with Schwarz Vermögensverwaltung GmbH & Co KG, that holds, within the concert, 2,021,404 UCB shares, representing 1.04% of the total number of UCB shares.

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 3 and 5 years preceding 31 December 2016, the share price of Financière de Tubize has performed significantly better than the BEL-20 and the Euronext 100 indices.

Evolution of the share price

	Periods preceding 31 December 2016	
	3 years	5 years
Financière de Tubize	+26%	+144%
BEL20	+23%	+73%
Euronext 100	+15%	+58%

1.2. Significant events that occurred during the financial year 2016

Dividends – Tubize has received the dividend from UCB in relation to financial year 2015 (€ 74,885k) and has paid to its shareholders its own dividend in relation to financial year 2015 (€ 22,272k).

Debt - Bank debt exposure has moved from € 286.3 million at 31 December 2015 to € 241.0 million at 31 December 2016, a decrease with € 45.3 million.

Cash flow risk management – A portion of the participation in UCB is financed by bank borrowings (€ 241 million at 31 December 2016). The majority of these borrowings (€ 181 million) 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 has decided to hedge its entire floating rate debt as from 2 October 2017 onwards. To that objective, the Company has concluded, in March 2016, two deferred start interest rate swaps which will become effective on 2 October 2017, for notional amounts of € 82 million and € 57 million respectively, which will completely amortise 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 4.2.6. of the EU-IFRS 31 December 2016 financial statements provides further details about the accounting for the swaps.

Bridge loan – In November 2016, the Company has 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.

Adjustment of the provision for non-collected dividends – The provision for attributed but not yet collected dividends in relation to previous years, has been re-measured on the basis of the accounting principles set out by the *Commission des Normes Comptables* in its advice 2016/12 of 15 June 2016 concerning prescribed debts and on the basis of a legal analysis of the applicable prescription periods for the different types of coupons. On the basis of these analyses it was concluded that the provision was overstated with € 303k. The adjustment of the provision (decrease of € 303k) has been recorded as a non-recurrent financial income of the second half of 2016.

1.3. Results

The profit moves from € 63,116k in 2015 to € 69,044k in 2016, an increase of € 5,928k or 9.39%.

The condensed profit or loss account looks as follows:

€ 000	2016	2015
Dividend from UCB	74,885	70,352
Financial income	303	1
Cost of borrowing	-5.445	-6,642
Other financial expenses	-24	-3
General expenses	-674	-592
Profit of the year before tax	69,044	63,116
Income taxes	-	-
Profit of the year	**69,044**	**63,116**

The dividend received from UCB in 2016 in relation to financial year 2015, amounts to € 74,885k (gross dividend of € 1.10 per share) against € 70,352k (€ 1.06 per share) for the prior year.

Financial income of 2016 has a non-recurrent character and results from the re-measurement of the provision of non-collected dividends (see 1.2.).

The cost of bank borrowings moves from € 6,642k in 2015 to € 5,445k in 2016, notwithstanding the increase of the average outstanding debt from € 172 million in 2015 to € 256 million in 2016, resulting from the purchase programme of UCB shares at the end of 2015. Favourable market conditions and an active management of the debt have enabled the decrease of the average borrowing cost from 3.65% in 2015 to 2.11% in 2016. Furthermore, commitment fees on the non-utilised part of confirmed credit lines have decreased as a result of a better utilisation of these lines during 2016.

Other financial expenses of 2016 include a provision of € 22k for ineffectiveness of hedge accounting according to the Belgian accounting rules on the subject.

General expenses move from € 592k in 2015 to € 674k in 2016. The 2015 number has been favourably influenced by the recovery of € 67k expenses related to previous years.

Following the application of the system of tax credits for dividends received in accordance with Belgian tax rules, no corporate income taxes are due. The objective of the tax credit system is to avoid multiple taxation of dividends received from companies; the profits distributed by the company that pays the dividend (UCB) are included in the taxable basis, whereas 95% of the amounts of dividends received by the beneficiary company (Tubize) is deductible from the taxable basis.

1.4. Financial position

The condensed balance sheet looks as follows:

€ 000	31/12/2016	31/12/2015
Participation in UCB	1,717,992	1,717,992
Current investments and cash at bank and in hand	662	565
Other assets	27	46
Total assets	**1,718,681**	**1,718,603**
Equity	1,452,770	1,406,892
Bank borrowings	241,000	286,328
Other liabilities	24,911	25,383
Total equity and liabilities	**1,718,681**	**1,718,603**

Participating 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 € 60.91 at 31 December 2016 (€ 83.23 at 31 December 2015) against an average acquisition value of € 25.24.

Equity

Equity moves from € 1,406,892k at 31 December 2015 to € 1,452,770k at 31 December 2016. This increase of € 45,878k stems from the profit of the year (€ 69,044k), partially compensated by the dividend payable in relation to financial year 2016 (€ 23,165k).

The market capitalisation of Tubize amounts to € 2,642,623k at 31 December 2016 (44,548,598 shares at € 59.32) against € 3,030,641k at 31 December 2015 (44,548,598 shares at € 68.03).

The solvency ratio (equity as a percentage of total assets) has increased from 81.86% at 31 December 2015 to 84.53% at 31 December 2016. The ratio is very strong and largely exceeds the minimum threshold of 70% that has been agreed with the banks.

Bank borrowings

The outstanding bank debt has decreased from € 286,328k at 31 December 2015 to € 241,000k at 31 December 2016. The changes during the year 2016 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 slightly increased from 5.05% at 31 December 2015 to 5.81% at 31 December 2016, but is still very low and largely under the maximum threshold of 30% agreed with the banks.

1.5. Dividend

In May 2016, the Company has received the dividend from UCB related to financial year 2015 (€ 74,885k) and paid its own dividend related to financial year 2015 (€ 22,272k).

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 2016, to distribute a gross dividend of € 0.52 per share, an increase of 4.00% compared to the preceding year. For this purpose, a total amount of € 23,165k has been recorded as a liability in the annual accounts as at 31 December 2016.

If the general meeting of 26 April 2017 approves the 2016 annual accounts and the proposed result appropriation, the dividend will be paid as from 5 May 2017 onwards at the offices, seats and branches of BNP Paribas Fortis, in exchange of coupon n° 12.

Coupon n° 12	Dates
Ex-coupon	3 May 2017
Record	4 May 2017
Payment	5 May 2017

1.6. 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	2016	2015
Profit BE GAAP	**69,044**	**63,116**
Elimination of received dividend from UCB	-74,885	-70,352
Share of the profit of UCB	187,423	219,768
Amortisation, after tax effect, of 2009 debt restructuring costs	-859	-859
Changes in deferred taxes on non-distributed reserves of UCB SA/NV	364	1,269
Ineffectiveness hedge accounting	13	-
Reclassification adjustments, after tax effect, related to derivatives	-1,076	-2,244
Re-measurement of fair value of derivatives	1,162	1,828
Profit EU-IFRS	**181,186**	**212,526**
Cash flow hedge	-839	255
Reclassification adjustments, after tax effect, related to derivatives	1,076	2,244
Share of other comprehensive income of UCB	-51,990	138,094
Comprehensive income EU-IFRS	**129,433**	**353,119**

€ 000	2016	2015
Paid dividend	-22,274	-21,383
Repurchase of own shares	-	-3,435
Share of the other changes of net assets of UCB[1]	-92,618	-50,287
Impact of changes in the percentage of the participation in UCB	-4,300	47,424
Changes in EU-IFRS equity	**10,241**	**325,438**
EU-IFRS equity beginning of the period	1,947,314	1,621,876
EU-IFRS equity end of period	1,957,555	1,947,314
Changes in EU-IFRS equity	**10,241**	**325,438**

1.7. Key figures for 5 year

	2016	2015	2014	2013	2012
Participation in UCB at 31/12					
Number of UCB shares held by Tubize	68,076,981	68,076,981	66,370,000	66,370,000	66,370,000
% of total shares issued by UCB	35.00	35.00	34.12	36.18	36.20
Acquisition value (€ 000)	1,717,992	1,717,992	1,580,240	1,580,240	1,580,240
Equity method value (€ 000)	2,222,130	2,258,543	1,835,036	1,749,576	1,785,198
Fair value (€ 000)	4,146,569	5,666,047	4,194,584	3,593,272	2,868,511
Total assets at 31/12 (€ 000)					
BE GAAP	1,718,681	1,718,604	1,580,628	1,580,745	1,581,040
EU-IFRS	2,222,819	2,259,155	1,835,424	1,746,424	1,785,998
Equity at 31/12 (€ 000)					
BE GAAP	1,452,770	1,406,892	1,369,456	1,331,135	1,295,864
EU-IFRS	1,957,555	1,947,314	1,621,876	1,496,850	1,492,466
Bank borrowings at 31/12 (€ 000)	241,000	286,328	187,000	226,000	261,000
Balance sheet structure at 31/12 (%)					
Solvency[2]	84,53	81.86	86.64	84.21	81.96
Indebtedness[3]	5,81	5.05	4.46	6.29	9.10
Profit (€ 000)					
BE GAAP	69,044	63,116	59,733	56,683	54,177
EU-IFRS	181,186	212,526	60,845	61,706	77,812
Gross dividend per share (€)	0;52	0.50	0.48	0.48	0.48
Share price(€)					
Minimum	50.58	49.00	45.75	31.80	22.37
Maximum	68,00	70.70	63.00	47.59	35.07
At 31/12	59,32	68.03	52.59	47.10	32.26
Number of shares	44,548,598	44,548,598	44,608,831	44,608,831	44,608,831
Market capitalisation at 31/12 (€ 000)	2,642,623	3,030,641	2,345,978	2,101,076	1,439,081
Daily average volume at Euronext Brussels (number of shares)	7,625	12,231	11,716	10,344	15,409

1.8. 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.

