

Nyrstar NV

Potential issuance of new shares at a price below the fractional value and cancellation of preferential subscription rights as a result of the proposal to the extraordinary general meeting of shareholders to approve the physically settled conversion rights attached to the senior unsecured bonds issued by Nyrstar NV on 25 September 2013

Statutory auditor's report in accordance with article 582 and 596 of the Belgian Companies Code

The original text of this report is in Dutch

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1. Mission

In accordance with Articles 582 and 596 of the Belgian Company Code, we have reviewed the attached special report of the board of directors of Nyrstar NV (hereafter the "Company") as of 10 October 2013. This report relates to the proposal to the extraordinary general meeting of shareholders to approve:

- the physically-settled conversion right attached to the unsecured convertible bonds (hereafter the "Bonds") due 2018 that have been issued on 25 September 2013;
- the disapplication of the preferential subscription right of the Company's shareholders in connection with such conversion right and;
- the potential issuance of new shares at a price below the fractional value of the Company's shares at the time of the conversion of the Bonds.

Nyrstar NV has its registered office in Balen, Zinkstraat 1 and is registered with no. 0888.728.945 in the Turnhout register of legal entities.

Extract from the Belgian Company Code, Article 582:

"Wanneer de uitgifte van aandelen zonder vermelding van nominale waarde beneden de fractiewaarde van de oude aandelen van dezelfde soort op de agenda staat van een algemene vergadering, dan moet de oproeping dit uitdrukkelijk vermelden.

Over de verrichting moet een omstandig verslag worden opgesteld door de raad van bestuur dat inzonderheid betrekking heeft op de uitgifteprijs en op de financiële gevolgen van de verrichting voor de aandeelhouders. Er wordt een verslag opgesteld door een commissaris of, bij diens ontstentenis, door een bedrijfsrevisor aangewezen door de raad van bestuur, of door een externe accountant aangewezen op dezelfde manier, waarin deze verklaart dat de in het verslag van de raad van bestuur opgenomen financiële en boekhoudkundige gegevens (getrouw) zijn en voldoende om de algemene vergadering die over het voorstel moet stemmen, voor te lichten.

Die verslagen worden neergelegd op de griffie van de rechtbank van koophandel overeenkomstig artikel 75. Zij worden in de agenda vermeld. Een afschrift ervan kan worden verkregen overeenkomstig artikel 535.

Het ontbreken van de verslagen bedoeld in het tweede lid heeft de nietigheid van de beslissing van de algemene vergadering tot gevolg."

Extract from the Belgian Company Code, Article 596:

"De algemene vergadering die moet beraadslagen en besluiten over de kapitaalverhoging, over de uitgifte van converteerbare obligaties of over de uitgifte van warrants, kan met inachtneming van de voorschriften inzake quorum en meerderheid vereist voor een statutenwijziging, in het belang van de vennootschap het voorkeurrecht beperken of opheffen. Het voorstel daartoe moet speciaal in de oproeping worden vermeld.

De raad van bestuur verantwoordt zijn voorstel in een omstandig verslag, dat inzonderheid betrekking heeft op de uitgifteprijs en op de financiële gevolgen van de verrichting voor de aandeelhouders. Er wordt een verslag opgesteld door de commissaris of, bij diens ontstentenis, door een bedrijfsrevisor aangewezen door de raad van bestuur, of door een extern accountant aangewezen op dezelfde manier, waarin deze verklaart dat de in het verslag van de raad van bestuur opgenomen financiële en boekhoudkundige gegevens (getrouw) zijn en voldoende om de algemene vergadering die over het voorstel moet stemmen, voor te lichten. Die verslagen worden neergelegd op de griffie van de rechtbank van koophandel overeenkomstig artikel 75. Zij worden in de agenda vermeld. Een afschrift ervan kan worden verkregen overeenkomstig artikel 535.

Het ontbreken van de verslagen bedoeld in dit artikel heeft de nietigheid van de beslissing van de algemene vergadering tot gevolg.

Het besluit van de algemene vergadering om het voorkeurrecht te beperken of op te heffen moet overeenkomstig artikel 75 op de griffie van de rechtbank van koophandel worden neergelegd."

