

IMPORTANT NOTICE

NOT FOR DISTRIBUTION IN OR INTO OR TO ANY PERSON LOCATED OR RESIDENT IN THE UNITED STATES, ITS TERRITORIES AND POSSESSIONS (INCLUDING PUERTO RICO, THE U.S. VIRGIN ISLANDS, GUAM, AMERICAN SAMOA, WAKE ISLAND AND THE NORTHERN MARIANA ISLANDS, ANY STATE OF THE UNITED STATES AND THE DISTRICT OF COLUMBIA) (the "United States") OR TO ANY U.S. PERSON.

IMPORTANT: You must read the following before continuing. The following disclaimer applies to the attached tender offer memorandum (the "**Tender Offer Memorandum**") and you are therefore required to read it carefully before accessing, reading or making any other use of the Tender Offer Memorandum. By accepting the email to which this Tender Offer Memorandum was attached and by accessing, reading or making any other use of the Tender Offer Memorandum, you shall be deemed to agree to be bound by all of the following terms and conditions, including any modifications to them from time to time and deemed to give the below representations, each time you receive any information from Ghelamco Invest NV ("**Offeror**"), BNP Paribas Fortis SA/NV and/or KBC Bank NV (the "**Dealer Manager**") and/or KBC Bank NV (the "**Centralising and Tender Agent**") as a result of such acceptance and/or access. Capitalised terms used but not otherwise defined in this disclaimer shall have the meanings given to them in the attached Tender Offer Memorandum.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER TO PURCHASE OR A SOLICITATION OF AN OFFER TO SELL ANY SECURITIES IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE ATTACHED TENDER OFFER MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. THE TENDER OFFER MEMORANDUM MAY ONLY BE DISTRIBUTED OUTSIDE THE UNITED STATES AND TO PERSONS TO WHOM IT IS OTHERWISE LAWFUL TO SEND THE TENDER OFFER MEMORANDUM AND, IN PARTICULAR SHOULD NOT BE FORWARDED TO ANY U.S. PERSON OR ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THESE REQUIREMENTS MAY RESULT IN A VIOLATION OF THE APPLICABLE LAWS OF THE UNITED STATES OR OTHER JURISDICTIONS.

Confirmation of your representation: In order to be eligible to view the attached Tender Offer Memorandum or make an investment decision with respect to the Offer (as defined below), you must be outside the United States and otherwise able to participate lawfully in the invitations by the Offeror to holders of the Notes (as defined below) to tender their Notes for purchase by the Offeror for cash (the "**Offer**") on the terms and subject to the conditions set out in the Tender Offer Memorandum, including the Offer and Distribution Restrictions set out on pages 35 to 37. By accessing the Tender Offer Memorandum you shall be deemed to have represented to the Offeror, the Dealer Managers and the Centralising and Tender Agent that:

- (i) you are a holder or a beneficial owner of the outstanding EUR 70,000,000 6.25 per cent. notes due 28 February 2018 (ISIN: BE6254212408) (the "**Notes**") issued by the Offeror;
- (ii) the electronic mail address that you have given to us and to which the Tender Offer Memorandum has been delivered or the location from where you are accessing the Tender Offer Memorandum is not located in the United States;
- (iii) you are not located in the United States and you are not participating in the Offer from the United States and you are not an agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States;

- (iv) you are not, and you are not acting for the account or benefit of, a U.S. Person (as defined in Regulation S of the United States Securities Act of 1933, as amended, a "**U.S. Person**");
- (v) you are (i) either located in Belgium, or (ii) located in another member state of the European Economic Area and a "qualified investor" as defined in Article 2(1)(e) of the Directive 2003/71/EC, as amended, and you are otherwise authorised to accept the Offer in such member state;
- (vi) you are not a person, and you are not directly or indirectly owned or controlled by a person, that is the target of any U.S. economic sanctions (including those administered or enforced by the U.S. Department of Treasury's Office of Foreign Assets Control (OFAC), the U.S. Department of Commerce, or the U.S. Department of State) or similar sanctions imposed by the United Nations Security Council, the European Union, Belgium, Switzerland, the United Kingdom, or any other international or multi-national sanctions authority or otherwise prohibited under the laws of Belgium or Switzerland (collectively, "**Sanctions**") or located, organised, or resident in a country or territory that is the subject of Sanctions.
- (vii) you are a person to whom it is lawful to send the Tender Offer Memorandum or for the Offeror to make an invitation pursuant to the Offer under applicable laws and regulations; and
- (viii) you consent to delivery of the Tender Offer Memorandum to you by electronic transmission.

You are otherwise reminded that the Tender Offer Memorandum has been made available to you on the basis that you are a person into whose possession the Tender Offer Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located or resident. If you have recently sold or otherwise transferred your entire holding of Notes, you should immediately forward this document to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee, but if and only if you are permitted to do so by applicable law, and subject to the restrictions set out in Part XI "*Offer and Distribution Restrictions*" of the Tender Offer Memorandum. Save as referred to above, the Tender Offer Memorandum should not be forwarded or distributed to any other person and should not be reproduced in any manner whatsoever.

Any materials relating to the Offer do not constitute, and may not be used in connection with, any form of offer or solicitation in any place where such offers or solicitations are not permitted by law. If a jurisdiction requires that the Offer be made through a licensed broker or dealer and the Dealer Managers or any affiliate of the Dealer Managers is a licensed broker or dealer in that jurisdiction, the Offer shall be deemed to be made by the Dealer Managers or such affiliate on behalf of the Offeror. If the Tender Offer Memorandum is communicated to persons in the United Kingdom, it may only be so communicated in circumstances where section 21(1) of the Financial Services and Markets Act 2000 does not apply.

The Tender Offer Memorandum has been made available to you in an electronic form. You are reminded that documents made available via this medium may be altered or changed during this process and consequently none of Offeror, the Dealer Manager or the Tender Agent nor any person who controls any of them nor any of their respective directors, officers, employees, agents or affiliates accepts any liability or responsibility whatsoever in respect of any difference between the Tender Offer Memorandum made available to you in electronic format and the hard copy version available to you on request from the Dealer Manager and the Tender Agent.

Restrictions: Nothing in this electronic transmission constitutes an offer to buy or the solicitation of an offer to sell securities in:

- (i) the United States;
- (ii) the United Kingdom (other than to investment professionals as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"), to persons who are within Article 43(2) of the Order, or to any other persons to whom it may otherwise lawfully be made under the Order);
- (iii) the Republic of Italy (other than through authorised persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with the Legislative Decree No. 58 of 24 February 1998, as amended, the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") Regulation No. 16190 of 29 October 2007, as amended from time to time, and Legislative Decree No. 385 of September 1, 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority); or
- (iv) the Republic of France (other than to (a) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or (b) qualified investors (*investisseurs qualifiés*) other than individuals, acting on their own account and all as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 of the French *Code Monétaire et Financier*); or
- (v) any other jurisdiction in which such offer or solicitation would be unlawful.

The distribution of the Tender Offer Memorandum in certain jurisdictions may be restricted by law – see Part XI "Offer and Distribution Restrictions" of the Tender Offer Memorandum. Persons into whose possession the Tender Offer Memorandum comes are required by the Offeror, the Dealer Manager and the Tender Agent to inform themselves about, and to observe, any such restrictions.

This Tender Offer Memorandum contains important information which should be read carefully before any decision is made with respect to the Offer. If any holder of Notes is in any doubt as to the action it should take, it is recommended to seek its own financial advice, including as to any tax consequences, from its stockbroker, bank manager, solicitor, accountant or other independent financial adviser. Any individual or company whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to tender Notes in the Offer.



GHELAMCO INVEST NV

(a limited liability company (naamloze vennootschap/société anonyme) incorporated under Belgian law with registered office at Zwaanhofweg 10, 8900 Ieper, Belgium, registered with the Crossroads Bank for Enterprises under VAT BE0431.572.596, commercial court of Ghent, subdivision Ieper)

Voluntary conditional tender offer in cash by Ghelamco Invest NV (the "Offeror") to purchase any and all of its outstanding EUR 70,000,000 6.25 per cent. notes due 28 February 2018 (ISIN: BE6254212408) (the "Notes") subject to the terms and conditions described in this Tender Offer Memorandum (the "Offer")

On the date of this tender offer memorandum (the "Tender Offer Memorandum"), Notes for an aggregate principal amount of EUR 70.000 are still outstanding. The Offeror will pay a purchase price for the Notes of EUR 10.625 for each EUR 10,000 Note (the "Purchase Price") assuming that the settlement date of the Offer (the "Settlement Date") is on 20 November 2017. The Purchase Price consists of (i) the nominal amount of the Note (the "Nominal Amount"), (ii) the accrued interest between the last interest payment date, being 28 February 2017, and the Settlement Date (the "Accrued Interest") and (iii) the purchase premium which corresponds to the accrued interest between the Settlement Date and the maturity date of the Note (the "Purchase Premium").

Description of the Notes	Purchase Price ¹	Nominal Amount	Accrued Interest ¹		Purchase Premium ¹	
			before withholding tax in Belgium ²	after withholding tax in Belgium ²	before withholding tax in Belgium ²	after withholding tax in Belgium ²
EUR 70,000,000 6.25 per cent. Notes due 28 February 2018 ISIN: BE6254212408	EUR 10,625 per EUR 10,000	EUR 10,000 per EUR 10,000	EUR 453.77 per EUR 10,000	317.64 EUR per EUR 10,000	EUR 171.23 per EUR 10,000	EUR 119.86 per EUR 10,000

Note 1: This assumes a Settlement Date on 20 November 2017. If the Payment Date falls on a later date, the Accrued Interest and the Purchase Premium changes, but the aggregate amount of the Purchase Price remains the same.

Note 2: Such portion will be subject to a 30 per cent. withholding tax in Belgium, but only for holders of Notes who hold their Notes through a so-called "N-account" in the securities settlement system of the National Bank of Belgium. No withholding tax will apply on any part of the payment made to holders of Notes who qualify for holding their Notes through a so-called "X-account" (see also Part X "Tax Consequences" below).

The acceptance period will commence on 30 October 2017 and close on 15 November 2017 at 4 p.m. Central European Time ("CET") (the "Acceptance Period"). Holders of Notes can accept the Offer (i) in accordance with the applicable electronic procedures of Euroclear Bank SA/NV ("Euroclear") or Clearstream Banking, S.A. ("Clearstream, Luxembourg") (together, the "Clearing Systems"), or if not available (ii) by submitting the acceptance form customarily used by his, her or its relevant financial intermediary to KBC Bank NV (the "Centralising and Tender Agent"), or if not available, (iii) by submitting the form included in this Tender Offer Memorandum as Annex C (the "Acceptance Form"), duly completed and signed, to his, her or its custodian bank through which he, she or its holds the Notes (or any other financial intermediary) with a copy to the Centralising and Tender Agent. The Settlement Date is scheduled to be 20 November 2017. The decision to participate in the Offer is in the sole discretion of each holder of Notes. Notes that are not tendered in the Offer will remain listed and admitted to trading on Euronext Growth Brussels of Euronext Brussels until their final maturity date. References in this Tender Offer Memorandum to the Notes being "listed" (and all related references) shall mean that the Notes have been listed and admitted to trading on Euronext Growth Brussels of Euronext Brussels. The Notes cannot be the subject of a squeeze-out bid or other form of mandatory sale. Each decision to participate in the Offer should be based on all of the information contained in this Tender Offer Memorandum. Holders of Notes should also carefully consider the matters described in Part IV "Risk Factors and Other Considerations". NOT FOR DISTRIBUTION IN OR INTO THE UNITED STATES OR TO ANY PERSON RESIDENT OR LOCATED IN ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DISTRIBUTE THIS DOCUMENT.

This Tender Offer Memorandum is dated 26 October 2017. It constitutes a prospectus for the purposes of the Belgian Act of 1 April 2007 on public takeover bids, as amended (the "Takeover Act") and has been approved by the Belgian Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten/Autorité des services et marchés financiers*) (the "FSMA") pursuant to Article 18 of the Takeover Act.

Dealer Managers

BNP Paribas Fortis

KBC Bank

Ghelamco Invest NV, a limited liability company (*naamloze vennootschap/société anonyme*) incorporated under Belgian law, having its registered office at Zwaanhofweg 10, 8900 Leper, Belgium, registered with the Crossroads Bank for Enterprises under number VAT BE0431.572.596, commercial court of Ghent, subdivision Leper, is making a voluntary conditional tender offer, subject to compliance with all relevant laws, regulations and directives, to purchase any and all of its outstanding EUR 70,000,000 6.25 per cent. notes due 28 February 2018 (ISIN: BE6254212408), subject to the terms and conditions described in this Tender Offer Memorandum.

This Tender Offer Memorandum is dated 26 October 2017. It constitutes a prospectus for the purposes of the Takeover Act and has been approved on 26 October 2017 by the FSMA pursuant to Article 18 of the Takeover Act.

The Acceptance Period for the Offer commences on 30 October 2017 and will expire on 15 November 2017 at 4 p.m. Central European Time (CET) (the "**Expiration Deadline**") unless extended, withdrawn or terminated at the discretion of the Offeror, subject to applicable laws. The deadlines set by any intermediary will be earlier than this deadline. The Offeror reserves the right, to extend, withdraw, terminate or amend the terms and conditions of the Offer at any time following the announcement of the Offer subject to (i) applicable laws and in particular the requirements set out in Articles 15, 17 and 25 of the Belgian Royal Decree of 1 April 2007 on public takeover bids, as amended (the "**Takeover Decree**"), and (ii) the condition to be able to waive the New Financing Condition (as defined below). The details of any such extension, amendment, withdrawal or termination will be notified to the Noteholders as soon as reasonably practicable after such decision is made, all as described herein under Part IX "*Amendment and Termination*".

Noteholders can accept the Offer (i) in accordance with the applicable electronic procedures of the Clearing Systems, or if not available (ii) by submitting the acceptance form customarily used by his, her or its relevant financial intermediary to the Centralising and Tender Agent, or if not available, (iii) by submitting the Acceptance Form, duly completed and signed, to his, her or its custodian bank through which he, she or its holds the Notes (or any other financial intermediary) with a copy to the Centralising and Tender Agent. The duly completed and executed Acceptance Form can be deposited free of charge directly at the counters of the Centralising and Tender Agent prior to the end of the Acceptance Period. In case a Noteholder elects to submit his, her or its Acceptance Form with another financial intermediary, he, she or it should inquire about the costs and fees that this financial intermediary might charge and which he or she will have to bear. Noteholders that have accepted the Offer can withdraw their acceptance prior to the end of the Acceptance Period. Such withdrawal of an acceptance shall only be valid, if the relevant Noteholder notifies the relevant financial intermediary with whom such Noteholder has deposited his, her or its Acceptance Form in writing prior to the end of the Acceptance Period.

Any questions or requests for assistance in connection with this Tender Offer Memorandum may be directed to the Dealer Managers at the telephone numbers or e-mail addresses provided on the last page of this Tender Offer Memorandum. Any questions or requests for assistance in connection with the delivery of Tender Instructions or requests for additional copies of this Tender Offer Memorandum, which may be obtained free of charge, may be directed to the Centralising and Tender Agent at the telephone numbers or e-mail address provided on the last page of this Tender Offer Memorandum.

Before making a decision with respect to the Offer, Noteholders should carefully consider all of the information in this Tender Offer Memorandum and, in particular, the risk factors described in Part IV "*Risk Factors and Other Considerations*". The Offeror is making the Offer only in those jurisdictions where it is legal to do so. See Part XI "*Offer and Distribution Restrictions*". This document does not constitute a "prospectus" for the purposes of Directive 2003/71/EC (as amended).

IMPORTANT NOTICES

Approval of the Tender Offer Memorandum

The FSMA approved the Tender Offer Memorandum on 26 October 2017 in accordance with Article 18 of the Takeover Act. The FSMA's approval does not imply any opinion by the FSMA on the merits and the quality of the Offer or of the position of the persons who are making this Offer.

In accordance with Article 5 of the Takeover Decree, the Offeror formally notified the FSMA of its intention to proceed with the Offer on 25 October 2017. This notification was published by the FSMA on 26 October 2017 in accordance with Article 7 of the Takeover Decree.

Apart from the FSMA, no other authority in any other jurisdiction has approved the Tender Offer Memorandum or the Offer.

Person responsible for the Tender Offer Memorandum

In accordance with Article 21, §1 and §2 of the Takeover Act, the Offeror, represented by its board of directors, accepts responsibility for the information contained in this Tender Offer Memorandum. The Offeror, represented by its board of directors, declares that to the best of its knowledge, the information contained in this Tender Offer Memorandum is in accordance with the facts and contains no omissions likely to affect its import.

This Tender Offer Memorandum is intended to provide information to the holders of Notes in the context of and for the sole purpose of evaluating a possible acceptance to tender their Notes in the Offer. It contains selected and summarised information, does not express any commitment or acknowledgement or waiver and does not create any right, express or implied, towards anyone other than a person tendering Notes in the Offer.

No person has been authorised to give any information or to make any representation not contained in this Tender Offer Memorandum and, if given or made, such information or representation must not be relied upon as having been authorised by the Offeror or the Dealer Managers.

This Tender Offer Memorandum speaks as of its date. Neither the delivery of this Tender Offer Memorandum nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Offeror or Ghelamco Group Comm. V.A., or that all information contained herein is correct at any time, subsequent to the date hereof, or the date upon which this Tender Offer Memorandum has been most recently amended or supplemented, or that there has been no adverse change, or any event likely to involve any adverse change, in the condition (financial or otherwise) of the Offeror or Ghelamco Group Comm. V.A. since the date hereof, or the date upon which this Tender Offer Memorandum has been most recently amended or supplemented, or that the information contained in it or any other information supplied in connection with the Offer is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. In the event of any significant new factor, material mistake or inaccuracy which is capable of affecting the assessment of the Offer and which arises or becomes known during the period between the approval of this Tender Offer Memorandum by the FSMA and the closing of the Acceptance Period for the Offer, expected to take place on 15 November 2017, a supplement to this Tender Offer Memorandum will be published in accordance with applicable laws and regulations.

Availability of the Tender Offer Memorandum

This Tender Offer Memorandum has been prepared in Dutch and has been translated into English. The Offeror is responsible for the consistency between the Dutch and the English versions of this Tender Offer Memorandum. In connection with the Offer, in case of inconsistencies between the language versions, the Dutch version shall prevail.

Subject to certain restrictions described in Part IX "*Offer and Distribution Restrictions*", copies of this Tender Offer Memorandum are available without charge, as from, upon request in Belgium from, or may be accessed at:

In Dutch: KBC Bank NV on www.kbc.be/ghelamco/tender

BNP Paribas Fortis SA/NV on www.bnpparibasfortis.be/sparenenbeleggen

In English: KBC Bank NV on www.kbc.be/ghelamco/tender

BNP Paribas Fortis SA/NV on www.bnpparibasfortis.be/sparenenbeleggen

Subject to certain restrictions, the Tender Offer Memorandum may also be accessed on the website of the Offeror (www.ghelamco.com) as from 27 October 2017.

