Financière de Tubize
Half-year financial report
30 June 2015

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FINANCIÈRE DE TUBIZE SA/NV
ALLÉE DE LA RECHERCHE / RESEARCHDREEF 60, 1070 BRUSSELS (BELGIUM)
COMPANY NUMBER : BE 0403 216 429
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Section I
Governance and statement of the directors

Governance

Board of directors

François Tesch	Chairman and independent director
Charlofin NV, represented by Karel Boone	Independent director
Cyril Janssen	Director
Arnoud de Pret	Director
Charles-Antoine Janssen	Director
Nicolas Janssen	Director
Evelyn du Monceau	Director
Fiona de Hemptinne	Director
Cédric van Rijkevorsel	Director
Cynthia Favre d'Echallens	Director

Honorary chairman

Daniel Janssen

Independent auditor

Mazars Réviseurs d'Entreprises / Bedrijfsrevisoren
represented by Xavier Doyen

Day-to-day management

Marc Van Steenvoort

Statement of the directors

We confirm that, to the best of our knowledge:

- The condensed consolidated interim financial information as at 30 June 2015 has been prepared in accordance with the applicable financial reporting standards and gives a true and fair view of the net assets, the financial position and the results of Financière de Tubize

- The interim board report includes a fair review of the important events and the main related party transactions that occurred during the first half-year, and of their impact on the condensed interim financial information at 30 June 2015, as well as a description of the main risks and uncertainties for the remainder of the year.

Brussels, 30 July 2015

The board of directors

Section II
Interim report of the board of directors

Ladies and Gentlemen,

In accordance with the legal and regulatory requirements, we are honoured to report to you on the first half of the financial year 2015 of Financière de Tubize (the "Company").

This report includes the following sections:

1. Significant events

The following significant events occurred during the first half of the financial year 2015:

- Collection of the dividend distributed by UCB related to the financial year 2014 (€ 70,352k).
- Payment of the dividend by the Company related to the financial year 2014 (€ 21,383k).
- Decrease of the outstanding bank debt from € 187 million at 31 December 2014 to € 145 million at 30 June 2015. The outstanding at 31 December 2015 is estimated at € 149 million.
- As mentioned in the board report related to the financial year 2014, bank debt has been rescheduled during that year. As a result thereof, the discounted cash flows of the floating rate bank borrowings, of which the cash flow risk is hedged by an interest rate swap with a nominal value of € 95 million at 31 December 2014 (€ 80 million at 30 June 2015), have been modified and the amortisation of the swap is no longer perfectly aligned with the cash flows of the hedged borrowings. During certain future time buckets, the Company is over-hedged. Moreover, during some of these periods of over-hedging, there will be no hedged borrowings underlying the swap. According to the rules of IAS 39, a hedging relationship may not be designated for only a portion of the time period during which a hedging instrument remains outstanding. In preparing the consolidated financial information, the Company has therefore discontinued hedge accounting for the € 95 million swap (see note 2.2.6. of the condensed consolidated interim financial information at 30 June 2015 for more details and the quantitative impact). In the non-consolidated accounts, the Company has, in accordance with the Advice 2011/18 of 5 October 2011 of the *Commission des Normes Comptables / Commissie voor Boekhoudkundige Normen* concerning the accounting treatment of an interest rate swap, recognised the unrealised loss on the portion of the swap that no longer hedges floating rate debt, in profit or loss of the first half of 2015, under the caption "other financial charges" for an amount of € 891k.

- In accordance with the authorisation granted by the general meeting of 24 April 2013, the board of directors has carried out a transaction of buy-back and cancellation of own shares. This transaction has been set up in the context of article 11, §1er of the law of 14 December 2005 concerning the abolition of bearer securities, which requires the Company to sell the securities of which the owners had not made themselves known on 2 March 2015 at 24:00h CET (being the deadline mentioned in the notice published in that sense by the Company on 15 January 2015 in accordance with the requirements of the aforementioned law).
  On 3 March 2015, the Company has published additional information concerning the sale, in particular concerning the number of securities to be sold (151,233), the commencement date of the sale (5 March 2015) and the financial intermediary to whom the sales order has been entrusted (BNP Paribas Fortis).
  To avoid a long sales process that would be expensive for the Company and its shareholders, the Company has purchased on the regulated market of Euronext Brussels the remaining number of securities that were offered for sale and not yet sold on 5 March 2015 at 13:00h CET, being 60,233 securities that were acquired at € 57.03 per share.
  These shares have been cancelled on 11 March 2015 without a decrease of the capital and with an increase of the par value of the existing shares. Consequently, the number of shares representing the capital has been decreased from 44,608,831 shares to 44,548,598 shares. Article 5 of the articles of association related to the capital of the Company has been modified by notarial deed of 29 April 2015 to make it conform to the new number of shares that presently represent the capital.

