



ANNUAL  
FINANCIAL  
REPORT  
2010

**GBL**

Groupe Bruxelles Lambert

# Responsible persons

## 1. Responsibility for the document

**Baron Frère,  
Chairman,  
Managing Director  
and CEO**

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Allée des Peupliers 17  
B – 6280 Gerpinnes

**Gérald Frère,  
Managing Director**

La Bierlaire  
Rue de la Bierlaire 1  
B – 6280 Gerpinnes

**Thierry de Rudder,  
Managing Director**

Avenue des Erables 31  
B – 1640 Rhode-Saint-Genèse

## 2. Declaration of the persons responsible for the financial statements and for the management report

Baron Frère, Gérald Frère and Thierry de Rudder, the Executive Management, and Patrick De Vos, Chief Financial Officer, certify in the name and on behalf of GBL, that to the best of their knowledge:

- the financial statements as of 31 December 2010 contained in this annual financial report were drawn up in accordance with applicable accounting standards (IFRS or Belgian accounting legislation) and give a fair and true view of the assets as defined by IAS/IFRS, the financial position and results of GBL and of its consolidated companies<sup>(1)</sup>;
- the management report presented in the annual financial report presents a true picture of the evolution of the activities, results and position of GBL and of its consolidated companies<sup>(1)</sup>, and contains a description of the main risks and uncertainties with which they are confronted.

## 3. Statutory Auditor

**Deloitte Bedrijfsrevisoren/  
Reviseurs d'Entreprises  
BV o.v.v.e. CVBA / SC s.f.d. SCRL**

Represented by Michel Denayer  
Berkenlaan 8b  
B – 1831 Diegem

(1) "Consolidated companies" are GBL's subsidiaries within the meaning of Article 6 of the Company Code. See list of subsidiaries on page 66

# ANNUAL FINANCIAL REPORT 2010

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This English version is a full translation of the French version

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Dit jaarlijks financieel verslag is ook verkrijgbaar in het Nederlands

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GBL'S PRIMARY OBJECTIVE IS TO CREATE VALUE FOR ITS SHAREHOLDERS OVER THE MEDIUM TERM. THEREFORE, GBL STRIVES TO MAINTAIN AND PROMOTE THE GROWTH OF A PORTFOLIO OF INVESTMENTS FOCUSING TO A LARGE EXTENT ON A SMALL NUMBER OF IMPORTANT INDUSTRIAL COMPANIES WITH REGARD TO WHICH IT CAN PLAY ITS ROLE AS A PROFESSIONAL SHAREHOLDER. THIS PORTFOLIO IS MEANT TO EVOLVE OVER TIME IN TERMS OF COMPANIES' DEVELOPMENT AND MARKET OPPORTUNITIES. GBL INVESTS IN COMPANIES THAT OFFER POTENTIAL TO CREATE VALUE FOR SHAREHOLDERS AND SELLS INVESTMENTS DEEMED TO HAVE REACHED MATURITY.

GBL's dividend policy seeks to achieve a sound balance between providing an attractive cash yield to shareholders and achieving sustained growth in its share price.

# Message to shareholders

Ladies and Gentlemen,

The year 2011 has started on a mixed note. The economic climate has improved, but overall activity is still feeling the effects of continuing imbalances and a sensitive geopolitical context.

The global economy gained fresh impetus in 2010 with estimated growth of 5%. This rebound is unequally shared, however. The emerging countries are enjoying vigorous recovery while the developed countries are registering much more modest advances.

States, particularly in the advanced economies, must renew with budget discipline and cope with larger public debts. Here too, the situation is uneven. Germany is seen as the star pupil in Europe, setting itself apart from countries like Greece, Ireland, Portugal and Spain, plagued with difficulties. This divergence creates tension in the euro area and serves as a reminder that the sharing of a single currency requires better coordination of economic policies.

Similarly, at global level, this need for coordination is reflected in efforts under way to rethink the global monetary order, to build a better framework for competition between currencies.

The economic upturn has also led to higher demand and consequently higher prices for raw materials, creating inflationary pressure. This is inducing a gradual tightening of monetary policy in the emerging countries although the Old World is so far maintaining a more accommodating policy, particularly in the United States. Continued unemployment and unused production capacities are exerting a moderating influence on price increases for now.

Stock Exchanges have seen more positive developments recently but volatility remains strong and there is pronounced disparity between sectors.

Among GBL's investments, Pernod Ricard, Imerys and Arkema have progressed steadily but the situation has been less favourable to the big names in our portfolio, as GDF SUEZ, Lafarge and Total.

In contrast with many companies, GDF SUEZ exhibited remarkable resilience during the crisis, maintaining excellent results in spite of adverse market parameters. The financial community nevertheless shyed away from the utilities sector during this period, mainly out of concerns over the evolution of commodities prices and the regulatory environment. GDF SUEZ distinguishes itself from its main competitors through its international presence and its exposure to markets with strong growth, a position that was further reinforced with the success of the International Power transaction. The group's performance and its ongoing financial solidity rest on the dynamic management of a portfolio of diversified, first-class assets.

The construction sector's delay in getting back on track and specific market situations in certain emerging countries deprived Lafarge of the more buoyant climate it had anticipated for 2010. Its high level of debt also weighed on its share price. Bringing its debt down will be a priority of the year under way. As a result of disciplined and effective management, however, the group was able to play its cards effectively and to register a sound performance in 2010. The company's reactivity and its global geographic positioning are guarantees of its development and success in the coming years.

The large integrated oil groups have failed to gather enthusiasm from the markets in recent years. Investors were concerned with their difficulty in replacing reserves, with the rising costs of oil field development and with tax pressure in the resource-rich states. Total's share price was also penalised compared with its competitors' because of its link to the Euro zone. Market perception of the potential of these oil firms may be changing, however. Furthermore, the new vision of Total's management, which gives more emphasis to oil exploration, operating efficiency and dynamic management of its portfolio, paves the way to strong prospects for the group.

Pernod Ricard took full advantage of the economic upturn, particularly in the emerging countries, to continue its development. It is gradually consolidating its financial structure by reducing the debt taken on with the Absolut vodka acquisition. Its performance is recognised by markets, which pushed up its share price by some 17% in 2010.

GBL boosted its presence in Arkema, which is showing excellent operating health recognised by a strong advance on stock markets. GBL is also continuing its development in private equity, primarily by means of a new investment in Ergon Capital Partners III in 2010.

Last year was somewhat disappointing for GBL from a stock market perspective but the company is convinced that the potential of its portfolio remains promising and that the large investments that lagged behind in 2010 will be catching up over the medium term.

GBL continues to enjoy a very solid financial structure, with a net cash position of more than EUR 500 million. The group also issued bonds in 2010 in the amount of EUR 350 million to refinance in advance part of its exchangeable bonds maturing in 2012. It has also extended for three years the term of half of its confirmed lines of credit with banks.

GBL's cash earnings constitute one of the important components of its dividend payout capacity. In 2010, these earnings did not include the receipt of an exceptional dividend from GDF SUEZ and the recovery of amounts withheld on past dividends, as was the case in 2009. Excluding these non-recurring elements, cash earnings are up, enabling GBL once again to consider increasing its gross dividend per share by 5%.

GBL continues to focus on the strategic positioning of its portfolio in a changing environment and on available opportunities, in keeping with its model of long-term value creation, to which it remains committed.

**Baron Frère**  
3 March 2011

# Selected financial information

## I. Stock Exchange data

### 1. GBL'S SHARE ON THE STOCK EXCHANGE

In EUR	2010	2009	2008	2007	2006
<b>Share price</b>					
At the end of the year	62.93	66.05	56.86	87.87	91.05
Maximum	68.19	66.25	87.50	95.55	93.95
Minimum	55.66	48.27	49.90	78.00	73.75
Yearly average	62.40	57.57	71.20	87.98	86.00
<b>Dividend</b>					
Gross dividend	2.54	2.42	2.30	2.09	1.90
Net dividend	1.91	1.82	1.73	1.57	1.43
Net dividend VVPR strip	2.16	2.06	1.96	1.78	1.62
Variation (in %)	+ 5.0	+ 5.2	+ 10.0	+ 10.0	+ 10.5
<b>Stock Exchange ratios (in %)</b>					
Dividend / average share price	4.1	4.2	3.2	2.4	2.2
Gross annual return	- 1.0	20.2	- 32.7	- 1.4	12.0
<b>Number of shares at 31 December</b>					
Issued	161,358,287	161,358,287	161,358,287	161,358,287	147,167,666
Treasury shares	6,099,444	6,054,739	5,576,651	5,261,451	5,272,701
<b>Stock market capitalisation (in EUR million)</b>					
Variation (in %)	- 4.7	+ 16.2	- 35.3	+ 5.8	+ 16.9

### 2. STOCK MARKET LISTINGS <sup>(1)</sup>

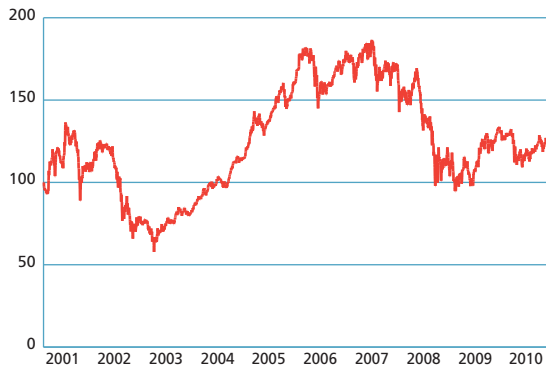
GBL's shares are listed on Euronext Brussels and form part of the BEL 20 and Euronext 100 indices, which reflect the performance of the combined markets of Paris, Amsterdam, Brussels and Lisbon.

	2010	2009	2008	2007	2006
Volume traded (in EUR billion)	5.2	4.0	7.7	7.0	5.3
Number of shares traded (in thousands)	82,166	70,700	108,416	78,444	62,390
Average number of shares traded daily	320,960	276,174	423,500	340,015	244,665
Capital traded on the Stock Exchange (in %)	50.9	43.8	67.2	56.2	43.3
Velocity on float (in %)	102.8	94.1	144.5	116.8	90.0
Weight in the BEL 20 (in %)	7.7	8.1	8.5	6.0	4.8
Ranking in the BEL 20	4	4	3	6	7
Weight in the Euronext 100 (in %)	0.6	0.7	0.7	0.6	0.6
Ranking in the Euronext 100	43	40	36	44	46

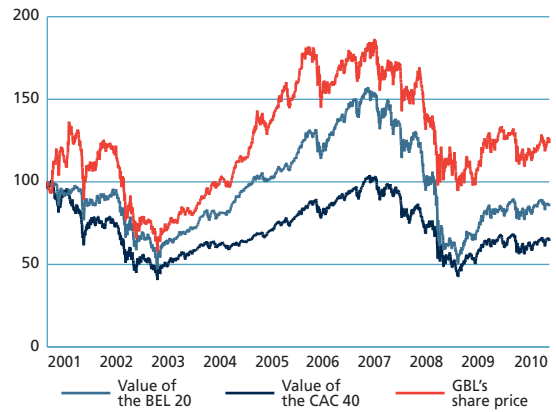
(1) The stock market indicators include the volumes traded on Euronext Brussels and on other platforms of which mainly BOAT and Chi-X for 2008, 2009 and 2010



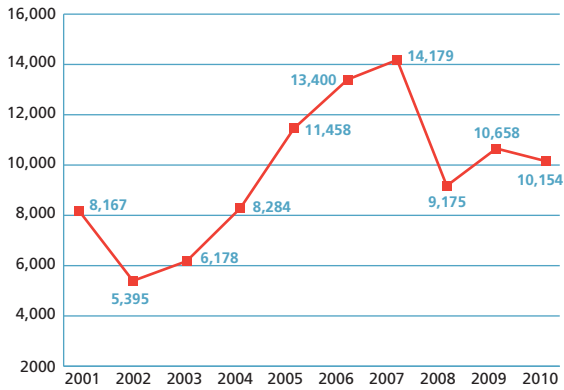
### Share price over 10 years (1/1/2001 = 100)



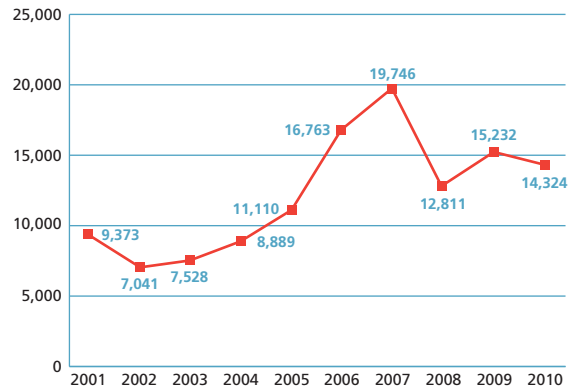
### GBL's share price and value of the BEL 20 and the CAC 40 over 10 years (1/1/2001 = 100)



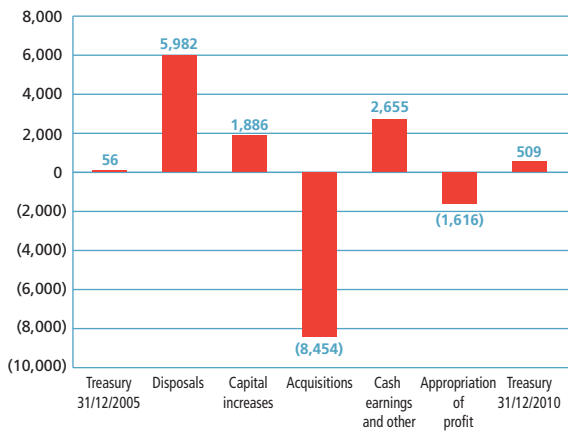
### Stock market capitalisation over 10 years (in EUR million)



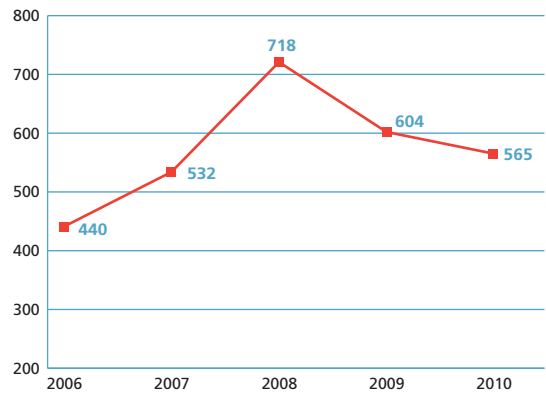
### Adjusted net assets over 10 years (in EUR million)



### Treasury over 5 years (in EUR million)



### Cash earnings over 5 years (in EUR million)



### 3. SHAREHOLDER INFORMATION

#### Financial calendar 2011-2012

2011 Ordinary General Meeting	12 April 2011
Date of detachment of coupon nr 13 (Ex-date)	14 April 2011
Date of recording of positions giving right to coupon nr 13 (Record date)	18 April 2011
Date of payment of coupon nr 13 (Payment Date)	19 April 2011
Publication of results to 31 March 2011	5 May 2011
Publication of half-yearly results 2011	29 July 2011
Publication of results to 30 September 2011	4 November 2011
Publication of 2011 annual results	Begin March 2012
2012 Ordinary General Meeting	24 April 2012

Remark: the above-mentioned dates depend on the agenda of the Board of Directors meetings and are thus subject to change.

#### Dividend

The payment in respect of the 2010 financial year of a gross dividend of EUR 2.54 per GBL's share, a 5% increase over the dividend of EUR 2.42 paid for the previous year, will be submitted for approval to the Ordinary General Meeting on 12 April 2011. This dividend is equal to:

- EUR 1.905 net per share,
- EUR 2.159 net per share with VVPR strip.

Based on the number of shares entitled to dividend (161,358,287), the total distribution for the financial year 2010 amounts to EUR 410 million compared with EUR 390 million for 2009.

This net dividend will be payable from 19 April 2011, either by bank transfer to registered shareholders, either by transfer to the credit of the bank account of the owner of dematerialised shares. The financial service being provided by ING Belgium (System Paying Agent).

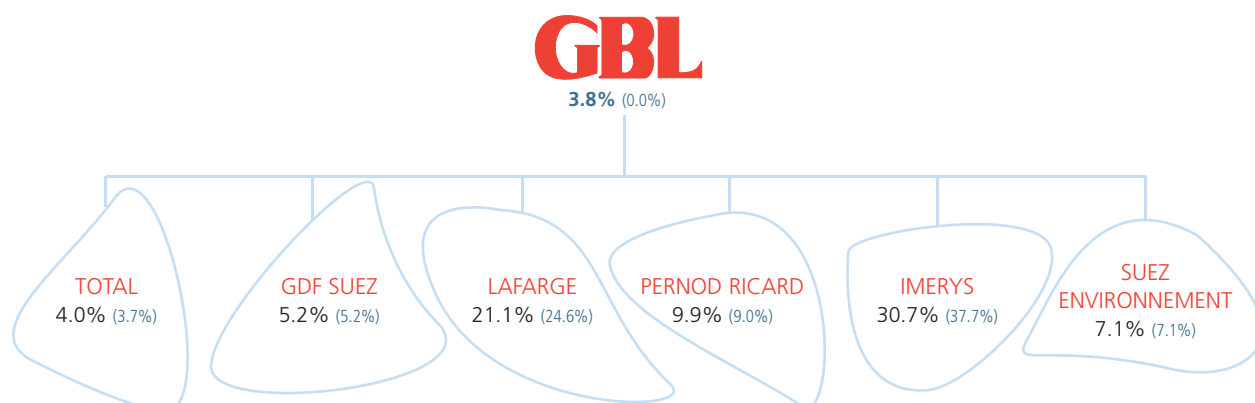
We draw shareholders' attention to the dematerialisation of GBL shares effective from 1 January 2011 (decision of the Board of Directors of 2 March 2010).

From that date, company's rights related to bearer shares are suspended, including the right to collect dividends, and may only be recovered once these shares have been dematerialised through registration in a bank securities account or in the GBL's shareholders register. In both cases, shareholders are asked to carry out the necessary formalities at their financial institution.

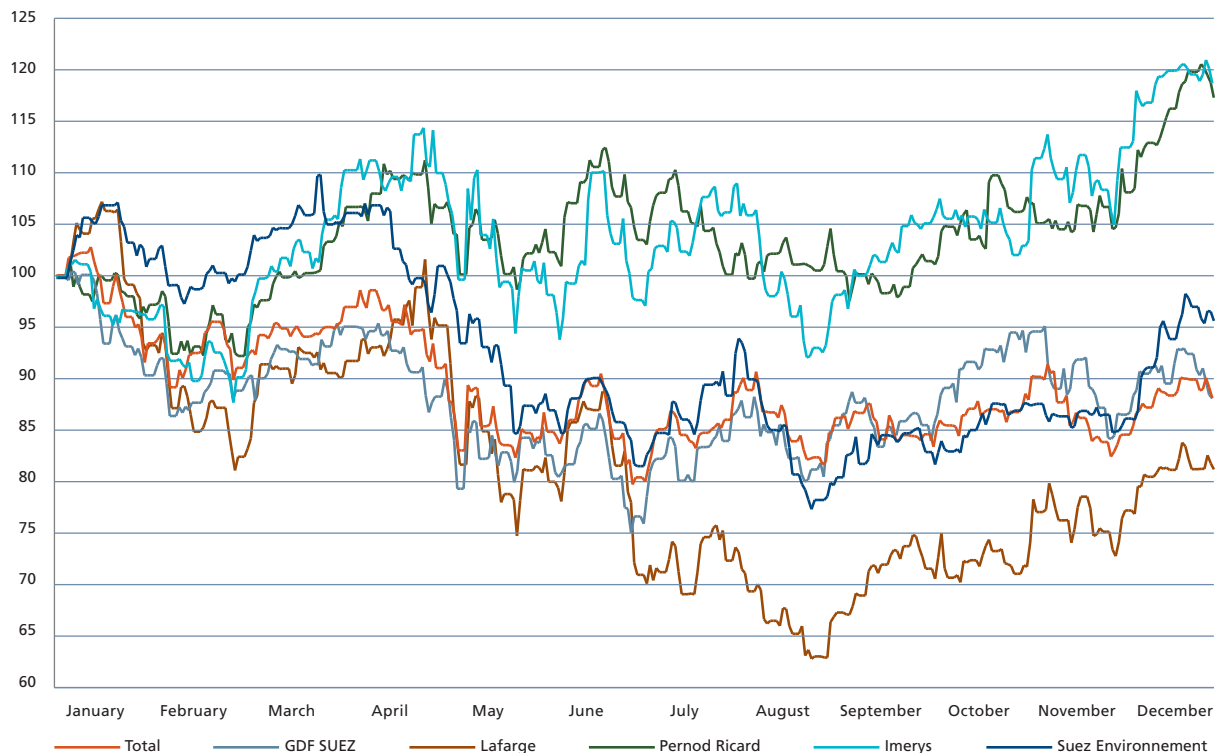
## II. Portfolio and adjusted net assets

### 1. GBL'S ORGANISATION CHART AT 31 DECEMBER 2010

% of share capital (% of voting rights)



## 2. EVOLUTION OF THE SHARE PRICE OF INVESTMENTS IN 2010



## 3. ADJUSTED NET ASSETS

### Principles

The evolution of GBL's adjusted net assets constitutes, together with the evolution of its share price and results, an important criterion for assessing the group's performance.

Adjusted net assets are a conventional reference obtained by adding the other assets to the investments portfolio and deducting its debts.

The following valuation principles have been applied:

- Investments in listed companies, including GBL treasury shares, are valued at the closing price. However, the value of shares allocated to cover any commitments made by the group is capped at the conversion/exercise price.
- Investments in unlisted companies are valued at their book value, less any impairments, or at their share in the equity capital if this latter is higher, with the exception of non consolidated nor accounted under the equity method companies within the private equity sector, which are valued at market value;
- Net cash, which includes both cash and near cash, less the group's debt, is valued at book value or at market value.

The number of GBL shares used to calculate adjusted net assets per share is the number of shares of issued capital on the date of valuation.

Certain minor events may not have been taken into account in the value reported. The combined effect of these elements may not exceed 2% of the adjusted net assets.

GBL's detailed adjusted net assets are reported quarterly as part of the publication of its results.

The value of the adjusted net assets per share is published every Friday on GBL's website ([www.gbl.be](http://www.gbl.be)), after the closing of the Stock Exchange.

## Breakdown of adjusted net assets at 31 December

The following table gives a detailed comparative view of GBL's adjusted net assets at end 2010 and end 2009.

	31 December 2010				31 December 2009			
	Portfolio % in capital	Share price In EUR	In EUR million	%	Portfolio % in capital	Share price In EUR	In EUR million	%
Total	4.0	39.65	3,725	26.0	4.0	45.01	4,228	27.8
GDF SUEZ	5.2	26.85	3,146	22.0	5.2	30.29	3,549	23.3
Lafarge	21.1	46.92	2,830	19.8	21.1	57.81	3,486	22.9
Pernod Ricard	9.9	70.36	1,836	12.8	9.1	59.91	1,444	9.5
Imerys	30.7	49.89	1,157	8.1	30.7	42.02	971	6.4
Suez Environnement	7.1	15.45	541	3.8	7.1	16.13	564	3.7
Iberdrola	0.6	5.77	181	1.3	0.6	6.67	210	1.4
Arkema	5.0	53.87	166	1.2	3.8	26.00	61	0.4
Private equity and other			233	1.6			168	1.1
<b>Portfolio</b>			<b>13,815</b>	<b>96.4</b>			<b>14,682</b>	<b>96.4</b>
Net cash/trading/ treasury shares			509	3.6			550	3.6
<b>Adjusted net assets</b>			<b>14,324</b>	<b>100.0</b>			<b>15,232</b>	<b>100.0</b>
<b>Adjusted net assets per share</b> (in EUR)			<b>88.77</b>				<b>94.40</b>	

GBL's adjusted net assets on 31 December 2010 stood at EUR 14,324 million compared with EUR 15,232 million a year earlier. This difference of nearly 6% for 2010 is in line with the evolution of the CAC 40 and EuroStoxx 50 indexes, which dropped by 3% and 6% respectively. The BEL 20, which comprises a large share of bank listings, performed slightly better in 2010, increasing by 3% over the year.

### Portfolio

Total's contribution to adjusted net assets amounts to EUR 3,725 million, a decrease compared with the end of 2009 (EUR 4,228 million), reflecting the evolution of the share price in 2010 (- 12%). GBL's investment in Total is unchanged at 4%.

GDF SUEZ, like other players in the same sector, experienced another year of ups and downs on the Stock Exchange in 2010, after its share price had remained steady during the peak of the crisis in 2008. Its contribution to adjusted net assets comes to 22%, a slight decrease compared with 2009 (23%).

Lafarge, which operates in a sector that has been hit hard by the crisis, and in spite of an announced economic recovery, saw its share price slip by 19% in 2010. As a result, Lafarge's contribution to adjusted net assets dropped from 23% to 20%, with a market value of EUR 2,830 million on 31 December.

GBL raised its shareholding in Pernod Ricard, investing around EUR 122 million to increase its interest from 9.1% to 9.9% at the end of 2010. Its share price increased by 17% and the investment represents EUR 1,836 million or 13% of adjusted net assets at the end of the year (compared with EUR 1,444 million in 2009).

The value of GBL's shareholding in Imerys rose significantly in 2010, ending the year at EUR 1,157 million compared with EUR 971 million in 2009, mainly due to the positive evolution of its share price (+ 19%). Over the last two years, the stock market value of Imerys has expanded by more than 53%, drawing close to its pre-crisis level.

The Suez Environnement share price fell by 4% in 2010. This shareholding represents 3.8% of GBL's adjusted net assets (EUR 541 million). GBL's shareholding in the firm is stable at 7.1%.

Arkema registered one of the best market performances in 2010 with an increase of nearly 107% in its share price. GBL invested around EUR 27 million in the shareholding and on 31 December 2010 held 5% of Arkema's capital, worth EUR 166 million in its adjusted net assets.

GBL's stake in Iberdrola is valued at EUR 181 million, 14% less than in 2009, as a result of the drop in its share price.

GBL's interest in private equity is increasing and amounts to some EUR 230 million, mainly as a result of net investments of EUR 44 million in 2010.

#### Net cash/trading/treasury shares<sup>(1)</sup>

At the end of December 2010, GBL had a net cash position of EUR 509 million under the heading "Net cash/trading/treasury shares" in the adjusted net assets.

Gross cash, made up of cash and near cash, amounted to more than EUR 930 million and primarily included investments in a limited number of selected counterparties (EUR 736 million) and 1.9 million treasury shares (EUR 177 million).

The group's net debt of some EUR 420 million is composed of bond issue (EUR 785 million) less buybacks of exchangeable bonds in GBL shares (EUR 159 million) and the balance of treasury shares (EUR 203 million) aimed to cover the exchangeable bonds.

The evolution of net cash position is influenced mainly by investments, cash earnings and dividend payout.

#### 4. ADJUSTED NET ASSETS OVER 5 YEARS

In EUR million	2010	2009	2008	2007	2006
<b>Adjusted net assets at the end of the year</b>	14,323.5	15,232.2	12,811.2	19,745.5	16,763.2
Portfolio	13,814.6	14,663.8	11,965.1	17,942.7	14,127.1
Net cash/trading/treasury shares	509.0	568.4	846.1	1,802.8	2,636.1
<i>of which treasury shares</i>	<i>380.2</i>	<i>391.9</i>	<i>317.1</i>	<i>460.0</i>	<i>445.3</i>
Year-on-year change (in %)	- 6.0	+ 18.9	- 35.1	+ 17.8	+ 50.9
In EUR					
<b>Adjusted net assets per share</b>	88.77	94.40	79.39	122.37	113.91
<b>Share price</b>	62.93	66.05	56.86	87.87	91.05

(1) The components of the "Net cash/trading/treasury shares" section are found in the IFRS consolidated balance sheet (page 58) under the headings "Current assets" (EUR 819 million), "Other non-current assets" (EUR 56 million), "Non-current liabilities" (EUR - 685 million) and "Current liabilities" (EUR - 107 million), corrected for indebtedness of the private equity operating companies (EUR - 43 million). Adding treasury shares (EUR 380 million), the total amounts to EUR 509 million.

### III. Consolidated figures IFRS

#### 1. KEY FIGURES

in Eur million	2010	2009	2008	2007	2006
<b>Consolidated result <sup>(1)</sup></b>					
Cash earnings	565.0	603.5	718.1	532.2	439.8
Mark to market and other non-cash	(20.0)	4.7	(117.8)	(9.3)	22.2
Associated companies and private equity	257.8	135.5	336.5	143.2	191.5
Eliminations, capital gains, impairments and reversal	(164.4)	314.0	(1,625.5)	133.1	2,230.8
<b>Consolidated result of the period</b>	<b>638.4</b>	<b>1,057.7</b>	<b>(687.5)</b>	<b>778.9</b>	<b>2,883.3</b>
<b>Total distribution</b>	<b>409.9</b>	<b>390.5</b>	<b>371.1</b>	<b>337.2</b>	<b>279.6</b>
<b>Consolidated balance sheet</b>					
<b>Assets</b>					
Non-current assets	14,747.5	14,711.0	12,895.9	17,519.3	13,496.0
Current assets	818.7	632.2	1,141.1	1,863.2	2,737.2
<b>Liabilities</b>					
Shareholders' equity	14,774.5	14,845.1	13,418.4	18,868.6	15,682.0
Non-current liabilities	685.0	428.4	425.3	422.3	434.6
Current liabilities	106.7	69.7	193.3	91.6	116.6
<b>Number of shares at the end of the year <sup>(2)</sup></b>					
Basic	155,223,385	155,641,380	155,849,909	148,997,891	138,864,253
Diluted	158,721,241	161,202,533	155,849,909	154,324,866	139,114,418
<b>Payout</b> (in %)					
Dividend/cash earnings	72.5	64.7	51.5	65.9	63.7
Dividend/consolidated result	64.2	36.9	N/A	43.3	9.2
<b>Consolidated result per share</b>	<b>4.13</b>	<b>6.80</b>	<b>(4.41)</b>	<b>5.23</b>	<b>20.76</b>
<b>Consolidated cash earnings per share <sup>(1)</sup></b>	<b>3.64</b>	<b>3.88</b>	<b>4.61</b>	<b>3.57</b>	<b>3.17</b>

(1) The figures presented for comparison have been restated to take account of the new heading "Associated companies and private equity". The consolidated results for the comparison periods have not been modified.

(2) The calculation of the number of basic and diluted shares is detailed on page 83

## 2. CONSOLIDATED RESULT ANALYSIS

The table contained in this analysis is intended to present a more precise picture of the different elements that make up GBL's consolidated result, stated in accordance with IFRS requirements.

As from 2010, the impact of private equity investments has been entered separately in the column "Associated companies and private equity" along with associated companies.

The elements shown in the different columns are described in the glossary.

In EUR million	Cash earnings	Mark to market and other non cash	2010			2009
			Associated companies and private equity	Eliminations, capital gains, impairments and reversal	Consolidated	Consolidated
Net earnings from associated companies	-	-	262.2	-	<b>262.2</b>	161.1
Net dividends on investments	594.7	-	-	(144.0)	<b>450.7</b>	550.3
Interest income and expenses	(13.0)	(3.5)	1.9	-	<b>(14.6)</b>	(11.8)
Other financial income and expenses	3.7	(13.5)	-	-	<b>(9.8)</b>	(10.0)
Other operating income and expenses	(20.4)	(3.9)	(7.9)	-	<b>(32.2)</b>	(24.3)
Earnings on disposals, impairments and reversal from non-current assets	-	-	1.6	(20.4)	<b>(18.8)</b>	391.3
Taxes	-	0.9	-	-	<b>0.9</b>	1.1
<b>Total</b>	<b>565.0</b>	<b>(20.0)</b>	<b>257.8</b>	<b>(164.4)</b>	<b>638.4</b>	1,057.7
<b>Share of third parties</b>	-	-	<b>2.4</b>	-	<b>2.4</b>	0.0
<b>December 2010</b>	<b>565.0</b>	<b>(20.0)</b>	<b>260.2</b>	<b>(164.4)</b>	<b>640.8</b>	
<b>December 2009</b>	603.5	4.7	135.5	314.0		1,057.7

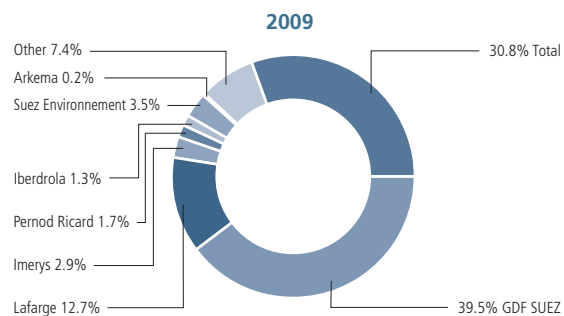
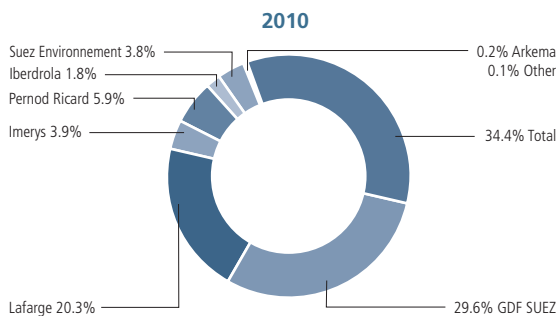
### A. Cash earnings

In EUR million	2010	2009	Variation 2010-2009
<b>Net dividends on investments</b>	<b>594.7</b>	<b>652.0</b>	<b>(57.3)</b>
Total	204.8	200.8	4.0
GDF SUEZ	175.9	257.7	(81.8)
Lafarge	120.9	82.5	38.4
Pernod Ricard	34.8	11.4	23.4
Imerys	23.1	19.2	3.9
Suez Environnement	22.8	22.8	0.0
Iberdrola	10.7	8.6	2.1
Arkema	1.4	1.4	0.0
Other	0.3	47.6	(47.3)
<b>Interest income and expenses</b>	<b>(13.0)</b>	<b>(8.6)</b>	<b>(4.4)</b>
<b>Other financial income and expenses</b>	<b>3.7</b>	<b>(21.4)</b>	<b>25.1</b>
<b>Other operating income and expenses</b>	<b>(20.4)</b>	<b>(18.5)</b>	<b>1.9</b>
<b>Taxes</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Total</b>	<b>565.0</b>	<b>603.5</b>	<b>(38.5)</b>

Excluding the GDF SUEZ exceptional dividend of EUR 94 million received in 2009 and the reimbursement in 2009 of EUR 48 million of withholding taxes on dividends, net dividends booked to 31 December rose by EUR 85 million year-on-year.

All dividends on investments showed an increase or were stable. Note that in the case of Lafarge and Imerys, this growth reflects the rise in the capital of those companies.

## Contribution of the investments to total dividends



Interest income and expenses (EUR - 13 million) rose compared with the previous year. This results from the 4% interest expense on the June bond issue (2010-2017) of EUR 350 million. Interest income has remained stable.

amount of EUR - 13 million, offset by the trading result (EUR 6 million) and the collection of the GBL dividend on treasury shares (EUR 15 million). The 2009 result included the settlement of a trading position in the amount of EUR - 40 million.

Other financial income and expenses amounted to EUR 4 million and mainly include the result on the interest rate swap in the

Other operating expenses are stable at EUR 20 million.

## B. MARK TO MARKET AND OTHER NON CASH

In EUR million	2010	2009	Variation 2010-2009
Interest income and expenses	(3.5)	(3.9)	0.4
Other financial income and expenses	(13.5)	11.4	(24.9)
Other operating income and expenses	(3.9)	(3.9)	0.0
Taxes	0.9	1.1	(0.2)
<b>Total</b>	<b>(20.0)</b>	<b>4.7</b>	<b>(24.7)</b>

"Mark to market and other non-cash" items primarily reflect changes in the fair value of financial instruments and the elimination, pursuant to IFRS requirements, of items entered under cash earnings.

As a reminder, the income of EUR 5 million in 2009 included an adjustment of EUR 34 million for a trading transaction compensated partially by the elimination of the dividend on treasury shares and the valuation of the interest rate swap.

On 31 December 2010, this heading amounted to EUR - 20 million compared with EUR 5 million in 2009. At end 2010, it consisted essentially of the elimination of the dividend on treasury shares in the amount of EUR - 15 million.

## C. ASSOCIATED COMPANIES AND PRIVATE EQUITY

In EUR million	2010	2009	Variation 2010-2009
Net earnings from associated companies	262.2	161.1	101.1
Interest income and expenses	1.9	0.7	1.2
Other operating income and expenses	(7.9)	(1.9)	(6.0)
Earnings on disposals, impairments and reversal of non-current assets	1.6	(24.4)	26.0
<b>Total</b>	<b>257.8</b>	<b>135.5</b>	<b>122.3</b>



### C.1. Net earnings from associated companies

In EUR million	2010	2009	Variation 2010-2009
Lafarge	174.1	155.2	18.9
Imerys	74.1	12.6	61.5
ECP I & II	14.0	(6.7)	20.7
<b>Total</b>	<b>262.2</b>	<b>161.1</b>	<b>101.1</b>

#### Lafarge

Sales registered by Lafarge, the world's leader in building materials, rose by 2% in the course of the year (EUR 16,169 million), sustained by improving volume trends in the Cement and Aggregates businesses, favourable exchange rate variations and new capacities in Brazil.

Current operating result declined slightly during the year (- 1%) to EUR 2,441 million but showed an improvement during the last quarter. Higher volumes, favourable exchange rate variations and lower costs compensated for higher energy costs.

Net result, group share, expanded by 12% to EUR 827 million compared with EUR 736 million for the previous year.

Based on a consolidation rate (equity method) of 21.1%, Lafarge contributed a total of EUR 174 million to GBL's 2010 result, compared with EUR 155 million in 2009.

#### Imerys

Markets of Imerys, world leader in minerals processing, evolved favourably but remained significantly below pre-crisis volumes (around - 15%). The euro weakened in relation to the dollar for part of 2010. The group benefited from this evolution, not only through the translation of dollar sales into euros but also through the improved competitiveness of its European customers (industrial equipment manufacturers and paper makers, etc.).

Turnover for 2010 amounted to EUR 3,347 million, a 21% increase compared with 2009.

The group's current operating result expanded by 68% to EUR 419 million while the operating margin came to 12.5% for the year as a whole. Net result, group share, came to EUR 241 million in 2010, compared with EUR 41 million in 2009.

Based on the consolidation rate (equity method) of 30.7%, Imerys contributed a total of EUR 74 million to GBL's result at the end of December 2010, compared with EUR 13 million at end 2009.

#### Ergon Capital Partners (ECP I & II)

The contribution of ECP I & II to GBL's result amounted to EUR 14 million compared with EUR - 7 million in 2009. This difference results from the valuations of its portfolio and the contributions of companies consolidated using the equity method.

### C.2. Interest income and expenses / Other operating income and expenses / Earnings on disposals, impairments and reversal of non-current assets

These headings include the private equity contribution (Ergon Capital Partners III, Sagard, Sagard II and PAI Europe III) to GBL's result with the exception of ECP I & II, which are entered under the heading "Net earnings from associated companies".

Other operating income and expenses mainly include costs directly related to the acquisition of ELITech.

As a reminder, the amount entered in 2009 under "Earnings on disposals, impairments and reversal of non-current assets" was related primarily to the Sagard, Sagard II and PAI Europe III funds.

### D. ELIMINATIONS, CAPITAL GAINS, IMPAIRMENTS AND REVERSAL

In EUR million	2010	2009
<b>Impairments and reversal on listed investments</b>	<b>(20.4)</b>	<b>415.7</b>
Investments available-for-sale		
Pernod Ricard	-	(198.2)
Iberdrola	(20.4)	(36.5)
Associated companies		
Lafarge	-	649.6
Other	-	0.8
<b>Eliminations</b>	<b>(144.0)</b>	<b>(101.7)</b>
<b>Total</b>	<b>(164.4)</b>	<b>314.0</b>

### Pernod Ricard and Iberdrola

In a context of downturn of the financial markets, GBL recorded, in compliance with IFRS requirements, a cumulative amount of EUR 658 million in impairments over three years on its interests in Pernod Ricard and Iberdrola, of which EUR 402 million in 2008, EUR 235 million in 2009 and EUR 20 million in 2010.

The impairments registered on Pernod Ricard (EUR 514 million) and Iberdrola (EUR 144 million) corresponded to the difference between acquisition cost and the share price on the last day of the financial year.

In spite of a recovery in the Pernod Ricard share price, the reversal of the impairment could not be recorded in the income statement. Pursuant to IAS 39, the cumulative revaluation of EUR 756 million since the last impairment was directly recorded in GBL's shareholder' equity (see note 3. D. page 74). The reversal may only be recorded in case of disposal.

### Lafarge

Conversely, taking into account the increase in the Lafarge share price during the first nine months of 2009, GBL was obliged under IAS 36 to record in the income statement, for the period ended 30 September 2009, a reversal of part of the impairment of EUR - 1,092 million entered in 2008. This reversal (EUR 650 million) was calculated in relation to the share price on that date (EUR 61.15).

Since then, and owing to the decline in the Lafarge share price, an impairment test had to be carried out on this investment. The test showed that no impairment on the consolidated value was justified at the end of 2010.

These impairments and reversal are not cash elements and therefore have no impact on GBL's adjusted net assets.

### Eliminations

Net dividends on investments consolidated using the equity method (Lafarge and Imerys) and included under "Cash earnings" section are eliminated in the consolidation. These amounted to EUR 144 million in 2010 compared with EUR 102 million in 2009.

### E. COMPREHENSIVE INCOME 2010

In accordance with IAS 1 – *Presentation of financial statements*, GBL publishes its consolidated comprehensive income as an integral part of the consolidated financial statements. This income amounted to EUR 304 million in 2010 compared with EUR 1,809 million the previous year. This evolution resulted primarily from the variation in the share prices of investments held in the portfolio.

This result of EUR 304 million gives an indication of the company's creation of value during 2010. It is calculated based on the consolidated income for the period (EUR 638 million) to which is added the market impact on available-for-sale investments (Total, GDF SUEZ, Pernod Ricard, etc.), namely EUR - 580 million, and differences in shareholders' equity of associated companies (Lafarge and Imerys), namely EUR 245 million. The consolidated comprehensive income shown in the table below is broken down according to the contribution of each investment.

In EUR million	Result of the period 2010	Elements entered directly in shareholders' equity		Comprehensive income 2010	Comprehensive income 2009
		Mark to market	Associated companies		
<b>Investments' contribution</b>	<b>694.1</b>	<b>(579.6)</b>	<b>245.0</b>	<b>359.5</b>	<b>1,854.3</b>
Total	204.8	(503.0)	-	(298.2)	773.4
GDF SUEZ	175.9	(402.6)	-	(226.7)	(333.5)
Lafarge	174.1	-	193.0	367.1	833.4
Pernod Ricard	34.8	269.7	-	304.5	300.0
Imerys	74.1	-	51.4	125.5	38.4
Suez Environnement	22.8	(23.6)	-	(0.8)	165.4
Iberdrola	(9.7)	(7.9)	-	(17.6)	15.7
Arkema	1.4	77.7	-	79.1	33.7
Other	15.9	10.1	0.6	26.6	27.8
<b>Other income and expenses</b>	<b>(55.7)</b>	<b>-</b>	<b>-</b>	<b>(55.7)</b>	<b>(45.0)</b>
<b>31 December 2010</b>	<b>638.4</b>	<b>(579.6)</b>	<b>245.0</b>	<b>303.8</b>	
31 December 2009	1,057.7	693.6	58.0		1,809.3

# Overview of the activities

GBL's primary objective is to create value for its shareholders over the medium-term.

Therefore, GBL strives to maintain and promote the growth of a portfolio of investments focusing to a large extent on a small number of important industrial companies with regard to which it can play its role as a professional shareholder. This portfolio currently includes Total, GDF SUEZ, Lafarge, Pernod Ricard, Imerys and Suez Environnement, in addition to a few smaller investments in listed and unlisted companies (private equity).

This portfolio will evolve over time following the evolution of the different companies as well as market opportunities. GBL invests in companies that offer potential to create value for shareholders and sells investments deemed to have reached maturity.

GBL's dividend policy seeks to achieve a sound balance between providing an attractive cash yield to shareholders and achieving sustained growth in its share price.

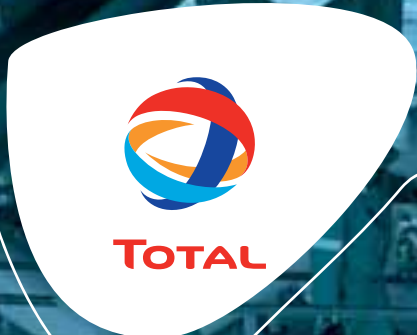
## Investments at 31 December 2010

	Page
Total	18
GDF SUEZ	24
Lafarge	30
Pernod Ricard	36
Imerys	42
Suez Environnement	48
Other investments	50

The following pages present for each operating investment:

- a description of the company's activities, key events during the year, financial results and outlook;
- a table of key figures showing operating data, data by sector, Stock Exchange and consolidated financial data for each company;
- the share of the investment in GBL's adjusted net assets and in the dividends collected on its shareholdings.

A glossary containing definitions of key words used in this annual financial report can be found on page 142.



# TOTAL is a global oil and gas group and is also active in Chemicals

## Profile

Total is one of the leading international oil and gas groups. Its activities are based in more than 130 countries and cover the entire oil industry chain, Upstream – exploration, development and production of oil, natural gas and LNG – and Downstream – refining, distribution, transport and international trading of crude oil and refined products. Total is also a major player in Chemicals and is committed to the development of renewable energies.

Upstream, the group has exploration and production activities in more than 40 countries. It draws on a diversified portfolio of assets that present some of the oil industry's highest growth prospects as a result of its investments in major projects with competitive technical costs and in highly promising areas. The group's proven hydrocarbon reserves, calculated according to SEC rules, guarantee the company more than 12 years of production at its current rate (2.4 million barrels of oil equivalent per day). Operating in the liquefied natural gas industry, Total is also extending its activities to related market segments such as gas distribution or electricity generation. The group is also preparing the future (of the sector) by providing support for the development of new complementary sources of energy (solar, biomass, nuclear, CO<sub>2</sub> capture and storage).

Downstream, the group has positioned itself as a leader in Western Europe and Africa; it also operates throughout the Mediterranean basin and is establishing on growth markets in South-East Asia. It manages refining capacity of 2.4 million barrels a day and sells 3.8 million barrels of refined products a day. The group owns shares in 24 refineries and operates a network of around 18,000 service stations, primarily under the Total, Elf, Elan and AS24 banners, which have specific positions.

Total's Chemical activities rank among European and/or world leaders on most of their markets. Its Base Chemicals activities include petrochemicals and fertilisers while the Specialty Chemicals activities concern rubber processing, resins, adhesives and electroplating, whose products primarily serve industrial markets.

## Overview of 2010

The oil industry experienced a sharp rise in demand in 2010 for oil, gas and petroleum products, driven by global economic recovery, especially in the emerging countries. Crude oil prices increased by 29% over their average level for 2009, rising to USD 80/b (compared with USD 62/b). On the other hand, the average sale price for gas remained stable on the whole in spite of recovery in Europe and Asia. Refining margins improved from their 2009 low point, reaching an average (ERMI indicator) of USD 27/t in Europe (compared with USD 18/t in 2009). In Chemicals, demand for polymers was sustained in all consumption zones, leading to an improvement in petrochemical margins. The dollar appreciated 5% against the euro.

In this context, Total's adjusted net income amounted to EUR 10.3 billion, a 32% increase over 2009; expressed in dollars, the increase was 26%. This result reflects both the improved environment and the solidity of the group's performances, which supported the cash flow generation and consequently reinforced the company's balance sheet (indebtedness of 22% at the end of 2010 compared with 27% at the end of 2009).

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### TOTAL FINANCIAL COMMUNICATION

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Generally speaking, the year 2010 marked a reorientation in the deployment of Total's strategy, based on more aggressive exploration and a determination to optimise its portfolio of assets in all segments. The group also reiterated the priority it gives to the safety and the environment of its operations and investments.

## UPSTREAM

Upstream, the year 2010 saw a return to growth in hydrocarbon production (4.3% increase to 2,378 million boe per day), driven in particular by the build-up of recent developments in Nigeria, Angola, Qatar, Yemen and the Gulf of Mexico. The group also continued to implement its ambitious investment programme, illustrated by the launch of a number of new projects (particularly in the North Sea and Angola) and acquisitions of interests in Canada and Australia. The mining activity expanded with the development of new exploration areas (pre-saliferous, non-conventional gas and frontier areas). At the same time, Total disposed of interests in oil fields in Norway and Angola and announced the sale of its subsidiary in Cameroon.

The level of proven hydrocarbon reserves, based on SEC rules (brent at USD 79.0/b), was 10.7 billion boe at end 2010. Based on these same principles, the group's proven reserves replacement rate was 124% in 2010. On this same date, the company's level of proven and probable reserves represented more than 20 years of reserve life at the current rate of production; its portfolio of resources represents more than 40 years of reserve life.

## DOWNSTREAM

Downstream, the group continued to adapt its industrial tool to demand evolution in Europe. This optimisation was put into practice in 2010 with the closure of the Dunkerque refinery, the modernisation project of the Normandy site and, in Marketing, the creation of TotalErg in Italy and the launch of the disposal process of the distribution network in the United Kingdom.

In 2010, the utilisation rate on processed crude dropped to 73% (78% in 2009) due essentially to the shutdown of the Dunkerque refinery and of a distillation unit at the Normandy refinery as well as the impact of social movements in France. Refined volumes saw a further decline of 7% compared with 2009, amounting to 2.01 million barrels a day, whereas product sales expanded to some 3.8 million barrels a day.

## CHEMICALS

In Petrochemicals, Total continued its drive to enhance its performance and position its sites so as to adapt its industrial tool to market structural trends. The petrochemical plant in Normandy is being modernised and the start-up of the steam cracker in Qatar will allow for a better positioning on growth of the Middle East and Asia market. In Speciality Chemicals, the group sold Mapa Spontex, while other activities (Hutchinson, Atotech, Bostik) took advantage from their leading positions to benefit from higher demand.



## Outlook

In 2011, the group intends to reinforce its growth areas while reiterating the priority on safety, reliability and acceptability of its operations.

Upstream, Total will place a new wave of major projects into production starting in the second half of 2011, beginning with Pazflor in Angola. The study of a number of projects is still ongoing, particularly in Russia, Australia, Canada and China. Their launch over the coming years underpins the stated objective of 2% average annual growth in production over the period 2010-2015.

Downstream and in Chemicals, Total intends to improve its competitiveness while continuing to adapt its portfolio in Europe, by starting up new production units at the refinery in Port Arthur, in the United States, and by developing its positions on growth markets.

Overall, Total has a 2011 investment budget of USD 20 billion, of which most (80%) will be in the Upstream segment.

The group also intends to continue its policy of targeted acquisitions of assets and disposal of non-strategic assets, for example, the gradual disposal of its Sanofi-Aventis shares and the announced divestments of Cepsa and part of the resins activities of Cray Valley, CCP and Sartomer.

On these bases, Total maintains its objective of a debt-to-equity ratio between 25 and 30% and a dividend policy targeting an average distribution rate of 50% of profits.

## ENVIRONMENT VARIABLES AND OPERATING DATA BY SECTOR OF ACTIVITY

		2010	2009	2008
<b>Environment variables</b>				
Brent	(in USD/b)	79.5	61.7	97.3
Average hydrocarbons sales price	(in USD/boe)	56.7	47.1	72.1
European refining margins	(in ERM1 - USD/t)	27.4	17.8	51.1
EUR – USD parity		1.33	1.39	1.47
<b>Operating data</b>				
Hydrocarbon reserves	(in million boe)	10,695	10,483	10,458
Hydrocarbon production	(in '000 boe/d)	2,378	2,281	2,341
- Liquid	(in '000 b/d)	1,340	1,381	1,456
- Gas	(in million cubic feet/d)	5,648	4,923	4,837
Refined volumes	(in '000 b/d)	2,009	2,151	2,362
Refined products sales	(in '000 b/d)	3,776	3,616	3,658
Refinery utilisation rate	(in % on crude processed)	73	78	88
Employees	(in units)	92,855	96,387	96,959
<b>Information by sector</b> (in EUR million)				
<b>Adjusted net operating income</b>		<b>10,748</b>	<b>8,226</b>	<b>14,664</b>
Upstream		8,597	6,382	10,724
Downstream		1,168	953	2,569
Chemicals		857	272	668
Holding		126	619	703
<b>Investments net of sales</b>		<b>11,957</b>	<b>10,268</b>	<b>11,055</b>
Upstream		11,141	9,457	8,887
Downstream		1,844	2,638	2,202
Chemicals		294	584	1,021
Holding		(1,322)	(2,411)	(1,055)

## MAIN FINANCIAL DATA

		2010	2009	2008
<b>Simplified income statement</b> (in EUR million)				
Turnover		159,269	131,327	179,976
Adjusted net operating income		10,748	8,226	14,664
Adjusted net income (group share)		10,288	7,784	13,920
Net income (group share)		10,571	8,447	10,590
<b>Simplified balance sheet</b> (in EUR million)				
Fixed assets		128,024	115,780	105,802
Shareholders' equity (group share)		60,414	52,552	48,992
Minority interests		857	987	958
Net debt		13,031	13,556	10,671
Debt-equity ratio	(in %)	22.2	26.6	22.5

## Financial report

In a generally positive environment for the oil industry, consolidated **turnover** for 2010 amounted to EUR 159.3 billion, a 21% increase over 2009 (EUR 131.3 billion).

**Adjusted net operating income** from the business segments in 2010 rose by 40% to EUR 10.6 billion, from EUR 7.6 billion in 2009; expressed in dollars, it increased by 33%.

The contribution of each of the different business segments breaks down as follows:

- Upstream, adjusted net operating income amounted to EUR 8.6 billion compared with EUR 6.4 billion in 2009, a 35% increase (+ 28% in USD). This increase resulted mainly from the impact of the rise in the average sale price of liquids (+ 31% to USD 76.3/b), in line with the rise in the price of Brent (+ 29% at USD 79.5/b). This effect was accentuated by the 4.3% year-on-year growth in production. Technical expenses amounted to USD 16.6/boe compared with USD 15.4/boe in 2009; return on average capital employed (ROACE) in the Upstream segment improved to 21% in 2010, compared with 18% in 2009;
- Downstream, adjusted net operating income came to EUR 1.2 billion, increasing by 23% over 2009 (+ 16% in USD). This progression reflects the positive impact of improved refining margins (+ 54% to USD 27.4/t), which is nevertheless partially offset by the decrease in refined volumes (- 7%) and reliability of the refineries.

ROACE of 8% for Upstream in 2010 (7% in 2009) reflects the ongoing unfavourable economic environment for (European) refining, which led the group to recognise exceptional impairments as adjustment items, mainly in France and the United Kingdom, in the amount of EUR 0.9 billion;

- in Chemicals, adjusted net operating income tripled to EUR 0.9 billion. This evolution reflects, in the amount of EUR 0.4 billion, the improved environment and the ramp-up of new production units in Qatar in Base Chemicals and, for the remainder, confirmation of the performances and growth of markets underlying Speciality Chemicals. ROACE in the Chemicals segment for 2010 improved to 12%, compared with 4% in 2009.

**Adjusted net result** increased by 32% to EUR 10.3 billion in 2010 compared with EUR 7.8 billion in 2009. This excludes adjustment items for a positive total of EUR 0.3 billion (positive total of EUR 0.7 billion in 2009). Adjusted fully-diluted net earnings per share for the year (EUR 4.58) rose in the same proportion compared with the 2009 level (EUR 3.48); the number of shares varied very little from one year to the next. Expressed in dollars, adjusted fully-diluted net earnings per share came to USD 6.08, an increase of 25% over 2009.

**Net income, group share**, added up to EUR 10.6 billion, a 25% increase compared with 2009 (+ 19% in USD).

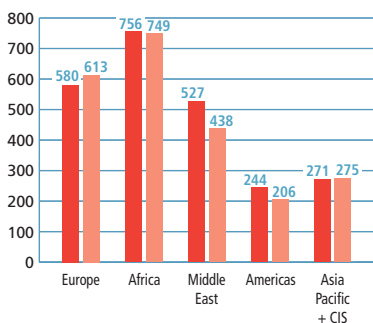


In 2010, the group's **gross investments** expanded by 22% to EUR 16.3 billion (EUR 13.3 billion in 2009). Investments broke down as follows: 82% Upstream, 14% Downstream and 4% in Chemicals. Divestments calculated at sale price totalled EUR 4.3 billion (EUR 3.1 billion in 2009) and primarily consisted of sales of Sanofi-Aventis shares, interests in oil fields (in Norway and Angola) and the sale of Mapa Spontex in Chemicals.

