

**REPORT OF THE BOARD OF DIRECTORS IN ACCORDANCE WITH
ARTICLE 604 OF THE COMPANIES CODE**

Free translation

On 18 May 2007 the Extraordinary General Meeting of the Company has authorized the Board of Directors for a period of five years and in accordance with Articles 603 and next of the Companies Code to increase the company capital at one or more occasions with the maximum amount of €48.883.132,15, as the case may be with or without suppression of pre-emptive subscription rights. This authorization entered into force on 7 June 2007 and expires on 7 June 2012.

The Board of Directors proposes that the Extraordinary General Meeting of 18 May 2012, or the Extraordinary General Meeting that will be held on 15 June 2012 if a minimum of half of the share capital fails to be represented at the first meeting, would provide the Board with a new authorization for a maximum amount of €18.952.288.

The mechanism of “Authorized Capital” provides the Board of Directors the required flexibility and possibilities to take advantage of opportunities, necessary to ensure an excellent management of the Company, whereas convening an Extraordinary General Meeting for the purpose of an increase of company capital could be under certain circumstances a considerable obstruction to react promptly on opportunities that occur.

Therefore the Board of Directors will be able to make use of this authorization, taking into consideration the best interests of the Company, in a number of situations and for various purposes, such as but without being limited thereto:

- Allowing third parties to participate in the Company’s capital, insofar the Board of Directors considers their participation to be useful or required to implement the Company strategy;
- Compensations for one or more contributions in kind;
- Increase of the company capital, when the Board of Directors would deem it to be insufficient, or to bring it in line with the requirements established by law or other regulations;
- Adapting the equity structure of the Company, such as by incorporation of reserves in the company capital, with or without granting of shares free of charge, or by incorporation of a share premium;
- Financing investment opportunities within the scope of the Company strategy;
- Allowing shareholders to be remunerated with alternative means of distribution of profits, such as granting a dividend in shares.

The Board of Directors wishes to apply the authorization for increase of company capital by means of subscription in cash and for increase of company capital by means of subscription in kind, as well as for increase of company capital by incorporation of reserves or of a share premium.

Besides issuing shares, convertible bonds and warrants, the Board of Directors wishes to be granted the possibility to execute the capital increase to which it decides by issuing shares without voting rights and shares with a preferential right to dividends.

Furthermore, the Board of Directors requests to be granted the possibility, within the framework of its powers regarding authorized capital and taking into consideration the interest of the Company and in respect of the applicable legal and statutory dispositions, to limit or cancel the pre-emptive subscription rights granted by law to the shareholders. This limitation or cancellation of the pre-emptive subscription rights can take place in favour of one or more specific persons, even if the latter are not employees of the Company or its subsidiaries.

The Board of Directors may apply the aforementioned authorization for a period of five years as of publication in the Annexes to the Belgian Official Gazette of the authorization decision of the General Meeting.

The Board of Directors only wishes to apply this authorization in the best interest of the Company and for the purpose of creating sustainable value for its shareholders.

Established by the Board of Directors in Brussels, on 29 March 2012

Mr E. Duquenne

Mr J. Bert