2. Evolution of the results and the financial position

2.1. Results (non-consolidated)

The non-consolidated profit moves from € 64,081k in 2014H1 to € 65,536k en 2015H1, an increase of € 1,455k or 2.27%.

The condensed income statement for the first half of the financial year 2015 looks as follows:

€ 000	**2015H1**	**2014H1**
Dividend UCB	70,352	69,025
Interest income	-	16
Borrowing cost	-3,535	-4,611
Other financial charges	-923	-2
General and administrative expenses	-358	-347
Profit for the period, before taxes	65,536	64,081
Income taxes	-	-
Profit for the period	**65,536**	**64,081**

The dividend received from UCB in 2015H1 with respect to the financial year 2014 amounts to € 70,352k (gross dividend of € 1.06 per share) against € 69,025k (€ 1.04 par action) for the previous financial year.

The borrowing cost decreases from € 4,611k in 2014H1 to € 3,535k in 2015H1 following the reimbursement of principal amounts (favourable impact of € 740k) and the debt rescheduling of 2014 (favourable impact of € 535k), partly compensated by the increased commitment fees (adverse impact of € 199k) resulting from the implementation in November 2014 of new confirmed credit facilities for a total amount of € 150 million.

The other financial charges increase from € 2k in 2014H1 to € 923k en 2015H1. This increase in essence relates to the unrealised loss on the ineffective portion of a hedging swap, which, as set out before, has been recognised in the first half of 2015 profit or loss for an amount of € 891k, included in other financial charges.

General and administrative expenses move from € 347k in 2014H1 to € 358k in 2015H1.

There is no taxable basis following the application of the system of tax credits for dividends received. This system has been introduced in the Belgian fiscal law to avoid double taxation of dividends received from companies; the profits distributed by the company that pays the dividend (UCB) are included in the taxable basis, whereas 95% of the amounts of dividends received by the beneficiary company (Financière de Tubize) is deductible from the taxable basis.

2.2. Financial position (non-consolidated)

The condensed non-consolidated balance sheet per 30 June 2015 looks as follows:

€ 000	**30/06/2015**	**31/12/2014**
Participating interest UCB	1,580,240	1,580,240
Cash and cash equivalents	539	354
Other assets	34	34
Total assets	**1,580,813**	**1,580,628**
Equity	1,431,586	1,369,456
Bank borrowings	145,000	187,000
Other liabilities	4,227	24,172
Total equity & liabilities	**1,580,813**	**1,580,628**

The participating interest in UCB is recorded at its acquisition value of € 1,580,240k, unchanged compared to 31 December 2014, which represents a book value per share of € 23.81. The UCB share price amounted to € 64.39 at 30 June 2015 (€ 63.20 at 31 December 2014).

The dividend received from UCB (€ 70,352k) on 6 May 2015 has in essence been used to reimburse bank debt (€ 42.0 million), to pay the dividend of Financière de Tubize (€ 21.4 million), to finance the buy-back and destruction of 60,233 shares (€ 3.4 million) and to pay interest on the bank borrowings (€ 3.0 million).

Equity moves from € 1,369,456k at 31 December 2014 to € 1,431,586k at 30 June 2015. This increase results from the profit of the period, partly compensated by the March 2015 transaction of buy-back and destruction of own shares, of which the net effect of € 3,406k (cost of the buy-back amounting to € 3,435k and the reversal of € 29k dividends payable) has been recorded directly against equity. The market capitalisation of Financière de Tubize amounted to € 2,407,406k at 30 June 2015 (44,548,598 shares at € 54.04).

The outstanding bank debt amounted to € 145 million at 30 June 2015 against € 187 million at 31 December 2014.

The evolution of other creditors since 31 December 2014 is primarily explained by the payment of the dividend Financière de Tubize (- € 21,383k) and by the accrued interest and commitment fees (+ € 1,424k), which are at a higher level at mid-year given the important amounts of interest payments in the second half year.

2.3. Evolution on a consolidated basis

For the first half of 2015	€ 000
Non-consolidated profit	**65,536**
Elimination of received dividend from UCB	-70,352
Elimination of the unrealised loss recorded for the ineffective portion of a hedging swap	891
Share in the profit of UCB	92,412
Amortisation of 2009 debt restructuring costs (non-consolidated these costs were entirely charged to the 2009 profit or loss)	-430
Change of deferred taxes on reserves of UCB SA/NV	2,018
Reclassification adjustment, after tax effect, following the discontinuation as from 1 January 2015 onwards of the hedge accounting of a swap	-1,462
Remeasurement at fair value, after tax effect, of the IRS no longer designated as hedging instrument	1,019
Consolidated profit	**89,632**
Cash flow hedges	218
Reclassification adjustment, after tax effect, following the discontinuation as from 1 January 2015 onwards of the hedge accounting of a swap	1,462
Share of other comprehensive income	104,838
Consolidated comprehensive income	**196,150**
Dividend paid	-21,383
Buy-back of own shares	-3,435
Share of other changes of net assets of UCB	-31,121
Changes in the percentage of the participating interest resulting from changes in the number of own shares held by UCB	16,865
Changes in equity	**157,076**
Equity at 30 June 2015	**1,778,952**
Equity at 31 December 2014	1,621,876
Changes in equity	**157,076**

3. Main risks and uncertainties

The Company's sole asset being a participating interest in UCB, its main risk factors and uncertainties are similar to those of UCB. The financial position and the results of Financière de Tubize are impacted by the results of UCB, on a non-consolidated level through the received dividends and on a consolidated level through the application of the equity method.