Warnings

The distribution of this Tender Offer Memorandum and the Offer may, in certain jurisdictions, be restricted by law, and this Tender Offer Memorandum may not be used for the purpose of, or in connection with, any offer to purchase or solicitation of an offer to sell by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. This Tender Offer Memorandum does not constitute an offer to purchase, or an invitation to sell, any Notes in any jurisdiction in which such offer or invitation would be unlawful. The Offeror and the Dealer Managers require persons into whose possession this Tender Offer Memorandum comes to inform themselves of and observe all such restrictions. Neither the Offeror nor the Dealer Managers accept any legal responsibility for any violation by any person, whether or not such person is a seller of Notes, of any such restrictions.

For a more detailed description of certain restrictions in connection with the Offer, see Part IX "*Offer and Distribution Restrictions*". The Offeror and the Dealer Managers reserve the right to reject any tender of Notes in the Offer that the Offeror, the Dealer Managers or their agents believe may give rise to a breach or violation of any laws, rules or regulations. If a jurisdiction requires that the Offer be made through a licensed broker or dealer and the Dealer Managers or any affiliate of the Dealer Managers is a licensed broker or dealer in that jurisdiction, the Offer shall be deemed to be made by the Dealer Managers or such affiliate on behalf of the Offeror.

In the ordinary course of their respective businesses, the Offeror, the Dealer Managers and the Centralising and Tender Agent are entitled to hold positions in the Notes either for their own account or for the account, directly or indirectly, of third parties. In the ordinary course of their respective businesses, they are entitled to continue to hold or dispose of, in any manner they may elect, subject to applicable law, any Notes they may hold as at the date of this Tender Offer Memorandum. No such submission or non-submission by the Offeror, the Dealer Managers or the Centralising and Tender Agent should be taken by any holder of Notes or any other person as any recommendation or otherwise by any such Offeror, Dealer Manager or the Centralising and Tender Agent, as the case may be, as to the merits of participating or not participating in the Offer.

Notes can only be tendered in the Offer in accordance with the procedures described in Part IX "*Acceptance Procedures*". Noteholders who do not participate in the Offer, or whose Notes are not accepted for purchase by the Offeror, will continue to hold their Notes subject to the Conditions.

Noteholders must comply with all laws that apply to them in any place in which they possess this Tender Offer Memorandum. Noteholders must also obtain any consents or approvals that they need in order to tender their Notes. None of the Offeror, the Dealer Managers or the Centralising and Tender Agent is responsible for Noteholders' compliance with these legal requirements. See Part XI "*Offer and Distribution Restrictions*". The applicable provisions of the UK Financial Services and Markets Act 2000, as amended must be complied with in respect of anything done in relation to the Offer in, from or otherwise involving the United Kingdom.

Capitalised terms used in this Tender Offer Memorandum have the meaning given in Part II "*Definitions and Interpretation*" below and any other definitions of such terms are for ease of reference only and shall not affect their interpretation.

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PART I. SUMMARY OF THE OFFER

This part constitutes a summary of certain important information contained in this Tender Offer Memorandum. This summary should be read as an introduction to the Tender Offer Memorandum. It must be read in conjunction with the more detailed information set out elsewhere in the Tender Offer Memorandum. Any decision to participate in the Offer must be based on a careful and thorough reading of the Tender Offer Memorandum as a whole. No civil liability can be attributed to anyone simply on the basis of this summary or the translation thereof unless it is misleading, inaccurate or inconsistent when read together with the other parts of the Tender Offer Memorandum. The summary highlights information contained elsewhere in this Tender Offer Memorandum. This summary is not complete and does not contain all of the information that may be important to holders of the Notes.

The holders of Notes are requested to form their own opinion on the conditions of the Offer as well as on the advantages and disadvantages which this decision is likely to have for them. Words and expressions defined in the "Definitions and Interpretation" below or elsewhere in this Tender Offer Memorandum have the same meanings in this Summary.

Scope of the Offer

Ghelamco Invest NV (the "**Offeror**") is making a conditional tender offer in cash (the "**Offer**") to purchase any and all of its outstanding EUR 70,000,000 6.25 per cent. notes due 28 February 2018 (ISIN: BE6254212408) (the "**Notes**"). The terms and conditions of the Notes are included in the Tender Offer Memorandum as Annex A. Ghelamco Invest NV is both offeror and target company under the Offer.

The Notes were issued by the Offeror and are listed and admitted to trading on Euronext Growth Brussels of Euronext Brussels. The decision to participate in the Offer is in the sole discretion of each holder of Notes. Notes that are not tendered in the Offer will remain listed and admitted to trading on Euronext Growth Brussels of Euronext Brussels until their final maturity date. The Notes cannot be the subject of a squeeze-out bid or other form of mandatory sale.

The Offer is a voluntary public takeover bid that is subject to the Belgian Act of 1 April 2007 on public takeover bids, as amended (the "**Takeover Act**") and the Belgian Royal Decree of 27 April 2007 on public takeover bids, as amended (the "**Takeover Decree**").

Reason for the Offer

The Offeror launches the Offer to redeem its outstanding Notes, four months prior to the scheduled maturity date. The funds used for the early redemption are currently not available. The Offeror will, therefore, concurrently with the Offer, launch the issuance of New Notes (as defined below). The proceeds of the new issuance will be used by the Offeror to pay the Purchase Price. The Offer is therefore also conditional to the successful (as determined by the Offeror) placement of the New Notes (see New Financing Condition below).

The Offeror launches the Offer to refinance its existing debt, to optimise its debt position and to lengthen the maturity profile. By launching the Offer and the new issuance already now, the Offeror wants to ensure that it will have sufficient funds available to purchase the Notes, sufficient time prior to the maturity date of the Notes. By aligning the issuance of the New Notes and the purchase of the Notes, the Offeror wants to maximise the potential success of the new issuance. The Offeror hopes to convince the holders of the Notes to subscribe to the New Notes and to prolong their investment in the Offeror without having temporarily a double investment in the Offeror.

New Financing Condition

Concurrently with the Offer, the Offeror intends to place a series of euro denominated notes under its EUR 250,000,000 EMTN programme dated 24 October 2017 as supplemented from time to time (the "**New Notes**"). Whether the Offeror will accept for purchase any of the Notes validly tendered in the Offer is subject to the successful completion (in the determination of the Offeror) of the placement of the New Notes (the "**New Financing Condition**"). The New Financing Condition is exclusively for the benefit of the Offeror, which has the right to waive this condition in whole or in part, provided that the Offeror has placed New Notes for a minimum aggregate amount of EUR 75,000,000. If the New Financing Condition is not met, the Offeror will announce its decision whether or not it waives this condition at the latest at the time of the announcement of the results of the Offer.

Acceptance Amount

Subject to the New Financing Condition being satisfied, the Offeror intends to accept all Notes for which a valid Tender Instruction has been submitted.

Purchase Price

Calculation

The Offeror will pay a purchase price (the "**Purchase Price**") for the Notes accepted by it equal to (a) the present value of all remaining payments of principal and interest on the Notes up to and including the scheduled maturity date of the Notes, minus (b) the aggregate amount of all payments of interest on the Notes as from 28 February 2017 up to and including the Settlement Date. The Purchase Price consists of (i) the nominal amount of the Note (the "**Nominal Amount**"), (ii) the accrued interest between the last interest payment date, being 28 February 2017, and the Settlement Date (the "**Accrued Interest**") and (iii) the purchase premium which corresponds to the accrued interest between the Settlement Date and the maturity date of the Note (the "**Purchase Premium**"). The Purchase Price will be rounded to the nearest 0.001 per cent. with 0.0005 per cent. being rounded upwards. Assuming the Settlement Date is 20 November 2017, the Purchase Price for each EUR 10,000 Note will be equal to EUR 10,625, consisting of the sum of the Nominal Amount of EUR 10,000, the Accrued Interest of EUR 453.77 and the Purchase Premium of EUR 171.23, in each case prior to withholding tax (see "*Tax*" below). If the Payment Date falls on a later date, the Accrued Interest and the Purchase Premium changes, but the aggregate amount of the Purchase Price remains the same.

Justification

In the determination of the Purchase Price of the Notes, the following elements were taken into account:

- (i) Investors will evaluate a tender offer on a different basis depending on the time to maturity of the security that is bought back. As notes approach maturity (short duration), price sensitivity to changes in yield reduces, making cash prices more relevant for investors.
- (ii) All other things equal, the present value of a note converges to its redemption value as it approaches maturity. In the current environment where short term rates and government bond yields are negative, investors who hold notes that return higher yields are more reluctant to exit their positions due to lack of comparable reinvestments.
- (iii) If the remaining tenor of notes is below twelve months, such notes are sold into short term funds that hold to maturity and are very unlikely to divest as they would breach their investment guidelines or affect the weighted average life of their portfolios.
- (iv) The quantitative easing programme of the European Central Bank has reduced assets in the short end of the curve making them more valuable.

Based on the above-described considerations and the dynamic elements linked to price and yield, the Purchase Price offered to be paid by the Offeror takes into account both price and yield of the Notes. The Purchase Price is determined in accordance with market convention and expressed as a percentage of the nominal amount of Notes, and it intends to reflect a yield to maturity of the Notes on the Settlement Date based on a yield of 0 per cent.

Acceptance of Offer

The acceptance period for the offer (the “**Acceptance Period**”) commences on 30 October 2017 and will expire on 15 November 2017 at 4 p.m. Central European Time (CET) (the “**Expiration Deadline**”) unless extended, withdrawn or terminated by the Offeror, subject to applicable laws. The deadlines set by any intermediary will be earlier than this deadline.

An offer of Notes for repurchase may only be made by submission of a valid Tender Instruction.

A Tender Instruction shall be valid if submitted:

- (i) in respect of integral multiples of EUR 10,000;
- (ii) in accordance with the acceptance and transfer procedures described below;
- (iii) in compliance with the offer and distribution restrictions described below; and
- (iv) if not revoked prior to the end of the Acceptance Period.

Noteholders can accept the Offer (i) in accordance with the applicable electronic procedures of Euroclear Bank SA/NV (“**Euroclear**”) or Clearstream Banking, S.A. (“**Clearstream, Luxembourg**” and together with Euroclear, the “**Clearing Systems**”), or if not available (ii) by submitting the acceptance form customarily used by his, her or its relevant financial intermediary to KBC Bank NV (the “**Centralising and Tender Agent**”), or if not available, (iii) by submitting the form included in this Tender Offer Memorandum as Annex C (the “**Acceptance Form**”), duly completed and signed, to his, her or its custodian bank through which he, she or it holds the Notes (or any other financial intermediary) with a copy to the Centralising and Tender Agent. The duly completed and executed Acceptance Form can be deposited free of charge directly at the counters of the Centralising and Tender Agent prior to the end of the Acceptance Period. In case a Noteholder elects to submit his, her or its Acceptance Form with another financial intermediary, he, she or it should inquire about the costs and fees that these financial intermediaries might charge and which they will have to bear.

Noteholders that have accepted the Offer can revoke their Tender Instruction prior to the end of the Acceptance Period. Noteholders who have submitted an Acceptance Form, can only validly withdraw their Tender Instruction, if the relevant Noteholders notifies the relevant financial intermediary with whom such Noteholders has deposited his or her Acceptance Form in writing prior to end of the Expiration Deadline.

Following completion of the Offer, Notes which have been validly tendered and accepted will be cancelled. Notes which have not been validly tendered and accepted for purchase pursuant to the Offer will remain outstanding after the Settlement Date.

Availability of the Tender Offer Memorandum

This Tender Offer Memorandum has been prepared in Dutch and has been translated into English. The Offeror is responsible for the consistency between the Dutch and the English versions of this Tender Offer Memorandum. In connection with the Offer, in case of inconsistencies between the language versions, the Dutch version shall prevail.

Subject to the offer and distribution restrictions, copies of this Tender Offer Memorandum are available without charge, as from, upon request in Belgium from, or may be accessed at:

In Dutch: KBC Bank NV on www.kbc.be/ghelamco/tender
 BNP Paribas Fortis SA/NV on www.bnpparibasfortis.be/sparenenbeleggen

In English: KBC Bank NV on kbc.be/ghelamco/tender
 BNP Paribas Fortis SA/NV on www.bnpparibasfortis.be/sparenenbeleggen

Subject to certain restrictions, the Tender Offer Memorandum may also be accessed on the website of the Offeror (www.ghelamco.com) as from 27 October 2017.

Response Memorandum

The board of directors of the Offeror approved a response memorandum (*memorie van antwoord/mémoire en réponse*) in respect of the Offer pursuant to Articles 27 and 47 of the Takeover Decree. The Response Memorandum is included in this Tender Offer Memorandum as Annex B.

Costs and Expenses

Any charges, costs and expenses charged to the Noteholders by any intermediary shall be borne by such Noteholder. No brokerage costs are being levied by the Dealer Managers or the Centralising and Tender Agent. Noteholders should check whether their brokers or custodians will charge fees.

Expected Timetable of the Offer

<i>Times and Dates</i>	<i>Action</i>
25 October 2017	<i>Filing of notice to the Offer by the Offeror in accordance with Article 5 of the Takeover Decree</i>
26 October 2017	<i>Announcement by the FSMA in accordance with Article 7 of the Takeover Decree</i>
26 October 2017	<i>Approval of the Tender Offer Memorandum and Response Memorandum by the FSMA</i>
27 October 2017	<i>Publication of the Tender Offer Memorandum and Response Memorandum</i>
30 October 2017	<i>Commencement of the Offer</i> Start of the Acceptance Period.
15 November 2017 4 p.m. CET	<i>Expiration Deadline</i> End of the Acceptance Period. Deadline for receipt by the Centralising and Tender Agent of all Tender Instructions in order for Noteholders to be able to participate in the Offer and to be eligible to receive the Purchase Price on the Settlement Date.
Two Business Days after the Expiration Deadline at or around 11:00 a.m. CET	<i>Announcement of Results of Offer</i> The Offeror will announce (i) whether the New Financing Condition is satisfied or waived, (ii) the Settlement Date for the Offer, (iii) the final aggregate principal amount of the Notes tendered pursuant to the Offer, and (iv) the aggregate principal amount of Notes accepted for purchase pursuant to the Offer.
20 November 2017	<i>Settlement</i> Expected Settlement Date for the Offer and payment of the Purchase Price in respect of the Offer.

The Offeror may amend the dates and times of the Offer and periods indicated in the above timetable and throughout the Tender Offer Memorandum. Should the Offeror decide to amend such dates, times or periods, it will inform prospective sellers of Notes as soon as reasonably practicable.

Amendment and Termination

The Offeror reserves the right, to extend, withdraw, terminate or amend the terms and conditions of the Offer at any time following the announcement of the Offer subject to (i) applicable laws and in particular the requirements set out in Articles 15, 17 and 25 of the Takeover Decree, and (ii) the condition to be able to waive the New Financing Condition. The details of any such extension, amendment, withdrawal or termination will be notified to the Noteholders as soon as reasonably practicable after such decision is made.

Offer and Distribution Restrictions

The Offeror is making the Offer only in those jurisdictions where it is legal to do so.

Investors should in particular take into account the offer and distribution restrictions for the United States, the United Kingdom, France and Italy.

The Tender Offer Memorandum does not constitute a "prospectus" for the purposes of Directive 2003/71/EC (as amended).

Tax

The portion of the payment received by holders of Notes tendering Notes in the Offer which corresponds to the difference between the relevant Purchase Price and the outstanding nominal amount of the relevant Notes, will be subject to a 30 per cent. withholding tax in Belgium, but only for holders of Notes who hold their Notes through a so-called "N-account" in the NBB Securities Settlement System. No withholding tax will apply on any part of the payment made to holders of Notes who do qualify for holding their Notes through a so-called "X-account" (also see Part X "*Tax Consequences*").

Further Information

Questions and requests for assistance in connection with (i) the Offer may be directed to the Dealer Managers, and (ii) the delivery of Tender Instructions may be directed to the Centralising and Tender Agent, the contact details for each of which are on the last page of this Tender Offer Memorandum.

The Centralising and Tender Agent is the agent of the Offeror and owes no duty to any Noteholder.

PART II. DEFINITIONS AND INTERPRETATION

Each defined term listed below and/or elsewhere in this Tender Offer Memorandum is subject to the right of the Offeror, subject to applicable laws, to extend, re-open, withdraw or terminate the Offer and to amend or waive any of the terms and conditions of the Offer, as described herein under Part XI "Amendment and Termination". Subject to the foregoing, in this Tender Offer Memorandum the following expressions have the following meanings:

Acceptance and Transfer Procedures	The acceptance and transfer procedures set out in Part VIII "Acceptance Procedures".
Acceptance Form	The Acceptance Form set out in Annex C of the Tender Offer Memorandum.
Business Day	A day other than a Saturday or a Sunday or a public holiday on which commercial banks and foreign exchange markets are open for business in London and Brussels.
CET	Central European Time.
Clearing Systems	Clearstream, Luxembourg and Euroclear.
Clearstream, Luxembourg	Clearstream Banking, S.A.
Conditions	The terms and conditions of the Notes as set out in Annex A of the Tender Offer Memorandum.
Dealer Managers	BNP Paribas Fortis SA/NV and KBC Bank NV.
Direct Participant	Each person shown in the records of the Clearing Systems as a holder of the Notes (except for either Clearing System in its capacity as an accountholder of the other Clearing System).
Euroclear	Euroclear Bank SA/NV.
Expiration Deadline	4 p.m. (CET) on 15 November 2017 (subject to the right of the Offeror to extend, re-open and/or terminate the Offer, in accordance with applicable laws).
intermediary	Any broker, dealer, bank, custodian, trust company, nominee or Direct Participant in any Clearing System or NBB Direct Participant which holds Notes or an interest in Notes on behalf of another person.
NBB Direct Participant	Each person shown in the records of the NBB Securities Settlement System as a holder of the Notes.
NBB Securities Settlement System	The securities settlement system of the National Bank of Belgium.
New Notes	A series of euro-denominated notes which the Offeror intends to place under its EUR 250,000,000 EMTN programme dated 24 October 2017, as amended from time to time.
New Financing Condition	The successful placement (as determined by the Offeror) of the New Notes.
Noteholders	Holders of the Notes.
Notes	The outstanding EUR 70,000,000 6.25 per cent. Notes due 28 February 2018 (ISIN: BE6254212408) of the Offeror.
Notifying News	A recognised financial news service or services (e.g.