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.

Interest rate risk – Tubize is exposed to interest rate risk from fixed rate bank borrowings. The board monitors this risk through periodic calculations of the fair value of these borrowings.

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.

[1] 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 debt as a percentage of the market value of the participation in UCB

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

Compliance risk stems from non-compliance with applicable laws and regulations. The board relies 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

No significant events, specific to Financière de Tubize, have occurred subsequent to the closing of the accounting year.

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

Articles 523, §1 and §3, and 524ter – During the accounting year 2016, 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 2016, 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.

Articles 624 and 630 – The Company does not hold own shares. Furthermore, the Company has not pledged its own shares.

8. Financial instruments

The main financial instruments to which he Company is a party, are bank borrowings and interest rate swaps. All the relevant information concerning these instruments is included in the notes 4.2.6 and 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 Corporate Governance Code. He is competent with respect to accounting and auditing matters.

10. Corporate governance statement

10.1. Reference code

Financière de Tubize adopts the 2009 Belgian Code on Corporate Governance (the 'Code') as its reference code. This Code can be consulted on the site 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. In composing the board, several elements are taken into consideration such as compliance with the legal requirements and the recommendations of the Code, but also the representation of the reference shareholders, the complementarity of expertise and competences, the diversity of functions, the transition from one generation to another, the size of the board, gender, independence, motivation, personal qualities, availability, …
- The Board does not have any specialised committees (audit committee, appointment committee or remuneration committee). Given its limited size the Company is exempt from the obligation to install an audit committee and a remuneration committee. The functions assigned to those committees are

exercised by the board in its entirety. The board is of the opinion that the same practice can also be applied in respect of 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 procedures are selected on the basis of the pertinent legal requirements, the principles of the 2009 Belgian corporate governance code, the guidelines of the Corporate Governance Commission and the 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 corporate governance code, 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.

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

See section 1.8. of the present report.

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 done 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 bookkeeping data are processed by the software Exact Online and 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 accounts are prepared by the general manager on the basis of the model made available in Word by the Central Balance Sheet Office. The IFRS adjustments and the equity accounting are processed by the software SIGMA. For the notes, the general manager makes use of disclosure checklists of the 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.

10.4. Transparency information

10.4.1. Shareholders 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:

31 December 2016	**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%
Altai Invest SA	4,969,795	11.16%	11,500	0.03%	4,981,295	11.18%
Barnfin SA	3,899,833	8.75%	-	-	3,899,833	8.75%
Jean van Rijckevorsel	7,744	0.02%	-	-	7,744	0.02%
Total voting rights held by the concert	***23,284,063***	***52.27%***	***2,000,300***	***4.49%***	***25,284,363***	***56.76%***
Other shareholders	-	-	19,264,235	43.24%	19,264,235	43.24%
Total voting rights	**23,284,063**	**52.27%**	**21,264,535**	**47.73%**	**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 key elements of the concert, see section 10.4.7.

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. 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 24:00h Belgian time (being Wednesday 12 April 2017, 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 20 April 2017).

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 3/4th 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 general shareholders meeting of 24 April 2013 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. To avoid serious and imminent damage to the Company, the general shareholders meeting of 27 April 2016 has further authorised the board of directors to acquire shares of the Company 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.

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.

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 the 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 2016 of respectively € 40 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 of the board of directors

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).

Name	Function	Independent[4]	Executive[5]	Mandate[6]
François Tesch	Chairman	Yes	No	2016-20
Charlofin NV, represented by Karel Boone	Director	Yes	No	2014-18
Arnoud de Pret	Director	No	No	2014-18
Cyril Janssen	Director	No	No	2015-19
Charles-Antoine Janssen	Director	No	No	2015-19
Nicolas Janssen	Director	No	No	2014-18
Evelyn du Monceau	Director	No	No	2015-19
Fiona de Hemptinne	Director	No	No	2014-18
Cédric van Rijckevorsel	Director	No	No	2013-17
Cynthia Favre d'Echallens	Director	No	No	2014-18

At the ordinary general meeting of 26 April 2017, Karel Boone will have reached the age limit. His company Charlofin SA will give up its mandate as from that date onwards.

Propositions will be made to the same general meeting to appoint SA Vauban, represented by Gaëtan Hannecart, as new independent member, and to renew the mandate of Cédric van Rijckevorsel. These two mandates will have a term of 4 years and expire at the ordinary general meeting of 2021.

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 2016 the board has met five times. The individual attendance rates of the directors is summarized in the table hereafter:

Name	Attendance
François Tesch	80%
Charlofin NV, represented by Karel Boone	80%
Arnoud de Pret	100%
Cyril Janssen	100%

[4] Independent according to article 526ter of the Company Code and Appendix A of the 2009 Corporate Governance Code; 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

Name	Attendance
Charles-Antoine Janssen	100%
Nicolas Janssen	80%
Evelyn du Monceau	100%
Fiona de Hemptinne	100%
Cédric van Rijckevorsel	100%
Cynthia Favre d'Echallens	100%

Amongst the key agenda items of the board meetings during 2016, one could mention: the follow up on the performance of UCB, the financial reports (31 December 2015 and 30 June 2016), the preparation of the ordinary and extraordinary general meetings of 2016, the 2017 budget, the change of the articles of association, several aspects of the functioning of the board (search of a new independent director, remunerations, 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 2016 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 of Tubize or of general manager of Tubize.

During its session of 17 December 2015, the board of directors has assessed the operating effectiveness of its functioning. The board concluded that its functioning is effective. Punctual actions have been approved in response to the recommendations for further improvement. Next evaluation will take place in 2017.

10.6. Gender diversity within the board of directors

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 not be effective for Tubize until the accounting year 2019. The current composition of the board with 7 male and 3 female members already complies with the legal requirement.

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 install 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 general shareholders meeting of 26 April 2017 will be called to approve the proposition to increase the fixed fees of the directors as from 2017 onwards and to attribute an attendance fee which is function of attendance at the board meetings.

The fixed fee of the chairman of the board of directors is twice the fee of a director.

The service 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 non-executive directors

The fixed fee for the directors amounts to € 10,000 per person for the accounting year 2016. The fixed fee for the chairman of the board of directors amounts to € 20,000.

The general meeting of shareholders of 26 April 2017 will be called to approve the proposition to fix, as from accounting year 2017 onwards, the fee of the directors at € 30,000 per person per year and the fee of the chairman of the board of directors at € 60,000 per year. 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 remunerations of Tubize were no longer aligned with the ever more demanding requirements of good governance and the ongoing professionalization of the director's function. It was therefore necessary to increase the remunerations to be able to continue to recruit high profile candidates.

The general shareholders meeting of 26 April 2017 will further be called to approve the proposition to attribute, as from accounting year 2017 onwards, an attendance fee of € 1,000 per person for each meeting of the board attended by the directors, including the chairman of the board of directors.

10.7.4. Remuneration of executives in their capacity of director

The general manager is the only executive of the Company. He is not a member of the board of directors.

10.7.5. Performance related remuneration of the general manager

The general manager does not receive any remuneration that is linked to the performance of Tubize or UCB.

10.7.6. Breakdown of the remuneration and other benefits granted to the general manager

Management fees granted to Marc Van Steenvoort (MVS) for accounting year 2016 amount to € 166k (exclusive of VAT), of which an amount of € 20k (exclusive of VAT) has been paid by MVS for subcontracted bookkeeping services.

10.7.7. Breakdown of the remuneration and other benefits granted to other executives

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

10.7.8. Shares granted to the general manager

The general manager does not receive shares, share options or any other rights to acquire shares of Tubize.

10.7.9. Severance pay clauses with respect to the general manager

The service agreement between the Company and the general manager, foresees that the latter is entitled to an indemnity equal to a quarterly remuneration when the Company terminates the agreement in case the general manager is no longer capable to fully exercise his missions for reasons of illness. The indemnity will be determined based on the average remuneration invoiced by the general manager to the Company and paid by the latter with respect to the four quarters preceding the termination of the agreement.

10.7.10. Severance pay to the general manager

No severance pay has been granted in 2016.

10.7.11. Recovery of variable remuneration granted to the general manager based on erroneous financial information

This section is not applicable, as the remuneration of the general manager does not contain variable components.

Brussels, 22 February 2017

The board of directors

François Tesch Chairman of the board of directors	Evelyn du Monceau Member of the board of directors

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

ANNUAL ACCOUNTS

The 31 December 2016 annual accounts of Financière de Tubize have been established by a resolution of the board of directors of 22 February 2017 and will be submitted for approval by the general shareholders.