In addition, the Company is exposed to the market risk related to the evolution of the UCB stock price, and to the liquidity risk, in particular the risk that the Company might have difficulties in satisfying its obligations under the bank debt agreements. The board has confidence in the development perspectives of the UCB group. The dividend received on 6 May 2015 and the instant access to confirmed credit facilities will enable the contractually scheduled capital reimbursements and interest payments for the second half of 2015.

The Company uses interest rate swaps to hedge most of its exposure to cash flow risk resulting from variable rate bank loans.

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

4. Main related party transactions

Except for the collection of the UCB dividend, no related party transactions have significantly impacted the financial position and results of the Company.

Related party transactions, such as described in note 4.3. of the 2014 consolidated financial statements have not significantly changed.

The general meeting of 22 April 2015 has approved the renewal of the directors' mandates of Evelyn du Monceau, Cyril Janssen and Charles-Antoine Janssen for a period of four years that will end at the ordinary general shareholders meeting to be held in 2019.

Section III
Condensed consolidated interim financial information at 30 June 2015

The condensed consolidated interim financial information has been approved by a resolution of the board of directors of 30 July 2015.

The condensed consolidated interim financial information consists of:

- The condensed consolidated interim statement of profit or loss and other comprehensive income
- The condensed consolidated interim statement of financial position
- The condensed consolidated interim statement of cash flows
- The condensed consolidated interim statement of changes in equity, and
- Selected explanatory notes.

Condensed consolidated interim statement of profit or loss and other comprehensive income

€ 000	Notes	2015H1	2014H1
Share of the profit of UCB		92,412	47,017
Borrowing cost	2.2.5.	-5,198	-5,262
Interest income		-	16
General and administrative expenses	2.4.	-390	349
Profit before taxes		***86,824***	***41,422***
Income taxes	2.3.3.	2,808	27
Profit		**89,632**	**41,449**
Items of other comprehensive income, after tax, that will not be reclassified to profit or loss		***4,889***	***-15,645***
Share of other comprehensive income of UCB	2.1.5.	4,889	-15,645
Items of other comprehensive income, after tax, that may be reclassified to profit or loss		***101,629***	***3,737***
Cash flow hedges	2.2.6.	1,680	364
Share of other comprehensive income of UCB	2.1.5.	99,949	3,373
Other comprehensive income		**106,518**	**-11,908**
Comprehensive income		**196,150**	**29,541**
Profit attributable to			
Owners of the parent		89,632	41,449
Non-controlling interests		-	-
Comprehensive income attributable to			
Owners of the parent		196,150	29,541
Non-controlling interests		-	-
Earnings per share			
Basic and diluted (in €)	2.5.	2.01	0.93

Condensed consolidated interim statement of financial position

€ 000	Notes	30/06/2015	31/12/2014
Participating interest in UCB	2.1.1.	1,947,680	1,835,036
Non current assets		***1,947,680***	***1,835,036***
Prepayments	2.2.3.	34	33
Cash and cash equivalents	2.2.4.	539	355
Current assets		***573***	***388***
Assets		**1,948,253**	**1,835,424**
Equity		**1,778,952**	**1,621,876**
Bank borrowings	2.2.5.	128,956	138,305
Derivatives	2.2.6.	2,793	4,911
Deferred taxes	2.3.1.	18,015	20,033
Non current liabilities		***149,764***	***163,249***
Bank borrowings	2.2.5.	15,368	46,053
Derivatives	2.2.6.	3,310	3,453
Other creditors	2.2.7.	859	793
Current liabilities		***19,537***	***50,299***
Liabilities		**169,301**	**213,548**
Equity and liabilities		**1,948,253**	**1,835,424**

Condensed consolidated interim statement of cash flows[1]

€ 000	2015H1	2014H1
Remuneration directors	-55	-39
Remuneration general manager	-90	-64
Professional services fees	-47	-55
Employee benefits	-	-33
Contributions FSMA, Euronext, Euroclear	-48	-45
Expenses	-12	-4
Services	-33	-34
Indirect taxes	-46	-41
Cash flows from operating activities	***-331***	***-315***
Dividends received	70,352	69.025
Interests received	-	16
Recovered withholding tax	4	-
Cash flows from investing activities	***70,356***	***69,041***
Dividends paid	-21,383	-21,358
Interests and fees paid	-3,023	-1,678
Reimbursement of bank debt	-66,000	-16,000
Drawings on credit facilities	24,000	-
Buy-back of own shares	-3,435	-
Cash flows from financing activities	***-69,841***	***-38,986***
Total cash flows	**184**	**29,740**
Cash and cash equivalents beginning of period	355	477
Cash and cash equivalents beginning of period	539	30,217

[1] See note 1.4. for more information about the new presentation of the cash flows from operating activities.