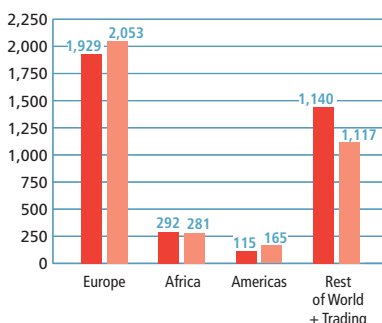
The group's **net cash flow** was EUR 6.5 billion compared with EUR 2.1 billion in 2009, primarily reflecting the higher net income and the favourable difference in working capital requirements compared with 2009. The net debt-to-equity ratio was 22% at end 2010, compared with 27% on 31 December 2009.

The Board of Directors will propose, at the General Meeting of shareholders on 13 May 2011, to distribute a dividend of EUR 2.28 per share for 2010, the same amount as the previous year. After payment of an interim dividend of EUR 1.14 per share on 17 November 2010, the balance of the dividend, i.e. EUR 1.14 per share, will be payable in cash from 26 May 2011.

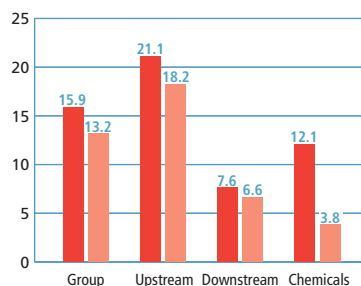
### Hydrocarbon production by geographical area (in '000 boe/d)



### Refined products sales by geographical area (in '000 b/d)



### Return on average capital employed (in %)



● 2010 ● 2009



## STOCK EXCHANGE DATA AND DATA ON GBL'S INVESTMENT

		2010	2009	2008
<b>Stock Exchange data</b>				
Number of shares in issue	(in thousands)	2,349,641	2,348,423	2,371,808
Stock market capitalisation	(in EUR million)	93,163	105,703	92,287
Closing share price	(in EUR/share)	39.65	45.01	38.91
Adjusted fully-diluted net earnings	(in EUR/share)	4.58	3.48	6.20
Dividend	(in EUR/share)	2.28	2.28	2.28
<b>GBL's investment</b>				
Percentage of share capital		4.0	4.0	4.0
Percentage of voting rights		3.7	3.7	3.6
Market value of the investment	(in EUR million)	3,725	4,228	3,655
Dividends collected by GBL	(in EUR million)	205	201	188
Representatives in statutory bodies		2	2	2

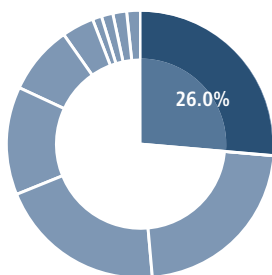
### Total's contribution to GBL's adjusted net assets and earnings

The stock market value of GBL's 4.0% stake in Total at end December 2010 amounted to EUR 3,725 million compared with EUR 4,228 million a year earlier. This decrease of EUR 503 million results from the 12% year-on-year decline in Total's share price; the closing share price of Total at end 2010 was EUR 39.65 compared with EUR 45.01 at end 2009.

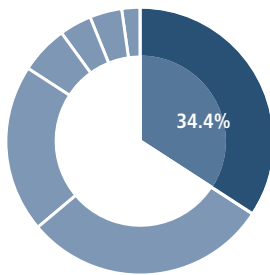
Total's contributed for 26.0% at end 2010 to GBL's adjusted net assets.

In 2010, the contribution by the oil group to GBL's earnings amounted to EUR 205 million, compared with EUR 201 million in 2009. The amount collected in 2010 by GBL corresponds to the 2009 balance and the 2010 advance on the Total dividends of EUR 1.14 per share each.

#### Contribution to GBL's adjusted net assets



#### Contribution to net dividends collected on investments





GDF SUEZ

# GDF SUEZ is a world reference energy group in gas and electricity businesses and in energy and environmental services

## Profile

Created by the merger of Suez and Gaz de France in July 2008, GDF SUEZ holds a leading position in the European and global energy scene, with strong domestic positions in France and Belgium. The group also has an international presence with more than 40% of its capacities based outside of Europe. It is continuing its international development, as reflected with the structuring transaction concluded in February 2011 that merges the activities of GDF SUEZ Energy International with those of International Power, creating the world leader in independent energy generation.

These major industrial transactions gave the group a presence in the entire energy value chain, in electricity and natural gas, from upstream to downstream. Its activities cover the purchase, generation and sale of natural gas and electricity as well as the transport, storage, distribution, development and operation of major natural gas infrastructures. They also include the provision of energy services related to environmental management (water and waste).

The group relies on a portfolio of diversified gas supply as well as flexible electricity generation facilities offering a high degree of convergence between gas and electricity. It holds leadership international positions in liquefied natural gas (LNG), independent electricity generation and energy services.

GDF SUEZ is organised into six operating business lines, five in Energy and one in Environment, each of which may be subdivided by geographical areas: the Energy Europe and International business line, the Energy France branch, the Global Gas & LNG activities, the Infrastructures branch, the Energy Services business line and Suez Environnement.

The strategy of GDF SUEZ is structured on several major areas: the industrial development of its gas and electricity activities on strong growth markets, the integration and optimization of positions on mature markets and the strengthening of industrial positions in the upstream gas segment, liquefied natural gas and electricity generation (nuclear, renewable energy). The group also intends to strengthen its leadership positions in energy efficiency and environment.

## Overview of 2010

In 2010, in a context of de-correlation of oil and gas prices that penalised its natural gas activities, GDF SUEZ registered higher results by taking advantage of its key positions on domestic markets and accelerating its international development.

The group's performances were sustained by organic growth combined with a major investment programme in keeping with the target of EUR 30 billion over three years. The 2010 achievements concerned all the group's business lines and mainly the construction of new capacities (5.5 GW) especially in France, the Netherlands and the Middle East, the full commissioning of the Fos Cavaou methane terminal and the Mejillones terminal in Chile, as well as the signature of an agreement to acquire major natural gas storage sites in Germany.

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### GDF SUEZ FINANCIAL COMMUNICATION

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In 2010, all business lines contributed to the group's profitability:

### **ENERGY EUROPE AND INTERNATIONAL**

The Energy Europe and International business line reaped the benefits of the new facilities commissioned in the Netherlands, Latin America and the Middle East, resulting from investments in progress since 2008. The most important event of 2010 was the combination of the international activities of this branch with International Power. This transaction, announced on 10 August 2010, was finalised on 3 February 2011, creating the world's leader in independent electricity generation with more than 69 GW of gross generation capacity. As a result of this merger, GDF SUEZ holds 70% of the voting rights in the new entity listed on the London Stock Exchange and will consolidate it fully in the organisation of GDF SUEZ.

### **ENERGY FRANCE**

The Energy France business line continued its development with a 12% increase in electricity generation in 2010 resulting from the commissioning of combined-cycle gas power plants and wind farms, as well as increased hydroelectric power generation. Sales of natural gas increased by nearly 7%, primarily as a result of the extremely harsh winter. A new public service contract also entered into force on 1 April 2010.

### **INFRASTRUCTURES**

The Infrastructures business line expanded as a consequence of growth in its regulated activities, the full commissioning of the Fos Cavaou terminal and the exceptionally harsh weather, despite the slight decline in storage capacity sold in France.

### **GLOBAL GAS & LNG**

The Global Gas & LNG business line was penalised by an environment that remained difficult in 2010 both in terms of commodities prices and volumes consumed, and in spite of the impact of price hedging and the improvement of the Exploration and Production activities.

### **ENERGY SERVICES**

The Energy Services business line performed well in spite of a still difficult economic context. Its activities were boosted by higher orders for installation and engineering. The branch also inaugurated in 2010 the energy network for the future Olympic Park in London.

### **SUEZ ENVIRONNEMENT**

Suez Environnement registered higher operating results in connection with the resurgence of its activities in Water and Waste management and group structure effects related to the consolidation of Agbar. The branch also benefited from the contribution of the Melbourne contracts, positive price/volume effects in International operations and high prices for secondary raw materials in the activities for the sorting, reuse and recycling of waste.

## **Outlook**

GDF SUEZ has confirmed its strategy based on development in growth regions and the strengthening of positions on mature European markets. The group's EBITDA target is between EUR 17 and 17.5 billion for 2011 and more than EUR 20 billion for 2013. The company is also expecting on constant increase in net earnings over this period.

Its investment programme is maintained at around EUR 11 billion a year over the next three years and it intends to keep a solid "A" rated financial structure, particularly through EUR 10 billion portfolio optimization by 2013 and ongoing EUR 0.9 billion in performance optimization in 2011, bringing total savings to EUR 2.4 billion at the end of 2011.

## ENVIRONMENT VARIABLES AND OPERATING DATA BY SECTOR OF ACTIVITY

		2010	2009	Pro forma 2008
<b>Environment variables</b>				
Brent	(in USD/b)	79	62	97
Gas price (NBP)	(in EUR/MWh)	16	13	26
Average baseload price in Belgium	(in EUR/MWh)	50	39	71
Average EUR – USD parity		1.33	1.39	1.47
<b>Operating data</b>				
Installed electricity generating capacity (at 100%)	(in GW)	78.2	72.7	68.4
Electricity production (at 100%)	(in TWh)	335.1	295.6	276.0
Gas provisioning	(in TWh)	695.2	664.9	658.1
Proven and probable reserves	(in million boe)	815.0	762.9	703.7
Gas and hydrocarbon production	(in million boe)	51.1	52.9	51.3
Employees	(in units)	236,116	242,714	234,653
<b>Information by sector</b> (in EUR million)				
<b>Gross operating income (EBITDA)</b>		<b>15,086</b>	<b>14,012</b>	<b>13,886</b>
Energy France		1,023	366	253
Energy Europe & International		5,831	5,027	4,388
Global Gas & LNG		2,080	2,864	3,715
Infrastructures		3,223	3,026	2,878
Energy Services		923	921	904
Environment		2,339	2,060	2,102
Other		(332)	(253)	(354)
<b>Gross investments</b>		<b>11,907</b>	<b>11,160</b>	<b>15,421</b>
Energy France		791	925	1,094
Energy Europe & International		4,734	4,667	6,243
Global Gas & LNG		1,149	1,147	2,289
Infrastructures		1,787	1,948	1,901
Energy Services		623	622	603
Environment		2,350	1,459	2,676
Other		472	392	617

## MAIN FINANCIAL DATA

		2010	2009	Pro forma 2008
<b>Simplified income statement</b> (in EUR million)				
Revenue		84,478	79,908	83,053
Gross operating income (EBITDA)		15,086	14,012	13,886
Current operating income (EBIT)		8,795	8,347	8,561
Net income (group share)		4,616	4,477	6,504
<b>Simplified balance sheet</b> (in EUR million)				
Fixed assets		132,717	122,280	115,184
Shareholders' equity (group share)		62,205	60,285	57,748
Minority interests		8,513	5,241	5,071
Net debt		33,835	29,967	28,936
Debt-equity ratio	(in %)	47.8	45.7	46.1

## Financial report

GDF SUEZ showed solid results in 2010, above its targets. This performance derived particularly from international electricity activities and the very harsh winter, and notwithstanding a context of volatile energy prices and a still difficult economic environment. All the business lines made a positive contribution to this performance with the exception of Global Gas & LNG.

The group's **revenue** for 2010 stood at EUR 84.5 billion, a 5.7% increase over 2009 (EUR 79.9 billion). Earnings generated in Europe and North America accounted for 89% of the total (compared with 92% in 2009), of which 81% for the European continent alone, a decrease from the previous year. Excluding foreign exchange and group structure effects, revenue expanded by 3.3%.

The group's **gross operating income (EBITDA)** grew by 7.7% to EUR 15.1 billion, compared with EUR 14.0 billion in 2009.

- The Energy France business line contributed EUR 1.0 billion to this result, compared with EUR 0.4 billion in 2009. This performance reflected improved electricity generation, favourable weather conditions and implementation in the first half of the year of a new public service contract.
- The Energy Europe and International branch contributed EUR 5.8 billion, a 16.0% increase over its 2009 level (EUR 5.0 billion). All regions contributed to this growth.

The increase resulted primarily from improved hydroelectric production in Brazil reflecting the commissioning of new facilities and better availability of facilities in Benedelux.

- The Global Gas & LNG business line registered a 27.4% decline in its gross operating income, which slipped to EUR 2.1 billion from EUR 2.9 billion a year earlier, mainly due to a difficult gas market. Activities remained stable in Exploration and Production, with price developments compensating for a slight decrease in production.
- The Infrastructures business line contributed EUR 3.2 billion, a 6.5% increase over 2009 (EUR 3.0 billion), as a result of the harsh climate, positive price effects and the commissioning of the Fos Cavaou facilities.
- The Energy Services branch maintained stable gross operating income at EUR 0.9 billion, demonstrating the resilience of its activity in spite of a still difficult economic context.
- The Environment business line registered an EBITDA of EUR 2.3 billion, a 13.6% improvement over 2009 (EUR 2.1 billion), in particular as the result of higher secondary raw materials prices and favourable price/volume effects at international level.

### Current operating income (EBIT)

amounted to EUR 8.8 billion, an expansion of 5.4% over its 2009 level (EUR 8.3 billion). This result reflects not only the operating performances of the different business lines, but also the negative impact of higher amortisation expenses related to the commissioning of new facilities.

**Net result, group share**, at end 2010 stood at EUR 4.6 billion, a slight improvement over 2009 (EUR 4.5 billion), under the positive impacts of divestments (Fluxys, Elia) and reversal of provision for the dismantling of gas infrastructures in France, despite the unfavourable impact of higher financial expenses and taxation.

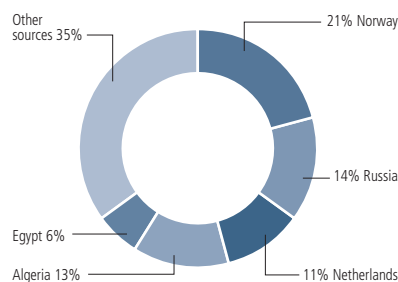
The **gross operating cash flow** before financial expenses and taxes amounted to EUR 14.7 billion at end 2010, a gross increase of 13.2% over its 2009 level. Cash flow before divestments and development investments came to EUR 7.8 billion, down from 2009 (EUR 9.6 billion) essentially due to the impact of changes in working capital requirements.

**Net investments** realised in 2010 totalled EUR 11.9 billion and included EUR 3.3 billion in maintenance investments and more than EUR 3.3 billion in disposals.

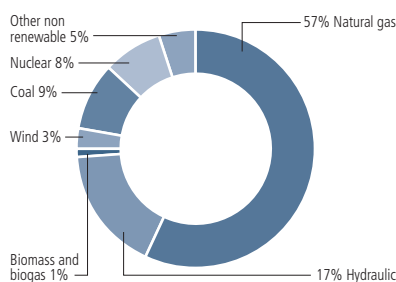
The group's **net financial debt** at the end of 2010 totalled EUR 33.8 billion (EUR 30.0 billion at the end of 2009), representing 47.8% of shareholders' equity.

The Board of Directors will propose to the General Meeting of shareholders on 2 May 2011 the distribution of a dividend of EUR 1.50 per share for 2010 (+ 2% compared with 2009), on which an interim dividend of EUR 0.83 per share was paid on 15 November 2010.

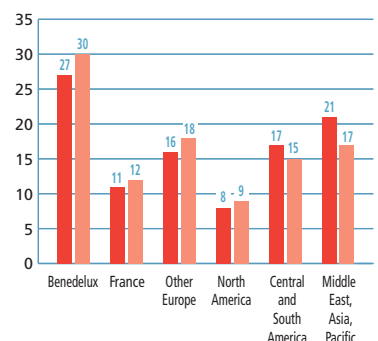
### Geographical breakdown of gas supplying sources - 691 TWh



### Breakdown of electrical capacities by nature (at 100%) - 78,2 GW



### Electrical production by area (at 100%)



● 2010 ● 2009

## STOCK EXCHANGE DATA AND DATA ON GBL'S INVESTMENT

		2010	2009	2008
<b>Stock Exchange data</b>				
Number of shares in issue	(in thousands)	2,250,296	2,260,976	2,193,644
Stock market capitalisation	(in EUR million)	60,420	68,485	77,501
Closing share price	(in EUR/share)	26.85	30.29	35.33
Net income	(in EUR/share)	2.11	2.05	2.06
Dividend	(in EUR/share)	1.50	1.47	2.20 <sup>(1)</sup>
<b>GBL's investment</b>				
Percentage of share capital		5.2	5.2	5.3
Percentage of voting rights		5.2	5.2	5.3
Market value of the investment	(in EUR million)	3,146	3,549	4,140
Dividends collected by GBL	(in EUR million)	176	258	261
Representatives in statutory bodies		3	3	3

(1) Including exceptional dividend of EUR 0.80/share

### GDF SUEZ's contribution to GBL's adjusted net assets and earnings

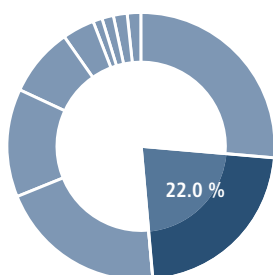
The stock market value of GBL's 5.2% stake in GDF SUEZ at end December 2010 came to EUR 3,146 million compared with EUR 3,549 million a year earlier.

This decrease of EUR 403 million resulted from the 11% year-on-year decline in the GDF SUEZ share price; the GDF SUEZ closing share price at end 2010 was EUR 26.85, down from EUR 30.29 at end 2009.

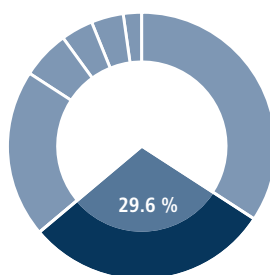
GDF SUEZ contributed for 22% to GBL's adjusted net assets at end 2010.

In 2010, GDF SUEZ contributed for EUR 176 million to GBL's earnings, compared with EUR 258 million in 2009. The amount collected by GBL in 2010 corresponds to the 2009 balance and the advance for 2010 on the GDF SUEZ dividends i.e. EUR 0.67 and EUR 0.83 per share respectively.

#### Contribution to GBL's adjusted net assets



#### Contribution to net dividends collected on investments







# With a presence in 78 countries, **LAFARGE** is a world leader in building materials: Cement, Aggregates & Concrete and Gypsum

## Profile

Lafarge holds a leading position in each of its business divisions: it is the world's largest producer of Cement, second largest producer of Aggregates, and third largest producer of ready-mix Concrete and Plasterboard.

Lafarge's strategy aims at strengthening its position as world leader in building materials, in terms of market share, innovation, corporate image, geographic reach and profitability. The group has set two strategic priorities: Cement, primarily in growth markets, and innovation, particularly in innovative construction systems, notably with respect to the challenges of sustainable construction.

In Cement, consumption has grown significantly over the last twenty years, at an average rate of growth over 5% a year. Despite the economic crisis, global demand for Cement rose by nearly 9% in 2010, sustained by the dynamism of the activity in most of the large emerging countries, in particular China, Brazil, India and sub-Saharan Africa. The outlook for the medium and long term remains favourable, particularly in the emerging countries where demographics, urbanisation, housing and infrastructure needs provide powerful leverage. The cement capacity-building programme launched in 2006 and the acquisition of Orascom Cement in January 2008 gave the group a strong position to benefit from this growth (more than 70% of Cement capacities are based in the emerging countries). Most of the new production capacity projects are located in emerging markets to accompany their growth and to strengthen the group's current positions. The second strategic priority is to develop sales of construction materials, innovative systems and services that meet customers' needs in terms of sustainable construction, aesthetics and cost. To expand its range of products and services, the group relies on enhanced research and testing means and its many years of experience in the field of innovation in developed markets, to which the group's development in emerging markets is now contributing. These products, systems and services with high added value are developed to respond to customers' new expectations, whether in terms of performance, ease of use, faster implementation and recycling.

## Overview of 2010

The economic slowdown continued in 2010 in both developed markets and in certain emerging markets. A gradual improvement was nevertheless observed from one quarter to the next, and the last quarter of 2010 has shown encouraging signs of recovery of volumes. In the developed markets, the group registered steady gains in volumes in North America and the United Kingdom, by contrast, Spain and Greece, continued to be negatively impacted by difficult economic conditions. Market demand continued to post growth in most of the emerging markets, but some countries recorded volume decrease. The development strategy focused on countries with strong growth combined with cost-cutting efforts helped to mitigate the effects of the crisis and to maintain EBITDA margin in Cement at nearly 30%.

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### LAFARGE FINANCIAL COMMUNICATION

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In this context, the group continued its actions to adapt to the environment and to consolidate its financial structure, in particular by:

- implementing measures to attenuate the impact on results of the decline in volume, including cost-cutting measures and plant closures, while maintaining price levels;
- continuing an asset divestment programme (more than EUR 500 million secured in 2010), improving working capital requirements, reducing investments and refinancing maturities over the long term.

Also in 2010, the group continued to implement its development strategy on emerging markets, particularly in Brazil, through a transaction in which it swapped its stake in the Portuguese firm Cimpor for Brazilian cement assets.

## CEMENT

Activity in the Cement division declined during the year by 4% in terms of volumes (3% at constant scope), from 141.2 million tonnes in 2009 to 135.7 million tonnes in 2010, with trends improving over the course of the year. Total sales of cement therefore increased during the fourth quarter.

In the developed countries, the positive trend in volumes continued in North America and the United Kingdom. By contrast, Spain and Greece continued to be negatively impacted by difficult economic conditions.

Market demand continued to post growth in most of the emerging markets, but volumes in some countries hindered by entrance of new production capacities and lower production levels.

In a challenging environment, prices remained resilient overall in spite of lower average prices on certain markets in 2010 compared with 2009.

Changes in group structure also had a relatively neutral effect because the integration of new activities, as in Brazil, was partially offset by the impact of divestments in 2009, particularly in Chile and Turkey.

## AGGREGATES & CONCRETE

In Aggregates & Concrete division, a gradual upturn was observed throughout the year, particularly in the United Kingdom and North America. In the other regions, there were mixed tendencies. Sales volumes of pure aggregates declined slightly (- 1%) to 193.2 million tonnes, but increased by 1% at constant scope, sustained by infrastructure projects, especially in North America. Sales volumes of ready-mix Concrete slipped by 8% to 34.0 million m<sup>3</sup> (- 5% at constant scope).

This division was also impacted by the divestment in 2009 of activities in Chile and of certain operations in North America.

## GYPSUM

The Gypsum division registered a gradual improvement with higher volumes, although prices declined slightly in 2010.

## Outlook

The group anticipates cement demand in its markets to grow between 3 to 6% in 2011. Emerging markets continue to be the main drivers of rising demand and Lafarge benefits from its well balanced geographic spread of high quality assets.

For the developed markets, demand is expected to continue to recover slowly.

Overall pricing is expected to move higher for the year, although levels of pricing movements will vary from one market to the next, in an environment of higher costs.

The group plans to take additional cost-cutting measures (> EUR 200 million for 2011). Higher prices and performance measures are expected to compensate for inflation.

The company is also committed to further strengthen its financial structure, with an objective of reducing net debt by EUR 2.0 billion, in particular through divestments of at least EUR 750 million.

## ENVIRONMENT VARIABLES AND OPERATING DATA BY SECTOR OF ACTIVITY AND GEOGRAPHICAL AREA

		2010	2009	2008
<b>Environment variables</b>				
Evolution of global cement market	(in million tonnes)	3,250.0	3,000.0	2,800.0
<b>Operating data</b>				
<b>Sales volume</b>				
Cement	(in million tonnes)	135.7	141.2	154.7
Pure aggregates	(in million tonnes)	193.2	196.0	247.8
Ready-mix concrete	(in million m <sup>3</sup> )	34.0	37.1	43.7
Gypsum	(in million m <sup>2</sup> )	690.0	667.0	745.0
Emission of CO <sub>2</sub> per tonne of cement	(in kg)	608.0	614.0	631.0
<b>Information by sector</b>				
	(in EUR million)			
<b>Sales</b>		<b>16,169</b>	<b>15,884</b>	<b>19,033</b>
Cement		9,656	9,477	10,911
Aggregates & Concrete		5,088	5,064	6,573
Gypsum		1,422	1,334	1,521
Other		3	9	28
<b>Current operating income (EBIT)</b>		<b>2,441</b>	<b>2,477</b>	<b>3,542</b>
Cement		2,230	2,343	2,964
Aggregates & Concrete		216	193	623
Gypsum		58	38	36
Other		(63)	(97)	(81)
<b>Information by geographical area</b>				
	(in EUR million)			
<b>Sales</b>		<b>16,169</b>	<b>15,884</b>	<b>19,033</b>
Western Europe		4,313	4,657	6,021
North America		3,336	3,028	4,270
Middel East and Africa		3,903	4,018	3,984
Central and Eastern Europe		1,043	1,053	1,761
Latin America		894	791	968
Asia		2,680	2,337	2,029

## MAIN FINANCIAL DATA

		2010	2009	2008
<b>Simplified income statement</b>				
	(in EUR million)			
Sales		16,169	15,884	19,033
Gross margin		4,154	4,177	5,304
Gross operating income (EBITDA)		3,614	3,600	4,618
Current operating income (EBIT)		2,441	2,477	3,542
Net income (group share)		827	736	1,598
<b>Simplified balance sheet</b>				
	(in EUR million)			
Fixed assets		34,185	32,506	32,625
Shareholders' equity (group share)		16,144	14,977	12,910
Minority interests		2,080	1,823	1,725
Financial net debt		13,993	13,795	16,884
Debt-equity ratio	(in %)	76.8	82.1	115.4

## Financial report

Consolidated **sales** increased by 2% to EUR 16,169 million, compared with EUR 15,884 million in 2009. At constant scope and exchange rates, sales declined by 3% compared with the previous year. This development reflects a gradual upturn throughout the year, sustained by steady progress in volumes in North America and the United Kingdom. In emerging countries, activity was mixed.

**Current operating income** decreased by 1% to EUR 2,441 million in 2010, compared with EUR 2,477 million in 2009, and by 8% at constant scope and exchange rates, under the combined effect of lower volumes, primarily in cement, and higher production costs, as well as lower prices in certain regions. Cost-cutting measures put in place in all business divisions partially offset these effects.

- In Cement, current operating income declined by 5% to EUR 2,230 million in 2010, compared with EUR 2,343 million in 2009, and by 10% at constant scope and exchange rates. Expressed as a percentage of sales in this division, current operating income stood at 21.7% in 2010, compared with 23.2% in 2009, since cost-cutting measures failed to compensate for higher production costs.
- In Aggregates & Concrete, current operating income increased by 12% to EUR 216 million in 2010, compared with EUR 193 million in 2009, and declined by 8% at constant scope and exchange rates.

Expressed as a percentage of sales in the division, current operating income increased to 4.2% in 2010, compared with 3.8% in 2009.

- In Gypsum, current operating income rose by 53% to EUR 58 million in 2010, compared with EUR 38 million in 2009, and by 42% at constant scope and exchange rates.

**Net income, group share**, grew by 12% in 2010 to EUR 827 million, up from EUR 736 million in 2009. Net income per share increased by 4% in 2010 to EUR 2.89, compared with EUR 2.77 in 2009.

**Operating cash flow** declined slightly to EUR 2,156 million in 2010, compared with EUR 2,177 million in 2009.

Net cash flow was also impacted positively by improved working capital requirements in the amount of EUR 354 million and negatively by the payment of a fine of EUR 338 million in connection with the Gypsum litigation.

Sustaining capital investments were contained at EUR 359 million in 2010, compared with EUR 372 million in 2009. Capital expenditure for internal development decreased to EUR 950 million in 2010, compared with EUR 1,234 million in 2009. These investments primarily concerned the Cement division, with projects like the expansion of capacities in India, China, Poland and Nigeria, reconstruction of the plant in Indonesia and the construction of new cement plants in Syria and Saudi Arabia.

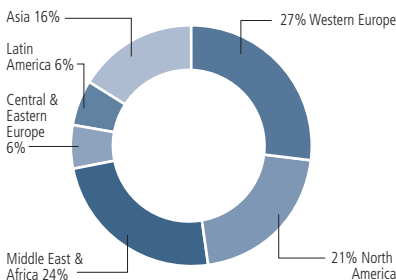


The group also secured EUR 550 million in divestments, of which EUR 364 million were implemented in 2010. These include the disposal of a minority interest in Lafarge Malayan Cement for EUR 141 million.

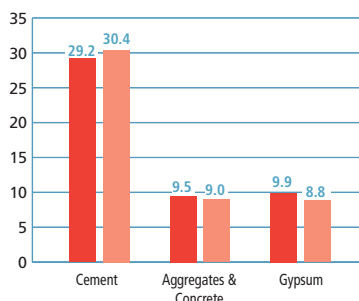
Consolidated **net financial debt** rose by EUR 198 million to EUR 13,993 million due to non-recurring factors (Gypsum fine in the amount of EUR 338 million and unfavourable impact of exchange rates in the amount of EUR 490 million).

The Board of Directors will propose to the General Meeting on 12 May 2011 to reduce the dividend distribution to EUR 1.00 per share, for a total payout of around EUR 288 million, representing 43% of the group's current net income (net income excluding capital gain of EUR 161 million on the divestment of Cimpor shares).

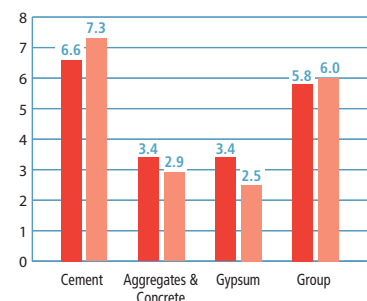
### Geographical breakdown of sales (in %)



### EBITDA margin evolution by activities (in %)



### Return on average capital employed evolution by activities (in %)



● 2010 ● 2009

## STOCK EXCHANGE DATA AND DATA ON GBL'S INVESTMENT

		2010	2009	2008
<b>Stock Exchange data</b>				
Number of shares in issue	(in thousands)	286,454	286,453	195,237
Stock market capitalisation	(in EUR million)	13,440	16,560	8,464
Closing share price	(in EUR/share)	46.9	57.8	37.7 <sup>(1)</sup>
Net income <sup>(2)</sup>	(in EUR/share)	2.89	2.77	7.19
Fully-diluted net income <sup>(2)</sup>	(in EUR/share)	2.89	2.77	7.16
Normal dividend	(in EUR/share)	1.00	2.00	2.00
Bonus dividend <sup>(3)</sup>	(in EUR/share)	1.10	2.20	2.20
<b>GBL's investment</b>				
Percentage of share capital		21.1	21.1	21.1
Percentage of voting rights		24.6	27.1	28.5
Market value of the investment	(in EUR million)	2,830	3,486	1,789
Dividends collected by GBL	(in EUR million)	121	83	146
Representatives in statutory bodies		3	3	2

(1) The comparative periods have been adjusted to reflect the fact that the 2009 capital increase included preferential subscription rights

(2) Average number of shares in issue, as adjusted further to the capital increase finalized on 28 April 2009

(3) Since 1999, shareholders who have held registered Lafarge shares (0.5% of the capital) for at least two years receive a bonus of 10% on their dividend. This two-year holding period runs from 1 January of the year following the year of registration

### Lafarge's contribution to GBL's adjusted net assets and earnings

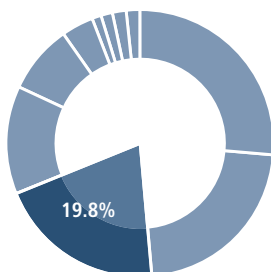
The stock market value of GBL's 21.1% stake in Lafarge at end December 2010 amounted to EUR 2,830 million compared with EUR 3,486 million a year earlier. This decrease of EUR 656 million results from the 19% decline in the share price between 1 January and 31 December 2010.

Lafarge's contribution to GBL's adjusted net assets therefore slipped from 22.9% on 31 December 2009 to 19.8% on 31 December 2010.

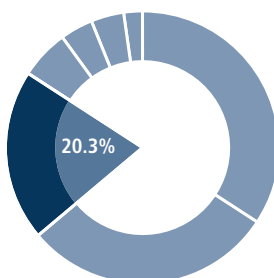
Lafarge's contribution to GBL's earnings through consolidation using the equity method amounted to EUR 174 million in 2010, compared with EUR 155 million in 2009.

Furthermore, Lafarge's contribution to net dividends received on investments amounted to EUR 121 million, compared with EUR 83 million for the previous year. This increase reflects the higher number of shares following the capital increase in April 2009.

#### Contribution to GBL's adjusted net assets



#### Contribution to net dividends collected on investments





Pernod Ricard

# The world's co-leader in Wine & Spirits, **PERNOD RICARD** holds a top position on every continent

## Profile

Since its founding in 1975, Pernod Ricard has achieved significant internal growth and made numerous acquisitions, in particular Seagram in 2001, Allied Domecq in 2005 and Vin&Sprit in 2008, thus becoming the world's co-leader in the Wine & Spirits market.

The group has a strong presence on every continent and a sound position in the emerging Asian, Eastern European and South American markets. It produces and distributes a range of 14 key brands of spirits and champagne and 4 brands of "Priority Premium Wine" as well as 18 local brands that are leaders on their markets, and a large number of regional brands. The group's leading brands are:

- Top 14: spirits: Absolut, Ballantine's, Beefeater, Chivas Regal, Havana Club, Jameson, Kahlúa, Malibu, Martell, Ricard, Royal Salute and The Glenlivet; champagnes: Mumm and Perrier-Jouët;
- Priority Premium Wine: Brancott Estate, Jacob's Creek, Graffigna and Campo Viejo.

Pernod Ricard is number one in Premium spirits with its leading positions in top-of-the-range scotches and in Premium vodka with Absolut. The group's "premiumisation" strategy consists of giving priority to upmarket products offering a large margin and meeting consumers' growing demands while reducing the group's exposure to economic cycles. Pernod Ricard's strategy is organised around four key areas:

- investing first and foremost in world class strategic brands;
- adding Premium brands to position the company at the top end of the market and so accelerate growth and boost profitability;
- expanding in emerging markets, which offer the strongest growth outlook;
- continuing to grow through acquisitions, once leverage has been reduced, to remain a dynamic player in the consolidation of the Wines & Spirits sector.

The group's general organisation is based around Pernod Ricard, the "Holding" which holds companies referred as "Brand Companies" and either directly or indirectly through other holding companies called "Regions", the so-called "Market Companies".

The Holding is in charge of certain reserved functions such as setting overall strategy and managing investments and financial policy. The Brand Companies are responsible for brand strategy, development and production. The Regions provide operational and financial control of the subsidiaries within a given geographical region (Asia, Americas, Europe and Pacific). The Market Companies manage the distribution and development of brands on local markets. Some companies combine the activities of the Brand Companies and Market Companies.

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## MANAGER, FINANCIAL COMMUNICATION & INVESTOR RELATIONS

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## Overview of 2009-2010

Pernod Ricard put in a sound performance for the financial year ended on 30 June 2010, with:

- positive internal growth in turnover, following a stable 2008-2009 financial year;
- a satisfactory growth in earnings, higher than the goal set at the start of the financial year in spite of a higher level of investment in advertising and promotion focused on strategic brands;
- significant debt reduction.

The economic environment remained mixed but improved on the whole during the latter half of the year: sharp growth in most of the New Economies, very gradual upturn in consumption in a still uncertain context in the United States, a mixed situation in Europe with certain signs of recovery but also the impact of the general economic slowdown, strong currency volatility (in particular the EUR/USD rate) and historically low interest rates on the euro and the US dollar.

The financial year featured the further integration of Vin&Sprit (V&S, owner of the premium vodka brand Absolut, acquired at a price of EUR 5.3 billion in July 2008) and reduction of the debt that resulted from this transaction.

Pernod Ricard completed its divestment programme of non-strategic brands in the amount of nearly EUR 1 billion, started immediately after the acquisition of V&S. During the financial year 2009-2010, the main assets sold were Tia Maria (liqueur) and a portfolio of local Nordic brands. During the current financial year, the programme ended with the sale of Renault (Cognac) and of assets based in Spain and New Zealand (mainly wines).

In 2009-2010, free current cash flow totalled nearly EUR 1.2 billion, which, added to the EUR 1.3 billion generated in 2008-2009, is expected to result in the achievement of Pernod Ricard's objective of reaching total free current cumulative cash flow of EUR 3.0 billion over the three financial years of 2008-2009 to 2010-2011.

To lengthen the group's debt maturity and take advantage of historically low interest rates, Pernod Ricard issued a EUR 1,200 million bond in March 2010.

Following these different transactions, the group's net debt amounted to EUR 10.6 billion on 30 June 2010, a decrease of EUR 0.3 billion in spite of a negative exchange rate effect of EUR 0.8 billion.

## ENVIRONMENT VARIABLES AND OPERATING DATA BY SECTOR OF ACTIVITY

	30 June 2010	30 June 2009	30 June 2008
<b>Volume of strategic brands</b>	<i>(in million cases of 9 l)</i>		
Absolut (reconstituted 12 months volume)	10.4	10.2	-
Stolichnaya	-	-	3.4
Chivas Regal	4.2	4.2	4.5
Ballantine's	5.9	6.2	6.4
Ricard	5.4	5.4	5.6
Martell	1.6	1.5	1.6
Malibu	3.3	3.4	3.7
Kahlúa	1.8	1.8	2.1
Jameson	2.9	2.7	2.6
Beefeater	2.3	2.3	2.4
Havana Club	3.5	3.4	3.2
The Glenlivet	0.6	0.6	0.6
Mumm	0.6	0.7	0.7
Perrier-Jouët	0.2	0.2	0.2
Royal Salute	0.1	0.1	0.1
<b>14 strategic brands</b>	<b>42.9</b>	<b>42.6</b>	<b>37.1</b>
Jacob's Creek	7.1	7.8	8.0
Campo Viejo	1.5	1.5	1.5
Brancott Estate (formerly Montana)	1.3	1.2	1.4
Graffigna	0.3	0.3	0.3
<b>Priority Premium Wine</b>	<b>10.2</b>	<b>10.8</b>	<b>11.2</b>



		30 June 2010	30 June 2009	30 June 2008
<b>Information by geographical area</b>	(in EUR million)			
<b>Turnover</b>		<b>7,081</b>	<b>7,203</b>	<b>6,589</b>
France		721	735	711
Europe		2,176	2,417	2,171
Americas		1,911	2,027	1,700
Asia/Rest of World		2,273	2,023	2,007
<b>Current operating income</b>		<b>1,795</b>	<b>1,846</b>	<b>1,522</b>
France		187	178	149
Europe		501	537	530
Americas		541	636	421
Asia/Rest of World		566	495	422

## MAIN FINANCIAL DATA

		30 June 2010	30 June 2009	30 June 2008
<b>Simplified income statement</b>	(in EUR million)			
Turnover		7,081	7,203	6,589
Current operating income		1,795	1,846	1,522
Net current income (group share)		1,001	1,010	897
Net income (group share)		951	945	840
<b>Simplified balance sheet</b>	(in EUR million)			
Fixed assets		21,148	19,253	12,885
Shareholders' equity (group share)		9,122	7,423	6,420
Minority interests		216	185	177
Net debt		10,584	10,888	6,143
Debt-equity ratio	(in %)	113	143	93

## Financial report

On 30 June 2010, the closing date of financial year 2009-2010, Pernod Ricard had **turnover** of EUR 7,081 million.

In spite of internal positive growth of 2%, the group's sales slipped by 2% as a result of an exchange rate effect of - 1% and a group structure effect of - 3%, impacted by the divestments of Wild Turkey, Tia Maria and Bisquit and the discontinuation of distribution of Stolichnaya.

Internal growth was driven by Asia/Rest of World and to a lesser extent by the Americas:

- The group's sound performance in Asia/Rest of World (internal growth of 9%) reflected double-digit internal growth in China, the significant expansion of local brands in India and the recovery of activity in South Korea and on the duty-free market, which largely

compensated for difficulties in Thailand. Africa and the Middle East reported good performances.

- Europe (- 5%) was the region most affected by the crisis, with a difficult year in Western Europe (especially Spain and the United Kingdom) and a mixed situation in Eastern Europe: a strong upturn in Russia and Ukraine in the latter half of the period, but difficulties for local vodka brands in Poland.
- The Americas (+ 4%): stable activity in the United States with an improvement in the latter half of the period and a good year in Central and South America. Turnover published (- 6%) was affected by a strong exchange rate effect, linked mainly to Venezuela.
- France registered stable internal growth with the sound performance of Absolut, Havana Club, Ricard and whisky brands compensating for the downturn for Mumm and Pastis 51.

The Top 14 brands (55% of the group's turnover) expanded by 2% in volume and 4% in value. Two of them (Martell (+ 12%) and Jameson (+ 12%)) registered double-digit growth (in internal growth) and seven other continued to expand, in particular: The Glenlivet (+ 7%), Absolut (+ 6%), Chivas Regal (+ 5%) and Havana Club (+ 5%). Perrier-Jouët remained stable, Kahlúa and Malibu (- 1%) declined slightly and internal growth was more negative for Ballantine's (- 4%, strong exposure in Spain) and Mumm (- 7%, penalised by the decline on the French champagne market).

Among the Priority Premium Wine, Graffigna (internal growth in turnover of 37%), Brancott Estate (+ 6%) and Campo Viejo (+ 1%) registered strong performances whereas the lower sales by Jacob's Creek (- 5%) reflected the premiumisation strategy.

The 18 key local spirits brands increased overall by 4% in value, with continued strong development of local whisky brands in India (Royal Stag with + 30% and Blender's Pride with + 22%), but also the return to growth of Imperial premium scotch in South Korea (+ 12%).

The premium brands (sale price to consumers > USD 17 for spirits and > USD 5 for wine) represent 69% of the group's turnover for financial year 2009-2010, one percent higher than the previous year.

Growth in **operating income** remained positive at 4% as a result of the sharp increase in gross margin, which made it possible to maintain the current operating margin at 25.4% (25.6% in 2008-2009). Current operating income of EUR 1,795 million (- 3%) was affected by negative exchange rate and group structure effects (especially in Europe and the Americas) as well as the increase in advertising and promotional investments to 17.8% of turnover. Apart from Europe (excluding France), which was hit particularly by the crisis, all regions registered positive organic growth.

The sharp reduction in financial expenses, under the combined effect of a lower average cost of debt and debt reduction, resulted in a 1% increase of **net income, group share**, to EUR 951 million for financial year 2009-2010.

The General Meeting of shareholders on 10 November 2010 decided to distribute a dividend of EUR 1.34 per share: an interim dividend of EUR 0.61 paid on 7 July 2010 and the balance of EUR 0.73 paid on 17 November 2010. In 2009, the dividend was EUR 0.50 per share.

## Results for first half of financial year 2010-2011

On 31 December 2010 (first half of financial year 2010-2011), turnover registered a 13% increase to EUR 4,282 million, representing internal growth of 7%, with a favourable exchange rate effect of 9% linked primarily to the increase in the US dollar and related currencies and a negative group structure effect of 3% related to divestments of certain Scandinavian and Spanish activities. The Top 14 brands reported internal growth of 13%, the Priority Premium Wine 3% and the local brands 2%.

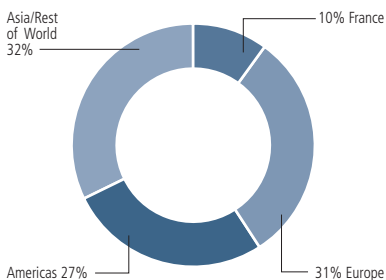
Gross margin improved significantly to 60.8% compared with 59.7% for the first half of the previous financial year. After an increase of the advertising and promotional investments to 17.9% (+ 0.9%) of turnover, current operating income for the first half of the year rose by 13.9% to EUR 1,210 million, for internal growth of 8%. Net current income, group share, added up to EUR 726 million, a 12% increase, while net income, group share, rose by 10% to EUR 666 million. Net debt on 31 December 2010 declined to EUR 9.7 billion compared with EUR 10.6 billion on 30 June 2010 due to the generation of free cash flow of EUR 639 million over the first six months of the financial year and a favourable exchange rate effect of EUR 533 million.

## Outlook

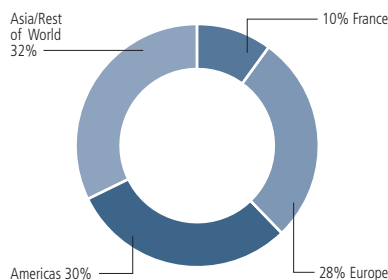
The first half of 2010-2011 gave a confirmation of the upturn, with faster growth in activity and current operating income, driven by the premium brands and a return to growth in all regions. Debt reduction also continued throughout the half-year.

In this context, Pernod Ricard raised its target for internal growth in current operating income for financial year 2010-2011 to "close to 7%" from "close to 6%" earlier. The reduction of net debt to EBITDA ratio to a level close to 4 by 30 June 2012 was confirmed.

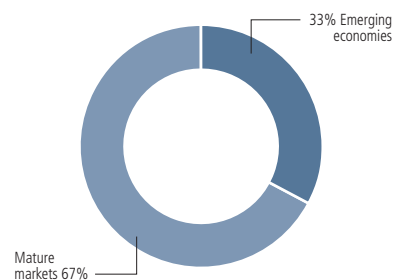
**Geographical breakdown of turnover (in %)**



**Geographical breakdown of current operating income (in %)**



**Emerging countries contribution to current operating income (in %)**



## STOCK EXCHANGE DATA AND DATA ON GBL'S INVESTMENT

		30 June 2010	30 June 2009	30 June 2008
<b>Stock Exchange data <sup>(1)</sup></b>				
Number of shares in issue	(in thousands)	264,232	258,641	219,683
Stock market capitalisation	(in EUR million)	16,906	11,605	14,334
Closing share price	(in EUR/share)	63.98	44.87	65.25
Fully-diluted net income <sup>(2)</sup>	(in EUR/share)	3.59	3.88	3.58
Dividend	(in EUR/share)	1.34	0.50	1.24
<b>GBL's investment at 31 December</b>				
Percentage of share capital		9,9	9.1	8.2
Percentage of voting rights		9,0	8,4	7.4
Market value of the investment	(in EUR million)	1.836	1.444	955
Dividends collected by GBL	(in EUR million)	35	11	22
Representatives in statutory bodies		2	2	0

(1) Net income per share diluted was adjusted retroactively to take account of the distribution of free shares on 17 November 2009, the division of the face value by two on 15 January 2008 and the detachment of the preferential subscription right linked to the capital increase of 14 May 2009  
(2) On the basis of the average number of shares in issue, excluding treasury shares, diluted.

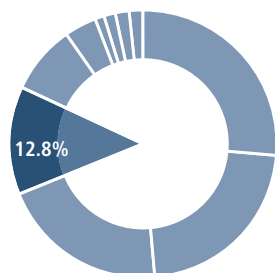
### Pernod Ricard's contribution to GBL's adjusted net assets and earnings

The stock market value of GBL's 9.9% stake in Pernod Ricard at end December 2010 came to EUR 1,836 million compared with EUR 1,444 million a year earlier. This increase of EUR 392 million resulted from GBL's additional investment in the company as well as the 17% increase in Pernod Ricard's share price year-on-year: the share closed the year 2010 at EUR 70.36, compared with EUR 59.91 in 2009.

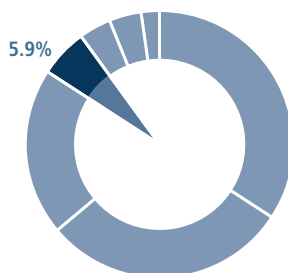
Pernod Ricard's contributed for 12.8% at end 2010 to GBL's adjusted net assets.

In 2010, the group's contribution to GBL's earnings amounted to EUR 35 million, compared with EUR 11 million in 2009. The amount received by GBL in 2010 corresponds to the interim dividend and balance paid for financial year 2009-2010, of EUR 0.61 and EUR 0.73 per share respectively.

#### Contribution to GBL's adjusted net assets



#### Contribution to net dividends collected on investments





**IMERYS**

# Present in 47 countries with 245 locations, **IMERYS** is the world's leader in Minerals processing

## Profile

Imerys group holds leading positions in each of its four business groups: Minerals for Ceramics, Refractories, Abrasives & Foundry; Performance & Filtration Minerals; Pigments for Paper; and Materials & Monolithics. Its minerals are used in a wide variety of everyday applications, such as construction, personal care, paper, paints, plastics, ceramics, telecommunications and filtration.

In its Minerals for Ceramics, Refractories, Abrasives & Foundry business group, the group has a large portfolio of mineral resources. Thanks to its expertise in all the techniques needed for processing, this branch offers a diversified range of products that meet the specific characteristics of the industries it serves, particularly in terms of thermal, mechanical and chemical resistance. The branch currently operates in 24 countries and has 104 industrial sites.

The Performance & Filtration Minerals business group provides its customers with tailor-made solutions in highly technical fields where chemical composition, morphology and mechanical, thermal and chemical properties are key requirements. The range of products is earmarked for the food and beverage, paints, plastics, rubber, coatings, health, pharmaceutical or building materials markets. The segment has 54 industrial facilities in 17 countries.

The Pigments for Paper business group produces kaolin and calcium carbonates, two key mineral components for the paper industry. This business group has sizeable reserves of these minerals and the know-how required for their processing. More than 350 paper mills are supplied by this business group, primarily in North America and Europe. The branch operates 47 industrial installations in 19 countries.

The Materials & Monolithics business group has high-quality deposits used to produce clay roof tiles, bricks and chimney blocks and provides refractory products for various industries, in particular steelmaking, cement, foundry, energy, petrochemicals and incineration. This branch operates 40 industrial facilities in 16 countries.

## Overview of 2010

The year 2010 saw growth on the markets where Imerys operates, even though volumes in 2010 are still around 15% below pre-crisis levels overall. Steel production expanded significantly, particularly owing to the dynamism of emerging zones; world production of printing and writing paper increased by 6% over the previous year. In contrast, construction showed weak recovery in Europe and in France, while remaining very low in the United States. The group also benefited from the euro's weakness compared to other currencies, particularly the dollar.

In this context, Imerys saw its results rise substantially, mainly under the impact of higher sales volumes and price/product mix. The emerging countries' share continues to rise and now represents 26% of the group's sales. The objective of an operating margin of 12.5% was attained thanks also to strong control over fixed and variable costs. Free cash flow generation helped to speed up the group's debt reduction and increase its financial flexibility with the aim of pursuing its development and taking advantage of growth opportunities. In the latter half of 2010, Imerys acquired the Brazilian firm Pará Pigmentos S.A. ("PPSA"), active in pigments for paper and mining rights in the State of Pará, with the aim of increasing its reserves of kaolin for paper and packaging and enhancing its industrial and logistical assets.

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### IMERYS FINANCIAL COMMUNICATION

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## **MINERALS FOR CERAMICS, REFRACTORIES, ABRASIVES & FOUNDRY**

Markets for Minerals for Refractories and Abrasives (steel, automotive, industrial equipment) and Graphite (mobile energy, etc.) were heavily affected by the global economic crisis in 2009. In 2010, they benefited from the clear upturn in end demand and an inventory rebuilding effect during the year. In this context and with a view to meeting the increase in global demand for high quality refractory minerals. In 2010, Imerys resumed its investments in the development of andalusite by opening a processing unit in China and stepping up its production capacities in South Africa. The upturn in demand was more moderate, on the other hand, on the Minerals for Ceramics market, since construction in the developed countries grew only slightly. Activity is therefore developing in new segments (electro-porcelain, glass fiber) and extending into emerging economies.

## **PERFORMANCE & FILTRATION MINERALS**

In the Performance & Filtration Minerals business group, most end markets showed an improvement in demand and some inventory building by customers and distributors until the third quarter. Current consumer products (beverages, edible oils, personal care products, etc.) and specialty products for industry (plastics, rubber, filtration, catalyst, etc.) registered significant growth, whereas products for the construction sector grew slowly in Europe and showed no improvement in the United States.

The industrial optimisation plan for the Minerals for Filtration activity in the United States, particularly the renovation of the diatomite plant in Lompoc (California), enabled this business to serve demand effectively in 2010. Mining operations returned to normal.

## **PIGMENTS FOR PAPER**

In the Pigments for Paper business group, global production of printing and writing paper, which had slumped severely in 2009, gradually recovered in 2010 as printers and distributors rebuilt their paper inventories. Demand increased by 6.1%, driven by both emerging countries (+ 5.7%) and mature countries (+ 6.5%); European papermakers benefited in 2010 from continuing consolidation of the sector and improved competitiveness thanks to the euro's depreciation against the dollar. This business group's strategic development continued with the commissioning of new production capacities in India and China and the acquisition of the Brazilian company PPSA, whose integration in the group is taking place according to the acquisition plan.

## **MATERIALS & MONOLITHICS**

In France, improvements in building permits did not result until late 2010 in an increase in new housing starts (+ 1.7% for the year as a whole). Renovation, however, was heavily hit by unfavourable weather in January, February and December, and fell slightly over the year.

In this context, the clay products market showed a negative 2% change in volume compared with 2009 for roofing components. The structure segment nevertheless showed strong growth thanks to the ongoing substitution of clay for concrete. Growth for the year amounted to 11%.

Markets for Monolithic Refractories, affected more in 2009, benefited from the upturn in steelmaking and more generally from industrial activity, which remained firm throughout the year. The cement, incineration and petrochemicals segments, which held out better in 2009, grew only slightly. New kiln construction projects remain limited.

In 2010, capital expenditure was limited to maintenance, since industrial assets have been upgraded in recent years. The Curtis Kiln Furniture plant (in Spain) was closed.

## **Outlook**

Imerys anticipates that its economic environment in 2011 will show gradual improvement of the construction market in France, expected from the second half of the year based on the evolution of building permits. The situation in the United States is expected to remain more uncertain. European markets other than construction could evolve favourably if the euro remains competitive against the dollar; the emerging countries are likely to continue to show growth. Cost inflation and currency volatility risks persist.

Against this backdrop, barring a major macro-economic event, Imerys expects to continue its growth, helped by the development efforts made in recent years. This growth will nevertheless be assessed in relation to 2010, which benefited from inventory rebuilding, a significant non-recurring event.

The group also has the financial resources to seize the value-creating opportunities that arise. Imerys announced on 23 February 2011 that it had submitted a firm bid to Rio Tinto for the acquisition of Luzenac group, for an enterprise value of USD 340 million. Luzenac is a leading player in the talc sector and has quality mining reserves and industrial installations in Europe, North America and Asia. The acquisition will be subject to approval by the competent regulatory authorities.

## ENVIRONMENT VARIABLES AND OPERATING DATA BY SECTOR OF ACTIVITY

	2010	2009	2008	
<b>Operating data</b>				
<b>Mineral reserves</b>	(in thousands tonnes)	<b>574,671</b>	<b>589,652</b>	<b>560,874</b>
Clay		28,714	26,561	27,112
Carbonates		261,380	272,690	267,550
Clay for bricks and roof tiles		92,073	90,498	90,262
Feldspar		28,667	44,102	43,150
Kaolin		106,385	96,955	101,121
Diatomite and perlite		41,194	41,759	14,998
Minerals for refractories		12,515	12,999	12,736
Other minerals		3,743	4,088	3,945
<b>Employees</b>				
	(in units)	15,090	14,592	17,016
<b>Information by sector</b>				
	(in EUR million)			
<b>Turnover</b>		<b>3,347</b>	<b>2,774</b>	<b>3,449</b>
Performance & Filtration Minerals		595	501	572
Pigments for Paper		767	632	719
Materials & Monolithics		923	876	1,041
Minerals for Ceramics, Refractories, Abrasives & Foundry		1,105	794	1,160
Eliminations between sectors		(43)	(29)	(43)
<b>Current operating income (EBIT)</b>		<b>419</b>	<b>249</b>	<b>415</b>
Performance & Filtration Minerals		65	27	46
Pigments for Paper		76	42	60
Materials & Monolithics		188	168	229
Minerals for Ceramics, Refractories, Abrasives & Foundry		135	44	128
Eliminations/Holdings		(45)	(32)	(48)

## MAIN FINANCIAL DATA

	2010	2009	2008	
<b>Simplified income statement</b>				
	(in EUR million)			
Turnover		3,347	2,774	3,449
Gross operating income (EBITDA)		621	417	573
Current operating income (EBIT)		419	249	415
Net current income (groupe share)		240	119	267
Net income (group share)		241	41	161
<b>Simplified balance sheet</b>				
	(in EUR million)			
Fixed assets		2,912	2,723	2,821
Shareholders' equity (group share)		2,170	1,837	1,526
Minority interests		27	19	20
Net debt		873	964	1,566
Debt-equity ratio	(in %)	40	52	101

## Financial report

In a year 2010 marked by favourable developments on its markets, Imerys showed a rebound in its results and operating performances. The group's **turnover** expanded by 20.7% in 2010, reaching EUR 3,347 million (EUR 2,774 million in 2009). This development reflects a positive foreign exchange effect of EUR 134 million and a group structure effect of EUR 24 million, related chiefly to the acquisition of the Brazilian company PPSA from August 2010. At constant scope and exchange rates, the increase in turnover (+ 15.0% over 2009) reflects the overall upturn in sales volumes (+ 13.1%) in all the business groups, which was sharper for those that had been most affected by the crisis, as well as an improved price/mix component over the year (+ 1.9%).