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

ANNUAL ACCOUNTS

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*

Website address[1]: *http://www.financière-tubize.be*

Company identification number *BE 0403.216.429*

DATE *10 / 05 / 2016* 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 IN EUROS

for approval by the general meeting of *26 / 04 / 2017*

Regarding the financial year from *01 / 01 / 2016* to *31 / 12 / 2016*

Preceding financial year from *01 / 01 / 2015* to *31 / 12 / 2015*

The amounts for the preceding period are identical to the ones previously published.

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, 6.4.3, 6.5.2, 6.8, 6.18.

François TESCH
Chairman of the board of directors

Evelyn DU MONCEAU
Member of the board of directors

LIST OF DIRECTORS AND AUDITORS AND DECLARATION REGARDING A COMPLIMENTARY REVIEW OR CORRECTION ASSIGNMENT

LIST OF THE DIRECTORS 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*
CHARLOFIN NV *Nr.: BE 0480.726.753* *Boslaan 2C, 8300 Knokke-Heist, Belgium* *Represented by:* *Karel BOONE* *Boslaan 2C, 8300 Knokke-Heist, Belgium*	*Member of the board of directors*
Arnoud DE PRET *Château de Durnal, Rue de Mianoye 36, 5530 Yvoir, Belgium*	*Member of the board of directors*
Cyril JANSSEN *Rue des Mélèzes 29, 1050 Ixelles, Belgium*	*Member of the board of directors*
Charles-Antoine JANSSEN *Claire Colline, Chaussée de Bruxelles 110, 1310 La Hulpe, Belgium*	*Member of the board of directors*
Nicolas JANSSEN *Avenue Ernest Solvay 110, 1310 La Hulpe, Belgium*	*Member of the board of directors*
Evelyn DU MONCEAU *Avenue des Fleurs 14, 1150 Woluwe-Saint-Pierre, Belgium*	*Member of the board of directors*
Fiona DE HEMPTINNE *Fairlawn Grove 20, W4 5EH London, United Kingdom*	*Member of the board of directors*
Cédric VAN RIJCKEVORSEL *Chipstead Street 37, SW6 3SR London, United Kingdom*	*Member of the board of directors*
Cynthia FAVRE D'ECHALLENS *Route d'Ottignies 74A, 1380 Lasne, Belgium*	*Member of the board of directors*
Mazars Réviseurs d'Entreprises SCRL *Nr.: BE 0428.837.889* *Avenue Marcel Thiry 77/4, 1200 Woluwe-Saint-Lambert, Belgium* *IRE Membership nr.: B00021* *Represented by:* *Xavier DOYEN* *IRE Membership nr.: A01202*	*Auditor*

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 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

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)
Ernst&Young Accountants CVBA (BE 0423.360.260) de Kleetlaan 2 B-1831 Diegem represented by Nathalie Van Hoorebeek (87952F70)	220116 3 N 82	A

BALANCE SHEET AFTER APPROPRIATION

	Discl.	Codes	Period	Preceding period
ASSETS				
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		
Other 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	689.093	611.581
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	127	23.804
Trade debtors		40		13.220
Other amounts receivable		41	127	10.584
Current investments	6.5.1/6.6	50/53	630	475
Own shares		50		
Other investments		51/53	630	475
Cash at bank and in hand		54/58	660.876	564.477
Deferred charges and accrued income	6.6	490/1	27.460	22.825
TOTAL ASSETS		20/58	1.718.681.474	1.718.603.962

	Discl.	Codes	Period	Preceding period
EQUITY AND LIABILITIES				
EQUITY		10/15	1.452.770.187	1.406.891.903
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	1.194.821.176	1.149.821.176
Legal reserve		130	23.500.000	23.500.000
Reserves not available		131	455.591	455.591
In respect of own shares held		1310		
Other		1311	455.591	455.591
Untaxed reserves		132	38.567.469	38.567.469
Available reserves		133	1.132.298.116	1.087.298.116
Accumulated profits (losses)		14	21.724.019	20.845.735
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		

	Discl.	Codes	Period	Preceding period
AMOUNTS PAYABLE		17/49	265.911.287	311.712.059
Amounts payable after more than one year	6.9	17	141.000.000	237.328.247
Financial debts		170/4	141.000.000	237.328.247
Subordinated loans		170		
Unsubordinated debentures		171		
Leasing and other similar obligations		172		
Credit institutions		173	141.000.000	237.328.247
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		42/48	123.641.311	72.093.179
Current portion of amounts payable after more than one year falling due within one year		42	100.000.000	30.000.000
Financial debts		43		19.000.000
Credit institutions		430/8		19.000.000
Other loans		439		
Trade debts		44	34.401	69.801
Suppliers		440/4	34.401	69.801
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	23.606.910	23.023.378
Accruals and deferred income	6.9	492/3	1.269.976	2.290.633
TOTAL LIABILITIES		10/49	1.718.681.474	1.718.603.962

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	*674.010*	*591.730*
Raw materials, consumables		60	....	....
Purchases		600/8	....	....
Stocks: decrease (increase) (+)/(-)		609	....	....
Services and other goods		61	*673.142*	*590.467*
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*	*1.263*
Operating charges carried to assets as restructuring costs (-)		649	....	....
Non-recurring operating charges	6.12	66A	....	
Operating profit (loss) (+)/(-)		9901	*-674.010*	*-591.730*

	Discl.	Codes	Period	Preceding period
Financial income		75/76B	75.187.462	70.352.733
Recurring financial income		75	74.884.679	70.352.733
Income from financial fixed assets		750	74.884.679	70.352.200
Income from current assets		751		533
Other financial income	6.11	752/9		
Non-recurring financial income	6.12	76B	302.783	
Financial charges		65/66B	5.469.897	6.644.507
Recurring financial charges	6.11	65	5.469.897	6.644.507
Debt charges		650	5.445.163	6.641.668
Amounts written off current assets except stocks, contracts in progress and trade debtors: appropriations (write-backs)		651		
Other financial charges		652/9	24.734	2.839
Non-recurring financial charges		66B		
Gain (loss) for the period before taxes (+)/(-)		9903	69.043.555	63.116.496
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	69.043.555	63.116.496
Transfer from untaxed reserves		789		
Transfer to untaxed reserves		689		
Gain (loss) of the period available for appropriation (+)/(-)		9905	69.043.555	63.116.496

APPROPRIATION ACCOUNT

	Codes	Period	Preceding period
Profit (loss) to be appropriated (+)/(-)	9906	89.889.290	83.120.034
Gain (loss) of the period available for appropriation (+)/(-)	(9905)	69.043.555	63.116.496
Accumulated profits (losses) (+)/(-)	14P	20.845.735	20.003.538
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	40.000.000
to capital and share premium account	691		
to legal reserve	6920		
to other reserves	6921	45.000.000	40.000.000
Accumulated profits (losses) (+)/(-)	(14)	21.724.019	20.845.735
Owners' contribution in respect of losses	794		
Profit to be distributed	694/7	23.165.271	22.274.299
Dividends	694	23.165.271	22.274.299
Directors' or managers' entitlements	695		
Employees	696		
Other beneficiaries	697		

STATEMENT OF FINANCIAL FIXED ASSETS

	Codes	Period	Preceding period
AFFILIATED ENTERPRISES - PARTICIPATING INTERESTS AND SHARES			
Acquisition value at the end of the period	8391P	xxxxxxxxxxxxxxx	....
Movements during the period			
Acquisitions	8361	....	
Sales and disposals	8371	....	
Transfers from one heading to another (+)/(-)	8381	....	
Acquisition value at the end of the period	8391	....	
Revaluation surpluses at the end of the period	8451P	xxxxxxxxxxxxxxx	....
Movements during the period			
Recorded	8411	....	
Acquisitions from third parties	8421	....	
Cancelled	8431	....	
Transferred from one heading to another (+)/(-)	8441	....	
Revaluation surpluses at the end of the period	8451	....	
Amounts written down at the end of the period	8521P	xxxxxxxxxxxxxxx	....
Movements during the period			
Recorded	8471	....	
Written back	8481	....	
Acquisitions from third parties	8491	....	
Cancelled owing to sales and disposals	8501	....	
Transferred from one heading to another (+)/(-)	8511	....	
Amounts written down at the end of the period	8521	....	
Uncalled amounts at the end of the period	8551P	xxxxxxxxxxxxxxx	....
Movements during the period (+)/(-)	8541	....	
Uncalled amounts at the end of the period	8551	....	
NET BOOK VALUE AT THE END OF THE PERIOD	(280)	....	
AFFILIATED ENTERPRISES - AMOUNTS RECEIVABLE			
NET BOOK VALUE AT THE END OF THE PERIOD	281P	xxxxxxxxxxxxxxx	....
Movements during the period			
Additions	8581	....	
Repayments	8591	....	
Amounts written down	8601	....	
Amounts written back	8611	....	
Exchange differences (+)/(-)	8621	....	
Other movements (+)/(-)	8631	....	
NET BOOK VALUE AT THE END OF THE PERIOD	(281)	....	
ACCUMULATED AMOUNTS WRITTEN OFF AMOUNTS RECEIVABLE AT END OF THE PERIOD	8651	....	