Condensed consolidated interim statement of changes in equity

	Capital and share premium	Subordi-nated perpetual	Retained earnings	Treasury shares	Other reserves	Translation adjustments	Assets held for sale	Cash flow hedges	Net investment hedge	Total equity
Balance at 01/01/2015	**236,225**	**101,007**	**1,435,099**	**-59,424**	**-33,013**	**-66,044**	**4,297**	**-15,154**	**18,883**	**1,621,876**
Dividends			-21,383							-21,383
Buy-back and cancellation of own shares			-3,435							-3,435
Comprehensive income										
–Profit			*89,632*							*89,632*
–Share of other comprehensive income of UCB					*4,889*	*102,807*	*607*	*-3,465*		*104,838*
–Cash flow hedges			*-39*					*257*		*218*
–Reclassification adjustments			*-753*					*2,215*		*1,462*
			88,840		4,889	102,807	607	-993		196,150
Share of other changes in net assets of UCB										
–Share based payments			*8,645*							*8,645*
–Transfer between reserves			*-9,166*	*-1,395*	*11,920*			*-1,359*		*0*
–Treasury shares				*-35,783*						*-35,783*
–Dividends to holders of subordinated perpetual			*-3,982*							*-3,982*
			-4,503	-37,178	11,920			-1,359		-31,121
Changes in the percentage of the participating interest in UCB resulting from changes in the number of own shares held by UCB		968	17,285	-570	-316	-633	41	-90	180	16,865
Balance at 30/06/2015	**236,225**	**101,975**	**1,511,903**	**-97,172**	**-16,520**	**36,130**	**4,945**	**-17,596**	**19,063**	**1,778,952**

	Capital and share premium	Subordi-nated perpetual	Retained earnings	Treasury shares	Other reserves	Translation adjustments	Assets held for sale	Cash flow hedges	Net investment hedge	Total equity
Balance at 01/01/2014	**236,225**	**107,776**	**1,401,295**	**-61,237**	**20,176**	**-171,791**	**-2,217**	**1,129**	**20,148**	**1,551,504**
Share of changes in equity of UCB following the adoption of new IFRS 10			-54,710			56				-54,654
Restated balance at 01/01/2014	**236,225**	**107,776**	**1,346,585**	**-61,237**	**20,176**	**-171,735**	**-2,217**	**1,129**	**20,148**	**1,496,850**
Dividends			-21,412							-21,412
Comprehensive income										
–Profit			*41,449*							*41,449*
–Share of other comprehensive income of UCB					*-15,645*	*10,216*	*-453*	*-6,390*		*-12,272*
–Cash flow hedges								*364*		*364*
			41,499		-15,645	10,216	-453	-6,026		29,541
Share of other changes in net assets of UCB										
–Share based payments			*4,370*							*4,370*
–Transfer between reserves			*-4,900*	*4,900*						*0*
–Treasury shares				*11,254*						*11,254*
–Equity component of convertible debt					*-14,138*					*-14,138*
–Dividends to holders of subordinated perpetual			*-3,944*							*-3,944*
			-4,474	16,154	-14,138					-2,458
Changes in the percentage of the participating interest in UCB, resulting from										
–Changes in the number of own shares held by UCB		*-620*	*-10,040*	*352*	*-129*	*988*	*13*	*-47*	*-116*	*-9,599*
–Dilution following the conversion of the convertible bonds		*-6,330*	*59,719*	*3,597*	*-1,317*	*10,087*	*130*	*-483*	*-1,183*	*64,220*
		-6,950	49,679	3,949	-1,446	11,075	143	-530	-1,299	54,621
Balance at 30/06/2014	**236,225**	**100,826**	**1,411,827**	**-41,134**	**-11,053**	**-150,444**	**-2,527**	**-5,427**	**18,849**	**1,557,142**

Selection of explanatory notes

The objective of the condensed consolidated interim financial information at 30 June 2015 is to update the 31 December 2014 consolidated financial statements. The present notes do not necessarily repeat information that was already included in the 31 December 2014 consolidated financial statements. They primarily focus on events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since 31 December 2014. The present document must therefore be read in conjunction with the 31 December 2014 consolidated financial statements.

1. Accounting policies

1.1. Compliance with IFRS

This condensed consolidated interim financial information has been prepared in accordance with international accounting standard 34 *Interim Financial* Reporting, as adopted by the European Union.