	Bloomberg/Reuters/Business Wire) as selected by the Offeror.
Offer	The invitation by the Offeror to Noteholders (subject to the Offer and Distribution Restrictions) to tender their Notes for purchase by the Offeror for cash, on the terms and subject to the conditions set out in this Tender Offer Memorandum.
Offer and Distribution Restrictions	The offer and distribution restrictions referred to in Part XI " <i>Offer and Distribution Restrictions</i> ".
Offeror	Ghelamco Invest NV.
Purchase Price	The price payable by the Offeror for Notes validly tendered in the Offer and accepted for purchase by the Offeror, will be equal to (a) the present value of all remaining payments of principal and interest on the Notes up to and including the scheduled maturity date of the Notes, minus (b) the aggregate amount of all payments on interest on the Notes as from 28 February 2017 up to and including the Settlement Date. The Purchase Price consists of (i) the nominal amount of the Note, (ii) the accrued interest between the last interest payment date, being 28 February 2017, and the Settlement Date and (iii) the purchase premium which corresponds to the accrued interest between the Settlement Date and the maturity date of the Note. The Purchase Price will be rounded to the nearest 0.001 per cent. with 0.0005 per cent. being rounded upwards.
Response Memorandum	The response memorandum as set out in Annex B to this Tender Offer Memorandum.
Settlement Date	Expected to be 20 November 2017 (subject to the right of the Offeror, subject to applicable laws, to extend, re-open, amend and/or terminate the Offer).
Centralising and Tender Agent	KBC Bank NV.
Tender Instruction	The instruction of the Noteholder to tender its Notes in the Offer, to be submitted in accordance with the acceptance procedures referred to in Part VIII " <i>Acceptance Procedures</i> ".

Unless the context otherwise requires, all references in this Tender Offer Memorandum to:

- (a) a "**Noteholder**" or "**holder of Notes**" include:
- (i) each Direct Participant;
 - (ii) each NBB Direct Participant;
 - (iii) any broker, dealer, commercial bank, trust company or other nominee or custodian who holds Notes; and
 - (iv) each beneficial owner of Notes holding such Notes, directly or indirectly, in accounts in the name of a Direct Participant or a NBB Direct Participant acting on the beneficial owner's behalf; and
- (b) "**EUR**", "**euro**" and "**€**" are to the currency of the member states of the European Union that have adopted the single currency in accordance with the Treaty on the Functioning of the European Union, as amended.

In this Tender Offer Memorandum headings and sub-headings are for ease of reference and shall not affect the construction or interpretation of any provision of this Tender Offer Memorandum.

PART III. INDICATIVE TIMETABLE

This is an indicative timetable showing one possible outcome for the timing of the Offer based on the dates in this Tender Offer Memorandum. This timetable is subject to change and dates and times may be extended or amended by the Offeror in accordance with the terms of the Offer as described in this Tender Offer Memorandum.

All times are CET.

Times and Dates	Action
25 October 2017	<i>Filing of notice to the Offer by the Offeror in accordance with Article 5 of the Takeover Decree</i>
26 October 2017	<i>Announcement by the FSMA in accordance with Article 7 of the Takeover Decree</i>
26 October 2017	<i>Approval of the Tender Offer Memorandum and Response Memorandum by the FSMA</i>
27 October 2017	<i>Publication of the Tender Offer Memorandum and Response Memorandum</i>
30 October 2017	<i>Commencement of the Offer</i> Start of the acceptance period.
15 November 2017 4 p.m.	<i>Expiration Deadline</i> End of the Acceptance Period. Deadline for receipt by the Centralising and Tender Agent of all Tender Instructions in order for Noteholders to be able to participate in the Offer and to be eligible to receive the Purchase Price on the Settlement Date.
Two Business Days after the Expiration Deadline at or around 11 a.m.	<i>Announcement of Results of Offer</i> The Offeror will announce (i) whether the New Financing Condition is satisfied or waived, (ii) the Settlement Date for the Offer, (iii) the final aggregate principal amount of the Notes tendered pursuant to the Offer, and (iv) the aggregate principal amount of Notes accepted for purchase pursuant to the Offer.
20 November 2017	<i>Settlement</i> Expected Settlement Date for the Offer and payment of the Purchase Price in respect of the Offer.

PART IV. RISK FACTORS AND OTHER CONSIDERATIONS

Before making a decision with respect to the Offer, Noteholders should carefully consider, in addition to the other information contained in this Tender Offer Memorandum, the following:

The Offer is conditional upon the completion of the New Financing Condition

The completion of the Offer is conditional upon the satisfaction of the New Financing Condition. The New Financing Condition is expected to be satisfied before 17 November 2017. This condition is exclusively for the benefit of the Offeror, which has the right to waive this condition in whole or in part, provided that the Offeror has placed New Notes for a minimum aggregate amount of EUR 75,000,000. If this condition is not met, the Offeror will announce its decision whether or not it waives this condition at the latest at the time of the announcement of the results of the Offer. The Offer shall become unconditional upon completion of the New Financing Condition. While the circumstances in which the New Financing Condition can be terminated are limited, there is no guarantee that the Offer will become unconditional. If the Offer is not completed, this may have a negative impact on the trading price of the Notes.

Notes held in the NBB Securities Settlement System

Noteholders can accept the Offer (i) in accordance with the applicable electronic procedures of the Clearing Systems, or if not available (ii) by submitting the acceptance form customarily used by his, her or its relevant financial intermediary to the Centralising and Tender Agent, or if not available, (iii) by submitting the Acceptance Form, duly completed and signed, to his, her or its custodian bank through which he, she or its holds the Notes (or any other financial intermediary) with a copy to the Centralising and Tender Agent. The duly completed and executed Acceptance Form can be deposited free of charge directly at the counters of the Centralising and Tender Agent prior to the end of the Acceptance Period. In case a Noteholder elects to submit his, her or its Acceptance Form with another financial intermediary, he, she or it should inquire about the costs and fees that these financial intermediaries might charge and which they will have to bear.

Uncertainty as to the Trading Market for Notes Not Purchased.

To the extent that any tendered Notes are accepted by the Offeror for purchase pursuant to the Offer, the trading markets for Notes that remain outstanding may be significantly more limited. Such remaining Notes may command a lower market price than would a comparable issue of debt securities with greater market liquidity. A reduced market value may also make the trading price of such Notes more volatile. As a result, the market price for Notes that remain outstanding after completion of the Offer may be adversely affected as a result of the Offer and there can be no assurance that an active trading market will exist for the Notes following the Offer. None of the Offeror, the Dealer Managers or the Centralising and Tender Agent has any duty to make a market in the Notes not validly tendered and purchased in the Offer.

Blocking of Notes.

When considering whether to tender Notes in the Offer, Noteholders should take into account that restrictions on the transfer of the relevant Notes will apply from the time of such tender. A Noteholder will, on tendering Notes in the Offer, agree that the relevant Notes will be blocked in the relevant account at the NBB Securities Settlement System or, as the case may be, the relevant Clearing System from the date that the tender of Notes is made until the earlier of (a) the date on which the Noteholder revokes its Tender Instruction during the Acceptance Period, or (b) the date on which the Offeror withdraws or terminates the Offer, or (c) the time of settlement on the Settlement Date.

Responsibility for Complying with the Procedures of the Offer.

Noteholders are responsible for complying with all of the procedures for submitting a Tender Instruction. Noteholders who wish to tender their Notes for purchase should allow sufficient time for timely

completion of the relevant submission procedures. None of the Offeror, the Dealer Managers or the Centralising and Tender Agent assume any responsibility for informing Noteholders of irregularities with respect to any such Noteholder's Tender Instruction or for notifying the Noteholder of any failure to follow the proper procedure.

If Notes are held through a broker, dealer, commercial bank, trust company or other nominee, such entity may require the relevant Noteholder to take action with respect to the Offer a number of days before the Expiration Deadline in order for such entity to tender for purchase the relevant Notes on the relevant Noteholder's behalf on or prior to the Expiration Deadline.

Responsibility to Consult Advisers.

Noteholders should consult their own tax, accounting, financial and legal advisers regarding the consequences (tax, accounting or otherwise) of participating in the Offer.

None of the Dealer Managers, the Centralising and Tender Agent, the Offeror, nor any director, officer, employee, agent or affiliate of any such person, are acting for any Noteholder, or will be responsible to any Noteholder for providing any protections which would be afforded to its clients or for providing advice in relation to the Offer, and accordingly none of the Dealer Managers, the Centralising and Tender Agent, the Offeror, nor any director, officer, employee, agent or affiliate of, any such person make any recommendation whether Noteholders should tender Notes in the Offer.

Completion, Termination and Amendment.

The Offeror reserves the right, to extend, withdraw, terminate or amend the terms and conditions of the Offer at any time following the announcement of the Offer subject to (i) applicable laws and in particular the requirements set out in Articles 15, 17 and 25 of the Takeover Decree, and (ii) the condition to be able to waive the New Financing Condition (as defined below). The details of any such extension, amendment, withdrawal or termination will be notified to the Noteholders as soon as reasonably practicable after such decision is made.

Compliance with Offer and Distribution Restrictions.

Noteholders are referred to the offer and distribution restrictions in Part XI "*Offer and Distribution Restrictions*" and the acknowledgements, representations, warranties and undertakings in Part VIII "*Acceptance Procedures*", which Noteholders will be deemed to make on tendering Notes in the Offer. Non-compliance with these could result in, among other things, the unwinding of trades and/or heavy penalties.

Other Purchases or Redemption of Notes.

Whether or not the purchase of any Notes pursuant to the Offer is completed, the Offeror or any of its subsidiaries may, to the extent permitted by applicable law, acquire (from time to time both during and after the Offer) Notes other than pursuant to the Offer, including through open market purchases, privately negotiated transactions, tender offers, exchange offers or otherwise. Such purchases may be on such terms and at such prices as the Offeror or the relevant subsidiary may determine, which may be more or less than the prices to be paid pursuant to the Offer and could be for cash or other consideration or otherwise on terms more or less favourable than those contemplated by the Offer.

Notwithstanding the foregoing, pursuant to Article 15, §2 of the Takeover Decree, if during the Acceptance Period the Offeror or the other persons with whom it acts in concert acquire or commit to acquire Notes outside of the Offer at a price that is higher than the Purchase Price, the Purchase Price will be increased to such higher price.

In addition, pursuant to Article 35, §3 of the Takeover Decree, if prior to the end of the Acceptance Period the Offeror or the other persons with whom it acts in concert commit to acquire Notes at a price that is higher than the Purchase Price, the Offer will be reopened at the higher price during minimum five

and maximum fifteen business days and the Offeror will pay the price difference to all Noteholders that have tendered Notes in the Offer.

Furthermore, pursuant to Article 45 of the Takeover Decree, if the Offeror or the persons with whom it acts in concert acquire, directly or indirectly, any Notes during a term of one year following the end of the Acceptance Period at terms that are more favourable than the terms of the Offer, the price difference must be paid to all holders of Notes that have tendered Notes in the Offer.

Dealer Managers and Centralising and Tender Agent

The Offeror has appointed BNP Paribas Fortis SA/NV and KBC Bank NV to act as Dealer Managers for the Offer and KBC Bank NV as Centralising and Tender Agent. The Offeror has entered into a dealer manager agreement with the Dealer Managers and an agency agreement with the Centralising and Tender Agent, each of which contains certain provisions regarding payment of fees, expense reimbursement and indemnity arrangements relating to the Offer.

For the purposes of the settlement of the Offer on the Settlement Date, the Purchase Price for each Noteholder in respect of the Notes validly tendered for purchase pursuant to the Offer by such Noteholder and accepted by the Offeror will be calculated by the Dealer Managers on behalf of the Offeror. Such calculation will, absent manifest error, be conclusive and binding on the Offeror and the Noteholders.

The Dealer Managers and their respective affiliates may contact Noteholders regarding the Offer, and may request brokerage houses, custodians, nominees, fiduciaries and others to forward this Tender Offer Memorandum and related materials to Noteholders. The Dealer Managers and their affiliates have provided and continue to provide certain investment banking services to the Offeror for which they have received and will receive compensation that is customary for services of such nature. The Dealer Managers and/or their respective affiliates may have a holding in, or may from time to time provide advice or other investment services in relation to, or engage in transactions involving, the Notes. Further, each Dealer Manager may (i) submit Tender Instructions for its own account and (ii) submit Tender Instructions (subject always to the Offer and Distribution Restrictions) on behalf of other Noteholders.

None of the Dealer Managers, the Centralising and Tender Agent or any of their respective directors, officers, employees, agents or affiliates assumes any responsibility for the accuracy or completeness of the information concerning the Offer, the Offeror, any of its affiliates or the Notes contained in this Tender Offer Memorandum or for any failure by the Offeror to disclose events that may have occurred and may affect the significance or accuracy of such information.

None of the Dealer Managers, the Centralising and Tender Agent, the Offeror or any of their respective directors, officers, employees or affiliates make any representation or recommendation whatsoever regarding the Tender Offer Memorandum, the Offer or any recommendation as to whether Noteholders should tender Notes in the Offer or otherwise participate in the Offer.

The Centralising and Tender Agent is the agent of the Offeror and owes no duty to any holder of Notes.

PART V. DESCRIPTION OF THE OFFEROR

A description of the Offeror can be found in “*Part VII – Description of the Issuer*”, “*Part IX – Management and Corporate Governance – 1. The Issuer*” and “*Part X – Major Shareholders and Related Party Transactions*” set out in the base prospectus of the Offeror dated 24 October 2017, as supplemented from time to time, relating to the EUR 250,000,000 EMTN programme (the “**EMTN Base Prospectus**”) which are incorporated by reference in the Tender Offer Memorandum.

Please refer to Part VI “*Documents Incorporated by Reference*” in the Tender Offer Memorandum.

PART VI. DOCUMENTS INCORPORATED BY REFERENCE

This Tender Offer Memorandum shall be read and construed in conjunction with the following sections of the EMTN Base Prospectus:

- (i) "*Part VII – Description of the Issuer*" of the EMTN Base Prospectus;
- (ii) "*Part IX – Management and Corporate Governance – 1. The Issuer*" of the EMTN Base Prospectus;
- (iii) "*Part X – Major Shareholders and Related Party Transactions – 1. The Issuer*" of the EMTN Base Prospectus;
- (iv) "*Annex I – Financial Statements – 1.1 audited consolidated financial statements of the Issuer for the financial year ended 31 December 2016, together with the audit report*" of the EMTN Base Prospectus; and
- (v) "*Annex I – Financial Statements – 1.3 the consolidated financial statements of the Issuer for the half year ended 30 June 2017, together with the limited review report*" of the EMTN Base Prospectus.

These documents have been incorporated by reference in this Tender Offer Memorandum.

The information so incorporated by reference herein shall form an integral part of this Tender Offer Memorandum, save that any statement contained in a document which is incorporated by reference herein, shall be modified or superseded for the purpose of this Tender Offer Memorandum to the extent that a statement contained in this Tender Offer Memorandum modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Tender Offer Memorandum.

The tables below include references to the relevant pages.

EMTN Base Prospectus

<i>Part VI – Description of the Issuer</i>	p. 60 – 78
<i>Part IX – Management and Corporate Governance – 1. The Issuer</i>	p. 87 - 90
<i>Part X – Major Shareholders and Related Party Transactions – 1. The Issuer</i>	p. 92
<i>Annex I – Financial Statements – 1.1 the audited consolidated financial statements of the Issuer for the financial year ended 31 December 2016, together with the audit report</i>	p. I-1 – I-68
<i>Annex I – Financial Statements – 1.3 the consolidated financial statements of the Issuer for the half year ended 30 June 2017, together with the limited review report</i>	p. I-137 – I-160

Any information not listed in the tables above but included in the document incorporated by reference is given for information purpose only. The documents incorporated by reference are available on the website of the Offeror (www.ghelamco.com), as well as on the website of Euronext Brussels (www.euronext.com).

PART VII. TERMS AND CONDITIONS OF THE OFFER

Introduction

On the terms and subject to the conditions contained in this Tender Offer Memorandum, the Offeror invites Noteholders (subject to the Offer and Distribution Restrictions contained herein) to tender their Notes for repurchase by the Offeror at the Purchase Price.

The Offeror reserves the right not to accept any Tender Instructions, not to purchase Notes or to extend, withdraw, terminate or amend the terms and conditions of the Offer at any time following the announcement of the Offer subject to (i) applicable laws and in particular the requirements set out in Articles 15, 17 and 25 of the Takeover Decree, and (ii) the condition to be able to waive the New Financing Condition.

Following completion of the Offer, Notes repurchased will be cancelled. Notes that have not been validly submitted and accepted for purchase pursuant to the Offer will remain outstanding.

Corporate approvals

Ghelamco Invest NV is both offeror and target company under the Offer.

Ghelamco Invest NV decided, in accordance with the provisions of the Takeover Act and the Takeover Decree, to launch the Offer and to approve the Tender Offer Memorandum. This decision was authorised by the board of directors of the Ghelamco Invest NV (as offeror) on 19 September 2017.

On the same date, the board of directors of Ghelamco Invest NV (as target company) approved the Response Memorandum. The Response Memorandum is included in this Tender Offer Memorandum as Annex B.

Compliance with the requirements of Article 3 of the Takeover Decree

The Offer is made on the basis of Article 47 of the Takeover Decree and complies with the provisions of Article 3 of the Takeover Decree, except for Article 3, 2° of the Takeover Decree for which the FSMA granted a derogation:

- (i) the conditions of the Offer comply with applicable laws, in particular the Takeover Act and the Takeover Decree. The Offeror considers that these conditions are such that they allow the Offeror to achieve its goal to acquire Notes as provided for in the Offer;
- (ii) the Offeror commits to complete the Offer in accordance with the terms set out in this Tender Offer Memorandum; and
- (iii) the Centralising and Tender Agent will, either directly or indirectly, centralise the receipt of acceptance forms and process payment of the Purchase Price.

In accordance with Article 35, §1 *juncto* Article 9 of the Takeover Code, the FSMA approved a derogation for the condition set out in Article 3, 2° of the Takeover Decree.

As set out in "*Reason for the Offer*", the funds required for the early redemption of the Notes are currently not available. The Offeror will therefore, concurrently with the Offer, launch an issuance of New Notes (as defined below). The proceeds of the new issuance will be used by the Offeror to pay the Purchase Price. The Offer is therefore also conditional upon the successful placement of the New Notes (see New Financing Condition below). The funds which are required to pay the Purchase Price (for the maximum amount of Notes which can be purchased under the Offer) will therefore not be held on a blocked account or irrevocably and unconditionally guaranteed by a credit institution at the time of launch of the Offer. The Offeror will, however, when the New Financing Condition is fulfilled and the Offer has thus become unconditional, be able to provide the necessary certainty that it will have the necessary

funds, at the time of the settlement of the Offer. At the time of the successful placement of the New Notes, the Offeror will sign a subscription agreement with the participating banks in which they guarantee the subscription of the New Notes on the date of settlement, subject to several customary conditions precedent being fulfilled at that time.

Reason for the Offer

The Offeror launches the Offer to redeem its outstanding Notes, four months prior to the scheduled maturity date. The funds used for the early redemption are currently not available. The Offeror will, therefore, concurrently with the Offer, launch the issuance of New Notes (as defined below). The proceeds of the new issuance will be used by the Offeror to pay the Purchase Price. The Offer is therefore also conditional to the successful (as determined by the Offeror) placement of the New Notes (see New Financing Condition below).

The Offeror launches the Offer to refinance its existing debt, to optimise its debt position and to lengthen the maturity profile. By launching the Offer and the new issuance already now, the Offeror wants to ensure that it will have sufficient funds available to purchase the Notes, sufficient time prior to the maturity date of the Notes. By aligning the issuance of the New Notes and the purchase of the Notes, the Offeror wants to maximise the potential success of the new issuance. The Offeror hopes to convince the holders of the Notes to subscribe to the New Notes and to prolong their investment in the Offeror without having temporarily a double investment in the Offeror.