The **gross operating income (EBITDA)** came to EUR 621 million, expanding 49% over its 2009 level (EUR 417 million).

**Current operating income (EBIT)** expanded by 68.4% to EUR 419 million, compared with EUR 249 million in 2009. Group structure and exchange rates effects were marginal (+ 1%) on these indicators. The group's operating margin amounted to 12.5% in 2010, rising by 3.5 points compared with 2009 (9.0%). This marked improvement in margin reflects a favourable price/mix component, an overall decline in variable costs (especially the energy bill) and control over fixed production costs. In this respect, more than half the cost savings achieved in 2009 carried over into 2010, in correlation with the rebound of volumes.

The contribution of each of the different business groups to EBIT breaks down as follows:

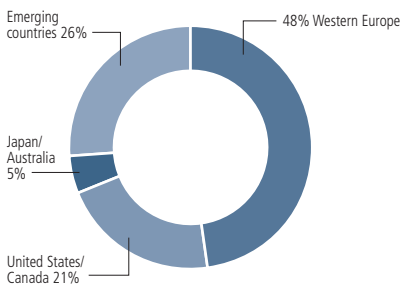
- the Minerals for Ceramics, Refractories, Abrasives & Foundry business group contributed 32%, namely EUR 135 million, to EBIT, multiplying threefold its contribution for 2009 (EUR 44 million). This result stemmed from the sharp rebound in sales volumes and the operating margin increased by 12.2% (compared with 5.5% in 2009).
- the Performance & Filtration Minerals business group contributed 15% to this result, in the amount of EUR 65 million; it expanded by 141.1% (+ 117.3% at constant scope and exchange rates) over 2009 (EUR 27 million). The operating margin doubled to 10.9% (5.4% in 2009) under the impact of lower variable costs, the strong price/mix component and the sharp recovery in volumes.
- the Pigments for Paper business group registered an EBIT of EUR 76 million, an 82.6% increase over 2009 (EUR 42 million), contributing 18% to the group's total. The upturn in this activity's operating performance, with a margin of 9.9% in 2010 (compared with 6.6% in 2009), nevertheless includes unfavourable foreign exchange and group structure effects in the amount of some EUR 8 million.
- the Materials & Monolithics business group registered an 11.6% increase in current operating income of EUR 188 million (EUR 168 million in 2009), equivalent to 45% of the group's EBIT. The operating margin rose to 20.3% (19.2% in 2009) and strict cost management compensated for the relatively lower contribution of Construction Materials.

**Net current income, group share**, amounted to EUR 240 million in 2010, twice the level of financial year 2009 (EUR 119 million). **Net result, group share**, of EUR 241 million represents a pronounced increase over 2009 (EUR 41 million). This result includes net non-current elements that were neutral in 2010.

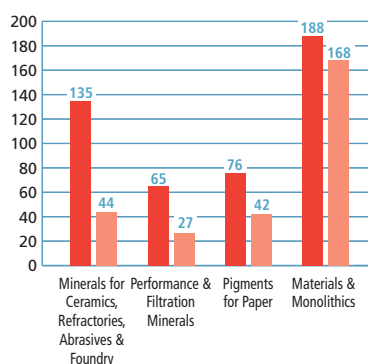
**Operating cash flow** rose to EUR 500 million in 2010 (compared with EUR 347 million). Working capital requirements remain under control notwithstanding the significant increase in turnover. Net investments amounted to EUR 155 million in 2010 (EUR 138 million in 2009) and essentially related to maintenance operations, with the increase in mining exploration investments being offset by a decrease in development investments. The current free operating cash flow came to EUR 303 million, compared with EUR 450 million in 2009. The group's **net financial debt** dropped by EUR 91 million to EUR 873 million on 31 December 2010 (EUR 964 million at end 2009), representing 40% of shareholders' equity.

The Board of Directors will propose to the General Meeting of shareholders, on 28 April 2011, to distribute a dividend of EUR 1.20 per share for 2010, an increase of 20% compared to 2009 (EUR 1.00 per share). This distribution represents a ratio of around 38% of net current income, group share. The dividend will be payable from 11 May 2011.

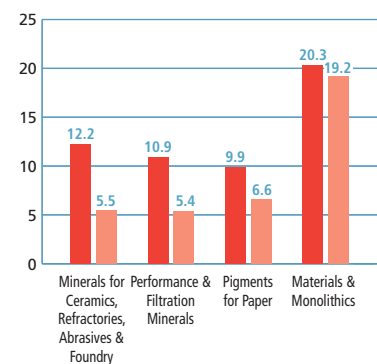
### Geographical breakdown of turnover (in %)



### Changes in current operating income by sector (in EUR million)



### Changes in current operating margin by sector (EBIT/turnover in %)



● 2010 ● 2009



**STOCK EXCHANGE DATA AND DATA ON GBL'S INVESTMENT**

		2010	2009	2008
<b>Stock Exchange data</b>				
Number of shares in issue	(in thousands)	75,474	75,389	62,787
Stock market capitalisation	(in EUR million)	3,765	3,168	2,040
Closing share price <sup>(1)</sup>	(in EUR/share)	49.89	42.02	32.50
Net current income <sup>(1)</sup>	(in EUR/share)	3.19	1.66	3.96
Fully-diluted net income <sup>(1)</sup>	(in EUR/share)	3.19	0.57	2.39
Dividend	(in EUR/share)	1.20	1.00	1.00
<b>GBL's investment</b>				
Percentage of share capital		30.7	30.7	30.5
Percentage of voting rights		37.7	36.3	37.0
Market value of the investment	(in EUR million)	1,157	971	623
Dividends collected by GBL	(in EUR million)	23	19	33
Representatives in statutory bodies		2	2	2

(1) The comparative periods have been adjusted to reflect the fact that the 2009 capital increase included preferential subscription rights

**Imerys' contribution to GBL's adjusted net assets and earnings**

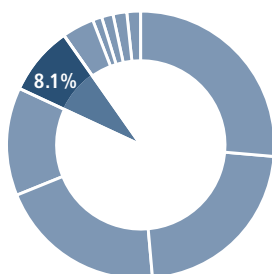
The stock market value of GBL's 30.7% stake in Imerys at end December 2010 stood at EUR 1,157 million compared with EUR 971 million a year earlier. This increase of EUR 186 million results from the improvement of the share price (+ 19%) of the company; the Imerys closing share price at end 2010 was EUR 49.89 (compared with EUR 42.02 in 2009).

Imerys contributed for 8.1% to GBL's adjusted net assets at end 2010. Imerys' contribution to GBL's earnings through consolidation using the equity method amounted to EUR 74 million, compared with EUR 13 million in 2009.

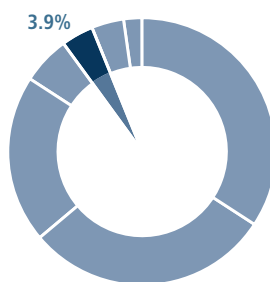
This increase results among other factors from the economic upturn.

Furthermore, Imerys' contribution to GBL's net dividends received from investments amounts to EUR 23 million compared with EUR 19 million in 2009. The amount received by GBL is equal to the Imerys dividend of EUR 1.00 per share.

**Contribution to GBL's adjusted net assets**



**Contribution to net dividends collected on investments**





# SUEZ ENVIRONNEMENT is a global leader operating exclusively in the Water and Waste sectors

## Profile

Suez Environnement is one of the world's top two players in environment activities, with a strong presence in Europe, particularly in France and Spain (Agbar), and operating in more than 35 countries. The group is active in all water and waste cycles and operates under different banners such as SITA for Waste, or Lyonnaise des Eaux, Ondéo Industrial Solutions, Safège, Degrémont, United Water and Agbar in the Water sector.

It exercises its activities under different contractual forms, both for the public authorities and for private sector operators, and has an extensive network of subsidiaries and agencies.

The company is organised into three main business lines: Water Europe, Waste Europe and International, which are themselves divided up into nine business units.

In the Water sector, activities include the catchment, pumping, treatment and distribution of drinking water, network maintenance and the operation of plants, customer management, collection and purification of domestic and industrial waste water, the biological and energy development of sludge from the purification process, and consumption control services.

In the Waste sector, the group's activities include among others the collection of all kinds of waste (apart from radioactive waste) and urban waste, selection and preliminary treatment of waste, recycling, material, biological or energy recovery of recoverable waste, the elimination of residual waste by incineration or landfill and integrated management of industrial sites, including in particular soil remediation, decontamination and rehabilitation as well as dismantling and decommissioning of end-of-life equipment.

The International division primarily comprises the activities of Degrémont, world leader in the design, construction and operation of drinking water production plants, sea water or brackish water desalination facilities, and waste water and sludge treatment and recycling sites. The group is also active in the United States through its subsidiary United Water, in China through water management and electricity concessions in Macao, and its subsidiary SITA Waste Services for waste activities in Hong Kong, and in Australia, Central Europe and the Middle East.

Globally, in its Water sector, Suez Environnement operated more than 1,200 drinking water production plants serving a population of 91 million people in 2010, and more than 1,800 water treatment facilities covering the needs of 61 million people. In Waste sector, the group provided collection services to nearly 50 million people and treated nearly 40 million tonnes of waste.

In the context of the merger between Suez and Gaz de France, Suez Environnement was listed on the Stock Exchange on 22 July 2008, a transaction implemented through the distribution by Suez of 65% of the company to its shareholders.

## Overview of 2010

In a still difficult economic environment of a gradual pick-up in activity, Suez Environnement registered stronger results in 2010 in all its activities, in keeping with its objectives. The group benefited from the effective implementation of its cost optimisation plan (Compass) and strict financial discipline in investments and liquidities management.

In 2010, the group also reinforced its strategic positions in its different businesses, including an acceleration of its international development. The finalisation at mid-year of the friendly takeover of Aguas de Barcelona (Agbar) reinforced the development of a second European pillar in Water, in addition to Lyonnaise des Eaux; Agbar stands out as the leading private player in Water and Waste in Spain and holds leading positions in Latin America, the United Kingdom and China. Suez Environnement also acquired in early 2011 the waste activities of WSN Environmental Solutions in Australia, consolidating the presence of the group on a market where Degrémont is building in Melbourne one of the biggest desalination plants.

The company also maintained sustained innovation-oriented business activity through new service offerings, particularly in waste recovery, protection of water resources or reduction of environmental impact.

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## SUEZ ENVIRONNEMENT FINANCIAL COMMUNICATION

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## WATER EUROPE

The Water Europe business line registered overall growth in its 2010 results for both its Lyonnaise des Eaux and Agbar activities.

This improvement resulted primarily from favourable group structure effects related to the group's development: in Spain, the acquisition of a 75.2% controlling stake in Agbar, owned with Criteria CaixaCorp, and fully consolidated in the accounts; and in France, the unbundling with Veolia Environnement of all joint interests in water management companies. At the conclusion of these transactions, Lyonnaise des Eaux owned 100% of eight companies, among which Eaux de Marseille, du Nord, de Versailles, etc.

In terms of organic growth, 2010 was a mixed year. For Lyonnaise des Eaux, the impact of the end of the Paris contract and the effects of a slight decline in sales volumes of drinking water (- 1%) were not entirely offset by advances in new works in France and contractual tariff revision. Conversely, for Agbar, the favourable consequences of increases in tariffs (Spain and United Kingdom) and volumes (China and Chile) were greater than the decline in the works activity and in tariffs in Chile.

## WASTE EUROPE

The Waste Europe business turned to good account in 2010 the significant rebound in secondary raw materials prices (essentially metals and paper) matched with an overall increase in volumes of radioactive waste. The Sorting/Recycling activities consequently experienced a pronounced upturn, in sharp contrast with 2009.

As the waste treatment market turned to increased recovery, to the detriment of disposal, the group registered a 9% increase in 2010 in volumes recovered. In contrast, the volume of waste disposed of through landfill declined by 7%. On the whole, the tonnages treated by the group in Europe rose by 1% in 2010, remaining stable with municipalities and increasing with large industrial and commercial customers.

This market trend reinforces the group's strategy based on maintaining activity throughout the waste treatment value chain and developing new energy recovery units.

The year also featured group structure impacts, such as the disposal of London Waste in the United Kingdom at the end of 2009 and the full-year contribution of the EVI incinerator in the Netherlands.

## INTERNATIONAL

Growth in this business line was driven by higher activity in all areas, and in particular by the sound performance registered by Degrémont and progress on the construction of the desalination plant in Melbourne. Degrémont also registered sustained commercial profits in France, Chile, Bangladesh and China. Progress was also registered in North America, fuelled by positive tariff revisions and volumes of water sold in a favourable climatic context. Growth was especially strong in Asia-Pacific, particularly in China and Australia. The group's activities in Morocco and Poland also progressed.



## Outlook

In a context of gradual economic recovery, the group announced short- and medium-term objectives focused on continued implementation of its growth policy, reinforcement of free cash flow, continued selectivity of investments and financial discipline and improved return on capital employed.

For 2011, the group anticipates, at constant exchange rates, growth in revenue and gross operating income (EBITDA) of at least 5% and 10% respectively compared with 2010. It also expects to generate net result, group share, of at least EUR 425 million and higher free cash flow than in 2010.

For 2012-2013, management will aim for growth in revenue and gross operating income (EBITDA) of 5% and 7% respectively (at constant exchange rates) and plans to capitalise on its long-term strategy of sustainable growth based on exogenous factors such as regulation, urbanisation, growing scarcity of resources requiring optimal water management and waste recovery, and the positioning of its businesses at the heart of the circular economy.

The net financial debt-to-EBITDA ratio is expected to be maintained at around three to one for the entire period.

The company has also set a strategy for its dividend policy for the three years corresponding to its results for 2011 to 2013. It anticipates an annual increase of around 5% in its per-share dividend, with a long-term objective of a payout ratio of at least 60%.

## ENVIRONMENT VARIABLES AND OPERATING DATA BY SECTOR OF ACTIVITY

	2010	2009	2008
<b>Operating data</b>			
<b>Volume of water sold</b> (in million m <sup>3</sup> )			
Lyonnaise des Eaux	590	656	655
Agbar in Spain (at 100%)	768	769	746
Agbar (International) (at 100%)	716	681	-
<b>Volume of waste treated</b> (in kilotonnes)			
Placed in landfill	5,714	5,437	5,879
Incinerated	10,478	11,325	12,038
<b>Information by sector</b> (in EUR million)			
<b>Revenue</b>	<b>13,869</b>	<b>12,296</b>	<b>12,364</b>
Water Europe	4,248	3,993	3,853
Waste Europe	5,863	5,319	5,728
International	3,743	2,969	2,765
Other	15	15	16
<b>Gross operating income (EBITDA)</b>	<b>2,339</b>	<b>2,060</b>	<b>2,102</b>
Water Europe	1,035	866	812
Waste Europe	839	798	924
International	558	468	419
Other	(93)	(72)	(53)
<b>Current operating income (EBIT)</b>	<b>1,025</b>	<b>926</b>	<b>1,059</b>
Water Europe	485	433	415
Waste Europe	349	314	469
International	327	309	282
Other	(136)	(130)	(107)

## MAIN FINANCIAL DATA

	2010	2009	2008
<b>Simplified income statement</b> (in EUR million)			
Revenue	13,869	12,296	12,364
Gross operating income (EBITDA)	2,339	2,060	2,102
Current operating income (EBIT)	1,025	926	1,059
Operating activities income	1,221	867	1,036
Net income (group share)	565	403	533
<b>Simplified balance sheet</b> (in EUR million)			
Fixed assets	18,395	13,683	13,133
Shareholders' equity (group share)	4,773	3,676	3,532
Minority interests	1,854	742	638
Net financial debt	7,526	6,282	5,971
Debt-equity ratio (in %)	114	142	143

## Financial report

Against a backdrop of gradual economic recovery, the year 2010 saw sustained growth in activity on each of the group's three operational business lines.

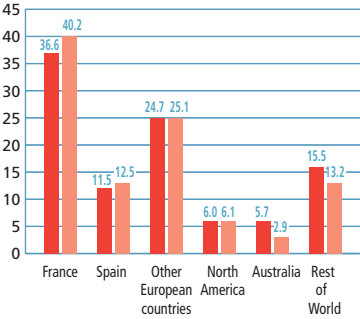
The **revenue** in 2010 rose to EUR 13,869 million, 12.8% higher than its 2009 level of EUR 12,296 million. Excluding exchange rates and group structure effects, activity expanded by 8.6%.

- The Water Europe business line (gross increase of 6.4%, organic growth of 0.8%) benefited from a positive group structure effect (Agbar and unbundling of joint interests) in a context in which the end of the Paris contract and lower sales volumes in France were offset by tariff increases and higher volumes invoiced by Agbar.
- The Waste Europe business line registered organic growth of 8.4% (10.2% gross increase) driven essentially by the significant rise in volumes and in prices of secondary raw materials, which benefited the Sorting/Recycling activity.
- The International business line (gross expansion of 26.1%, organic growth of 17.7%) was fuelled Degrémont's high level of activity and by the contribution of the Melbourne contract as well as the dynamism of its activities (prices and volumes) in Asia, Central Europe and Morocco.

Earnings generated in Europe, North America and Australia accounted for more than 84% of total income, with more than 73% coming from the European continent alone.

This increase in revenue was matched with improved operating performance.

### Geographical breakdown of revenue (in %)



### Gross operating income (EBITDA)

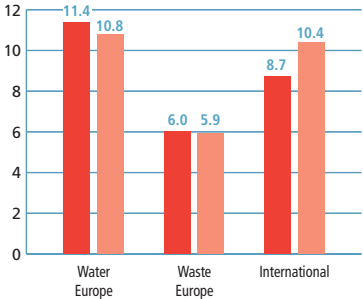
for 2010 expanded by 13.6% to EUR 2,339 million (compared with EUR 2,060 million in 2009), particularly under the effect of progress in the programme to optimise cost structure (Compass 2), which generated EUR 120 million in net savings over the year.

- The Water Europe business line accounted for 44% of this result with EUR 1,035 million, a gross expansion of 19.6% over 2009 (EUR 866 million). Its profit margin rose to 24.4% (21.7% in 2009), thanks mainly to the positive impact of the integration of Agbar and cost control.
- The Waste Europe business line accounted for 36% to this result with EUR 839 million, a 5.2% increase (EUR 798 million in 2009). Profit margin declined slightly to 14.3% (15.0% in 2009) owing to the diluting impact of secondary raw materials prices on the margin.
- The International business line contributed EUR 558 million, an increase of 19.1% year-on-year, although its profit margin slipped to 14.9% (15.8% in 2009) as a result of the stronger contribution of Degrémont's lower-margin activities.

The **current operating income (EBIT)** rose by 10.7% to EUR 1,025 million over 2009 (EUR 926 million). This positive evolution resulted exclusively from the group structure and exchange rates effects described above.

**Net result, group share**, amounted to EUR 565 million, an increase of 40.1% over 2009 (EUR 403 million). This amount includes net capital gains related to the Agbar transaction and to the unbundling of joint interests as well as restructuring and impairment expenses in the overall amount of EUR 196 million.

### Current operating margin by activities (in %)



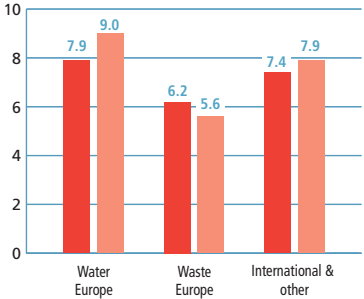
The group's **cash flow** before financial expenses and taxes (EUR 1,977 million) increased (EUR 1,797 million in 2009). Free cash flow before divestments and development investments amounted to EUR 852 million, a 20% increase over 2009 (excluding non-recurring elements). This recurring improvement is mainly attributable to the favourable change in working capital requirements. Net investments amounted to EUR 1,647 million.

The group's **net financial debt** at end 2010 added up to EUR 7,526 million (EUR 6,282 million at end 2009) including the impact of the issue of a deeply subordinated note entered in shareholders' equity, representing 114% of shareholders' equity (142% at end 2009). Average debt maturity was extended to 6.2 years (5.6 years at end 2009) through the new bond issue of EUR 500 million over 12 years in June 2010.

**Return on capital employed (ROCE)** stood at 7.2% in 2010 (7.3% in 2009), reflecting improved profitability of existing assets and the unfavourable impact of the integration of Agbar.

Suez Environnement will propose, at the General Meeting of shareholders on 19 May 2011, to distribute a dividend of EUR 0.65 per share for 2010, a stable payout compared to the previous year.

### Return on capital employed by activities (ROCE) (in %)



● 2010 ● 2009

**STOCK EXCHANGE DATA AND DATA ON GBL'S INVESTMENT**

		2010	2009	2008
<b>Stock Exchange data</b>				
Number of shares in issue	(in thousands)	489,699	489,699	489,699
Stock market capitalisation	(in EUR million)	7,566	7,896	5,901
Closing share price	(in EUR/share)	15.45	16.13	12.05
Adjusted fully-diluted net income	(in EUR/share)	1.15	0.82	1.09
Dividend	(in EUR/share)	0.65	0.65	N/A <sup>(1)</sup>
<b>GBL's investment</b>				
Percentage of share capital		7.1	7.1	7.1
Percentage of voting rights		7.1	7.1	7.1
Market value of the investment	(in EUR million)	541	564	422
Dividends collected by GBL	(in EUR million)	23	23	N/A <sup>(1)</sup>
Representatives in statutory bodies		2	2	2

(1) First quotation on 22 July 2008

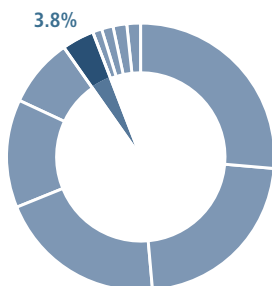
**Suez Environnement's contribution to GBL's adjusted net assets and earnings**

The stock market value of GBL's 7.1% stake in Suez Environnement at end December 2010 amounted to EUR 541 million, compared with EUR 564 million a year earlier. This decrease of EUR 23 million resulted from the 4.2% year-on-year decline in Suez Environnement's share price; the Suez Environnement closing share price at end 2010 was EUR 15.45, compared with EUR 16.13 at end 2009.

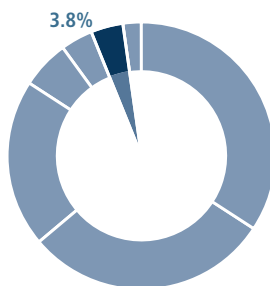
Suez Environnement contributed for 3.8% to GBL's adjusted net assets at end 2010.

In 2010, Suez Environnement contribution to GBL's earnings amounted to EUR 23 million, which corresponds to the dividend of EUR 0.65 per share distributed by the company. The amount collected by GBL is equal to the one received in 2009.

**Contribution to GBL's adjusted net assets**



**Contribution to net dividends collected on investments**



# Other investments

## Iberdrola

(<http://www.iberdrola.es>)

Iberdrola is a major international player in the generation, distribution and commercialization of electricity and natural gas and is emerging as a global leader in renewable energy through its subsidiary Iberdrola Renovables. The group holds leading positions in Spain and Latin America and recently extended its activities to the United Kingdom and the United States through the acquisitions of Scottish Power (2007) and Energy East (2008) respectively.

In 2010, Iberdrola's operating results rose despite a mixed economic environment that continued to improve gradually in terms of both demand and commodity prices. EBITDA and EBIT rose by 10.5% and 7.1% respectively from one year to the next, totalling EUR 7,528 million and EUR 4,830 million.

These performances reflected an overall increase in electricity generation (+ 8%) and a more favourable energy mix (hydraulic, nuclear, etc.). They were also the result of strict management of operating and structural costs as well as the solidity of regulated activities and renewable energy.

Net result, group share, stabilised at end 2010 at EUR 2,870 million (EUR 2,824 million in 2009). This profit was impacted by higher financial expenses related to the increase in average financial debt over the year and by a reduction in non-current elements. Recurring profit, group share, rose by 6% at EUR 2,582 million.

Net financial debt at end 2010 amounted to EUR 29.5 billion (EUR 28.5 billion at end 2009), representing 93% of shareholders' equity (98% in 2009).

The group will propose to the General Meeting of shareholders to distribute a dividend balance of at least EUR 0.18 per share, bringing the total dividend payout per share for 2010 to a level at least equivalent to its 2009 level (EUR 0.326 per share). The contribution to GBL's cash earnings for 2010 amounted to EUR 10.7 million (EUR 8.6 million in 2009), or the equivalent of 1.9%.

As a reminder, during the first half of 2007, GBL acquired a 3% stake in Iberdrola at a cost of nearly EUR 1.4 billion. This investment was partially divested at end 2007 and early 2008 at a sale price of more than EUR 1.3 billion, resulting in a total capital gain of EUR 184 million over these two years.

GBL's residual investment in Iberdrola amounts to 0.6% of its capital and includes its investment of EUR 13 million in the group's capital increase in June 2009 at the price of EUR 5.3 per share. This position was successively brought back to the investment's market value at end 2008, end March 2009 and end June 2010, i.e. EUR 4.6 per share, leading to an impairment in its books of EUR 144 million, of which EUR 20 million in 2010. At end December 2010, Iberdrola share price was EUR 5.77.

## Arkema

(<http://www.arkema.com>)

Arkema group, created from the reorganisation of Total's Chemical branch, is a major player in the world chemicals industry with a portfolio of activities in three business segments: Industrial Chemicals, Performance Products and, to a lesser extent, Vinyl Products. It is present in 40 countries and operates globally through 80 industrial installations in Europe, North America and Asia, as well as commercial subsidiaries in every region of the world.

In 2010, the company continued its transformation process launched in 2005. It made a number of acquisitions in the acrylics industry (Industrial Chemicals), taking over the acrylics assets purchased from Dow in North America, on the one hand, and announcing last December its plans to buy Total's photocure and coatings resins, on the other. These transactions have established Arkema as a world leader in materials for the coatings market.

In 2010, Arkema had sales of EUR 5,905 million, a 33% increase over 2009 (EUR 4,444 million). This performance was driven by strong demand in Asia, where the group earns more than 18% of its sales, the gradual recovery in North America, the repositioning of its sales on products with high added value and the start-up of new production units.

At the same time, EBITDA expanded by 2.5 to a total of EUR 790 million (EUR 310 million in 2009). The ratio of gross operating margin (EBITDA) to sales was 13.4%, compared with 7.0% in 2009. This operating performance reflects improved sales volumes and unit margins on most product lines as well as control over fixed costs, the effects of restructuring operations in Europe and the integration of the activities acquired from Dow. Net income, group share, amounted to EUR 347 million, following on from a loss of EUR 172 million in 2009.

Cash flow generation of EUR 276 million in 2010, above its 2009 level, reflects in particular the recovery in operating income as well as further strict control of working capital requirements. Net financial debt at end 2010 amounted to EUR 94 million (EUR 341 million in 2009), representing some 4% of shareholders' equity (19% in 2009).

The Board will propose to the General Meeting of shareholders on 24 May 2011 the distribution of a dividend of EUR 1.00 per share for 2010, a 67% increase over the previous year (EUR 0.60). Arkema's contribution to GBL's cash earnings for 2010 totalled EUR 1.2 million.

As a reminder, GBL acquired a 3.9% stake in Arkema at the time of the company's spin-off by Total in May 2006. Since that first listing, GBL has increased its stake in the chemical group's capital in recent months, reaching 5.0% at the end of 2010, and around 6.0% more recently.



## PAI Europe III (PAI)

GBL has paid up around 95% of its 2001 investment commitment of EUR 40 million in PAI (out of a total of EUR 1.8 billion). The sale of investments has allowed PAI to pay out to GBL cumulative distributions of EUR 83 million.

During 2010, PAI concluded a debt refinancing agreement with Yoplait and sold partially its investment in Chr Hansen on the Stock Exchange.

At 31 December 2010, the portfolio comprised five investments: Yoplait, GruppoCoin, FTE, Chr Hansen and Compagnie Européenne de Prévoyance.

## Sagard

In 2002, GBL agreed to invest in the initial Sagard fund (Sagard I) in the amount of EUR 50 million, out of a total commitment of EUR 536 million.

During financial year 2006, GBL invested in that fund's successor, Sagard II, in the initial amount of EUR 150 million, reduced in 2009 to EUR 120 million.

Overall commitments to the Sagard II fund represent nearly EUR 810 million.

### SITUATION OF SAGARD I FUND

The total amount paid out since the creation of the fund stands at EUR 47 million, virtually unchanged compared to end 2009.

On a cumulative basis, GBL has collected payouts of EUR 68 million from Sagard I.

The Sagard I portfolio comprised five investments at 31 December 2010: Hermes Metal Yudigar, Kiloutou, Souriau, Régie Linge Développement and Olympia.

### SITUATION OF SAGARD II FUND

At 31 December 2010, GBL had invested a total of EUR 57 million in this fund.

In 2010, Sagard II disposed of its investment in SGD. It also invested in Ceva, the world's eighth-ranked laboratory in the field of animal health, and reinforced its investment in Fläkt Woods group.

The Sagard II portfolio comprises four investments at end December 2010: Corialis, Vivarte, Fläkt Woods and Ceva.

## Ergon Capital Partners (ECP)

Ergon is a private equity fund set up in February 2005 by GBL in partnership with Parcom Capital, an ING subsidiary. These partners launched a second fund, Ergon Capital Partners II (ECP II), in December 2006. GBL decided in March 2010 to start up Ergon Capital Partners III (ECP III), which is entirely owned by GBL. ECP as a whole has investment capacity of EUR 775 million.

In 2010, ECP analysed some hundred potential investments and acquired through ECP III a controlling interest in ELITech Group, a first-rate independent player in the diagnostic medical market. ELITech produces and distributes in vitro diagnostic equipment, tests and reagents used primarily by medical and/or biological analysis laboratories. ELITech is active on 3 segments in the diagnostic market: biochemistry, microbiology and molecular biology. In addition to its industrial activity, the group distributes a number of products of third-party companies. It is comprised of 6 industrial sites in France, the United States, the Netherlands and Italy.

ECP's portfolio continues its gradual upturn thanks to measures put in place in 2009 and continued in 2010 to cut costs and encourage cash generation and improved operating activities. Total debt of companies in the portfolio continued to decline significantly. One of the investments had to undergo a difficult restructuring process, namely Seves, world leader in the manufacture of glass insulators.

ECP and ECP II registered a consolidated accounting profit of EUR 33 million in 2010, with GBL's share amounting to EUR 14 million. This result stemmed mainly from the change in the portfolio's book valuation. ECP III registered a consolidated accounting loss of EUR 6 million in 2010. GBL group's share in this loss, excluding the minority interest in ELITech group, amounted to EUR 3 million. ECP III's consolidated accounting loss resulted mainly from expenses incurred with the acquisition of ELITech group.

At end December 2010, ECP's portfolio comprised eight investments valued at EUR 328 million: La Gardenia, Seves, Stroili, Corialis, Joris Ide, Farmabios, Nicotra Gebhardt and ELITech.



# Accounts at 31 December 2010

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# Consolidated balance sheet for the period ended 31 December

In EUR million	Notes	2010	2009	2008
<b>Non-current assets</b>		<b>14,747.5</b>	<b>14,711.0</b>	<b>12,895.9</b>
Intangible assets	1	73.6	-	-
Tangible assets	9	23.9	18.0	19.0
Investments		14,592.1	14,671.3	12,855.5
<i>Shareholding in associated companies</i>	2	4,921.2	4,556.4	3,393.1
<i>Investments available-for-sale</i>	3	9,670.9	10,114.9	9,462.4
Other non-current assets		55.8	21.2	20.9
Deferred tax assets	8	2.1	0.5	0.5
<b>Current assets</b>	4	<b>818.7</b>	<b>632.2</b>	<b>1,141.1</b>
Trading assets		20.8	14.7	161.1
Cash and cash equivalents		685.8	604.8	966.0
Other current assets		112.1	12.7	14.0
<b>Total assets</b>		<b>15,566.2</b>	<b>15,343.2</b>	<b>14,037.0</b>
<b>Shareholders' equity</b>	10	<b>14,774.5</b>	<b>14,845.1</b>	<b>13,418.4</b>
Capital		653.1	653.1	653.1
Share premium account		3,815.8	3,815.8	3,815.8
Reserves		10,296.1	10,376.2	8,949.5
Non-controlling interests		9.5	-	-
<b>Non-current liabilities</b>		<b>685.0</b>	<b>428.4</b>	<b>425.3</b>
Exchangeable loans	5	277.6	424.7	420.6
Other financial debts	5	403.2	-	-
Deferred tax liabilities	8	1.3	2.7	3.8
Provisions		2.9	1.0	0.9
<b>Current liabilities</b>		<b>106.7</b>	<b>69.7</b>	<b>193.3</b>
Financial debts	4	7.0	-	150.0
Tax liabilities		1.6	1.5	1.6
Derivatives	4	29.2	26.1	11.0
Other current liabilities	4	68.9	42.1	30.7
<b>Total liabilities and shareholders' equity</b>		<b>15,566.2</b>	<b>15,343.2</b>	<b>14,037.0</b>

# Consolidated statement of comprehensive income

In EUR million	Notes	2010	2009	2008
<b>Net earnings from associated companies</b>	2	<b>262.2</b>	<b>161.1</b>	<b>324.9</b>
<b>Net dividends on investments</b>	3	<b>450.7</b>	<b>550.3</b>	<b>479.8</b>
<b>Interest income and expenses</b>	6	<b>(14.6)</b>	<b>(11.8)</b>	<b>44.3</b>
Non-current assets		1.3	(0.5)	3.3
Current assets and liabilities		5.6	5.3	59.8
Financial debts		(21.5)	(16.6)	(18.8)
<b>Other financial income and expenses</b>		<b>(9.8)</b>	<b>(10.0)</b>	<b>(80.8)</b>
Gains on trading assets and derivatives	4	(6.5)	(16.1)	(77.2)
Other		(3.3)	6.1	(3.6)
<b>Other operating income and expenses</b>	7	<b>(32.2)</b>	<b>(24.3)</b>	<b>(20.3)</b>
<b>Earnings on disposals, impairments and reversal of non-current assets</b>		<b>(18.8)</b>	<b>391.3</b>	<b>(1,436.4)</b>
Investments accounted for using the equity method	2	-	649.6	(1,091.6)
Investments available-for-sale	3	(18.8)	(258.3)	(344.8)
<b>Taxes</b>	8	<b>0.9</b>	<b>1.1</b>	<b>1.0</b>
<b>Consolidated result of the period</b>		<b>638.4</b>	<b>1,057.7</b>	<b>(687.5)</b>
Attributable to the Group		640.8	1,057.7	(687.5)
Attributable to non-controlling interests		(2.4)	-	-
<b>Other comprehensive income</b>				
<b>Investments available-for-sale – Fair value adjustment</b>	3	<b>(579.6)</b>	<b>693.6</b>	<b>(4,093.3)</b>
<b>Share in other comprehensive income of associated companies</b>		<b>244.4</b>	<b>58.0</b>	<b>(322.6)</b>
<b>Other</b>		<b>0.6</b>	<b>-</b>	<b>-</b>
<b>Comprehensive income of the period</b>		<b>303.8</b>	<b>1,809.3</b>	<b>(5,103.4)</b>
Attributable to the Group		306.2	1,809.3	(5,103.4)
Attributable to non-controlling interests		(2.4)	-	-
<b>Earnings per share</b>	11			
Basic		4.13	6.80	(4.41)
Diluted		4.12	6.66	(4.41)

# Consolidated statement of changes in shareholders' equity

In EUR million	Capital	Share premium	Revaluation reserves	Treasury shares	Differences on translation	Retained earnings	Shareholders' equity – Group share	Non-controlling interests	Shareholders' equity
<b>At 31 December 2007</b>	<b>653.1</b>	<b>3,815.8</b>	<b>7,259.6</b>	<b>(183.7)</b>	<b>(41.7)</b>	<b>7,365.5</b>	<b>18,868.6</b>	-	<b>18,868.6</b>
Comprehensive income	-	-	(4,237.7)	-	(170.8)	(694.9)	(5,103.4)	-	(5,103.4)
Total transactions with equityholders (note 10)	-	-	-	(24.0)	-	(322.8)	(346.8)	-	(346.8)
<b>At 31 December 2008</b>	<b>653.1</b>	<b>3,815.8</b>	<b>3,021.9</b>	<b>(207.7)</b>	<b>(212.5)</b>	<b>6,347.8</b>	<b>13,418.4</b>	-	<b>13,418.4</b>
Comprehensive income	-	-	782.3	-	(0.2)	1,027.2	1,809.3	-	1,809.3
Total transactions with equityholders (note 10)	-	-	-	(27.4)	-	(355.2)	(382.6)	-	(382.6)
<b>At 31 December 2009</b>	<b>653.1</b>	<b>3,815.8</b>	<b>3,804.2</b>	<b>(235.1)</b>	<b>(212.7)</b>	<b>7,019.8</b>	<b>14,845.1</b>	-	<b>14,845.1</b>
Comprehensive income	-	-	(608.7)	-	273.9	641.0	306.2	(2.4)	303.8
Total transactions with equityholders (note 10)	-	-	-	(9.8)	-	(376.5)	(386.3)	11.9	(374.4)
<b>At 31 December 2010</b>	<b>653.1</b>	<b>3,815.8</b>	<b>3,195.5</b>	<b>(244.9)</b>	<b>61.2</b>	<b>7,284.3</b>	<b>14,765.0</b>	<b>9.5</b>	<b>14,774.5</b>

# Consolidated cash flow statement

In EUR million	2010	2009	2008
<b>Cash flow from current operations</b>	<b>509.2</b>	<b>794.6</b>	<b>460.6</b>
Consolidated result of the period before interest and taxes	652.1	1,068.4	(732.8)
Adjustments for:			
Net earnings from associated companies	(262.2)	(161.1)	(324.9)
Dividends paid by associated companies	144.0	101.7	178.9
Fair value revaluation	3.4	7.4	10.8
Earnings on disposals, impairments and reversal of non-current assets	18.8	(391.3)	1,436.4
Other	(30.0)	3.9	2.2
Interest income received	5.2	13.8	48.2
Interest expenses paid	(20.3)	(22.4)	(14.9)
Taxes received	-	-	-
Change in trading securities and derivatives	(0.5)	146.4	(116.5)
Change in working capital requirements	(1.3)	27.8	(26.7)
<b>Cash flow from investing activities</b>	<b>(289.4)</b>	<b>(620.1)</b>	<b>(1,078.0)</b>
Acquisitions of:			
Investments	(161.9)	(616.9)	(1,551.3)
Subsidiaries, excluding acquired cash position	(70.2)	-	-
Tangible assets	(0.1)	(0.7)	(7.1)
Other financial assets	(60.4)	(4.7)	(3.0)
Proceeds from disposals of tangible assets	-	-	14.6
Disposal of investments available-for-sale	3.2	2.2	468.8
<b>Cash flow from funding activities</b>	<b>(138.8)</b>	<b>(535.7)</b>	<b>(219.6)</b>
Net capital increase	-	-	-
Dividends paid	(375.7)	(358.3)	(325.6)
Amounts received from financial debts	407.2	750.0	150.0
Repayment of financial debts	(160.5)	(900.0)	(20.0)
Net changes in treasury shares	(9.8)	(27.4)	(24.0)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>81.0</b>	<b>(361.2)</b>	<b>(837.0)</b>
Cash and cash equivalents at the beginning of the period	604.8	966.0	1,803.0
Cash and cash equivalents at the end of the period	685.8	604.8	966.0

# Accounting policies

Groupe Bruxelles Lambert ("GBL") is a Belgian holding company listed on Euronext Brussels. Its consolidated financial statements cover a period of 12 months ending 31 December 2010. They have been approved by the Board of Directors on 3 March 2011.

## GENERAL ACCOUNTING PRINCIPLES AND APPLICABLE STANDARDS

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union.

The following new and amended standards and interpretations have been applied since 2010 financial year:

- Revision of IFRS 3 – *Business combinations* which makes significant changes to the previous version of the standard, particularly with respect to the immediate entry in expenses of costs directly related to the acquisition, valuation at fair value of any financial contingent considerations and recording of any subsequent changes in profit or loss, treatment of acquisitions in stages and the possibility to value minority interests (renamed "non-controlling interests") at their fair value.
- Amendments to IAS 27 – *Consolidated and separate financial statements* which bring about the following changes: any difference linked to the acquisition or disposal of interests in subsidiaries without a loss of controlling interest is entered under return on shareholders' equity, the loss of a controlling interest in a subsidiary with continued holding of an interest is treated as a disposal of the entire interest matched with the acquisition at fair value of the interest still held, non-controlling interests (minority interests) may have a negative balance.
- Annual improvements to the IFRS system (April 2009), which make limited changes to ten standards and two interpretations.
- Amendments to IAS 39 – *Financial instruments: Recognition and measurement* concerning the eligible covered elements.
- Amendments to IFRS 2 – *Share-based payment* concerning intragroup transactions settled with cash.
- IFRIC Interpretation 17 – *Distribution of non-cash assets to owners*.

These amendments and this new interpretation had no significant impact on GBL's consolidated financial statements.

Furthermore, GBL did not anticipate application of the new and amended standards and interpretations that became effective after 31 December 2010, namely:

- New IFRS 9 – *Financial instruments* (applicable for accounting years beginning on or after 1 January 2013); the finalised phases of this proposal for replacement of IAS 39 concern the classification and valuation of financial assets and liabilities.
- Annual improvements to the IFRS system (May 2010) (in principle applicable for accounting years beginning on or after 1 January 2011), which make limited changes to six standards and one interpretation.

- Amendments to IFRS 7 – *Financial instruments: Disclosures* (applicable for accounting years beginning on or after 1 July 2011) which impose the presentation of additional information in notes concerning transfers of financial assets (derecognition).
- Amendments to IAS 24 – *Related party disclosures* (applicable for accounting years beginning on or after 1 January 2011) which change and clarify the definition of a related party and introduce an exemption for State's related entities.
- Amendments to IAS 32 – *Financial instruments: Presentation* (applicable for accounting years beginning on or after 1 February 2010) which deal with the classification of rights issues.
- IFRIC interpretation 19 – *Extinguishing financial liabilities with equity instruments* (applicable for accounting years beginning on or after 1 July 2010).
- Amendments to IFRIC interpretation 14 IAS 19 – *The limit on a defined benefit asset, minimum funding requirements and their interaction – Prepayments of minimum funding obligations* (applicable for accounting years beginning on or after 1 January 2011).

The future application of these new standards and interpretations is not expected to impact significantly the consolidated financial statements, apart from the new IFRS 9, which should influence the treatment of non-consolidated interests that are not held for trading purposes. However, the potential impact of this new standard can only be ascertained once the proposal for replacement of IAS 39 has been finalised and adopted at European level.

## METHODS AND SCOPE OF CONSOLIDATION

The consolidated financial statements, stated before appropriation of profit, include those of GBL and its subsidiaries ("the Group") and the interests of the Group in associated companies consolidated using the equity method. The important subsidiaries and the associated companies close their accounts on 31 December.

### Controlled companies

Companies controlled by the Group are fully consolidated. Control is presumed to exist when the Group, directly or indirectly, holds more than 50% of the voting rights of an entity.

Intra-group balances and transactions as well as latent income have been eliminated. Newly acquired companies are consolidated as from the date of acquisition.

### Associated companies

If the Group has a significant influence in a company, the investment it holds in that company is considered as an associated company. The exercise of significant influence is presumed to exist if the Group, directly or indirectly, through its subsidiaries holds more than 20% of the voting rights.

Associated companies are entered into the consolidated financial statements using the equity method.



## BUSINESS COMBINATIONS AND GOODWILL

When the Group acquires a business, the identifiable assets and liabilities of the acquired entity are recorded at fair value on the date of acquisition.

The counterparty transferred to a business combination corresponds to the fair value of the transferred assets (including cash holdings), the assumed liabilities and the shareholders' equity instruments issued by the Group in exchange for the control of the acquired entity. The costs directly related to the acquisition are generally recorded in the income statement.

Goodwill is calculated as the positive difference between the following two elements:

- sum of (i) the counterparty transferred and, where appropriate, (ii) the amount of the non-controlling interests (minority interests) in the acquired entity, and (iii) the fair value of interests already held by the Group prior to acquisition of the controlling interest; and
- the net amount on the date of acquisition of the identifiable assets and liabilities acquired and assumed.

If, after confirmation of the values, this difference proves to be negative, this amount is immediately recorded in the income statement as profit on an advantageous acquisition.

Goodwill is entered as an asset in the balance sheet under the heading "Intangible assets" and subjected to an annual impairment test, which consists in comparing the recoverable amount of the cash generating units to which the goodwill has been allocated at their book value (including the goodwill). If the latter is higher, an impairment must be recorded in the income statement.

In addition, in valuing goodwill as outlined above, the amount of the non-controlling interests can be valued on a case by case basis and at GBL's choice, either at fair value (the so-called "full goodwill" option) or at the share of the identifiable net asset in the acquired entity.

## TANGIBLE AND INTANGIBLE ASSETS

Tangible and intangible assets, apart from goodwill as described in the preceding section, are recorded at cost less any cumulative amortisation and depreciations.

These are depreciated over their estimated useful life using the straight-line method.

## INVESTMENTS AVAILABLE-FOR-SALE

Investments available-for-sale include investments in companies in which the Group does not exercise a significant influence. The absence of significant influence is presumed if the Group does not, directly or indirectly, hold more than 20% of the voting rights. These investments are recorded at fair value based on the share price for listed companies. Any changes between two closings in the fair value of those investments are recorded in shareholders' equity.

When an investment is sold, the difference between the net proceeds of the sale and the book value (balance sheet value on the date of sale, adjusted by the amount of shareholders' equity accumulated through periodic revaluation to fair value of the investment) is recorded as a credit or debit in the income statement.

## FINANCIAL ASSETS

Trading securities include derivatives and other instruments held for trading purposes. They are recorded at fair value at the end of each closure. Any changes in fair value between two closings are recorded in the income statement.

Bonds considered as investments held to maturity (subject to the Group has the expressed intention and the ability to hold them to maturity) and loans and receivables issued by the Group are valued at their amortised cost, i.e. the amount at which they were initially recorded in the accounts plus or minus the accumulated amortization of any difference between this initial amount and the amount at maturity, and less any amounts recorded for impairment or non-recoverability. These bonds, loans and receivables are recorded under the heading "Other current assets" or "Other non-current assets" in terms of their maturity.

Cash and cash equivalents include bank deposits and fixed-term investments with a maturity date equal or of less than three months from the acquisition date.

## IMPAIRMENT OF ASSETS

### Investments available-for-sale

When there is an objective evidence of impairment of an investment available-for-sale, an impairment test must be carried out.

An impairment is entered in the results of the period if the tested investment is considered to be impaired. In that case, the amount of the impairment entered is the difference between the acquisition cost of the investment and its fair value (share price) at closing.

### Investments consolidated using the equity method

When there is an objective evidence of impairment of an investment consolidated using the equity method, an impairment test must be carried out, in accordance with IAS 36 – *Impairment of assets* and IAS 28 – *Investments in associates* (33).

The recoverable amount of the asset is estimated in order to compare it to its book value and, if need be, to enter an impairment for the surplus. The recoverable amount is the highest of either the fair value less costs of sell or the value in use. The value in use corresponds to the future estimated discounted cash flow value. When an impairment entered in an earlier period ceases to exist, the book value is partially or totally restored. The reversal of an impairment is entered immediately as profit.

## TAXES

Taxes payable on the result of the financial year include both current and deferred taxes. They are recorded in the income unless they relate to items directly recorded in shareholders' equity, in which case they also are recorded in the accounts in shareholders' equity.

Current taxes are the taxes to be paid on the taxable profit for the financial year and are calculated in accordance with the tax rates in effect or that will be in effect on the last day of the financial year, plus any adjustments relating to prior years.

Deferred taxes are calculated in accordance with the variable carry-over method, which is applied to the temporary differences between the book values and tax basis of the assets and liabilities recorded in the balance sheet.

The following tax differences are disregarded: non-tax-deductible goodwill and initial valuations of assets and liabilities not affecting the book and taxable profit.

Deferred taxes are calculated according to the manner in which the related assets and liabilities are expected to be realised or settled, based on the tax rates in effect or that will be in effect on the last day of the financial year.

Additionally, deferred tax liabilities related to investments in subsidiaries are not recorded when the Group is able to control the date on which the temporary difference will reverse and when the Group does not expect the temporary difference to reverse within a foreseeable future.

Deferred tax assets are recorded if the taxable profits are likely to materialise in such a manner as to allow them to be offset against tax losses and tax credits.

## TREASURY SHARES

When treasury shares are bought (or sold), the amount paid (or received) is recorded as a decrease (or increase) in shareholders' equity. Movements in these shares are shown in the consolidated statement of changes in shareholders' equity. No profits or losses on these movements are recorded in the income statement.

## PROFIT SHARING PLANS

### GBL stock options

GBL stock options granted prior to 7 November 2002 have not been recorded in the consolidated financial statements in accordance with the transitional provisions of IFRS 2.

Profit sharing plans granted as from 2007 are entered in accordance with IFRS 2 – *Share-based payments*. In accordance with this standard, the fair value of the options on the date of allocation is entered in the income statement for the period of acquisition of the rights ("vesting period"). The options are valued by means of a valuation model generally authorised based on the market conditions prevailing at the time of their allocation.

### Pargesa stock options

The Pargesa shares that cover the options issued are held by GBL and are entered as cash investments, under the heading "Trading securities". The options are recorded on the liabilities in the balance sheet. Changes in the fair value of options and shares are entered in the income statement.

## PENSION LIABILITIES AND SIMILAR OBLIGATIONS

Commitments for defined benefit pension plans and similar obligations are valued using the Projected Unit Credit method in compliance with IAS 19 – *Employee benefits*.

If cumulative actuarial differences are higher than the greater of the following two amounts:

- 10% of the present value of the commitments for pension plans;
- 10% of the fair value of the assets assigned to cover these commitments;

the excess is depreciated over the average number of remaining working years of the employees covered by the plan. This method for treatment of the actuarial differences, known as the "corridor method", has been used since 2004.

## APPROPRIATION OF PROFIT

Dividends paid by GBL to its shareholders are included as a reduction of shareholders' equity for their gross amount, i.e. before withholding tax. The financial statements are established before appropriation of profit.

## PROVISIONS

Provisions are recorded at the end of the financial year when a company of the Group has an actual legal or implicit obligation resulting from a past event, when it is probable that an amount will have to be paid out to settle this obligation, and if the amount of the obligation can be determined reliably.

The amount recorded as a provision should be the most accurate estimation of the expenditure required to meet the obligation existing on the last day of the financial year.

Provisions for restructuring are not recorded unless the Group has approved a detailed and formal restructuring plan and if the restructuring has either begun or been publicly announced. Costs relating to the Group's current operations are not taken into account.

## CURRENT AND NON-CURRENT DEBT

Non-current debt (bank loans and bonds) and current debt (bank deposits) are initially recorded in the accounts at their fair value less, in the case of a financial liability that has not been recorded at fair value through the income statement, the transaction costs that are directly imputed to the acquisition or release of the financial liability. After initial recording, they are valued at their amortized cost (initial amount less repayments of principal plus or minus the cumulative amortization of any difference between the initial amount and the value on maturity).

## EXCHANGEABLE LOANS

The exchangeable loans issued by the Group are considered as hybrid instruments. At the date of issue, the fair value of the liability component is estimated based on the prevailing market interest rate for similar non-exchangeable bonds. The difference between the proceeds of issuance of the exchangeable bond and the fair value assigned to the liability component, representing the embedded option to exchange the bonds into shares, is included in the shareholders' equity.

The interest cost of the liability component is calculated by applying the prevailing interest market rate.

## DERIVATIVES

Derivative financial instruments are recorded at their fair value. Changes in fair value of these financial instruments between two closings are recorded in the income statement.

## ITEMS DENOMINATED IN FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies in the accounts of Group's companies are translated into euros utilizing the exchange rates of the last day of the financial year. Unrealised differences on translation resulting from the application of this methodology are recorded as gains or losses of the financial year. Non-monetary assets and liabilities are recorded using the exchange rates applicable on the date of the transaction.

In the consolidated financial statements, differences on translation on the shareholders' equity of consolidated companies or companies consolidated using the equity method are not recorded in the income statement of the financial year, but are included in shareholders' equity under the "Differences on translation" heading. Gains and losses in foreign currencies are translated into euros at the average exchange rate for the financial year.

Differences on translation arising from the difference between average rate and closing rate are included in shareholders' equity under the "Differences on translation" heading.

## INTEREST

Interest income and expenses include interest to be paid on loans and interest to be received on investments. Interest income received is entered prorata temporis in the consolidated statement of comprehensive income, taking into account the effective interest rate on the investment.

## DIVIDENDS

Dividends relating to investments available-for-sale or trading securities are booked on the date on which their distribution is decided upon. The amount of withholding tax is recorded as a deduction of gross dividends.

## INFORMATION BY SECTOR

As a result of GBL's activities as a holding company, it is not possible to present information by sector of operation or geographical area. However, it is possible for readers of the financial statements to find this information with respect to companies in which the Group holds an interest in the section relating to investments as well as in their financial statements.

## ACCOUNTING POLICIES, CHANGES IN ACCOUNTING ESTIMATES AND ERRORS/ JUDGEMENTS

A change in the accounting policies is only applied to meet the requirements of a standard or an interpretation, or if it gives a more reliable and more relevant information. Changes in accounting policies are recognized retrospectively, except in case of specific transitional provision stated in a standard or an interpretation. When an error is detected, it is also retrospectively adjusted.

Uncertainties inherent to the activities require estimates to be made when preparing the financial statements. These estimates result from judgements aiming at providing a true and fair view based upon available and reliable information. An estimate is revised to reflect changes in circumstances, new information available and effects linked to experience.

## EXCHANGE RATES USED

	Closing rate			Average rate		
	2010	2009	2008	2010	2009	2008
US Dollar	1.34	1.43	1.40	1.32	1.39	1.47
Swiss Franc	1.25	1.48	1.49	-	-	-

# Consolidation scope, associated companies and changes in group structure

## Fully consolidated subsidiaries

Name	Head office	% of shares hold and of voting rights			Main activity
		2010	2009	2008	
Belgian Securities B.V.	Amsterdam	100.0	100.0	100.0	Holding
Brussels Securities S.A.	Brussels	100.0	100.0	100.0	Holding
GBL Treasury Center S.A.	Brussels	100.0	100.0	100.0	Holding
Sagerpar S.A.	Brussels	100.0	100.0	100.0	Holding
GBL Participations S.A.	Brussels	-	100.0	100.0	Holding
GBL Overseas Finance N.V.	Curaçao	100.0	100.0	100.0	Holding
GBL Verwaltung GmbH	Gütersloh	100.0	100.0	100.0	Holding
GBL Verwaltung Sà rl	Luxembourg	100.0	100.0	100.0	Holding
Immobilière rue de Namur Sà rl	Luxembourg	100.0	100.0	100.0	Real estate
GBL Finance S.A.	Luxembourg	Liquidated	100.0	100.0	Holding
GBL Energy Sà rl	Luxembourg	100.0	100.0	100.0	Holding
GBL R Sà rl	Luxembourg	100.0	100.0	-	Holding
GBL Investments Limited	Dublin	100.0	100.0	100.0	Holding
Ergon Capital Partners III S.A.	Brussels	100.0	-	-	Private equity
E.V.E. S.A.	Luxembourg	100.0	-	-	Holding
EVONG S.A.	Luxembourg	75.1	-	-	Holding
ELITech Group S.A.S.	Puteaux	58.6	-	-	Holding
Financière ELITech S.A.S. (and subsidiaries)	Puteaux	100.0	-	-	Operational

## Associated companies

	Rate (in %)	Lafarge	Imerys	Ergon Capital Partners	Ergon Capital Partners II
<b>2010</b>	Shares hold	21.1	30.7	43.0	42.4
	Voting rights	24.6	37.7	43.0	42.4
	Consolidation	21.1	30.7	43.0	42.4
<b>2009</b>	Shares hold	21.1	30.7	43.0	42.4
	Voting rights	27.1	36.3	43.0	42.4
	Consolidation	21.1	30.7	43.0	42.4
<b>2008</b>	Shares hold	21.2	30.4	43.0	42.4
	Voting rights	28.5	37.0	43.0	42.4
	Consolidation	20.0	28.6	43.0	42.4

In subsequent notes, Ergon Capital Partners and Ergon Capital Partners II are referred to together as "ECP I & II", while the term "ECP" will be used to refer to these two companies plus Ergon Capital Partners III.