1.2. Continuity of accounting policies

The basis of preparation of the condensed consolidated interim financial information as well as the accounting policies, the computation methods, the judgments and accounting estimations are the same as those used for the preparation of the 31 December 2014 accounts.

1.3. Partial discontinuation of hedge accounting

The Company revoked the designation as hedging instrument of an interest rate swap of € 95 million notional at 31 December 2014 (€ 80 million at 30 June 2015). Consequently, the Company has, from 1 January 2015, onwards discontinued hedge accounting for this swap (see 2.2.6. for more detailed information).

1.4. Presentation of cash flow from operating activities

As from 2015 onwards, the Company uses the direct method to present the cash flows from operating activities. Under this method, major classes of gross cash receipts and gross cash payments are disclosed. The direct method provides information which may be useful for a better understanding of cash flows and which is not available under the indirect method. The comparative numbers of 2014 have also been adjusted to the direct method presentation.

1.5. Initial application of new or amended standards and interpretations

The interpretation IFRIC 21 *Levies* and the amendments to IFRS 3 and 13 and to IAS 40 resulting from the 2011-2013 cycle of the IASB's regular improvement cycle are applicable for the first time in 2015. This has had no impact on the Company's financial information.

2. Supporting information for items presented on the face of the primary statements

2.1. Participating interest in UCB

2.1.1. Carrying value

€ 000	2015
1 January	**1,835,036**
Distribution	-70,352
Share of the profit of UCB	92,412
Share of other comprehensive income of UCB	104,838
Share of other changes in the net assets of UCB[1]	-31,120
Impact of changes in the percentage of the participating interest, resulting from changes in the number of own shares held by UCB	16,866
30 June	**1,947,680**

2.1.2. Fair value

	30/06/15	31/12/14
Number of shares UCB	66,370,000	66,370,000
Quoted share price UCB (€)	64.39	63.20
Fair value of the participating interest in UCB (€ 000)	**4,273,564**	**4,194,584**
Carrying value (€ 000)	1,947,680	1,835,036
Excess of fair value over carrying value (€ 000)	**2,325,884**	**2,359,548**

2.1.3. Condensed financial information of UCB

Condensed statement of financial position

€ 000 000	30/06/15	31/12/14
Non current assets	8,118	7,647
Current assets	2,441	2,501
Non current liabilities	-3,281	-2,970
Current liabilities	-2,150	-2,336
Net assets	**5,128**	**4,842**
Non-controlling interests	-152	-160
Net assets attributable to UCB shareholders	**5,280**	**5,002**

[1] See the condensed consolidated interim statement of changes in equity for a breakdown by component of equity.

Condensed statement of profit or loss

€ 000 000	2015H1	2014H1[1]
Revenue	1,917	1,591
Profit from continuing operations	261	63
Profit from discontinued operations	28	50
Profit	**289**	**113**
Non controlling interests	21	-24
Profit attributable to UCB shareholders	**267**	**137**

Condensed statement of comprehensive income

€ 000 000	2015H1	2014H1
Profit	289	113
Other comprehensive income	289	-33
Comprehensive income	**578**	**80**
Non controlling interests	8	-22
Comprehensive income attributable to UCB shareholders	**570**	**102**

Reconciliation of the condensed financial information to the carrying value of the participating interest

€ 000 000	30/06/15	31/12/14
Net assets attributable to UCB shareholders	5,280	5,002
Participating interest of the Company[2]	34.5955%	34.2669%
Company's share of net assets of UCB	1,827	1,714
Goodwill on acquisition	121	121
Carrying value of participating interest in UCB	**1,948**	**1,835**

2.1.4. Concert

	Number of voting rights		% of voting rights	
	30/06/15	31/12/14	30/06/15	31/12/14
Financière de Tubize	66,370,000	66,370,000	34.12	34.12
Schwarz Vermögensverwaltung	2,471,404	2,471,404	1.27	1.27
Total	**68,841,404**	**68,841,404**	**35.39**	**35.39**

2.1.5. Share of other comprehensive income of UCB

	2015H1		
€ 000	Gross	Tax	Net
Items that will not be reclassified to profit or loss	***6,257***	***-1,368***	***4,889***
- Remeasurement of defined benefit obligations	6,257	-1,368	4,889
Items that may be reclassified subsequently to profit or loss	***100,043***	***-94***	***99,949***
- Translation adjustment	102,807	-	102,807
- Net result from available for sale financial assets	701	-94	607
- Effective portion of cash flow hedges	-3,465	-	-3,465
Share of other comprehensive income of UCB	**106,300**	**1,462**	**104,838**

[1] Restated (reclassification of discontinued activity of UCB)
[2] For the calculation of the percentage, the own shares held by UCB are excluded from the denominator