Our responsibility is to express an opinion based on a review of the special report of the board of directors of 10 October 2013 as to whether the financial and accounting information in this report is accurate and sufficient to inform the shareholders on the proposal to approve:

- the physically-settled conversion right attached to the unsecured convertible bonds due 2018 that have been issued on 25 September 2013;
- the disapplication of the preferential subscription right of the Company's shareholders in connection with such conversion right and;
- the potential issuance of new shares at a price below the fractional value of the Company's shares at the time of the conversion of the Bonds.

This report is intended solely for the use of the shareholders and the board of directors of the company in the framework of the cancellation of the preferential subscription right in accordance with Article 596 of the Belgian Company Code and the potential issuance of new shares at a price below the fractional value of the Company's shares at the time of the conversion of the Bonds in accordance with Articles 582 of the Belgian Company Code.

2. Proposed transaction

On 17 September 2013, the Company launched an offering of Bonds for an aggregate principal amount of 120,000,000 EUR. This amount could be increased with a principal amount of up to 15,000,000 EUR through the exercise of an over-allotment option that was granted within the context of the placement of the Bonds and which could be exercised until 23 September 2013, but the option was not exercised. The settlement of the offering and issue of the Bonds took place on 25 September 2013. The bonds are intended to be convertible into existing or new shares of the Company. The physically-settled conversion right in respect of new shares attached to the Bonds would first need to be approved by the extraordinary general meeting of shareholders' of the Company.

The shares to be issued upon conversion of the Bonds will have the same rights and benefits as, and rank *pari passu* in all respects with, the existing and outstanding shares of the Company at the moment of issuance and will be entitled to distributions in respect of which the relevant record date or due date falls on or after the date of issue of the shares.

The company's current share capital amounts to 370,649,145.92 EUR represented by 170,022,544 shares without nominal value, being a fractional value of 2.18 EUR per share. The initial conversion price, being the price to convert the Bonds in new shares is 4.9780 EUR per share. It should be noted that the initial conversion price of 4.9780 EUR is set at a premium of 35% to the volume weighted average price of the Company's ordinary share on NYSE Euronext Brussels from launch to pricing on the day the bonds were placed, on 17 September 2013. It should also be noted that the Company reserves the right to effect certain transactions with respect to the share capital or similar transactions (including in respect of dividends or other distributions made by the Company in relation to the Company's share), and that the initial conversion price may then need to be adjusted and reduced based on specific formulas included in anti-dilution protection mechanisms as set forth in the conditions of the Bonds included in Annex A to the special report of the board of directors.

As a result and depending on any downward adjustments of the conversion price, the shares to be issued upon conversion of a Bond could be issued at a price that is lower than the current fractional value of the Company's shares (which is currently 2.18 EUR per share).

The Bonds have been placed via a private placement with institutional and qualified investors in Belgium and elsewhere, but outside of the United States. Therefore, in connection with the proposal to approve the physically settled conversion right attached to the Bonds, it is also proposed that, as far as needed and applicable, the preferential subscription right of the shareholders be disapplied.

The special report of the board of directors makes also reference to Article 602 of the Belgian Company Code in case the physically settled conversion right that would be attached to the Bonds be seen as a right entailing the holders of the Bonds to contribute the receivable reflected by their Bonds to the Company in kind in consideration of the issue of new shares. As a result of the conversion of a Bond, the Company's net equity would be increased, and the Company's debt would be reduced with an amount equal to the principal amount of the Bond so converted and contributed at nominal value. As a result of the conversion mechanism of the Bonds, the amount converted would be equal to the aggregate issue price of the shares issued in the conversion and which aggregate price is reflected by the aggregate amount of the capital increase and issue premium, as relevant, resulting from the conversion.

The accuracy of the information provided by the board of directors as well as the consequences of the possible conversion of all bonds into new shares in the framework of Articles 582 and 596 of the Belgian Company Code is explained below.

3. Financial consequence of the transaction

3.1. Conversion of the bonds

Upon conversion of the bonds into new shares, the company will have to issue new shares, and the share capital of the company will increase. Accordingly, summarized and for illustration purposes only, if and to the extent that the full principal amount of the Bonds of 120,000,000 EUR were to be converted on the date hereof, the Company would have to issue 24,106,067 new shares, assuming that the aggregate amount to be converted would amount to 120,000,000 EUR and that the applicable conversion price would amount to 4.9780 EUR per share.