## Changes in group structure

During the financial year, GBL's Board of Directors made a commitment of EUR 350 million to develop its private equity pole through a wholly-owned subsidiary, Ergon Capital Partners III (formerly GBL Participations). Based on practices prevailing in the private equity market, a profit-sharing plan was also granted to the management of this subsidiary attaching to 16.6% of the shares.

Ergon Capital Partners III made an initial acquisition, on 10 December 2010, of group Financière ELITech ("ELITech"), a French group specialised in medical biology. It is comprised of 6 industrial sites in France, the United States, the Netherlands and Italy, as well as 14 subsidiaries.

ELITech is fully consolidated in GBL's accounts through a structure composed of 3 new companies established in Luxembourg and France, and owned:

- on the one hand, by Ergon Capital Partners III, for a majority share, and
- on the other by the founders of ELITech, historic French investors and the group's management.

GBL's percentage of ownership in ELITech is 44.02%. GBL nevertheless holds the majority of voting rights in this group and it is therefore fully consolidated in accordance with IAS 27.

Since the acquisition of ELITech took place in December 2010, no result from this company is included in the 2010 results, apart from the costs directly related to the acquisition, in accordance with the new provisions of IFRS 3.

The balance sheet of ELITech is integrated into the Group's consolidated financial statements on 31 December 2010.

In order to give a fair and true view and to comply with the requirements of IAS 1 – *Presentation of financial statements*, and given the operational nature of these new activities, the consolidation of ELITech on 31 December 2010 resulted in the addition of new headings in GBL's consolidated balance sheet and the revision of certain notes.

New headings may be created in the future in the consolidated statement of comprehensive income or in the consolidated balance sheet, as well as new notes, given the relative weight of this investment in relation to the Group.

The assets and liabilities acquired from ELITech as well as goodwill generated break down as follows:

In EUR million	2010
Non-current assets	53.0
<i>Including existing goodwill</i>	26.2
Current assets	44.2
Non-current liabilities	25.5
Current liabilities	29.2
Third party net assets	0.8
Net assets	41.7
Goodwill	33.3
Purchase price	
<i>Settled in cash</i>	75.0
<i>Deferred payment</i>	-
Cash and cash equivalents acquired	4.8
Net cash movement	70.2
<i>Of which contributed by GBL</i>	32.3

This acquisition is recorded provisionally, as authorised by IFRS 3. Consequently, adjustments will be made in the next balance sheet at the time of finalisation of the acquisition accounting.

As mentioned above, and apart from entry of the costs directly related to the transaction, this acquisition did not contribute to GBL's results in 2010.

# Notes

For the sake of consistency, the notes to the financial statements are grouped by nature and not in the order of appearance of the headings in the balance sheet and consolidated statement of comprehensive income.

This arrangement is meant to facilitate analysis of all factors of the same nature influencing the assets and liabilities in the financial statements.

## 1. Intangible assets

Intangible assets break down as follows:

In EUR million	2010	2009	2008
Goodwill	59.5	-	-
Other intangible assets	14.1	-	-
<b>Total</b>	<b>73.6</b>	<b>-</b>	<b>-</b>

The provisional goodwill registered on the acquisition of ELITech is detailed in the preceding section.

## 2. Associated companies

### 2.A. GROUP SHARE OF NET EARNINGS

The dividends from companies consolidated using the equity method are eliminated and replaced by GBL share in their income.

#### Dividends collected

In EUR million	2010	2009	2008
Lafarge	120.9	82.5	145.8
Imerys	23.1	19.2	33.1
<b>Total</b>	<b>144.0</b>	<b>101.7</b>	<b>178.9</b>

#### Net result of associated companies

In EUR million	2010	2009	2008
Lafarge	827.0	736.0	1,598.0
Imerys	240.8	41.3	161.3
ECP I & II	32.8	(15.6)	(95.6)

Details concerning the evolution of the net result of the associated companies are set out in the consolidated result analysis on page 15, as well as in the section of the annual financial report dealing with investments.

#### GBL group share

In EUR million	2010	2009	2008
Lafarge	174.1	155.2	319.8
Imerys	74.1	12.6	46.1
ECP I & II	14.0	(6.7)	(41.0)
<b>Total</b>	<b>262.2</b>	<b>161.1</b>	<b>324.9</b>

GBL does not make the distinction in its result of the period between recurring and non-recurring elements. The non-recurring elements are presented below for information purpose:

## 2010

### Lafarge

The net result registered by Lafarge shows a 12% expansion to EUR 827 million in 2010 compared with EUR 736 million in 2009. In 2010, it realized a capital gain on the disposal of Cimpor shares in the amount of EUR 161 million.

### Imerys

An after-tax expense of EUR 0.5 million related to non-recurring elements is included in Imerys' net result (EUR 240.8 million). It is made up of a badwill on the acquisition of PPSA of EUR 40.2 million, a gain of EUR 6.7 million following restructuring of finance for the group's American subsidiaries, and a provision for restructuring and impairments in the amount of EUR - 30.7 million, as well as transfers to provisions for site rehabilitation in the amount of EUR - 14.2 million.

### ECP I & II

The contribution of ECP I & II to GBL's net result amounted to EUR 14 million in 2010, stemming mainly from the evolution of book valuations of its portfolio.

## 2009

### Lafarge

The net income of Lafarge includes EUR 93 million of net costs coming from impairments from the Cement business in Western Europe (EUR - 90 million), charges related to settlement of the litigation with USG (EUR - 47 million) and a reversal of provision of EUR 44 million as the result of the court decision in a competition case in Germany.

### Imerys

A net loss of EUR 78 million, related to non-recurring elements, is included in Imerys' net income (EUR 41 million). It consists principally of a cash expense of EUR 53 million for cost-cutting programmes implemented during the year, a non-cash amount of EUR - 45 million representing impairments on industrial assets and impairments of goodwill, and a capital gain of EUR 11 million (in particular on the sale of Planchers Fabre in May 2009).

### ECP I & II

ECP's I & II consolidated loss of EUR 16 million consists mainly of reversals of unrealised capital gains recorded in previous years.

## 2008

### Lafarge

The net income of Lafarge includes EUR - 115 million in net charges from impairments of goodwill (EUR - 250 million) and adjustment of a provision on the Gypsum litigation from 2002 (EUR - 46 million) offset by a net gain realised primarily from the disposal of the joint venture with Titan in Egypt.

### Imerys

An expense, net of taxes, of EUR 106 million is included in the income of Imerys. This amount consists of a cash expense of EUR 36 million, mainly related to cost-cutting programmes implemented during the year, and of impairments of industrial assets (non-cash) for EUR - 70 million related to restructuring in 2008 and impairments of goodwill in the segment of Performance Minerals in the United States.

### ECP I & II

The consolidated loss of ECP I & II of EUR 96 million consists mainly of reversals of unrealized capital gains, mainly entered in the income of 2007-2006, and unrealized impairments on other investments.

## 2.B. SHARE IN THE SHAREHOLDERS' EQUITY OF ASSOCIATED COMPANIES

In EUR million	Lafarge	Imerys	ECP I & II	Total
<b>At 31 December 2007</b>	<b>0.0</b>	<b>486.5</b>	<b>113.2</b>	<b>599.7</b>
Transfer	2,908.7	-	-	<b>2,908.7</b>
Investment	1,020.8	110.1	22.0	<b>1,152.9</b>
Result of the period	319.8	46.1	(41.0)	<b>324.9</b>
Distribution	(145.8)	(33.1)	-	<b>(178.9)</b>
Differences on translation	(144.8)	(26.0)	-	<b>(170.8)</b>
Change in revaluation reserves / hedging	(122.6)	(21.8)	-	<b>(144.4)</b>
Other	(5.6)	(1.8)	-	<b>(7.4)</b>
Impairment	(1,091.6)	-	-	<b>(1,091.6)</b>
<b>At 31 December 2008</b>	<b>2,738.9</b>	<b>560.0</b>	<b>94.2</b>	<b>3,393.1</b>
Investment	317.1	78.8	3.7	<b>399.6</b>
Result of the period	155.2	12.6	(6.7)	<b>161.1</b>
Distribution	(82.5)	(19.2)	-	<b>(101.7)</b>
Differences on translation	(8.9)	8.7	-	<b>(0.2)</b>
Change in revaluation reserves / hedging	72.1	16.6	-	<b>88.7</b>
Other	(34.5)	0.5	0.2	<b>(33.8)</b>
Reversal of impairment	649.6	-	-	<b>649.6</b>
<b>At 31 December 2009</b>	<b>3,807.0</b>	<b>658.0</b>	<b>91.4</b>	<b>4,556.4</b>
Investment	-	3.9	1.1	<b>5.0</b>
Result of the period	174.1	74.1	14.0	<b>262.2</b>
Distribution	(120.9)	(23.1)	-	<b>(144.0)</b>
Differences on translation	226.0	47.3	-	<b>273.3</b>
Change in revaluation reserves / hedging	(29.1)	3.9	-	<b>(25.2)</b>
Other	(4.3)	(2.2)	-	<b>(6.5)</b>
Impairment / reversal of impairment	-	-	-	<b>-</b>
<b>At 31 December 2010</b>	<b>4,052.8</b>	<b>761.9</b>	<b>106.5</b>	<b>4,921.2</b>

For information purposes, the stock market value of the investment in Lafarge and Imerys at end 2010 amounted respectively to EUR 2,830 million and EUR 1,157 million. ECP I & II are not listed.

The investment held in Lafarge has been consolidated in GBL's financial statements using the equity method as from 1 January 2008. GBL considers that it exercises a significant influence on this company from that date as a result of:

- its percentage of ownership of more than 20%;
- its position as leading shareholder;
- its representation in the Board of Directors of Lafarge (three of the eighteen Directors' seats).

At initial recognition as associates, a residual difference of EUR 1,092 million was identified in application of IAS 28 and IFRS 3 ("step acquisition"), which corresponded to the difference between the book value of the investment in Lafarge and the group's share in its shareholders' equity.



### Impairment recorded in 2008

At end 2008, the decrease in the share price of Lafarge constituted objective evidence of the necessity of performing an impairment test in accordance with IAS 28 and IAS 36. GBL compared the consolidated book value with the value in use and with the closing stock market value.

Based on the five-year projections drawn up by GBL from public information and valuation assumptions shown in the following table, the value in use of the investment in Lafarge (based on the Discounted Cash Flow method) amounts to between EUR 55 and EUR 85 per share. The share price at 31 December 2008 stood at EUR 43.35. Considering this range, GBL's management decided to record an impairment of EUR 26 per share in 2008, which represents an overall charge of EUR 1,092 million, thus bringing down the consolidated book value of GBL's stake to the share in IFRS shareholders' equity of Lafarge at end December 2008 (EUR 66 per share).

Valuation assumptions		Sensitivity to assumptions	Variation	Impact on useful value In EUR/share
Discount rate	7.4% – 7.9%	Discount rate	+ 0.25% - 0.25%	- 7 to - 21 - 9 to + 8
Long-term growth rate	1.0% – 2.0%	Long-term growth rate	- 1.0%	- 9 to - 21

### Reversal in 2009 of the impairment recorded in 2008

Considering the increase in the Lafarge share price in the first nine months of 2009, GBL was required, in application of IAS 36, to reverse part of the impairment recorded in 2008, at the closing of the period ended on 30 September 2009. This reversal, which amounts to EUR 650 million, was calculated in relation to the share price on that date (EUR 61.15). In conformity with IAS 28 and IAS 36, the amount of this reversal did not have to be adjusted in the fourth quarter because there was no objective evidence of impairment at 31 December 2009.

Due to the decline in the Lafarge share price, an impairment test had to be carried out on this investment. The test showed that no impairment on the consolidated value (EUR 67.2) was justified at the end of 2010.

## 2.C. COMPLEMENTARY DISCLOSURES RELATING TO THE INVESTMENTS IN ASSOCIATES

### Aggregated financial information of the companies consolidated using the equity method

In EUR million	2010	2009	2008
Total assets	47,173.7	43,647.4	45,180.0
Total shareholders' equity	18,564.1	17,029.2	14,658.0
Total turnover	19,516.2	18,658.2	22,483.2
Total results	1,100.7	761.7	1,663.7

## 3. GDF SUEZ, Total, Suez Environnement, Pernod Ricard, Iberdrola, Arkema and other investments available-for-sale

### 3.A. NET DIVIDENDS

In EUR million	2010	2009	2008
Total	204.8	200.8	187.9
GDF SUEZ	175.9	257.7	93.7
Suez	-	-	167.0
Pernod Ricard	34.8	11.4	21.7
Suez Environnement	22.8	22.8	-
Iberdrola	10.7	8.6	7.5
Arkema	1.4	1.4	1.5
Other	0.3	47.6	0.5
<b>Total</b>	<b>450.7</b>	<b>550.3</b>	<b>479.8</b>

In 2010, GBL registered dividends of EUR 451 million. Dividends of EUR 550 million registered in 2009 included the exceptional distribution by GDF SUEZ of EUR 94 million as well as the non-recurring reimbursement of withholding at the source unduly applied to earlier dividends of EUR 48 million. Excluding these elements, dividends increased by 10%.

### 3.B. EARNINGS ON DISPOSALS AND IMPAIRMENTS ON INVESTMENTS AVAILABLE-FOR-SALE

In EUR million	2010	2009	2008
<b>Impairments on investments available-for-sale</b>	<b>(20.4)</b>	<b>(234.7)</b>	<b>(402.4)</b>
Pernod Ricard	-	(198.2)	(315.2)
Iberdrola	(20.4)	(36.5)	(87.2)
<b>Capital gains on AFS shares</b>	<b>-</b>	<b>-</b>	<b>47.4</b>
Iberdrola	-	-	47.4
<b>Other</b>	<b>1.6</b>	<b>(23.6)</b>	<b>10.2</b>
Funds	3.6	(19.1)	10.2
Other	(2.0)	(4.5)	-
<b>Total</b>	<b>(18.8)</b>	<b>(258.3)</b>	<b>(344.8)</b>

#### Impairments on investments available-for-sale

In the context of the downturn of financial markets, GBL recorded, in compliance with IFRS requirements, EUR 658 million in impairments over three years on its investments in Pernod Ricard and Iberdrola, of which EUR 402 million in 2008, EUR 235 million in 2009 and EUR 20 million in 2010.

The impairments recorded on Pernod Ricard (EUR 513 million) and Iberdrola (EUR 144 million) corresponded to the difference between the acquisition cost and the share price on 31 December 2010.

It is worth noting that the increase in the Pernod Ricard share price since then could not be reflected in the income statement.

In accordance with IAS 39, the cumulative appreciation of EUR 757 million since the latest impairment was recorded directly in GBL's shareholders' equity (see note 3. D.). The reversal may only be registered in the event of disposal.

#### Capital gains on available-for-sale shares

At the end of 2007 and the beginning of 2008, GBL partially disposed of its investment in Iberdrola for a total sale price of more than EUR 1.3 billion, resulting in a cumulative capital gain of EUR 184 million (of which EUR 47 million recorded in 2008).

#### Other

With regard to the private equity funds, Sagard and PAI Europe III contributed EUR 0 million and EUR 4 million respectively in 2010 (compared with EUR - 18 million and EUR - 1 million in 2009).

As a reminder, GBL's investments are held through companies established in countries which, in principle, do not tax capital gains on these investments.

### 3.C. FAIR VALUE AND VARIATIONS

The investments in listed companies are valued on the basis of the share price at the end of the financial year.

The investments in the "Funds" comprising PAI Europe III, Sagard I and Sagard II, are revaluated at fair value depending on their investment portfolio.

The changes in fair value of investments are entered in the revaluation reserves (see note 3. D.).

In EUR million	Total	Suez	GDF SUEZ	Suez Environnement	Lafarge	Pernod Ricard	Iberdrola	Arkema	Funds	Other	Total fair value
<b>At 31 December 2007</b>	<b>5,338.6</b>	<b>5,682.1</b>	-	-	<b>3,855.6</b>	<b>1,069.6</b>	<b>723.8</b>	<b>105.5</b>	<b>101.3</b>	<b>2.1</b>	<b>16,878.6</b>
Funds earnings	-	-	-	-	-	-	-	-	11.7	-	<b>11.7</b>
Acquisitions	-	34.1	-	78.8	-	283.3	-	-	2.2	-	<b>398.4</b>
Disposals/ Reimbursements	-	-	-	-	-	-	(388.6)	-	(32.8)	(0.5)	<b>(421.9)</b>
Transfers	-	(2,850.3)	2,583.4	266.9	(2,908.7)	-	-	-	-	-	<b>(2,908.7)</b>
Change in revaluation reserves	(1,683.4)	(2,865.9)	1,556.7	76.1	(946.9)	(83.2)	(58.8)	(76.7)	(12.2)	1.0	<b>(4,093.3)</b>
Impairments	-	-	-	-	-	(315.2)	(87.2)	-	-	-	<b>(402.4)</b>
<b>At 31 December 2008</b>	<b>3,655.2</b>	<b>0.0</b>	<b>4,140.1</b>	<b>421.8</b>	<b>0.0</b>	<b>954.5</b>	<b>189.2</b>	<b>28.8</b>	<b>70.2</b>	<b>2.6</b>	<b>9,462.4</b>
Funds earnings	-	-	-	-	-	-	-	-	(21.5)	-	<b>(21.5)</b>
Acquisitions	-	-	-	-	-	201.3	13.3	-	2.7	-	<b>217.3</b>
Disposals/ Reimbursements	-	-	-	-	-	-	-	-	(2.2)	-	<b>(2.2)</b>
Change in revaluation reserves	572.6	-	(591.2)	142.6	-	486.8	43.6	32.3	7.1	(0.2)	<b>693.6</b>
Impairments	-	-	-	-	-	(198.2)	(36.5)	-	-	-	<b>(234.7)</b>
<b>At 31 December 2009</b>	<b>4,227.8</b>	<b>0.0</b>	<b>3,548.9</b>	<b>564.4</b>	<b>0.0</b>	<b>1,444.4</b>	<b>209.6</b>	<b>61.1</b>	<b>56.3</b>	<b>2.4</b>	<b>10,114.9</b>
Funds earnings	-	-	-	-	-	-	-	-	2.3	-	<b>2.3</b>
Acquisitions	-	-	-	-	-	121.8	-	27.5	7.6	-	<b>156.9</b>
Disposals/ Reimbursements	-	-	-	-	-	-	-	-	(3.2)	-	<b>(3.2)</b>
Change in revaluation reserves	(503.0)	-	(402.6)	(23.6)	-	269.7	(7.9)	77.7	10.1	-	<b>(579.6)</b>
Impairments	-	-	-	-	-	-	(20.4)	-	-	-	<b>(20.4)</b>
<b>At 31 December 2010</b>	<b>3,724.8</b>	<b>0.0</b>	<b>3,146.3</b>	<b>540.8</b>	<b>0.0</b>	<b>1,835.9</b>	<b>181.3</b>	<b>166.3</b>	<b>73.1</b>	<b>2.4</b>	<b>9,670.9</b>

#### Transfers (financial year 2008)

##### Lafarge

Due to the application of the equity method on the investment in Lafarge as from 1 January 2008, the acquisition cost at opening was transferred to the investments in associated companies (see note 2. B.). The revaluation reserve (latent capital gain) was however reversed from shareholders' equity.

##### GDF SUEZ

On 16 July 2008, the General Meetings of shareholders of GDF and Suez have approved the merger between the two groups.

As a result of this decision, GBL has simultaneously received on 22 July shares of Suez Environnement and of GDF SUEZ in exchange for the shares Suez held in the portfolio until this date. Those transactions did not result in a consolidated capital gain in the financial statements of 2008 of GBL.

### 3.D. REVALUATION RESERVES

In EUR million	Total	Suez	GDF SUEZ	Suez Environ- nement	Lafarge	Pernod Ricard	Iber- drola	Arkema	Funds	Other	Total
<b>At 31 December 2007</b>	<b>3,213.4</b>	<b>2,865.9</b>	-	-	<b>946.9</b>	<b>83.2</b>	<b>58.8</b>	<b>77.1</b>	<b>12.5</b>	<b>1.8</b>	<b>7,259.6</b>
Change in fair value	(1,683.4)	(2,865.9)	1,556.7	76.1	(946.9)	(398.4)	(111.6)	(76.7)	(12.2)	(143.4)	<b>(4,605.7)</b>
Transfer to result (disposal/impairment)	-	-	-	-	-	315.2	52.8	-	-	-	<b>368.0</b>
<b>At 31 December 2008</b>	<b>1,530.0</b>	<b>0.0</b>	<b>1,556.7</b>	<b>76.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.4</b>	<b>0.3</b>	<b>(141.6)</b>	<b>3,021.9</b>
Change in fair value	572.6	-	(591.2)	142.6	-	288.6	7.1	32.3	7.1	88.5	<b>547.6</b>
Transfer to result (disposal/impairment)	-	-	-	-	-	198.2	36.5	-	-	-	<b>234.7</b>
<b>At 31 December 2009</b>	<b>2,102.6</b>	<b>0.0</b>	<b>965.5</b>	<b>218.7</b>	<b>0.0</b>	<b>486.8</b>	<b>43.6</b>	<b>32.7</b>	<b>7.4</b>	<b>(53.1)</b>	<b>3,804.2</b>
Change in fair value	(503.0)	-	(402.6)	(23.6)	-	269.7	(28.3)	77.7	10.1	(29.1)	<b>(629.1)</b>
Transfer to result (disposal/impairment)	-	-	-	-	-	-	20.4	-	-	-	<b>20.4</b>
<b>At 31 December 2010</b>	<b>1,599.6</b>	<b>0.0</b>	<b>562.9</b>	<b>195.1</b>	<b>0.0</b>	<b>756.5</b>	<b>35.7</b>	<b>110.4</b>	<b>17.5</b>	<b>(82.2)</b>	<b>3,195.5</b>

Changes in the fair value of available-for-sale investments (detailed in point 3. C.) are included in the above table. The "Other" heading covers the share of the variation of GBL in the revaluation reserves of associated companies (Lafarge and Imerys).

## 4. Current financial assets and liabilities

### 4.A. CASH AND CASH EQUIVALENT

In EUR million	2010	2009	2008
Bonds and commercial papers (corporate, state)	149.8	-	447.8
Deposits	257.1	517.2	364.2
<i>Maturity &lt; 1 month</i>	0.1	166.8	158.7
<i>Maturity &lt; 3 month</i>	257.0	350.4	205.5
Current accounts	278.9	87.6	154.0
<b>Total</b>	<b>685.8</b>	<b>604.8</b>	<b>966.0</b>

On 31 December 2010, almost all cash were invested in commercial papers and time deposits/current accounts with different banks. The Group also invested EUR 56.7 million in corporate bonds, listed under the heading "Other current assets" and "Other non-current assets".

### 4.B. TRADING ASSETS AND DERIVATIVES

In EUR million	Maturity of instrument	2010	2009	2008
<b>Assets</b>		<b>20.8</b>	<b>14.7</b>	<b>161.1</b>
Trading securities		20.8	14.7	161.1
<b>Liabilities</b>		<b>29.2</b>	<b>26.1</b>	<b>11.0</b>
Interest rate swap (IRS)		19.9	19.4	6.9
Call and put options		2.1	-	0.5
Other options		7.2	6.7	3.6
<b>Face value in derivatives</b>				
Interest rate swap (IRS)	2013	500.0	500.0	500.0
Call and put options	2011	78.7	-	507.2
Other options	2012	7.2	6.7	6.7

The section "Trading securities" includes the trading portfolio of the Group as well as the Pargesa shares held to cover the exercise of Pargesa options as described in note 7. D. These securities are evaluated on the basis of the stock market quotations on the closing date. The variation compared with 2008 essentially reflects the outcome of a trading position during the first half of 2009.

The interest rate swap concluded at the end of 2005, is valued at EUR - 20 million end 2010 (EUR - 19 million in 2009), which represents a revaluation loss of EUR 1 million compared to 2009.

The Group sold put options on securities during the second half of 2010. Options unmatured on 31 December 2010 in a total nominal amount of EUR 79 million are valued at a fair value of EUR - 2 million in the consolidated balance sheet. The Total call options (which had a nominal value of EUR 507 million) were not exercised during the first half of 2009. The share premiums received at the issue (EUR 21 million) are therefore definitively acquired.

The fair value of the other outstanding derivatives amounts to EUR 7 million (EUR 7 million in 2009).

### Results on trading assets and derivatives

In EUR million	2010	2009	2008
Trading securities	0.4	(6.1)	(31.6)
Interest rate swap (IRS)	(13.7)	(21.5)	(25.5)
Mark to market on options	0.7	(1.7)	(43.1)
Premiums on call/put options	6.1	13.2	23.0
<b>Total</b>	<b>(6.5)</b>	<b>(16.1)</b>	<b>(77.2)</b>

#### 4.C. OTHER CURRENT FINANCIAL ASSETS AND LIABILITIES

In EUR million	2010	2009	2008
<b>Other current assets</b>			
Corporate bonds held to maturity	26.9	-	-
Trade credits	22.8	-	0.1
Undue accrued interests	1.6	1.9	4.6
Other	60.8	10.8	9.3
<b>Total</b>	<b>112.1</b>	<b>12.7</b>	<b>14.0</b>
<b>Other current liabilities</b>			
Bank debts	7.0	-	150.0
Debt on shares acquisitions	8.9	1.5	-
GBL coupons to be paid	23.4	25.4	18.7
Unpaid accrued interests	9.8	13.0	8.9
Trade debts	12.1	0.4	0.9
Other	14.7	1.8	2.2
<b>Total</b>	<b>75.9</b>	<b>42.1</b>	<b>180.7</b>

The "Other", "Trade credits" and "Trade debts" headings have risen over previous years. This results mainly from the consolidation of the operational companies of ELITech group at the end of December 2010. "Bank debts" at the end of 2008 represented the use of credit lines in the amount of EUR 150 million. These were fully reimbursed at the end of 2009. GBL still has access to these credit lines in the amount of EUR 1.8 billion.

"GBL coupons to be paid" primarily represent GBL's coupons of the last three years, which were not cashed in.

"Unpaid accrued interests" includes EUR 7 million on the exchangeable bonds 2005-2012. The interest will be paid on 27 April 2011.

### 5. Non-current financial liabilities (amortized cost)

#### 5.A. EXCHANGEABLE LOANS ISSUED BY GBL

(BLOOMBERG: GLBBB 2.95 04/27/12 CORP; REUTERS: BE021670693=)

On 27 April 2005, Sagerpar, a 100% subsidiary of GBL, issued bonds for an amount of EUR 435 million that are exchangeable for 5,000,000 GBL's shares. This financial instrument, listed on the Luxembourg Stock Exchange, has a coupon of 2.95% (nominal rate), payable each year on 27 April, and will be reimbursed at par value on 27 April 2012 (7 years) if the bonds have not yet been converted into GBL's shares. The conversion price has initially been set at EUR 87, representing a 25.5% premium compared to the GBL share price at that time. The bonds are redeemable at the option of the issuer as from 11 May 2008 with a trigger at 130%.

As a result of the capital increase in 2007 and pursuant to the anti-dilution clause, the number of GBL's shares to be delivered in case of exercise by the bondholders has been adjusted on 14 June 2007 to 5,085,340 shares, as well as the conversion price to EUR 85.54.

During 2010, the Group bought back its exchangeable bonds for a total amount of EUR 159 million (par value) at the average price of 100.9%, giving a yield-to-maturity of 2.4%. The fair value of the bond component of the bought back securities (totalling EUR 157 million on 31 December 2010) is deducted from the "Exchangeable loans" heading. The net value of the exchangeable loan therefore stood at EUR 271 million on 31 December 2010 (EUR 425 million on 31 December 2009). The number of treasury shares held to cover this loan is mentioned in note 10. A.

This instrument's listing on 31 December 2010 amounted to 101.9% (compared with 103.7% at the end of 2009) for a yield-to-maturity of 1.5%.

## 5.B. BOND ISSUE

GBL took advantage of favourable market conditions to issue, on 11 June 2010, bonds in the amount of EUR 350 million maturing in December 2017. These bonds, which have a 4% coupon payable on 29 December of each year, are listed on the regulated markets of Euronext Brussels and the Luxembourg Stock Exchange.

## 5.C. OTHER NON-CURRENT FINANCIAL LIABILITIES

The structure created in December 2010 to contain ELITech also includes EUR 57 million in other financial liabilities:

- towards banks;
- towards minority interests such as an exchangeable bond and a shareholders' loan;
- other non-current financial debts.

## 6. Interest income and expenses

In EUR million	2010	2009	2008
Non-current assets	1.3	(0.5)	3.3
Current assets and liabilities	5.6	5.3	57.5
Retail bond	(7.1)	-	-
Exchangeable loans	(14.4)	(16.6)	(16.5)
<i>Nominal interest</i>	<i>(10.9)</i>	<i>(12.8)</i>	<i>(12.8)</i>
<i>Amortized cost (discount)</i>	<i>(3.5)</i>	<i>(3.8)</i>	<i>(3.7)</i>
<b>Total</b>	<b>(14.6)</b>	<b>(11.8)</b>	<b>44.3</b>

Interest income and expenses in 2010 were influenced by the retail bond issue and the buyback of exchangeable loans.

Income from net cash, shown in the "Current assets and liabilities" section, dropped significantly in 2009 compared with 2008 due to the combined effect of a decrease in cash and a sharp decline in interest rates.

## 7. Other operating income and expenses

### 7.A. DETAIL

In EUR million	2010	2009	2008
Other operating income	0.8	0.7	5.7
Other operating expenses	(33.0)	(25.0)	(26.0)
<i>Services and other goods</i>	<i>(23.5)</i>	<i>(16.7)</i>	<i>(17.8)</i>
<i>Personnel costs</i>	<i>(8.0)</i>	<i>(7.1)</i>	<i>(6.9)</i>
<i>Depreciation</i>	<i>(1.4)</i>	<i>(1.1)</i>	<i>(1.2)</i>
<i>Other</i>	<i>(0.1)</i>	<i>(0.1)</i>	<i>(0.1)</i>
<b>Total</b>	<b>(32.2)</b>	<b>(24.3)</b>	<b>(20.3)</b>

The increase in "Services and other goods" stemmed mainly from costs related directly to the investment by Ergon Capital Partners III (EUR 4.3 million).

### 7.B. EVOLUTION OF THE AVERAGE NUMBER OF EMPLOYEES

	2010	2009	2008
GBL	29	29	30
GBL and its subsidiaries	34	34	35

Since the acquisition of ELITech occurred in late 2010, this group's personnel is not included in the above table.

## 7.C. PERSONNEL COSTS

In EUR million	2010	2009	2008
Remuneration	(5.2)	(4.9)	(4.5)
Social security	(1.1)	(1.0)	(1.1)
Contribution to defined benefit pension plans	(1.4)	(0.9)	(1.0)
Other	(0.3)	(0.3)	(0.3)
<b>Total</b>	<b>(8.0)</b>	<b>(7.1)</b>	<b>(6.9)</b>

GBL's Directors' remunerations have been entered under the heading "Services and other goods".

## 7.D. STOCK OPTION PLANS

In the framework of the legal provisions in the law of 26 March 1999 relating to the Belgian Employment Action Plan, GBL has issued five profit sharing plans with GBL's shares for the Executive Management and staff, as well as a profit sharing plan in 1999 with Pargesa shares for the Executive Management.

GBL plans	2010	2009	2008	2007	1999
<b>Characteristics</b>					
Number of options at issue	154,306	238,244	153,984	110,258	1,248,250
Initial exercise price (in EUR)	65.82	51.95	77.40	91.90	32.78
Date of the start of exercise	01/01/2014	01/01/2013	01/01/2012	01/01/2011	01/01/2003
Expiration date	15/04/2020	16/04/2019	09/04/2018 09/04/2023	24/05/2017 24/05/2022	30/06/2012

### Black & Scholes valuation assumptions (according to an independent expert)

GBL plans	2010	2009	2008	2007	1999
Expected volatility	32.7%	34.4%	25.6%	24.0%	
Expected increase in dividends	5%	5%	8%	5%	
Risk-free rate	3.0%	3.6%	4.9%	4.8%	
Fair value per unit (in EUR)	14.13	11.31	21.82	29.25	

Non-valorized plan according to IFRS 2

### Table of mutations

	2010		2009		2008	
	Number	Exercise price In EUR	Number	Exercise price In EUR	Number	Exercise price In EUR
<b>At 1 January</b>	<b>740,055</b>	<b>56.87</b>	<b>505,377</b>	<b>59.02</b>	<b>351,893</b>	<b>50.93</b>
Exercised by						
Executive Management	(203,348)	32.24	-	-	-	-
Personnel	-	-	(3,566)	32.24	(500)	32.24
Granted to						
Executive Management	110,296	65.82	166,360	51.95	111,657	77.40
Personnel	44,010	65.82	71,884	51.95	42,327	77.40
<b>At 31 December</b>	<b>691,013</b>	<b>66.12</b>	<b>740,055</b>	<b>56.87</b>	<b>505,377</b>	<b>59.02</b>
Plan 1999	34,221	32.24	237,569	32.24	241,135	32.24
Plan 2007	110,258	91.90	110,258	91.90	110,258	91.90
Plan 2008	153,984	77.40	153,984	77.40	153,984	77.40
Plan 2009	238,244	51.95	238,244	51.95	-	-
Plan 2010	154,306	65.82	-	-	-	-



In 2010, the total cost for the Group with respect to the stock option plans is included in operating expenses and amounts to EUR 3 million (EUR 3 million in 2009) of which EUR 2 million for the Executive Management.  
 At the end of 2010, 48% of the options were vested but only 21% were exercisable.  
 Begin 2011, 750 options from the 1999 option plan had been exercised but none from the 2007 plan.  
 The other option plans may not yet be exercised.

#### Pargesa plan

In the course of 2010, none of the 225,000 Pargesa options of which the exercise price was set at CHF 46.76 has been exercised.

### 7.E. PENSION LIABILITIES AND SIMILAR OBLIGATIONS

The valuation of the pension liabilities and similar obligations is performed by an external actuary.

The Executive Management and the Belgian employees of GBL group (excluding ECP) benefit from a defined benefit pension plan financed by GBL through a pension fund.

The pension liabilities of GBL on 31 December 2010 are hedged and detailed below.

In EUR million	2010	2009	2008
Fair value of plan assets	65.0	61.3	54.7
Present value of funded obligations	57.8	49.3	48.3
<b>Surplus</b>	<b>7.2</b>	<b>12.0</b>	<b>6.4</b>
Unrecognised actuarial losses	-	-	-
Unrecognised past service costs	-	-	-
Effect on the asset ceiling	(1.2)	(6.0)	(3.4)
<b>Amount included on balance sheet</b>	<b>6.0</b>	<b>6.0</b>	<b>3.0</b>

At 31 December 2009 and 2010, an amount of EUR 6 million was recorded as an advance to the pension fund pursuant to IFRIC 14.

#### Fair value of plan assets

In EUR million	2010	2009	2008
<b>Balance at 1 January</b>	<b>61.3</b>	<b>54.7</b>	<b>65.9</b>
Actual return on assets	3.5	6.5	(14.3)
Contribution by the employer	1.4	4.0	4.9
Benefits paid	(1.2)	(3.9)	(1.8)
<b>Balance at 31 December</b>	<b>65.0</b>	<b>61.3</b>	<b>54.7</b>

#### Asset plan distribution

	2010	2009	2008
Shares	39%	37%	41%
Bonds	47%	52%	39%
Real estate	5%	4%	6%
Other	9%	7%	14%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

### Present value of funded obligations

In EUR million	2010	2009	2008
<b>Balance at 1 January</b>	<b>49.3</b>	<b>48.3</b>	<b>44.5</b>
Current service costs	1.5	1.3	1.1
Interest expenses	2.5	2.6	2.4
Actuarial loss (gain)	5.7	1.0	2.1
Benefits paid	(1.2)	(3.9)	(1.8)
<b>Balance at 31 December</b>	<b>57.8</b>	<b>49.3</b>	<b>48.3</b>

### Charges relating to funded obligations

In EUR million	2010	2009	2008
Current service costs	1.5	1.3	1.1
Interest charges	2.5	2.6	2.5
Expected return on plan assets	(3.7)	(3.3)	(4.7)
Net actuarial differences	5.9	(2.3)	21.0
Past service costs	-	-	-
Impact of the asset ceiling	(4.8)	2.7	(18.0)
<b>Net charge</b>	<b>1.4</b>	<b>1.0</b>	<b>1.9</b>

This net charge is entered under "Personnel costs" and "Services and other goods" (see note 7. A.).

The variation in the amounts entered in the balance sheet is explained in the table below:

In EUR million	2010	2009	2008
<b>Amounts entered at 1 January</b>	<b>(6.0)</b>	<b>(3.0)</b>	<b>0.0</b>
Net charge	1.4	1.0	1.9
Contributions paid	(1.4)	(4.0)	(4.9)
<b>Amounts entered at 31 December</b>	<b>(6.0)</b>	<b>(6.0)</b>	<b>(3.0)</b>

The main actuarial assumptions are:

	2010	2009	2008
Discount rate	4.5%	5.0%	5.5%
Expected return rate	6.0%	6.0%	6.0%
Average rate of salary increase	6.0%	6.0%	6.0%
Inflation rate	2.0%	2.0%	2.0%

### Five-year summary of pension obligations, fair value of plan assets and experience gains and losses

In EUR million	2010	2009	2008	2007	2006
Fair value of plan assets	65.0	61.3	54.7	65.9	68.5
Current service costs	57.8	49.3	48.3	44.5	52.4
<b>Surplus</b>	<b>7.2</b>	<b>12.0</b>	<b>6.4</b>	<b>21.4</b>	<b>16.1</b>
Experience (gains)/losses					
on obligations	5.6	(2.8)	0.1	(1.1)	(0.3)
on assets	0.2	(3.2)	18.9	5.5	0.1

## 8. Taxes

### 8.A. TAXES

In EUR million	2010	2009	2008
Deferred taxes	0.9	1.1	1.0
<b>Total</b>	<b>0.9</b>	<b>1.1</b>	<b>1.0</b>

In EUR million	2010	2009	2008
Pre-tax profit	637.5	1,056.6	(688.5)
<b>Taxes at Belgian rate (33.99%)</b>	<b>216.7</b>	<b>359.1</b>	<b>(234.0)</b>
Result from companies consolidated using the equity method	(89.1)	(54.8)	(110.4)
Permanent differences	(128.5)	(304.3)	344.5
Taxes levied on a basis other than profit	-	(1.1)	(1.0)
Effect on rates applicable in other jurisdictions	-	-	(0.1)
<b>Effective charges for the period</b>	<b>(0.9)</b>	<b>(1.1)</b>	<b>(1.0)</b>
<b>Effective tax rate</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

### 8.B. DEFERRED TAXES

Deferred taxes result from a theoretical calculation and not from cash flows.

In EUR million	Liabilities	Assets	Net
<b>At 31 December 2007</b>	<b>(4.8)</b>	<b>0.5</b>	<b>(4.3)</b>
Deferred tax liabilities on the exchangeable bonds 2005-2012	1.0	-	1.0
<b>At 31 December 2008</b>	<b>(3.8)</b>	<b>0.5</b>	<b>(3.3)</b>
Deferred tax liabilities on the exchangeable bonds 2005-2012	1.1	-	1.1
<b>At 31 December 2009</b>	<b>(2.7)</b>	<b>0.5</b>	<b>(2.2)</b>
Deferred tax liabilities on the exchangeable bonds 2005-2012	1.5	-	1.5
Acquisition of ELITech	(0.1)	1.6	1.5
<b>At 31 December 2010</b>	<b>(1.3)</b>	<b>2.1</b>	<b>0.8</b>

The potential losses relating to the deduction for risk capital ("Dédution pour Capital à Risque" - DCR) claimed by the Group in Belgium, of which the utilization period is fixed at a maximum of seven years, amount to EUR 1,204 million (EUR 737 million in 2009). The other unused tax losses amount to EUR 480 million (EUR 462 million in 2009), those suffered outside Belgium, at the level of the subsidiaries, amount to EUR 1,205 million (EUR 1,201 million in 2009).

Moreover, deferred taxes on tax losses are only recognised insofar as the taxable profits are likely to be realised, allowing to utilize those losses.

## 9. Tangible assets

In EUR million	2010	2009	2008
Land and buildings	0.8	0.2	0.2
Furniture and vehicles	3.5	0.8	0.8
Other tangible assets	19.6	17.0	18.0
<b>Total</b>	<b>23.9</b>	<b>18.0</b>	<b>19.0</b>

At 31 December 2010, "Other tangible assets" include the Falcon 2000 LX, amortized on a linear basis over 20 years.

## 10. Capital, reserves and dividends

### 10.A. NUMBER OF SHARES REPRESENTATIVE OF SHAREHOLDERS' EQUITY AND TREASURY SHARES

	Number of issued shares	of which treasury shares
<b>At 31 December 2007</b>	<b>161,358,287</b>	<b>(5,261,451)</b>
Variation	-	(315,200)
<b>At 31 December 2008</b>	<b>161,358,287</b>	<b>(5,576,651)</b>
Variation	-	(478,088)
<b>At 31 December 2009</b>	<b>161,358,287</b>	<b>(6,054,739)</b>
Variation	-	(44,705)
<b>At 31 December 2010</b>	<b>161,358,287</b>	<b>(6,099,444)</b>

#### Treasury shares

On 31 December 2010, the Group held 6,099,444 treasury shares, or 3.8% of the issued capital, of which the acquisition cost is deducted from shareholders' equity. Of these treasury shares, 3,225,391 cover the exchangeable bonds issued in April 2005 which is not held by GBL (see note 5. A.) and 691,013 are used to hedge the five stock option plans (see note 7. D.).

During 2010 (2009), GBL acquired and sold 343,699 and 298,994 respectively of its treasury shares (compared with 478,088 and 0 the previous year) for a net total amount of EUR 10 (27) million.

In accordance with the Royal Decrees of 8 October 2008 and 26 April 2009, information on the acquisition of treasury shares by GBL or its subsidiaries has been published on GBL's website since 1 July 2009.

### 10.B. DIVIDENDS

On 20 April 2010, a dividend of EUR 2.42 per share (EUR 2.30 in 2009 and EUR 2.09 in 2008) had been paid to the shareholders.

The Board of Directors will propose a gross dividend of EUR 2.54 per share for the distribution relating to 2010, which will be payable on 19 April 2011. The financial statements presented before appropriation do not reflect this dividend, which is subject to approval by the shareholders in their General Meeting on 12 April 2011.

Hence, the total amount of dividends to be paid will be EUR 410 million, given the fact that the proposal of the Board of Directors relates to 161,358,287 shares.

## 11. Result per share

### 11.A. CONSOLIDATED RESULT OF THE PERIOD (GROUP SHARE)

In EUR million	2010	2009	2008
<b>Basic</b>	<b>640.8</b>	<b>1,057.7</b>	<b>(687.5)</b>
Non-discontinued operations	640.8	1,057.7	(687.5)
<b>Diluted</b>	<b>654.7</b>	<b>1,073.6</b>	<b>(687.5)</b>
of which influence of the financial instruments with diluting effect	13.9	15.9	-

### 11.B. NUMBER OF SHARES

	2010	2009	2008
Outstanding shares at start of the year	161,358,287	161,358,287	161,358,287
Treasury shares at start of the year	(6,054,739)	(5,576,651)	(5,261,451)
Weighted changes during the period	(80,163)	(140,256)	(246,927)
<b>Weighted average number of shares used to determine basic result per share</b>	<b>155,223,385</b>	<b>155,641,380</b>	<b>155,849,909</b>
Influence of the financial instruments with diluting effect:			
Exchangeable loan	3,225,391	5,085,340	-
Stock options (note 7. D.)	272,465	475,813	-
<b>Weighted average number of shares used to determine diluted result per share</b>	<b>158,721,241</b>	<b>161,202,533</b>	<b>155,849,909</b>

### 11.C. SUMMARY OF THE RESULT PER SHARE

In EUR	2010	2009	2008
<b>Basic</b>	<b>4.13</b>	<b>6.80</b>	<b>(4.41)</b>
Non-discontinued operations	4.13	6.80	(4.41)
<b>Diluted</b>	<b>4.12</b>	<b>6.66</b>	<b>(4.41)</b>
Non-discontinued operations	4.12	6.66	(4.41)

## 12. Possible assets and liabilities, rights and commitments

### INVESTMENT COMMITMENTS / SUBSCRIPTIONS

Following the investment by GBL in the private equity (PAI Europe III, Sagard I, Sagard II and ECP), the uncalled subscribed amounts totalled EUR 443 million (EUR 138 million end 2009). As mentioned under changes in the group structure, a profit-sharing plan was granted to the management of Ergon Capital Partners III.

### SUEZ ENVIRONNEMENT (SE)

On 5 June 2008, GBL and other shareholders of SE, among them GDF SUEZ, concluded a shareholders' agreement that sets up rules concerning the company's corporate governance and management. The agreement also establishes rights and obligations with regard to the acquisition or disposal of SE shares, in particular a joint right of pre-emption and disposal. The agreement is valid for 5 years and will be renewed tacitly for identical periods.

### FOREIGN DIVIDENDS / DOUBLE INTERNATIONAL TAXATION

The Group has taken certain measures in order to preserve its interests in matters of double taxation on its foreign dividends.

### LITIGATION RTL GROUP

In 2001, GBL, Bertelsmann, RTL Group and the Directors of the latter representing GBL and Bertelsmann, have been summoned before the Luxembourg courts by a few minority shareholders of RTL Group claiming the cancellation of the transfer by the GBL group to Bertelsmann of RTL Group shares and compensation for the alleged losses.

After having their case dismissed in summary proceedings, substantive proceedings and in appeal, certain applicants have appealed to the highest instance.

On 21 February 2008, the Supreme Court of Luxembourg submitted an application for a preliminary ruling to the Court of Justice of the European Communities. The Court of Justice ruled, on 15 October 2009, that there is no general principle of law that guarantees equal treatment of shareholders. Based on this response, the Supreme Court rejected the applicants' appeal on 23 September 2010, thus definitively settling the litigation in favour of GBL and the other defendants.

### LITIGATION RHODIA

Early 2004, minority shareholders in Rhodia initiated proceedings against GBL and two of its Directors before the Paris Commercial Court, calling into question their responsibility as Directors of Rhodia. At the same time, a criminal justice procedure was started against X.

On 27 January 2006, the Court of Paris decided to suspend the civil procedure until a decision is made in the criminal justice procedure. Since then, this lawsuit has practically not evolved: it is still adjourned pending the outcome of the criminal proceedings.

## 13. Financial risks specific to GBL's activities

This section is detailed on page 110 of this report.

## 14. Transactions with related parties

The amounts concerning Pargesa, listed under "Trading securities" and "Derivatives" in the amounts of EUR 14 million and EUR 7 million respectively on 31 December 2010 (EUR 14 million and EUR 7 million on 31 December 2009) concern the stock option plan described in note 7. D.

Remuneration paid to Directors amounted to EUR 10 million for 2010 and EUR 10 million for 2009. This remuneration includes the stock options calculated in accordance with IFRS 2. Details on this remuneration for 2010 can be found on page 107 and 108 of this report.

The stock options granted to the Executive Management, are included in note 7. D.

## 15. Post balance sheet events

At the beginning of 2011, GBL increased its investment in Arkema by EUR 25 million.

The company also unwound in February an interest rate swap on a notional amount of EUR 500 million (expiry date: 2013) which gave a positive result of EUR 4 million in 2011.

GBL also prolonged part of its confirmed credit lines. The Group will consequently benefit from facilities in the amount of EUR 1.8 billion until 2013-2014 and then EUR 900 million until 2016.

## 16. Audit of the financial statements for the years 2010, 2009 and 2008

The consolidated and non-consolidated financial statements of GBL of these last three years have been audited and approved without qualification by Deloitte.

The full text of the reports relating to the audits of the financial statements mentioned above are available in the respective reports.

In accordance with Article 134 of the Company Code, the fees concerning Deloitte and its network are included hereunder.

In EUR million	2010	2009	2008
Audit assignment	103,675	101,500	97,568
<i>of which GBL</i>	<i>70,000</i>	<i>70,000</i>	<i>70,000</i>
Other certification assignments	17,934	-	-
Due diligence assignments (private equity)	645,490	-	-
Other assignments not included in the audit assignment	23,260	16,838	2,000
<b>Total</b>	<b>790,359</b>	<b>118,338</b>	<b>99,568</b>

# Statutory Auditor's report

**Deloitte.**

Deloitte Bedrijfsrevisoren /  
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## Groupe Bruxelles Lambert SA

### Statutory auditor's report on the consolidated financial statements for the year ended 31 December 2010 to the shareholders' meeting

To the shareholders

As required by law and the company's articles of association, we are pleased to report to you on the audit assignment which you have entrusted to us. This report includes our opinion on the consolidated financial statements together with the required additional comment.

#### Unqualified audit opinion on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Groupe Bruxelles Lambert SA ("the company") and its subsidiaries (jointly "the group"), prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium. Those consolidated financial statements comprise the consolidated balance sheet as at 31 December 2010, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The consolidated balance sheet shows total assets of 15,566,198 (000) EUR and the consolidated income statement shows a consolidated profit (group share) for the year then ended of 640,800 (000) EUR.

The board of directors of the company is responsible for the preparation of the consolidated financial statements. This responsibility includes among other things: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with legal requirements and auditing standards applicable in Belgium, as issued by the "Institut des Réviseurs d'Entreprises/Institut van de Bedrijfsrevisoren". Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

Deloitte Bedrijfsrevisoren / Reviseurs d'Entreprises  
Burgelijke vennootschap onder de vorm van een coöperatieve vennootschap met beperkte aansprakelijkheid /  
Société sous forme d'une société coopérative à responsabilité limitée  
Registered Office: Berkman 25, B-1821 Dagen  
VAT BE 0425.025.867 - NPM Bruxelles/PM Bruxelles - IBAN BE 17 230-0468 1121 - BIC DESABE33

Member of Deloitte Touche Tohmatsu Limited



In accordance with these standards, we have performed procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making these risk assessments, we have considered internal control relevant to the group's preparation and fair presentation of the consolidated financial statements 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 group's internal control. We have assessed the basis of the accounting policies used, the reasonableness of accounting estimates made by the company and the presentation of the consolidated financial statements, taken as a whole. Finally, the board of directors and responsible officers of the company have replied to all our requests for explanations and information. We believe that the audit evidence we have obtained provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements give a true and fair view of the group's financial position as of 31 December 2010, and of its results and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the EU and with the legal and regulatory requirements applicable in Belgium.

**Additional comment**

The preparation and the assessment of the information that should be included in the directors' report on the consolidated financial statements are the responsibility of the board of directors.

Our responsibility is to include in our report the following additional comment which does not change the scope of our audit opinion on the consolidated financial statements:

- The directors' report on the consolidated financial statements includes the information required by law and in agreement with the consolidated financial statements. However, we are unable to express an opinion on the description of the principal risks and uncertainties confronting the group, or on the status, future evolution, or significant influence of certain factors on its future development. We can, nevertheless, confirm that the information given is not in obvious contradiction with any information obtained in the context of our appointment.

Datum, 3 March 2011

The statutory auditor

DELOITTE Belçgischeprijzen / Revisoren d'Entreprises  
BV O.V.V.A. CVBA / SC s.f.d. SRL  
Represep663 by Michel Demayer

# Non-consolidated summary balance sheet and income statement

In accordance with Article 105 of the Company Code, the non-consolidated accounts are presented hereafter in a summary version of the annual accounts, which does not reproduce all the attachments required by law, nor the Statutory Auditor's report. The complete version of the non-consolidated annual accounts, as deposited with the National Bank of Belgium, will be available on request from the company's registered office. They are also available on the website (<http://www.gbl.be>). The shareholding structure (as mentioned in the appendix of these accounts) is detailed on page 120 and 121.

The Statutory Auditor's report on the annual accounts was unqualified.

## Summary balance sheet at 31 December (after appropriation)

<b>Assets</b>		2010	2009	2008
In EUR million				
<b>Fixed assets</b>		<b>15,130.4</b>	<b>14,859.5</b>	<b>14,921.9</b>
Start-up costs		0.5	-	-
Tangible assets		0.8	0.8	0.8
Financial assets		15,129.1	14,858.7	14,921.1
<b>Current assets</b>		<b>56.4</b>	<b>18.4</b>	<b>318.4</b>
Amounts receivable after more than one year		2.5	3.1	7.0
Amounts receivable within one year		27.5	3.0	2.3
Investments		12.1	7.5	157.0
Cash at the bank and in hand		9.6	4.6	151.7
Deferred charges and accrued income		4.7	0.2	0.4
<b>Total assets</b>		<b>15,186.8</b>	<b>14,877.9</b>	<b>15,240.3</b>
<b>Liabilities</b>				
In EUR million				
<b>Capital and reserves</b>		<b>12,346.6</b>	<b>12,643.8</b>	<b>9,848.3</b>
Capital		653.1	653.1	653.1
Share premium account		3,519.6	3,519.6	3,519.6
Reserves		318.8	318.8	318.8
Profit carried forward (loss carried forward)		7,855.1	8,152.3	5,356.8
<b>Provisions and deferred taxation</b>		<b>2.3</b>	<b>10.3</b>	<b>8.0</b>
Provisions for liabilities and charges		2.3	10.3	8.0
<b>Creditors</b>		<b>2,837.9</b>	<b>2,223.8</b>	<b>5,384.0</b>
Amounts payable after more than one year		750.0	400.0	-
Amounts payable within one year		2,074.4	1,822.1	5,365.2
Accrued charges and deferred income		13.5	1.7	18.8
<b>Total liabilities</b>		<b>15,186.8</b>	<b>14,877.9</b>	<b>15,240.3</b>

## Income statement at 31 December

In EUR million	2010	2009	2008
<b>Sales and services</b>	<b>2.3</b>	<b>2.2</b>	<b>2.3</b>
Turnover	1.9	1.9	1.9
Other operating income	0.4	0.3	0.4
<b>Operating charges</b>	<b>19.7</b>	<b>23.6</b>	<b>21.0</b>
Miscellaneous goods and services	13.4	13.5	15.0
Remuneration, social security and pensions	5.5	5.4	5.7
Depreciation and amounts written off on stat-up costs, intangible and tangible assets	0.3	0.2	0.3
Amounts written off stocks, contracts in progress and trade debtors	0.4	4.4	-
Provisions for liabilities and charges	(0.4)	0.1	-
Other operating expenses	0.5	-	-
<b>Loss of operating activities</b>	<b>(17.4)</b>	<b>(21.4)</b>	<b>(18.7)</b>
<b>Financial income</b>	<b>222.2</b>	<b>460.1</b>	<b>472.4</b>
Income from financial assets	214.4	386.9	446.8
Income from current assets	0.9	7.9	2.0
Other financial income	6.9	65.3	23.6
<b>Financial expenses</b>	<b>36.8</b>	<b>67.2</b>	<b>288.2</b>
Debt expenses	27.0	76.5	185.9
Amount written off current assets	-	(19.9)	34.4
Other financial expenses	9.8	10.6	67.9
<b>Current profit before taxes</b>	<b>168.0</b>	<b>371.5</b>	<b>165.5</b>
<b>Extraordinary income</b>	<b>456.2</b>	<b>3,023.9</b>	<b>317.5</b>
Adjustments to amounts written off financial fixed assets	171.8	1,976.4	1.1
Adjustments to provisions for extraordinary liabilities and expenses	7.0	-	7.5
Gain on disposal of fixed assets	277.4	1,047.5	308.9
<b>Extraordinary expenses</b>	<b>511.5</b>	<b>209.4</b>	<b>3,150.1</b>
Amounts written off financial fixed assets	510.8	29.6	3,149.8
Provisions for extraordinary liabilities and charges	-	2.1	-
Loss on disposal of fixed assets	-	177.7	0.3
Other extraordinary expenses	0.7	-	-
<b>Profit (loss) for the year before income taxes</b>	<b>112.7</b>	<b>3,186.0</b>	<b>(2,667.1)</b>
<b>Income taxes on result</b>	<b>-</b>	<b>-</b>	<b>-</b>
Adjustment of taxes and release of tax provisions	-	-	-
<b>Profit for the year</b>	<b>112.7</b>	<b>3,186.0</b>	<b>(2,667.1)</b>

# Dividend policy

The profit appropriation policy proposed by the Board of Directors aims to maintain a balance between an attractive cash yield for shareholders and growth in the value of the GBL share. The dividend payout level is backed up by cash earnings.