2.2. Financial instruments

2.2.1. Financial instruments by category

€ 000	Loans & Receivables		Liabilities at amortised cost		Derivatives	
	30/06/15	31/12/14	30/06/15	31/12/14	30/06/15	31/12/14
Prepayments	34	33				
Cash and cash equivalents	539	355				
Bank borrowings			-144,324	-184,358		
Derivatives					-6,103	-8,364
Other creditors			-859	-793		
Total	**573**	**388**	**-145,183**	**-185,151**	**-6,103**	**-8,364**

2.2.2. Fair value of financial instruments

€ 000	Level of the inputs in the fair value hierarchy	Carrying values		Fair values	
		30/06/15	31/12/14	30/06/15	31/12/14
Prepayments	-	34	33	34	33
Cash and cash equivalents	-	539	355	539	355
Bank borrowings	2	-144,324	-184,358	-148,202	-188,722
Derivatives	2	-6,103	-8,364	-6,103	-8,364
Other creditors	-	-859	-793	-859	-793

2.2.3. Prepayments

€ 000	30/06/15	31/12/14
Contributions Euronext, Euroclear	29	-
Insurance premium	-	23
Withholding tax	5	10
Total	**34**	**33**

2.2.4. Cash and cash equivalents

€ 000	30/06/15	31/12/14
Cash at bank	539	154
Short-term deposits	-	200
Accrued interest	-	1
Total	**539**	**355**

2.2.5. Bank borrowings

Carrying values

€ 000	Non current		Current		Total	
	30/06/15	31/12/14	30/06/15	31/12/14	30/06/15	31/12/14
Floating rate – not hedged	-	-	-	-17,000	-	-17,000
Floating rate - hedged[1]	-70,000	-80,000	-15,000	-30,000	-85,000	-110,000
Fixed rate	-60,000	-60,000	-	-	-60,000	-60,000
Unamortised balance of debt restructuring costs	1,044	1,695	1,302	1,302	2,346	2,997
Accrued interest	-	-	-1,450	-316	-1,450	-316
Accrued commitment fee	-	-	-220	-39	-220	-39
Total	**-128,956**	**-138,305**	**-15,368**	**-46,053**	**-144,324**	**-184,358**

Credit facilities

€ 000	30/06/15	31/12/14
Confirmed	295,000	360,000
Utilised	-145,000	-187,000
Available	**150,000**	**173,000**

[1] see 2.2.6. for more information on hedge accounting

Evolution during the first half of 2015

€ 000		Facilities	Utilised			Available
			Floating	Fixed	Total	
01/01/2015	**Re-opening**	**360,000**	**-127,000**	**-60,000**	**-187,000**	**173,000**
	Reimbursements and decrease of facilities	-65,000	66,000	-	66,000	1,000
	Drawings on credit lines	-	-24,000	-	-24,000	-24,000
30/06/2015	**Closing**	**295,000**	**-85,000**	**-60,000**	**-145,000**	**150,000**

Expected evolution during the second half of 2015

€ 000		Facilities	Utilised			Available
			Floating	Fixed	Total	
01/07/2015	**Re-opening**	**295,000**	**-85,000**	**-60,000**	**-145,000**	**150,000**
	Reimbursements and decrease of facilities	-15,000	15,000	-	15,000	-
	Drawings on credit lines	-	-19,000	-	-19,000	-19,000
31/12/2015	**Closing**	**280,000**	**-89,000**	**-60,000**	**-149,000**	**131,000**

Contractual maturities

€ 000	Facilities	Utilised			Available
		Floating	Fixed	Total	
2015 H2	15,000	-15,000	-	-15,000	-
2017 H2	100,000	-40,000	-60,000	-100,000	-
2018 H1	25,000	-25,000	-	-25,000	-
2019 H1	55,000	-5,000	-	-5,000	50,000
2020 H1	50,000	-	-	-	50,000
2021 H2	50,000	-	-	-	50,000
	295,000	**-85,000**	**-60,000**	**-145,000**	**150,000**

Collateral

At 30 June 2015, the borrowings are collateralised through a pledge on 3,800,000 UCB shares. The carrying value of these pledged shares amounts to € 111,514k.

Covenants

The Company must comply with the following debt covenants:

- Collateral for the bank borrowings must consist of a number of UCB of which the total market value exceeds 161% of the outstanding borrowings (at 30 June 2015, this ratio was 168.75%)
- Borrowings may not exceed 30% of the fair value of the participating interest in UCB (at 30 June 2015, this ratio was 3.39%)
- The solvency ratio (equity versus balance sheet total on a non-consolidated basis) must exceed 70% (at 30 June 2015, this ratio was 90.56%).