It should be noted that upon conversion of a Bond, the Company can also deliver to the holder of the Bonds existing shares (to the extent available), instead of issuing new shares.

3.2. Consequences of the transaction on the share capital and outstanding shares

Should all bonds be converted in new shares on the date of the special report of the board of directors at a conversion price of 4.9780 EUR per share, the share capital would be increased as follows:

Capital increase 120,000,000 EUR / 4.9780 = 24,106,067 new shares.

Such capital increase of 120,000,000 EUR would result in the creation of 24,106,067 new shares without nominal value, each issued at an conversion price of 4.9780 EUR which would be above the current fractional value of the Company's shares and of which 52,551,226.06 EUR would be added to the share capital and 67,448,773.94 EUR to the share premium account.

	Amount	%	Capital	Fractional value
Existing number of shares	170,022,544	87.6	370,649,145.92	2.18
Potential new shares upon conversion of the Bonds	24,106,067	12.4	52,551,226.06	2.18
Total potential number of shares after capital increase	194,128,611	100.00	423,200,371.98	2.18

The above calculation reveals that the current share capital of the existing shareholders would be diluted by 12.42% if new shares were to be issued instead of the delivery of existing shares.

In addition to the existing shares, in July 2009, the Company issued 2009 convertible Bonds for an aggregate principal amount of 120,000,000 EUR of which an aggregate principal amount of 100,000 EUR has been converted and of which an aggregate principal amount of 119,900,000 EUR remains outstanding. The current conversion price of the 2009 Bonds is 5.63 EUR per share (but can be adjusted in certain circumstances). If all of the outstanding 2009 Bonds were to be converted into new shares at the current conversion price, 21,296,625 new shares would have to be issued.

	Amount	%	Capital	Fractional value
Existing number of shares	170,022,544	78.9	370,649,145.92	2.18
Potential new shares upon conversion of the 2009 Bonds	21,296,625	9.9	46,426,642.50	2.18
Potential new shares upon conversion of the Bonds	24,106,067	11.2	52,551,226.06	2.18
Total potential number of shares after capital increase	215,425,236	100.00	469,627,014.48	2.18

If all of the convertible bonds (2009 and 2013 convertible Bonds) were to be converted into new shares on the date of this report, the Company's share capital and the number of outstanding shares would be increased and have a dilutive effect for the shareholders of 11.19% based on 191,319,169 outstanding shares prior to the conversion of the Bonds.

We should note that the initial conversion price of the Bonds could, depending on the circumstances, be reduced to an amount that is lower than the fractional value of the Company's shares at that time. If the conversion price is indeed reduced, more shares will need to be issued upon conversion of the Bonds, in which event the dilution would be greater than as simulated above. For pure illustration purposes only, if all of the Bonds were to be converted into new shares and if the conversion price at that time were to be 2.18 EUR (being the current fractional value of the Company's shares), 55,045,872 new shares would need to be issued by the Company. This would entail a dilution of 24.46% based on 170,022,544 outstanding shares prior to the conversion of the Bonds, or 22.34% on a fully diluted basis (also taking into account the conversion of all outstanding 2009 Bonds in full) based on 191,319,169 outstanding shares prior to the conversion of the Bonds.

3.3. Consequences of the transaction on equity

- Consolidated net equity

Before the transaction the consolidated equity amounts to 1,029.80 million EUR based on the consolidated financial statements of the Company for the six months period ended on 30 June 2013 in accordance with IFRS.

The consolidated book value per share amounted to 1,029.80 million EUR / 170,022,544 = 6.06 EUR per share.

If all of the Bonds were to be converted, the consolidated equity would amount to 1,149.80 million EUR, calculated as follows:

	EUR million
Consolidated equity as per June 30, 2013 half year results	1,029.80
Conversion of all bonds on the date of the special report of the board of directors	<u>120.00</u>
Total	1,149.80

The consolidated book value per share would amount to 1,149.80 million EUR / 194,128,611 = 5.92 EUR per share.

- Non-consolidated net equity based on the audited 31 December 2012 statutory accounts (not taking into account the result of 2013)

Before the transaction the non-consolidated equity amounts to 2,152,416,412.50 EUR and the book value per share amounted to 2,152,416,412.50 / 170,022,544 = 12.66 EUR per share.

