

**Company Number: BE 0403.216.429**

**STATUTORY AUDITOR'S REPORT TO THE GENERAL SHAREHOLDERS' MEETING OF  
FINANCIERE DE TUBIZE SA/NV ON THE EU-IFRS FINANCIAL STATEMENTS AS AT AND  
FOR THE YEAR ENDED 31 DECEMBER 2017**

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

We were appointed in our capacity as statutory auditor by the shareholders' meeting of 22 April 2015 in accordance with the proposal of the Board of Directors. Our mandate will expire on the date of the shareholders' meeting deliberating on the financial statements for the year ending 31 December 2017. We have performed the statutory audit of the financial statements of the company Financière de Tubize for more than 24 subsequent years.

**Report on the EU-IFRS financial statements**

***Unqualified opinion***

We have audited the EU-IFRS financial statements of the company Financière de Tubize (the "company") which comprise the statement of financial position as at 31 December 2017, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year ended 31 December 2017, and the accounting policies and other related notes, which show a statement of financial position total of K€ 2.311.329 and of which the statement of profit or loss shows a profit for the year of K€ 285.934.

In our opinion, the EU-IFRS financial statements give a true and fair view of the company's equity and financial position as at 31 December 2017 and of its results and its cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

***Basis for the unqualified opinion***

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

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

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

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***Key audit matters***

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

**Valuation of financial investments**

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

***Description of the key audit matter***

The sole activity of Financière de Tubize is the holding of a stake in the listed company UCB SA (ISIN: BE0003739530). At the closing date, the company holds 35% of the total shares issued by UCB for an amount of K€ 1.717.992 in the statutory accounts and, through the application of the equity method, for an amount of K€ K€ 2.309.844 in the EU-IFRS financial statements, ie respectively 99,91% and 99,94% of the total balance sheet. The valuation of this asset is a determining factor in the issuing of this opinion given its relative importance both on the company's results and on its total balance sheet.

***How the matter was addressed in the audit***

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

**Financing operations**

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

***Description of the key audit matter***

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

***How the matter was addressed in the audit***

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

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

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

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

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

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

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

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

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

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

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

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

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**Report on other legal and regulatory requirements*****Responsibilities of the Board of Directors***

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

***Responsibilities of the statutory auditor***

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

***Aspects relating to the Directors' report***

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

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

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***Statement relating to independence***

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

***Other communications***

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

Brussels, 21 February 2018

MAZARS RÉVISEURS D'ENTREPRISES SCRL  
Statutory auditor  
represented by

Xavier DOYEN