Borrowing cost

€ 000	2015H1	2014H1
Commitment fees	-213	-14
Interest expenses	-3,322	-4,597
Amortisation of debt restructuring costs	-651	-651
Remeasurement at fair value of IRS not designated as hedging instrument (see 2.2.6)	1,202	-
Reclassification adjustments (see 2.2.6.)	-2,215	-
Total	**-5,198**	**-5,262**

2.2.6. Derivatives

€ 000	IRS designated as hedging instrument 30/06/15	31/12/14	IRS not designated as hedging instrument 30/06/15	31/12/14	Total IRS 30/06/15	31/12/14
Notional amounts	**15,000**	**110,000**	**80,000**	**-**	**95,000**	**110,000**
Full fair value	**-517**	**-8,364**	**-5,586**	**-**	**-6,103**	**-8,364**
Non-current	-	-4,911	-2,793	-	-2,793	-4,911
Current	-517	-3,453	-2,793	-	-3,310	-3,453
Accrued interest	**-473**	**-1,612**	**-336**	**-**	**-809**	**-1,612**
Payable	-541	-1,880	-353	-	-894	-1,880
Receivable	68	268	17	-	85	268
Clean price	**-44**	**-6,752**	**-5,250**	**-**	**-5,294**	**-6,752**
Deferred tax (see 2.3.1.)	7	1,019	791	-	798	1,019
Clean price, after tax	**-37**	**-5,733**	**-4,459**	**-**	**-4,496**	**-5,733**
Reclassification following the discontinuation of hedge accounting of a swap	-	5,478	-	-5,478	-	-
Clean price, after tax and reclassification	**-**	**-255**	**-**	**-5,478**	**-**	**-5,733**
Clean price, after tax and reclassification, at the end of the previous period	255		5,478		5,733	
Gains during the period, after tax	**218**		**1,019**		**1,237**	
Included in profit or loss	-		**-443**		**-443**	
Gains during the period	-		1,019		1,019	
Reclassification adjustment	-		-1,462		-1,462	
Included in other comprehensive income	**218**		**1,462**		**1,680**	
Gains during the period	218		-		218	
Reclassification adjustment	-		1,462		1,462	

The derivatives in the books of the Company consist of two interest rate swaps (receive floating, pay fix) contracted to hedge the cash flow risk associated with floating rate bank borrowings. The outstanding notional amounts at 31 December 2014 were respectively € 95 million and € 15 million (€ 80 million and € 15 million at 30 June 2015). Up to 31 December 2014, cash flow hedge accounting has been applied.

The reschedulings of the bank debt in June and November 2014 have modified the discounted cash flows of the floating rate bank borrowings, of which the cash flow risk is hedged by the 95m swap. The amortisation of the swap is no longer perfectly aligned with the cash flows of the hedged borrowings. During certain future time buckets, the Company is over-hedged. Moreover, during some of these periods of over-hedging, there will be no hedged borrowings underlying the swap. According to the rules of IAS 39, a hedging relationship may not be designated for only a portion of the time period during which a hedging instrument remains outstanding. The Company has therefore discontinued hedge accounting for the € 95m swap.

Consequently, all fair value fluctuations of the 95m swap are recorded in profit or loss as from 1 January 2015 onwards. A gain of € 1,202k (€ 1,019 after tax) has been recorded in profit or loss of the first half of 2015 (credit to borrowing cost):

	Swap 95m		
€ 000	**30/06/2015**	**31/12/2014**	**Variance**
Full fair value	-5,586	-7,847	2,261
Accrued interest	-336	-1,395	-923
Clean price	-5,250	-6,452	1,202
Deferred tax (see 2.3.1.)	791	974	-183
Profit			**1,019**

The clean price at 31 December 2014 of the € 95m swap (€ -6,452k) has been accounted for as follows: (i) the portion hedging forecast cash flows that are no longer expected to occur (over-hedging) has been reclassified from equity and recorded in profit or loss of the first half of 2015 (borrowing cost of € 918k); the remaining balance (€ -5,534k) is reclassified from equity and recorded in profit or loss (borrowing cost) over the remaining duration of the swap on the basis of time weighted notional amounts; the reclassified amount during the first half of 2015 was € 1,297k. The reclassification adjustments can be summarised as follows:

	€ 000
Reclassification related to portion of over-hedging	-918
Reclassification related to amortisation of clean price at 31 December 2015	-1,297
Total adjustments before tax	-2,215
Deferred tax	753
Total adjustments after tax	**-1,462**

For the swap of € 15 million, hedge accounting continues till the final maturity of the swap and the covered borrowings on 31 July 2015.