## Appropriation of profit by Groupe Bruxelles Lambert (non-consolidated accounts)

In EUR million	2010	2009	2008
<b>Profit available for appropriation</b>	<b>8,265.0</b>	<b>8,542.8</b>	<b>3,856.5</b>
Profit (loss) for the year available for appropriation	112.7	3,186.0	(2,667.1)
Profit carried forward from the previous year	8,152.3	5,356.8	6,523.6
<b>Transfer from capital and reserves</b>	<b>0.0</b>	<b>0.0</b>	<b>1,871.4</b>
Transfer from reserves	0.0	0.0	1,871.4
<b>Appropriation to shareholders' equity</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
Legal reserve	0.0	0.0	0.0
<b>Profit to be carried forward</b>	<b>(7,855.1)</b>	<b>(8,152.3)</b>	<b>(5,356.8)</b>
Profit to be carried forward	7,855.1	8,152.3	5,356.8
<b>Profit to be distributed</b>	<b>(409.9)</b>	<b>(390.5)</b>	<b>(371.1)</b>
Dividends	409.9	390.5	371.1

## Appropriation of profit

Taking into account the profit carried forward of EUR 8,152,319,106.31 and the profit for the year of EUR 112,669,144.54, the amount available for appropriation is EUR 8,264,988,250.85. The Board of Directors will propose the following appropriation to the General Meeting to be held on 12 April 2011:

In EUR	
Dividend on 161,358,287 shares	409,850,048.98
To be carried forward	7,855,138,201.87

## Dividend per share

In EUR	2010		2009		2008	
	Gross	Net	Gross	Net	Gross	Net
Share	2.54	1.905	2.42	1.815	2.30	1.725
Share + VVPR strip	2.54	2.159	2.42	2.057	2.30	1.955

# Historical data

## Summary of GBL's investments since 2008

### 2010

#### Stronger position in Pernod Ricard and Arkema

GBL spent EUR 120 million strengthening its investment in Pernod Ricard, raising it to 9.9% at the end of 2010. It also invested EUR 27 million in Arkema and passed the 5% threshold in its capital at the end of December.

#### Financing policy – Bond issue

For the sake of controlling its medium-term financing, GBL took advantage of favourable market conditions to raise EUR 350 million in June 2010 falling due in December 2017. These bonds are listed on the Stock Exchange and offer a coupon with a nominal rate of 4% gross.

#### Buyback of exchangeable bonds

Taking advantage of attractive yields, the group earmarked some EUR 160 million of its cash holdings for the buyback on the market of part of the bonds exchangeable for GBL shares. This loan stock of EUR 435 million was issued by Sagerpar in 2005 and comes to maturity in April 2012. In consequence of these transactions part of the treasury shares initially allocated to cover the loan stock are free.

#### Private equity

Private equity activity showed a modest recovery in 2010. Apart from a few pay-outs or marginal payments in full in the ECP I & II, PAI Europe III, Sagard and Sagard II funds, GBL invested some EUR 40 million in Ergon Capital Partners III, a vehicle created in the first half of 2010 in which GBL, the sole shareholder, has agreed to invest EUR 350 million. At the end of 2010, the uncalled subscribed commitments on these different funds totalled around EUR 443 million.

### 2009

#### Stronger position in Pernod Ricard and distribution of shares free of charges

GBL increased its shareholding by nearly 1% in 2009, bringing it to 9.1% at the end of the year. It spent EUR 113 million to this increase, which was made through acquisitions on the Stock Exchange.

During fourth quarter 2009, Pernod Ricard allocated shares free of charges in the proportion of 1 new share for 50 existing shares. This transaction, which had no impact on the ownership rate, increased the number of shares held by GBL by 500,000.

#### Participation in the capital increases of Lafarge, Pernod Ricard and Imerys

During the first half of 2009, GBL invested nearly EUR 485 million in the capital increases launched by Lafarge (EUR 1,500 million; EUR 16.65 per share), Pernod Ricard (EUR 1,036 million; EUR 26.70 per share) and Imerys (EUR 251 million; EUR 20.00 per share) in accordance with its role of long-term shareholder.

#### Distributions and additional investments in the funds Ergon Capital Partners, PAI Europe III and Sagard

In 2009, GBL invested EUR 7 million in the different private equity vehicles that make up its portfolio and collected dividend payouts totalling EUR 2 million. The commitments not called up totalled EUR 138 million on 31 December 2009.

#### Acquisition of treasury shares

During 2009, GBL acquired 478,088 treasury shares for a total amount of EUR 27 million.

### 2008

#### GDF and Suez merger and spin-off of Suez Environnement

In July 2008, the merger of GDF and Suez was implemented, creating GDF SUEZ, the third highest value in the CAC 40. In the context of the merger, Suez distributed to its shareholders 65% of the capital of Suez Environnement, new company listed on Euronext Paris. As a result of these transactions, GBL's holdings in GDF SUEZ on the one hand and in Suez Environnement on the other amounted to 5.3% and 6.3% respectively. GBL subsequently stepped up its presence in the capital of Suez Environnement, raising its interest to 7.1% at end 2008.

#### Stronger position in Lafarge

Further to the diluting effect of the Orascom operation in January 2008, GBL's shareholding in Lafarge slipped from 17.9% to 15.9%. GBL spent nearly EUR 1.1 billion reinforcing its position in the cement firm, raising its stake to 21.1% at the end of 2008.

#### Pernod Ricard and Imerys

GBL increased its shareholding in Pernod Ricard from 6.2% of the capital at end 2007 to 8.2%, spending nearly EUR 300 million. The stake in Imerys rose from 26.8% to 30.5% during the year, corresponding to an investment of around EUR 100 million.

#### Divestment of Iberdrola shares

At the start of 2008, GBL partially disposed of its investment in Iberdrola (0.8%) for a total price of EUR 436 million, resulting in a capital gain of EUR 47 million. The remaining position amounted to 0.6% at end 2008.

#### Distributions and additional investments in the funds Ergon Capital Partners, PAI Europe III and Sagard

In 2008, GBL invested EUR 24 million in the different private equity vehicles that make up its portfolio and collected dividend payouts totalling EUR 33 million. The commitments not called up totalled EUR 194 million on 31 December 2008.

## Consolidated figures IFRS over 10 years

In EUR million	2010	2009	2008
<b>Balance sheet</b>			
Non-current assets	14,747.5	14,711.0	12,895.9
Current assets	818.7	632.2	1,141.1
<b>Total assets</b>	<b>15,566.2</b>	<b>15,343.2</b>	<b>14,037.0</b>
Shareholders' equity – Group share	14,765.0	14,845.1	13,418.4
Non-controlling interests	9.5	0.0	0.0
Non-current liabilities	685.0	428.4	425.3
Current liabilities	106.7	69.7	193.3
<b>Total liabilities and shareholders' equity</b>	<b>15,566.2</b>	<b>15,343.2</b>	<b>14,037.0</b>
<b>Income statement</b>			
Net earnings from associated companies	262.2	161.1	324.9
Result on discontinued operations <sup>(1)</sup>	0.0	0.0	0.0
Net dividends on investments	450.7	550.3	479.8
Interest income and expenses	(14.6)	(11.8)	44.3
Other financial income and expenses	(9.8)	(10.0)	(80.8)
Other operating income and expenses	(32.2)	(24.3)	(20.3)
Taxes	0.9	1.1	1.0
Earnings on disposals, impairments and reversal of non-current assets	(18.8)	391.3	(1,436.4)
Non-controlling interests	2.4	0.0	0.0
<b>Consolidated result of the period – Group share</b>	<b>640.8</b>	<b>1,057.7</b>	<b>(687.5)</b>
<b>Gross dividend</b> (in EUR)	2.54	2.42	2.30
<b>Coupon number for dividend</b>	13	12	11
<b>Adjusted net assets per share</b> (in EUR)	88.77	94.40	79.39
<b>Share price</b> (in EUR)	62.93	66.05	56.86
<b>Number of shares in issue</b>	161,358,287	161,358,287	161,358,287
<b>Number of treasury shares</b>	6,099,444	6,054,739	5,576,651

(1) In application of IFRS 5, the impact of the sale of Bertelsmann in 2006 has been clearly identified in this section. Consequently, the presentation of the 2005 and 2004 results has been modified for the sake of comparability and readability with respect to 31 December 2006

2007	2006	2005	2004	2003	2002	2001
17,519.3	13,496.0	10,533.6	7,543.1	6,777.6	6,646.5	9,105.7
1,863.2	2,737.2	123.6	411.4	594.2	964.6	920.0
<b>19,382.5</b>	<b>16,233.2</b>	<b>10,657.2</b>	<b>7,954.5</b>	<b>7,371.8</b>	<b>7,611.1</b>	<b>10,025.7</b>
18,868.6	15,682.0	10,159.7	7,911.6	6,966.4	6,772.3	9,142.4
0.0	0.0	0.0	0.0	0.0	0.0	0.0
422.3	434.6	437.6	22.5	24.4	359.9	789.6
91.6	116.6	59.9	20.4	381.0	478.9	93.7
<b>19,382.5</b>	<b>16,233.2</b>	<b>10,657.2</b>	<b>7,954.5</b>	<b>7,371.8</b>	<b>7,611.1</b>	<b>10,025.7</b>
90.3	70.7	83.2	62.5	71.5	(425.5)	(74.0)
0.0	2,487.0	259.6	323.8	-	-	-
446.0	257.2	169.3	186.0	206.9	203.1	140.5
25.5	38.2	1.2	3.7	(9.4)	(6.9)	(0.6)
12.5	28.5	21.5	1.8	(0.9)	31.3	59.8
(23.9)	(28.6)	(19.0)	(18.6)	(18.7)	(16.0)	(14.0)
13.8	18.6	0.7	(2.7)	0.1	(11.3)	(8.5)
214.7	11.7	6.5	37.5	(39.1)	(12.5)	514.9
0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>778.9</b>	<b>2,883.3</b>	<b>523.0</b>	<b>594.0</b>	<b>210.4</b>	<b>(237.8)</b>	<b>618.1</b>
2.09	1.90	1.72	1.60	1.49	1.42	1.32
10	8	7	5	4	3	2
122.37	113.91	80.33	64.27	54.43	50.91	67.77
87.87	91.05	82.85	59.90	44.67	39.01	59.05
161,358,287	147,167,666	138,300,053	138,300,053	138,300,053	138,300,053	138,300,053
5,261,451	5,272,701	5,382,726	6,134,556	6,313,032	5,647,376	5,310,143

# Corporate governance statement

Groupe Bruxelles Lambert (“GBL” or “the Company”) complies with the provisions of the 2009 Belgian Code on Corporate Governance (the “Code”) and Belgian legislation that may be consulted on [http://www.corporategovernancecommittee.be/en/2009\\_code/latest\\_edition/](http://www.corporategovernancecommittee.be/en/2009_code/latest_edition/).

The Company also ensures its compliance with various good governance legal requirements. Legislation in this area has evolved significantly in recent years. Only recently, the law of 6 April 2010 strengthened corporate governance for listed companies by transforming a number of Code provisions into legal obligations, for which the “comply or explain” principle will no longer apply. This is the case, for instance, for the creation of a remuneration committee and for the publication of a corporate governance statement which, from financial year 2011, will also have to include a remuneration report. This law also obliges companies to specify which corporate governance code they apply and consequently, in case of derogation, to explain the reasons (the “comply or explain” principle). On 6 June 2010, a royal decree designated the 2009 Code as the reference on corporate governance.

At the end of 2005, the Board of Directors adopted a Corporate Governance Charter (the “Charter”) setting out the principles that guide the conduct of its members as well as the functioning of the Board and its specialised Committees.

The Charter was based on the Belgian Code on Corporate Governance published in 2004. Since then, the Board has brought its Charter into line with the revised version of the 2004 Code (the 2009 Code) to adapt it to legal developments in the field of corporate governance. In particular at its meeting on 5 November 2010, it adapted this document to provisions concerning the remuneration Committee of the law of 6 April 2010. The amended document is available on the Company’s website (<http://www.gbl.be>).

This chapter describes the composition and functioning of the administrative bodies and of their committees. It comments on the practical application of GBL group’s governance rules during the financial year ended on 31 December 2010 and the period following its closing, up to the Ordinary General Meeting on 12 April 2011. It also explains the Company’s derogations from some of the Code’s provisions and explains the reasons behind them. It includes a remuneration report and describes the principal characteristics of the Company’s internal control and risk management systems.

## 1. Board of Directors

### 1.1. COMPOSITION ON 31 DECEMBER 2010

	Current term of office	Participation in Board Committees and in Executive Management
<b>Chairman, Managing Director</b>		
Baron Frère	2008-2011	Member of the Standing Committee Chairman of the Executive Management (CEO)
<b>Vice-Chairman, Director</b>		
Paul Desmarais	2008-2011	Member of the Standing Committee
<b>Managing Directors</b>		
Gérald Frère	2008-2011	Chairman of the Standing Committee Member of the Executive Management
Thierry de Rudder	2009-2012	Member of the Standing Committee Member of the Executive Management
<b>Directors</b>		
Georges Chodron de Courcel	2009-2012	-
Victor Delloye	2010-2013	-
Paul Desmarais, jr	2008-2011	Member of the Standing Committee
Ian Gallienne	2009-2012	-
Michel Plessis-Bélaïr	2010-2013	Member of the Standing Committee and of the Nomination and Remuneration Committee
Gilles Samyn	2008-2011	Member of the Standing Committee, of the Audit Committee and of the Nomination and Remuneration Committee
Amaury de Seze	2010-2013	Member of the Standing Committee
Arnaud Vial	2010-2013	Member of the Audit Committee



	<b>Current term of office</b>	<b>Participation in Board Committees and in Executive Management</b>
<b>Independent Directors</b>		
Jean-Louis Beffa	2010-2013	Chairman of the Audit Committee
Count Maurice Lippens	2010-2013	Chairman of the Nomination and Remuneration Committee
Baron Stéphane	2010-2013	Member of the Nomination and Remuneration Committee
Gunter Thielen	2010-2013	Member of the Audit Committee and of the Nomination and Remuneration Committee
<b>Secretary General and Compliance Officer</b>		
Ann Opsomer		

#### **Honorary Managing Directors**

Count Jean-Pierre de Launoit<sup>(1)</sup>,  
Jacques Moulaert and Emile Quevrin

#### **Honorary Directors**

Jacques de Bruyn, Count Baudouin du Chastel de la Howarderie,  
Jacques-Henri Gougenheim, Baron Philippe Lambert,  
Count Jean-Jacques de Launoit and Aldo Vastapane

The composition of GBL's Board of Directors reflects the Company's controlling shareholding. GBL is controlled by Pargesa Holding S.A. (through its wholly-owned subsidiary Pargesa Netherlands B.V.). Pargesa Holding S.A., incorporated under Swiss law, is itself controlled by Parjointco N.V., incorporated under the laws of the Netherlands and whose capital is owned 50-50 by Frère-Bourgeois/CNP-NPM group and Power Corporation of Canada group, under an agreement concluded by the two groups in 1990.

The aim of that agreement was to establish and maintain parity between Power Corporation of Canada group and Frère-Bourgeois/CNP-NPM group in Pargesa Holding S.A., GBL and their respective designated subsidiaries. The agreement was prolonged in 1996 and will expire in 2014 if not renewed.

By virtue of that agreement, of the sixteen members of the GBL Board of Directors, ten are representatives of the controlling shareholders, with five appointed by Frère-Bourgeois/CNP-NPM group (namely Albert Frère, Gérald Frère, Victor Delloye, Ian Gallienne and Gilles Samyn) and five by Power Corporation of Canada group (namely Paul Desmarais, Paul Desmarais, jr, Michel Plessis-Bélair, Amaury de Seze and Arnaud Vial).

This shareholding structure explains why the composition of the Board of Directors is a departure from the Code, which recommends a Board composition such that no individual Director or group of Directors may dominate decision-making.

This ownership situation also justifies the presence of representatives of the controlling shareholders in the Audit Committee (two of the four members) and the Standing Committee (seven of the eight members).

Until 5 November 2010, half the members of the Nomination and Remuneration Committee were also representatives of the controlling shareholders (two members) and the other half were independent Directors. With a view to coming into line with the new legal provisions that impose a majority of independent Directors, the Board of Directors appointed, on 5 November 2010, Gunter Thielen as a member of this Committee, thus bringing the total number of independent Directors to three out of five members.

The Board of Directors, for the sake of proper application of corporate governance provisions and respect for the interests of all the Company's shareholders, ensures the presence and contribution of a sufficient number of quality independent Directors. It also wishes gradually to include women on the Board.

In that spirit, the Board of Directors will propose to the Ordinary General Meeting on 12 April 2011 to appoint Antoinette d'Aspremont Lynden as the Company's fifth independent Director.

#### **Statutory appointments**

- The Ordinary General Meeting will be asked to renew the terms of office of Albert Frère, Paul Desmarais, Gérald Frère, Paul Desmarais, jr and Gilles Samyn, which expire at the conclusion of the Ordinary General Meeting.

The Company's Articles of Association currently limit Directors' term of office to three years. The Code's provisions on the appointment of Directors refer to four-year mandates. For the sake of complying with the Code, a proposal is presented to the Extraordinary General Meeting on 12 April 2011 to amend the Articles of Association to increase the terms of office to six years at most.

Therefore, the Ordinary General Meeting will be asked to re-elect as Director the aforesaid persons for a period of four years. These terms of office will expire at the conclusion of the General Meeting to be convened in 2015 to deliberate on the accounts for 2014.

(1) Vice-Chairman, Honorary Managing Director

- The Board of Directors proposes the appointment of Antoinette d'Aspremont Lynden as Director for the same four-year term.

Antoinette d'Aspremont Lynden, born in London, United Kingdom, on 24 October 1949, Belgian nationality *Antoinette d'Aspremont Lynden holds a Master of Science degree from the School of Engineering of Stanford University and a Doctorate in Applied Economics from the Catholic University of Louvain (UCL). She began her career in quantitative methods consulting in Palo Alto, California, and then held various positions at Banque Bruxelles Lambert in Brussels. In 1990, she was named Management professor at University Charles-de-Gaulle Lille 3. She is also guest professor at the Political Science Institute in Lille. She is also active in the not-for-profit sector as Vice-President of the Royal Philanthropic Society in Brussels, Treasurer of St Gudule and St Michael's Cathedral, President of the French-speaking jury for the Queen Paola Prize for education and a Member of the Organising Authority of Maredsous Secondary School (Belgium).*

- Subject to approval of her appointment, the General Meeting is asked to recognise the independence of Antoinette d'Aspremont Lynden. In accordance with the Charter, to qualify as an independent, a Director must meet the criteria laid down in Article 526(b) of the Company Code. The Board of Directors considers that, in the light of the Code's criteria, Antoinette d'Aspremont Lynden qualifies as an independent Director.

Antoinette d'Aspremont Lynden as confirmed her independence in a letter dated 20 January 2011.

- The Board of Directors also proposes the appointment of Gérard Lamarche as Director for the same four-year term.

Gérard Lamarche, born in Huy (Belgium) on 15 July 1961, Belgian nationality *Gérard Lamarche graduated in Economics from Catholic University of Louvain (UCL). He also went through management programs at the INSEAD and at the Wharton School. He began his career in 1983 at Deloitte Haskins & Sells and joined Société Générale de Belgique in 1988, where he held various posts. In 1995, he joined Compagnie Financière de Suez, where in 1997 he participated in the merger with Lyonnaise des Eaux and was appointed Senior Vice-President responsible for Planning, Control and Accounting of the new entity. He also served as Secretary of the Investments Committee. In 2000, he continued his career in the United States as Director and Senior Executive Vice-President of NALCO, a subsidiary of Suez group specialised in the treatment of industrial water. In 2004, he joined the group's general management and in 2008 was promoted to the post of Senior Executive Vice-President - Finance and Member of the Management Committee and of the Executive Committee of GDF SUEZ group.*

## 1.2. INFORMATION ON THE DIRECTORS<sup>(1)</sup>

### 1.2.1. Main activity and other offices held by the members of the Board of Directors

The full list of offices held by the members of the Board of Directors may be consulted on page 127 of this report.

The list of offices held in listed companies during the financial year is found in point 1.2.4.

#### Albert Frère

Chairman of the Board of Directors, Managing Director and CEO

Business address:

Groupe Bruxelles Lambert  
24, avenue Marnix – 1000 Brussels (Belgium)

Curriculum Vitae:

Born on 4 February 1926, in Fontaine-l'Évêque, Belgium, Belgian nationality

*After managing steel undertakings in the Charleroi region and marketing their products, Albert Frère founded Pargesa Holding S.A., in partnership with other businessmen, in Geneva, in 1981.*

*Pargesa Holding S.A. acquired interests in Groupe Bruxelles Lambert in 1982.*

*He has since held the posts of Managing Director and CEO and, since 1987, Chairman of the Board of Directors.*

#### Paul Desmarais

Vice-Chairman of the Board of Directors

Business address:

Power Corporation of Canada  
751, Victoria Square – Montreal, Quebec H2Y 2J3 (Canada)

Curriculum Vitae:

Born on 4 January 1927 in Sudbury, Ontario, Canada, Canadian nationality

*After earning a degree in business administration from the University of Ottawa (Canada), Paul Desmarais took over a bus company in Sudbury (Ontario) in 1951. In 1959, he founded Transportation Management Corporation Limited and then went on to acquire Provincial Transport Limited in 1960. He acquired effective control over Entreprises Gelco Limitée in 1962. In 1968, he acquired a controlling stake in Power Corporation of Canada, an international management and holding company. He served as its Chairman and Chief Management Officer from 1968 to 1996. Today, he chairs the firm's Executive Committee.*

*He has been a Director of Groupe Bruxelles Lambert since 1982 and currently is Vice-Chairman of the Board of Directors.*

(1) As transmitted individually to the Company by each of the members of the Board of Directors

### Gérald Frère

Managing Director

Business address:

Groupe Bruxelles Lambert  
24, avenue Marnix – 1000 Brussels (Belgium)

Curriculum Vitae:

Born on 17 May 1951, in Charleroi, Belgium, Belgian nationality  
*After being educated in Switzerland, Gérald Frère joined the family company, Frère-Bourgeois group (Belgium), where he took up the duties of Managing Director. He is also Chairman of the Board of Directors of Compagnie Nationale à Portefeuille S.A. (CNP-NPM) and a Regent of the National Bank of Belgium. He was appointed to the Board of Directors of Groupe Bruxelles Lambert in 1982. In 1993, he was named Managing Director and has chaired the Standing Committee since that time.*

### Thierry de Rudder

Managing Director

Business address:

Groupe Bruxelles Lambert  
24, avenue Marnix – 1000 Brussels (Belgium)

Curriculum Vitae:

Born on 3 September 1949, in Paris, France, French and Belgian nationality  
*Thierry de Rudder has degrees in mathematics from the University of Geneva and Free University of Brussels (ULB) and an MBA from Wharton School in Philadelphia. He began his career in the United States with Citibank in 1975, where he held various posts in New York and then in Europe. In 1986, he joined Groupe Bruxelles Lambert, becoming Managing Director in 1993.*

### Jean-Louis Beffa

Director

Business address:

Saint-Gobain  
"Les Miroirs", 18, avenue d'Alsace – 92096 La Défense Cedex (France)

Curriculum Vitae:

Born on 11 August 1941, in Nice, France, French nationality  
*After earning a degree in mining Engineering from the "Ecole polytechnique", Jean-Louis Beffa went on to take degrees from the National College of Petroleum Engineering and the Political Science Institute in Paris. He began his career as an Engineer at the Ministry for Industry's Fuel Directorate, where he was subsequently named Head of the Refining Service and then Deputy Director. In 1974, he joined Compagnie de Saint-Gobain, where he served as Chairman-Chief Executive Officer from 1986 to 2007. He served as Chairman from June 2007 to June 2010.*

*Today he is Honorary Chairman and Director of Compagnie de Saint-Gobain and Senior Advisor of Lazard Frères. He has been a Director of Groupe Bruxelles Lambert since 1999.*

### Georges Chodron de Courcel

Director

Business address:

BNP Paribas  
3, rue d'Antin – 75002 Paris (France)

Curriculum Vitae:

Born on 20 May 1950, in Amiens, France, French nationality  
*After earning a degree from the Paris College of Engineering (Ecole Centrale) in 1971, and a second degree in economics in 1972, Georges Chodron de Courcel began his career at Banque Nationale de Paris, where he held various positions of responsibility. After six years at Banque Commerciale, he was appointed Manager of Financial Studies and subsequently of the Stocks and Securities Management Department. In 1989, he was named Director of Financial Affairs and Industrial Shareholdings and Chairman of Banexi. In January 1991, he was appointed to head the Financial Division and then the Banking and International Finance Division in 1996. Following the merger with Paribas in August 1999, he was named a Member of the Executive Committee and placed in charge of BNP Paribas' Banque de Financement et d'Investissement. Since June 2003, he has served as Chief Operating Officer of BNP Paribas. He has been a Director of Groupe Bruxelles Lambert since 2009.*

### Victor Delloye

Director

Business address:

Compagnie Nationale à Portefeuille S.A.  
12, rue de la Blanche Borne – 6280 Loverval (Belgium)

Curriculum Vitae:

Born on 27 September 1953, Belgian nationality  
*Victor Delloye has a law degree from Catholic University of Louvain (UCL) and a master's degree in taxation studies from the School of Business Studies (ICHEC - Brussels). Since the start of the 1989-1990 academic year, he has been a lecturer at ULB's Solvay Business School in the master's programme in tax planning. He joined Frère-Bourgeois group in 1987 and was named Director-General Secretary of CNP-NPM in 1994. He has been a Director of Groupe Bruxelles Lambert since 1999.*

**Paul Desmarais, jr**  
Director

Business address:  
Power Corporation of Canada  
751, Victoria Square – Montreal, Quebec H2Y 2J3 (Canada)

Curriculum Vitae:  
Born on 3 July 1954 in Sudbury, Ontario, Canada,  
Canadian nationality  
*Paul Desmarais, jr has a degree in business studies from McGill University in Montreal and an MBA from INSEAD in Fontainebleau. He began his career in England with S.G. Warburg & Co. Ltd., moving on to Standard Brands Incorporated in New York. In 1981, he joined Power Corporation of Canada, where he is now Chairman of the Board and co-Chief Management Officer. He has been a Director of Groupe Bruxelles Lambert since 1990.*

**Ian Gallienne**  
Director

Business address:  
Ergon Capital Partners S.A.  
24, avenue Marnix – 1000 Brussels (Belgium)

Curriculum Vitae:  
Born on 23 January 1971, in Boulogne-Billancourt, France,  
French nationality  
*Ian Gallienne has a degree in Management and Administration, with a specialisation in Finance, from the E.S.D.E. in Paris and an MBA from INSEAD in Fontainebleau. He began his career in Spain, in 1992, as co-founder of a commercial company. From 1995 to 1997, he was a member of management of a consulting firm specialised in the reorganisation of ailing companies in France. From 1998 to 2005, he was Manager of the private equity funds Rhône Capital LLC in New York and London. Since 2005, he serves as co-founder and Managing Director of the private equity funds Ergon Capital Partners, Ergon Capital Partners II and Ergon Capital Partners III in Brussels. He has been a Director of Groupe Bruxelles Lambert since 2009.*

**Maurice Lippens**  
Director

Business address:  
161 box 12, Avenue Winston Churchill – 1180 Brussels (Belgium)

Curriculum Vitae:  
Born on 9 May 1943, Belgian nationality  
*Maurice Lippens has a doctorate in law from Free University of Brussels (ULB) and an MBA from Harvard Business School. He began his career in corporate turnarounds and in venture capital.*

*He served successively as Director, Managing Director and Chairman-Managing Director of AG group, which became Fortis in 1990. He served as Executive Chairman of Fortis until 2000 and non-Executive Chairman from 2000 to 1 October 2008. He has been a Director of Groupe Bruxelles Lambert since 2001.*

**Michel Plessis-Bélair**  
Director

Business address:  
Power Corporation of Canada  
751, Victoria Square – Montreal, Quebec H2Y 2J3 (Canada)

Curriculum Vitae:  
Born on 26 March 1942, in Montreal, Canada, Canadian nationality  
*Michel Plessis-Bélair holds a master's degree in business from the Montreal Business School and an MBA from Columbia University in New York. He is also a Fellow of the Order of Chartered Accountants of Quebec. He began his career with Samson Bélair, moving on in 1975 to Société Générale de Financement du Québec, where he held various management posts and also served as Director. In 1986, he joined Power Corporation of Canada and Power Financial Corporation, where he served until his retirement on 31 January 2008 as Vice-Chairman of the Board and Chief Financial Officer and Executive Vice-President and Chief Financial Officer respectively. He continues to serve as Vice-Chairman of the Board of Power Corporation of Canada and is also a member of the Board of Power Corporation of Canada and of Power Financial Corporation. He has been a Director of Groupe Bruxelles Lambert since 1990.*

**Gilles Samyn**  
Director

Business address:  
Compagnie Nationale à Portefeuille S.A.  
12, rue de la Blanche Borne – 6280 Loverval (Belgium)

Curriculum Vitae:  
Born on 2 January 1950, in Cannes, France, French and Belgian nationality  
*Gilles Samyn is a market development engineer, a graduate of the Solvay Business School (ULB), where he has held research and teaching posts since 1970. His career began in the Mouvement Coopératif Belge in 1972, after which Gilles Samyn moved on to Groupe Bruxelles Lambert in late 1974. After a year of self-employment, in 1983, he joined the Frère-Bourgeois group, where he is now Managing Director. He is also Vice-Chairman and Managing Director of CNP-NPM. He has been a Director of Groupe Bruxelles Lambert since 1987.*

### Amaury de Seze

Director

Business address:

PGB

1, rond-point des Champs Elysées – 75008 Paris (France)

Curriculum Vitae:

Born on 7 May 1946, French nationality

*Amaury de Seze has a degree from the Higher School of Business Administration ("Centre de Perfectionnement dans l'Administration des Affaires") and Stanford Graduate School of Business.*

*His career began at Bull General Electric. From 1978 to 1993, he was with Volvo group, chairing Volvo Europe and serving as a member of the group's Executive Committee. In 1993, he joined Paribas group as a Member of the Executive Board in charge of industrial affairs. He was Chairman of PAI Partners; he is Chairman of the Board of Directors of Carrefour S.A. and Vice-Chairman of Power Financial Corporation.*

*He is a Director of Pargesa Holding S.A. and has been a Director of Groupe Bruxelles Lambert since 1994.*

### Jean Stéphane

Director

Business address:

GlaxoSmithKline Biologicals

20, avenue Fleming (Building W23) – 1300 Wavre (Belgium)

Curriculum Vitae:

Born on 1 September 1949, in Furfooz, near Dinant, Belgium, Belgian nationality

*Jean Stéphane holds a degree in chemical engineering and agronomy from the Agronomy College of Gembloux, and a degree in management from Catholic University of Louvain (UCL).*

*He began his career at SmithKline-Rit, where he moved up the ranks to become Chairman-Chief Executive Officer. He chaired UWE (Union Wallonne des Entreprises) from 1997 to 2000.*

*He has been a Director of Groupe Bruxelles Lambert since 2003.*

### Gunter Thielen

Director

Business address:

Bertelsmann Stiftung

256, Carl-Bertelsmannstraße – P.O. Box 103 – 33311 Gütersloh (Germany)

Curriculum Vitae:

Born on 4 August 1942 in Saarland, Germany, German nationality

*Gunter Thielen has a doctorate in mechanical (construction) engineering and economics from the Technical University of Aachen. His career began in 1970 at BASF group, where he held various management posts.*

*In 1976, he took up the duties of Technical Director of the Wintershall refinery in Kassel.*

*In 1980, he was appointed Head of Management of Maul-Belser in Nuremberg (a printing of Bertelsmann group). He moved to Bertelsmann AG in 1985 as a member of the management body.*

*In 2002, he was named Chairman of the Board and CEO.*

*Since January 2008, he has served as Chairman of the Supervisory Board of Bertelsmann AG.*

*He has been a Director of Groupe Bruxelles Lambert since 2007.*

### Arnaud Vial

Director

Business address:

Power Corporation of Canada

751, Victoria Square – Montreal, Quebec H2Y 2J3 (Canada)

Curriculum Vitae:

Born on 3 January 1953, in Paris, France, French and Canadian nationality

*After completing a degree programme at the "Ecole supérieure d'Electricité", Arnaud Vial began his career in 1977 at Banque Paribas (Paris). In 1988, he joined Pargesa group. Since 1997, he has been Senior Vice-President of Power Corporation of Canada and of Power Financial Corporation.*

*He has been a Director of Groupe Bruxelles Lambert since 2004.*

#### 1.2.2. Designation and appointment of Directors

Directors are designated and appointed on the basis of procedures and selection criteria that are described in the Charter in Chapter III, point A. 2., in conformity with the Code, apart from one exception. The Code states that a non-executive Director, the Chairman of the Board of Directors or another Director shall conduct the appointment process. At GBL, this task is performed by the Chairman of the Board, who nonetheless is also CEO.

#### 1.2.3. Professional development

New Directors receive appropriate information enabling them to contribute rapidly to the work of the Board of Directors. If the Director sits in a Board Committee as well, the information communicated also includes a description of the Committee's remit, and all other information related to the Committee's tasks. Furthermore, they are given the opportunity to discuss any questions about the performance of their mandate with the Company's Executive Management. The selection of new Directors being primarily determined by the level of professional experience and competence brought with respect to the activities of a holding company, no other formal education is currently provided.

Throughout their term of office, Directors continue to develop their competence and knowledge of the Company in order to play their role in the Board of Directors and in its Committees.

#### 1.2.4. Offices held by Directors in listed companies

The following table shows the offices held as of 31 December 2010 by each of the Directors in listed companies, both in Belgium and in other countries.

Two figures are indicated for the number of offices. The first figure represents the total number of offices held; the second smaller figure is obtained by consolidating all the offices held within a same group as its representative to the different companies in which it owns a shareholding.

The specific nature of a holding company is to own shares whose performance must be monitored by the company's managers. In this context, the Directors may legitimately hold more than five offices that constitute their main professional activity, which explains why the Charter provides a derogation from the Code's provisions in this respect.

	<b>Number of offices</b>	<b>Name of the listed company</b>
Albert Frère	5 / 3	Pargesa Holding S.A. (CH) Groupe Bruxelles Lambert (B) GDF SUEZ (F) LVMH (F) Métropole Télévision (M6) (F)
Paul Desmarais	4 / 1	Power Corporation of Canada (CDN) Power Financial Corporation (CDN) Pargesa Holding S.A. (CH) Groupe Bruxelles Lambert (B)
Gérald Frère	7 / 3	National Bank of Belgium (B) Power Financial Corporation (CDN) Compagnie Nationale à Portefeuille S.A. (B) Pargesa Holding S.A. (CH) Groupe Bruxelles Lambert (B) Lafarge (F) Pernod Ricard (F)
Thierry de Rudder	5 / 2	Groupe Bruxelles Lambert (B) GDF SUEZ (F) Lafarge (F) Total S.A. (F) Compagnie Nationale à Portefeuille S.A. <sup>(1)</sup> (B)
Jean-Louis Beffa	4 / 4	Compagnie de Saint-Gobain (F) GDF SUEZ (F) Siemens AG (D) Groupe Bruxelles Lambert (B)
Georges Chodron de Courcel	6 / 6	Alstom S.A. (F) Bouygues S.A. (F) FFP (F) Groupe Bruxelles Lambert (B) Lagardère S.C.A. (F) Nexans S.A. (F)
Victor Delloye	3 / 1	Compagnie Nationale à Portefeuille S.A. (B) Pargesa Holding S.A. (CH) Groupe Bruxelles Lambert (B)

(1) Directorship held for his own account

	<b>Number of offices</b>	<b>Name of the listed company</b>
Paul Desmarais, jr	11 / 1	Power Corporation of Canada (CDN) Power Financial Corporation (CDN) Great-West Lifeco Inc. (CDN) The Great-West Life Assurance Company (CDN) Canada Life Financial Corporation (CDN) IGM Financial Inc. (CDN) Pargesa Holding S.A. (CH) Groupe Bruxelles Lambert (B) GDF SUEZ (F) Lafarge (F) Total S.A. (F)
Ian Gallienne	2 / 1	Groupe Bruxelles Lambert (B) Imerys (F)
Maurice Lippens	1 / 1	Groupe Bruxelles Lambert (B)
Michel Plessis-Bélair	8 / 1	Power Corporation of Canada (CDN) Power Financial Corporation (CDN) Great-West Lifeco Inc. (CDN) The Great-West Life Assurance Company (CDN) Canada Life Financial Corporation (CDN) IGM Financial Inc. (CDN) Pargesa Holding S.A. (CH) Groupe Bruxelles Lambert (B)
Gilles Samyn	6 / 1	Compagnie Nationale à Portefeuille S.A. (B) Affichage Holding S.A. (CH) Groupe Flo S.A. (F) Métropole Télévision (M6) (F) Pargesa Holding S.A. (CH) Groupe Bruxelles Lambert (B)
Armaury de Seze	8 / 4	Carrefour S.A. (F) Power Financial Corporation (CDN) Pargesa Holding S.A. (CH) Groupe Bruxelles Lambert (B) Suez Environnement (F) Imerys (F) Publicis Groupe (F) Thales
Jean Stéphane	2 / 2	Groupe Bruxelles Lambert (B) IBA (B)
Gunter Thielen	2 / 2	Groupe Bruxelles Lambert (B) Sixt AG (D)
Arnaud Vial	2 / 1	Pargesa Holding S.A. (CH) Groupe Bruxelles Lambert (B)

### 1.2.5. Family ties between members of the Board of Directors

- Paul Desmarais is Paul Desmarais, jr's father.
- Albert Frère is Gérard Frère's father and Ian Gallienne's father-in-law.
- Gérard Frère is the brother-in-law of Thierry de Rudder and Ian Gallienne.

### 1.2.6. Management expertise and experience of members of the Board of Directors

Among the criteria laid down for the selection of Directors is their expertise and experience in management and finance.

The activity exercised and offices held by each of the Directors reflect the expertise and experience of each one.

### 1.2.7. Absence of conviction for fraud or of public incrimination and/or penalties

In the course of the last five years, there have been no conviction for fraud, public incrimination and/or official penalties handed down against any of the Directors by the statutory or regulatory authorities.

Likewise, none of the Directors has ever been prohibited by a court from acting in the capacity of member of a management body or from taking part in the management or pursuit of an issuer's activities.

### 1.2.8. Bankruptcy, placing in receivership or liquidation of companies in which a Director has had ties as a board member over the last five years

None of the Directors has ever been associated with a bankruptcy, placing in receivership or liquidation, with the exception of Victor Delloye and Gilles Samyn. They declare that, as members of the Board of Directors of Loverfin S.A., they were involved in the dissolution and winding up (and the distribution of incentive earnings) of this company by unanimous agreement of the shareholders, on 19 December 2003, as part of an employee profit sharing scheme of Compagnie Nationale à Portefeuille S.A. The closure of the winding-up of Loverfin S.A. was approved on 11 June 2007.

Arnaud Vial was involved in the dissolution of SIB International Bancorp in 2008.

### 1.2.9. Potential conflicts of interests between members of the Board of Directors

The following theoretical potential conflicts of interest have been identified:

- Albert Frère is Vice-Chairman and Managing Director of Pargesa Holding S.A. and holds different directorships in Frère-Bourgeois/CNP-NPM group.
- Gérard Frère is Vice-Chairman of Pargesa Holding S.A. and holds different directorships in Frère-Bourgeois/CNP-NPM group.
- Gilles Samyn is Managing Director of Frère-Bourgeois and of Compagnie Nationale à Portefeuille S.A. He is also a Director of Pargesa Holding S.A.
- Victor Delloye is a Director of Pargesa Holding S.A. and also holds different directorships in Frère-Bourgeois/CNP-NPM group.

- Paul Desmarais, Paul Desmarais, jr, Michel Plessis-Bélaïr and Arnaud Vial are Directors of Pargesa Holding S.A. and hold different directorships in Power Corporation of Canada group.
- Amaury de Seze is a Director of Pargesa Holding S.A. and Erbe, a Frère-Bourgeois/CNP-NPM group company, and Vice-President of Power Financial Corporation.
- Arnaud Vial is Senior Vice-President of Power Corporation of Canada and Power Financial Corporation.
- Georges Chodron de Courcel is Chief Operating Officer of BNP Paribas.
- Thierry de Rudder is a Director of Compagnie Nationale à Portefeuille S.A.
- Ian Gallienne is Managing Director of Ergon Capital Partners, Ergon Capital Partners II and Ergon Capital Partners III.

### 1.2.10. Arrangements or agreements concluded with the main shareholders

The Company has not concluded with its main shareholders any arrangements or agreements by virtue of which the Directors have been selected as members of the Board of Directors.

### 1.2.11. Shares held in GBL's capital (shares and options) on 3 March 2011

#### 1.2.11.1. Shares

Directors Albert Frère, Jean-Louis Beffa, Georges Chodron de Courcel, Victor Delloye, Paul Desmarais, jr, Ian Gallienne, Maurice Lippens, Michel Plessis-Bélaïr, Gilles Samyn, Amaury de Seze, Gunter Thielen and Arnaud Vial own no shares in GBL's capital.

- Paul Desmarais owns 500 GBL shares.
- Thierry de Rudder owns 25,334 GBL shares.
- Gérard Frère owns 183,014 GBL shares.
- Jean Stéphanne owns 95 GBL shares.

#### 1.2.11.2. Options

The members of the Executive Management hold the following options:

Option plan	Number of options allotted <sup>(1)</sup>		
	Albert Frère	Gérald Frère	Thierry de Rudder
2007	44,885	18,935	18,935
2008	60,561	25,548	25,548
2009	90,230	38,065	38,065
2010	59,822	25,237	25,237

(1) One option giving entitlement to the acquisition of one GBL share

The other members of the Board of Directors are not concerned by these option plans.



### 1.2.12. Restriction concerning the disposal of shares in GBL's capital

To the best of the Company's knowledge, there are no restrictions concerning the disposal by a Director of shares owned in GBL, with the exception of what is stipulated for the prohibited and closed periods.

## 1.3. EXECUTIVE MANAGEMENT AND CHIEF EXECUTIVE OFFICER (CEO)

### 1.3.1. Composition

The Board of Directors has appointed three Managing Directors, Albert Frère, Gérald Frère and Thierry de Rudder, to handle the Company's day-to-day management. This college of Managing Directors makes up GBL's Executive Management. The Executive Management is chaired by Albert Frère which is the CEO.

Albert Frère and Gérald Frère's term of office as Managing Director coming due at the outset of the Ordinary General Meeting of 12 April 2011, the Board of Directors will be asked to renew the delegation of day-to-day management to them for four years, subject to their re-election as Director by the General Meeting for the same period.

The Code recommends a separation between the responsibilities of the Chairman of the Board of Directors and those of the CEO. The offices of Chairman and CEO of GBL are held by the same person. This situation is the result of the Company's history: Albert Frère took up the duties of CEO of GBL in 1982 and chairs the Board of Directors since 1987. There are no plans for the moment to separate the roles of Chairman of the Board and CEO.

### 1.3.2. Competences and functioning of the Executive Management

The Executive Management ensures on a collegiate basis the group's operational management. It enjoys a large measure of autonomy: the delegation of day-to-day management is not limited to implementation of the decisions of the Board of Directors, but also covers all acts necessary for ensuring the continuity of the Company's activities and implementing its strategy. The functioning of the Executive Management is described in the Charter, Chapter III, point B.3.

### 1.3.3. Evaluation of the Executive Management

The Company's Charter does not provide for any specific procedure for evaluating the performance of the CEO and of other members of the Executive Management, as foreseen by the Code. Such evaluation occurs on an ongoing and informal basis within the framework of meetings of the Board and its Committees, and more formally with the triennial assessment of the performance of the Board of Directors (see Charter, Chapter III, point A. 4.2.5.).

## 1.4. COMPETENCES AND FUNCTIONING OF THE BOARD OF DIRECTORS

The competences and functioning of the Board of Directors are described in the Charter, Chapter III, point A. 4.1. and 4.2.

## 1.5. BOARD MEETINGS HELD IN 2010 AND DIRECTORS' ATTENDANCE

The Board of Directors met six times in 2010, with an average attendance rate by Directors of 79.41% for all meetings. Some members attended five of these meetings by telephone. The Directors' individual attendance rate for these meetings was as follows:

Directors	Attendance rate
Albert Frère	100.00%
Paul Desmarais	0.00%
Gérald Frère	100.00%
Thierry de Rudder	100.00%
Jean-Louis Beffa	50.00%
Georges Chodron de Courcel	50.00%
Victor Delloye	100.00%
Paul Desmarais, jr	100.00%
Ian Gallienne	100.00%
Aimery Langlois-Meurinne <sup>(1)</sup>	0.00%
Maurice Lippens	100.00%
Michel Plessis-Bélair	83.33%
Gilles Samyn	100.00%
Amaury de Seze	100.00%
Jean Stéphane	83.33%
Gunter Thielen	83.33%
Arnaud Vial	100.00%
<b>Overall total</b>	<b>79.41%</b>

(1) Directorship expired at the conclusion of the General Meeting on 13 April 2010, renewal of which was not sought. Participation rate calculated on the basis of Board meetings prior to that date.

The Board meetings in March and July traditionally have on their agenda the adoption of the consolidated financial statements and accounts on 31 December and 30 June. The May and November meetings focus on the quarterly accounts. The portfolio of investments is generally on the agenda of all meetings, with given investments being reviewed to different degrees. Throughout the year, the Board focused its work on various investment projects.

The Board meeting in March approved the creation of the new private equity fund, Ergon Capital Partners III. It also decided to suspend, from 1 January 2011, the exercise of rights attaching to bearer shares until such time as such shares are converted into registered or dematerialised shares. At this meeting the Board also deliberated on the convening of the Ordinary General Meeting, adopting its agenda and its proposals for statutory appointments. The Board made certain appointments to the Board and to its Committees.

In March and November, the Board, on proposal from the Nomination and Remuneration Committee and pursuant to Article 523 of the Company Code concerning Directors having an interest of an economic nature adverse to the Company's interests:

- amended the remuneration policy concerning the CEO;
- adopted decisions on remuneration and pension for the group's different executives, in particular the Executive Management;
- set the underlying ceiling on options for allocation in 2010 to be proposed to the General Meeting;
- adapted the Charter to the Code and to new legal provisions relating to the Nomination and Remuneration Committee.

The Board meeting in early May deliberated on the evaluation of its functioning and its Committees. In late May, it also approved the launch of a bond issue and approved the prospectus.

### 1.6. EFFECTIVENESS AND ASSESSMENT OF THE BOARD

In accordance with its rules of procedure (see Charter, Chapter III, point A. 4.2.5.), the Board of Directors evaluates its own performance every three years based on an individual questionnaire.

This assessment tool concerns the size, composition and collective performance of the Board of Directors, as well as the actual contribution of each Director and the Board of Director's interaction with the Executive Management. In addition to this evaluation procedure, the non-executive Directors meet annually in the absence of the CEO and of the other members of the Executive Management to review the interaction between the non-executive Directors and the Executive Management.

The first assessment procedure of the Board of Directors was carried out in 2007.

A subsequent assessment of the functioning of the Board of Directors and the interaction between the Board and the Executive Management was held in the first quarter of 2010. The results were communicated to the Board on 5 May 2010 and were very satisfactory.

The meeting of non-executive Directors was also held on 5 May 2010. The non-executive Directors aired their views on the following matters:

- the quality of relations between the CEO/the Executive Management and the Board of Directors;
- the information provided by the CEO/the Executive Management;
- the assessment by the Board of Directors of the CEO/the Executive Management;
- the division of tasks between the Board of Directors and the Executive Management;
- the advisability for Directors to meet the principal executives outside of meetings of the Board of Directors.

There were no specific criticisms on any of these matters, all of which were deemed satisfactory.

There is no pre-established and transparent procedure with respect to the assessment of the contribution and effectiveness of Directors whose re-election is proposed. The actual contribution of each Director is assessed as part of the periodic evaluation of the Board of Directors. Furthermore, the proposal for renewal of directorships implicitly confirms the contribution and effectiveness of the Director concerned to the work of the Board of Directors.

## 2. Board Committees

The Board of Directors is assisted by the Standing Committee, the Nomination and Remuneration Committee and the Audit Committee, which carry out their activities under its responsibility. The rules of procedure for each of these Committees is found in Annex 1 of the Charter.

### 2.1. STANDING COMMITTEE

#### 2.1.1. Composition

The Standing Committee has eight members, namely:

Members of the Standing Committee	Current term of office	Attendance rate
Gérald Frère, Chairman	2008-2011	100.00%
Paul Desmarais	2008-2011	0.00%
Paul Desmarais, jr	2008-2011	66.67%
Albert Frère	2008-2011	100.00%
Michel Plessis-Bélair	2010-2013	100.00%
Thierry de Rudder	2009-2012	100.00%
Gilles Samyn	2008-2011	100.00%
Amaury de Seze	2010-2013	100.00%
<b>Total</b>		<b>83.33%</b>

The term of office of members of the Committee corresponds to the term of office as Director.

It is proposed to the Board of Directors on 3 March 2011 to renew the directorships of Gérald Frère, Paul Desmarais, Paul Desmarais, jr, Albert Frère and Gilles Samyn, subject to their re-election to the Board by the General Meeting on 12 April 2011.

#### 2.1.2. Frequency of meetings

The Standing Committee met on three occasions in 2010. Members' average attendance rate for all meetings in 2010 was 83.33%. The Directors' individual attendance rate at these meetings is shown in the table above.

At its different meetings, the Standing Committee addressed the main subjects to be deliberated upon by the Board, namely:

- the evolution of the portfolio;
- the group's cash position;
- the financing policy;
- the dividend policy;
- the investment policy and projects;
- the outlook for and the evaluation of the group's investments.

## 2.2. NOMINATION AND REMUNERATION COMMITTEE

### 2.2.1. Composition

The Committee currently has the following five members:

Members of the Nomination and Remuneration Committee	Current term of office
Maurice Lippens, Chairman	2010-2013
Michel Plessis-Bélair	2010-2013
Gilles Samyn	2008-2011
Jean Stéphane	2010-2013
Gunter Thielen <sup>(1)</sup>	2010-2013

(1) Since 5 November 2010

The term of office of members of the Committee corresponds to the term of office as Director.

It is proposed to the Board of Directors on 3 March 2011 to renew the term of office of Gilles Samyn, subject to his re-election to the Board by the General Meeting on 12 April 2011.

All members of the Nomination and Remuneration Committee are non-executive Directors.

Until 5 November 2010, the Committee was composed of four non-executive Directors, two of whom are independent within the meaning of Article 526(b) of the Company Code. To comply with new legal provisions concerning the composition of the Remuneration Committee, the Board of Directors, at its meeting on 5 November 2010, appointed Gunter Thielen as a member of the Committee, bringing the number of independent Directors to three out of five members.

The Committee has the necessary expertise in the area of remuneration policy.

### 2.2.2. Frequency of meetings

The Committee met twice in 2010. All the Committee members participated in the meeting either physically or by telephone. The average rate of attendance by members was therefore 100%.

At these meetings, the Committee focused primarily on the following subjects:

- proposals for statutory appointments:
  - renewal of the term of office of eight Directors;
  - ascertainment of the independence of four Directors;
  - renewal of the terms of office of two members and appointment of a new member to the Audit Committee;
  - renewal of the terms of office of three members and appointment of a new member to the Nomination and Remuneration Committee and of two members to the Standing Committee;
- setting of the co-efficient to be used in 2010 for stock options to be granted to the Executive Management and group staff;
- propositions on remuneration of the CEO and the group's Executive Directors;
- proposal to amend the remuneration policy with respect to the CEO;

- review of the corporate governance text concerning remuneration of executives to be published in the annual financial report 2009;
- proposals concerning pensions for the group's executives;
- proposal to adapt the Charter to the law of 6 April 2010 and in particular the rules of procedure of the Nomination and Remuneration Committee.

## 2.3. AUDIT COMMITTEE

### 2.3.1. Composition

The Committee currently comprises four members, namely:

Members of the Audit Committee	Current term of office	Attendance rate
Jean-Louis Beffa, Chairman	2010-2013	100.00%
Michel Plessis-Bélair <sup>(1)</sup>	2007-2010	100.00%
Gilles Samyn	2008-2011	100.00%
Gunter Thielen	2010-2013	75.00%
Arnaud Vial <sup>(1)</sup>	2010-2013	100.00%
<b>Total</b>		<b>95.00%</b>

(1) As from the General Meeting of 13 April 2010, Arnaud Vial replaced Michel Plessis-Bélair in the Audit Committee. Attendance rate calculated on the basis of meetings during their term of office.

The term of office of members of the Committee corresponds to the term of office as Director.

It is proposed to the Board of Directors on 3 March 2011 to appoint Antoinette d'Aspremont Lynden and to re-elect Gilles Samyn as members of the Committee, subject to their appointment by the General Meeting on 12 April 2011.

Gunter Thielen will give up his seat on the Audit Committee, as from the General Meeting on 12 April 2011, to devote his time to the Nomination and Remuneration Committee.

All members of the Committee are non-executive Directors. Two are independent within the meaning of Article 526(b) of the Company Code. All members are competent in accounting, audit and finance.

The Code requires the Audit Committee to have a majority of independent Directors. This provision is not compatible with GBL's controlling shareholding structure and the Company's Charter consequently provides a derogation, limiting the number of independent Directors to half the Committee members.

### 2.3.2. Frequency of meetings

The Audit Committee met on four occasions in 2010. The Committee members attended the meetings either physically or by telephone. Members' average attendance rate for all meetings in 2010 was 95.00%. The Directors' individual attendance rate at these meetings is shown in the table above.

One member of the Executive Management, the Company's Chief Financial Officer, as well as the Statutory Auditor attended all the meetings.

The Audit Committee assisted the Board of Directors in carrying out its auditing responsibilities in the broad sense of the term. It carried out the following tasks in particular:

- review of the Company's annual and half-yearly consolidated financial statements and the consolidated quarterly results;
- review of the outlook for 2010 / 2011;
- review of the book valuations of the shareholdings;
- review of risks and assessment of the effectiveness of internal control and risk management systems;
- review of press releases, notably concerning the group's financial statements and results;
- review of texts to be published in the annual financial report concerning:
  - financial information;
  - comments on internal control and risk management;
- proposal for renewal of the Statutory Auditor's mandate, which expires at the conclusion of the 2010 General Meeting;
- review and follow-up of the independence of the Statutory Auditor and verification of his services, other than the tasks assigned by law (in particular the statutory auditing of the accounts).

#### **2.4. ASSESSMENT OF THE FUNCTIONING AND PERFORMANCE OF THE BOARD OF DIRECTORS' COMMITTEES**

In terms of the evolution and effectiveness of their work, the different Committees may, at any time, propose changes to their respective rules of procedure. The Charter therefore does not establish a regular procedure for review of the Committees' rules of procedure. The functioning and performance of each Committee is measured and analysed as part of the triennial assessment of the performance of the Board of Directors. Part of the individual assessment questionnaire is reserved for this purpose to members of the respective Committees.

### **3. Remuneration report**

#### **3.1. PROCEDURE FOR ESTABLISHING REMUNERATION POLICY AND SETTING REMUNERATION FOR MEMBERS OF THE BOARD OF DIRECTORS**

The procedure for establishing the remuneration policy and setting remuneration for members of the Board is determined by the Board of Directors on the basis of proposals from the Nomination and Remuneration Committee.

The fees paid to non-executive Directors are set by the Board of Directors on proposal from the Nomination and Remuneration Committee, within a ceiling submitted to the General Meeting for approval. These fees, which had not been reviewed since 2001, were benchmarked and revised in 2011.

The nature and the amount of the remuneration of the members of the Executive Management are decided by the Board of Directors on proposal from the Nomination and Remuneration Committee, which is assisted in its work by an outside consultant.

Stock option plans are determined by the Board of Directors on proposal from the Nomination and Remuneration Committee.

These plans must first be approved by the Company's shareholders. The approval covers the plan itself as well as the maximum value of the shares underlying the options to be granted, but not the individual grant of stock options under the plan.

#### **3.2. REMUNERATION POLICY**

The remuneration policy for non-executive Directors was reviewed in 2011 to reflect market conditions and the new governance trend which aims to tie remuneration to performance. In this spirit, the fixed amount of remuneration was reduced and attendance fees were introduced.

The remuneration policy relating to the Executive Management does not include any short-term variable remuneration in cash, but consists solely of fixed remuneration. This policy is inspired by the characteristics of the business of a holding company, whose performances are difficult to evaluate over the short term.

Only the CEO's remuneration represented an exception to this rule. From financial year 2010, the principle of a variable remuneration in cash collected by the CEO was also discontinued and the structure of the CEO's remuneration was brought into line with that of the other members of the Executive Management.