New Financing Condition

Concurrently with the Offer, the Offeror intends to place a series of euro denominated notes under its EUR 250,000,000 EMTN programme dated 24 October 2017 as supplemented from time to time (the "**New Notes**"). Whether the Offeror will accept for purchase any of the Notes validly tendered in the Offer is subject to the successful completion (in the determination of the Offeror) of the placement of the New Notes (the "**New Financing Condition**"). The New Financing Condition is exclusively for the benefit of the Offeror, which has the right to waive this condition in whole or in part, provided that the Offeror has placed New Notes for a minimum aggregate amount of EUR 75,000,000. If the New Financing Condition is not met, the Offeror will announce its decision whether or not it waives this condition at the latest at the time of the announcement of the results of the Offer.

Purchase Price

Calculation

The Offeror will pay a purchase price (the "**Purchase Price**") for the Notes accepted by it equal to (a) the present value of all remaining payments of principal and interest on the Notes up to and including the scheduled maturity date of the Notes, minus (b) the aggregate amount of all payments of interest on the Notes as from 28 February 2017 up to and including the Settlement Date. The Purchase Price consists of (i) the nominal amount of the Note (the "**Nominal Amount**"), (ii) the accrued interest between the last interest payment date, being 28 February 2017, and the Settlement Date (the "**Accrued Interest**") and (iii) the purchase premium which corresponds to the accrued interest between the Settlement Date and the maturity date of the Note (the "**Purchase Premium**"). The Purchase Price will be rounded to the nearest 0.001 per cent. with 0.0005 per cent. being rounded upwards. Assuming the Settlement Date is 20 November 2017, the Purchase Price for each EUR 10,000 Note will be equal to EUR 10,625, consisting of the sum of the Nominal Amount of EUR 10,000, the Accrued Interest of EUR 453.77 and the Purchase Premium of EUR 171.23, in each case prior to withholding tax (see "*Tax*" below). If the Payment Date falls on a later date, the Accrued Interest and the Purchase Premium changes, but the aggregate amount of the Purchase Price remains the same.

Justification

In the determination of the Purchase Price of the Notes, the following elements were taken into account:

- (i) Investors will evaluate a tender offer on a different basis depending on the time to maturity of the security that is bought back. As notes approach maturity (short duration), price sensitivity to changes in yield reduces, making cash prices more relevant for investors.
- (ii) All other things equal, the present value of a note converges to its redemption value as it approaches maturity. In the current environment where short term rates and government bond yields are negative, investors who hold notes that return higher yields are more reluctant to exit their positions due to lack of comparable reinvestments.
- (iii) If the remaining tenor of notes is below twelve months, such notes are sold into short term funds that hold to maturity and are very unlikely to divest as they would breach their investment guidelines or affect the weighted average life of their portfolios.
- (iv) The quantitative easing programme of the European Central Bank has reduced assets in the short end of the curve making them more valuable.

Based on the above-described considerations and the dynamic elements linked to price and yield, the Purchase Price offered to be paid by the Offeror takes into account both price and yield of the Notes. The Purchase Price is determined in accordance with market convention and expressed as a percentage of the nominal amount of Notes, and it intends to reflect a yield to maturity of the Notes on the Settlement Date based on a yield of 0 per cent.

Tax

The portion of the payment received by holders of Notes tendering Notes in the Offer which corresponds to the difference between the relevant Purchase Price and the outstanding nominal amount of the relevant Notes, will be subject to a 30 per cent. withholding tax in Belgium, but only for holders of Notes who hold their Notes through a so-called "N-account" in the NBB Securities Settlement System. No withholding tax will apply on any part of the payment made to holders of Notes who do qualify for holding their Notes through a so-called "X-account" (see also Part X "*Taxation*").

Offer Period

The Offer commences on 30 October 2017 and will end at 4 p.m. (CET) on 15 November 2017 (the "**Expiration Deadline**") unless extended by the Offeror, in which case notification to that effect will be given by or on behalf of the Offeror (i) by way of announcements on the relevant Notifying News Service(s), (ii) through the NBB Securities Settlement System and the Clearing Systems, (iii) by publication via the website of Euronext Brussels (www.euronext.com), (iv) by a publication on the investor relations section of the Offeror's website (www.ghelamco.com) and (v) by a notification of such publication to the financial news sites.

Results

The final results of the Offer are expected to be announced on the second Business Day following the Expiration Deadline. The Offeror will announce the aggregate principal amount of Notes so accepted for purchase. Such information will be notified to Noteholders in accordance with the methods set out in "*Terms and Conditions of the Offer – Announcements*" below and shall, absent manifest error, be final and binding on the Offeror and the Noteholders.

Once the Offeror has announced the final results, the Offeror's acceptance of Tender Instructions in accordance with the terms of the Offer will be irrevocable. Tender Instructions which are so accepted will constitute binding obligations of the submitting Noteholders and the Offeror to settle the Offer.

Payment

If the Notes validly tendered in the Offer are accepted for purchase by the Offeror, the Purchase Price for Notes accepted for purchase pursuant to the Offer will be paid on the Settlement Date (subject to the

right of the Offeror to delay the acceptance of Tender Instructions in accordance with the conditions as set out in this Tender Offer Memorandum and applicable laws).

New Offers

The Offeror also reserves the right, subject to applicable laws, at any time or from time to time during, or following completion or cancellation of, the Offer to purchase or exchange or offer to purchase or exchange Notes or to issue an invitation to submit offers to sell Notes (including, without limitation, those offered pursuant to the Offer but not accepted for purchase).

The making of any such new offers and the issuance of any new invitation will depend on various factors, including, but not limited to, interest rates prevailing at such time and the aggregate principal amount of Notes purchased pursuant to the Offer.

Notwithstanding the foregoing, pursuant to Article 15, §2 of the Takeover Decree, if during the Acceptance Period the Offeror or the other persons with whom it acts in concert acquire or commit to acquire Notes outside of the Offer at a price that is higher than the Purchase Price, the Purchase Price will be increased to such higher price.

In addition, pursuant to Article 35, §3 of the Takeover Decree, if prior to the end of the Acceptance Period the Offeror or the other persons with whom it acts in concert commit to acquire Notes at a price that is higher than the Purchase Price, the Offer will be reopened at the higher price during minimum five and maximum fifteen business days and the Offeror will pay the price difference to all Noteholders that have tendered Notes in the Offer.

Furthermore, pursuant to Article 45 of the Takeover Decree, if the Offeror or the persons with whom it acts in concert acquire, directly or indirectly, any Notes during a term of one year following the end of the Acceptance Period at terms that are more favourable than the terms of the Offer, the price difference must be paid to all holders of Notes that have tendered Notes in the Offer.

Dealer Manager and Tender Agency Agreement

The Offeror and the Dealer Managers entered into a dealer manager agreement on or about 24 October 2017, and the Offeror and the Centralising and Tender Agent entered into a tender agency agreement on or about 24 October 2017, in relation to the Offer.

Costs and Expenses

Any charges, costs and expenses charged to the Noteholders by any intermediary shall be borne by such Noteholder. No brokerage costs are being levied by the Dealer Managers or the Centralising and Tender Agent. Noteholders should check whether their brokers or custodians will charge fees. In addition, Noteholders may be liable to tax, as described in Part X "*Tax Consequences*" of this Tender Offer Memorandum.

Acceptance Procedures

In all cases, the purchase for cash of Notes pursuant to the Offer will only be made after the submission of a valid Tender Instruction in accordance with the procedures described in Part VIII "*Acceptance Procedures*", including the blocking of the Notes tendered in the relevant account in the NBB Securities Settlement System or, as the case may be, the relevant Clearing System, from the date the relevant Tender Instruction is submitted until the earlier of (a) the date on which the Noteholder revokes its Tender Instruction during the Acceptance Period, or (b) the date on which the Offeror withdraws or terminates the Offer, or (c) the time of settlement on the Settlement Date. See also Part IV "*Risk Factors and Other Considerations*". These procedures include the blocking of the Notes tendered in the relevant account at the NBB Securities Settlement System or, as the case may be, the relevant Clearing System as described in "*Risk Factors and Other Considerations—Blocking of Notes*".

The Offeror will at all times, but subject to applicable laws, have the discretion to accept for purchase any Notes tendered in either Offer, the tender of which would otherwise be invalid.

Extension, Termination, Waiver and Amendment

The Offeror may, subject to applicable laws and in particular Articles 15, 17 and 25 of the Takeover Decree, and in accordance with the requirements set out in Part IX “*Amendment and Termination*”, at any time before any acceptance by the Offeror of Notes tendered in the Offer, extend or re-open, delay or terminate the Offer, or amend the conditions of the Offer, or waive the New Financing Condition.

The Offeror expressly reserves the right, to refuse or delay acceptance of Notes for purchase pursuant to the Offer in order to comply with applicable laws.

The failure by the Offeror at any time to exercise the foregoing rights will not be deemed a waiver of any other right and each right will be deemed an ongoing right that may be asserted at any time and from time to time.

Announcements

Unless stated otherwise, announcements in connection with the Offer will be made and will be deemed to have been duly given if they are made, by publication on the website of Euronext Brussels. Such announcements may also be found on the relevant Reuters International Insider Screen and be made by (i) the issue of a press release to one or more Notifying News Service(s), (ii) the publication in one or more nationally spread newspapers e.g. *De Tijd* or *L’Echo*, (iii) the delivery of notices to the Clearing Systems for communication to Direct Participants and (iv) the delivery of notices to the NBB Securities Settlement System for communication to NBB Direct Participants. The Offeror may also give notice by any other means it considers appropriate.

In addition, in accordance with Article 11 of the Takeover Law, the Offeror shall inform investors where a full copy of the Tender Offer Memorandum will be published, by publication of a notice in one or more nationally spread newspapers.

The Offeror shall also publish a press release and make it available on its website to announce the results of the Offer (www.ghelamco.com).

Copies of all such announcements, notices and press releases can also be obtained from the Centralising and Tender Agent, the contact details for whom are on the last page of this Tender Offer Memorandum. In addition, Noteholders may contact the Dealer Managers for information using the contact details on the last page of this Tender Offer Memorandum.

The failure of any person to receive, or any delay in any person's receipt of, a copy of this Tender Offer Memorandum or any announcement made or notice issued by the Offeror in connection with the Offer shall not invalidate any aspect of the Offer. No acknowledgement of receipt of any Tender Instruction and/or other documents will be given by the Offeror or the Centralising and Tender Agent.

Offer and Distribution Restrictions

The Tender Offer Memorandum does not constitute an invitation to participate in the Offer in any jurisdiction in which, or to any person to or from whom, it is unlawful to make such invitation or for there to be such participation under applicable securities laws. Persons into whose possession this Tender Offer Memorandum comes are required by each of the Offeror, the Dealer Managers and the Centralising and Tender Agent to inform themselves about and to observe any such restrictions. A non-exhaustive list of such restrictions is set out in Part XI “*Offer and Distribution Restrictions*”.

Governing Law

This Tender Offer Memorandum, the Offer, each Tender Instruction, any purchase of Notes pursuant to the Offer and any non-contractual obligations arising out of or in connection with the Offer shall be

governed by and construed in accordance with Belgian law. By submitting a Tender Instruction, the relevant Noteholder will irrevocably and unconditionally agree that the courts of Brussels, Belgium are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Offer, or such Tender Instruction and that, accordingly, any suit, action or proceedings arising out of or in connection with the foregoing may be brought in such courts.

PART VIII. ACCEPTANCE PROCEDURES

Noteholders that need assistance with respect to the procedures for participating in the Offer should contact the Centralising and Tender Agent, the contact details for whom are on the last page of this Tender Offer Memorandum.

Summary of Action to be Taken

The Offeror may reject tenders of Notes for purchase pursuant to the Offer which are not made by way of the submission of valid Tender Instructions in accordance with the procedures set out in this Part VIII "Acceptance Procedures".

Tender Instructions

An offer of Notes for repurchase may only be made by submission of a valid Tender Instruction.

A Tender Instruction shall be valid if submitted:

- (i) in respect of integral multiples of EUR 10,000;
- (ii) in accordance with the Acceptance and Transfer Procedures described below;
- (iii) in compliance with the Offer and Distribution Restrictions; and
- (iv) if not revoked prior to the end of the Acceptance Period.

Acceptance and Transfer Procedures

It is each Noteholder's responsibility to inform itself of, and arrange for timely tender of its Notes in accordance with the procedures and deadlines applicable to the clearing systems through which it tenders its Notes.

Noteholders can accept the Offer (i) in accordance with the applicable electronic procedures of the Clearing Systems, or if not available (ii) by submitting the acceptance form customarily used by its relevant financial intermediary to the Centralising and Tender Agent, or if not available, (iii) by submitting the Acceptance Form, duly completed and signed, to his, her or its custodian bank through which he, she or its holds the Notes (or any other financial intermediary) with a copy to the Centralising and Tender Agent.

By complying with the applicable electronic procedures of the Clearing Systems or by submitting an acceptance form, the relevant Noteholders shall be deemed to represent and warrant that, at the date of submission of the acceptance form and the Settlement Date:

- (a) it is not located in the United States and it is not participating in the Offer from the United States nor that it is an agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States, and
- (b) it is (i) either located in Belgium, or (ii) located in another member state of the European Economic Area and a "qualified investor" as defined in Article 2(1)(e) of the EU Prospectus Directive and otherwise authorised to accept the Offer in such member state, and
- (c) it is not a person, and is not directly or indirectly owned or controlled by a person, that is the target of any U.S. economic sanctions (including those administered or enforced by the U.S. Department of Treasury's Office of Foreign Assets Control (OFAC), the U.S. Department of Commerce, or the U.S. Department of State) or similar sanctions imposed by the United Nations Security Council, the European Union, Belgium, Switzerland, the United Kingdom, or any other international or multi-national sanctions authority or otherwise prohibited under the laws of Belgium or Switzerland

(collectively, “**Sanctions**”) or located, organised, or resident in a country or territory that is the subject of Sanctions.

If such Noteholder is unable to give such representation, such Noteholder should immediately contact the Centralising and Tender Agent. For the purposes of this paragraph, the expression “**EU Prospectus Directive**” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State, and the expression “**2010 PD Amending Directive**” means Directive 2010/73/EU.

The duly completed and executed Acceptance Form can be deposited free of charge directly at the counters of the Centralising and Tender Agent prior to the end of the Acceptance Period. Subject to the procedures of the relevant financial institution, the Notes to which the Acceptance Form relates may be blocked to another account. As a result, the Noteholders may no longer be able to transfer such Notes (unless and until he or she has revoked his or her acceptance).

If Noteholders elect to submit their acceptance with another financial intermediary, they should inquire about the costs and fees that these financial intermediaries might charge and which they will have to bear. These financial intermediaries must, in any event and as the case may be, comply with the process described in this Tender Offer Memorandum.

Furthermore, each Noteholder who accepts the Offer will have to comply with the relevant procedures of his or her financial intermediary (including, where applicable, any blocking instructions required by such financial intermediary in relation to the Notes tendered). As a result of such procedures, the Noteholders may no longer be able to transfer such Notes (unless and until he or she has revoked his or her acceptance).

Separate Tender Instruction

A separate Tender Instruction must be completed on behalf of each beneficial owner.

If the Notes are owned by two or more persons, the Acceptance Form must be executed jointly by such persons. In the event Notes are subject to usufruct (*vruchtgebruik/usufruit*), the Acceptance Form must be executed jointly by the beneficial owner (*vruchtgebruiker/usufruitier*) and the bare owner (*naakte eigenaar/nu-propriétaire*).

If the Notes are pledged, the Acceptance Form must be executed jointly by the pledgor and the pledgee, with the pledgee expressly confirming the irrevocable and unconditional release of the relevant Notes from the pledge. If the Notes are encumbered in any other manner or are subject to any other claim or interest, all beneficiaries of such encumbrance, claim or interest must jointly execute the Acceptance Form and all such beneficiaries must irrevocably and unconditionally waive any and all such encumbrance, claim or interest relating to such Notes.

Revocation right

Noteholders which have accepted the Offer can revoke their Tender Instruction prior to the end of the Acceptance Period. Noteholders who have submitted an Acceptance Form, can only validly withdraw their Tender Instruction, if the relevant Noteholders notifies the relevant financial intermediary with whom such Noteholders has deposited his or her Acceptance Form in writing prior to the Expiration Deadline.

Irregularities

All questions as to the validity, form and eligibility (including time of receipt) of any Tender Instruction or as to the revocation of any Tender Instruction will be determined by the Offeror and such determination will be final and binding.

The Offeror reserves the right to reject any and all Tender Instructions and revocation instructions which are not in the proper form or in respect of which the acceptance by the Offeror may be unlawful. The Offeror also reserves the right to waive any defects, irregularities or delay in the submission of any and all Tender Instructions, or revocation instructions. The Offeror also reserves the right to waive any such defect, irregularity or delay in respect of particular Notes, whether or not the Offeror elects to waive similar defects, irregularities or any delay in respect of other Notes.

Any defect, irregularity or delay must be cured within such time as the Offeror determines, unless waived by it. Tender Instructions will be deemed not to have been validly made until such defects, irregularities or delays have been cured or waived. None of the Offeror, the Dealer Managers or the Centralising and Tender Agent shall be under any duty to give notice to a Noteholder of any defects, irregularities or delays in the receipt or non-receipt of any Tender Instruction or revocation instructions nor shall any of them incur any liability for failure to give such notice.

PART IX. AMENDMENT AND TERMINATION

Amendment and Termination

Notwithstanding any other provision of the Offer, the Offeror may, subject to applicable laws and the provisions of this Part IX "*Amendment and Termination*", at any time before any acceptance by the Offeror of Notes tendered in the Offer:

- (a) *Extension or re-opening*: in respect of the Offer, extend the Expiration Deadline or re-open the Offer, as applicable (in which case all references in this Tender Offer Memorandum to the Expiration Deadline or the Acceptance Period shall, unless the context otherwise requires, be to the latest time and date, as the case may be, to which the Expiration Deadline or Acceptance Period has been so extended or the Offer re-opened);
- (b) *Amendment of other terms*: otherwise extend, re-open or amend an Offer in any respect (including, but not limited to, any increase, decrease, extension, re-opening or amendment, as applicable, in relation to the Expiration Deadline, Settlement Date, and any adjustments to the Purchase Price resulting from any such extension or reopening);
- (c) *Delay*: delay acceptance of Tender Instructions, purchase of Notes validly tendered in the Offer until satisfaction or waiver of the conditions to the Offer, even if the Offer has expired; or
- (d) *Termination*: terminate the Offer including with respect to Tender Instructions submitted before the time of such termination; and
- (e) *Waiver*: waive the New Financing Condition.

Pursuant to Article 15 §1 of the Takeover Decree, the Offeror can only amend or terminate the Offer in a way which will be more beneficial for the Noteholders.