If all of the Bonds were to be converted, the non-consolidated equity would amount to 2,272,416,412.50 EUR, calculated as follows:

	EUR
Equity as per 31 December 2012	2,152,416,412.50
Conversion of all bonds on the date of the special report of the board of directors	<u>120,000,000.00</u>
Total	2,272,416,412.50

The book value per share would amount to 2,272,416,412.50 EUR / 194,128,611 = 11.71 EUR per share.

As indicated above, the conversion price of the bonds is lower than the accounting net equity per-share based on the aforementioned consolidated and non-consolidated financial statements of the Company for the six months period ended on 30 June 2013 and the financial year ended on 31 December 2012, respectively. Accordingly, in the event the bonds were to be converted, this would entail, from an accounting perspective a dilution of the accounting net equity per share, based on the aforementioned financial statements. Whether the same effect would also apply based on future financial statements of the company will depend on the company's accounting net equity position at the time of conversion.

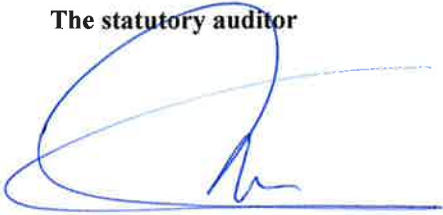
4. Conclusion

In our opinion, if read together with the attached special report of the board of directors in accordance with article 582 and 596 of the Belgian Company Code, the financial and accounting information included in the special report of the board of directors is accurate and sufficient to inform the shareholders of the potential issuance of new shares at a price below the fractional value and the cancellation of the preferential subscription right following the proposal to the extraordinary general meeting of shareholders to approve the physically settled conversion right attached to the senior unsecured bonds issued by the Company on 25 September 2013.

This report is intended solely for the use of the shareholders and the board of directors of the company within the framework of Articles 582 and 596 of the Belgian Company Code as described above. It therefore cannot be used for any other purpose.

Diegem, 10 October 2013

The statutory auditor



DELOITTE Bedrijfsrevisoren / Reviseurs d'Entreprises
BV o.v.v.e. CVBA / SC s.f.d. SCRL
Represented by Gert Vanhees

Annex1: special report of the board of directors in accordance with article 582 and 596 of the Companies Code



Limited Liability Company (*Naamloze Vennootschap*)
Zinkstraat 1, 2490 Balen (Belgium)
Company number VAT BE 0888.728.945 RPR/RPM Turnhout

Report of the Board of Directors

1. Introduction

This special report has been prepared by the Board of Directors of Nyrstar NV (the "**Company**") in accordance with, as far as needed and applicable, Articles 582, 583 and 596 of the Belgian Company Code in relation to the proposal to approve the physically settled conversion right attached to the senior unsecured convertible bonds due 2018 described below (the "**Bonds**") that have been issued by the Company on September 25, 2013, the disapplication of the preferential subscription right of the Company's shareholders in connection with such conversion right, and the potential issuance of new shares at a price below the fractional value of the Company's shares at the time of conversion of the Bonds. The proposal will be submitted to an extraordinary general shareholders' meeting of the Company to be held before a notary public.

If the proposal is passed, the Bonds will become physically settled convertible bonds. The terms and conditions of the Bonds (the "**Conditions**") provide that the Bonds may not effectively be converted into shares unless and until this proposal has been approved. The reasons for the proposed approval of the physically settled conversion right are further discussed below in this report in accordance with the provisions of Article 583 of the Belgian Company Code.

The Bonds have been placed with institutional and qualified investors in Belgium and elsewhere, but outside of the United States, following an *accelerated book building procedure* that has been organised for the Company by a syndicate of banks. Therefore, in connection with the proposal to approve the physically settled conversion right attached to the Bonds, it is also proposed that, as far as needed and applicable, the preferential subscription right of the shareholders be disapplied. Furthermore, depending on the downward adjustments of the conversion price, the shares to be issued upon conversion of a Bond could be issued at a price that is lower than the current fractional value of the Company's shares (which is currently EUR 2.18 per share). Accordingly, as far as needed and applicable, the proposed disapplication of the preferential subscription right, as well as the conversion price and the financial consequences are further discussed below in this report in accordance with the provisions of the Articles 582 and 596 of the Belgian Company Code.

As required by law, the Statutory Auditor of the Company has issued a special report in accordance with Articles 582 and 596 of the Belgian Company Code.

