

GROUPE BRUXELLES LAMBERT  
Société Anonyme (public limited company)

Ordinary General Shareholders' Meeting of 24 April 2018

*Speech by the Chairman of the Board of Directors*

Ladies and Gentlemen,

Before looking at the items on the agenda, I would like to thank the shareholders who do us the honour of being present at this General Shareholders' Meeting. It is always a great source of satisfaction for all of us, within the firm, to welcome them. I very much appreciate their loyalty and thank them for being here today.

By way of preamble to our General Shareholders' Meeting, I would like to describe briefly the macroeconomic and financial environment into which GBL has pursued its portfolio rebalancing strategy and achieved a solid performance.

2017 was marked by the GDP growth acceleration in most regions, and notably Europe where the reduced political uncertainties and populist tensions, following the outcome of the Dutch and French elections, supported the economic recovery.

Global equity markets have been driven to new highs, especially in the USA. Supported by significant inflows but penalised by the Euro appreciation, European equities have however materially underperformed their US benchmark in 2017.

The beginning of 2018 saw increased volatility in the financial markets, in a context of steepening, if I might say so, of the interest rate curve in the USA, as well as rising trade tensions between the USA and China.

In this environment, GBL has maintained a cautious approach, benefiting from appropriate market windows to deploy EUR 0.9 billion of investments into listed assets, while pursuing the dynamic rotation of Sienna Capital's assets. This contributed to further strengthening the portfolio's growth profile with an increased exposure to the industrial and consumer good sectors.

GBL's net asset value increased in 2017 by EUR 1.9 billion to reach EUR 18.9 billion or EUR 117.06 per share. This significant growth reflects the efficient portfolio rotation that has been achieved since the implementation of the new strategy in 2012. Over the last six years, GBL has invested EUR 5.7 billion in seven listed companies, with a total market value of EUR 8.5 billion implying an unrealised capital gain of EUR 2.8 billion at year-end 2017.

The increase in net asset value combined with the reduction of the discount enabled GBL's stock price to reach its historic high at EUR 96.32 on 24 January 2018.

In support of its value creation, GBL has maintained a solid financial flexibility, with a limited net indebtedness of EUR 443 million. The EUR 500 million inaugural institutional bond issuance was placed in May 2017 in an environment of historically low interest rates.

Our consolidated net result amounted to EUR 705 million, favourably impacted by the capital gains of EUR 216 million realised on the disposals of Golden Goose and ELITech by Ergon Capital Partners III, one of Sienna Capital's fund managers.

Cash earnings decreased by 3.2% to EUR 427 million. This anticipated decline is primarily due to the partial exit from the high-yield assets of the energy and utilities sectors.

Finally, in recognition of GBL's results and confidence in its strategy, we propose to the shareholders a new increase by 2.4% in the gross dividend, to EUR 3.00 per share, representing a 3.3% dividend yield at year-end 2017.