	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	....	
Repayment	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		es	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*	*31/12/2015*	*EUR*	*5.796.167.329*	*171.641.448*

OTHER INVESTMENTS AND DEPOSITS, ALLOCATION DEFERRED CHARGES AND ACCRUED INCOME

	Codes	Period	Preceding period
INVESTMENTS: OTHER INVESTMENTS AND DEPOSITS			
Shares	51	....	....
Book value increased with the uncalled amount	8681	....	....
Uncalled amount	8682	....	....
Precious metals and artworks	8683	....	....
Fixed income securities	52	....	....
Fixed income securities issued by credit institutions	8684	....	....
Fixed term accounts with credit institutions	53	*630*	*475*
With residual term or notice of withdrawal			
up to one month	8686	....	....
between one month and one year	8687	*630*	*475*
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	
Deferred insurance premium	*16.661*
Insurances management	*1.500*
License portal Board of Directors	*9.152*
Bank costs	*147*

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)		

	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*	*24.064.259*
Shares to bearer and/or dematerialized	8703	*xxxxxxxxxxxxxx*	*20.484.339*

	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	....
Corresponding number of shares	8722	....
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	....

STRUCTURE OF SHAREHOLDINGS OF THE ENTERPRISE AT YEAR-END CLOSING DATE, AS IT APPEARS FROM THE STATEMENTS RECEIVED BY THE ENTERPRISE

Structure of shareholding of the enterprise as it appears from the declarations received by the enterprise pursuant to the Belgian Companies Code, art. 631 §2 last subparagraph and art. 632 §2 last subparagraph, of the law of 2 May 2007 with respect to the publication of major participating interests, art. 14 subparagraph 4 of the royal decree of 21 August 2008 establishing the additional rules applicable to multilateral trading facilities, art. 5.

NAME of the persons holding rights in the enterprise, with mention of the ADDRESS (of the registered office for the legal persons) and, for the enterprises governed by Belgian law, the COMPANY IDENTIFICATION NUMBER	Rights Held			
	Nature	Number of voting rights		%
		Linked to securites	Not linked to securities	
Financière Eric Janssen SPRL Rue Gachard 88/14, B-1050 Ixelles Company number : BE 0456.059.653	Voting rights	10.513.814		23,60
Daniel Janssen Chaussée de Bruxelles 110 A, B-1310 La Hulpe	Voting rights	5.881.677		13,19
Altaï Invest SA Avenue de Tervueren 412/13, B-1150 Woluwe-Saint-Pierre Company number : BE 0466.614.441	Voting rights	4.918.595		11,03
Barnfin SA Avenue de Tervueren 186-188/17, B-1150 Woluwe-Saint-Pierre Company number : BE 0461.348.628	Voting rights	3.852.633		8,64
Jean van Rijckevorsel Clos du Soleil 6, B-1150 Woluwe-Saint-Pierre	Voting rights	7.744		0.02

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	100.000.000
Subordinated loans	8811	....
Unsubordinated debentures	8821	....
Leasing and other similar obligations	8831	....
Credit institutions	8841	100.000.000
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)	100.000.000
Amounts payable with a remaining term of more than one but not more than five years		
Financial debts	8802	141.000.000
Subordinated loans	8812	....
Unsubordinated debentures	8822	....
Leasing and other similar obligations	8832	....
Credit institutions	8842	141.000.000
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	141.000.000
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	....

	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	*241.000.000*
Subordinated loans	8932	....
Unsubordinated debentures	8942	....
Leasing and similar obligations	8952	....
Credit institutions	8962	*241.000.000*
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	*241.000.000*

	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	....

	Period
ACCRUALS AND DEFERRED INCOME	
Allocation of heading 492/3 of liabilities if the amount is significant	
Accrued interests payable	*1.214.145*
Accrued commitment fees	*34.319*
Unrealized loss on interest rate swaps (non-effective part of hedge accounting)	25.512
....	....

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 entreprise 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*	*1.263*
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 RESULTS			
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 and reimbursement premiums	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 (+)/(-)		*3.222*	*2.839*
Unrealized loss on interest rate swaps (non-effective part of hedge accounting) (+)/(-)		*21.512*	....
..:		....	....

INCOME AND COSTS OF EXCEPTIONNAL SIZE OR OF EXCEPTIONNAL OCCURENCE

	Codes	Period	Preceding period
NON-RECURRING INCOME	76	302.783	
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 liabilites and charges	7620		
Capital gains on disposal of intangible and tangible fixed assets	7630		
Other non-recurring financial income	764/8		
Non-recurring financial income	(76B)	302.783	
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	302.783	
NON-RECURRING CHARGES	66		
Non-recurring operating charges	(66A)		
Extraordinary depreciation of and extraordinary 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)		
Amounts written off financial fixed assets	661		
Provisions for non-recurring financial liabilities and charges: appropriations (uses) (+)/(-)	6621		
Capital losses on disposal of financial fixed assets	6631		
Other non-recurring financial charges	668		
Non-recurring financial charges 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		
Definitively taxed income (+)/(-)		*-69.043.555*
....		....
....		....
....		....

	Period
Influence of the non-recurring results on the taxes	
....	....
....	....
....	....
....	....

	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		
Accumulated definitively taxed income deductible from future taxable profits		*134.217.850*
....		....
....		....
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	*7.275*	*5.486*
For withholding taxes on investment income	9148	*3.837.265*	*3.692.935*

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	*174.128.571*
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	
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		
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
OBLIGATIONS COMING FROM TECHNICAL GUARANTEES CONNECTED WITH ALREADY PERFORMED SELLS OR SERVICES	
....	....
....	....
....	....
....	....

	Period
AMOUNT, NATURE AND FORM OF THE IMPORTANT PENDING CASES AND OTHER IMPORTANT OBLIGATIONS	
....	....
....	....
....	....
....	....

SETTLEMENT WITH REGARD TO THE COMPLEMENTARY RETREAT OR SURVIVAL PENSION FOR STAFF AND BOARD MEMBERS

Concise description

Measures taken to cover the related costs

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

	Period
OTHER FINANCIAL CONSEQUENCES OF MAJOR EVENTS THAT HAVE TAKEN PLACE AFTER THE CLOSING OF THE FINANCIAL YEAR, NOT TAKEN INTO ACCOUNT IN THE BALANCE SHEET OR IN THE INCOME STATEMENT	
....	....
....	....
....	....
....	....

	Period
ENGAGEMENT TO BUY OR SELL THAT THE ENTREPRISE HAS AS A WRITER OF OPTIONS TO BUY OR SELL.	
....	....
....	....
....	....
....	....

	Period
NATURE, COMMERCIAL PURPOSE AND FINANCIAL CONSEQUENCES OF THE SETTLEMENTS NOT INCLUDED IN THE BALANCE **If the risks and advantages that occur from such settlements are of any meaning and in the case that publishing such risks and advantages is necessary to judge the financial position of the company**	
....	....
....	....
....	....
....	....

	Period
OTHER RIGHTS AND ENGAGEMENTS NOT INCLUDED IN THE BALANCE (INCLUDING THOSE WHICH CANNOT BE CALCULATED)	
Interest rate swaps to hedge the exposure to cash flow risks arising from floating rate bank borrowings: *■ A swap for a notional amount of €40,000,000 (amortizing to €55,000,000 on 15 May 2017, €5,000,000 on 15 May 2018 and €0 on 15 May 2019)* *■ Two deferred start swaps on 2 October 2017 for notional amounts of respectively €82,000,000 and € 57,000,000 (amortizing to respectively €54,500,000 and €36,500,000 on 15 May 2019, to respectively €27,000,000 and €9,000,000 on 15 May 2020, and to €0 on 15 May 2021)* *Margins available on confirmed credit lines: €52 million of which €36 million can only be used during the future period from 30 September 2017 until 15 May 2018.* *Clauses contained in credit agreements:* *■ Outstanding bank loans cannot exceed 30% of the market value of the investment in UCB; the ratio is 5.81% at 31 December 2016* *■ The solvency ratio (equity as a percentage of total assets) must be higher than 70%; the ratio is 84.53% at 31 December 2016* *■ Collateral must consist of a number of UCB shares with a total market higher than 157% of outstanding bank loans; at 31 December 2016, the ratio is 174%*	
....	....
....	....
....	....

RELATIONSHIPS WITH AFFILIATED ENTERPRISES AND 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 from affiliated enterprises	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	....	....

ASSOCIATED ENTERPRISES	Codes	Period	Preceding period
Financial fixed assets	9253	1.717.992.382	1.717.992.382
Participations	9263	1.717.992.382	1.717.992.382
Subordinated amounts receivable	9273		
Other amounts receivable	9283		
Over one year	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		
Personal and real guarantees provided or irrevocably promised by associated enterprises as security for debts or commitments of the enterprise	9393		
Other significant financial commitments	9403		
ENTERPRISES LINKED BY PARTICIPATING INTERESTS			
Other enterprises linked by participating interests	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		

TRANSACTIONS WITH ENTERPRISES LINKED BY PARTICIPATING INTERESTS OUT OF MARKET CONDITIONS	Period
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	

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	....
Most important conditions on amounts receivable, rate of interest, duration, amounts possibly refunded, cancelled or written out		
....		
....		
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	110.120
To former directors and former managers	9504	....