As of the publication of the notification in accordance with Article 7 of the Takeover Decree, the Offeror can only terminate the Offer in the circumstances set out in Article 17 of the Takeover Decree. This includes, without limitation, subject to the FSMA's motivated consent, exceptional circumstances which would prevent the realisation of the Offer on the basis objective grounds and outside the control of the Offeror.

If the Offeror decides to increase the consideration of the Offer, this will, pursuant to Article 25 § 2 of the Takeover Code also apply to the Noteholders who have already tendered their Notes in the Offer prior to such increase. In the event of an increase by the Offeror of the consideration offered in connection with the Offer prior to the end of the Acceptance Period, the Acceptance Period will be extended pursuant to Article 35 § 3 of the Takeover Decree. The Noteholders who have already tendered their Notes in the Offer will be paid the difference in consideration by the Offeror.

The Offeror can only waive the New Financing Condition, provided that the Offeror has placed New Notes for a minimum aggregate amount of EUR 75,000,000.

The Offeror will ensure that an announcement is made of any such extension, re-opening, amendment or termination as soon as is reasonably practicable after the relevant decision is made. To the extent a decision is made to waive any condition of the Offer generally (as opposed to in respect of certain tenders of Notes only), such decision will also be announced as soon as is reasonably practicable after it is made. (See Part VII "*Terms and Conditions of the Offer – Announcements*".)

PART X. TAX CONSEQUENCES

In view of the number of different jurisdictions where tax laws may apply to a Noteholder, this Tender Offer Memorandum does not discuss the tax consequences for Noteholders arising from the purchase of Notes by the Offeror pursuant to the Offer, save as set out below.

The paragraphs below contain a summary of certain Belgian tax consequences arising from the purchase of the Notes by the Offeror pursuant to the Offer and are intended neither as tax advice nor as a comprehensive description of all Belgian tax consequences associated with or resulting from the transactions. The summary is based on the information provided in this Tender Offer Memorandum and on Belgium's tax laws, regulations, resolutions and other public rules with legal effect, and the interpretation thereof under published case law, all as in effect on the date of this Tender Offer Memorandum and with the exception of subsequent amendments with retroactive effect.

Noteholders are urged to consult their own professional advisers regarding all possible tax consequences under the laws of the jurisdictions that apply to them (including Belgium) or to the sale of their Notes and the receipt pursuant to the Offer of the Purchase Price.

Noteholders are liable for their own taxes and have no recourse to the Offeror, the Dealer Managers or the Centralising and Tender Agent with respect to taxes arising in connection with the Offer, except as set out below to the Offeror in relation to the Belgian tax on stock exchange transactions.

Noteholders should note that the Belgian federal government reached an agreement in July 2017 on the Belgian tax reform (the so-called "*Zomerakkoord*"). The political proposals are subject to change and need to be drafted in the form of legislative proposals and then be voted on by the Belgian federal parliament. Once entered into force, the Belgian tax reform may impact the Belgian tax regime as described in this section.

Belgium

For Belgian tax purposes, interest includes any interest paid on the Notes, any amount paid by the Offeror in excess of the issue price (upon full or partial redemption whether or not on the maturity date, or upon purchase by the issuer) and, in case of a disposal of Notes between two interest payment dates, the pro rata of accrued interest corresponding to the holding period.

For the purposes of the following paragraphs, the portion of the payment to Noteholders tendering Notes in the Offer which corresponds the difference between the relevant Purchase Price and the outstanding nominal amount of the relevant Notes is therefore referred to as interest.

Belgian withholding tax

The portion of the payment to Noteholders tendering Notes in the Offer which corresponds to the amount of any interest for tax purposes is in principle subject to Belgian withholding tax on the gross amount of the interest payment at a rate of 30 per cent. Tax treaties may provide for lower rates subject to certain conditions and formalities.

However, the interest payments may be made without deduction of Belgian withholding tax in respect of the Notes if and as long as at the moment of payment or attribution of the interest they are held by certain eligible investors (the "**Tax Eligible Investors**", see hereinafter) in an exempt securities account (an "**X-Account**") in the NBB Securities Settlement System.

Tax Eligible Investors are those listed in article 4 of the Belgian Royal Decree of 26 May 1994 on the deduction of withholding tax ("*arrêté royal du 26 mai 1994 relatif à la perception et à la bonification du précompte mobilier*" / "*koninklijk besluit van 26 mei 1994 over de inhouding en de vergoeding van de roerende voorheffing*") which include, inter alia:

- (i) Belgian corporations subject to Belgian corporate income tax;
- (ii) institutions, associations or companies specified in article 2, §3 of the law of 9 July 1975 on the control of insurance companies other than those referred to in 1° and 3° subject to the application of article 262, 1° and 5° of the Belgian Income Tax Code of 1992 ("code des impôts sur les revenus 1992"/"wetboek van de inkomstenbelastingen 1992", the BITC 1992);
- (iii) state regulated institutions ("institutions parastatales"/"parastatalen") for social security, or institutions which are assimilated therewith, provided for in article 105, 2° of the royal decree implementing the BITC 1992 ("arrêté royal d'exécution du code des impôts sur les revenus 1992"/"koninklijk besluit tot invoering van het wetboek inkomstenbelastingen 1992", the RD/BITC 1992);
- (iv) non-resident investors provided for in article 105, 5° of the RD/BITC 1992;
- (v) investment funds, recognised in the framework of pension savings, provided for in article 115 of the RD/BITC 1992;
- (vi) taxpayers provided for in article 227, 2° of the BITC 1992 which have used the income generating capital for the exercise of their professional activities in Belgium and which are subject to non-resident income tax pursuant to article 233 of the BITC 1992;
- (vii) the Belgian State in respect of investments which are exempt from withholding tax in accordance with article 265 of the BITC 1992;
- (viii) investment funds governed by foreign law which are an indivisible estate managed by a management company for the account of the participants, provided the fund units are not offered publicly in Belgium or traded in Belgium; and
- (ix) Belgian resident corporations, not provided for under (i) above, when their activities exclusively or principally consist of the granting of credits and loans.

Tax Eligible Investors do not include, inter alia, Belgian resident investors who are individuals or non-profit making organisations, other than those mentioned under (ii) and (iii) above.

Belgian income tax

Belgian resident individuals:

Belgian resident individuals, i.e., natural persons who are subject to Belgian personal income tax ("*impôts des personnes physiques*"/"*personenbelasting*") and who hold the Notes as a private investment, do not have to declare the received interest payments in their personal income tax return, provided that the aforementioned 30 per cent. withholding tax has effectively been levied on the interest.

Nevertheless, Belgian resident individuals may elect to declare the amount of interest in their personal income tax return. Interest income which is declared in this way will in principle be taxed at a flat rate of 30 per cent. (or at the relevant progressive personal income tax rate(s) taking into account the taxpayer's other declared income, whichever is more beneficial). In the event the interest is declared, any Belgian withholding tax which would have been levied may in principle be credited against the Noteholder's final personal income tax liability, subject to certain conditions.

Other tax rules apply to Belgian resident individuals who do not hold the Notes as a private investment. Belgian resident companies.

Belgian resident companies:

Interest attributed or paid to corporations that are Belgian residents for tax purposes, i.e. which are subject to Belgian corporate income tax ("*impôts des sociétés*"/"*vennootschapsbelasting*") is taxable at

the ordinary corporate income tax rate of in principle 33.99 per cent. (or the relevant progressive corporate income tax rate(s) in the case of certain corporations with limited profits).

Belgian legal entities:

Belgian legal entities subject to Belgian legal entities tax ("*impôts des personnes morales*" / "*rechtspersonenbelasting*") and that do not qualify as Tax Eligible Investors will not be subject to any further taxation on the amount of interest over and above the aforementioned Belgian withholding tax.

Belgian legal entities that qualify as Tax Eligible Investors and which consequently have received gross interest income are required to declare and pay the 30deale per cent. withholding tax to the Belgian tax authorities.

Organisations for Financing Pensions:

The amount of interest received by Organisations for Financing Pensions within the meaning of the Law of 27 October 2006 on the activities and supervision of institutions for occupational retirement provision, should in principle not be subject to Belgian corporate income tax. Subject to certain conditions, any Belgian withholding tax that has been levied can be credited against any corporate income tax due and any excess amount is in principle refundable.

Non-residents:

Noteholders that are not residents of Belgium for Belgian tax purposes and that are not holding the Notes through a permanent establishment in Belgium will not become liable for any Belgian tax on income by reason only of the disposal of the Notes, provided that they qualify as Tax Eligible Investors and that they hold their Notes in an X-Account.

If the Notes are not held in an X-account, withholding tax on the interest is in principle applicable at the current rate of 30%, possibly reduced pursuant to a tax treaty, on the gross amount of the interest.

Belgian tax on stock exchange transactions

Any Notes acquired by the Offeror will be cancelled on receipt and accordingly any transfer of the Notes to the Offeror pursuant to the Offer should not give rise to a Belgian tax on stock exchange transactions ("*taks op de beursverrichtingen*" / "*taxe sur les opérations de bourse*"). However, the Offeror will bear (directly or indirectly, by way of reimbursement or otherwise) the Belgian tax on stock exchange transactions if such tax would nonetheless be due or applied in respect of any transfer of Notes pursuant to the Offer.

Individuals not resident in Belgium:

Interest paid or collected through Belgium will be subject to the Disclosure of Information method.

Individuals resident in Belgium:

An individual resident in Belgium will be subject to the provisions of the Savings Directive, if it receives interest payments from a paying agent (within the meaning of the Savings Directive) established in another EU Member State, Switzerland, Liechtenstein, Andorra, Monaco, San Marino, Curacao, Bonaire, Saba, Sint Maarten, Sint Eustatius (formerly the Netherlands Antilles), Aruba, Guernsey, Jersey, the Isle of Man, Montserrat, the British Virgin Islands, Anguilla, the Cayman Islands or the Turks and Caicos Islands.

If an interest payment received by an individual resident in Belgium has been subject to a source tax, such source tax does not liberate the Belgian individual from declaring the interest income in its personal income tax declaration. The source tax will be credited against the personal income tax. If the source tax

withheld exceeds the personal income tax due, the excess amount will be reimbursed, provided it reaches a minimum of EUR 2.5.

PART XI. OFFER AND DISTRIBUTION RESTRICTIONS

This Tender Offer Memorandum does not constitute an invitation to participate in the Offer in any jurisdiction in which, or to any person to or from whom, it is unlawful to make such invitation or for there to be such participation under applicable securities laws. The distribution of this Tender Offer Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this Tender Offer Memorandum comes are required by each of the Offeror, the Dealer Managers and the Centralising and Tender Agent to inform themselves about and to observe any such restrictions.

United States

The Offer is not being made and will not be made, directly or indirectly, in or into, or by use of the mails of, or by any means or instrumentality of interstate or foreign commerce of, or of any facilities of a national securities exchange of, the United States or to any U.S. Person ((each a "**U.S. Person**") as defined in Regulation S of the United States Securities Act of 1933, as amended (the "**Securities Act**")). This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone, the internet and other forms of electronic communication. Accordingly, copies of this Tender Offer Memorandum and any other documents or materials relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise transmitted, distributed or forwarded (including, without limitation, by custodians, nominees or trustees) in or into the United States or to a U.S. Person and the Notes cannot be tendered in the Offer by any such use, means, instrumentality or facility or from or within or by persons located or resident in the United States or by any U.S. Person. Any purported tender of Notes in the Offer resulting directly or indirectly from a violation of these restrictions will be invalid and any purported tender of Notes made by a person located in the United States a U.S. Person, by any person acting for the account or benefit of a U.S. Person, or by any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States will be invalid and will not be accepted.

Each holder of Notes participating in the Offer will represent that it is not a U.S. Person located in the United States and is not participating in the Offer from the United States, or it is acting on a non-discretionary basis for a principal located outside the United States that is not giving an order to participate in the Offer from the United States and who is not a U.S. Person. As used herein and elsewhere in this Tender Offer Memorandum, "**United States**" means the United States of America, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any state of the United States of America and the District of Columbia.

United Kingdom

The communication of this Tender Offer Memorandum and any other documents or materials relating to the Offer is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000, as amended. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to those persons in the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Financial Promotion Order**")) or persons who are within Article 43(2) of the Financial Promotion Order or any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order (such persons together being the "**Relevant Persons**"). The Offer is only available to Relevant Persons and the transactions contemplated in this Tender Offer Memorandum will be available only to, or engaged in only with, Relevant Persons, and this Tender Offer Memorandum and any other documents and/or materials produced in connection with the Offer must not be relied or acted upon by persons other than Relevant Persons.

Insofar as the communication of this Tender Offer Memorandum and any other documents or materials relating to the Offer are made to or directed at investment professionals (as defined in Article 19(5) of the Financial Promotion Order), it is made to or directed at persons having professional experience in matters relating to investments, and any investment or investment activity to which it relates is available only to such persons or will be engaged in only with such persons, and persons who do not have professional experience in matters relating to investments should not rely upon it.

France

The Offer is not being made, directly or indirectly, to the public in the Republic of France ("**France**"). Neither this Tender Offer Memorandum nor any other documents or materials relating to the Offer have been or shall be distributed to the public in France and only (i) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or (ii) qualified investors (*investisseurs qualifiés*) other than individuals, acting on their own account and all as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 of the French *Code Monétaire et Financier*, are eligible to participate in the Offer. This Tender Offer Memorandum and any other document or material relating to the Offer have not been and will not be submitted for clearance to nor approved by the *Autorité des marchés financiers*.

Italy

None of the Offer, this Tender Offer Memorandum or any other documents or materials relating to the Offer have been or will be submitted to the clearance procedure of the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**").

The Offer is being carried out in the Republic of Italy as exempted an offer pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of 24 February 1998, as amended (the "**Financial Services Act**") and article 35-bis, paragraph 4 of CONSOB Regulation No. 11971 of 14 May 1999, as amended.

Noteholders, or beneficial owners of the Notes, can tender some or all of their Notes pursuant to the Offer through authorised persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007, as amended from time to time, and Legislative Decree No. 385 of September 1, 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties *vis-à-vis* its clients in connection with the Notes or the Offer.

General

Neither this Tender Offer Memorandum nor the electronic transmission thereof constitutes an offer to buy or the solicitation of an offer to sell Notes (and tenders of Notes for purchase pursuant to the Offer will not be accepted from Noteholders) in any circumstances in which such offer or solicitation is unlawful. In those jurisdictions where the securities, blue sky or other laws require an Offer to be made by a licensed broker or dealer and either Dealer Manager or any of their respective affiliates is such a licensed broker or dealer in any such jurisdiction, the Offer shall be deemed to be made by such Dealer Manager or such affiliate, as the case may be, on behalf of the Offeror in such jurisdiction.

In addition to the representations referred to above in respect of the United States, each Noteholder participating in the Offer will be deemed to give certain other representations as set out in Part VIII "*Acceptance Procedures*" will be deemed to give certain representations in respect of the other jurisdictions referred to above and generally as set out in Part VIII "*Acceptance Procedures*". Any tender

of Notes for purchase pursuant to the Offer from a Noteholder that is unable to make these representations will not be accepted.

Each of the Offeror, the Dealer Managers and the Centralising and Tender Agent reserves the right, in its sole and absolute discretion, to investigate, in relation to any tender of Notes for purchase pursuant to the Offer, whether any such representation given by a Noteholder is correct and, if such investigation is undertaken and as a result the Offeror determines (for any reason) that such representation is not correct, such tender or submission may be rejected.

ANNEX A. TERMS AND CONDITIONS OF THE NOTES

Set forth below are the conditions (the "**Conditions**") of the Bonds, authorised following a resolution of the Board of Directors of the Issuer and the statutory director of the Guarantor prior to the Issue Date.

1 Definitions

In the Conditions:

"**Accounting Principles**" means IFRS.

"Affiliate" means, in relation to any person, a Subsidiary of that person or a Parent Company of that person or any other Subsidiary of that Parent Company.

"**Agent**" means KBC Bank NV.

"**Bond**" or "**Bonds**" means the bonds due 28 February 2018 contemplated in the Information Memorandum.

"**Bonds 2012**" means the 501 Series A Bonds with maturity date 13 December 2015 and the 339 Series B Bonds with maturity date 13 December 2017 issued by the Issuer on 13 December 2012 for a total amount of EUR 42,000,000.

"**Bonds 2012 Discharge Date**" means the first date on which all present and future liabilities and obligations at any time owing by the Issuer to the Bondholders 2012 under or in connection with the Bonds 2012 have been fully and finally discharged, whether or not as the result of an enforcement.

"**Bondholder**" means each and any person or entity owning Bond(s) from time to time.

"**Bondholder 2012**" means each and any person or entity owning Bond(s) 2012 from time to time.

"**Business Day**" means a day (other than a Saturday or a Sunday) on which (a) banks are open for general business in Belgium, (b) the NBB System is open for the settlement of transactions and (c) TARGET2 is open for the settlement of payment in euros.

"**Certificates**" has the meaning given to that term in Condition 10.14.

"**Change of Control**" means Mr Paul Gheysens ceasing to control (as set forth in Article 5 to and including 9 of the Companies Code) the Guarantor.

"**Change of Control Redemption Amount**" means, in respect of a Bond:

- (a) the Nominal Amount;
- (b) any accrued but unpaid interest in respect of that Bond (up to but excluding the date of redemption); and
- (c) a prepayment indemnity on the Nominal Amount of that Bond equal to the lesser of 1.00 per cent. or such percentage of the Nominal Amount, that would result in the gross actuarial yield of a Bondholder between the issue date of that Bond and the date of redemption not to exceed the yield on the Bonds on the issue date thereof plus 0.75 per cent..

"**Civil Code**" means the Belgian *Burgerlijk Wetboek /Code civil* .

"**Companies Code**" means the Belgian *Wetboek van vennootschappen/Code des sociétés*.

"**Consolidated Equity**" means, in respect of the Issuer Group or the Guarantor Group (as the case may be) and in respect of any Relevant Period, the amount set out under the item "Total Equity" in the then most recent Financial Statements of the Issuer (in respect of the Issuer Group) or set out under the item

"Total Equity" in the then most recent Financial Statements of the Guarantor (in respect of the Guarantor Group).

"Consolidated Investment Property" means:

- (a) in respect of the Issuer Group and in respect of any Relevant Period, the amount set out under the item "Investment Property" in the then most recent Financial Statements of the Issuer; and
- (b) in respect of the Guarantor Group and in respect of any Relevant Period, the amount set out under the item "Investment Property" in the then most recent Financial Statements of the Guarantor.

"Consolidated Property Development Inventories" means:

- (a) in respect of the Issuer Group and in respect of any Relevant Period, the amount set out under the item "Property Development Inventories" in the then most recent Financial Statements of the Issuer; and
- (b) in respect of the Guarantor Group and in respect of any Relevant Period, the amount set out under the item "Property Development Inventories" in the then most recent Financial Statements of the Guarantor.

"EUR" and **"euro"** denote the single currency of the member states of the European Union that have the euro as their lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

"Event of Default" means each of the events and circumstances specified as such in Condition 11.

"Finance Lease" means any lease or hire purchase contract which would, in accordance with the Accounting Principles, be treated as a finance or capital lease.