2. Issue of the Bonds

On September 17, 2013, the Company launched an offering of Bonds for an aggregate principal amount of EUR 120 million. This amount could be increased with a principal amount of up to EUR 15 million through the exercise of an over-allotment option that was granted within the context of the placement of the Bonds and which could be exercised until September 23, 2013, but the option was not exercised. The settlement of the offering and issue of the Bonds took place on September 25, 2013.

The Bonds are intended to be convertible into existing or new shares of the Company. The physically settled conversion right in respect of new shares attached to the Bonds needs to be approved by an extraordinary general shareholders' meeting of the Company.

In view hereof, the extraordinary general shareholders' meeting will be proposed to approve the physically settled conversion right attached to the Bonds, including the increase of the Company's share capital upon exercise of the physically settled conversion right into new shares and, as far as needed and applicable, the disapplication of the preferential subscription right of the existing shareholders in connection with the approval of the physically settled conversion right attached to the Bonds and the potential issuance of new shares at a price below the fractional value of the Company's shares at the time of conversion of the Bonds.

For information in relation to the Conditions of the Bonds, reference can be made to the detailed terms attached as Annex A to this report. The main terms can be summarised, for information purposes, as follows:

- (a) **Issuer of the Bonds:** the Company (Nyrstar NV).
- (b) **Aggregate principal amount of the Bonds:** EUR 120 million in total. Each Bond will have a principal amount of EUR 100,000.00.
- (c) **Final maturity date:** The Bonds will have a term of five years as of their issuance on September 25, 2013 until September 25, 2018.
- (d) **Interest:** 4.25%, payable semi-annually in arrears.
- (e) **Physically settled conversion right:** If the physically settled conversion right attached to the Bonds is approved by the extraordinary general shareholders' meeting, each Bond (unless previously redeemed, purchased or cancelled) can be convertible into shares at the option of the holders of the Bonds on any day during the Conversion Period as defined in the Conditions.
- (f) **Call option for the Company:** If the physically settled conversion right attached to the Bonds is not approved by an extraordinary general shareholders' meeting on or before January 31, 2014 (the "**Long-stop Date**"), the Issuer may, by giving a notice to the holders of the Bond, elect to redeem all but not only some of the Bonds, at the greater of (i) 102% of the principal amount of the Bonds, together with accrued interest and (ii) 102% of the fair value of the Bonds together with accrued interest.
- (g) **Cash settled conversion right:** If the physically settled conversion right attached to the Bonds is not approved by an extraordinary general shareholders' meeting on or before the Long-stop Date and the Company does not elect to redeem the Bonds, each Bond shall entitle the holder to require the Company to

redeem such Bond in cash at an amount equal to the Cash Alternative Amount as defined in the Conditions.

- (h) **Redemption at the option of the Company:** The Company will have in certain other circumstances the right to redeem the outstanding Bonds. Further reference is made to the Conditions of the Bonds.
- (i) **Redemption at the option of the holders of the Bonds upon a change of control:** The holders of the Bonds will have the right, at their option, to require the Company to redeem their outstanding Bonds following the occurrence of a change of control over the Company if the Company's general shareholders' meeting has approved the terms of the Bonds that are triggered by a change of control over the Company in accordance with Article 556 of the Belgian Company Code. Further reference is made to the Conditions of the Bonds.
- (j) **Early redemption:** If the Company's general shareholders' meeting has not approved the terms of the Bonds that are triggered by a change of control over the Company in accordance with Article 556 of the Belgian Company Code or the resolutions have not been filed with the clerk of the Commercial Court of Turnhout on or before the Long-stop Date, the Company shall redeem all but not some only of the Bonds, at the greater of (i) 102% of the principal amount of the Bonds, together with accrued interest and (ii) 102% of the fair value of the Bonds together with accrued interest.
- (k) **Conversion price:** Each Bond can be converted into new and/or existing shares of the Company on the basis of a conversion price of EUR 4.9780 per share. The conversion price is subject to customary adjustments, including in respect of dividend or other distributions made by the Company in relation to the Company's shares. The maximum number of new shares of the Company to be issued upon conversion of one Bond will be calculated as the fraction, (i) the numerator of which is the principal amount of the Bond (i.e. EUR 100,000.00), and (ii) the denominator of which shall be the applicable conversion price.
- (l) **Underlying shares:** The shares to be issued upon conversion of the Bonds (as the case may be) will have the same rights and benefits as, and rank *pari passu* in all respects with, the existing and outstanding shares of the Company at the moment of their issuance and will be entitled to distributions in respect of which the relevant record date or due date falls on or after the date of issue of the shares.
- (m) **Listing of the underlying shares:** The Company will undertake to obtain the listing of the underlying shares on NYSE Euronext Brussels as soon as reasonably practicable and no later than on the conversion of the Bonds.
- (n) **Transferability of the Bonds:** The Bonds will be freely transferable.
- (o) **Listing of the Bonds:** An application will be made to admit the Bonds to trading on the Open Market segment (*Freiverkehr*) of the Frankfurt Stock Exchange. This is not a regulated market in the meaning of Article 2, 3° of the Belgian Act of August 2, 2002, regarding the supervision of the financial sector and the financial services.
- (p) **Increase of the share capital of the Company:** If the physically settled conversion right attached to the Bonds is approved by the extraordinary general