AUDITORS OR PEOPLE THEY ARE LINKED TO

	Codes	Period
Auditor's fees	9505	7.310
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	....
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 DERIVATIVE FINANCIAL INSTRUMENTS THAT ARE NOT STATED AT FAIR VALUE

Category derivative financial instruments	Hedged risk	Speculative / hedging	Volume	Period: Book value	Period: Fair value	Preceding period: Book value	Preceding period: Real value
Interest rate Swaps	*Cash flow risk related to floating rate bank loans*	*Hedging*	*179.000.000*	*-879.753*	*-4.327.015*	*0*	*0*
			80.000.000	*0*	*0*	*-1.638.560*	*-5.865.342*
....	....	....	....	....	....	....	....
....	....	....	....	....	....	....	....

	Booked value	Real value
FINANCIAL FIXED ASSETS BOOKED AT A HIGHER AMOUNT THAN THE REAL VALUE		
Amount of the seperate assets or fit groups		
....	....	....
....	....	....
....	....	....
....	....	....

Reasons why the book value is not diminished

Elements that allow to suppose that the book value will be realised

VALUATION RULES

1. 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 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.

2. Specific rules

2.1. 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 unrealised 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 unrealised loss.

2.2. Amounts payable

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

2.3. 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 recognised 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 recognised. 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.

2.4. Cash at bank and in hand

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

OTHER INFORMATION TO BE COMMUNICATED IN THE NOTES

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.

STATUTORY AUDITOR'S REPORT TO THE GENERAL SHAREHOLDERS' MEETING OF FINANCIERE DE TUBIZE SA/NV ON THE ANNUAL ACCOUNTS AS OF AND FOR THE YEAR ENDED 31 DECEMBER 2016

In accordance with legal and statutory requirements, we report to you in the context of our audit mandate. This report includes our opinion on the balance sheet as of 31 December 2016, the income statement for the year ended 31 December 2016 and the notes, as well as the required additional statements.

Report on the annual accounts – Unqualified opinion

We have audited the annual accounts of the company as of and for the year ended 31 December 2016, prepared in accordance with the accounting framework applicable in Belgium, and which show a balance sheet total of EUR 1.718.681.(000) and a profit for the year of EUR 69.044.(000).

Responsibility of the board of Director's 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.

Responsibility of the statutory auditor

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing as applicable in Belgium, Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the statutory auditor considers the internal controls relevant to the preparation and fair presentation of the annual accounts 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 internal controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the board of directors, as well as evaluating the overall presentation of the annual accounts.

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

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

Unqualified opinion

In our opinion, the annual accounts give a true and fair view of the company's net equity and financial position as at 31 December 2016 and of its results for the year then ended in accordance with accounting standards applicable in Belgium.

Report on other legal and regulatory requirements

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 Company Code and the company's articles of association.

In the context of our mandate and in accordance with the Belgian standard which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, compliance with certain legal and regulatory requirements. On this basis, we provide the following additional statements, which do not modify the scope of our opinion on the annual accounts:

- The Director's report, prepared in accordance with Articles 95 and 96 of the Company Code and to be filed in accordance with Article 100 of the Company Code, includes the information required by law, both in terms of form and content, is consistent with the annual accounts and does not present any material inconsistencies with the information we became aware of during the performance of our mandate.
- 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 Company Code.

Brussels, 22 February 2017

MAZARS RÉVISEURS D'ENTREPRISES SCRL
Statutory auditor
represented by

Xavier DOYEN

Financière de Tubize SA/NV
Allée de la Recherche / Researchdreef 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 2016 have been established by a resolution of the board of directors of 22 February 2017 and will be communicated to the general shareholders meeting of 26 April 2017.

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			26/04/2017
Period from	01/01/2016	au	31/12/2016
Prior period from	01/01/2015	au	31/12/2015

1.2. Board of Directors

François Tesch, chairman of the board of directors, Route de Bettembourg 45 boîte A, L-1899 Luxembourg
Charlofin NV (BE 0480 726 753), member of the board of directors, Boslaan 2C, B-8300 Knokke-Heist, represented by Karel Boone
Arnoud de Pret, member of the board of directors, Château de Durnal, Rue de Mianoye 36, B-5530 Yvoir
Cyril Janssen, member of the board of directors, Rue des Mélèzes 29, B-1050 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 Woluwe-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 Woluwe-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 NYSE 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 NYSE 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

François Tesch	**Evelyn du Monceau**
Chairman of the board of directors	**Member of the board of directors**

2. Financial statements

2.1. Statement of financial position

€ 000 31 December	Notes	2016	2015
Participating interest in UCB	4.1.1.	2,222,130	2,258,543
Non-current assets		***2,222,130***	***2,258,543***
Prepayments	4.2.4.	27	47
Cash and cash equivalents	4.2.5.	662	565
Current assets		***689***	***612***
Assets		**2,222,819**	**2,259,155**
Equity		**1,957,555**	**1,947,314**
Bank borrowings	4.2.6.	141,000	236,935
Derivatives	4.2.7.	1,765	3,262
Deferred taxes	4.3.1.	19,464	19,872
Non-current liabilities		***162,229***	***260,069***
Bank borrowings	4.2.6.	99,997	48,350
Derivatives	4.2.7.	2,562	2,603
Other creditors	4.2.8.	476	819
Current liabilities		***103,035***	***51,772***
Liabilities		**265,264**	**311,841**
Equity and liabilities		**2,222,819**	**2,259,155**

2. Financial statements

2.2. Statement of profit or loss and other comprehensive income

€ 000	Notes	2016	2015
PROFIT OR LOSS			
Share of profit of UCB		187,423	219,768
Borrowing cost	4.2.6.	-6,747	-9,117
Non-recurring financial income	4.2.8.	302	-
General and administrative expenses	4.4.	-677	-593
Profit before tax		***180,301***	***210,058***
Income tax	4.3.2.	885	2,468
Profit		**181,186**	**212,526**
OTHER COMPREHENSIVE INCOME			
Share, after tax, of other comprehensive income of UCB		***-51,990***	***138,094***
Those that will not be reclassified to profit or loss	4.1.3.	-32,173	10,336
Those that will be reclassified subsequently to profit or loss when certain conditions are met	4.1.3.	-19,817	127,758
Other items, after tax, of other comprehensive income, after tax, that will be reclassified subsequently to profit or loss when certain conditions are met		***237***	***2,499***
Cash flow hedges	4.2.7.	237	2,499
Other comprehensive income		**-51,753**	**140,593**
COMPREHENSIVE INCOME		**129,433**	**353,119**
Profit attributable to			
Non-controlling interests		-	-
Owners of the parent		181,186	212,526
Comprehensive income attributable to			
Non-controlling interests		-	-
Owners of the parent		129,433	353,119
Earnings per share (in €)			
Basic and diluted	4.5.	4.07	4.77

2. Financial statements

2.3. Statement of changes in equity

	Capital and share premium	Subordinated perpetual	Retained earnings	Treasury shares	Other reserves	Translation adjustments	Assets held for sale	Cash flow hedges	Net investment hedge	Total equity
Balance at 01/01/2016	**236,225**	**103,920**	**1,666,835**	**-104,268**	**-23,629**	**44,912**	**15,058**	**-11,166**	**19,427**	**1,947,314**
Allocation of the impact of the increase of the participating interest end 2015		2,673	-1,286	-2,682	-608	1,655	388	-140		0
Dividends			-22,274							-22,274
Comprehensive income										
– *Profit*			*181,186*							*181,186*
– *Share of other comprehensive income of UCB*					*-32,173*	*-18,120*	*-312*	*-1,385*		*-51,990*
– *Cash flow hedges*			*-839*							*-839*
– *Reclassification adjustment*			*1,076*							*1,076*
			181,423		-32,173	-18,120	-312	-1,385		129,433
Share of other changes of net assets of UCB										
– *Share based payments*			*18,601*							*18,601*
– *Transfer between reserves*		*1,791*	*-4,316*	*5,765*	*-3,240*	*19,427*			*-19,427*	*0*
– *Treasury shares*				*-1,310*						*-1,310*
– *Dividends to holders of subordinated perpetual*			*-1,764*							*-1,764*
– *Reimbursement subordinated perpetual*		*-108,145*								*-108,145*
		106,354	12,521	4,455	-3,240	19,427			-19,427	-92,618
Changes in the number of own shares held by UCB		-239	-4,183	239	54	-148	-35	12		-4,300
Balance at 31/12/2016	**236,225**	**0**	**1,833,036**	**-102,256**	**-59,596**	**-47,726**	**15,099**	**-12,679**	**0**	**1,957,555**

	Capital and share premium	Subordinated perpetual	Retained earnings	Treasury shares	Other reserves	Translation adjustments	Assets held for sale	Cash flow hedges	Net investment hedge	Total equity
Balance at 01/01/2015	**236,225**	**101,007**	**1,435,099**	**-59,424**	**-33,013**	**-66,044**	**4,297**	**-15,154**	**18,883**	**1,621,876**
Dividends			-21,383							-21,383
Repurchase and cancellation of own shares			-3,435							-3,435
Comprehensive income										
– *Profit*			*212,526*							*212,526*
– *Share of other comprehensive income of UCB*					*10,336*	*112,861*	*10,637*	*4,260*		*138,094*
– *Cash flow hedges*			*255*							*255*
– *Reclassification adjustments*			*2,244*							*2,244*
			215,025		10,336	112,861	10,637	4,260		353,119
Share of other changes in net assets of UCB										
– *Share based payments*			*13,914*							*13,914*
– *Transfer between reserves*			*-12,892*	*12,892*						*0*
– *Treasury shares*				*-56,022*						*-56,022*
– *Dividends to holders of subordinated perpetual*			*-8,179*							*-8,179*
			-7,157	-43,130						-50,287
Changes in the percentage of the participating interest in UCB										
– *Changes in the number of own shares held by UCB*		*2,913*	*49,216*	*-1,714*	*-952*	*-1,905*	*124*	*-272*	*544*	*47,954*
Effect of increased participating interest on deferred tax liabilities			*-530*							*-530*
		2,913	48,686	-1,714	-952	-1,905	124	-272	544	47,424
Balance at 31/12/2015	**236,225**	**103,920**	**1,666,835**	**-104,268**	**-23,629**	**44,912**	**15,058**	**-11,166**	**19,427**	**1,947,314**