2.2.7. Other creditors

€ 000	30/06/15	31/12/14
Invoices to receive	-103	-39
Non collected dividends	-756	-754
Total	**-859**	**-793**

2.3. Income taxes

2.3.1. Deferred tax assets and liabilities

	Total		Recognised		Unrecognised	
€ 000	30/06/15	31/12/14	30/06/15	31/12/14	30/06/15	31/12/14
Reserves UCB SA/NV	-18,015	-20,033	-18,015	-20,033	-	-
Unamortised balance of debt restructuring costs	-798	-1,019	-798	-1,019	-	-
Deferred tax liabilities	**-18,813**	**-21,052**	**-18,813**	**-21,052**	**-**	**-**
Interest rate swaps	1,799	2,295	798	1,019	1,001	1,276
Unused tax credits	44,959	43,644	-	-	44,959	43,644
Deferred tax assets	**46,758**	**45,939**	**798**	**1,019**	**45,960**	**44,920**
Net deferred tax liabilities			**-18,015**	**-20,033**		

2.3.2. Roll-forward of net deferred tax liabilities

€ 000	2015
Net deferred tax liabilities at 1 January	**-20,033**
- Changes in the reserves of UCB SA/NV	*2,018*
- Amortisation of debt restructuring costs	*221*
- Remeasurement at fair value of IRS not designated as hedging instrument	*-183*
- Reclassification adjustment	*752*
Total taxes in profit or loss	**2,808**
- Cash flow hedging	*-38*
- Reclassification adjustment	*-752*
Total taxes in other comprehensive income	**-790**
Net deferred tax liabilities at 30 June	**-18,015**

2.3.3. Relation between tax expense and accounting profit

€ 000	2015H1
Profit before tax	86,824
Applicable income tax rate	33.99%
Theoretical income tax	-29,511
Reported income tax	2,808
Difference between theoretical and reported income tax	**32,319**
Dividend income	-23,912
Share of the profit of UCB	31,411
Tax exempt dividend income	22,012
Changes in taxable reserves of UCB SA/NV	2,018
Amortisation of debt restructuring costs	221
Remeasurement at fair value of IRS not designated as hedging instrument	-183
Reclassification adjustment	752
Total effects of difference between theoretical and reported tax	**32,319**

2.4. General and administrative expenses

€ 000	2015H1
Directors' remuneration	-55
Directors' insurance	-23
Day-to-day management	-109
Professional services fees	-39
Paying agent commissions	-18
Contributions (FSMA, Euronext, Euroclear)	-72
Financial publications	-40
Bank charges	-32
Other	-2
Total	**-390**

2.5. Earnings per share

As there are no instruments with potential dilutive effect, basic and dilutive earnings per share are the same. They are calculated by dividing the profit by the weighted average number of shares in issue during the period.

On 11 March 2015, the number of shares representing the capital has been reduced from 44,608,831 shares to 44,548,598 shares. This decrease results from a transaction of buy-back and cancellation of own shares carried out by the board of directors, in accordance with the authorization granted by the general meeting of 24 April 2013. This transaction has been set up in the context of the law of 14 December 2005 concerning the abolition of bearer securities, which requires the Company to sell the securities of which the owners had not made themselves known on 2 March 2015 at 24:00h CET (being the deadline mentioned in the notice published in that sense by the Company on 15 January 2015 in accordance with the requirements of the aforementioned law).

On 3 March 2015, the Company has published additional information concerning the sale, in particular concerning the number of securities to be sold (151,233), the commencement date of the sale (5 March 2015) and the financial intermediary to whom the sales order has been entrusted (BNP Paribas Fortis). On 5 March 2015 at 13:00h CET, the Company has purchased on the regulated market of Euronext Brussels the remaining number of securities that were offered for sale and not yet sold, being 60,233 securities that were acquired at € 57.03 per share. These shares have been cancelled on 11 March 2015 without a decrease of the capital and with an increase of the par value of the existing shares.

The evolution of the number of issued shares and the calculation of the weighted average number of shares in issue during the first half of 2015 are presented in the table hereafter:

Date	Event	Issued shares	Own shares	Basis for calculation	Period	Weighted number
01/01/2015	Re-opening	44,608,831	-	44,608,831	64/181	15,773,288
05/03/2015	Buy-back of own shares	-	60,233	44,548,598	6/181	1,476,749
11/03/2015	Cancellation of own shares	-60,233	-60,233	44,548,598	111/181	27,319,858
30/06/2015	**Closing**	**44,548,598**	**-**	**-**	**-**	**44,569,896**

Section IV
Statutory auditor's report on the review of the condensed consolidated interim financial information of Financière de Tubize SA for the period ended 30 June 2015

Introduction

We have reviewed the *condensed consolidated interim financial information* of FINANCIERE DE TUBIZE SA as of June 30, 2015, and for the period of six months ended on that date, including the condensed consolidated statement of comprehensive income, the condensed consolidated statement of financial position, the condensed consolidated statement of cash flows, the condensed consolidated statement of changes in equity, and a selection of explanatory notes.

The board of directors is responsible for the preparation and fair presentation of this condensed consolidated interim financial information in accordance with IAS 34 - *Interim Financial Reporting*, as adopted by the European Union. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 ″Review of Interim Financial Information Performed by the Independent Auditor of the Entity″. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34 - *Interim Financial Reporting* as adopted by the European Union.

Brussels, July 30, 2015

Mazars Réviseurs d'Entreprises SCRL
Statutory auditor, represented by Xavier DOYEN