The fixed amount of the Executive Management's remuneration was initially set for the 2006-2009 period. It was reviewed in 2010 for a period of three years, i.e. 2010-2012.

It takes account of the function performed and market conditions adjusted in terms of the Company's long-term performance. The basic reference is the market median, the upper bracket applying only to the extent that GBL's long-term performance falls within the top quartile of BEL 20 and CAC 40 companies.

The Executive Management also benefits from a long-term incentive plan tied to the Company's performance in the form of an annual stock option plan. In this context, the Board of Directors submits yearly to the General Meeting, for its approval, the maximum value of the shares underlying the options to be awarded. This value is set by the Board of Directors on proposal from the Nomination and Remuneration Committee.

Stock options are issued in accordance with the provisions of the law of 26 March 1999 on the 1998 Belgian Employment Action Plan and setting out various arrangements, as amended by the programme-law of 24 December 2002. These options on existing shares are issued for ten years.

The option exercise price is defined in accordance with the calculation laid down by the law, and is the smaller of the following two values:

- the share price on the day before the offer;
- the average of the 30 previous days.

The options are definitively acquired after a three-year period, to the basis of one third per year, except in the case of a change of controlling ownership, in which event they are immediately vested.

Pursuant to the law of 6 April 2010, the options granted to the Executive Management after 31 December 2010 may not be exercised until at least three years after being granted.

Since 2007, the Company has issued four instalments as part of this plan, the characteristics of which are summarized below:

Year of award	2007	2008	2009	2010
Exercise period	from 1/01/2011 to 24/05/2017	from 1/01/2012 to 9/04/2018	from 1/01/2013 to 16/04/2019	from 1/01/2014 to 15/04/2020
Prolonged (partially) <sup>(1)</sup>	until 24/05/2022	until 9/04/2023	-	-
Exercise price	EUR 91.90	EUR 77.40	EUR 51.95	EUR 65.82

(1) In the framework of the Economic Recovery Act of 27 March 2009

### 3.3. FEES AND OTHER GROSS REMUNERATION COLLECTED BY NON-EXECUTIVE DIRECTORS FOR FINANCIAL YEAR 2010

In EUR	Board Member	Board Committee Member	Other <sup>(1)</sup>	Total
Jean-Louis Beffa	37,500	25,000	-	62,500
Georges Chodron de Courcel	37,500	-	-	37,500
Victor Delloye	37,500	-	-	37,500
Paul Desmarais	62,500 <sup>(2)</sup>	25,000	-	87,500
Paul Desmarais, jr	37,500	25,000	143,095	205,595
Ian Gallienne	37,500	-	708,605 <sup>(3)</sup>	746,105
Aimery Langlois-Meurinne	12,500	-	208,500	221,000
Maurice Lippens	37,500	25,000	-	62,500
Michel Plessis-Bélair	37,500	41,667	-	79,167
Gilles Samyn	37,500	50,000	-	87,500
Amaury de Seze	37,500	29,167	67,847	134,514
Jean Stéphane	37,500	12,500	-	50,000
Gunter Thielen	37,500	14,583	-	52,083
Arnaud Vial	37,500	8,333	-	45,833
<b>Total</b>	<b>525,000</b>	<b>256,250</b>	<b>1,128,047</b>	<b>1,909,297</b>

(1) Remuneration for offices held in the group's shareholdings

(2) Of which EUR 25,000 as Board Vice-Chairman

(3) Amount excluding long-term profit-sharing on the Ergon Capital Partners I, II and III private equity funds

The non-executive Directors didn't receive a variable remuneration.

Subject to approval by the General Meeting on 12 April 2011, the ceiling for fees paid to non-executive Directors for their duties on the Board of Directors and its Committees, is set at EUR 1,200,000. This amount would be allocated as follows:

- an annual fixed amount of EUR 25,000 for members of the Board of Directors <sup>(1)</sup>;
- an annual fixed amount of EUR 15,000 for members of the Standing Committee <sup>(2)</sup>;

- an annual fixed amount of EUR 12,500 for members of the other Committees <sup>(2)</sup>;
- Director's fees of EUR 3,000 per meeting of the Board and Committees.

The members of the Executive Management receive no remuneration for their directorship as such. There is no service contract between non-executive members of the Board of Directors and the Company or any of its subsidiaries providing for the grant of advantages upon conclusion of their mandate.

(1) Double this amount for the Vice-Chairman of the Board of Directors

(2) Double this amount for the Committee Chairman

### 3.4. REMUNERATION OF THE EXECUTIVE MANAGEMENT

Fixed remuneration for the Executive Management, which had not been revised since 2006, was adjusted in 2010 to reflect market conditions. Given the troubled economic and financial climate, the benchmarking exercise was limited to a general review of the evolution of the remuneration of executives of BEL 20 and CAC 40 companies over the past four years.

The amount of remuneration collected directly and indirectly by members of the Executive Management includes remuneration for offices held in companies in which they represent GBL.

#### 3.4.1. Gross remuneration of the CEO for financial year 2010

CEO	Albert Frère
Status	Self-employed
Fixed remuneration (gross)	EUR 2,896,200
Variable remuneration (short-term)	-
Pension	-
Other benefits	EUR 3,177
<i>Benefit in kind</i> <sup>(1)</sup>	EUR 2,149
<i>Insurance</i>	EUR 1,028

(1) Relating to costs for third parties invited by the CEO on board of professional flights

The CEO didn't receive a variable long-term cash remuneration for financial year 2010.

#### 3.4.2. Total gross remuneration of the other members of the Executive Management for financial year 2010

Other members of the Executive Management	Thierry de Rudder and Gérald Frère
Status	Self-employed
Fixed remuneration (gross)	EUR 3,263,713 (overall total)
Variable remuneration (short-term)	-
Pension	Defined benefits pension plan financed by GBL through a pension fund
Other benefits	EUR 7,786 (overall total)
<i>Benefit in kind</i> <sup>(1)</sup>	EUR 1,550
<i>Insurance</i>	EUR 6,236

(1) Relating to costs for third parties invited by other members of the Executive Management on board of professional flights

The other members of the Executive Management didn't receive a variable long-term cash remuneration for financial year 2010.

A pension supplement was awarded to remunerate activity beyond eighteen years. These individuals also agreed not to exercise the option of collecting their pension in the form of an indexed annuity and opted instead for collecting it in the form of capital. Since the individual reserves established in their behalf in the pension fund will in time be large enough to cover the commitments made, considering these arrangements, no additional allocation to provision was necessary in 2010.

#### 3.4.3. Shares granted to the Executive Management

No shares were granted to the Executive Management during financial year 2010.

#### 3.4.4. Stock options granted to the Executive Management

##### 3.4.4. a. Stock options granted during financial year 2010

Decisions	Board of Directors of 2 March 2010 General Meeting of 13 April 2010	
Characteristics of the options	See point 3.2.	
Exercise price	EUR 65.82	
Vesting date	16 April 2013	
Maturity date	15 April 2020	
Exercise period	Any time from 1 January 2014 until 15 April 2020	
Value of the options granted (IFRS)	Albert Frère Gérald Frère Thierry de Rudder	EUR 845,285 EUR 356,599 EUR 356,599
Number of options granted	Albert Frère Gérald Frère Thierry de Rudder	59,822 25,237 25,237

##### 3.4.4. b. Number and main characteristics of the stock options exercised or expired during financial year 2010

Name of Executive Manager	Thierry de Rudder	Gérald Frère
Type of plan	Plan established under law of 26 March 1999 <sup>(1)</sup>	
Number of options exercised	20,334	183,014
Exercise price	EUR 32.24	EUR 32.24
Year options exercised were granted	1999	1999
Number of expired options	0	0
Year options expired were granted	-	-

(1) The law of 26 March 1999 on the 1998 Belgian Employment Action Plan and establishing other provisions, as amended by the programme-law of 24 December 2002

### 3.4.5. Compensation for severance for the CEO and other members of the Executive Management

Gérald Frère and Thierry de Rudder were entitled, in the event their mandate was revoked or their position terminated before they reached the age of 62 for any reason other than serious grounds, compensation equal to three years of fixed remuneration.

Gérald Frère, in the context of renewal of his mandate and of the new law of 6 April 2010 concerning enhanced corporate governance in listed companies, agreed to the reduction of this compensation to eighteen months of fixed remuneration.

## 4. Auditing of accounts

The General Meeting on 13 April 2010 appointed:

Deloitte Reviseurs d'Entreprises  
BV o.v.v.e. CVBA/SC s.f.d. SCRL  
Berkenlaan 8b  
B – 1831 Diegem

represented by Michel Denayer, as Statutory Auditor for a period of three years and set its fees for this audit assignment at EUR 70,000 non-indexable and exclusive of VAT.

In the exercise of his duties, the Statutory Auditor maintains close relations with the Executive Management and has free access to the Board of Directors via the Audit Committee. Furthermore, he may address directly and with no restrictions the Chairman of the Audit Committee and the Chairman of the Board of Directors.

For the group as a whole (GBL and its wholly-owned subsidiaries), total fees for services provided in 2010 by Deloitte amounted to EUR 103,675. Details on the fees paid to Deloitte are found in note 16, page 85.

## 5. Staff and organisation

### 5.1. DEPARTMENT HEADS

#### Michel Chambaud

Born on 21 May 1952, French nationality  
*Michel Chambaud earned degrees from the HEC Business School and Political Science Institute in Paris and holds a doctorate in tax law. He began his career as Strategic and Financial Adviser at Arthur D. Little and the World Bank. He then held different international positions as part of the financial management of Schlumberger group. He joined Pargesa group in 1987, where he managed the investments of Parfinance, and later was named Chief Financial Officer and Head of Strategy of Imerys. Today he is GBL's Investments Manager.*

#### Patrick De Vos

Born on 9 October 1957, Belgian nationality  
*After earning a degree in law and applied economics from Antwerp University, he began his career at Deloitte in the audit department. In 1985, he joined GBL group, where he was assigned different financial responsibilities before being named Chief Financial Officer*

*in 1994. As CFO, he supervises the treasury, consolidation, accounting and taxation divisions.*

#### Ann Opsomer

Born on 17 May 1960, Belgian nationality  
*Ann Opsomer holds a degree in law from Antwerp University and a degree in economic law from Catholic University of Louvain. She began her career as a member of the Brussels Bar. In 1986, she joined GBL, where she held positions in the financial department and subsequently in the legal department. Since 2004, she served as GBL's Secretary General and Compliance Officer.*

#### Olivier Pirotte

Born on 18 September 1966, Belgian nationality  
*Olivier Pirotte has a degree in Market Development Engineering from Solvay Business School (Free University of Brussels). His career began at Arthur Andersen, where he was responsible for the Audit and Business Consulting Divisions. In 1995, he joined GBL, where he holds various financial and industrial monitoring responsibilities. In 2000, he was named GBL's Investments Manager.*

The Executive Management meets regularly the aforesaid heads of the Company's different departments to monitor the group's operational activities and to review any management measures that may be needed.

### 5.2. ORGANISATION

#### Management of Investments

Michel Chambaud  
Olivier Pirotte  
Bruno Bayet  
Laurent Raets

#### Finance

Patrick De Vos  
Axelle Henry  
Philippe Delaunoy      Accounts  
Philippe Debelle      Accounts  
Philippe Lorette      Accounts  
Laurent Berckmans <sup>(1)</sup>      Consolidation  
Pascal Reynaerts      Taxation  
Pierre Hautfenne      Treasury  
Laurence Mathieu      Luxembourg  
Gerard Bollweg      Netherlands  
Sophia Harms      Netherlands

#### General Secretariat

Ann Opsomer  
Ann Opsomer      Legal  
Fabien Vanoverberghe      Human Resources  
Ewald Apiecionek      Information  
Technology

#### Research and Documentation

Marie Skiba  
Laurence Flamme

(1) Until 25 November 2010

### 5.3. EMPLOYEE STOCK OPTION PROGRAMME

On 15 June 1999, the Board of Directors put in place a stock option programme for the Executive Management and staff of GBL and its subsidiaries.

At its meeting on 6 March 2007, the Board of Directors decided to put in place a new stock option programme allowing the yearly issue of options on existing GBL shares for the group's Executive Management and staff.

In compliance with the Code, the Company's General Meeting on 24 April 2007 approved this principle and every year sets the maximum value of shares underlying the options to be issued during the year in progress.

The ceilings approved by the General Meeting since 2007 are:

General Meeting	Maximum value of underlying ceiling
24 April 2007	EUR 11.0 million
8 April 2008	EUR 12.5 million
14 April 2009	EUR 12.5 million
13 April 2010	EUR 12.5 million

For further details on these programmes, see note 7. D. on the consolidated financial statements, page 78.

## 6. Risk management and internal control

The Board of Directors of GBL is responsible for assessing risks inherent to GBL's group and the effectiveness of internal control.

On risk management and internal control, the Belgian legislative framework consists of the law of 17 December 2008 (application of European Directive 2006/43 on statutory audits of corporate annual accounts), the law of 6 April 2010 (the so-called Corporate Governance Act) and the 2009 Belgian Code on Corporate Governance.

The IFRS 7 also defines additional constraints in matters of management of risks related to financial instruments.

Since 2006, GBL formalized its internal control and risk management systems based on the COSO<sup>(1)</sup> model. The COSO methodology is based on five areas: the control environment, risk analysis, control activities, information and communication, and supervision and monitoring.

## 6.1. CONTROL ENVIRONMENT

### 6.1.1. The Company's objective

GBL's objective is to create value for its shareholders over the medium term. Therefore, GBL strives to maintain and promote the growth of a portfolio of investments focusing to a large extent on a small number of important industrial companies with regard to which it can play its role as a professional shareholder. This portfolio is meant to evolve over time in terms of the companies' development and market opportunities.

### 6.1.2. Role of the management bodies

GBL has a Board of Directors, a Standing Committee, a Nomination and Remuneration Committee and an Audit Committee. Their respective modes of functioning are described on pages 103 to 106.

The Audit Committee is in particular in charge of checking the effectiveness of the Company's internal control and risk management systems. In this context, the Audit Committee also monitors proper application of a whistle blowing procedure. At least half its members, all designated by the Board, are independent Directors. The Chairman of the Audit Committee may not be the Chairman of the Board of Directors.

### 6.1.3. Risk culture

GBL aims to invest in companies that offer potential for the creation of long-term value. New opportunities as well as portfolio management are monitored continuously at the highest level (see "Strategy risk", page 112). The disinvestment policy aims to divest the Company of investments deemed to have reached maturity.

### 6.1.4. Professional ethics

GBL has adopted a Corporate Governance Charter and a Code of conduct with a view to ensuring honest, ethical and law-abiding conduct respectful of good governance principles on the part of the group's Directors and staff in the exercise of their duties.

### 6.1.5. Adapted measures to ensure appropriate competence

The Nomination and Remuneration Committee reviews candidacies and seeks to ensure that the Board of Directors maintains a satisfactory balance in terms of its members' competences, knowledge and experience, particularly in finance, accounting and investments.

The Board of Directors conducts regular evaluations – at intervals of no more than three years – of its size, composition and performance, as well as the performance of its Committees. It also examines regularly in this context the interaction between non-executive Directors and the Executive Management.

A recruitment process suited to the profiles sought, appropriate training and a remuneration and evaluation policy based on the achievement of targets combine to ensure the competence of GBL's staff.

(1) COSO (Committee of Sponsoring Organisations) is a private non-governmental international body recognised on matters of governance, internal control, risk management and financial reporting



## 6.2. RISK ANALYSIS

GBL set up a formal risk analysis and evaluation process in 2006. In 2010, the Audit Committee reviewed and updated the main risks with which GBL is confronted. They are outlined below. The current level of control of these risks (see "Control activities" below) appears sufficient and no additional measures are required. Based on developments in the economic sphere, the portfolio or the control environment, the Audit Committee will re-assess the risks involved and their level of control, and if need be will ensure that management puts in place a remediation plan.

### Risk related to investments

#### 1. Indirect risk on investments

Every significant investment in a listed company held by GBL is exposed to specific risks that may have an impact on GBL. These are described and analysed in their respective activity reports and registration documents in accordance with legislation in force. The possible materialisation of these risks in one or more investments may lead to a change in the overall value of the GBL portfolio. GBL is also exposed to risks concerning its private equity investments. These represent less than 1% of its adjusted net assets at present.

### Risks specific to GBL

#### 2. Strategy risk

The composition of the portfolio, determined by the investment choices, implies a particular exposure to certain industrial sectors or certain geographical areas.

#### 3. Reputation risk

GBL's historic performance, its investment policy, its conduct as a shareholder, and its approach to ethics and governance contribute to the group's renown. Safeguarding this sound reputation is essential.

#### 4. Market risk

GBL is exposed, given the nature of its activities, to stock market fluctuations on its portfolio.

#### 5. Interest rate risk

GBL has no debt, apart from its convertible bond coming to maturity in 2012 and its bond issue maturing in 2017. The evolution of interest rates primarily impacts the yield on its cash. Rate developments also have macroeconomic implications.

#### 6. Exchange risk

The transactions carried out by GBL are primarily denominated in euros. The group's value can nevertheless be impacted by exchange rates through investments making up its portfolio.

#### 7. Counterparty default risk

Counterparty default risk occurs within the framework of deposit, hedge, Stock Exchange purchase / sale transactions or other transactions with banks or financial intermediaries.

#### 8. Credit risk

Since GBL has no commercial activity, this risk primarily concerns the financial intermediaries with which GBL has made short-term cash investments.

#### 9. Liquidity risk

GBL must at all times have sufficient financial capacity to meet its obligations, whether to finance investments or to honour maturing debts.

#### 10. Risk on derivatives

Derivatives can result in both a counterparty default risk and an economic effect related to call and put options whose value will evolve with market conditions.

#### 11. Collateral risk

Collateral implies a counterparty default risk, a contractual risk and a potential economic loss related to the release of the collateral.

#### 12. Risk on delegation of powers

Non-respect for powers of signature could engage GBL in transactions it has not authorised.

#### 13. Risk of fraud

Collective or individual fraud by GBL staff could lead to a financial loss or an unauthorised leak of information, which would undermine the group's image.

#### 14. Legal risk

Contractual discipline is essential for protecting the group's assets and ensuring the success of its policies. It is general in scope and particularly important in the case of agreements concerning financing, acquisition or sale transactions, etc.

GBL must also keep control over litigation with which it may be confronted in the context of its own activities, in order to limit the financial loss that could result.

#### 15. Planning / budgeting risk

Budgets and projections are important instruments for decision-making and management control. Their reliability and relevance can influence the Company's performance.

#### 16. Risk related to the financial statements (management information, registration of transactions in the accounts, consolidation)

The production of complete, reliable and relevant information is an essential element of management and governance.

#### 17. Risk on cash transactions

Any loss of control on cash input, output and trading securities can have negative financial consequences for the Company.

### 18. Risk related to human resources

This concerns the Company's capacity to find and retain the human capital required to ensure that it operates effectively and achieves its objectives.

### 19. Information technology risk

This risk occurs at the level of the general information technology environment, the data backup system and the use of and access to software.

### 20. Tax risk

This risk is related to an unexpected evolution of taxation.

These risks were ranked on the basis of impact and occurrence criteria and in terms of the obligations resulting from IFRS 7.

Six risks were identified and will be the focus of particular attention. The six are:

- Risk on investments
- Strategy risk
- Reputation risk
- Risk on cash transactions
- Risk related to the financial statements (management information, registration of transactions in the accounts, consolidation)
- Risk related to financial instruments (in application of IFRS 7) (counterparty, interest rates, cash, derivatives).

## 6.3. CONTROL ACTIVITIES

Control activities include all the measures taken by GBL to ensure that the principal risks it has identified are appropriately controlled.

### 6.3.1. Risk on investments

The specific risks related to investments are identified and addressed by the companies themselves within the framework of their own internal control.

The following table presents links to the measures taken by these companies to identify risks and implement internal control.

Investments	Pages	Reference (link)
Total	73-92	<a href="http://www.total.com/MEDIAS/MEDIAS_INFOS/3242/EN/Total-2009-document-reference-va.pdf">http://www.total.com/MEDIAS/MEDIAS_INFOS/3242/EN/Total-2009-document-reference-va.pdf</a>
GDF SUEZ	141-160	<a href="http://www.gdfsuez.com/en/group/publications/publications">http://www.gdfsuez.com/en/group/publications/publications</a>
Lafarge	11-20	<a href="http://www.lafarge.fr/06112009-press_publication-2009_annual_report-uk.pdf">http://www.lafarge.fr/06112009-press_publication-2009_annual_report-uk.pdf</a>
Pernod Ricard	70-79	<a href="http://www.pernod-ricard.com/medias/Finance/PDF/DocumentDeReference/Reference-Documnt-2009-2010-EN.pdf">http://www.pernod-ricard.com/medias/Finance/PDF/DocumentDeReference/Reference-Documnt-2009-2010-EN.pdf</a>
Imerys	105-118	<a href="http://www.imerys.com/scopi/group/imeryscom/imeryscom.nsf/pagesref/NDEN-844E4C/\$File/DDR_2009_VA.pdf">http://www.imerys.com/scopi/group/imeryscom/imeryscom.nsf/pagesref/NDEN-844E4C/\$File/DDR_2009_VA.pdf</a>
Suez Environnement	75-87	<a href="http://www.suez-environnement.com/en/finance/results-and-publications/financial-publications/financial-publications/ (reference document)">http://www.suez-environnement.com/en/finance/results-and-publications/financial-publications/financial-publications/ (reference document)</a>

### 6.3.2. Strategy risk

The composition of the portfolio is an essential performance element for GBL. The choice of portfolio investments is made in keeping with the aim of creation of long-term value for its shareholders. GBL seeks to attenuate this risk by diversifying its portfolio and analysing and monitoring its different investments. Every investment or disinvestment is analysed in depth and these analyses are reviewed by the Executive Management and the Standing Committee, then approved by the Board of Directors. Investments are monitored through a systematic review of the portfolio by the different levels of competent hierarchy at GBL and at every meeting of the Board of Directors. Members of management of companies in which GBL has investments are regularly invited to the GBL Board meetings to present their development strategy. GBL's management also regularly meets the management teams of its strategic investments and sits in their Committees and Boards.

### 6.3.3. Reputation risk

GBL bases its strategy on maintaining a top-rate long-term performance in strict keeping with the ethical principles contained in the Code of Professional Ethics and in the Corporate Governance Charter, which apply to the group's Directors and staff. GBL organises its communication so as to ensure that it is thorough, reliable and transparent.

### 6.3.4. Risk on cash transactions

Cash transactions are subject to formal delegations of power, separation of tasks at payment level and reconciliation of cash data with the accounts. Appropriate information technology tools are used, particularly to allow monitoring of cash positions, cash flow projections and assessment of return on investments.

### 6.3.5. Risk related to the financial statements

GBL publishes consolidated financial statements four times a year. These are reviewed by internal financial committees and the Audit Committee before being submitted to the Board. Complex accounting subjects, in particular the application of IFRS requirements, are identified and discussed by the Board. The analysis also concerns significant transactions and key events during the period under review. A budget and revisions of projections are presented at these four meetings. Financing, cash management and access to liquidities are also generally at the heart of these discussions.

In addition, the consolidation process is based on a centralised information technology system in place in the group's subsidiaries that ensures consistency and comparability of accounting plans. The process of registering transactions in the accounts is based on an appropriate separation of tasks, a review of non-recurring transactions by financial management, appropriate documentation of cash transactions and transactions on investments and documentation of the process of reconciliation of the accounts.

More specifically with regard to the principle of double approval, the Articles of Association provide that the Company is validly bound by the acts of two Directors. In the framework of day-to-day management, which is not limited to implementation of the decisions of the Board of Directors, but extends to all acts necessary to ensure the continuity of GBL's activities, the Managing Directors have a large measure of autonomy and act jointly.

The Board has also assigned special mandates with respect to commitments made by GBL with third parties: in particular for bank transfers, cash operations including derivative contracts and delivery of securities, a Director and a member of management may sign together.

Lastly, the Statutory Auditor (Deloitte) carries out its audits, comments on the way its assignment proceeds and presents its conclusions to the Audit Committee.

### 6.3.6. Risk related to financial instruments (IFRS 7)

GBL has put in place strict rules on appropriate separation of tasks and internal approval processes. Every financial transaction requires two signatures and is reviewed regularly by the financial department. In addition, major debt transactions require the approval of the Board of Directors, which may mandate execution to GBL's Executive Management.

#### 6.3.6.1. Counterparty default risk

GBL tries to limit this risk by diversifying the counterparties and the types of investment. In this connection, on 31 December 2010, almost all cash was held in the form of time deposits / current accounts with a limited number of banks. All financial contracts (EASDA, GMSLA, GMRA, etc.) are reviewed internally by the legal officer.

#### 6.3.6.2. Liquidity risk

On 31 December 2010, the Company's cash was well in excess of current and non-current financial debt. GBL also holds confirmed credit lines with various financial institutions (EUR 1,800 million). As a general rule, GBL uses external debt to only a limited extent and on a selective basis.

#### 6.3.6.3. Interest rate risk

GBL's non-current financial debt is represented by exchangeable bonds maturing in 2012, issued at a fixed nominal interest rate of 2.95%, and by 7.5-year bonds issued at a fixed rate of 4%. GBL is therefore not exposed to a rate risk on this debt. GBL remains attentive to rate developments and their significance in the overall economic context.

#### 6.3.6.4. Risk on derivatives activities

GBL occasionally uses derivatives. On 31 December 2010, GBL's exposure was limited to an interest rate swap (IRS) concluded with a bank.

GBL can also carry out transactions on listed shares in the portfolio using call or put options. Such transactions are made within the framework of thorough documentation and are monitored periodically and managed dynamically, as necessary. These financial instruments are detailed in note 4. B. (page 75). The related risk is low in relation to the notional amounts at stake and the size of the Company.

#### 6.4. INFORMATION AND COMMUNICATION

In order to transmit reliable financial information to shareholders without delay, a standardised information flow process must be defined. GBL has applied IFRS since 2000. Its valuation rules are published every year in its financial report. Uniform reporting of accounts is used both upstream and downstream in GBL group in order to ensure the consistency of data and to detect potential anomalies. A financial calendar for this reporting is established every year in consultation with the parent company and the associated companies in terms of publications.

Computerised data backup operations are organised on a daily basis and a monthly storage process prevents any total loss of financial data. Restricted access to software (accounts, consolidation, payment and remuneration) is also applied.

#### 6.5. SUPERVISION AND MONITORING

Supervision is exercised by the Board through the Audit Committee's activities. Given the structure and nature of GBL's activities, there is no internal auditor's post. This situation is estimated yearly and is considered appropriate.

The Statutory Auditor (Deloitte) also reviews the internal control procedure on an annual basis for risks related to GBL's financial statements. This review of internal control forms part of the assignment of certifying GBL's statutory and consolidated accounts in conformity with audit standards applicable in Belgium.

More specifically, the Statutory Auditor (Deloitte) tests on the basis of a triennial rotation plan the operational effectiveness of internal control of risks deemed critical in relation to the financial statements. Its work consists of discussions with members of the organisation by testing a limited number of transactions.

The conclusions of this work, presented in a report submitted to GBL, do not reveal any major weaknesses in internal control. The report is transmitted to members of the Audit Committee.

### 7. Policy on conflicts of interests

Chapter III, point A. 4.2.2, of the Charter describes the Company's policy on transactions or other contractual relations between the Company, including affiliated companies, and Directors when such transactions or other contractual relations are not covered by legal provisions on conflicts of interests. It also provides for the application of specific procedures laid down in Articles 523 and 524 of the Company Code.

Conflicts of interests within the meaning of Article 523 of the Company Code were brought to the attention of the Board of Directors at its meetings on 2 March 2010 and 5 November 2010 and were addressed in accordance with the procedure dictated by that article. Other Directors who were not concerned by this legal procedure also abstained on these occasions in accordance with the policy described in the Charter.

The Statutory Auditor was informed of these situations and the minutes of the related resolutions are reproduced in full below:

#### Extract from the minutes of the meeting of the Board of Directors of 2 March 2010

" ...

- CEO's bonus

*Before deliberating on this item on the agenda, Albert Frère declares that a conflict of interest exists in his regard within the meaning of Article 523 of the Company Code, of which the Statutory Auditor has been informed, and therefore leaves the meeting.*

*Maurice Lippens explains that the Committee proposes to the Board to set the bonus granted to Albert Frère at EUR 400,000 gross, a 20% reduction compared with the previous year.*

*The Board approved this proposal.*

- Stock option plan 2010

*Before deliberating on the item relating to the stock option programme, the Board is informed that the decision to be taken would give rise to a conflict of interest within the meaning of Article 523 of the Company Code for Albert Frère, Gérald Frère and Thierry de Rudder, of which the Statutory Auditor has been informed. Following this declaration, Gérald Frère and Thierry de Rudder leave the meeting and join Albert Frère.*

*Victor Delloye and Gilles Samyn announce that they intend to abstain from the vote on this item considering the similarity between the CNP-NPM and the GBL stock option plans.*

*The Chairman of the Nomination and Remuneration Committee points out that the General Meeting of 24 April 2007 has approved the principle of issuing on an annual basis options on existing GBL shares for the Executive Management and staff of GBL and its subsidiaries.*

*In accordance with that decision, the Committee proposes to the Board to issue in 2010 a new set of options whose characteristics and practical arrangements are described in an annex to these minutes.*

*The Board unanimously approves the arrangements for the stock option plan, as described in the annex. It proposes to set for 2010 the underlying ceiling for the options to be issued at EUR 12.5 million. The shares corresponding to the options to be granted in 2010 would consequently represent around 0.10% of shareholders' equity based on a share price of EUR 65.*

*The General Meeting will therefore be asked to set the underlying ceiling for 2010 at EUR 12.5 million.*

*The Board approves this proposal. It delegates all authority to a Managing Director for the purpose of determining the technical arrangements for putting the option plan into place.*

*Thierry de Rudder is asked to return to the meeting room.*

- Remuneration of Ian Gallienne at Ergon

Before deliberating on this item relating to the remuneration of a member of the Board of Directors who plays an executive role in the group, Ian Gallienne declares that a conflict of interests exists in his regard within the meaning of Article 523 of the Company Code, of which the Statutory Auditor has been informed. He therefore leaves the meeting and joins Albert Frère and Gérard Frère, who also prefer to abstain on this item given their ties to Ian Gallienne.

Since Ian Gallienne is a member of the Board, his remuneration is a matter for the Nomination and Remuneration Committee. This remuneration comprises two parts: an annual cash remuneration that includes a bonus, and a long-term profit-sharing scheme in the form of a "carry" in the Ergon Capital Partners and Ergon Capital Partners II funds, to which the Ergon Capital Partners III fund will soon be added.

The Committee proposes, for the cash remuneration, to maintain the fixed part at its present level and to raise the bonus from 80 to 85% of the fixed rate.

The Committee also examines the terms proposed for the establishment of Ergon Capital Partners III, which will be discussed and submitted to the Board for approval under item 6. In this respect, the Committee reviews the profit-sharing scheme granted to Ian Gallienne and concludes that, while it is generous, the "carry" granted to him corresponds to a normal remuneration in the private equity market.

The Directors who may be interested are invited to consult the Committee's records on this subject.

The Board approves the proposal on Ian Gallienne's remuneration at Ergon.

Albert Frère, Gérard Frère and Ian Gallienne are asked to return to the meeting room. ... "

#### Extract from the minutes of the meeting of the Board of Directors of 5 November 2010

" ... Before deliberating on the following items, which concern the remuneration of members of the Board of Directors who have an executive role in the group, Albert Frère, Gérard Frère, Thierry de Rudder and Ian Gallienne declare that a conflict of interest existed in their regard within the meaning of Article 523 of the Company Code, of which the Statutory Auditor had been informed. They momentarily leave the meeting.

- CEO's remuneration

As announced in the annual financial report 2009, the principle of a variable cash remuneration collected by the CEO is being discontinued as from financial year 2010 and the structure of the CEO's remuneration is being brought into line with that of the other members of the Executive Management.

The CEO's gross remuneration is set at EUR 2.9 million with effect from 1 January 2010, thus maintaining his cash remuneration at the same level as the previous year.

- Remuneration of Gérard Frère and Thierry de Rudder

The net retribution of Gérard Frère and Thierry de Rudder was set in 2006 for a period of four years. It must be adapted today to market conditions and set for the 2010-2012 period.

The evolution of all remunerations for executives of BEL 20 and CAC 40 companies since 2006 reveal a progression of 15 to 20%. Inflation for the period amounts to 11.5% in Belgium and 8.9% in France.

In this context, the Board agrees, on proposal from the Nomination and Remuneration Committee, to increase the net retribution of Gérard Frère and Thierry de Rudder by 10% as from 2010.

The Board also approves the changes to the pension conditions affecting Gérard Frère and Thierry de Rudder, as proposed by the Committee. A pension supplement will be granted to remunerate activity beyond eighteen years. Gérard Frère and Thierry de Rudder on the other hand agree not to exercise the option of collecting their pension in the form of an indexed annuity and opt instead for collecting it in the form of capital. The individual reserves established in their behalf in the pension fund will in time be large enough to cover the commitments made, considering these arrangements, so no additional allocation to provision is planned.

- Remuneration of Ian Gallienne

The remuneration of Ian Gallienne is adapted in the spirit of the policy applied to GBL's executives. His bonus is capped at 85% and incorporated into a single cash remuneration that is set for a period of three years, from 2010 to 2012.

Furthermore, his "carry" in the Ergon Capital Partners III fund increases slightly due to its distribution among a smaller number of beneficiaries.

The Board approved these proposals.

Albert Frère, Gérard Frère, Thierry de Rudder and Ian Gallienne are asked to return to the meeting room. ... "

Beyond the scope of Article 523 of the Company Code and in addition to the above cases, the Company was not confronted with any situations of conflict of interests during the period concerned by the corporate governance statement.

## 8. Policy relating to transactions in GBL shares

The rules of procedure relating to transactions in GBL's shares, set out in Appendix 2 to the Company's Charter, lay down the Company's internal policy on the prevention of unfair trading. Under these rules, the Directors and other potential insiders whose names are included on a list kept by the Company, must inform the Compliance Officer before carrying out any transaction in GBL's shares and confirm the transaction once it has been performed. GBL's Directors and persons having close ties with them also have the legal obligation to notify to the Banking, Finance and Insurance Commission all transactions in GBL's shares enacted on their behalf.

Notice is also sent to the persons in possession of privileged information or presumably in possession of such information to announce the start and end of the closed period or the period of prohibition on such transactions.

A calendar showing the closed periods as defined in the Charter is also transmitted to the Executive Management and staff.

Lastly, the Compliance Officer ensures the application of all legal measures relating to unfair trading and the measures laid down by the Charter. The Compliance Officer is available to provide useful information on this subject to members of the Board of Directors and staff.

## 9. Shareholders

### 9.1. COMPLIANCE WITH CODE PROVISIONS IN RESPECT OF SHAREHOLDERS

The Company abides by all Code provisions in respect of shareholders with the exception of those regarding the shareholders' right to submit proposals to the General Meeting.

According to the Code, the level of shareholding required for exercise of the right to submit proposals may not exceed 5% of the capital. GBL, however, bases its policy on the Company Code and grants this right to any shareholder holding one fifth (20%) of its capital.

The Company considers that it achieves the aim sought by the Code by offering shareholders the opportunity to raise any questions concerning the Company's accounts and strategy at the General Meeting. The General Meeting is seen as the privileged forum for dialogue with GBL's shareholders who, due to the small number of persons present, have ample opportunity to enter into discussions with the Company's management.

The Company publishes the results of votes and the minutes of the General Meeting on its website as soon as possible following the Meeting.

### 9.2. RELATIONS WITH DOMINANT SHAREHOLDERS

The Company's shareholding is characterised by the presence of a controlling shareholder, Pargesa Holding S.A. (via its wholly-owned subsidiary, Pargesa Netherlands B.V.). Pargesa Holding S.A., incorporated under Swiss law, is itself controlled by Parjointco N.V., incorporated under the laws of the Netherlands and whose capital is owned 50-50 by Frère-Bourgeois/CNP-NPM group and Power Corporation of Canada group, under an agreement concluded by the two groups in 1990.

That agreement aims to establish and maintain parity between Power Corporation of Canada group and Frère-Bourgeois/CNP-NPM group in Pargesa Holding S.A., GBL and their respective designated subsidiaries.

Each group has agreed not to acquire, hold or sell interests in these companies, either directly or indirectly, except with the agreement of the other party, and has granted the other a right of pre-emption, subject to certain restrictions, on shares in Pargesa Holding S.A. and GBL in the event of the disposal of such shares during a five-year period following expiry of the agreement.

The agreement was prolonged in 1996 and will expire in 2014 if not renewed.

## 9.3. INFORMATION ON SHAREHOLDING STRUCTURE

### 9.3.1. Notification in accordance with legislation on takeover bids

The Company received, on 21 February 2008, a notification from its controlling shareholders concerning their interest in GBL as of 1 September 2007.

This notification was transmitted in accordance with Article 74 § 7 of the law of 1 April 2007 on takeover bids. Under that law, shareholders owning more than 30% of the capital of a listed company are exempted from the obligation of launching a takeover bid on the company provided they have notified their shareholding at the date of entry into force of the law (i.e. 1 September 2007) to the CBFA and to the company concerned by 21 February 2008 at the latest.

Pursuant to that law, such shareholders are also obliged to notify annually any change in their controlling shareholding to the CBFA and the company concerned. In this context, they transmitted to GBL an update of the structure of the controlling shareholding as of 1 September 2010, which is reproduced below:

- Number and percentage of shares with voting rights held by the declarants

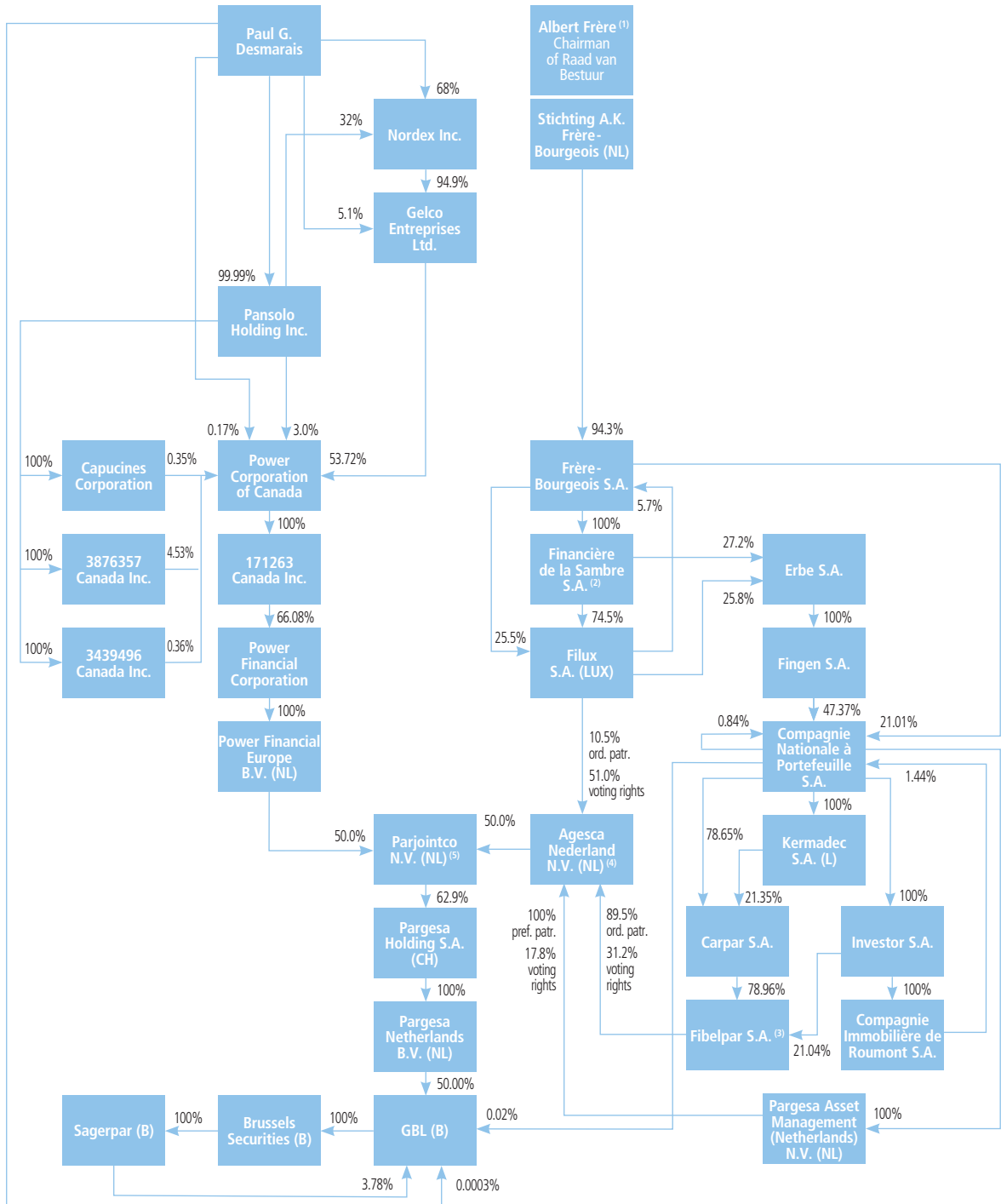
Shareholders	Number of shares with voting rights	%
Pargesa Netherlands B.V.	80,680,729	50.00
Sagerpar <sup>(1)</sup>	6,099,444	3.78
Compagnie Nationale à Portefeuille S.A.	38,500	0.02
Paul G. Desmarais	500	p.m.
<b>Total</b>	<b>86,819,173</b>	<b>53.81</b>

(1) Voting rights suspended

- Natural and/or legal persons holding final ownership of the declarants who are legal persons

Paul G. Desmarais and Albert Frère, bound by a concerted action agreement.

• Chain of ownership



N.B. In the ownership chain concerning Albert Frère, the companies whose nationality is not mentioned are Belgian and have their registered office located at 6280 Loverval (Gerpennes), 12 rue de la Blanche Borne. All shareholding percentages are fixed as 1 September 2010 - 8.30 am

(1) In accordance with the Articles of Association of the Stichting Administratiekantoor Frère-Bourgeois – Rotterdam – Nederland

(2) 0.26% shareholding in CNP-NPM

(3) 0.26% shareholding in CNP-NPM

(4) Joint control organised under a shareholders' agreement between the CNP-NPM and Frère-Bourgeois groups

(5) Joint control

### 9.3.2. Notification of major shareholdings

On 1 September 2008, the new Belgian regulation on transparency entered into force. In accordance with the transitional scheme, all GBL shareholders whose interest as of 1 September 2008 reached or exceeded a legal threshold were obliged to submit notification thereof no later than 31 October 2008.

Accordingly, on 30 October 2008, GBL received notification from its controlling shareholders concerning their interest in GBL as of 1 September 2008. The content of this notification is summarized below.

Subsequently, the shareholders will be obliged to submit a declaration whenever their voting rights either exceed or drop below 5%, 10%, 15% (and other multiples of 5%) of total voting rights.

GBL's Articles of Association do not lay down a declaration threshold more restrictive than 5% or 10%.

#### Notification of 30 October 2008 relative to the situation as of 1 September 2008

Denominator taken into account: 161,358,287

#### A) Voting rights

Holders of voting rights	Number of voting rights (attaching to shares)	% of voting rights (attaching to shares)
Paul G. Desmarais	500	0.00
Albert Frère	0	0.00
Compagnie Nationale à Portefeuille S.A.	38,500	0.02
Pargesa Netherlands B.V.	80,680,729	50.00
Sagerpar	5,576,651	3.46
<b>Total</b>	<b>86,296,380</b>	<b>53.48</b>

#### B) Equivalent financial instruments

Holders of equivalent financial instruments	Type of financial instruments	Maturity date	Exercise period or date	% of voting rights
Albert Frère <sup>(1)</sup>	44,885 stock options	25/05/2017	any time after vesting, from 1/01/2011 to 24/05/2017 inclusive	0.00
Albert Frère <sup>(1)</sup>	60,561 stock options	10/04/2018	any time after vesting, from 1/01/2012 to 9/04/2018 inclusive	0.00
<b>Total</b>				<b>0.00</b>

(1) For the sake of clarity, the 44,885 and 60,561 stock options were not included in the numerator to avoid a double counting of the voting rights as they are completely covered by treasury shares held by GBL through Sagerpar

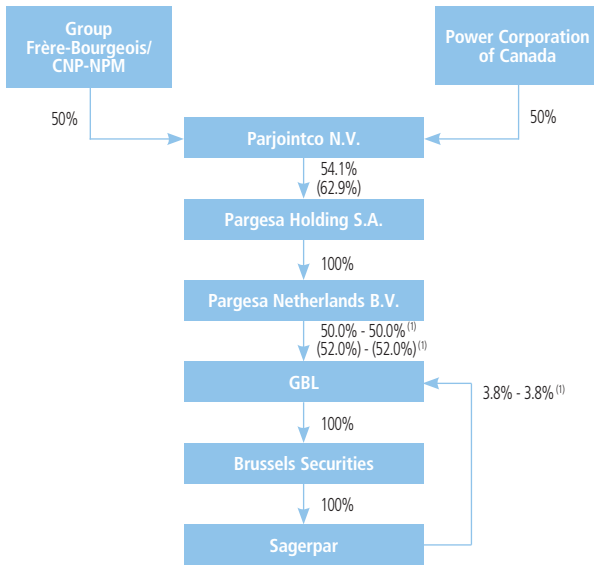
#### C) Total (voting rights and equivalent financial instruments)

Number of voting rights	% of voting rights
86,296,380	53.48

Paul G. Desmarais, Albert Frère and Pargesa Netherlands B.V. declare that they act in concert pursuant to an agreement on the exercise of their voting rights, with a view to implementing a sustainable common policy and aimed at obtaining control, frustrating a bid or maintaining control.



**9.3.3. Organisation chart of shareholding in GBL**  
on 31 December 2010, updated on 3 March 2011



( ) Voting rights  
(1) Updated on 3 March 2011

**10. Corporate Social and Environmental Responsibility of the Company**

GBL is concerned with and attentive to matters of Corporate Social and Environmental Responsibility.

**10.1. ENVIRONMENT**

Through its strategic investments, GBL is confronted with environmental problems. It closely monitors the significant environmental aspects of each of its shareholdings and encourages the use of best practice with a view to ensuring environmental protection by the companies concerned as well as the development of new energy solutions. Each of these companies draws up yearly a detailed report on Corporate Social and Environmental Responsibility, which may be consulted on their websites, as follows:

Total	<a href="http://publications.total.com/2009-rse/beevirtua/beevirtua_en.html#app=1477&amp;adf3-lang=en&amp;ccb3-pagelid=0&amp;9557-source=xmlConfs/init.zip">http://publications.total.com/2009-rse/beevirtua/beevirtua_en.html#app=1477&amp;adf3-lang=en&amp;ccb3-pagelid=0&amp;9557-source=xmlConfs/init.zip</a>
GDF SUEZ	<a href="http://www.gdfsuez.com/en/commitments/our-vision/our-vision/">http://www.gdfsuez.com/en/commitments/our-vision/our-vision/</a>
Lafarge	<a href="http://www.lafarge.com/wps/portal/2-Developpement_durable">http://www.lafarge.com/wps/portal/2-Developpement_durable</a>
Pernod Ricard	<a href="http://www.pernod-ricard.com/en/pages/173/pernod/Corporate-responsibility.html">http://www.pernod-ricard.com/en/pages/173/pernod/Corporate-responsibility.html</a>
Imerys	<a href="http://www.imerys.com/scopi/Group/imeryscom/imeryscom.nsf/pagesref/NDEN-84FKPY/\$File/SDreport2009.pdf">http://www.imerys.com/scopi/Group/imeryscom/imeryscom.nsf/pagesref/NDEN-84FKPY/\$File/SDreport2009.pdf</a>
Suez Environnement	<a href="http://www.suez-environnement.com/en/sustainable-development/">http://www.suez-environnement.com/en/sustainable-development/</a>

**10.2. CHARITABLE DONATIONS**

The Company actively supports a charitable donations policy that focuses on three sectors, namely: charitable organisations, scientific research and culture. The Managing Directors meet regularly to review the many requests for funds submitted to the Company. Decisions are taken on a case-by-case basis on the merits of each request.

In 2010, a total of EUR 0.9 million was allocated to 77 beneficiaries (EUR 1.1 million in 2009). Some of the main beneficiaries or areas of support were:

- **Medical research and equipment**  
A total of around EUR 200,000 was granted to different hospitals and laboratories for the purpose of promoting medical research and financing the acquisition of equipment.
- **Fonds Charles-Albert Frère**  
A grant of EUR 500,000 was made to the Fonds Charles-Albert Frère. The aim of this association is to aid all persons suffering from a physical, mental or social disability and to the victims of poverty.
- **Culture and Education**  
Some EUR 155,000 were granted to different private and public bodies in support of cultural (artistic and educational) and educational programmes.

**10.3. HUMAN RESOURCES**

GBL's human resources policy is based on diversity, equal opportunity, fairness and responsibility. The group employs a small team of 34 people and the use of specific employee consultation procedures would therefore be superfluous. The Company also implements an active training policy to promote the career prospects of each staff member.

**11. Other information relating to the Company**

**11.1. HISTORY AND DEVELOPMENT**

The Company was founded as the result of the merger in April 2001 between GBL S.A. and Electrafina, in which GBL S.A. held more than an 80% stake.

Over the years, Electrafina had become the "energy branch" of the group holding the interests in the oil and electricity industries. Later, it also invested in media. GBL S.A. on the other hand held direct interests in fields such as financial services, real estate and trade. As the differences between the shareholders' equity of the mother company and the subsidiary became less pronounced over the years, these assets were brought together into a single entity.

This merger also fit in with the group's strategy of keeping its assets internationally positioned in a context of concentration and increasing competition, which resulted in the divestment of the financial services and the sale of interests that had become marginal.

Since then, the group's portfolio has been essentially focused on a limited number of important industrial companies in which GBL gradually consolidated its interest and for which it can act as professional shareholder.

Details on the evolution of the portfolio during the last three financial years can be found in page 91 of this annual financial report.

## 11.2. NAME

Groupe Bruxelles Lambert  
Groep Brussel Lambert  
in abbreviated form "GBL"

The French and Dutch registered names may be used together or separately.

## 11.3. REGISTERED OFFICE

*(Article 1 of the Articles of Association)*

24, avenue Marnix – 1000 Brussels

The registered office may be transferred to any other address in Belgium on a decision by the Board of Directors.

## 11.4. LEGAL FORM, INCORPORATION AND STATUTORY PUBLICATIONS

The Company was incorporated on 4 January 1902 as a limited liability company under Belgian law, by deed enacted by Edouard Van Halteren, Notary in Brussels, published in the Appendices to the *Moniteur Belge* of 10 January 1902, reference number 176. The Articles of Association have been amended on a number of occasions, most recently by a deed enacted on 4 July 2007 published in the Appendices to the *Moniteur Belge* of 17 August 2007, reference numbers 07121892 and 07121893.

## 11.5. LEGISLATION GOVERNING ITS ACTIVITIES

The Company is governed by existing and future laws and regulations applicable to limited liability companies and by its Articles of Association.

## 11.6. REGISTER OF LEGAL ENTITIES

The Company is listed in the Register of Legal Entities (RPM) under business number 0407.040.209.

This number replaces the Trade Register Number (3.902), the VAT number and the social security number.

## 11.7. TERM

*(Article 3 of the Articles of Association)*

The Company is incorporated for an unlimited period.

## 11.8. CORPORATE OBJECT

*(Article 2 of the Articles of Association)*

The Company's object is to:

- conduct on its own behalf or on behalf of third parties any and all real estate, financial and portfolio management transactions; to this end, it may set up companies or bodies, acquire shares therein, and conduct any financing, payment, lending, security or deposit transactions;
- carry out studies of all kinds and provide technical, legal, accounting, financial, commercial, administrative or management assistance, on behalf of companies or bodies in which it directly or indirectly owns shares, or on behalf of third parties;
- provide on its own behalf or on behalf of third parties any transport or transit operations.

The Company may take an interest, through capital contributions or mergers, in any existing or future companies or bodies whose object might be similar or related to its own or that might be of such a nature as to confer an advantage in the pursuit of its corporate object.

## 11.9. CAPITAL

### 11.9.1. Issued capital

On 31 December 2010, the fully paid-up share capital amounted to EUR 653,136,356.46. It is represented by 161,358,287 shares without nominal value.

All shares making up the share capital have the same rights.

In accordance with Article 28 of the Articles of Association, each share entitles its holder to one vote. GBL has not issued any other class of shares, such as non-voting or preferential shares.

On 1 January 2008, bearer shares placed in a securities account were converted by law into dematerialised shares. From that date, the Company's shares exist in either a registered or dematerialised form or as bearer shares.

Holders of bearer shares must have converted their shares into registered or dematerialised shares by 31 December 2013 at the latest.

However, the Extraordinary General Meeting of 24 April 2007 authorised the Board of Directors to set a date, before 31 December 2013, after which exercise of the rights attaching to the bearer shares shall be suspended until the said shares have been converted into registered or dematerialised shares. The Board of Directors of 2 March 2010 has set this date at 1 January 2011.

As from 1 January 2008, the Company's shares may only be issued in registered or dematerialised form.

### 11.9.2. Authorised capital

The Extraordinary General Meeting held on 24 April 2007 renewed for a five-year period the authorisation granted to the Board of Directors to:

- increase the share capital, on one or more occasions, up to a total of EUR 125 million;
- decide one or more issues of convertible bonds or bonds reimbursable in shares, subscription rights or other financial instruments, whether or not attaching to bonds or other securities that can in time give rise to capital increases in a maximum amount such that the amount of capital increases that may result from exercise of these conversion or subscription rights, whether or not attaching to such securities, shall not exceed the limits of the remaining capital in the above mentioned limits.

In both cases, the Board of Directors may, in the interest of the Company, limit or cancel shareholders' preferential subscription rights in conformity with the terms and conditions laid down by law.

This authorisation, first granted in 1987, was renewed on 25 May 1993, 28 May 1996, 25 May 1999, 27 April 2004 and for the last time on 24 April 2007. It is valid for a five-year period from 24 May 2007, i.e. until May 2012. Further to the capital increase implemented in the framework of the company's authorised capital, the latter was reduced to EUR 67,560,058.93.

On the basis of this latest amount on 31 December 2010, a maximum of 16,690,810 new shares may still be issued.

An Extraordinary General Meeting will be held on 12 April 2011 with a view to bringing the Company's Articles of Association into line with the new law on the exercise of certain rights of shareholders in listed companies. The Board of Directors will use this opportunity to renew the authorised capital for a five-year term and to increase it again to EUR 125 million.

### 11.9.3. Treasury shares

Effective 1 January 2009, Belgian regulations for the buyback of treasury shares by limited liability companies have been eased in compliance with a European directive. The maximum term for the authorisation to be given by the General Meeting to the Board of Directors for the buyback of treasury shares has been increased from 18 months to 5 years. The number of shares that may be bought back by the Company during this period, plus the treasury shares acquired previously, may not exceed 20% of existing shares, compared with 10% previously.

The Ordinary General Meeting of 14 April 2009 renewed the authorisation given to the Company's Board of Directors, for a period of five years, to buy according to legal provisions a maximum of 32,271,657 GBL shares. The value of these acquisitions may not be more than 10% below the lowest share price over the 12 months preceding the transaction, nor may they be more than 10% above the highest share price of the previous twenty market quotations.

This authorisation also covers acquisitions by GBL's subsidiaries.

Acquisitions and disposals of treasury shares in 2008, 2009 and 2010 are detailed on page 82 of this annual financial report.

### 11.9.4. Exchangeable loans

In 2005, GBL issued bonds exchangeable for GBL shares.

The details of the issue are found on page 76 of this annual financial report.

## 11.10. DOCUMENTS AVAILABLE TO THE PUBLIC

### 11.10.1. Shareholders' access to information and website

With the aim of facilitating shareholders' access to information, GBL has set up a website (<http://www.gbl.be>).

This site, which is updated regularly, contains the information required under the Royal Decree of 14 November 2007 concerning the obligations of issuers of financial instruments accepted for trading on a regulated market.

It presents the GBL accounts, annual financial reports and all press releases put out by the Company and contains all useful and necessary information on General Meetings and on shareholders' participation in such meetings, in particular the conditions laid down by the Articles of Association, concerning the convening of General Meetings (Ordinary and Extraordinary) of shareholders.

The results of votes as well as the minutes of General Meetings are also published on the website.

### 11.10.2. Availability of Company documents for public consultation

The Company's Articles of Association may be consulted at the Registry of the Brussels Commercial Court, at the Company's registered office and on its website (<http://www.gbl.be>).