shareholders' meeting, then, upon conversion of the Bonds into new shares, the Company's share capital will be increased, as further specified in the Conditions.

For completeness' sake, it should be noted that also the provisions of Condition 5(b)(x) and Condition 6(e) of the Conditions shall be submitted to the extraordinary general shareholders' meeting for approval in accordance with the provisions of Article 556 of the Belgian Company Code.

3. Reasons for the issue of the Bonds

The net proceeds from the issue of the Bonds will be used by the Company to diversify its funding sources, to lengthen the average maturity of its indebtedness, to strengthen its balance sheet liquidity as well as to fund future growth, consistent with the Company's strategy.

The Bonds were also issued in anticipation of the scheduled maturity in 2014 of the 7% senior unsecured convertible bonds due July 2014 that were issued in 2009 (the "**2009 Bonds**"), and which may or may not be converted into shares of the Company prior to their maturity in 2014. The 2009 Bonds were issued by the Company in July 2009 for an aggregate principal amount of EUR 120,000,000. The possibility to convert the 2009 Bonds into new shares of the Company was approved by the extraordinary general shareholders' meeting of the Company held on August 25, 2009. The 2009 Bonds can be converted into shares of the Company at any time. To date, 2009 Bonds in an aggregate principal amount of EUR 100,000 have been converted into shares of the Company, and all others remain outstanding. The current conversion price of the 2009 Bonds is EUR 5.63 per share. In view of the current trading price of the Company's shares on Euronext Brussels, it is possible that the 2009 Bonds are not converted prior to their maturity, in which event the 2009 Bonds are to be repaid in cash. The net proceeds from the Bonds may, depending on circumstances at that time, be used to repay the 2009 Bonds.

By providing for a right to convert the Bonds into shares of the Company, the Company has been able to attract convertible bond investors. The Board of Directors is of the opinion that the contemplated terms are favourable to the Company taking into account:

- current market opportunities;
- the flexibility afforded by the proposed instrument;
- the alternative sources of funding in terms of cost and maturities currently available to the Company.

It should be noted that if and to the extent the physically settled conversion right of the Bonds is approved by the Company's EGM and the Bonds are ultimately converted into new shares of the Company, the Company will be able to convert the debt represented by the Bonds into share capital (and issue premium, as the case may be), and thus reinforce its net equity position, both from a financial and accounting perspective.

For all of the above reasons, the Board of Directors believes that the issue of the Bonds, the approval of the physically settled conversion right attached to the Bonds, the disapplication of the preferential subscription right of existing shareholders in relation to the physically settled conversion right attached to the Bonds, and the other proposed resolutions in connection with the Bonds, are in the interest of the Company, and that it is

in the interest of the Company that the proposals that will be submitted to the general shareholders' meeting be approved.

4. Conversion price of the Bonds

The initial conversion price of the Bonds is EUR 4.9780 per share to be issued upon conversion.

The initial conversion price has been determined as the result of an *accelerated book-building procedure* with a broad range of institutional and qualified investors in Belgium and elsewhere, but outside of the United States, that has been organised for the Company by a syndicate of banks. Within this procedure, institutional and qualified investors have been able to indicate to the syndicate of banks their interest to subscribe for the Bonds, as well as the main terms (including notably the principal amount, the interest and conversion price) for such subscription. On the basis of this process and taking into account the demand and interest of the investors, the final terms of the Bonds, including the conversion price, have been determined.