"Financial Indebtedness" means any indebtedness for or in respect of:

- (a) moneys borrowed and debit balances at banks or other financial institutions;
- (b) any acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) any liability in respect of any Finance Lease;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis and meet any requirement for de-recognition under the Accounting Principles);
- (f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing and which is treated as a borrowing under the Accounting Principles;
- (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account);
- (h) any amount raised by the issue of shares which are expressed to be redeemable and which are classified as borrowings under the Accounting Principles;
- (i) the supply of any assets or services which is more than 60 days past the original due date for payment;

- (j) any amount of any liability under an advance or deferred purchase agreement if (i) one of the primary reasons behind entering into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question or (ii) the agreement is in respect of the supply of assets or services and payment is due more than 60 days after the date of supply;
- (k) (without double counting) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (l) (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (k) above.

"Financial Ratios" means each of the ratios set out in Condition 10.13.

"Financial Statements" means:

- (a) in respect of the Issuer:
 - (i) its audited annual consolidated financial statements; and
 - (ii) its half-yearly consolidated financial statements;
- (b) in respect of the Guarantor:
 - (i) its audited annual consolidated financial statements; and
 - (ii) its half-yearly consolidated financial statements,

each time prepared in accordance with the Accounting Principles.

"Group Loan" means an Intercompany Loan provided to a member of the Issuer Group by a member of the Guarantor Group which is not a member of the Issuer Group.

"Group On-lendings" means an Intercompany Loan provided by a member of the Issuer Group to a member of the Guarantor Group which is not a member of the Issuer Group.

"Guarantee" means the guarantee granted by the Guarantor for the obligations of the Issuer under the Bonds as set out in Annex 3 of the Information Memorandum.

"Guarantee 2012" means the guarantee granted by the Guarantor for the obligations of the Issuer under the Bonds 2012.

"Guarantor" means Ghelamco Group Comm. VA, a limited liability company having its registered office at Zwaanhofweg 10, 8900 Ieper, Belgium and registered with the Crossroads Bank of Enterprises under number VAT BE 0879.623.417 RLP Ieper.

"Guarantor Group" means the Guarantor and each of its Subsidiaries.

"IFRS" means international accounting standards within the meaning of the IAS Regulation 1606/2002 to the extent applicable to the relevant financial statements;

"Information Memorandum" means the information memorandum dated 14 June 2013 relating to the issue of the Bonds.

"Intercompany Loan" means any loan (including accrued interest) provided by a member of the Guarantor Group to another member of the Guarantor Group.

"Interest Payment Date" means, in respect of a Bond, 28 February 2014 (except for Bonds issued under Condition 1.18 on or after 28 February 2014), 28 February 2015, 28 February 2016, 28 February 2017 and the Maturity Date.

"Interest Period" means:

- (a) the period beginning on (and including) the issue date and ending on (but excluding) the first Interest Payment Date; and
- (b) each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

"Issue Date" means 4 July 2013.

"Issuer" means International Real Estate Construction NV, a limited liability company having its registered office at Zwaanhofweg 10, 8900 Ieper, Belgium and registered with the Crossroads Bank of Enterprises under number VAT BE 0431.572.596 RLP Ieper.

"Issuer Group" means the Issuer and each of its Subsidiaries.

"Material Adverse Effect" means any material adverse effect:

- (a) affecting the value, state or condition (financial or otherwise) of the shareholders' equity or the properties, assets, rights, business, management, prospects, earnings, net worth or results of the operations of the Guarantor or the Guarantor Group taken as a whole;
- (b) on the ability of the Guarantor to perform its obligations under the Guarantee; or
- (c) on the validity, enforceability or effectiveness of the Guarantee,

it being understood that a Material Adverse Effect shall be deemed to have occurred in all cases where isolated events would not have such an effect, but where the aggregate of two or more of such events would have in the aggregate such effect.

"Maturity Date" means 28 February 2018

"Minimum Interco Balance + Share Capital Increase Requirement" means the requirement that the aggregate of:

- (a) the aggregate net balance between all Group Loans and all Group On-lendings; and
- (b) the amount of all increases in the share capital of the Issuer made after the Issue Date in cash (and not in kind),

is at no time less than EUR 60,000,000.

"NBB" means the National Bank of Belgium (*Nationale Bank van België/Banque Nationale de Belgique*).

"NBB System" has the meaning given to that term in Condition 2.1.

"NBB System Regulations" has the meaning given to that term in Condition 2.1.

"Nominal Amount" means EUR 10,000 per Bond (less any repayment of that amount made from time to time in accordance with the Conditions).

"Parent Company" means, in relation to a person, any other person in respect of which it is a Subsidiary.

"Permitted Disposal" means any sale, lease, licence, transfer of other disposal on arm's length terms:

- (a) of Investment Property (as defined under the Accounting Principles):
 - (i) by any member of the Issuer Group to another member of the Issuer Group;

- (ii) by any member of the Guarantor Group that is not a member of the Issuer Group to another member of the Guarantor Group that is not a member of the Issuer Group; or
 - (iii) by any member of the Guarantor Group to any transferee, in the ordinary course of business of the Guarantor Group;
- (b) of Property Development Inventories (as defined under the Accounting Principles) or cash made:
- (i) by any member of the Issuer Group to another member of the Issuer Group;
 - (ii) by any member of the Guarantor Group that is not a member of the Issuer Group to another member of the Guarantor Group that is not a member of the Issuer Group; or
 - (i) by any member of the Guarantor Group to any transferee, in the ordinary course of business of the Guarantor Group;
- (c) of shares or interests in a legal entity (including Subsidiaries) made by any member of the Guarantor Group in the ordinary course of business of the Guarantor Group (other than shares or interests in the Issuer);
- (d) of obsolete or redundant vehicles, plant and equipment for cash; or
- (e) arising as a result of any Permitted Security.

"Permitted Financial Indebtedness" means:

- (a) in respect of the Issuer, Financial Indebtedness arising under the Bonds or the Bonds 2012;
- (b) in respect of the Issuer, Financial Indebtedness which (i) is not secured by any Security or Quasi-Security over the assets of the Issuer and (ii) is not incorporated in or evidenced by financial instruments (as defined in the Act of 2 August 2002 on the supervision of the financial sector and financial services) having a maturity falling before the Maturity Date;
- (c) in respect of the Issuer and its Subsidiaries, Project Financial Indebtedness; and
- (d) in respect of the Issuer and its Subsidiaries, Financial Indebtedness owed pursuant to Group Loans (provided that the Minimum Interco Balance + Share Capital Increase Requirement is met at all times).

"Permitted Investment" means each investment made by any member of the Issuer Group for, in respect of or in view of a Project. For the avoidance of doubt, this also includes incorporation of legal entities, subscription of shares issued by legal entities, acquisitions of legal entities or any interest in a legal entity, provided the primary purpose of such acquisition consists of conducting a Project.

"Permitted Secondary Activities" means activities other than the activities carried out by the Guarantor Group taken as a whole on the Issue Date, and being of a secondary nature, performed by a Subsidiary of the Guarantor at the time of its acquisition by any member of the Guarantor Group, provided that the primary goal of such Subsidiary is the realisation of Projects.

"Permitted Security" means:

- (a) any lien arising by operation of law and in the ordinary course of trading and not as a result of any default or omission by any member of the Guarantor Group;
- (b) any Security or Quasi-Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to a member of the Guarantor Group in the ordinary course of trading and on the supplier's standard or usual terms and not arising as a result of any default or omission by any member of the Guarantor Group;

- (c) any Security or Quasi-Security securing Project Financial Indebtedness provided that the Issuer complies at all times with paragraph (a) of Condition 10.13; and
- (d) any Security or Quasi-Security securing Financial Indebtedness provided that the Guarantor complies at all times with paragraph (b) of Condition 10.13.

"Project" means any existing or future real estate project of any member of the Issuer Group in Belgium or France.

"Project Financial Indebtedness" means Financial Indebtedness owed to banks or financial institutions and incurred by the Issuer or a Subsidiary of the Issuer for the financing of Projects. For the avoidance of doubt, Group Loans do not qualify as Project Financial Indebtedness.

"Quasi-Security" means:

- (a) a sale, transfer or other way of disposal of assets by a member of the Guarantor Group on terms whereby they are or may be leased to or re-acquired by any other member of the Guarantor Group;
- (b) a sale, transfer or other way of disposal by a member of the Guarantor Group of any of its receivables on recourse terms;
- (c) any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts;
- (d) or any other preferential arrangement having a similar effect, in circumstances where such arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset.

"Relevant Period" means each period of twelve months (or such shorter period commencing on the Issue Date) ending on a Testing Date.

"Secured Financial Indebtedness" means, at any time, the aggregate amount of all obligations of members of the Issuer Group or Guarantor Group (as applicable) for or in respect of Financial Indebtedness for which Security or Quasi-Security has been granted.

"Security" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"Service Level Agreements" means each of:

- (a) the management agreement dated 31 December 2008 and entered into between the Issuer and International Real Estate Services Comm.VA in respect of the provision of production, management, coordination and support services by International Real Estate Services Comm.VA to the Issuer and its Subsidiaries;
- (b) the technical support agreement dated 31 December 2008 and entered into between the Issuer, International Real Estate Services Comm.VA and Ghelamco NV in respect of the provision technical assistance with regard to site management, project management and budget control services by International Real Estate Services Comm.VA to the Issuer and its Subsidiaries; and

"Subsidiary" means, in relation to any company, another company which is controlled (as set forth in Article 5 to and including 9 of the Companies Code) by the first company.

"TARGET2" means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.

"Tax" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

"**Testing Date**" means 30 June and 31 December of each year.

"**Total Assets**" means:

- (a) in respect of the Issuer Group and in respect of any Relevant Period, the amount of total assets set out in the then most recent Financial Statements of the Issuer; and
- (b) in respect of the Guarantor Group and in respect of any Relevant Period, the amount of total assets set out in the then most recent Financial Statements of the Guarantor.

"**Total Unsecured Assets**" means in respect of the Issuer Group or the Guarantor Group (as applicable) and at any time, the amount of their Total Assets for the most recently completed Relevant Period less their Secured Financial Indebtedness at that time. Schedule 1 to these Conditions sets out an example of the calculation of the amount of Total Unsecured Assets as per 31 December 2012.

"**Undeveloped Land**" means, in respect of the Issuer Group and in respect of any Relevant Period, the carrying value in the then most recent Financial Statements of the Issuer of the land positions on which there is no "*Bijzonder Plan van Aanleg*", "*Ruimtelijk Uitvoeringsplan*" or any other similar urban planning, regardless the authority setting such planning, a "*Verkavelingsvergunning*" or "*Bouwvergunning*" or any similar permit.

In addition, a reference in the Conditions to an undertaking that a person (the "**first person**") "shall cause" or "shall procure" another person (the "**second person**") to take or omit certain actions shall be construed as a reference to the concept of *sterkmaking/porte-fort* as set out in Article 1120 of the Civil Code, but shall also include a guarantee by the first person of the due and timely performance of all actions, agreements and obligations to be performed by the second person.

2 Form, Denomination and title

2.1 Form

- (a) The Bonds are issued in dematerialised form in accordance with Article 468 of the Companies Code.
- (b) The Bonds will be represented by book entry in the records of the clearing system operated by the NBB or any successor thereto (the "**NBB System**"). The Bonds can be held by their holders through participants in the NBB System, including Euroclear and Clearstream, Luxembourg and through other financial intermediaries which in turn hold the Bonds through Euroclear and Clearstream, Luxembourg, or other participants in the NBB System. The Bonds are accepted for clearance through the NBB System, and are accordingly subject to the applicable Belgian clearing regulations, including the Belgian Act of 6 August 1993 on transactions in certain securities, its implementing Belgian Royal Decrees of 26 May 1994 and 14 June 1994 and the rules of the NBB System and its annexes, as issued or modified by the NBB from time to time (the laws, decrees and rules mentioned in this paragraph being referred to in these Conditions as the "**NBB System Regulations**").
- (c) Title to the Bonds will pass by account transfer. The Bonds may not be exchanged for bonds in bearer form. No definitive bearer certificates will be delivered.
- (d) If at any time the Bonds are transferred to another clearing system, not operated or not exclusively operated by the NBB, these provisions shall apply mutatis mutandis to such successor clearing system and successor clearing system operator or any additional clearing system and additional clearing system operator.
- (e) The holder of a Bond shall (except as otherwise required by law) be treated as the absolute owner of that Bond for all purposes (whether or not it is overdue and regardless of any

notice of ownership, trust or any other interest therein) and no person shall be liable for so treating such holder.

2.2 Currency

The Bonds are denominated in euro.

2.3 Nominal Amount

The Bonds have a nominal value of EUR 10,000 each (the "**Nominal Amount**"). For the avoidance of doubt, the minimum subscription amount will be EUR 100,000.

3 Purpose

The Issuer shall, and shall procure that its Subsidiaries will, use the proceeds of the Bonds (either directly or after on-lending):

- (a) for the financing of the realisation of Projects; and
- (b) subject to paragraph (c) of Condition 10.13, for the repayment of Group Loans.

However, the Issuer shall not, and shall procure that none of its Subsidiaries will, use the proceeds of the Bonds to repay Project Financial Indebtedness before its stated maturity.

4 Status

- (a) The Bonds are unlisted securities which incorporate a claim against the Issuer. They give entitlement to the payment of interest in accordance with Condition 6 and the repayment of the Nominal Amount on the Maturity Date in accordance with Condition 7.1.
- (b) The Bonds constitute direct, unconditional and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable legislation and the provisions contained in Condition 6.5, at all times rank at least equally with all its respective other present and future unsecured and unsubordinated obligations.
- (c) The Bonds are guaranteed by the Guarantor pursuant to the Guarantee.

5 Subordination to the Bonds 2012

5.1 Application

The provisions set forth in this Condition 5 shall only apply in relation to the Bonds 2012 and until the Bonds 2012 Discharge Date.

5.2 Permitted Payments

- (a) Save for the provisions of Condition 5.3, the Issuer shall not be restricted from paying, and the Bondholders shall not be restricted from receiving payment from the Issuer of, interest and Nominal Amount when due.
- (b) Notwithstanding the restrictions contained in this Condition 5 with regard to the Issuer, the Guarantor shall at all times be entitled to pay and the Bondholders shall at all times be entitled to receive payment from the Guarantor under the Guarantee.

5.3 Subordinated Payments

- (A) No voluntary actions

Prior to the Bonds 2012 Discharge Date, the Issuer shall not voluntarily:

- (a) redeem pursuant to Condition 7.2;
- (b) save (for the avoidance of doubt) for the payment of interest due on an Interest Payment Date, make any other payment, prepayment, repayment, redemption, defeasance or discharge in respect of;
- (c) purchase; or
- (d) enter into any sub-participation, or enter into any other agreement or arrangement having an economic effect substantially similar to a sub-participation, in respect of,

the Bonds or any amount that is or may become payable under the Bonds, and no Bondholder will be entitled to receive any such payment, prepayment, repayment, redemption, defeasance or discharge or enter into any such transaction.

(B) Set-off

Until the Bonds 2012 Discharge Date, each Bondholder waives its right to invoke or otherwise benefit from set-off or netting in respect of the Bonds.

(C) Early redemption in case of Change of Control

Prior to the Bonds 2012 Discharge Date, no Bondholder shall have the right, upon the occurrence of a Change of Control, to receive any payment of the Change of Control Redemption Amount from the Issuer pursuant to Condition 7.3 and the Issuer shall not be entitled to make any payment of the Change of Control Redemption Amount pursuant to Condition 1.7.3.

(D) Events of Default

Prior to the Bonds 2012 Discharge Date, no Bondholder shall have the right, upon the occurrence of an Event of Default, to receive any payment pursuant to paragraph (b) of Condition 11 and the Issuer shall not be entitled to make any payment pursuant to paragraph (b) of Condition 11.

(E) Continuing Payment Obligations

The Issuer shall not be released from the liability to make any payment under the Bonds (including of default interest, which shall continue to accrue) by the operation of Condition 5.1., even if its obligation to make that payment is restricted at any time by the terms of that Condition.

(F) Third Party Rights

- (a) This Condition 5 is a contractual provision for the benefit of a third party in favour of the Bondholders 2012.
- (b) (b) The Issuer and the Bondholders undertake not to revoke, amend, waive or otherwise change any of the provisions of this Clause 5 before the Bonds 2012 Discharge Date.
- (c) Nothing in this Condition 5 shall create any right for any person other than a Bondholder 2012.

5.4 Put Option

(A) Put Option

The Guarantor grants to each Bondholder the irrevocable right, but not the obligation (the "**Put Option**") to sell its Bonds to the Guarantor subject to the terms and conditions set forth in this Condition 5.4.

(B) Condition for Exercise of the Put Option

A Bondholder can only exercise the Put Option if a Change of Control has occurred and it (or, as the case may be, the general meeting of Bondholders) has required the Issuer to redeem its Bonds pursuant to Condition 7.3, but the Issuer has not done so by application of paragraph (c) of Condition 5.3, *provided that* no Bondholder shall be entitled to exercise the Put Option after the earliest of (i) the Bonds 2012 Discharge Date, or (ii) the expiry of the term referred to in paragraph (a)(ii) or (b)(ii) (as applicable) of Condition 7.3.

(C) Full Exercise

If a Bondholder exercises the Put Option, it can only do so with respect to all its Bonds.

(D) Rights Attached to the Transferred Bonds

Upon exercise of the Put Option, the relevant Bonds will be sold and transferred by the relevant Bondholder to the Guarantor free and clear of any liens, pledges, retention rights, security interests, encumbrances, options, charges, and other third party rights, and together with all rights and benefits attached to those Bonds.

(E) Option Price

The purchase price per Bond in case of exercise of the Put Option will be the Change of Control Redemption Amount.

6 Interest

6.1 Rate and Calculation

- (a) Subject to paragraph (b) below, the Bonds bear interest on their Nominal Amount from and including the Issue Date (or, in respect of Bonds issued pursuant to Condition 18, the date on which those Bonds are issued) at the rate of 6^{1/4} per cent. *per annum*.
- (b) No Bond will bear interest between the Maturity Date applicable to that Bond and the date of effective redemption of that Bond provided that the late redemption of that Bond does not constitute a breach of the Conditions and is not otherwise improperly withheld or refused.
- (c) Where interest is to be calculated in respect of a period which is equal to or shorter than an Interest Period, the day-count fraction used will be the number of days in the relevant period, from and including the date from which interest begins to accrue to but excluding the date on which it falls due, divided by the number of days in the Interest Period in which the relevant period falls (including the first such day but excluding the last).
- (d) Interest in respect of the Bonds shall be calculated on the basis of the actual number of days elapsed and a year of 365 days or, in the case on an intercalary year, 366 days.
- (e) The amount of any interest shall be rounded to the nearest cent (half a cent being rounded upwards).

6.2 Payment

Interest accrued on the Bonds shall be payable in arrears on each Interest Payment Date.