The annual accounts are deposited with the National Bank of Belgium and may be consulted on the website. Resolutions relating to the appointment and resignation of members of the Company's executive bodies are published in the Appendices to the *Moniteur Belge*.

Financial announcements relating to the Company are published in the financial press and daily newspapers. Other documents available for public inspection may be consulted at the Company's registered office.

The Company's annual financial report is sent each year to registered shareholders and to any person requesting a copy; it is available free of charge at the registered office.

The annual financial reports for the last three financial years and all the documents mentioned in this paragraph may be consulted on the website.

# Resolutions proposed to shareholders

## Agenda of the Extraordinary General Meeting on 12 April 2011

### **1. DECISION THAT MAY BE VALIDLY ADOPTED, IRRESPECTIVE OF THE NUMBER OF SHAREHOLDERS PRESENT OR REPRESENTED AT THE GENERAL MEETING, UPON APPROVAL BY A MAJORITY OF THE VOTES CAST**

#### **1.1. Electronic voting on resolutions**

- 1.1.1. Proposal to allow electronic voting on resolutions, in accordance with the possibility to this effect offered to the general meeting by Article 28(2) of the Articles of Association.

### **2. DECISIONS THAT MAY BE VALIDLY ADOPTED IF THE SHAREHOLDERS PRESENT OR REPRESENTED REPRESENT AT LEAST HALF THE SHARE CAPITAL, UPON APPROVAL BY FOUR FIFTHS OF THE VOTES CAST**

#### **2.1. Acquisition and alienation of treasury shares**

- 2.1.1. Proposal to authorise the Board of Directors, for a period of five (5) years beginning on the date of the general meeting, to acquire on the stock exchange or in any other way, a maximum of 32,271,657 treasury shares at a unit price that may not be more than ten per cent (10%) below the lowest price of the twelve (12) months preceding the transaction or more than ten per cent (10%) greater than the highest price of the last twenty (20) share listings preceding the transaction, and to authorise the Company's direct subsidiaries, within the meaning and limits of Article 627(1) of the Company Code, to acquire shares in the Company under the same conditions.  
If approved, this authorisation shall replace the authorisation given by the ordinary general meeting on 14 April 2009.
- 2.1.2. Proposal to authorise the Board of Directors, in accordance with Article 622(2) paragraphs 1 and 2, 1° of the Company Code, to alienate its treasury shares on the stock exchange or in any other way, without the prior intervention of the general meeting and under the conditions it shall determine, and to authorise the Boards of Directors of the Company's subsidiaries, within the meaning and limits of Article 627(1) of the Company Code, to alienate shares in the Company under the same conditions.
- 2.1.3. Proposal to authorise the Board of Directors, for a period of three (3) years beginning on the date of publication of this decision, to acquire and alienate treasury shares, in accordance with the conditions laid down in Articles 620 and following of the Company Code, when such acquisition or alienation is necessary to prevent serious and imminent injury to the Company.

- 2.1.4. Accordingly, subject to approval of the proposals for decision 2.1.1. to 2.1.3., proposal to amend Article 8 of the Articles of Association as follows:

" The Company may, without the prior authorisation of the general meeting, in accordance with Articles 620 and following of the Company Code and within the limits prescribed therein, acquire on the stock exchange or in any other way a maximum of thirty-two million two hundred seventy-one thousand six hundred fifty-seven (32,271,657) shares in the Company at a unit price that may not be more than ten per cent (10%) below the lowest price of the twelve (12) months preceding the transaction or more than ten per cent (10%) greater than the highest price of the last twenty (20) share listings preceding the transaction. This faculty includes acquisition on the stock exchange or in any other way of shares in the Company by any of its direct subsidiaries, within the meaning and limits of Article 627(1) of the Company Code. If the acquisition is not made on the stock exchange, even if the shares are acquired from a subsidiary, it shall comply with Article 620(1) paragraph 5 of the Company Code and with Article 208 of the Royal Decree implementing the Company Code. The aforesaid authorisation shall be valid for five years beginning on twelve April two thousand eleven. The Company may, without the prior intervention of the general meeting and with unlimited effect, in accordance with Article 622(2) paragraphs 1 and 2, 1° of the Company Code, alienate its treasury shares, on the stock exchange or in any other way, upon a decision of the Board of Directors. This faculty includes the alienation of shares in the Company by any of its direct subsidiaries, within the meaning and limits of Article 627(1) of the Company Code. By a decision of the extraordinary general meeting on twelve April two thousand eleven, the Board of Directors was authorised to acquire and to alienate its treasury shares, in keeping with the conditions laid down by Articles 620 and following of the Company Code, when such acquisition or alienation is necessary to prevent serious and imminent injury to the Company. This authorisation shall remain valid for three (3) years beginning on the date of publication in the Appendices to the Moniteur Belge of the aforesaid decision."

### **3. DECISIONS THAT MAY BE VALIDLY ADOPTED IF THE SHAREHOLDERS PRESENT OR REPRESENTED REPRESENT AT LEAST HALF THE SHARE CAPITAL, UPON APPROVAL BY THREE FOURTHS OF THE VOTES CAST**

#### **3.1. Proposal for renewal of authorisation in the framework of the authorised capital.**

- 3.1.1. Communication of the special report drawn up by the Board of Directors, in accordance with Article 604(2) of the Company Code, detailing the specific circumstances in which it may use the authorised capital and the objectives it shall pursue in so doing.
- 3.1.2. Proposal to renew, under the conditions referred to in Article 13 of the Articles of Association, the authorisation granted to the Board of Directors, for a period of five (5) years beginning on the date of publication in the Appendices to the Moniteur Belge of the authorisation to be granted by the extraordinary general meeting on 12 April 2011, to implement capital increases in the amount of EUR 125 million.  
This authorisation will replace, on the date of its publication, the authorisation granted by the extraordinary general meeting on 24 April 2007.
- 3.1.3. Accordingly, proposal to maintain the current wording of Article 13 of the Articles of Association, subject to the following modification: paragraph 2, first indent: replace the words "twenty-four April two thousand and seven" by "twelve April two thousand eleven".
- 3.1.4. Proposal to renew, under the conditions laid down in Article 14 of the Articles of Association, the authorisation granted to the Board of Directors, for a period of five (5) years from the date of publication in the Appendices to the Moniteur belge of the authorisation to be granted by the extraordinary General Meeting on 12 April 2011, to issue convertible bonds or bonds reimbursable in shares, subordinate or otherwise, subscription rights or other financial instruments, whether or not attaching to bonds or other securities and that can in time give rise to capital increases in a maximum amount such that the amount of capital increases that may result from exercise of these conversion or subscription rights, whether or not attaching to such securities, shall not exceed the limits of the remaining capital authorised by Article 13 of the Articles of Association.  
This authorisation will replace, on the date of its publication, the authorisation granted by the extraordinary general meeting on 24 April 2007.
- 3.1.5. Accordingly, proposal to maintain the current wording of Article 14 of the Articles of Association, subject to the following modification: paragraph 3, third indent: replace the words "twenty-four April two thousand and seven" by "twelve April two thousand eleven".

#### **3.2. Proposal for various amendments to the Articles of Association**

- 3.2.1. Amendment of Article 9  
Proposal to amend the first paragraph of Article 9 by adding at the end of the indent the following words: "electronically".
- 3.2.2. Amendment of Article 11  
Proposal to delete the first paragraph of Article 11.
- 3.2.3. Amendment of Article 15  
Proposal to amend the term of office of Directors to raise it to six years and to replace the first paragraph of Article 15 as follows: "The term of office may not exceed six years".
- 3.2.4. Amendment of Article 16  
Proposal to replace Article 16 as follows:
  1. The Board of Directors shall elect, from amongst its members, a chairman and may elect one or more vice-chairmen.
  2. The Board of Directors may delegate the day-to-day management of the Company to one or more of its members who have been named managing directors. If there are several managing directors in charge of this management, they shall act separately, jointly or as a college, in terms of the decision of the Board of Directors.  
The Board of Directors may delegate the management of part of the company business to one or more directors or proxies chosen from amongst its members or otherwise. The Board may also delegate special powers to any agent in accordance with Article 22 of these Articles of Association.
  3. The Board of Directors may also:
    - a) delegate its management powers to a Management Committee set up from amongst its members or otherwise, provided such delegation does not concern the general policy of the Company or all the acts reserved to the Board of Directors by law or by the Articles of Association.
  4. The Board of Directors:
    - a) creates from amongst its members an Audit Committee and a Remuneration Committee, in accordance with Articles 526(a) and 526(c) of the Company Code.
    - b) may create from amongst its members and under its responsibility one or more advisory committees whose composition it shall define.
  5. The Board of Directors allocates the duties, powers and the fixed or variable remuneration, charged to general overheads, of the persons to whom it delegates powers."
- 3.2.5. Deletion of Article 18  
Proposal to delete Article 18 of the Articles of Association and to renumber the following articles accordingly.

- 3.2.6. Amendment of Article 21  
(renumbered – formerly Article 20)  
Proposal to replace the first paragraph of Article 21 as follows:  
“The deliberations of the Board of Directors and of the Management Committee, and of any other committees created from amongst members of the Board, shall be recorded in minutes which shall be kept at the Company's registered office.”
- 3.2.7. Amendment of Article 22  
(renumbered – formerly Article 21)  
Proposal to replace Article 22 as follows:  
“The Board of Directors, acting as a college, represents the Company with regard to third parties and in judicial proceedings.  
The Company shall also be validly represented with regard to third parties and in judicial proceedings, either in Belgium or abroad,  
(i) either by two Directors, acting jointly;  
(ii) or by any special agents, acting within the limits of their mandate.”
- 3.2.8. Amendment of Article 24  
Proposal to add a new paragraph after the first paragraph, as follows:  
“The Company may derogate from the provisions of Article 520(b), paragraph two, of the Company Code, with regard to the grant of stock options and shares to any person coming under the scope of these provisions.”
- 3.2.9. Change of the date of the annual General Meeting (Article 26)  
Proposal to change the date of the annual General Meeting of shareholders to place it on the fourth Tuesday of April and consequently to replace the words “the second Tuesday of April” in the first paragraph of Article 26 with the words “the fourth Tuesday of April”.
- 3.2.10. Deletion of the transitional provision of Article 26  
Proposal to delete the transitional provision contained in the fifth paragraph of Article 26.
- 3.2.11. Amendment of Article 28  
Proposal to replace the second paragraph of Article 28 as follows:  
“Unless otherwise decided by a majority of votes at the General Meeting, voting shall be by a show of hands, by roll-call or electronically.”
- 3.2.12. Amendment of Article 35  
(renumbered – formerly Article 33)  
Proposal to delete the words “registered bonds or of bearer bonds” in the first paragraph of Article 35.
- 3.2.13. Deletion of Article 42  
Proposal to delete Article 42 from the Articles of Association.
- 3.2.14. Deletion of the transitional provision on authorised capital  
Proposal to delete the clause entitled “Authorised capital: transitional provision”.
- 3.2.15. Deletion of the second indent of point 6 and of point 7 of the clause entitled “Transitional provisions”.  
Proposal to delete the second indent of point 6 beginning « However, the general meeting decides ... », as well as all of point 7 of the clause entitled “Transitional provisions”.
- 3.3. Proposal to adapt the Articles of Association to the provisions of the law concerning the exercise of certain rights of shareholders in listed companies.**
- 3.3.1. Coming into force of the amendments to the Articles of Association resulting from the law concerning the exercise of certain rights of shareholders in listed companies.  
Proposal (i) to decide that the amendments to the Articles of Association referred to in points 3.3.2. to 3.3.6. (inclusive) below (a) will be made under the condition precedent that a law transposing Directive 2007/36 on the exercise of certain rights of shareholders in listed companies (the « Law ») is published in the Moniteur Belge and (b) will enter into force on the date on which the Law shall establish that amendments to articles of association resulting from the Law shall take effect (in the event that the Law does not establish such a date, these amendments shall enter into force on the date on which the Law enters into force); and (ii) to decide that former provisions of the Articles of Association that will be modified by virtue of points 3.3.2. to 3.3.6. (inclusive) hereunder will be kept as transitional provisions at the end of the Articles of Association until the corresponding amendments to the Articles of Association enter into force, and (iii) to delegate to Thierry de Rudder, with the option of sub-delegation, the power (a) to determine that the condition precedent mentioned in point (i) (a) above has been met and (b) to draw up the coordinated text of the Articles of Association accordingly.  
Points (i) (a) and (iii) (a) of this proposal for decision 3.3.1. will not be put to the vote at the extraordinary general meeting of shareholders if the Law is published prior to the extraordinary general meeting that will deliberate on these items.
- 3.3.2. Amendment of Article 27  
Proposal to replace the second paragraph of Article 27 as follows:  
“The notices are sent thirty days before the meeting to the shareholders, bondholders or registered holders of subscription rights, holders of registered certificates issued with the collaboration of the company, the Directors and Statutory Auditor, but it shall not be required to produce evidence that these formalities have been observed.”

### 3.3.3. Amendment of Article 29

Proposal to replace Article 29 as follows:

"The right to participate in the general meeting and to exercise voting rights is subject to registration in the accounts of the shares in the name of the shareholder on the fourteenth (14th) day preceding the General Meeting of shareholders, at twenty-four hours Belgian time (the "record date" ), or by their registration in the register of the Company's registered shares, or by their registration in the accounts of an authorized custody account keeper or a clearing institution, but the number of shares held on the day of the general meeting of shareholders shall not be taken into account.

The shareholders shall inform the Company (or the person designated by the Company for this purpose) of their intention to participate in the general meeting no later than the sixth (6th) day preceding the date of the meeting by sending a signed original document to this effect on paper, or if the notice of meeting so authorises, by returning an electronic form (in which case the form shall be signed by means of an electronic signature in accordance with any applicable provisions of Belgian law), to the address shown on the notice of meeting. The holder of dematerialised shares shall deposit (or have deposited) with the Company (or with the person designated by the Company for this purpose) no later than the sixth (6th) day preceding the date of the general meeting a certificate drawn up by the authorized custody account keeper or by the clearing institution certifying the number of dematerialised shares registered in the shareholder's name in its accounts on the date of registration, for which the shareholder has stated his intention to participate in the general meeting.

In addition, for holders of bearer shares, the right to participate in the meeting is subject to the prior conversion of their bearer shares into dematerialised or registered shares.

Any shareholder having voting rights may participate in the meeting in person or may be represented by a proxy. Save in the cases authorised by the Company Code, the shareholder may only designate, for a given general meeting, one person as his proxy.

The designation of a proxy by a shareholder shall be made in writing or using an electronic form and must be signed by the shareholder, where appropriate, in the form of an electronic signature in accordance with any applicable provisions of Belgian law. The Company must be notified of the proxy in writing or electronically at the address shown in the notice of meeting. The proxy must reach the Company no later than the sixth (6th) day preceding the date of the General Meeting.

The holders of profit shares, non-voting shares, bonds, subscription rights or other securities issued by the Company, as well as the holders of certificates issued with the collaboration of the Company and representing securities issued by it, if such certificates exist, may attend the general meeting of shareholders in an advisory capacity, to the extent that the law grants them this right.

They may take part in the vote only in the cases allowed by law. In all cases, they shall be subject to the same formalities in terms of notice and access, form and deposit of proxies, as the other shareholders."

### 3.3.4. Addition of a new Article 30 (renumbered)

Proposal to introduce a new Article 30 as follows:

"Provided the Board of Directors has established this option in the notice of meeting, all shareholders are authorised to vote remotely prior to the general meeting, by correspondence or electronically, using a form drawn up and made available to shareholders by the Company for this purpose.

With regard to remote voting by correspondence, forms not received by the Company, by the latest on the sixth (6th) day preceding the date of the meeting, shall not be taken into account.

With regard to electronic distance voting, if such voting is authorised in the notice of meeting, the arrangements whereby the shareholder may vote in this way are determined by the Board of Directors, which shall ensure that it is possible with the system used to present the mandatory legal information, to verify compliance with the deadline for receipt stated at the end of this paragraph, and to verify the capacity and identity of the shareholder. The electronic vote may be cast up until the day before the General Meeting.

Shareholders voting remotely, either by correspondence or electronically, are obliged to carry out the notice formalities described in Article 29 of these Articles of Association."

### 3.3.5. Addition of a new Article 31 (renumbered)

Proposal to introduce a new Article 31 as follows:

"One or more shareholders holding together at least three per cent (3%) of the share capital may request the inclusion of items on the agenda of any general meeting and table proposals for decisions concerning items to be addressed already on the agenda or to be placed on the agenda, provided that (i) they give evidence of holding such a percentage of capital on the date of their request, and (ii) the additional items to be addressed or proposals for decisions have been submitted to the Board of Directors through the postal service or electronically (in which case the electronic form must be signed by the shareholder in the form of an electronic signature in accordance with any applicable provisions of Belgian law) no later than the twenty-second (22nd) day preceding the date of the meeting.

The complete agenda shall be published, where appropriate, no later than the fifteenth (15th) day preceding the date of the General Meeting. The review of these items to be addressed and of proposals for decisions is subject to the completion, for at least three per cent (3%) of the share capital, of the admission formalities described in Article 29 of these Articles of Association. The right to request the inclusion of items on the agenda or to table proposals for decisions on items already on the agenda or to be placed on the agenda shall not apply

to a second extraordinary general meeting convened due to the failure to satisfy the attendance conditions required for the first extraordinary general meeting of shareholders.”

- 3.3.6. Amendment of Article 33 (renumbered – formerly Article 31)  
Proposal to replace the third, fourth and fifth paragraphs of Article 33 as follows:  
“Irrespective of the items on the agenda of the meeting, the Board of Directors has the right to adjourn any ordinary or extraordinary general meeting. It may use this right at any time, but only after the opening of the meeting. Its decision, for which it is not obliged to give reasons, must be notified to the meeting before the closing of the session and entered in the minutes. Such adjournment shall not annul the decisions adopted, save where the general meeting decides otherwise.

The shareholders must be convened again within five (5) weeks with the same agenda, if need be with the addition of the items or proposals for decisions submitted by the shareholders in accordance with Article 31 of these Articles of Association.”

### 3.4. Powers

- 3.4.1. Proposal to delegate all powers to Thierry de Rudder, with a substitution option and, where appropriate, without prejudice to other delegations of power, in order (i) to coordinate the Articles of Association to take the above changes into account, to sign the coordinated versions of the Articles of Association and deposit them with the registry of the Brussels Commercial Court, and (ii) to carry out any other formalities for the deposit or publication of the above decisions.

## Agenda of the Ordinary General Meeting on 12 April 2011

### 1. ELECTRONIC VOTING ON RESOLUTIONS

- 1.1. Proposal to allow electronic voting on resolutions, in accordance with the possibility to this effect offered to the General Meeting by Article 28(2) of the Articles of Association.

### 2. MANAGEMENT REPORT OF THE BOARD OF DIRECTORS AND REPORTS OF THE STATUTORY AUDITOR ON THE FINANCIAL YEAR 2010

### 3. FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2010

- 3.1. Presentation of the consolidated financial statements for the year ended 31 December 2010.
- 3.2. Proposal for approval of the non-consolidated annual accounts for the year ended 31 December 2010, including appropriation of profit.

### 4. DISCHARGE OF THE DIRECTORS

- 4.1. Proposal for the discharge to be granted to the Directors for duties performed during the year ended 31 December 2010.

### 5. DISCHARGE OF THE STATUTORY AUDITOR

- 5.1. Proposal for the discharge to be granted to the Statutory Auditor for duties performed during the year ended 31 December 2010.

### 6. STATUTORY APPOINTMENTS

- 6.1. Renewal of Directors' terms of office
- 6.1.1. Proposal to re-elect for a four-year term, in their capacity as Directors, Albert Frère, Paul Desmarais, Gérald Frère, Paul Desmarais, jr and Gilles Samyn, whose current term of office expires at the end of this General Meeting.

### 6.2. Nomination of Directors

- 6.2.1. Proposal to nominate Antoinette d'Aspremont Lynden for a four-year term as Director.
- 6.2.2. Proposal to nominate Gérard Lamarche for a four-year term as Director.

### 6.3. Ascertainment of the independence of a Director

- 6.3.1. Proposal to ascertain the independence of Antoinette d'Aspremont Lynden, subject to approval of her nomination. This individual meets the different criteria laid down in Article 526(b) of the Company Code, which is incorporated into GBL's Corporate Governance Charter.

In the event that amendment of the Articles of Association to extend the term of office of Directors from three to six years at most is not approved by today's Extraordinary General Meeting (proposal for decision 3.2.3.), the term of office of these Directors would be three years, in accordance with Article 15(2) (non-amended) of the Articles of Association.

### 7. SETTING OF FEES FOR NON-EXECUTIVE DIRECTORS

- 7.1. Proposal to set fees and attendance fees for non-executive Directors, for the performance of their duties in the Board of Directors and in committees set up from amongst its members, at a maximum total of EUR 1,200,000 per year, to be allocated on a decision of the Board of Directors.

### 8. STOCK OPTION PLAN

- 8.1. In accordance with the decisions on the establishment of a stock option plan by the General Meeting of 24 April 2007, proposal to set at EUR 13,500,000 the maximum value of shares in relation to the options to be granted in 2011.

### 9. MISCELLANEOUS



# APPENDIX - Offices of Directors

## List of the other offices held by the members of the Board of Directors between 2006 and 2010

### Albert Frère

Chairman of the Board of Directors, CEO and Managing Director

#### List of activities and other mandates exercised in Belgian and foreign companies in 2010

- Chairman of the Board of Directors of Frère-Bourgeois S.A. (B), Financière de la Sambre S.A. (B), Erbe S.A. (B) and Stichting Administratiekantoor Frère-Bourgeois (NL).
- Chairman of the Supervisory Board of Métropole Télévision (M6) (F).
- Vice-Chairman and Managing Director of Pargesa Holding S.A. (CH).
- Vice-Chairman of the Board of Directors of GDF SUEZ (F).
- Honorary President of Chambre de Commerce et d'Industrie de Charleroi (B).
- Honorary Regent of the National Bank of Belgium S.A. (B).
- Director of LVMH S.A. (F), Société Civile du Château Cheval Blanc (F), Les Amis des Aveugles (B) and Groupe Arnault S.A. (F) as permanent representative of Belholding Belgium S.A.
- Manager of GBL Verwaltung S.à r.l. (L) as permanent representative of Frère-Bourgeois S.A.
- Member of the International Committee of Assicurazioni Generali SpA (I) (until May 2010).
- Member of the Board of Directors of Université du Travail Paul Pastur (B).
- Member of the Strategy Planning Board of Université Libre de Bruxelles (B).

#### List of activities and other mandates exercised in Belgian and foreign companies between 2006 and 2009

##### Financial year 2009

- Chairman of the Board of Directors of Frère-Bourgeois S.A. (B), Financière de la Sambre S.A. (B), Erbe S.A. (B), Fingen S.A. (B) (until April 2009) and Stichting Administratiekantoor Frère-Bourgeois (NL).
- Chairman of the Supervisory Board of Métropole Télévision (M6) (F).
- Vice-Chairman and Managing Director of Pargesa Holding S.A. (CH).
- Vice-Chairman of the Board of Directors of GDF SUEZ (F).
- Honorary President of Chambre de Commerce et d'Industrie de Charleroi (B).
- Honorary Regent of the National Bank of Belgium S.A. (B).
- Director of LVMH S.A. (F), Société Civile du Château Cheval Blanc (F), Raspail Investissements (F), Gruppo Banca Leonardo (I) (until April 2009), Les Amis des Aveugles (B), Fondation FRESERTH (B), Centre TSIRA A.S.B.L. (B) and Groupe Arnault S.A. (F) as permanent representative of Belholding Belgium S.A.
- Manager of GBL Verwaltung S.à r.l. (L) as permanent representative of Frère-Bourgeois S.A.

- Member of the International Committee of Assicurazioni Generali SpA (I).
- Member of the Board of Directors of Université du Travail Paul Pastur (B).
- Member of the Strategy Planning Board of Université Libre de Bruxelles (B).

##### Financial year 2008

- Chairman of the Board of Directors of Frère-Bourgeois S.A. (B), Financière de la Sambre S.A. (B), Erbe S.A. (B), Fingen S.A. (B) and Stichting Administratiekantoor Frère-Bourgeois (NL).
- Chairman of the Supervisory Board of Métropole Télévision (M6) (F).
- Vice-Chairman and Managing Director of Pargesa Holding S.A. (CH).
- Director (since 16 July 2008) and Vice-Chairman (since 17 December 2008) of the Board of Directors of GDF SUEZ (F).
- Honorary President of Chambre de Commerce et d'Industrie de Charleroi (B).
- Honorary Regent of the National Bank of Belgium S.A. (B).
- Director of LVMH S.A. (F), Société Civile du Château Cheval Blanc (F), Raspail Investissements (F), Gruppo Banca Leonardo (I), Les Amis des Aveugles (B), Fondation FRESERTH (B), Centre TSIRA A.S.B.L. (B) and Groupe Arnault S.A. (F) as permanent representative of Belholding Belgium S.A.
- Manager of GBL Verwaltung S.à r.l. (L) as permanent representative of Frère-Bourgeois S.A.
- Member of the International Committee of Assicurazioni Generali SpA (I).
- Member of the Board of Directors of Université du Travail Paul Pastur (B).
- Member of the Strategy Planning Board of Université Libre de Bruxelles (B).

##### Financial year 2007

- Chairman of the Board of Directors of Frère-Bourgeois S.A. (B), Financière de la Sambre S.A. (B), Erbe S.A. (B), Fingen S.A. (B) and Stichting Administratiekantoor Frère-Bourgeois (NL).
- Chairman of the Supervisory Board of Métropole Télévision (M6) (F).
- Vice-Chairman and Managing Director of Pargesa Holding S.A. (CH).
- Vice-Chairman of the Board of Directors of Suez (F).
- Honorary President of Chambre de Commerce et d'Industrie de Charleroi (B).
- Honorary Regent of the National Bank of Belgium S.A. (B).
- Director of LVMH S.A. (F), Société Civile du Château Cheval Blanc (F), Raspail Investissements (F), Gruppo Banca Leonardo (I), Les Amis des Aveugles (B), Fondation FRESERTH (B), Centre TSIRA A.S.B.L. (B) and Groupe Arnault S.A. (F) as permanent representative of Belholding Belgium S.A.
- Manager of GBL Verwaltung S.à r.l. (L) as permanent representative of Frère-Bourgeois S.A.

- Member of the International Committee of Assicurazioni Generali SpA (I).
- Member of the Board of Directors of Université du Travail Paul Pastur (B).
- Member of the Strategy Planning Board of Université Libre de Bruxelles (B).

#### Financial year 2006

- Chairman of the Board of Directors of Frère-Bourgeois S.A. (B), Financière de la Sambre S.A. (B), Erbe S.A. (B), Fingen S.A. (B) and Stichting Administratiekantoor Frère-Bourgeois (NL).
- Vice-Chairman and Managing Director of Pargesa Holding S.A. (CH).
- Chairman of the Supervisory Board of Métropole Télévision (M6) (F).
- Vice-Chairman of the Board of Directors of Suez (F).
- Honorary President of Chambre de Commerce et d'Industrie de Charleroi (B).
- Honorary Regent of the National Bank of Belgium S.A. (B).
- Director of LVMH S.A. (F), Raspail Investissements (F) (since 7 June 2006), Société Civile du Château Cheval Blanc (F), Gruppo Banca Leonardo (I), Les Amis des Aveugles (B), Fondation FRESERTH (B), Centre TSIRA A.S.B.L. (B) and Groupe Arnault S.A. (F) as permanent representative of Belholding Belgium S.A.
- Member of the International Committee of Assicurazioni Generali SpA (I).
- Member of the Board of Directors of Université du Travail Paul Pastur (B).
- Member of the Strategy Planning Board of Université Libre de Bruxelles (B).

### Paul Desmarais

Vice-Chairman of the Board of Directors

#### List of activities and other mandates exercised in Belgian and foreign companies in 2010

- Director and Chairman of the Executive Committee of Power Corporation of Canada (CDN).
- Managing Director and Chairman of the Board of Directors of Pargesa Holding S.A. (CH).
- Director and Chairman of the Board of Power Corporation International (CDN).
- Director and Member of the Executive Committee of Power Financial Corporation (CDN).
- Director of La Presse Ltd. (CDN), Gesca Ltd. (CDN), Barrick Power Gold Corporation of China Ltd. (HK) (until 10 February 2010), 3819787 Canada Inc. (CDN) (until 30 March 2010) and Square Victoria Communications Group Inc. (since 23 February 2010).

#### List of activities and other mandates exercised in Belgian and foreign companies between 2006 and 2009

##### Financial year 2009

- Director and Chairman of the Executive Committee of Power Corporation of Canada (CDN).
- Managing Director and Chairman of the Board of Directors of Pargesa Holding S.A. (CH).
- Director and Chairman of the Board of Power Corporation International (CDN).
- Director and Member of the Executive Committee of Power Financial Corporation (CDN).
- Director of La Presse Ltd. (CDN), Gesca Ltd. (CDN), Corporation d'Investissements en Technologies Power (CDN) (until 13 July 2009), Barrick Power Gold Corporation of China Ltd. (HK) and 3819787 Canada Inc. (CDN).

##### Financial year 2008

- Director and Chairman of the Executive Committee of Power Corporation of Canada (CDN).
- Managing Director and Chairman of the Board of Directors of Pargesa Holding S.A. (CH).
- Director and Chairman of the Board of Power Corporation International (CDN).
- Director and Member of the Executive Committee of Power Financial Corporation (CDN).
- Director of La Presse Ltd. (CDN), Gesca Ltd. (CDN), Corporation d'Investissements en Technologies Power (CDN), Canada Life Capital Corporation Inc. (CDN) (until 25 July 2008), Barrick Power Gold Corporation of China Ltd. (HK) and 3819787 Canada Inc. (CDN).

##### Financial year 2007

- Director and Chairman of the Executive Committee of Power Corporation of Canada (CDN).
- Managing Director and Chairman of the Board of Directors of Pargesa Holding S.A. (CH).
- Director and Chairman of the Board of Power Corporation International (CDN).
- Director and Member of the Executive Committee of Power Financial Corporation (CDN).
- Director of Les Journaux Trans-Canada (1996) Inc. (CDN), Gesca Ltd. (CDN), Corporation d'Investissements en Technologies Power (CDN), Canada Life Capital Corporation Inc. (CDN), Barrick Power Gold Corporation of China Ltd. (HK), 3819787 Canada Inc. (CDN) and La Presse Ltd. (CDN).
- Member of the International Advisory Board of Barrick Gold Corporation (CDN) (until 25 May 2007).

### Financial year 2006

- Director and Chairman of the Executive Committee of Power Corporation of Canada (CDN).
- Managing Director and Chairman of the Board of Directors of Pargesa Holding S.A. (CH).
- Director and Chairman of the Board of Power Corporation International (CDN).
- Director and Member of the Executive Committee of Power Financial Corporation (CDN).
- Director of Gesca Ltd. (CDN), Les Journaux Trans-Canada (1996) Inc. (CDN), La Presse Ltd. (CDN), Corporation d'Investissements en Technologies Power (CDN), Canada Life Capital Corporation Inc. (CDN), Barrick Power Gold Corporation of China Ltd. (HK) and 3819787 Canada Inc. (CDN).
- Member of the International Advisory Board of Barrick Gold Corporation (CDN).

## Gérald Frère

Managing Director

### List of activities and other mandates exercised in Belgian and foreign companies in 2010

- Chairman of the Board of Directors of Compagnie Nationale à Portefeuille S.A. (B), Filux S.A. (L), Gesecalux S.A. (L), Stichting Administratiekantoor Bierlaire (NL) and RTL Belgium (B).
- Vice-Chairman of the Board of Directors of Pargesa Holding S.A. (CH).
- Chairman of the Board of Directors and Managing Director of Haras de la Bierlaire S.A. (B).
- Chairman of the Nomination and Remuneration Committee of Compagnie Nationale à Portefeuille S.A. (B).
- Chairman of the Remuneration Committee of the National Bank of Belgium S.A. (B) (*until 31 December 2010*).
- Managing Director of Financière de la Sambre S.A. (B) and Frère-Bourgeois S.A. (B).
- Director of Power Financial Corporation (CDN), Electrabel (B) (*since 27 April 2010*), Erbe S.A. (B), Fonds Charles-Albert Frère A.S.B.L. (B), Stichting Administratiekantoor Frère-Bourgeois (NL), Suez-Tractebel S.A. (B) (*until 27 April 2010*), Lafarge (F) and Pernod Ricard (F).
- Auditor of Agesca Nederland N.V. (NL) and Parjointco N.V. (NL).
- Regent and Member of the Budget Committee of the National Bank of Belgium S.A. (B).
- Member of the Remuneration Committee of Power Financial Corporation (CDN).
- Member of the Remuneration Committee of Pernod Ricard (F).
- Member of the Related Party and Conduct Review Committee of Power Financial Corporation (CDN).
- Member of the Board of Supervisors of the Financial Services Authority (B).
- Member of the Corporate Governance and Nominations Committee of Lafarge (F).
- Honorary Consul of France in Charleroi.
- Manager of Agriger S.P.R.L. (B), GBL Energy S.à r.l. (L) and GBL Verwaltung S.à r.l. (L).

### List of activities and other mandates exercised in Belgian and foreign companies between 2006 and 2009

#### Financial year 2009

- Chairman of the Board of Directors of Compagnie Nationale à Portefeuille S.A. (B), Filux S.A. (L), Gesecalux S.A. (L), Stichting Administratiekantoor Bierlaire (NL) and RTL Belgium (B) (ex-TVI S.A.).
- Vice-Chairman of the Board of Directors of Pargesa Holding S.A. (CH).
- Chairman of the Board of Directors and Managing Director of Haras de la Bierlaire S.A. (B).
- Chairman of the Nomination and Remuneration Committee of Compagnie Nationale à Portefeuille S.A. (B).
- Chairman of the Remuneration Committee of the National Bank of Belgium S.A. (B).
- Managing Director of Financière de la Sambre S.A. (B) and Frère-Bourgeois S.A. (B).
- Director of Power Financial Corporation (CDN), Erbe S.A. (B), Fingen S.A. (B) (*until 8 April 2009*), Fonds Charles-Albert Frère A.S.B.L. (B), GBL Finance S.A. (L) (*until 24 April 2009*), Stichting Administratiekantoor Frère-Bourgeois (NL), Suez-Tractebel S.A. (B), Lafarge (F) and Pernod Ricard (F) (*since 2 November 2009*).
- Auditor of Agesca Nederland N.V. (NL), Frère-Bourgeois Holding B.V. (NL) (*until 5 June 2009*) and Parjointco N.V. (NL).
- Regent and Member of the Budget Committee of the National Bank of Belgium S.A. (B).
- Member of the Remuneration Committee of Power Financial Corporation (CDN).
- Member of the Remuneration Committee of Pernod Ricard (F) (*since 2 November 2009*).
- Member of the Related Party and Conduct Review Committee of Power Financial Corporation (CDN).
- Member of the Board of Supervisors of the Financial Services Authority (B).
- Member of the Board of Trustees of Guberna (B) (*until 16 March 2009*).
- Member of the Corporate Governance and Nominations Committee of Lafarge (F).
- Honorary Consul of France.
- Manager of Agriger S.P.R.L. (B), GBL Energy S.à r.l. (L) and GBL Verwaltung S.à r.l. (L) (*since 24 March 2009*).

#### Financial year 2008

- Chairman of the Board of Directors of Compagnie Nationale à Portefeuille S.A. (B), Diane S.A. (CH) (*until 5 May 2008*), Filux S.A. (L), Gesecalux S.A. (L), Stichting Administratiekantoor Bierlaire (NL) and TVI S.A. (B).
- Vice-Chairman of the Board of Directors of Pargesa Holding S.A. (CH).
- Chairman of the Board of Directors and Managing Director of Haras de la Bierlaire S.A. (B).
- Chairman of the Nomination and Remuneration Committee of Compagnie Nationale à Portefeuille S.A. (B).
- Chairman of the Remuneration Committee of the National Bank of Belgium S.A. (B).
- Managing Director of Financière de la Sambre S.A. (B) and Frère-Bourgeois S.A. (B).

- Director of Power Financial Corporation (CDN), Erbe S.A. (B), Fingen S.A. (B), Fonds Charles-Albert Frère A.S.B.L. (B), GBL Finance S.A. (L), Stichting Administratiekantoor Frère-Bourgeois (NL), Suez-Tractebel S.A. (B) and Lafarge (F) (*since 7 May 2008*).
- Auditor of Agescan Nederland N.V. (NL), Frère-Bourgeois Holding B.V. (NL) and Parjointco N.V. (NL).
- Regent and Member of the Budget Committee of the National Bank of Belgium S.A. (B).
- Member of the Remuneration Committee of Power Financial Corporation (CDN).
- Member of the Related Party and Conduct Review Committee of Power Financial Corporation (CDN).
- Member of the Board of Supervisors of the Financial Services Authority (B).
- Member of the Board of Trustees of Guberna (B).
- Member of the Corporate Governance and Nominations Committee of Lafarge (F) (*since 7 May 2008*).
- Honorary Consul of France.
- Manager of Agriger S.P.R.L. (B) and GBL Energy S.à r.l. (L) (*since 10 November 2008*).

#### Financial year 2007

- Chairman of the Board of Directors of Compagnie Nationale à Portefeuille S.A. (B), Diane S.A. (CH), Filux S.A. (L), Gesecalux S.A. (L), Stichting Administratiekantoor Bierlaire (NL) and TVI S.A. (B).
- Vice-Chairman of the Board of Directors of Pargesa Holding S.A. (CH).
- Chairman of the Board of Directors and Managing Director of Haras de la Bierlaire S.A. (B).
- Chairman of the Nomination and Remuneration Committee of Compagnie Nationale à Portefeuille S.A. (B).
- Chairman of the Remuneration Committee of the National Bank of Belgium S.A. (B) (*since 14 February 2007*).
- Managing Director of Financière de la Sambre S.A. (B) and Frère-Bourgeois S.A. (B).
- Director of Power Financial Corporation (CDN), Erbe S.A. (B), Fingen S.A. (B), Fonds Charles-Albert Frère A.S.B.L. (B), GBL Finance S.A. (L), Stichting Administratiekantoor Frère-Bourgeois (NL) and Suez-Tractebel S.A. (B).
- Auditor of Agescan Nederland N.V. (NL), Frère-Bourgeois Holding B.V. (NL) and Parjointco N.V. (NL).
- Regent and Member of the Budget Committee (*change of name on 14 February 2007*) of the National Bank of Belgium S.A. (B).
- Member of the Remuneration Committee of Power Financial Corporation (CDN).
- Member of the Related Party and Conduct Review Committee of Power Financial Corporation (CDN).
- Member of the Board of Supervisors of the Financial Services Authority (B).
- Member of the Board of Trustees of Guberna (formerly Belgian Governance Institute) (B).
- Honorary Consul of France.
- Manager of Agriger S.P.R.L. (B).

#### Financial year 2006

- Chairman of the Board of Directors of Compagnie Nationale à Portefeuille S.A. (B), Diane S.A. (CH), Filux S.A. (L), Gesecalux S.A. (L), Stichting Administratiekantoor Bierlaire (NL) and TVI S.A. (B).
- Vice-Chairman of the Board of Directors of Pargesa Holding S.A. (CH).
- Chairman of the Board of Directors and Managing Director of Haras de la Bierlaire S.A. (B).
- Chairman of the Nomination and Remuneration Committee of Compagnie Nationale à Portefeuille S.A. (B).
- Managing Director of Financière de la Sambre S.A. (B) and Frère-Bourgeois S.A. (B).
- Director of Power Financial Corporation (CDN), Erbe S.A. (B), Fingen S.A. (B), Fonds Charles-Albert Frère A.S.B.L. (B), GBL Finance S.A. (L), RTL Group S.A. (L) (*until 30 June 2006*), Stichting Administratiekantoor Frère-Bourgeois (NL) and Suez-Tractebel S.A. (B).
- Auditor of Agescan Nederland N.V. (NL), Frère-Bourgeois Holding B.V. (NL) and Parjointco N.V. (NL).
- Regent and Member of the Committee for the Budget and Directors' Remuneration of the National Bank of Belgium S.A. (B).
- Member of the Remuneration Committee of Power Financial Corporation (CDN).
- Member of the Related Party and Conduct Review Committee of Power Financial Corporation (CDN) (*since 10 May 2006*).
- Member of the Board of Supervisors of the Financial Services Authority (B).
- Member of the Board of Trustees of the Belgian Governance Institute (B) (*since 16 June 2006*).
- Honorary Consul of France.
- Manager of Agriger S.P.R.L. (B).

### Thierry de Rudder

Managing Director

#### List of activities and other mandates exercised in Belgian and foreign companies in 2010

- Director of Compagnie Nationale à Portefeuille S.A. (B), GDF SUEZ (F), Imerys (F) (*until 29 April 2010*), Lafarge (F), Suez-Tractebel S.A. (B) (*until 27 April 2010*) and Total S.A. (F).
- Member of the Audit Committee of GDF SUEZ (F), Lafarge (F), Suez-Tractebel S.A. (B) (*until 27 April 2010*) and Total S.A. (F).
- Member of the Strategic Committee of Imerys (F) (*until 29 April 2010*).
- Chairman of the Strategy and Investment Committee of GDF SUEZ (F).
- Member of the Remuneration Committee of Lafarge (F).

## List of activities and other mandates exercised in Belgian and foreign companies between 2006 and 2009

### Financial year 2009

- Director of Compagnie Nationale à Portefeuille S.A. (B), GDF SUEZ (F), Imerys (F), Lafarge (F), Suez-Tractebel S.A. (B) and Total S.A. (F).
- Member of the Audit Committee of GDF SUEZ (F), Lafarge (F), Suez-Tractebel S.A. (B) and Total S.A. (F).
- Member of the Strategic Committee of Imerys (F).
- Member of the Strategy and Investment Committee of GDF SUEZ (F).
- Member of the Remuneration Committee of Lafarge (F).

### Financial year 2008

- Director of Compagnie Nationale à Portefeuille S.A. (B), GDF SUEZ (F) (*since July 2008*), Imerys (F), Lafarge (F) (*since January 2008*), Suez-Tractebel S.A. (B) and Total S.A. (F).
- Member of the Audit Committee of Suez-Tractebel S.A. (B), Total S.A. (F) and GDF SUEZ (F) (*since July 2008*).
- Member of the Audit Committee of Lafarge (F).
- Member of the Strategic Committee of Imerys (F).
- Member of the Strategy and Investment Committee of GDF SUEZ (F) (*since July 2008*).
- Member of the Remuneration Committee of Lafarge (F).

### Financial year 2007

- Director of Compagnie Nationale à Portefeuille S.A. (B), Imerys (F), Suez (F), Suez-Tractebel S.A. (B) and Total S.A. (F).
- Member of the Audit Committee of Suez-Tractebel S.A. (B) and Total S.A. (F).
- Member of the Strategic Committee of Imerys (F).

### Financial year 2006

- Director of Compagnie Nationale à Portefeuille S.A. (B), Imerys (F), Suez (F), Suez-Tractebel S.A. (B) and Total S.A. (F).
- Member of the Audit Committee of Suez-Tractebel S.A. (B) and Total S.A. (F).
- Member of the Strategic Committee of Imerys (F).

## Jean-Louis Beffa

Director

## List of activities and other mandates exercised in Belgian and foreign companies in 2010

- Chairman of the Board of Directors of Compagnie de Saint-Gobain (F).
- Vice-Chairman of the Board of Directors of BNP Paribas (F) (*until 1 July 2010*).
- Director of GDF SUEZ (F) and Saint-Gobain Corporation (USA).
- Member of the Board of Supervisors of Le Monde S.A. (F), Le Monde & Partenaires Associés S.A.S. (F), Société Editrice du Monde S.A. (F) and Siemens AG (D).
- Chairman of Claude Bernard Participations S.A.S. (F).
- Vice-Chairman of the Board of Supervisors of Fonds de Réserve des Retraites (F).
- Chairman of JL2B Conseils (F).

## List of activities and other mandates exercised in Belgian and foreign companies between 2006 and 2009

### Financial year 2009

- Chairman of the Board of Directors of Compagnie de Saint-Gobain (F).
- Vice-Chairman of the Board of Directors of BNP Paribas (F).
- Director of GDF SUEZ (F) and Saint-Gobain Corporation (USA).
- Member of the Board of Supervisors of Le Monde S.A. (F), Le Monde & Partenaires Associés S.A.S. (F), Société Editrice du Monde S.A. (F) and Siemens AG (D).
- Chairman of Claude Bernard Participations S.A.S. (F).
- Vice-Chairman of the Board of Supervisors of Fonds de Réserve des Retraites (F).

### Financial year 2008

- Chairman of the Board of Directors of Compagnie de Saint-Gobain (F).
- Vice-Chairman of the Board of Directors of BNP Paribas (F).
- Director of GDF SUEZ (F) and Saint-Gobain Corporation (USA).
- Member of the Board of Supervisors of Le Monde S.A. (F), Le Monde & Partenaires Associés S.A.S. (F), Société Editrice du Monde S.A. (F) and Siemens AG (D).
- Chairman of Claude Bernard Participations S.A.S. (F).
- Vice-Chairman of the Board of Supervisors of Fonds de Réserve des Retraites (F).

### Financial year 2007

- Chairman-Chief Executive Officer of Compagnie de Saint-Gobain (F).
- Vice-Chairman of the Board of Directors of BNP Paribas (F).
- Director of Gaz de France (F), Saint-Gobain Cristalleria (ES) and Saint-Gobain Corporation (USA).
- Chairman of the Board of Supervisors of Agence de l'Innovation Industrielle (F).
- Member of the Board of Supervisors of Le Monde S.A. (F), Le Monde & Partenaires Associés S.A.S. (F) and Société Editrice du Monde S.A. (F).
- Chairman of the Management Committee of Claude Bernard Participations S.A.S. (F).
- Vice-Chairman of the Board of Supervisors of Fonds de Réserve des Retraites (F).
- Permanent representative of Saint-Gobain PAM (F).

### Financial year 2006

- Chairman-Chief Executive Officer of Compagnie de Saint-Gobain (F).
- Vice-Chairman of the Board of Directors of BNP Paribas (F).
- Director of Gaz de France (F), Saint-Gobain Cristalleria (ES) and Saint-Gobain Corporation (USA).
- Chairman of the Board of Supervisors of Agence de l'Innovation Industrielle (F).
- Member of the Board of Supervisors of Le Monde S.A. (F), Le Monde & Partenaires Associés S.A.S. (F) and Société Editrice du Monde S.A. (F).
- Chairman of the Management Committee of Claude Bernard Participations S.A.S. (F).
- Vice-Chairman of the Board of Supervisors of Fonds de Réserve des Retraites (F).
- Permanent representative of Saint-Gobain PAM (F).

## Georges Chodron de Courcel

Director

### List of activities and other mandates exercised in Belgian and foreign companies in 2010

- Chief Operating Officer of BNP Paribas (F).
- Director and Member of the Audit Committee of Alstom S.A. (F).
- Director and Member of the Accounts Committee of Bouygues S.A. (F) and Nexans S.A. (F).
- Director, Member of the Nomination and Remuneration Committee and Member of the Audit Committee (since 26 August 2010) of FFP (F).
- Member of the Supervisory Board and Member of the Nomination and Remuneration Committee (since 2010) of Lagardère S.C.A. (F).
- Censor and Member of the Nomination and Remuneration Committee of SCOR SE (F).
- Censor of Safran S.A. (F) and Exane S.A. (F).
- Chairman of BNP Paribas Suisse S.A. (CH), Compagnie d'Investissement de Paris S.A.S. (F) and Financière BNP Paribas S.A.S. (F).
- Vice-Chairman of Fortis Banque S.A./N.V. (B).
- Director of Erbe S.A. (B), SCOR Holding (Switzerland) Ltd. (CH), SCOR Global Life Rückversicherung Schweiz AG (CH), SCOR Switzerland Ltd. (CH) and Verner Investissements S.A.S. (F).

### List of activities and other mandates exercised in Belgian and foreign companies between 2006 and 2009

#### Financial year 2009

- Chief Operating Officer of BNP Paribas (F).
- Director and Member of the Audit Committee of Alstom S.A. (F).
- Director and Member of the Accounts Committee of Bouygues S.A. (F) and Nexans S.A. (F).
- Director and Member of the Nomination and Remuneration Committee of FFP (F).
- Member of the Supervisory Board of Lagardère S.C.A. (F).
- Censor and Member of the Nomination and Remuneration Committee of SCOR SE (F).
- Censor of Safran S.A. (F) and Exane S.A. (F).
- Chairman of BNP Paribas Suisse S.A. (CH), Compagnie d'Investissement de Paris S.A.S. (F) and Financière BNP Paribas S.A.S. (F).
- Vice-Chairman of Fortis Banque S.A./N.V. (B) (since 14 May 2009).
- Director of Erbe S.A. (B), SCOR Holding (Switzerland) Ltd. (CH), SCOR Global Life Rückversicherung Schweiz AG (CH), SCOR Switzerland Ltd. (CH), Verner Investissements S.A.S. (F) and BNP Paribas ZAO (Russia) (until 30 July 2009).

#### Financial year 2008

- Chief Operating Officer of BNP Paribas (F).
- Director and Member of the Audit Committee of Alstom S.A. (F).
- Director and Member of the Accounts Committee of Bouygues S.A. (F) and Nexans S.A. (F).
- Director of Erbe S.A. (B), FFP (F), SCOR Holding (Switzerland) Ltd. (CH), Verner Investissements S.A.S. (F), BNP Paribas ZAO (Russia) and Banca Nazionale del Lavoro (I) (until 1 September 2008).
- Member of the Supervisory Board of Lagardère S.C.A. (F).
- Censor and Member of the Nomination and Remuneration Committee of SCOR SE (F).
- Censor of Safran S.A. (F) and Exane S.A. (F).
- Chairman of BNP Paribas Suisse S.A. (CH), Compagnie d'Investissement de Paris S.A.S. (F) and Financière BNP Paribas S.A.S. (F).

#### Financial year 2007

- Chief Operating Officer of BNP Paribas (F).
- Director and Member of the Nomination and Remuneration Committee (until May 2007) then of the Audit Committee of Alstom S.A. (F).
- Director and Member of the Accounts Committee of Bouygues S.A. (F) and Nexans S.A. (F).
- Director of Erbe S.A. (B), FFP (F), SCOR Holding (Switzerland) Ltd. (CH), Verner Investissements S.A.S. (F), BNP Paribas ZAO (Russia) and Banca Nazionale del Lavoro (I).
- Member of the Supervisory Board of Lagardère S.C.A. (F).
- Censor and Member of the Nomination and Remuneration Committee of SCOR SE (F).
- Censor of Safran S.A. (F) and Exane S.A. (F).
- Chairman of BNP Paribas Suisse S.A. (CH), Compagnie d'Investissement de Paris S.A.S. (F), Financière BNP Paribas S.A.S. (F) and BNP Paribas UK Holdings Ltd. (UK) (until September 2007).

#### Financial year 2006

- Chief Operating Officer of BNP Paribas (F).
- Director and Member of the Nomination and Remuneration Committee of Alstom S.A. (F).
- Director and Member of the Accounts Committee of Bouygues S.A. (F) and Nexans S.A. (F).
- Director of Erbe S.A. (B), FFP (F), Verner Investissements S.A.S. (F), BNP Paribas ZAO (Russia) (since 24 January 2006) and Banca Nazionale del Lavoro (I) (since 28 April 2006).
- Member of the Supervisory Board of Lagardère S.C.A. (F).
- Censor and Member of the Nomination and Remuneration Committee of SCOR SE (F).
- Censor of Safran S.A. (F), Exane S.A. (F) and SCOR Global Life (F) (until 14 December 2006).
- Chairman of BNP Paribas Suisse S.A. (CH), Compagnie d'Investissement de Paris S.A.S. (F), Financière BNP Paribas S.A.S. (F), BNP Paribas Emergis S.A.S. (F) (until November 2006) and BNP Paribas UK Holdings Ltd. (UK).

## Victor Delloye

Director

### List of activities and other mandates exercised in Belgian and foreign companies in 2010

- Director – General Secretary of Compagnie Nationale à Portefeuille S.A. (B), Compagnie Immobilière de Roumont S.A. (B), Carpar S.A. (B), Investor S.A. (B), Europart S.A. (B) and Fibelpar S.A. (B).
- Director of Pargesa Holding S.A. (CH), Frère-Bourgeois S.A. (B), Financière de la Sambre S.A. (B), Fingen S.A. (B), Société des Quatre Chemins S.A. (B), Centre de Coordination de Charleroi S.A. (B) (*until 10 December 2010*), Stichting Administratiekantoor Bierlaire (NL), Stichting Administratiekantoor Peupleraie (NL), Erbe Finance S.A. (L), Filux S.A. (L), Kermadec S.A. (L), Gesecalux S.A. (L), Cargefin S.A. (L), GB-INNO-BM S.A. (B), GIB Group International S.A. (L) and Safe Lux S.A. (ex-Safe Re (Immo)) (L).
- Director of GIB Corporate Services S.A. (B) as permanent representative of Compagnie Nationale à Portefeuille S.A.
- Auditor of Agesca Nederland N.V. (NL) and Parjointco N.V. (NL).
- Vice-Chairman of Association Belge des Sociétés Cotées A.S.B.L. (B).

### List of activities and other mandates exercised in Belgian and foreign companies between 2006 and 2009

#### Financial year 2009

- Director – General Secretary of Compagnie Nationale à Portefeuille S.A. (B), Compagnie Immobilière de Roumont S.A. (B), Carpar S.A. (B), Investor S.A. (B), Europart S.A. (B) and Fibelpar S.A. (B).
- Director of Pargesa Holding S.A. (CH), Frère-Bourgeois S.A. (B), Financière de la Sambre S.A. (B), Fingen S.A. (B), Société des Quatre Chemins S.A. (B), Centre de Coordination de Charleroi S.A. (B), Manoir de Roumont S.A. (B) (*until 15 May 2009*), Stichting Administratiekantoor Bierlaire (NL), Stichting Administratiekantoor Peupleraie (NL), Erbe Finance S.A. (L), Filux S.A. (L), Kermadec S.A. (L), Gesecalux S.A. (L), Cargefin S.A. (L), GB-INNO-BM S.A. (B), GIB Group International S.A. (L) and Safe Lux S.A. (ex-Safe Re (Immo)) (L).
- Director of GIB Corporate Services S.A. (B) as permanent representative of Compagnie Nationale à Portefeuille S.A.
- Auditor of Agesca Nederland N.V. (NL), Frère-Bourgeois Holding B.V. (NL) (*until 5 June 2009*) and Parjointco N.V. (NL).
- Vice-Chairman of Association Belge des Sociétés Cotées A.S.B.L. (B).

#### Financial year 2008

- Director – General Secretary of Compagnie Nationale à Portefeuille S.A. (B), Compagnie Immobilière de Roumont S.A. (B), Carpar S.A. (B), Investor S.A. (B), Europart S.A. (B) and Fibelpar S.A. (B).

- Director of Pargesa Holding S.A. (CH), Frère-Bourgeois S.A. (B), Financière de la Sambre S.A. (B), Fingen S.A. (B), Société des Quatre Chemins S.A. (B), Centre de Coordination de Charleroi S.A. (B), Manoir de Roumont S.A. (B), Stichting Administratiekantoor Bierlaire (NL), Stichting Administratiekantoor Peupleraie (NL), Erbe Finance S.A. (L), Filux S.A. (L), Kermadec S.A. (L), Gesecalux S.A. (L), Swifin S.A. (L) (*until 23 December 2008*), Cargefin S.A. (L), GB-INNO-BM S.A. (B), GIB Group International S.A. (L) and Safe Lux S.A. (ex-Safe Re (Immo)) (L).
- Director of GIB Corporate Services S.A. (B) as permanent representative of Compagnie Nationale à Portefeuille S.A.
- Auditor of Agesca Nederland N.V. (NL), Frère-Bourgeois Holding B.V. (NL) and Parjointco N.V. (NL).
- Vice-Chairman of Association Belge des Sociétés Cotées A.S.B.L. (B).