2. Financial statements

2.4. Statement of cash flows

€ 000	Notes	2016	2015
Directors remuneration		-110	-110
Remuneration general manager		-152	-126
Statutory auditor's fee		-8	-7
Professional services fees		-88	-90
Contributions		-139	-136
Payment of services		-111	-83
Payment of expenses		-12	2
Gift		-20	-20
Advances		5	-5
Recovery of prior years' charges		-	67
Indirect taxes		-63	-71
Cash flows from operating activities		***-698***	***-579***
Purchase of UCB shares		-	-137,752
Dividends received		74,884	70,352
Withholding tax		5	5
Cash flows from investing activities		***74,889***	***-67,399***
Dividends paid		-22,272	-21,380
Interests and commissions paid		-6,487	-6,325
Reimbursement of bank borrowings		-49,000	-45,000
Drawings from the confirmed lines		3,672	144,328
Payment dividends prior years		-7	-5
Repurchase of own shares		-	-3,435
Cash flows from finance activities		***-74,094***	***68,188***
Total cash flows		**97**	**210**
Cash and cash equivalents beginning of period	4.2.5.	565	355
Cash and cash equivalents end of period	4.2.5.	662	565

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

Certain amendments to standards apply for the first time in 2016. Their impact on the Company's financial statements is described hereafter.

Standard	Subject of the amendment	Impact
IFRS 2 – *Share Based Payment*	Clarify the definition of vesting conditions	The Company has no share based payments
IFRS 3 – *Business combinations*	Exclude from the scope the accounting for the formation of a joint venture Clarify certain aspects of the accounting for a contingent consideration	This subject is only relevant when a business combination transaction occurs
IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations*	Clarify the accounting of changes to a plan of sale	This subject is only relevant when such a transaction occurs
IFRS 7 – *Financial Instruments: Disclosures*	Clarify how to decide whether an entity has continuing involvement as a result of transfer of a servicing contract Clarify that the requirement to provide additional information in case of offsetting financial assets and financial liabilities, does not apply to condensed interim financial information	The Company has no such servicing contracts The Company provides on this subject the same level of detail in its half-year and in its annual accounts.
IFRS 8 – *Operating segments*	Requirement to disclose the judgments made by management in applying the criteria for aggregating operating segments Requirement to provide a reconciliation of the total of the reportable segments' assets to the entity's assets	The Company has no operating segments
IFRS 10 – *Consolidated financial statements*	Clarify the application of the consolidation exception by investment entities	Having no subsidiaries, the Company is not impacted by this standard

Standard	Subject of the amendment	Impact
IFRS 11 – *Joint Arrangements*	Clarification of the accounting for acquisitions of interests in joint operations	This subject is only relevant when such a transaction occurs
IFRS 12 – *Disclosure of Interests in Other Entities*	Clarify the application of the consolidation exception by investment entities	The Company does not meet the definition of an investment entity
IAS 1 – *Presentation of Financial Statements*	Improve the effectiveness of the disclosures and encourage companies to use professional judgment and materiality when deciding which disclosures to be included in the financial statements	The company uses materiality thresholds and professional judgment in organising its disclosures The presentation of the statement of other comprehensive income has been adapted in accordance with the requirements of the amended standard
IAS 16 – *Property, Plant & Equipment*	Clarify how the accumulated depreciation must be adjusted under the revaluation model Clarification of acceptable methods of depreciation Clarification that Bearer Plants must be accounted for in the same way as Property, Plant & Equipment	The Company has no assets in the scope of IAS 16
IAS 19 – *Employee Benefits*	Simplify and clarify the accounting for employee or third party contributions linked to defined benefit plans The depth of the high quality corporate bonds markets, which is an important input to determine the discount rate, is no longer assessed at the country level but at the level of the monetary zone	The Company has no personnel and no pension plans
IAS 24 – *Related Party Disclosures*	Clarify what needs to be disclosed regarding the compensation paid to another entity that provides key management personnel services	Management services are provided by the general manager in his personal name
IAS 27 – *Separate Financial Statements*	Permit the use of the equity method to account for investments in subsidiaries, joint ventures and associates in separate financial statements	The Company uses the equity method to account for its participating interest in UCB
IAS 28 – *Investments in Associates and Joint Ventures*	Clarify the application of the consolidation exception by investment entities	The Company does not meet the definition of an investment entity
IAS 34 – *Interim Financial Reporting*	Requirement to incorporate by cross-reference from the interim financial statements any mandatory information that is not provided in the interim financial statements themselves	Should this situation occur, the necessary cross-references will be made
IAS 38 – *Intangible Assets*	Clarify how the accumulated depreciation must be adjusted under the revaluation model Clarification of acceptable methods of amortisation	The Company has no assets in the scope of IAS 38
IAS 41 – Agriculture	Clarification that Bearer Plants must be accounted for in the same way as Property, Plant & Equipment	This subject is not relevant for the Company's activities

3.5. Impact of future application of issued new standards

New IFRS standards that are approved by the European Union, but are not yet mandatorily applicable in 2016, are discussed hereafter. The Company will adopt these standards when they become mandatory. Reference is also made to UCB's note on the subject; through the equity method of accounting, the Company's financial position and results will be impacted for its ownership interest in UCB.

New standards	Subject	Impact
IFRS 9 – *Financial instruments*	A coherent classification and measurement approach for all types of financial assets A forward-looking impairment model based on expected credit losses A major overhaul to hedge accounting to align the accounting more closely with risk management	The sole significant financial instruments on the Company's books are bank borrowings and hedging interest rate swaps Bank borrowings are financial liabilities for which there are only minor changes to the rules Hedge accounting as currently applied by the Company appears to comply with the requirements of IFRS 9
IFRS 15 – *Revenue from Contracts with Customers*	Establish principles for reporting about revenue and cash flows arising from a contract with a customer	The Company has no revenue contracts with customers

4. Notes

4.1. Participating interest in UCB

4.1.1. Carrying value

	Share of the net assets of UCB		Goodwill		Total	
€ 000	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**
At 1 January	**2,051,104**	**1,713,919**	**207,439**	**121,117**	**2,258,543**	**1,835,036**
Distribution	-74,885	-70,352	-	-	-74,885	-70,352
Increase of the participating interest (note 4.1.2.)	-	51,430	-	86,322	-	137,752
Share of the profit of UCB	187,423	219,768	-	-	187,423	219,768
Share of other comprehensive income of UCB (note 4.1.3.)	-51,990	138,094			-51,990	138,094
Share of other changes in net assets of UCB[7]	-92,618	-50,287	-	-	-92,618	-50,287
Changes in the percentage of participating interest as a result of changes in the number of own shares held by UCB	-4,343	48,532	-	-	-4,343	48,532
At 31 December	**2,014,691**	**2,051,104**	**207,439**	**207,439**	**2,222,130**	**2,258,543**

4.1.2. Increase of the participating interest

As a reminder, in 2015 the Company had acquired 1,706,981 UCB shares for a total amount of € 137,752k. Goodwill has been calculated based on the consolidated net assets of UCB at 31 December 2015 (the closest date to the acquisitions at which consolidated financial information of UCB was publicly available), that are a good approximation of the sum of the fair values of its different components.

4.1.3. Share of other comprehensive income of UCB

	2016			2015		
€ 000	**Gross**	**Tax**	**Net**	**Gross**	**Tax**	**Net**
Items that will not be reclassified to profit or loss	***-38,590***	***6,417***	***-32,173***	***4,440***	***5,896***	***10,336***
- Re-measurement of defined benefit obligations	-38,590	6,417	-32,173	4,440	5,896	10,336
Elements that may be reclassified subsequently to profit or loss	***-19,817***	***-***	***-19,817***	***127,758***	***-***	***127,758***
- Translation adjustment	-18,120	-	-18,120	112,861	-	112,861
- Net result from available-for-sale financial assets	-312	-	-312	10,637	-	10,637
- Effective portion of cash flow hedges	-1,385	-	4,260	4,260	-	4,260
Share of other comprehensive income of UCB	**-58,407**	**6,417**	**-51,990**	**132,198**	**5,896**	**138,094**

4.1.4. Fair value

31 December	**2016**	**2015**
Number of UCB shares	68,076,981	68,076,981
Share price UCB (€)	60.91	83.23
Fair value of the participating interest in UCB (€ 000)	**4,146,569**	**5,666,047**
Carrying value (€ 000)	2,222,130	2,258,543
Excess of fair value over carrying value	**1,924,439**	**3,407,504**

4.1.5. Concert

The Company acts in concert with Schwarz Vermögensverwaltung. Their holdings within the concert can be summarised as follows:

	Number of voting rights		% of voting rights	
31 December	**2016**	**2015**	**2016**	**2015**
Financière de Tubize	68,076,981	68,076,981	35.00	35.00
Schwarz Vermögensverwaltung	2,021,404	2,471,404	1.04	1.27
Total	**70,098,385**	**70,548,385**	**36.04**	**36.27**

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

4.1.6. Summarised financial information about UCB

Summarised statement of financial position

€ 000 000 31 December	2016	2015
Non-current assets	7,881	8,118
Current assets	2,330	2,838
Non-current liabilities	-2,567	-2,349
Current liabilities	-2,167	-3,061
Net assets	**5,477**	**5,546**
Non-controlling interests	-107	-126
Net assets attributable to UCB shareholders	**5,584**	**5,672**

Summarised statement of comprehensive income

€ 000 000	2016	2015
Revenue	4,178	3,876
Profit from continuing operations	564	315
Profit from discontinued operations	-22	359
Other comprehensive income	-147	375
Comprehensive income	395	1,049

Reconciliation of summarised financial information to carrying value

€ 000 000 31 December	2016	2015
Net assets attributable to UCB shareholders	5,584	5,672
Interest of the Company[8]	36.0812%	36.1620%
Company's share of net assets of UCB	2,015	2,051
Goodwill on acquisition	207	207
Carrying value of participating interest in UCB	**2,222**	**2,258**

4.2. Financial instruments

4.2.1. Financial instruments by category

€ 000	Loans & Receivables		Liabilities at amortised cost		Derivatives	
31 December	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**
Prepayments	27	47	-	-	-	-
Cash & cash equivalents	662	565	-	-	-	-
Bank borrowings	-	-	-240,997	-285,285	-	-
Derivatives	-	-	-	-	-4,327	-5,865
Other creditors	-	-	-442	-819	-	-
Total	**689**	**612**	**-241,439**	**-286,104**	**-4,327**	**-5,865**

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 2016 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 2016 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'.

* 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	
		2016	2015	2016	2015
Prepayments	-	27	47	27	47
Cash and cash equivalents	-	662	565	662	565
Bank borrowings	2	-240,997	-285,285	-242,399	-288,355
Derivatives	2	-4,327	-5,865	-4,327	-5,865
Other creditors	-	-442	-819	-442	-819

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.

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 2016.

4.2.4. Prepayments

€ 000 31 December	2016	2015
Credit note to receive	-	13
Withholding tax to recover	-	6
Advance payment	-	5
Deferred charges		
– Insurance premium	17	23
– Insurance brokerage	1	-
– Portal of the board of directors	9	-
Total	**27**	**47**

4.2.5. Cash and cash equivalents

€ 000 31 December	2016	2015
Cash at bank	661	564
Short-term deposits	1	1
Total	**662**	**565**

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	
	2016	2015	2016	2015	2016	2015
Floating rate borrowings	-141,000	-177,328	-40,000	-49,000	-181,000	-226,328
Fixed rate borrowings	-	-60,000	-60,000	-	-60,000	-60,000
Unamortised balance of debt restructuring costs	-	393	393	1,302	393	1,695
Accrued interest	-	-	-356	-292	-356	-292
Accrued commitment fees	-	-	-34	-360	-34	-360
Total	**-141,000**	**-236,935**	**-99,997**	**-48,350**	**-240,997**	**-285,285**

At 31 December 2016, the confirmed credit lines of € 293 million (of which € 233 million at floating rate and € 60 million at fixed rate) were utilised up to € 241 million (€ 181 million at floating rate and € 60 million at fixed rate). Given that a confirmed line of € 36 million is only available during the period from 30 September 2017 till 15 May 2018 (bridge loan), the available margin on confirmed credit lines amounts to € 16 million at 31 December 2016.

A fully utilised line of € 100 million (€ 60 million at fixed rate and € 40 million at floating rate) matures on 30 September 2017 and is therefore classified as a current liability. For all other borrowings, the Company has the unconditional right to defer their settlement beyond 1 January 2018.

The floating rate borrowings take the form of straight loans for a period of minimum 1 and maximum 12 months. The total of the loans with a duration higher than 6 months may not exceed € 122 million.

Costs associated with the 2009 debt restructuring (€ 9,252k) are amortised over the remaining lifetime of the debt as part of interest expense.

Change of outstanding debt throughout 2016

€ 000		Confirmed lines	Utilised			Available
			Floating	Fix	Total	
01/01/2016	**Opening**	**287,000**	**-226,328**	**-60,000**	**-286,328**	**672**
Jan 2016	Straight loan	-	-672	-	-672	-672
May 2016	Reimbursement and decrease of confirmed lines	-30,000	49,000	-	49,000	19,000
Nov 2016	New line	36,000	-	-	-	-
Dec 2016	Straight loan	-	-3,000	-	-3,000	-3,000
31/12/2015	**Closing**	**287,000**	**-226,328**	**-60,000**	**-286,328**	**672**

The dividend received from UCB in May 2016 has been used to (i) early reimburse an older and more expensive credit line of which the contractual maturities were May 2018 (€ 25 million) and May 2019 (€ 5 million), and (ii) decrease the straight loans by € 19 million.

In November 2016, the Company has signed a new credit agreement of € 36 million utilisable during the period from 30 September 2017 to 15 May 2018, to secure the conditions for financing its expected liquidity needs during that period.

In December 2016, the Company has increased its straight loans by € 3 million to pay interest falling due at that time.

Contractual maturities

€ 000	Confirmed lines		
	Floating	Fix	Total
30/09/2017	-40,000	-60,000	-100,000
15/05/2018	-36,000	-	-36,000
30/06/2019	-52,500	-	-52,500
30/06/2020	-52,500	-	-52,500
06/11/2021	-52,000	-	-52,000
	-233,000	**-60,000**	**-293,000**

The one-off reimbursement of € 100 million at 30 September 2017 will be financed by dividend income (€ 48 million), available margin on continuing credit lines (€ 16 million) and the before mentioned bridge loan to cover the period from 1 October 2017 to 15 May 2018 (€ 36 million).

Collateral

The borrowings are collateralised through a pledge on 6,900,000 UCB shares as at 31 December 2016. The carrying value of these pledged shares amounts to € à € 225,904k.

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 was 174% at 31 December 2016)
– Borrowings may not exceed 30% of the fair value of the investment in UCB (at 31 December 2016, this ratio was 5.81%)
– The solvency ratio (equity versus balance sheet total on a BE GAAP basis) must exceed 70% (at 31 December 2015, this ratio was 84.53%).

Cash flow risk management

Most of the bank borrowings (€ 181 million at 31 December 2016) 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 2016, partly covered by an interest rate swap with a notional value of € 40 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 will become 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	2016	2015
Interest expenses	-5,405	-6,279
Commitment fee	-40	-363
Amortisation of debt restructuring costs	-1,302	-1,302
Change of the clean price of an IRS not designated as hedging instrument (note 4.2.7.)	1,638	2,226
Non-effective portion of the hedging IRS (note 4.2.7.)	-8	-
Reclassification adjustments (note 4.2.7.)	-1,630	-3,399
Total	**-6,747**	**-9,117**

Interest expenses on bank borrowings have moved from € 6,279k in 2015 to € 5,405k in 2016, notwithstanding the increase of average outstanding debt from € 172 million in 2015 to € 256 million in 2016, which was related to the purchase programme of UCB shares at the end of 2015. Thanks to the favourable market conditions and an active debt management, the average borrowing cost has decreased from 3.65% in 2015 to 2.11% in 2016. Interest rates on floating rate borrowings were, at 31 December 2016, in the range between 0.187% and 0.800%. At that same date, fixed rates and hedged floating rates were in the range from 3.76% to 4.161%.

Commitment fees on the non-utilised part of confirmed credit lines have decrease from 363k to € 40k in 2016 as a result of a higher use of the lines in 2016. The fee amounts to 0.28% per 31 December 2016.

4.2.7. Derivatives

€ 000	IRS designated as hedging instrument		IRS not designated as hedging instrument		Total IRS	
31 December	**2016**	**2015**	**2016**	**2015**	**2016**	**2015**
Notional amounts	**139,000**	**-**	**40,000**	**80,000**	**179,000**	**80,000**
Full fair value	**-881**	**-**	**-3,446**	**-5,865**	**-4,327**	**-5,865**
Non-current	-881	-	-884	-3,262	-1,765	-3,262
Current	-	-	-2,562	-2,603	-2,562	-2,603
Accrued interest	**-**	**-**	**-858**	**-1,639**	**-858**	**-1,639**
Payable	-	-	-855	-1,725	-855	-1,725
Receivable	-	-	-3	86	3	268
Clean price	**-881**	**-**	**-2,588**	**-4,226**	**-3,469**	**-4,226**
Deferred taxes (note 4.3.1.)	34	-	100	576	134	576
Clean price, after tax	**-847**	**-**	**-2,488**	**-3,650**	**-3,335**	**-3,650**
Clean price, after tax, at prior year end			3,650		3,650	
Gain/loss(-) during the period, after tax	**-847**		**1,162**		**315**	
Reported in profit or loss	**-8**		**86**		**78**	
Gain/loss(-) during the period	-8		1,162		1,154	
Reclassification adjustment	-		-1,076		-1,076	
Reported in other comprehensive income	**-839**		**1,076**		**237**	
Gain/loss(-) during the period	-839		-		-839	
Reclassification adjustment	-		1,076		1,076	

At 31 December 2016, the derivatives book consisted of three interest rate swaps (receive floating, pay fix) that were contracted to hedge the cash flow risk resulting from floating rate bank borrowings. The outstanding notional amounts of these swaps at 31 December 2016 were respectively € 40 million, € 82 million and € 57 million. Until that date, hedge accounting has been applied.