6.3 Default Interest

- (a) In the event of default by the Issuer in the payment of interest payable by it under the Bonds on the relevant Interest Payment Date, the Issuer shall pay interest on such sum from the relevant due date to the date of actual payment at the rate which is the lesser of (i) 1.00 per cent. or (ii) such percentage of the Nominal Amount, that would result in the gross actuarial yield of a Bondholder between the issue date and the date of redemption not to exceed the yield on the Bonds on the Issue Date plus 0.75 per cent., above the rate provided for in Condition 6.1.
- (b) In the event of default by the Issuer in the payment of the outstanding Nominal Amount payable by it under the Bonds on the relevant due date, the Issuer shall pay interest on such sum from the Maturity Date to the date of actual payment at the rate which is 1.00 per cent. above the rate provided for in Condition 6.1.

7 Redemption and purchase

7.1 Final redemption

Unless previously redeemed, or purchased and cancelled, and subject to the provisions set forth in Condition 5, each Bond will be redeemed at its Nominal Amount on the Maturity Date.

7.2 Voluntary early redemption

- (a) As from the second anniversary of the Issue Date and subject to the provisions set forth in Condition 5, the Issuer may, at its sole discretion and having given not less than 15 nor more than 30 days' notice to the Bondholders, redeem the Bonds in whole but not in part at their Nominal Amount together with all interest accrued and an additional indemnity calculated as the lesser of (i) 1.00 per cent. or (ii) such percentage of the Nominal Amount, that would result in the gross actuarial yield of a Bondholder between the issue date and the date of redemption not to exceed the yield on the Bonds on the Issue Date plus 0.75 per cent., per interest payment that the Bondholders will not receive as a result of such early redemption, calculated on the then outstanding Nominal Amount of the Bonds.
- (b) All Bonds so redeemed will be cancelled and may not be re-issued or resold.
- (c) Any voluntary early redemption of the Bonds can only take place on 28 February of a given year.

7.3 Change of Control

- (a) Upon the occurrence of a Change of Control other than as a consequence of Mr Paul Gheysens' decease:
 - (i) the Issuer shall promptly give a notice to the Bondholders specifying the nature of the Change of Control; and
 - (ii) each Bondholder has the right to require the Issuer, by written notice sent within 90 days following the notification referred to under (a)(i) above, to redeem its Bonds at the Change of Control Redemption Amount subject to the provisions set forth in Condition 5.
- (b) Upon the occurrence of a Change of Control as a consequence of Mr Paul Gheysens' decease:
 - (i) the Issuer shall promptly give a notice to the Bondholders specifying the nature of the Change of Control and convene a general meeting of the bondholders, inviting the general meeting of Bondholders to resolve on the possible early redemption of the Bonds; and

- (ii) unless the general meeting of Bondholders decides with an at least 75 per cent. majority not to require the early redemption of the Bonds, each Bondholder has the right, subject to the provisions set forth in Condition 5 and by written notice sent within 90 days following the general meeting of Bondholders, to require the Issuer to redeem its Bonds at the Change of Control Redemption Amount less the indemnity provided for under paragraph (c) of the definition of "Change of Control Redemption Amount".
- (c) If Bondholders exercise their rights referred to in paragraph (a)(ii) or (b)(ii) above in respect of at least 90 per cent. of the aggregate Nominal Amount of the outstanding Bonds, the Issuer may (having given not less than 15 nor more than 30 days' notice to the Bondholders) decide, subject to the provisions set forth in Condition 5, to redeem all (but not part) of the outstanding Bonds at their Change of Control Redemption Amount.

7.4 Illegality

If it becomes illegal for the Issuer to issue or maintain the Bonds, or perform its obligations under the Bonds and subject to the provisions set forth in Condition 5, the Bonds shall be immediately due and repayable at their Nominal Amount together with any accrued interest, without further formality.

7.5 Cancellation

All Bonds which are redeemed will be cancelled and may not be re-issued or resold.

8 Payments

- (a) Without prejudice to Article 474 of the Companies Code, all payments of Nominal Amount or interest in respect of the Bonds shall be made through the Agent and the NBB System in accordance with the NBB System Regulations. The payment obligations of the Issuer under the Bonds will be discharged by payment to the Agent in respect of each amount so paid.
- (b) Any payment by the Issuer under the Bonds shall first be allocated to interest and then to any outstanding Nominal Amount.
- (c) All payments are subject in all cases to any applicable tax or other laws and regulations in the place of payment.

9 Taxation

All payments of Nominal Amount and interest by or on behalf of the Issuer in respect of the Bonds shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Belgium or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event the Issuer shall pay such additional amounts as will result in receipt by the Bondholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Bond:

- (a) by or on behalf of a holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with Belgium other than the mere holding of the Bond;
- (b) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 on the taxation of

savings income or any law implementing or complying with, or introduced in order to conform to, such Directive;

- (c) to a Bondholder, who at the time of issue of the Bonds, was not an eligible investor within the meaning of Article 4 of the Belgian Royal Decree of 26 May 1994 on the deduction of withholding tax or to a Bondholder who was such an eligible investor at the time of issue of the Bonds but, for reasons within the Bondholder's control, either ceased to be an eligible investor or, at any relevant time on or after the issue of the Bonds, otherwise failed to meet any other condition for the exemption of Belgian withholding tax pursuant to the Belgian Act of 6 August 1993 relating to certain securities; or
- (d) to a Bondholder who is liable to such Taxes because the Bonds were upon his/her request converted into registered Bonds and could no longer be cleared through the NBB System.

10 Undertakings

The undertakings in this Condition 10 remain in force from the Issue Date for so long as any amount is outstanding under the Bonds.

10.1 Negative pledge

The Issuer shall not (and shall procure that no other member of the Guarantor Group shall) create or permit to subsist any Security or Quasi-Security over any of its assets which is not Permitted Security.

10.2 Cash upstreaming

The Issuer shall procure that its Subsidiaries shall upstream any cash in hand or at bank and (in the latter case) credited to an unpledged bank account in the name of a Subsidiary of the Issuer not required:

- (a) to service any Project Financial Indebtedness;
 - (b) to repay Group Loans, provided that the Minimum Interco Balance + Share Capital Increase Requirement remains complied with;
 - (c) for payments in respect of any operational expenses; or
 - (d) for payments owing to Tax,
- in each case within the 12 month period following that time, to the Issuer (directly or indirectly) by way of, amongst others, the payment of dividends, interests, loans, advances, fees or any other payments.

10.3 Financial Indebtedness

- (a) The Issuer shall not (and shall procure that none of its Subsidiaries will) incur any Financial Indebtedness save for Permitted Financial Indebtedness.
- (b) The Issuer shall procure that the Minimum Interco Balance + Share Capital Increase Requirement is met at all times.

10.4 No change of business

- (a) The Issuer shall not (and shall procure that no other member of the Issuer Group will):
 - (i) acquire a company or any shares or securities or a business or undertaking (or, in each case, any interest in any of them) or incorporate a company;

- (ii) develop any business activities other than its current business or in any geographical market where it is not active on the Issue Date; or
 - (iii) make any new investments (other than repair and maintenance investments) pertaining to any of the Projects, other than any Permitted Investments.
- (b) The Issuer shall procure that no member of the Guarantor Group (other than a member of the Issuer Group) will:
- (i) acquire a company or any shares or securities or a business or undertaking (or, in each case, any interest in any of them) or incorporate a company;
 - (ii) develop any business activities other than its current business or in any geographical market where it is not active on the Issue Date; or
 - (iii) make any new investments (other than repair and maintenance investments) pertaining to any real estate project in a market in which they are active on the Issue Date,
- if, as a result of that action more than 30 per cent of the Guarantor Group's Total Assets would be located or generated outside Belgium, France, Poland, the Ukraine and Russia.
- (c) The Issuer shall procure that no substantial change is made to the general nature of its business or that of the Guarantor Group taken as a whole from that carried on by it and by the Guarantor Group taken as a whole on the Issue Date.
- (d) The Issuer shall procure that none of its Subsidiaries shall engage in any other business or activities than those directly associated with the Projects and save for Permitted Secondary Activities.

10.5 Change of ownership

The Issuer shall not cease to be a wholly-owned Subsidiary (less five shares) of the Guarantor.

10.6 Dividends, share redemption and other payments

- (a) The Issuer shall not (and shall procure that no other member of the Issuer Group will):
- (i) declare, make or pay any dividend, charge, fee or other distribution (or interest on any unpaid dividend, charge, fee or other distribution) (whether in cash or in kind) on or in respect of its share capital (or any class of its share capital);
 - (ii) (ii) repay or distribute any share premium reserve; or
 - (iii) (iii) redeem, repurchase, defease, retire or repay any of its share capital or resolve to do so, other than to comply with Condition 10.2.
- (b) The Issuer shall not (and shall procure that no other member of the Issuer Group will) pay any management, advisory or other fee to or to the order of any Affiliate of the Issuer, other than the payment of management fees provided for under the Service Level Agreements in the original form or fees for accounting and administration services provided at arm's length terms.
- (c) Without prejudice to paragraph (a) above, the Issuer shall not (and shall procure that no other member of the Guarantor Group will):

- (i) declare, make or pay any dividend, charge, fee or other distribution (or interest on any unpaid dividend, charge, fee or other distribution) (whether in cash or in kind) on or in respect of its share capital (or any class of its share capital);
- (ii) repay or distribute any share premium reserve;
- (iii) redeem, repurchase, defease, retire or repay any of its share capital or resolve to do so; or
- (iv) (iv) pay any management, advisory or other fee to or to the order of any Parent Company of the Guarantor, other than the payment of management fees provided for under the Service Level Agreements in the original form or fees for accounting and administration services provided at arm's length terms,

unless it is, and continue to be after that action, in compliance with paragraph (d) of Condition 10.13.

10.7 Loans or credit

The Issuer shall not (and shall procure that no other member of the Issuer Group will) be a creditor in respect of any Financial Indebtedness owed by any person which is not a member of the Issuer Group, unless pursuant to Group On-lendings in circumstances where the Minimum Interco Balance + Share Capital Increase Requirement is met.

10.8 No guarantees or indemnities

The Issuer shall not (and shall procure that no other member of the Issuer Group will) incur or allow to remain outstanding any guarantee covering any obligation of any person which is not a member of the Issuer Group.

10.9 Service Level Agreements

The Issuer shall not (and shall procure that no other member of the Guarantor Group will) amend, vary, supplement or waive a Service Level Agreement in any material way detrimental to the Issuer Group or novate, supersede, terminate, dissolve or cancel a Service Level Agreement.

10.10 Merger

The Issuer shall not (and shall procure that no other member of the Guarantor Group will) enter into any amalgamation, demerger, merger, consolidation or corporate reconstruction, except for intra group restructurings at the level of the Subsidiaries of the Issuer and of the Subsidiaries of the Guarantor (other than the Issuer).

10.11 Disposals

- (a) Except as permitted under paragraph (b) below, the Issuer shall not (and shall procure that no other member of the Guarantor Group will) enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of any asset.
- (b) Paragraph (a) above does not apply to any sale, lease, transfer or other disposal which is a Permitted Disposal.

10.12 Taxation

- (a) The Issuer shall (and shall procure that the Guarantor will) not become domiciled or resident in or subject generally to the taxing authority of any jurisdiction other than Belgium.

- (b) The Issuer shall not (and shall procure that no other member of the Guarantor Group will) carry out any actions that would negatively impact the tax treatment of the Bonds.

10.13 Financial Ratios

Without prejudice to its obligations under paragraph (b) of Condition 10.3, the Issuer shall procure that on each Testing Date:

- (a) the Total Unsecured Assets of the Issuer are equal to or higher than EUR 60,000,000;
- (b) the Total Unsecured Assets of the Guarantor are equal to or higher than EUR 370,000,000;
- (c) the Consolidated Equity of the Issuer is equal to or higher than EUR 15,000,000;
- (d) the Consolidated Equity of the Guarantor is equal to or higher than EUR 400,000,000;
- (e) the ratio of (i) the aggregate of the Consolidated Equity of the Issuer Group and the aggregate net balance between all Group Loans and all Group On-lendings to (ii) the Total Assets of the Issuer Group, in each case for the relevant Period is equal to or higher than 20 per cent;
- (f) the ratio of the Consolidated Equity of the Guarantor to its Total Assets for the relevant Period is equal to or higher than 40 per cent; and
- (g) the ratio of Undeveloped Land of the Issuer Group to the sum of Consolidated Investment Property and Consolidated Property Development Inventories of the Issuer Group for the relevant Period is equal to or lower than 15 per cent.

10.14 .Publication of Financial Ratios

- (a) The Issuer shall, no later than 90 days after each Testing Date publish certificates on a page on its website (currently www.ghelamco.com) that may be password protected, confirming that the Financial Ratios in respect of the relevant Testing Date have been complied with and setting out, in reasonable detail, computations showing such compliance (the "**Certificates**").
- (b) The Certificates shall be signed by:
 - (i) in respect of Financial Ratios applying to the Issuer Group, the Issuer's chief executive officer and its chief financial officer and countersigned by its auditor after due verification; and
 - (ii) in respect of Financial Ratios applying to the Guarantor Group, the Guarantor's chief executive officer and its chief financial officer and countersigned by its auditor after due verification.
- (c) All Certificates will remain published on a page on the Issuer's website (currently www.ghelamco.com) that may be password protected.
- (d) If any information made available pursuant to this Condition or pursuant to Condition 10.15 is published on a password protected web page, the Issuer will promptly upon request provide the relevant password to each Bondholder evidencing its capacity as a Bondholder.

10.15 .Requirements as to financial statements

- (a) The Issuer shall (and will procure that the Guarantor will) prepare its Financial Statements in accordance with the Accounting Principles.

- (b) The Issuer will procure that its auditors review the half-yearly consolidated financial statements if the Issuer and the Guarantor in accordance with IAS 34 and will provide a limited review opinion.
- (c) A copy of the Financial Statements will be (and remain) published on a page on the Issuer's website (currently www.ghelamco.com) that may be password protected, as soon as they become available but in any event no later than the publication of the Certificates (as set out in Condition 10.14) relating to such Financial Statements.

10.16 Notification of Events of Default

The Issuer shall promptly inform the Bondholders of the occurrence of any Event of Default (and the steps, if any, being take to remedy it).

11 Events of default

- (a) Each of the events or circumstances set out in this Condition 11 is an Event of Default.
- (b) If an Event of Default occurs, each Bondholder may give written notice to the Issuer at its registered office with a copy to the Agent that such Bond is immediately due and repayable, subject to the provisions set forth in Condition 5, at its Nominal Amount together with accrued interest (if any) to the date of payment, without further formality, unless such event shall have been remedied prior to the receipt of such notice by the Agent.

11.1 Non-payment

The Issuer does not pay on the due date any amount payable in respect of the Bonds, unless its failure to pay is caused by an administrative or technical error, and payment is made within three Business Days.

11.2 Other obligations

The Issuer does not comply with any provision of the Conditions (other than referred to in Condition 11.1), unless the failure to comply is capable of remedy and is remedied within 10 Business Days of the earlier of (a) a Bondholder giving notice to the Issuer of such default and (b) the Issuer becoming aware of the failure to comply.

11.3 Cross default

- (a) Any Financial Indebtedness of any member of the Guarantor Group is not paid when due nor within any originally applicable grace period.
- (b) Any Financial Indebtedness of any member of the Guarantor Group is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (howsoever described).
- (c) Any commitment for any Financial Indebtedness of any member of the Guarantor Group is cancelled or suspended by a creditor of any member of the Guarantor Group as a result of an event of default (however described).
- (d) Any creditor of any member of the Guarantor Group becomes entitled to declare any Financial Indebtedness of any member of the Guarantor Group due and payable prior to its specified maturity.
- (e) No Event of Default will occur under this Condition 11.3 if the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (a) to (d) above is:

- (i) in respect of any member of the Issuer Group, less than EUR 5,000,000 (or its equivalent in any other currency or currencies); and
- (ii) in respect of other members of the Guarantor Group, less than EUR 50,000,000 (or its equivalent in any other currency or currencies) and does not have, or is not reasonably likely to have, a Material Adverse Effect.

11.4 Security enforcement

Any Security granted by a member of the Guarantor Group becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person) *provided that* no Event of Default will occur under this Condition 11.4 if the aggregate amount of Financial Indebtedness in respect of which such Security becomes enforceable and steps are taken to enforce it is:

- (a) in respect of any member of the Issuer Group, less than EUR 5,000,000 (or its equivalent in any other currency or currencies); and
- (b) in respect of other members of the Guarantor Group, less than EUR 50,000,000 (or its equivalent in any other currency or currencies) and does not have, or is not reasonably likely to have, a Material Adverse Effect,

11.5 Creditors' process

Any expropriation (other than an expropriation by a public body that does not have a Material Adverse Effect), attachment, sequestration, distress or execution or any analogous process in any jurisdiction which affects any asset or assets of a member of the Guarantor Group having an aggregate value in excess of:

- (a) in respect of any member of the Issuer Group, EUR 5,000,000 (or its equivalent in any other currency or currencies); and
- (b) in respect of other members of the Guarantor Group, EUR 50,000,000 (or its equivalent in any other currency or currencies) and has, or is reasonably likely to have, a Material Adverse Effect,

and is in each case not discharged within 30 days.

11.6 Insolvency

- (a) A member of the Guarantor Group is declared bankrupt (*failliet/faillite* or any analogous procedure or step in any jurisdiction) or is unable or admits inability to pay its debts as they fall due or is deemed to or declared to be unable to pay its debts under applicable law, suspends or threatens to suspend making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness.
- (b) The value of the assets of any member of the Guarantor Group is less than its liabilities (taking into account contingent and prospective liabilities) unless that situation is remedied within 10 Business Days of the earlier of (a) a Bondholder giving notice to the Issuer of such default and (b) the Issuer becoming aware of the failure to comply, provided that this Condition 11.6 does not apply to any member of the Guarantor Group which is a special purpose vehicle active as a real estate development company to the extent such company complies with any applicable capital protection rules.
- (c) A moratorium (*gerechtelijke reorganisatie/réorganisation judiciaire* or any analogous procedure or step in any jurisdiction) is declared in respect of any indebtedness of any

member of the Guarantor Group. If a moratorium occurs, the ending of the moratorium will not remedy any Event of Default caused by that moratorium.

11.7 Insolvency proceedings

- (a) Any corporate action, legal proceedings or other procedure or step is taken in relation to:
- (i) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of any member of the Guarantor Group;
 - (ii) a composition, compromise, assignment or arrangement with any creditor of any member of the Guarantor Group; or
 - (iii) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of any member of the Guarantor Group or any of its assets,
- or any analogous procedure or step is taken in any jurisdiction.
- (b) Paragraph (a) shall not apply to any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 14 days of commencement.
- (c) In this Condition 11.7, a reference to:
- (i) a "**liquidator**", "**compulsory manager**", "**receiver**", "**administrative receiver**", "**administrator**" or similar officer includes any curator/curateur, vereffenaar/liquidateur, gedelegeerd rechter/juge délégué, gerechtsmandataris/mandataire de justice, voorlopig bewindvoerder/administrateur judiciaire, gerechtelijk bewindvoerder/administrateur judiciaire, mandataris ad hoc/mandataire ad hoc and sekwestre/séquestre;
 - (ii) a "**suspension of payments**", "**moratorium of any indebtedness**", "**windingup**", "**dissolution**", "**administration**" or "**reorganisation**" includes any vereffening/liquidation, ontbinding/dissolution, faillissement/faillite or sluiting van een onderneming/fermeture d'entreprise; and
 - (iii) a "**composition**" includes any gerechtelijke reorganisatie/réorganisation judiciaire.