#### Financial year 2007

- Director – General Secretary of Compagnie Nationale à Portefeuille S.A. (B), Compagnie Immobilière de Roumont S.A. (B), Carpar S.A. (B), Investor S.A. (B), Europart S.A. (B) and Fibelpar S.A. (B).
- Director of Pargesa Holding S.A. (CH), Frère-Bourgeois S.A. (B), Financière de la Sambre S.A. (B), Fingen S.A. (B), Société des Quatre Chemins S.A. (B), Centre de Coordination de Charleroi S.A. (B), Manoir de Roumont S.A. (B), Stichting Administratiekantoor Bierlaire (NL), Stichting Administratiekantoor Peupleraie (NL), Erbe Finance S.A. (L), Filux S.A. (L), Kermadec S.A. (L), Gesecalux S.A. (L), Swifin S.A. (L), Cargefin S.A. (L), GB-INNO-BM S.A. (B), GIB Group International S.A. (L) and Safe Lux S.A. (ex-Safe Re (Immo)) (L).
- Director of GIB Corporate Services S.A. (B) as permanent representative of Compagnie Nationale à Portefeuille S.A.
- Liquidator of Loverfin S.A. (B) (*until 11 June 2007*).
- Auditor of Agesca Nederland N.V. (NL), Frère-Bourgeois Holding B.V. (NL) and Parjointco N.V. (NL).

#### Financial year 2006

- Director – General Secretary of Compagnie Nationale à Portefeuille S.A. (B), Compagnie Immobilière de Roumont S.A. (B), Carpar S.A. (B), Investor S.A. (B), Europart S.A. (B) and Fibelpar S.A. (B).
- Director of Pargesa Holding S.A. (CH), Frère-Bourgeois S.A. (B), Financière de la Sambre S.A. (B), Fingen S.A. (B), Société des Quatre Chemins S.A. (B), Centre de Coordination de Charleroi S.A. (B), Manoir de Roumont S.A. (B), Stichting Administratiekantoor Bierlaire (NL), Erbe Finance S.A. (L), Filux S.A. (L), Kermadec S.A. (L), Gesecalux S.A. (L), Swifin S.A. (L), Cargefin S.A. (L), GB-INNO-BM S.A. (B), GIB Group International S.A. (L) and Safe Re (Immo) (L).
- Director of GIB Corporate Services S.A. (B) as permanent representative of Compagnie Nationale à Portefeuille S.A.
- Liquidator of Loverfin S.A. (B).
- Auditor of Agesca Nederland N.V. (NL), Frère-Bourgeois Holding B.V. (NL) and Parjointco N.V. (NL).

## Paul Desmarais, jr

Director

### List of activities and other mandates exercised in Belgian and foreign companies in 2010

- Chairman of the Board and co-Chief Management Officer of Power Corporation of Canada (CDN).
- Co-Chairman of the Board of Power Financial Corporation (CDN).
- Director and Chairman of the Board of 171263 Canada Inc. (CDN)
- Vice-Chairman of the Board and Managing Director of Pargesa Holding S.A. (CH).
- Director of 152245 Canada Inc. (CDN), The Canada Life Assurance Company (CDN), Canada Life Financial Corporation (CDN), Canada Life Capital Corporation Inc. (CDN), The Canada Life Insurance Company of Canada (CDN), Canada Life Insurance Company of America (USA), Crown Life Insurance Company (CDN), Gesca Ltd. (CDN), Great-West Life & Annuity Insurance Company (USA), Great-West Lifeco Inc. (CDN), The Great-West Life Assurance Company (CDN), GWL&A Financial Inc. (USA), Great-West Financial (Canada) Inc. (CDN), Great-West Financial (Nova Scotia) Co. (CDN), First Great-West Life & Annuity Insurance Company (USA), IGM Financial Inc. (CDN), Investors Group Inc. (CDN), Lafarge (F), La Presse Ltd. (CDN), London Insurance Group Inc. (CDN), Parjointco N.V. (NL), Power Communications Inc. (CDN), Power Corporation International (CDN), Power Financial Europe B.V. (NL), Putnam Investment, LLC (USA) and Total S.A. (F).
- Director and Member of the Nominations Committee and of the Compensation Committee of GDF SUEZ (F).
- Director and Member of the Executive Committee of London Life Insurance Company (CDN) and Mackenzie Inc. (CDN).
- Chairman of the Advisory Committee of Sagard Private Equity Partners (F).

### List of activities and other mandates exercised in Belgian and foreign companies between 2006 and 2009

#### Financial year 2009

- Chairman of the Board and co-Chief Management Officer of Power Corporation of Canada (CDN).
- Co-Chairman of the Board of Power Financial Corporation (CDN).
- Director and Chairman of the Board of 171263 Canada Inc. (CDN)
- Director and Vice-Chairman of the Board of 3819787 Canada Inc. (CDN).
- Vice-Chairman of the Board and Managing Director of Pargesa Holding S.A. (CH).
- Director of 152245 Canada Inc. (CDN), The Canada Life Assurance Company (CDN), Canada Life Financial Corporation (CDN), Canada Life Capital Corporation Inc. (CDN), The Canada Life Insurance Company of Canada (CDN), Canada Life Insurance Company of America (USA), Crown Life Insurance Company (CDN), Gesca Ltd. (CDN), Great-West Life & Annuity Insurance Company (USA), Great-West Lifeco Inc. (CDN), The Great-West Life Assurance Company (CDN), GWL&A Financial Inc. (USA), Great-West Financial (Canada) Inc. (CDN), Great-West Financial (Nova Scotia) Co. (CDN), First Great-West Life & Annuity Insurance Company (USA), IGM Financial Inc. (CDN), Investors Group Inc. (CDN), Lafarge (F), La Presse Ltd. (CDN), London Insurance Group Inc. (CDN), Parjointco N.V. (NL),

- Power Communications Inc. (CDN), Power Corporation International (CDN), Power Financial Europe B.V. (NL), Putnam Investment, LLC (USA) and Total S.A. (F).
- Director and Member of the Nominations Committee and of the Compensation Committee of GDF SUEZ (F).
- Director and Member of the Executive Committee of London Life Insurance Company (CDN) and Mackenzie Inc. (CDN).
- Chairman of the Advisory Committee of Sagard Private Equity Partners (F).

#### Financial year 2008

- Chairman of the Board and co-Chief Management Officer of Power Corporation of Canada (CDN).
- Co-Chairman of the Board of Power Financial Corporation (CDN) (since May 2008).
- Director and Chairman of the Board of 171263 Canada Inc. (CDN) and 2795957 Canada Inc. (CDN) (until December 2008).
- Director and Vice-Chairman of the Board of 3819787 Canada Inc. (CDN).
- Vice-Chairman of the Board and Managing Director of Pargesa Holding S.A. (CH).
- Director of 152245 Canada Inc. (CDN), The Canada Life Assurance Company (CDN), Canada Life Financial Corporation (CDN), Canada Life Capital Corporation Inc. (CDN), The Canada Life Insurance Company of Canada (CDN), Canada Life Insurance Company of America (USA), Crown Life Insurance Company (CDN), Gesca Ltd. (CDN), Great-West Life & Annuity Insurance Company (USA), Great-West Lifeco Inc. (CDN), The Great-West Life Assurance Company (CDN), GWL&A Financial Inc. (USA), Great-West Financial (Canada) Inc. (CDN), Great-West Financial (Nova Scotia) Co. (CDN), First Great-West Life & Annuity Insurance Company (USA), IGM Financial Inc. (CDN), Investors Group Inc. (CDN), Lafarge (F), La Presse Ltd. (CDN), London Insurance Group Inc. (CDN), Parjointco N.V. (NL), Power Communications Inc. (CDN), Power Corporation International (CDN), Power Financial Europe B.V. (NL), Putnam Investment, LLC (USA) and Total S.A. (F).
- Director and Member of the Nominations Committee and of the Compensation Committee of GDF SUEZ (F).
- Director and Member of the Executive Committee of London Life Insurance Company (CDN) and Mackenzie Inc. (CDN).
- Chairman of the Advisory Committee of Sagard Private Equity Partners (F).

#### Financial year 2007

- Chairman of the Board and co-Chief Management Officer of Power Corporation of Canada (CDN).
- Chairman of the Executive Committee of Power Financial Corporation (CDN).
- Vice-Chairman of the Board of Directors and Member of the Strategic Committee of Imerys (F).
- Director and Chairman of the Board of 171263 Canada Inc. (CDN) and 2795957 Canada Inc. (CDN).
- Director and Vice-Chairman of the Board of 3819787 Canada Inc. (CDN).
- Vice-Chairman of the Board and Managing Director of Pargesa Holding S.A. (CH).
- Director of 152245 Canada Inc. (CDN), The Canada Life Assurance Company (CDN), Canada Life Financial



- Corporation (CDN), Canada Life Capital Corporation Inc. (CDN), The Canada Life Insurance Company of Canada (CDN) (since May 2007), Canada Life Insurance Company of America (USA), Crown Life Insurance Company (CDN) (since November 2007), Gesca Ltd. (CDN), Great-West Life & Annuity Insurance Company (USA), Great-West Lifeco Inc. (CDN), The Great-West Life Assurance Company (CDN), GWL&A Financial Inc. (USA), Great-West Financial (Canada) Inc. (CDN), Great-West Financial (Nova Scotia) Co. (CDN), First Great-West Life & Annuity Insurance Company (USA), Groupe La Poste (F) (until September 2007), IGM Financial Inc. (CDN), Investors Group Inc. (CDN), La Presse Ltd. (CDN), Les Journaux Trans-Canada (1996) Inc. (CDN), London Insurance Group Inc. (CDN), Parjointco N.V. (NL), Power Communications Inc. (CDN), Power Corporation International (CDN), Power Financial Europe B.V. (NL), Putnam Investment, LLC (USA) (since November 2007) and Total S.A. (F).
- Director and Member of the Remuneration Committee of Suez (F).
  - Director and Member of the Executive Committee of London Life Insurance Company (CDN) and Mackenzie Inc. (CDN).
  - Chairman of the Advisory Committee of Sagard Private Equity Partners (F).

#### Financial year 2006

- Chairman of the Board and co-Chief Management Officer of Power Corporation of Canada (CDN).
- Chairman of the Executive Committee of Power Financial Corporation (CDN).
- Vice-Chairman of the Board of Directors and Member of the Strategic Committee of Imerys (F).
- Vice-Chairman of the Board and Managing Director of Pargesa Holding S.A. (CH).
- Director of The Canada Life Assurance Company (CDN), Canada Life Financial Corporation (CDN), Canada Life Capital Corporation Inc. (CDN), Canada Life Insurance Company of America (USA), 152245 Canada Inc. (CDN), Gesca Ltd. (CDN), Great-West Life & Annuity Insurance Company (CDN), Great-West Lifeco Inc. (CDN), GWL&A Financial Inc. (USA), GWL Properties Inc. (CDN), Great-West Financial (Canada) Inc. (CDN), Great-West Financial (Nova Scotia) Co. (CDN), First Great-West Life & Annuity Insurance Co. (USA), The Great-West Life Assurance Company (CDN), IGM Financial Inc. (CDN), Investors Group Inc. (CDN), La Presse Ltd. (CDN), Les Journaux Trans-Canada (1996) Inc. (CDN), London Insurance Group Inc. (CDN), Groupe La Poste (F) (since January 2006), Parjointco N.V. (NL), Power Communications Inc. (CDN), Power Financial Europe B.V. (NL), Suez (F) and Total S.A. (F).
- Director and Chairman of the Board of 171263 Canada Inc. (CDN) and 2795957 Canada Inc. (CDN).
- Director and Vice-Chairman of the Board of 3819787 Canada Inc. (CDN).
- Director and Member of the Executive Committee of London Life Insurance Company (CDN) and Mackenzie Inc. (CDN).
- Director and Executive of Power Corporation International (CDN).
- Chairman of the Advisory Committee of Sagard Private Equity Partners (formerly Private Equity Partners Europe) (F).
- Member of the Advisory Committee of Groupe La Poste (F).

## Ian Gallienne

Director

#### List of activities and other mandates exercised in Belgian and foreign companies in 2010

- Managing Director of Ergon Capital Partners S.A. (B), Ergon Capital Partners II S.A. (B) and Ergon Capital Partners III S.A. (B).
- Director of Ergon Capital S.A. (B), Seves SpA (I), Arno Glass S.A. (L), Steel Partners N.V. (B), PLU Holding S.A.S. (F), ELITech Group S.A.S. (F), Gruppo Banca Leonardo SpA (I), Imerys (F), Central Parc Villepinte S.A. (F) and Fonds de dotation du Palais (F).
- Manager of Egerton S.à r.l. (L) and Ergon Capital II S.à r.l. (L).

#### List of activities and other mandates exercised in Belgian and foreign companies between 2006 and 2009

##### Financial year 2009

- Managing Director of Ergon Capital Partners S.A. (B) and Ergon Capital Partners II S.A. (B).
- Director of Ergon Capital S.A. (B), Seves SpA (I), Arno Glass S.A. (L), Central Parc Villepinte S.A. (F), Steel Partners N.V. (B), PLU Holding S.A.S. (F), Fapakt S.A. (B) (until 30 June 2009), Gruppo Banca Leonardo SpA (I) and Fonds de dotation du Palais (F).
- Manager of Egerton S.à r.l. (L) and Ergon Capital II S.à r.l. (L).

##### Financial year 2008

- Managing Director of Ergon Capital Partners S.A. (B) and Ergon Capital Partners II S.A. (B).
- Director of Ergon Capital S.A. (B), Seves SpA (I), Arno Glass S.A. (L), Central Parc Villepinte S.A. (F), Steel Partners N.V. (B), PLU Holding S.A.S. (F), Fapakt S.A. (B) and Nicotra Gebhardt SpA (I) (until May 2008).
- Manager of Egerton S.à r.l. (L) and Ergon Capital II S.à r.l. (L).

##### Financial year 2007

- Managing Director of Ergon Capital Partners S.A. (B) and Ergon Capital Partners II S.A. (B).
- Director of Ergon Capital S.A. (B), Seves SpA (I), Arno Glass S.A. (L), Central Parc Villepinte S.A. (F), King Benelux Holding B.V. (B) (until 29 August 2007), King Belgium (B) (until August 2007), King Nederland (NL) (until August 2007), Steel Partners N.V. (B), PLU Holding S.A.S. (F), Fapakt S.A. (B) and Farmabios SpA (I) (until December 2007).
- Manager of Egerton S.à r.l. (L) and Ergon Capital II S.à r.l. (L).

##### Financial year 2006

- Managing Director of Ergon Capital Partners S.A. (B) and Ergon Capital Partners II S.A. (B).
- Director of Ergon Capital S.A. (B), Seves SpA (I), Arno Glass S.A. (L), Central Parc Villepinte S.A. (F), King Benelux Holding B.V. (B), King Belgium (B), King Nederland (NL) and Stroili Oro SpA (I) (until August 2006).
- Manager of Egerton S.à r.l. (L) and Ergon Capital II S.à r.l. (L).

## Maurice Lippens

Director

### List of activities and other mandates exercised in Belgian and foreign companies in 2010

- Chairman of Compagnie Het Zoute (B), Compagnie Het Zoute Real Estate (B), Compagnie Het Zoute Réserve (B) and Zoute Promotions (B).
- Director of Finasucre (B) (*until July 2010*) and Compagnie Immobilière d'Hardelot (F).
- Director and Treasurer of Le Musée des Enfants A.S.B.L. (B).

### List of activities and other mandates exercised in Belgian and foreign companies between 2006 and 2009

#### Financial year 2009

- Chairman of Compagnie Het Zoute (B) and Compagnie Het Zoute Real Estate (B).
- Director of Finasucre (B), Groupe Sucrier (B) (*until June 2009*) and Iscal Sugar (B) (*until June 2009*).
- Director and Treasurer of Le Musée des Enfants A.S.B.L. (B).

#### Financial year 2008

- Chairman of Fortis S.A./N.V. (B) (*until September 2008*), Fortis N.V. (NL) (*until September 2008*), Fortis Foundation Belgium (B) (*until September 2008*), Compagnie Het Zoute (B), Compagnie Het Zoute Real Estate (B), Guberna (B) (*until October 2008*) and Commission Corporate Governance (B) (*until October 2008*).
- Director of Belgacom (B) (*until October 2008*), Finasucre (B), Groupe Sucrier (B) and Iscal Sugar (B).
- Director and Treasurer of Le Musée des Enfants A.S.B.L. (B).

#### Financial year 2007

- Chairman of Fortis S.A./N.V. (B), Fortis N.V. (NL), Fortis Foundation Belgium (B), Compagnie Het Zoute (B), Belgian Governance Institute (B) and Commission Corporate Governance (B).
- Director of Belgacom (B), Total S.A. (F) (*until May 2007*), Finasucre (B), Groupe Sucrier (B) and Iscal Sugar (B).
- Member of Trilateral Commission and Insead Belgium Council (B).
- Director and Treasurer of Le Musée des Enfants A.S.B.L. (B).

#### Financial year 2006

- Chairman of Fortis S.A./N.V. (B), Fortis N.V. (NL), Fortis Foundation Belgium (B), Compagnie Het Zoute (B), Belgian Governance Institute (B) and Commission Corporate Governance (B).
- Director of Belgacom (B), Total S.A. (F), Finasucre (B), Groupe Sucrier (B) and Iscal Sugar (B).
- Member of Trilateral Commission and Insead Belgium Council (B).
- Director and Treasurer of Le Musée des Enfants A.S.B.L. (B).

## Michel Plessis-Bélaïr

Director

### List of activities and other mandates exercised in Belgian and foreign companies in 2010

- Director and Executive of Power Corporation of Canada (CDN).
- Director of Power Financial Corporation (CDN), Great-West Lifeco Inc. (CDN), La Great-West, compagnie d'assurance-vie (CDN), Great-West Financial (Canada) Inc. (CDN), Great-West Financial (Nova Scotia) Co. (CDN), GWL&A Financial Inc. (USA), Great-West Life & Annuity Insurance Company (USA), Groupe d'assurances London Inc. (CDN), London Life Compagnie d'assurance-vie (CDN), La compagnie d'assurance du Canada sur la vie (CDN), Canada Life Financial Corporation (CDN), The Canada Life Assurance Company of Canada (CDN), Crown Life Insurance Company (CDN), IGM Financial Inc. (CDN), Investors Group Inc. (CDN), Mackenzie Inc. (CDN), Victoria Square Ventures Inc. (CDN), Square Victoria Communications Group Inc. (CDN), Gesca Ltd. (CDN), La Presse Ltd. (CDN), 3819787 Canada Inc. (CDN), Power Financial Europe B.V. (NL), Parjointco N.V. (NL), Pargesa Holding S.A. (CH), Lallemand Inc. (CDN), Université de Montréal (CDN) and Hydro-Québec (CDN).

### List of activities and other mandates exercised in Belgian and foreign companies between 2006 and 2009

#### Financial year 2009

- Director and Executive of Power Corporation of Canada (CDN) and Sagard Capital Partners GP Inc. (CDN) (*until 4 December 2009*).
- Director of Power Financial Corporation (CDN), Great-West Lifeco Inc. (CDN), La Great-West, compagnie d'assurance-vie (CDN), Great-West Financial (Canada) Inc. (CDN), Great-West Financial (Nova Scotia) Co. (CDN), GWL&A Financial Inc. (USA), Great-West Life & Annuity Insurance Company (USA), Groupe d'assurances London Inc. (CDN), London Life Compagnie d'assurance-vie (CDN), La compagnie d'assurance du Canada sur la vie (CDN), Canada Life Financial Corporation (CDN), The Canada Life Assurance Company of Canada (CDN), Canada Life Insurance Company of America (USA), Crown Life Insurance Company (CDN), IGM Financial Inc. (CDN), Investors Group Inc. (CDN), Mackenzie Inc. (CDN), Victoria Square Ventures Inc. (CDN), Gesca Ltd. (CDN), La Presse Ltd. (CDN), 3819787 Canada Inc. (CDN), Power Financial Europe B.V. (NL), Parjointco N.V. (NL), Pargesa Holding S.A. (CH), Sagard Capital Partners Management Corp. (CDN) (*until 4 December 2009*), Lallemand Inc. (CDN), Université de Montréal (CDN) and Hydro-Québec (CDN).

#### Financial year 2008

- Director and Executive of Power Corporation of Canada (CDN) and Sagard Capital Partners GP Inc. (CDN).
- Director of Power Financial Corporation (CDN), Great-West Lifeco Inc. (CDN), La Great-West, compagnie d'assurance-vie (CDN), Great-West Financial (Canada) Inc. (CDN), Great-West Financial (Nova Scotia) Co. (CDN), GWL&A Financial Inc. (USA), Great-West Life & Annuity Insurance Company (USA), Groupe d'assurances London Inc. (CDN), London Life Compagnie

d'assurance-vie (CDN), La compagnie d'assurance du Canada sur la vie (CDN), Canada Life Financial Corporation (CDN), The Canada Life Assurance Company of Canada (CDN), Canada Life Insurance Company of America (USA), Crown Life Insurance Company (CDN), IGM Financial Inc. (CDN), Investors Group Inc. (CDN), Mackenzie Inc. (CDN), Victoria Square Ventures Inc. (CDN), Gesca Ltd. (CDN), La Presse Ltd. (CDN), 3819787 Canada Inc. (CDN), Power Financial Europe B.V. (NL), Parjointco N.V. (NL), Pargesa Holding S.A. (CH), Sagard Capital Partners Management Corp. (CDN), Lallemand Inc. (CDN), Université de Montréal (CDN) and Hydro-Québec (CDN).

#### Financial year 2007

- Director and Executive of Power Corporation of Canada (CDN), Power Financial Corporation (CDN), Gelprim Inc. (CDN), Jolliet Energy Resources Inc. (CDN), Power Financial Capital Corporation (CDN), Sagard Capital Partners GP Inc. (CDN), Corporation Internationale Power (CDN), 152245 Canada Inc. (CDN), 2795957 Canada Inc. (CDN), 171263 Canada Inc. (CDN), 3540529 Canada Inc. (CDN), 3411893 Canada Inc. (CDN), 3249531 Canada Inc. (CDN), 3439453 Canada Inc. (CDN), 4190297 Canada Inc. (CDN), 4400003 Canada Inc. (CDN), 4400038 Canada Inc. (CDN), 4400046 Canada Inc. (CDN), 4400020 Canada Inc. (CDN) and Power Communications Inc. (CDN).
- Director of Great-West Lifeco Inc. (CDN), La Great-West, compagnie d'assurance-vie (CDN), Great-West Financial (Canada) Inc. (CDN), Great-West Financial (Nova Scotia) Co. (CDN), GWL&A Financial Inc. (USA), Great-West Life & Annuity Insurance Company (USA), Groupe des assurances London Life Inc. (CDN), London Life Compagnie d'assurance (CDN), La compagnie d'assurance du Canada sur la vie (CDN), Canada Life Financial Corporation (CDN), The Canada Life Assurance Company of America (USA), Crown Life Insurance Company (CDN), IGM Financial Inc. (CDN), Investors Group Inc. (CDN), Mackenzie Inc. (CDN), Corporation d'investissements en technologies Power (CDN), Gesca Ltd. (CDN), La Presse Ltd. (CDN), Les Journaux Trans-Canada (1996) Inc. (CDN), Power Financial Europe B.V. (NL), Parjointco N.V. (NL), Pargesa Holding S.A. (CH), Sagard Capital Partners Management Corp. (CDN), Lallemand Inc. (CDN), Université de Montréal (CDN) and Hydro-Québec (CDN).

#### Financial year 2006

- Director and Executive of Power Corporation of Canada (CDN), Power Financial Corporation (CDN), Gelprim Inc. (CDN), Jolliet Energy Resources Inc. (CDN), Power Financial Capital Corporation (CDN), 152245 Canada Inc. (CDN), 2795957 Canada Inc. (CDN), 171263 Canada Inc. (CDN), 3540529 Canada Inc. (CDN), 3411893 Canada Inc. (CDN), 3249531 Canada Inc. (CDN), 3439453 Canada Inc. (CDN), 4190297 Canada Inc. (CDN) and Power Communications Inc. (CDN).
- Director of Great-West Lifeco Inc. (CDN), La Great-West, compagnie d'assurance-vie (CDN), GWL&A Financial (Canada) Inc. (CDN), GWL&A Financial (Nova Scotia) Co. (CDN), GWL&A Financial Inc. (USA), Great-West Life & Annuity Insurance Company (USA), Groupe des assurances London Life Inc. (CDN),

London Life Compagnie d'assurance (CDN), La compagnie d'assurance du Canada sur la vie (CDN), Canada Life Financial Corporation (CDN), IGM Financial Inc. (CDN), Investors Group Inc. (CDN), Mackenzie Inc. (CDN), Corporation d'investissements en technologies Power (CDN), Gesca Ltd. (CDN), La Presse Ltd. (CDN), Les Journaux Trans-Canada (1996) Inc. (CDN), Power Financial Europe B.V. (NL), Parjointco N.V. (NL), Pargesa Holding S.A. (CH), Lallemand Inc. (CDN), Université de Montréal (CDN) and Hydro-Québec (CDN).

- Executive of Sagard Private Equity Partners (F), Corporation Internationale Power (CDN) and 4400003 Canada Inc. (CDN).

## Gilles Samyn

Director

#### List of activities and other mandates exercised in Belgian and foreign companies in 2010

- Chairman of the Board of Directors of Centre de Coordination de Charleroi S.A. (B) (*until December 2010*), Erbe Finance S.A. (L), Financière Flo S.A. (F), Groupe Flo S.A. (F), Groupe Jean Dupuis S.A. (B), Helio Charleroi Finance S.A. (B), Kermadec S.A. (L), Solvay Alumni A.S.B.L. (B), Swilux S.A. (L), Transcor Astra Group S.A. (B) and Unifem S.A.S. (F).
- Chairman and Director of Distripar S.A. (B).
- Vice-Chairman and Managing Director of Compagnie Nationale à Portefeuille S.A. (B).
- Managing Director of Belholding Belgium S.A. (B), Carpar S.A. (B), Erbe S.A. (B), Europart S.A. (B), Fibelpar S.A. (B), Financière de la Sambre S.A. (B), Fingen S.A. (B), Frère-Bourgeois S.A. (B), Investor S.A. (B), SLP S.A. (B) and Société des Quatre Chemins S.A. (B).
- Director of Acide Carbonique Pur S.A. (B) as representative of Société des Quatre Chemins S.A. (*since May 2010*), Affichage Holding S.A. (CH), AOT Holding S.A. (CH), Banca Leonardo SpA (I), Belgian Sky Shops S.A. (B), Cheval des Andes S.A. (Argentina), Entremont Alliance S.A.S. (F), Filux S.A. (L), Gesecalux S.A. (L), Grand Hôpital de Charleroi A.S.B.L. (B), Lyparis S.A. (F) (*until July 2010*), Newcor S.A. (B), Société Civile du Château Cheval Blanc (F), Stichting Administratiekantoor Frère-Bourgeois (NL), Tikehau Capital Advisors S.A.S. (F) (*until September 2010*), Transcor East Ltd. (CH) and TTR S.A. (B).
- Director and Member of the Audit Committee and the Compensation Committee of Pargesa Holding S.A. (CH).
- Member of the Supervisory Board of Métropole Télévision (M6) (F).
- Auditor of Agesca Nederland N.V. (NL) and Parjointco N.V. (NL).

#### List of activities and other mandates exercised in Belgian and foreign companies between 2006 and 2009

##### Financial year 2009

- Chairman of the Board of Directors of Centre de Coordination de Charleroi S.A. (B), Erbe Finance S.A. (L), Financière Flo S.A. (F), Finimpress S.A. (B) as representative of Société des Quatre Chemins S.A. (*until June 2009*), Groupe Flo S.A. (F), Groupe Jean Dupuis S.A. (B), Helio Charleroi Finance S.A. (B), Kermadec S.A. (L), Solvay Alumni A.S.B.L. (B), Swilux S.A. (L), Transcor Astra Group S.A. (B) and Unifem S.A.S. (F).

- Chairman, Managing Director of Manoir de Roumont S.A. (B) (*until May 2009*).
- Chairman and Director of Distripar S.A. (B).
- Vice-Chairman and Managing Director of Compagnie Nationale à Portefeuille S.A. (B).
- Managing Director of Belholding Belgium S.A. (B), Carpar S.A. (B), Erbe S.A. (B), Europart S.A. (B), Fibelpar S.A. (B), Financière de la Sambre S.A. (B), Fingen S.A. (B), Frère-Bourgeois S.A. (B), Investor S.A. (B), SLP S.A. (B) and Société des Quatre Chemins S.A. (B).
- Director of Acide Carbonique Pur S.A. (B), Affichage Holding S.A. (CH), AOT Holding S.A. (CH), Banca Leonardo SpA (I), Belgian Sky Shops S.A. (B), Cheval des Andes S.A. (Argentina), Entremont Alliance S.A.S. (F), Filux S.A. (L), Gesecalux S.A. (L), Grand Hôpital de Charleroi A.S.B.L. (B), Lyparis S.A. (F), Newcor S.A. (B), Société Civile du Château Cheval Blanc (F), Stichting Administratiekantoor Frère-Bourgeois (NL), Tikehau Capital Advisors S.A.S. (F), Transcor East Ltd. (CH) and TTR S.A. (B).
- Director and Member of the Audit Committee and the Compensation Committee of Pargesa Holding S.A. (CH).
- Member of the Supervisory Board of Métropole Télévision (M6) (F).
- Censor and Member of the Investment Committee of Marco Polo Capital S.A. (F) (*until June 2009*).
- Auditor of Agescas Nederland N.V. (NL), Frère-Bourgeois Holding B.V. (NL) (*until September 2009*) and Parjointco N.V. (NL).

#### Financial year 2008

- Chairman of the Board of Directors of Centre de Coordination de Charleroi S.A. (B), Erbe Finance S.A. (L), Financière Flo S.A. (F), Finimpress S.A. (B) as representative of Société des Quatre Chemins S.A., Groupe Flo S.A. (F), Groupe Jean Dupuis S.A. (B), Helio Charleroi Finance S.A. (B), Kermadec S.A. (L), Solvay Alumni A.S.B.L. (B), Swilux S.A. (L), Transcor Astra Group S.A. (B) and Unifem S.A.S. (F).
- Chairman, Managing Director of Manoir de Roumont S.A. (B)
- Chairman and Director of Distripar S.A. (B).
- Vice-Chairman and Managing Director of Compagnie Nationale à Portefeuille S.A. (B).
- Managing Director of Belholding Belgium S.A. (B), Carpar S.A. (B), Erbe S.A. (B), Europart S.A. (B), Fibelpar S.A. (B), Financière de la Sambre S.A. (B), Fingen S.A. (B), Frère-Bourgeois S.A. (B), Investor S.A. (B), SLP S.A. (B) and Société des Quatre Chemins S.A. (B).
- Director of Acide Carbonique Pur S.A. (B), Affichage Holding S.A. (CH) (*since May 2008*), AOT Holding S.A. (CH), Banca Leonardo SpA (I), Belgian Sky Shops S.A. (B), Cheval des Andes S.A. (Argentina), Entremont Alliance S.A.S. (F), Filux S.A. (L), Gesecalux S.A. (L), Mesa S.A. (B) (*until 19 December 2008*), Grand Hôpital de Charleroi A.S.B.L. (B) (*since January 2008*), Lyparis S.A. (F), Newcor S.A. (B) (*since June 2008*), Société Civile du Château Cheval Blanc (F), Stichting Administratiekantoor Frère-Bourgeois (NL), Swifin S.A. (L) (*until December 2008*), Tikehau Capital Advisors S.A.S. (F), Transcor East Ltd. (CH) (*since May 2008*) and TTR S.A. (B) (*since May 2008*).
- Director and Member of the Audit Committee and the Compensation Committee of Pargesa Holding S.A. (CH).

#### Financial year 2007

- Chairman of the Board of Directors of Centre de Coordination de Charleroi S.A. (B), Erbe Finance S.A. (L), Financière Flo S.A. (F), Finimpress S.A. (B) as representative of Société des Quatre Chemins S.A., Groupe Flo S.A. (F), Groupe Jean Dupuis S.A. (B), Helio Charleroi Finance S.A. (B), Kermadec S.A. (L), Solvay Alumni A.S.B.L. (B), Swilux S.A. (L), Transcor Astra Group S.A. (B) and Unifem S.A.S. (F).
- Chairman, Managing Director of Manoir de Roumont S.A. (B).
- Chairman and Director of Distripar S.A. (B).
- Vice-Chairman and Managing Director of Compagnie Nationale à Portefeuille S.A. (B).
- Managing Director of Belholding Belgium S.A. (B), Carpar S.A. (B), Erbe S.A. (B), Europart S.A. (B), Fibelpar S.A. (B), Financière de la Sambre S.A. (B), Fingen S.A. (B), Frère-Bourgeois S.A. (B), Investor S.A. (B), SLP S.A. (B) and Société des Quatre Chemins S.A. (B).
- Director of Acide Carbonique Pur S.A. (B), AOT Holding S.A. (CH), Banca Leonardo SpA (I), Belgian Sky Shops S.A. (B), Cheval des Andes S.A. (Argentina), Eiffage (F) (*until February 2007*), Entremont Alliance S.A.S. (F), Filux S.A. (L), Gesecalux S.A. (L), Lyparis S.A. (F) (*since September 2007*), Mesa S.A. (B), Société Civile du Château Cheval Blanc (F), Stichting Administratiekantoor Frère-Bourgeois (NL), Swifin S.A. (L) and Tikehau Capital Advisors S.A.S. (F).
- Director and Member of the Audit Committee and the Compensation Committee of Pargesa Holding S.A. (CH).
- Member of the Supervisory Board of Métropole Télévision (M6) (F) (*since May 2007*).
- Censor and Member of the Investment Committee of Marco Polo Capital S.A. (F).
- Auditor of Agescas Nederland N.V. (NL), Frère-Bourgeois Holding B.V. (NL) and Parjointco N.V. (NL).
- Liquidator of Loverfin S.A. being liquidated (B) (*until June 2007*).

#### Financial year 2006

- Chairman of the Board of Directors of Centre de Coordination de Charleroi S.A. (B), Erbe Finance S.A. (L), Financière Flo S.A. (F) (*since March 2006*), Finimpress S.A. (B) as representative of Société des Quatre Chemins S.A., Groupe Flo S.A. (F) (*since March 2006*), Groupe Jean Dupuis S.A. (B), Helio Charleroi Finance S.A. (B), Kermadec S.A. (L), Solvay Alumni A.S.B.L. (B), Swilux S.A. (L), Transcor Astra Group S.A. (B) and Unifem S.A.S. (F).
- Chairman, Managing Director of Manoir de Roumont S.A. (B) (*since May 2006*).
- Chairman and Director of Distripar S.A. (B).
- Vice-Chairman and Managing Director of Compagnie Nationale à Portefeuille S.A. (B).
- Managing Director of Belholding Belgium S.A. (B), Carpar S.A. (B), Erbe S.A. (B), Europart S.A. (B), Fibelpar S.A. (B),

- Financière de la Sambre S.A. (B), Fingen S.A. (B), Frère-Bourgeois S.A. (B), Investor S.A. (B), SLP S.A. (B) and Société des Quatre Chemins S.A. (B).
- Director of Acide Carbonique Pur S.A. (B), AOT Holding S.A. (CH), Banca Leonardo SpA (I) (since April 2006), Belgian Sky Shops S.A. (B), Cheval des Andes S.A. (Argentina), Eiffage (F) (since April 2006), Entremont Alliance S.A.S. (F), Filux S.A. (L), Gesecalux S.A. (L), Mesa S.A. (B), Société Civile du Château Cheval Blanc (F), Stichting Administratiekantoor Frère-Bourgeois (NL), Swifin S.A. (L), The Polaris Centre A.S.B.L. (B) (until February 2006) and Tikehau Capital Advisors S.A.S. (F) (since April 2006).
  - Director and Member of the Nomination and Remuneration Committee of RTL Group S.A. (L) (until July 2006).
  - Director and Member of the Audit Committee and the Compensation Committee of Pargesa Holding S.A. (CH).
  - Member of the Supervisory Board and Member of the Audit Committee and the Strategy and Investment Committee of Bertelsmann AG (D) (until July 2006).
  - Censor and Member of the Investment Committee of Marco Polo Capital S.A. (F) (since December 2006).
  - Auditor of Agesca Nederland N.V. (NL), Frère-Bourgeois Holding B.V. (NL) and Parjointco N.V. (NL).
  - Liquidator of Loverfin S.A. being liquidated (B).

## Amaury de Seze

Director

### List of activities and other mandates exercised in Belgian and foreign companies in 2010

- Chairman of the Board of Directors of Carrefour S.A. (F).
- Vice-Chairman of Power Financial Corporation (CDN).
- Director of BW Group (BM), Erbe S.A. (B), Groupe Industriel Marcel Dassault S.A.S. (F), Imerys (F), Pargesa Holding S.A. (CH) and Suez Environnement (F).
- Chairman of the Supervisory Board of PAI Partners S.A.S. (F).
- Member of the Supervisory Board of Gras Savoye S.C.A. (F) and Publicis Groupe (F).
- Member of the Board of Directors of Power Financial Corporation (CDN) and Thales (F).

### List of activities and other mandates exercised in Belgian and foreign companies between 2006 and 2009

#### Financial year 2009

- Chairman of the Board of Directors of Carrefour S.A. (F).
- Vice-Chairman of Power Corporation of Canada (CDN).
- Director of BW Group (BM), Erbe S.A. (B), Groupe Industriel Marcel Dassault S.A.S. (F), Imerys (F), Pargesa Holding S.A. (CH) and Suez Environnement (F).
- Member of the Supervisory Board of Gras Savoye S.C.A. (F) and Publicis Groupe (F).
- Member of the Board of Directors of Thales (F).

#### Financial year 2008

- Chairman of the Board of Directors of Carrefour S.A. (F).
- Vice-Chairman of Power Corporation of Canada (CDN).
- Director of BW Group (BM), Erbe S.A. (B), Groupe Industriel Marcel Dassault S.A.S. (F), Imerys (F), Pargesa Holding S.A. (CH) and Suez Environnement (F).
- Member of the Supervisory Board of Gras Savoye S.C.A. (F) and Publicis Groupe (F).

#### Financial year 2007

- Chairman of the Board of Supervisors of PAI Partners S.A.S. (F).
- Chairman of PAI Partners UK Ltd. (GB).
- Vice-Chairman of the Supervisory Board of Carrefour S.A. (F).
- Director of Eiffage (F), Erbe S.A. (B), Groupe Industriel Marcel Dassault S.A.S. (F), PAI Europe III General Partner N.C. (GG), PAI Europe IV General Partner N.C. (GG), PAI Europe V General Partner N.C. (GG), PAI Partners Srl (I), Saeco SpA (I), Pargesa Holding S.A. (CH) and Power Corporation of Canada (CDN).
- Member of the Supervisory Board of Gras Savoye S.C.A. (F) and Publicis Groupe (F).

#### Financial year 2006

- Chairman of the Board of Supervisors of PAI Partners S.A.S. (F).
- Chairman of PAI Partners UK Ltd. (GB).
- Vice-Chairman of the Supervisory Board of Carrefour S.A. (F).
- Director of Eiffage (F), Erbe S.A. (B), Gepeco S.A. (B), Groupe Industriel Marcel Dassault S.A.S. (F), Novalis S.A.S. (F), Novasaur S.A.S. (F), PAI Europe III General Partner N.C. (GG), PAI Europe IV General Partner N.C. (GG), PAI Europe IV UK General Partner Ltd. (GB), PAI Partners Srl (I), Pargesa Holding S.A. (CH), Power Corporation of Canada (CDN), Saeco SpA (I) and Vivarte S.A. (F).
- Member of the Supervisory Board of Gras Savoye S.C.A. (F) and Publicis Groupe (F).

## Jean Stéphane

Director

### List of activities and other mandates exercised in Belgian and foreign companies in 2010

- Chairman of the Board of Directors of Aseptic Technologies (B), Besix S.A. (B), GlaxoSmithKline Biologicals (B), IBA (B) and Vesalius Biocapital (L).
- Director of Fortis Banque S.A. (B) and Nanocyl S.A. (B).

### List of activities and other mandates exercised in Belgian and foreign companies between 2006 and 2009

#### Financial year 2009

- Chairman of the Board of Directors of Aseptic Technologies (B), Besix S.A. (B), GlaxoSmithKline Biologicals (B) and Vesalius Biocapital (L).
- Director of Fortis Banque S.A. (B), IBA (B) and Nanocyl S.A. (B).

#### Financial year 2008

- Chairman of the Board of Directors of Aseptic Technologies (B), Besix S.A. (B), GlaxoSmithKline Biologicals (B), Henogen S.A. (B) and Vesalius Biocapital (L).
- Director of Fortis Banque S.A. (B), IBA (B) and Nanocyl S.A. (B).

#### Financial year 2007

- Chairman of the Board of Directors of Aseptic Technologies (B), Besix S.A. (B), GlaxoSmithKline Biologicals (B), Henogen S.A. (B) and Vesalius Biocapital (L) (*since November 2007*).
- Director of Fortis Banque S.A. (B), IBA (B) and Nanocyl S.A. (B).

#### Financial year 2006

- Chairman of the Board of Directors of Besix S.A. (B).
- Director and Chairman of the Board of Directors of Henogen S.A. (B).
- Director of IBA (B), Fortis Banque S.A. (B), Nanocyl S.A. (B), Aseptic Technologies (B) and GlaxoSmithKline Biologicals (B).

### Gunter Thielen

Director

#### List of activities and other mandates exercised in Belgian and foreign companies in 2010

- Chairman of the Supervisory Board of Bertelsmann AG (D).
- Chairman of the Board of Directors of Sixt AG (D) and Sixt Allgemeine Leasing GmbH (D).
- Director of Leipziger Messe GmbH (D).

#### List of activities and other mandates exercised in Belgian and foreign companies between 2006 and 2009

#### Financial year 2009

- Chairman of the Supervisory Board of Bertelsmann AG (D).
- Chairman of the Board of Directors of Sixt AG (D) and Sixt Allgemeine Leasing GmbH (D).
- Director of Sanofi-Aventis (F) (*until 24 November 2009*) and Leipziger Messe GmbH (D).
- Member of the Compensation Committee of Sanofi-Aventis (F) (*until 24 November 2009*).

#### Financial year 2008

- Chairman of the Supervisory Board of Bertelsmann AG (D).
- Chairman of the Board of Directors of Sixt AG (D) and Sixt Allgemeine Leasing GmbH (D).
- Director of Sanofi-Aventis (F) and Leipziger Messe GmbH (D).
- Member of the Compensation Committee of Sanofi-Aventis (F).

#### Financial year 2007

- Chairman and CEO of Bertelsmann AG (D).
- Chairman of the Supervisory Board of Arvato AG (D) and Gruner + Jahr AG (D).
- Chairman of the Board of Bertelsmann Inc. (USA).
- Director of Leipziger Messe GmbH (D), RTL Group S.A. (L) and Sony BMG (USA).

#### Financial year 2006

- Chairman and CEO of Bertelsmann AG (D).
- Chairman of the Supervisory Board of Arvato AG (D) and Gruner + Jahr AG (D).
- Chairman of the Board of Bertelsmann Inc. (USA).
- Director of Leipziger Messe GmbH (D), RTL Group S.A. (L) and Sony BMG (USA).

### Arnaud Vial

Director

#### List of activities and other mandates exercised in Belgian and foreign companies in 2010

- Executive (Senior Vice-President) of Power Corporation of Canada (CDN) and Power Financial Corporation (CDN).
- Executive (Vice-Chairman) of 152245 Canada Inc. (CDN), 171263 Canada Inc. (CDN), Victoria Square Ventures Inc. (4400038 Canada Inc.) (CDN), Gelprim Inc. (CDN), Power Communications Inc. (CDN), Power Corporation International (CDN) and Power Financial Capital Corporation (CDN).
- Director Executive (Chairman) of 3121011 Canada Inc. (CDN).
- Director Executive (Vice-Chairman) of 3249531 Canada Inc. (CDN), 3411893 Canada Inc. (CDN), 3439453 Canada Inc. (CDN), 4190297 Canada Inc. (CDN), 4400003 Canada Inc. (CDN), 4400020 Canada Inc. (CDN), Power Pacific Equities Limited (CDN), 4507037 Canada Inc. (CDN), 4524781 Canada Inc. (CDN), 4524799 Canada Inc. (CDN), 4524802 Canada Inc. (CDN), 4507045 Canada Inc. (CDN), 4507088 Canada Inc. (CDN) and 7575343 Canada Inc. (CDN) (*since June 2010*).
- Director Executive (Treasurer) of Sagard Capital Partners GP, Inc. (CDN).
- Director of 4400046 Canada Inc. (CDN), Power Financial Europe B.V. (NL), Sagard Capital Partners Management Corp. (CDN), Square Victoria Digital Properties Inc. (4507061 Canada Inc.) (CDN), 9059-2114 Québec Inc. (CDN), DuProprio Inc. (CDN), Private Real Estate Corporation (CDN), VR Estates Inc. (CDN), 1083411 Alberta Ltd. (CDN), ComFree-Commission Free Realty Inc. (CDN), 0757075 B.C. Ltd. (CDN) and Pargesa Holding S.A. (CH) (*since May 2010*).

#### List of activities and other mandates exercised in Belgian and foreign companies between 2006 and 2009

#### Financial year 2009

- Executive (Senior Vice-President) of Power Corporation of Canada (CDN) and Power Financial Corporation (CDN).
- Executive (Vice-Chairman) of 152245 Canada Inc. (CDN), 171263 Canada Inc. (CDN), Victoria Square Ventures Inc. (4400038 Canada Inc.) (CDN), Gelprim Inc. (CDN), Power Communications Inc. (CDN), Power Corporation International (CDN), Power Financial Capital Corporation (CDN) and Power Technology Investment Corporation (CDN) (*until July 2009*).
- Director Executive (Chairman) of 3121011 Canada Inc. (CDN).

- Director Executive (Vice-Chairman) of 3249531 Canada Inc. (CDN), 3411893 Canada Inc. (CDN), 3439453 Canada Inc. (CDN), 4190297 Canada Inc. (CDN), 4400003 Canada Inc. (CDN), 4400020 Canada Inc. (CDN) and 4400046 Canada Inc. (CDN), Power Pacific Equities Limited (CDN), 4507037 Canada Inc. (CDN) (*since February 2009*), 4524781 Canada Inc. (CDN) (*since July 2009*), 4524799 Canada Inc. (CDN) (*since July 2009*), 4524802 Canada Inc. (CDN) (*since July 2009*), 4507045 Canada Inc. (CDN) (*since February 2009*) and 4507088 Canada Inc. (CDN) (*since February 2009*).
- Director Executive (Treasurer) of Sagard Capital Partners GP, Inc. (CDN).
- Director of Power Financial Europe B.V. (NL), Sagard Capital Partners Management Corp. (CDN), 6939511 Canada Inc. (CDN) (*until November 2009*), 4507061 Canada Inc. (CDN) (*since February 2009*), 9059-2114 Québec Inc. (CDN) (*since September 2009*), DuProprio Inc. (CDN) (*since September 2009*), Private Real Estate Corporation (CDN) (*since September 2009*), VR Estates Inc. (CDN) (*since September 2009*), 1083411 Alberta Ltd. (CDN) (*since September 2009*), ComFree-Commission Free Realty Inc. (CDN) (*since September 2009*) and 0757075 B.C. Ltd. (CDN) (*since September 2009*).

#### Financial year 2008

- Executive (Senior Vice-President) of Power Corporation of Canada (CDN) and Power Financial Corporation (CDN).
- Executive (Vice-Chairman) of 152245 Canada Inc. (CDN), 171263 Canada Inc. (CDN), 2795957 Canada Inc. (CDN), Victoria Square Ventures Inc. (4400038 Canada Inc.) (CDN), Gelprim Inc. (CDN), Power Communications Inc. (CDN), Power Corporation International (CDN), Power Financial Capital Corporation (CDN) and Power Technology Investment Corporation (CDN).
- Director Executive (Chairman) of 3121011 Canada Inc. (CDN).
- Director Executive (Vice-Chairman) of 3249531 Canada Inc. (CDN), 3411893 Canada Inc. (CDN), 3439453 Canada Inc. (CDN), 4190297 Canada Inc. (CDN), 4400003 Canada Inc. (CDN), 4400020 Canada Inc. (CDN), 4400046 Canada Inc. (CDN) and Power Pacific Equities Limited (CDN).
- Director Executive (Treasurer) of Sagard Capital Partners GP, Inc. (CDN).
- Director of Power Financial Europe B.V. (NL), Sagard Capital Partners Management Corp. (CDN) and 6939511 Canada Inc. (CDN) (*since March 2008*).
- Executive (Chairman) of SIB International Bancorp., Inc. (*until 1 October 2008*).

#### Financial year 2007

- Executive (Senior Vice-President, Finance) of Power Corporation of Canada (CDN) and Power Financial Corporation (CDN).
- Executive (Vice-Chairman) of 152245 Canada Inc. (CDN), 171263 Canada Inc. (CDN), 2795957 Canada Inc. (CDN), Gelprim Inc. (CDN), Jolliet Energy Resources Inc. (CDN), Power Communications Inc. (CDN), Power Corporation International (CDN), Power Financial Capital Corporation (CDN) and Power Technology Investment Corporation (CDN) (*since March 2007*).
- Director Executive (Chairman) of 3121011 Canada Inc. (CDN).
- Director Executive (Vice-Chairman) of 3249531 Canada Inc. (CDN), 3411893 Canada Inc. (CDN), 3439453 Canada Inc. (CDN), 4190297 Canada Inc. (CDN), 4400003 Canada Inc. (CDN) (*since May 2007*), 4400020 Canada Inc. (CDN) (*since April 2007*), Victoria Square Ventures Inc. (4400038 Canada Inc.) (CDN) (*since April 2007*), 4400046 Canada Inc. (CDN) (*since April 2007*) and Power Pacific Equities Limited (CDN).
- Director Executive (Treasurer) of Sagard Capital Partners GP, Inc. (CDN) (*since August 2007*).
- Director of Power Financial Europe B.V. (NL) and Sagard Capital Partners Management Corp. (CDN) (*since August 2007*).
- Executive (Chairman) of SIB International Bancorp., Inc.

#### Financial year 2006

- Executive (Senior Vice-President, Finance) de Power Corporation of Canada (CDN) and Power Financial Corporation (CDN).
- Executive (Vice-Chairman) of 152245 Canada Inc. (CDN), 171263 Canada Inc. (CDN), 2795957 Canada Inc. (CDN), 4400003 Canada Inc. (*since December 2006*), Jolliet Energy Resources Inc. (CDN), Gelprim Inc. (CDN), Power Communications Inc. (CDN), Power Corporation International (CDN) and Power Financial Capital Corporation (CDN).
- Director Executive (Chairman) of 3121011 Canada Inc. (CDN).
- Director Executive (Vice-Chairman) of 3249531 Canada Inc. (CDN), 3439453 Canada Inc. (CDN), 3411893 Canada Inc. (CDN), 4190297 Canada Inc. (CDN) and Power Pacific Equities Limited (CDN).
- Director of Power Financial Europe B.V. (NL).
- Executive (Chairman) of SIB International Bancorp., Inc.

# Glossary

For terms found in the section presenting financial data on the investments, from page 17 to page 55, please refer to the definitions provided by each company in their financial communication.

The specific terminology used in the section on "Accounts at 31 December 2010" refers to the IFRS (International Financial Reporting Standards) system as adopted by the European Union. The terms used in the "Corporate Governance Statement" refer directly to the Belgian Code on Corporate Governance and other specific legislation.

## ADJUSTED NET ASSETS

Adjusted net assets are a conventional reference obtained by adding the other assets to the investments portfolio and deducting its debts.

The following valuation principles have been applied:

- Investments in listed companies, including GBL treasury shares, are valued at the closing price. However, the value of shares allocated to cover any commitments made by the group is capped at the conversion/exercise price.
- Investments in unlisted companies are valued at their book value, less any impairments, or at their share in the equity capital if this latter is higher, with the exception of nor consolidated nor accounted under the equity method companies within the private equity sector, which are valued at market value;
- Net cash, which includes both cash and near cash, less the group's debt, is valued at book value or at market value.

## EARNINGS ANALYSIS

### Cash earnings

- Cash earnings are primarily composed of cash generated from dividends on investments, management of net cash and tax refunds, less general overheads and taxes. Cash earnings also constitute a factor taken into account in determining dividend payout level by the company.

### Mark to market

- The concept of mark to market is one of the foundations of the fair value method of valuation as defined in IFRS international accounting standards, the principle of which is to value assets at their market value on the last day of the financial year.
- Mark to market and other non-cash items in GBL's accounts reflect the changes in fair value of the financial instruments bought or issued (trading assets, options), the actuarial costs of financial liabilities valued at their amortized cost, as well as the elimination of certain cash earnings in accordance with IFRS rules (expenses incurred for capital increase/acquisition of shares, dividends on treasury shares, etc.). These changes do not influence the group's cash position.

## Associated companies and private equity

- If the group has a significant influence in a company, the shareholding held in the latter is considered as an associated company. The exercise of significant influence is presumed to exist if the group holds, directly or indirectly through its subsidiaries, more than 20% of the voting rights. Associated companies are entered into the consolidated financial statements using the equity method.
- The column showing associated companies in GBL's consolidated results includes GBL's share in the results of associated companies and all preferential dividends.
- From 2010, this column also includes the contribution of the private equity investments (Ergon Capital Partners III, PAI Europe III, Sagard and Sagard II).

## Eliminations, capital gains, impairments and reversal

- The eliminations, capital gains, impairments and reversal include the elimination of dividends received from associated companies as well as earnings on disposals, impairments and reversal of non-current assets and on discontinued activities.

## WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES (BASIC CALCULATION)

This corresponds to the number of outstanding ordinary shares at the start of the financial period, less treasury shares, adjusted by the number of ordinary shares reimbursed (capital reduction) or issued (capital increase), or sold or bought back during the period, multiplied by a time-based weighting factor.

## WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES (DILUTED CALCULATION)

It is obtained by adding potential dilutive shares to the weighted average number of ordinary shares (basic calculation). In this case, potential dilutive shares correspond to call options issued by the group.

## GROUP'S SHAREHOLDING

- In **capital** it is the percentage interest held directly and indirectly through consolidated intermediate companies, calculated on the basis of the number of shares in issue on 31 December.
- In **voting rights** it is the percentage held directly or indirectly through consolidated intermediate companies, calculated on the basis of the number of voting rights existing on 31 December, including suspended voting rights.



## GROSS ANNUAL RETURN

The gross annual return is calculated on the share price and the gross dividend received.

It equals to

$$\frac{\text{Gross dividend received} + \text{change in share price from 1 January to 31 December}}{\text{Share price on 1 January}}$$

## VVPR STRIP

The VVPR strip (Verlaagde Voorheffing Précompte Réduit) is a coupon presented with the corresponding share dividend coupon that entitles the holder to the 15% reduced rate of withholding tax (instead of 25%) on dividends paid by the company. This VVPR strip is listed separately from ordinary GBL shares and is freely negotiable.

## VELOCITY ON FLOAT (%)

The velocity on float, expressed as a percentage, is an indicator of the stock market activity of a listed company, which corresponds to the ratio between the number of shares traded on the Stock Exchange and the float on 1 January of the financial year.

A listed company's float, or floating capital, corresponds to the part of the shares actually liable to be traded on the Stock Exchange. It can be expressed in value, but is more often expressed as a percentage of capitalisation.

## PAYMENT OF DIVIDEND AND ESES SYSTEM

ESES, for Euroclear Settlement for Euronext-zone Securities, is a single settlement-delivery system that in time aims to include all Euronext zone markets.

ESES aims, among other things, to harmonise the operating rules applying to Euronext on the European market and to phase in by 2013 a Single Platform for the processing of stock market transactions.

ESES has repercussions on the distribution calendar and in particular on the payment of dividends, due to its introduction of the additional concept of "Record Date".

- Ex-Date: date (at the opening of the Stock Exchange) from which the underlying share is traded without its dividend or ex-dividend;
  - Record Date: date on which positions are recorded by the central depository (at market closing, after clearing) in order to determine which shareholders are entitled to dividends;
  - Payment Date: date of payment of the dividend in cash.
- Given the time needed for settlement-delivery and ownership transfer relative to J+3 (J being the transaction date), the last day on which the share is traded with entitlement to dividend distribution is three trading days before the Record Date and shares are consequently traded ex-dividend from the beginning of the following day (Ex-Date), i.e. two trading days before the Record Date.

The Payment Date may not be earlier than the day after the Record Date.

## SYSTEM PAYING AGENT

In ESES, the entity that proceeds with distribution will always be a single party, known as the System Paying Agent. This is the party responsible within the CSD (Central Securities Depository, i.e. Euroclear Belgium) for distribution to other CSD participants of the resources related to a specific distribution. The system paying agent may be either an external paying agent (a CSD participant) or the CSD itself.



### **For further information**

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Dit jaarlijks financieel verslag is ook verkrijgbaar in het Nederlands  
Ce rapport financier annuel est également disponible en français

Design and production: [www.landmarks.be](http://www.landmarks.be)  
Photography: Total: Total Document © Laurent Zylberman  
GDF SUEZ: © Philippe Dureuil  
Lafarge: © Médiathèque Lafarge - Ignus Gerber  
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