Swap accounting-wise not designated as hedging instrument – For the swap of € 40 million, hedge accounting has been ceased since 1 January 2015. Consequently, all changes in fair value of this swap are recorded in profit or loss. An amount of € 1,638k (€ 1,162k after tax) has been taken to 2016 profit (credit to borrowing cost).

€ 000	31/12/2016	31/12/2015	Change
Notional amount	40,000	80,000	-40,000
Full fair value	-3,446	-5,865	2,419
Accrued interest	-858	-1,639	781
Clean price	-2,588	-4,226	1,638
Deferred taxes (note 4.3.1.)	100	576	-476
Profit			**1,162**

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 based on the time weighted notional amounts. The amount amortised during financial year 2016 amounts to € 1,630k (€ 1,076k after tax). The reclassification table for 2016 and subsequent years can be summarised as follows:

€ 000	Amount to be reclassified	Cumulated reclassifications			Balance to be reclassified		
		01-01-16	2016	31-12-16	31-12-16	2017	2018
Before tax	6,452	3,399	1,630	5,029	1,423	837	586
Tax	-2,193	-1,155	-554	-1,709	-484	-284	-200
After tax	4,259	2,224	1,076	3,320	939	553	386

Swaps accounting-wise designated as hedging instruments – It concerns 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 (€ -847k after tax) 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	2016	2015
Suppliers and invoices to receive	-34	-70
Non-collected dividends from prior years	-442	-749
Total	**-476**	**-819**

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. The adjustment of the provision (decrease of € 303k) has been recorded as a non-recurring financial income.

4.3. Income taxes

4.3.1. Deferred tax assets and liabilities

€ 000	Total		Recognised		Unrecognised	
31 December	2016	2015	2016	2015	2016	2015
Reserves UCB SA/NV	-19,464	-19,872	-19,464	-19,872	-	-
Unamortised balance of debt restructuring costs	-134	-576	-134	-576	-	-
Deferred tax liabilities	**-19,598**	**-20,448**	**-19,598**	**-20,448**	**-**	**-**
Derivatives	1,179	1,436	134	576	1,045	860
Unused tax credits	45,621	44,908	-	-	45,621	44,908
Deferred tax assets	**46,800**	**46,344**	**134**	**576**	**46,666**	**45,768**
Net deferred tax liabilities			**-19,464**	**-19,872**		

IAS 12 requires a deferred tax liability to be recognised for all taxable temporary differences. This also applies to the retained earnings of UCB unless the Company is able to control the timing of the reversal of the temporary difference. The Company has significant influence over UCB but does not fully control UCB's distribution policy and therefore does not control the timing of the reversal of the temporary difference. Consequently, a deferred tax liability is recognised on 5% of UCB's retained earnings, which are subject to income tax in case of distribution.

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 liability related to the temporary difference in respect of the amortisation of the 2009 debt restructuring costs can be used as a basis for recognising a deferred tax asset on (part of) the temporary difference in respect of the valuation of hedging interest rate derivatives. The deferred tax liability related to the temporary difference in respect of UCB's retained earnings cannot be used as a basis for recognising a deferred tax asset, because the Company does not control the timing of the reversal of this temporary difference. 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. Changes of net deferred tax liabilities

€ 000	**2016**	**2015**
Net deferred tax liabilities at 1 January	**-19,872**	**-20,033**
- Changes in the reserve of UCB SA/NV	*364*	*1,268*
- Amortisation of debt restructuring costs	*443*	*443*
- Re-measurement at fair value of IRS not designated as hedging instrument	*-476*	*-398*
- Reclassification adjustment	*554*	*1,155*
Total taxes in profit or loss	**885**	**2.468**
- Re-measurement at fair value of hedging IRS	*-34*	*-45*
- Reclassification adjustment	*-554*	*-1,155*
Total taxes in other comprehensive income	**-520**	**-1,200**
Impact of changes in the percentage of the participating interest in UCB, resulting from		
- Changes in the number of own shares held by UCB	*44*	*-577*
- The acquisition of additional UCB shares	*-*	*-530*
Total taxes directly recorded in the statement of changes in equity	**44**	**-1,107**
Net deferred tax liabilities at 31 December	**-19,464**	**-19,872**

4.3.3. Relationship between tax expense and accounting profit

€ 000	**2016**	**2015**
Profit before tax	180,301	210,058
Theoretical income tax rate	33.99%	33.99%
Theoretical income tax	-61,284	-71,399
Reported income tax	885	2,468
Difference between theoretical and reported income tax	**-62,169**	**-73,867**
Dividend	-25,453	-23,912
Share of the profit of UCB	63,705	74,699
Tax exempt dividend	23,032	20,612
Change in reserves UCB SA/NV	364	1,268
Amortisation of debt restructuring cost	443	443
Re-measurement at fair value of IRS not designated as hedging instrument	-476	-398
Reclassification adjustment	554	1,155
Total effects of difference between theoretical and reported tax	**62,169**	**73,867**

4.4. General and administrative expenses

€ 000	**2016**	**2015**
Directors' remuneration	110	110
Remuneration general manager	146	131
Statutory auditors' fee	7	7
Service providers		
- Bookkeeping	23	31
- Advise (legal, tax, social, financial, insurance)	35	56
- Notary public	2	-
- Paying agent	15	15
Contributions		
- Euronext	38	36
- Euroclear	12	12
- FSMA	89	87
- Others	1	3

€ 000	2016	2015
Services		
- Financial publicity	55	44
- Insurance	39	45
- Board portal	13	-
- Training	2	-
Miscellaneous (post, bank, office supplies, travel, ...)	11	3
Gift	20	20
VAT	59	61
Recovery prior year charges	-	-67
Total	**677**	**594**

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 2016, the number of shares in circulation has been unchanged at 44,548,598.

4.6. Dividends

In respect of the accounting year 2016, a proposal to pay a gross dividend of € 0.52 per share, or a total amount of € 23,165k, will be submitted for approval to the shareholders meeting of 26 April 2017. 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 € 235,000,000 and is fully paid up. The share premium reserve amounts to 1,226k. The share capital at 31 December 2016 is represented by 44,548,598 shares, unchanged compared to 31 December 2015. The number of registered shares was 24,064,259 at 31 December 2016; 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 4,542 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 2016 and 2015. 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 2016 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%
Altai Invest SA	4,969,795	11.16%	11,500	0.03%	4,981,295	11.18%
Barnfin SA	3,899,833	8.75%	-	-	3,899,833	8.75%
Jean van Rijckevorsel	7,744	0.02%	-	-	7,744	0.02%
Total voting rights held by the reference shareholders	***23,284,063***	***52.27%***	***2,000,300***	***4.49%***	***25,284,363***	***56.76%***
Other shareholders	-	-	19,264,235	43.24%	19,264,235	43,24%
Total voting rights	**23,284,063**	**52.27%**	**21,264,535**	**47.73%**	**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 leaders (10 directors and the general manager) amount to € 256k in total for the financial year 2016. The directors did not benefit from any other type of remuneration during the year 2016.

UCB

In 2016, the Company has received a dividend from UCB in relation to accounting year 2015 for a total amount of € 74,885k. There have been no other transactions with UCB during the year 2016.

STATUTORY AUDITOR'S REPORT TO THE GENERAL SHAREHOLDERS' MEETING ON THE EU-IFRS FINANCIAL STATEMENTS OF THE COMPANY FINANCIERE DE TUBIZE SA/NV AS OF AND FOR THE YEAR ENDED 31 DECEMBER 2016

In the context of our mandate of statutory auditor, we report to you on the EU-IFRS financial statements of the company FINANCIERE DE TUBIZE SA/NV as of 31 December 2016. This report includes our opinion on the statement of financial position as of 31 December 2016, 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 2016, and on the accounting policies and other related notes.

Report on the EU-IFRS financial statements – Unqualified opinion

We have audited the EU-IFRS financial statements for the year ended 31 December 2016 prepared in accordance with International Financial Reporting Standards, as adopted by the European Union. The total of the statement of financial position amounts to EUR 2.222.819.(000) and the statement of profit or loss shows a profit for the year of EUR 181.186.(000).

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

Responsibility of the statutory auditor

Our responsibility is to express an opinion on these EU-IFRS financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing as applicable in Belgium. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the statutory auditor considers the internal controls relevant to the preparation and fair presentation of the financial statements 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 internal controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the board of directors, as well as evaluating the overall presentation of the financial statements.

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

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

Unqualified Opinion

In our opinion, the EU-IFRS financial statements of the company FINANCIERE DE TUBIZE SA/NV give a true and fair view of the company's equity and financial position as at 31 December 2016 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.

Brussels, 22 February 2017

MAZARS RÉVISEURS D'ENTREPRISES SCRL
Statutory Auditor

Represented by
Xavier DOYEN