12 Agent

- (a) The Issuer reserves the right at any time to vary or terminate the appointment of the Agent and appoint additional or other paying agents, provided that it will (i) maintain a principal paying agent, (ii) maintain a domiciliary agent and the domiciliary agent will at all times be a participant in the NBB System, and (iii) if required, appoint an additional paying agent, from time to time with a specified office in a European Union member state that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other European Union Directive implementing the conclusions of the ECOFIN council meeting of 26- 27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive. Notice of any change in Agent or its specified offices will promptly be given by the Issuer to the Bondholders.
- (b) Subject to the Conditions, the Agent shall not make or impose on a Bondholder any charge or commission in relation to any payment in respect of the Bonds.

13 Fractions

When making payments to Bondholders, if the relevant payment is not of an amount which is a whole multiple of the smallest unit of the relevant currency in which such payment is to be made, such payment will be rounded down to the nearest unit.

14 Non business days

If any date for payment in respect of the Bonds is not a Business Day, the holder shall not be entitled (a) to payment until the next following Business Day unless it would thereby fall into the next calendar month in which event it shall be brought back to the immediately preceding Business Day, nor (b) to any interest or other sum in respect of such postponed or anticipated payment. For the purpose of calculating the interest payable under the Bonds, the Interest Payment Date shall not be adjusted.

15 Statute of limitation

Claims against the Issuer (whether for payment in respect of Nominal Amount, interest on the Bonds or otherwise) shall be prescribed and become void unless made within a period of ten years in the case of any Nominal Amount and five years in the case of interest or other payment from the later of:

- (a) the date on which payment in respect of it first becomes due; and
- (b) if any amount of the money payable is improperly withheld or refused the date on which payment in full of the amount outstanding is made or (if earlier) the date on which notice is given by the Issuer to the Bondholders that such payment will be made, provided that such payment is in fact made as provided in the Conditions.

16 Meetings of bondholders, modification and waiver

16.1 Meeting of Bondholders

- (a) The Bondholders will be represented in a general meeting of the Bondholders which may be convened in accordance with Article 568 of the Companies Code in order to take certain decisions with respect to the Bonds, including the modification of certain provisions of the Conditions.
- (b) In accordance with Article 568 of the Companies Code, the general meeting of Bondholders is entitled (i) to accept schemes to furnish special securities in favour of the Bondholders or to amend or repeal such special securities that already have been furnished, (ii) to extend one or more Interest Periods, to agree to a decrease of the rate of interest or to amend the payment terms of the interest, (iii) to extend or suspend the redemption and to agree to an amendment of the Conditions under which such redemption is to be made, (iv) to accept that the claims of the Bondholders will be replaced by shares, (v) to resolve upon the protective measures that are to be taken in the common interest, and (vi) to appoint one or more proxyholders for the execution of the decisions that have been taken pursuant to this Condition 1.16.1 as well as for the representation of the mass of Bondholders in the procedures for the decrease or the removal of any existing mortgage registration.
- (c) The general meeting of Bondholders may be convened by the board of directors or by the statutory auditor(s) of the Issuer. They must convene such general meeting at the request of Bondholders representing one fifth of the existing Bonds. The general meeting of Bondholders can only validly deliberate and resolve if the Bondholders that are present at the meeting, represent at least half of the existing Bonds. In case such quorum is not met, a new convocation will be required and a second meeting will then be able to validly deliberate and resolve regardless of the number of Bonds that are represented on such second meeting.

- (d) The decisions will be passed with at least a three-quarter majority of the Bonds taking part in the voting. A decision taken with a majority of less than one third of the existing Bonds shall only be executed if such decision has been approved by the Court of Appeal within whose jurisdiction the Issuer has its registered office.
- (e) The quorum as well as the majority requirements mentioned here above do not need to be observed in case the decisions relate to protective measures that are to be taken in the common interest or to the appointment of proxyholders of the Bondholders.
- (f) The decisions that have been duly approved by the general meeting of Bondholders will be binding upon all Bondholders.

16.2 Amendments to the Conditions

- (a) The Conditions may be amended by the Issuer without the consent of the Bondholders in order to rectify (i) a minor error, or (ii) a formal or technical error, provided that such amendments do not adversely affect the interests of the Bondholders.
- (b) All other amendments to the Conditions require the consent of the Bondholders.

16.3 General meeting of shareholders

The Bondholders shall be entitled to attend all general meetings of shareholders of the Issuer in accordance with Article 537 of the Companies Code, and they shall be entitled to receive or examine any documents that are to be remitted or disclosed to them in accordance with the Companies Code. The Bondholders who attend any general meeting of shareholders shall be entitled only to a consultative vote.

17 Further Issues

- (a) The Issuer may from time to time without the consent of the Bondholders create and issue further Bonds having the same terms and conditions as the Bonds issued on the Issue Date in all respects (or, for Bonds issued after 28 February 2014, in all respects except for the first payment of interest), *provided that* (a) any such additional Bonds are issued on or before 31 December 2014 and (b) the aggregate Nominal Amount of all Bonds does not exceed EUR 70,000,000 at any time. For the avoidance of doubt, nothing in these Conditions will prevent this issue of Bonds under this Condition 17 above or below par value.
- (b) All Bonds issued pursuant to paragraph (a) above shall be consolidated, and form a single series with, the then outstanding Bonds, *provided always that*, if the issue of Bonds would result in the gross actuarial yield of a Bondholder between the date of issue of those Bonds and the date of redemption to exceed the yield on the Bonds on the Issue Date plus 0.75 per cent., a separate ISIN code shall be created for the those Bonds.

18 Transfer of the Bonds

- (a) Subject to the provisions of the Conditions, the Bonds are freely transferable between NBB System participants.
- (b) Transfers of interests in the Bonds will be effected between NBB System participants in accordance with the rules and operating procedures of the NBB System. Transfers between investors will be effected in accordance with the respective rules and operating procedures of the NBB System participants through which they hold their Bonds.
- (c) Upon the exchange into registered form, the Bonds remain freely transferable. Transfers of ownership of registered Bonds are effected by a declaration of transfer, recorded in the register of Bonds (maintained by the Issuer at its registered office) and signed by the transferor and

transferee, or by their respective representative(s), in accordance with Article 504 of the Companies Code. The Issuer may keep a register of Bonds in electronic form as set out in and in accordance with Article 504 of the Companies Code.

19 Notices

19.1 Notices to the Bondholders

- (a) Notices to the Bondholders shall be valid if:
 - (i) delivered by or on behalf of the Issuer to the Agent and then to the NBB System for communication by it to the NBB System participants; or
 - (ii) published in two leading newspapers having general circulation in Belgium (which may be *De Tijd* and *L'Echo*).
- (b) Any such notice shall be deemed to have been given on the later of:
 - (i) seven days after its delivery to the NBB System; and
 - (ii) the publication of the latest newspaper containing such notice.
- (c) In addition to the above communications and publications, with respect to notices for a meeting of Bondholders, any convening notice for such meeting shall be made in accordance with Article 570 of the Companies Code, by an announcement to be inserted at least fifteen days prior to the meeting, in the Belgian Official Gazette (*Belgisch Staatsblad/Moniteur Belge*) and in a newspaper with national coverage. Resolutions to be submitted to the meeting must be described in the convening notice.

19.2 Notices to the Issuer

All notices or other communication required or permitted to be given in writing by any Bondholder to the Issuer under the Conditions must be (a) given by email (address: bvba.fmp@telenet.be and bonds2013@ghelamco.com) or telefax (number: + 32 57 21 91 14), and (b) confirmed by registered mail or express courier service to the following addresses: 8900 Ieper, Zwaanhofweg 10, Belgium.

20 Governing law and jurisdiction

- (a) The Bonds and any non-contractual obligations arising out of or in connection with the Bonds are governed by, and shall be construed in accordance with, Belgian law.
- (b) The courts of Brussels, Belgium have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Bonds and any non-contractual obligations arising out of or in connection with the Bonds.

SCHEDULE 1
TOTAL UNSECURED ASSETS AS PER 31 DECEMBER 2012

Unsecured assets testing pre- and post bond

	pre-bond 31/12/2012 (KEUR)	post bond 25.000	post bond 30.000	post bond 50.000	post bond 60.000	covenant limit	
IRC							
Total Assets	281.857	306.857	311.857	331.857	341.857		
Secured Debt (=for the time being bank financing)	119.137	119.137	119.137	119.137	119.137		
Total Unsecured Assets	162.720	187.720	192.720	212.720	222.720	60.000	min
GHEL Group							
Total Assets	1.233.705	1.258.705	1.263.705	1.283.705	1.318.705		
Secured Debt (=for the time being bank financing)	449.551	449.551	449.551	449.551	449.551		
Total Unsecured Assets	784.154	809.154	814.154	834.154	869.154	350.000	min

ANNEX B. RESPONSE MEMORANDUM

GHELAMCO INVEST NV

invitation to eligible holders of its outstanding EUR 70,000,000 6.25 per cent. notes due 28 February 2018 (ISIN: BE6254212408) (the "Notes") to tender any and all of the Notes for purchase by the Offeror, subject to the conditions described in this Tender Offer Memorandum (the "Offer")

Introduction

This response memorandum (*memorie van antwoord/mémoire en réponse*) (the "**Response Memorandum**") has been prepared by the board of directors of Ghelamco Invest NV (the "**Company**") in relation to the Offer (defined below) pursuant to Articles 27 and 47 of the Belgian Royal Decree of 27 April 2007 on public takeover bids, as amended (the "**Takeover Decree**"). The launch of the Offer and the Tender Offer Memorandum were approved by the board of directors of the Company (as Offeror) on 19 September 2017. On the same day, the board of directors of the Company (as target company) has approved the Response Memorandum. All directors of the Company were present or represented at the meeting that approved the Response Memorandum.

The Offer

Ghelamco Invest NV is a limited liability company (*naamloze vennootschap/société anonyme*) incorporated and existing under the laws of Belgium, with registered address at Zwaanhofweg 10, 8900 Ieper, Belgium, and registered with the Crossroads Bank for Enterprises under number VAT BE0431.572.596, commercial court of Ghent, subdivision Ieper.

The Company is making a voluntary conditional public tender offer in cash to purchase any and all of its Notes.

The Company is both offeror and target company under the Offer.

The Company will pay a purchase price (the "**Purchase Price**") for the Notes accepted by it equal to (a) the present value of all remaining payments of principal and interest on the Notes up to and including the scheduled maturity date of the Notes, minus (b) the aggregate amount of all payments of interest on the Notes as from 28 February 2017 up to and including the Settlement Date. The Purchase Price consists of (i) the nominal amount of the Note (the "**Nominal Amount**"), (ii) the accrued interest between the last interest payment date, being 28 February 2017, and the Settlement Date (the "**Accrued Interest**") and (iii) the purchase premium which corresponds to the accrued interest between the Settlement Date and the maturity date of the Note (the "**Purchase Premium**"). The Purchase Price will be rounded to the nearest 0.001 per cent. with 0.0005 per cent. being rounded upwards. Assuming the Settlement Date is 20 November 2017, the Purchase Price for each EUR 10,000 Note will be equal to EUR 10,625, consisting of the sum of the Nominal Amount of EUR 10,000, the Accrued Interest of EUR 453.77 and the Purchase Premium of EUR 171.23, in each case prior to withholding tax. If the Payment Date falls on a later date, the Accrued Interest and the Purchase Premium changes, but the aggregate amount of the Purchase Price remains the same.

The portion of the payment received by holders of Notes tendering Notes in the Offer which corresponds to the difference between the relevant Purchase Price and the outstanding nominal amount of the relevant Notes, will be subject to a 30 per cent. withholding tax in Belgium, but only for holders of Notes who hold their Notes through a so-called "N-account" in the NBB securities settlement system. No withholding tax will apply on any part of the payment made to holders of Notes who qualify for holding their Notes through a so-called "X-account".

Approval by the FSMA

The Response Memorandum was approved on 26 October 2017 by the Belgian Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten/Autorité des services et marchés financiers*) (the “**FSMA**”) pursuant to Article 28 of the Belgian Act of 1 April 2007 on public takeover bids, as amended (the “**Takeover Act**”). This approval does not imply any opinion by the FSMA on the merits and the quality of the Offer.

Responsible person

In accordance with Article 29, §1 and §2 of the Takeover Act, the Company, represented by its board of directors, accepts responsibility for the information contained in this Response Memorandum. The Company, represented by its board of directors, declares that to the best of its knowledge, the information contained in this Response Memorandum is in accordance with the facts and contains no omissions likely to affect its import.

New significant fact

The information contained in this Response Memorandum is accurate as of the date of the Response Memorandum.

In the event of any significant new factor, material mistake or inaccuracy which is capable of affecting the assessment of the Offer and which arises or becomes known during the period between the approval of this Response Memorandum by the FSMA and the closing of the Acceptance Period for the Offer, expected to take place on 15 November 2017, a supplement to this Response Memorandum will be approved by the FSMA and published in accordance with applicable laws and regulations.

Declaration of intent

On the date of this Response Memorandum the respective directors of the Company make the following declarations:

- (a) Opus Terrae BVBA, represented by its permanent representative, Mr Paul Gheysens, does not hold any Notes.
- (b) Mr Paul Gheysens does not hold any Notes.
- (c) Mr Michael Gheysens does not hold any Notes.
- (d) Mr Simon Gheysens does not hold any Notes.
- (e) BVBA Pure F., represented by its permanent representative, Mr Philip Neyt does not hold any Notes.
- (f) Jinvest BVBA represented by its permanent representative, Mr Jürgen Ingels does not hold any Notes.

ANNEX C. ACCEPTANCE FORM

To: [●] (the custodian bank through with the Notes are held)

Cc: KBC Bank NV as Centralising and Tender Agent
Havenlaan 2
1080 Brussels
België
Tel.: +32 2 429 17 15
Email: workflow@kbc.be
Attention: Michael Hamelryck

Acceptance Form in relation to the Conditional Public Tender Offer in cash by Ghelamco Invest NV to purchase the EUR 70,000,000 aggregate principal amount of outstanding 6.25 per cent. fixed rate notes issued by Ghelamco Invest NV due 28 February 2018 (ISIN: BE6254212408)

This Acceptance Form relates to the voluntary conditional public tender offer in cash (the “Offer”) by Ghelamco Invest NV (the “Offeror”) to purchase the EUR 70,000,000 aggregate principal amount of outstanding 6.25 per cent. fixed rate notes issued by Ghelamco Invest NV due 28 February 2018 (ISIN BE6254212408) (the “Notes”). Terms used in this Acceptance Form and not otherwise defined have the meanings given to them in the tender offer memorandum, dated 26 October 2017, which has been prepared by the Offeror in relation to the Offer as may be supplemented from time to time (the “Tender Offer Memorandum”).

I, the undersigned:

Name (name, first name or company name): _____

Address (full address): _____

Email: _____ Fax: _____

Declare the following:

- (1) I confirm having read and accept the terms and conditions of the Offer described in the Tender Offer Memorandum.
- (2) I hereby tender Notes in the following principal amount (each Note having a principal amount of EUR 10,000.00), which I fully own, to the Offeror in accordance with the terms and conditions of the Offer described in the Tender Offer Memorandum, for a price in cash consisting of the Purchase Price:

Principal amount of Notes: EUR _____

- (3) I hereby confirm that the Notes held in the X/N system on the securities account referred to below may be blocked on the securities account of the relevant financial intermediary where the Notes are held in accordance with the applicable procedures of the relevant financial intermediary, immediately after filing this Acceptance Form and, on the Settlement Date, will be transferred to the securities account [●] of [●] in the X/N system on a delivery versus payment-basis.

Details of the account where the Notes are held in the X/N system:

Participant ID: _____

Securities account: _____

Sending agent (BIC/Swift Code): _____

Seller (BIC/Swift Code): _____

Details of the account of the Centralising and Tender Agent

Receiving agent: KREDBEBB (0401)

Buyer: KREDBEBB (0401)

Place of settlement: NBBEBEBB216

ISIN: BE6254212408

I understand that the Acceptance Form will be valid upon receipt by the Centralising and Tender Agent of the relevant Notes on its securities account with the NBB.

- (4) The Notes referred to in section (2) are transferred to the Offeror in accordance with the acceptance process described in the Tender Offer Memorandum.
- (5) I acknowledge that all representations, warranties and undertakings deemed to be made or given by me pursuant to the Tender Offer Memorandum are incorporated into this Acceptance Form with respect to the Notes tendered by me.
- (6) I am aware that if (a) the Notes are owned by two or more persons, the Acceptance Form must be executed jointly by such persons; (b) the Notes are subject to usufruct (*vruchtgebruik/usufruit*), the Acceptance Form must be executed jointly by the beneficial owner (*vruchtgebruiker/usufruitier*) and the bare owner (*naakte eigenaar/nu-proprétaire*); (c) the Notes are pledged, the Acceptance Form must be executed jointly by the pledgor and the pledgee, with the pledgee expressly confirming the irrevocable and unconditional release of the relevant Notes from the pledge; and (d) the Notes are encumbered in any other manner or are subject to any other claim or interest, all beneficiaries of such encumbrance, claim or interest must jointly execute the Acceptance Form and all such beneficiaries must irrevocably and unconditionally waive any and all such encumbrance, claim or interest relating to such Notes.
- (9) I have had the possibility to read the Tender Offer Memorandum and acknowledge to have received all information to make an informed decision as to whether or not to tender my Notes in the Offer. I am aware of the risks related to it and I have inquired about the taxes I could owe in the framework of the transfer of my Notes to the Offeror, which, if necessary, I will exclusively bear.

Made in two originals:

At (place): _____

On (date): _____

The holder of Notes

(signature)

(name, first name, company name)

Note:

This Acceptance Form will be void unless the relevant sections have been duly completed.

OFFEROR

Ghelamco Invest NV
Zwaanhofweg 10
8900 Ieper
Belgium

DEALER MANAGERS

BNP Paribas Fortis SA/NV
Warandeborg 3
1000 Brussels
Belgium

Telephone: +32 2 433 41 13
Attention: Easy Banking Centre

KBC Bank NV
Havenlaan 2
1080 Brussels
Belgium

Telephone: +32 2 429 50 85
Attention: LDM Origination
Email: dcm@kbcsecurities.be

CENTRALISING AND TENDER AGENT

KBC Bank NV
Havenlaan 2
1080 Brussels
Belgium

Telephone: +32 2 429 17 15
Attention: Michael Hamelryck
Email: workflow@kbc.be

LEGAL ADVISERS

To the Offeror

Linklaters LLP
Brederodestraat 13
1000 Brussels
Belgium

To the Dealer Managers

Jones Day
Regentschapsstraat 4
1000 Brussels
Belgium