It should be noted that the initial conversion price of EUR 4.9780 was set at a premium of 35% to the volume weighted average price of the Company's shares on NYSE Euronext Brussels from launch to pricing on September 17, 2013, the day the Bonds were placed. In other words, the conversion price includes a premium to the market price of the Company's shares at the time of the placement of the Bonds.

It should also be noted that the Company reserves the right to effect certain transactions with respect to the share capital or similar transactions, but that the conversion price may then need to be adjusted and reduced based on specific formulas included in anti-dilution protection mechanisms customary in the euromarket and set forth in the Conditions of the Bonds. These formulas are described in detail in the Conditions of the Bonds attached in Annex A to this report. These adjustment mechanisms are customary for securities of the type of the Bonds. They are also consistent with the principle set forth in Article 490 of the Belgian Company Code. Technically, as a result, the conversion price could, depending on the circumstances, be reduced to an amount that is lower than the fractional value of the Company's shares at that time. Pursuant to Belgian law, certain rights of the Company's shareholders (including in particular the preferential subscription right of shareholders in relation to capital increases in cash and the issue of convertible bonds and warrants, the voting rights attached to shares, and the right to participate in the proceeds following a liquidation in the event of a dissolution of the Company) are determined in function of the fraction of the share capital that is represented by the shares. In any event, following a conversion, all shares will again represent the same fractional value of the Company's share capital, to ensure that all shares have the same rights.

Taking into account the aforementioned benefits of the transaction for the Company (see section 3 above), the Board of Directors is of the opinion that the conversion price is justified since it strikes a reasonable balance between the interests of the existing shareholders and those of the holders of the Bonds.

For the sake of completeness, should the physically settled conversion right that would be attached to the Bonds be seen (which the Board of Directors believes not to be the case) as a right entailing the holders of the Bonds to contribute the receivable reflected by their Bonds to the Company in kind in consideration of the issue of new shares, the following can be noted as far as needed and applicable in view of Article 602 of the Belgian Company Code. As a result of the conversion of a Bond, the Company's net

equity would be increased, and the Company's debt would be reduced with an amount equal to the principal amount of the Bond so converted and contributed at nominal value (which is appropriate in view of inter alia Article 1300 of the Belgian Civil Code).

For further information about the above, reference can be made to the report of the Statutory Auditor, and the conclusions set out therein.

5. Disapplication of the preferential subscription right

As indicated above, the Bonds have been placed by a syndicate of banks appointed by the Company, with institutional and qualified investors in Belgium and elsewhere, but outside of the United States, following an *accelerated book-building procedure*. An application has been made to admit the Bonds to trading on the Open Market segment (*Freiverkehr*) of the Frankfurt Stock Exchange. Therefore, in connection with the proposal to approve the physically settled conversion right attached to the Bonds, it is proposed that, as far as needed and applicable, the preferential subscription right of the existing shareholders be disappplied for the benefit of the holders of the Bonds so as to enable the physically settled conversion mechanism referred to in the Conditions of the Bonds. The Board of Directors is of the opinion that such disapplication is in the interest of the Company, for the reasons indicated above.

6. Financial consequences of the transaction for the shareholders

The effect of the issue of the Bonds and in particular their conversion for the shareholders of the Company can be summarised and illustrated as follows.

(a) Conversion of the Bonds

Upon conversion of the Bonds into new shares, the Company will have to issue new shares, and the share capital of the Company will be increased as further referred to in the Conditions (see also section 2(p) of this report). Accordingly, summarised and for illustration purposes only, if and to the extent that the full principal amount of the Bonds of EUR 120 million were to be converted on the date hereof, the Company would have to issue 24,106,067 new shares, assuming that the aggregate amount to be converted would amount to EUR 120 million and that the applicable conversion price would amount to EUR 4.9780 per share.

It should be noted that upon conversion of a Bond, the Company can also deliver to the holder of the Bonds existing shares (to the extent available), instead of issuing new shares. In the summary and illustration set out below in this section 6, it is assumed that only new shares are issued upon conversion of the Bonds. If existing shares would be delivered, the effects would be different.

(b) Consequences as to share capital and outstanding shares

On the date of this special report, the share capital of Company amounts to EUR 370,649,145.92 represented by 170,022,544 shares without nominal value, each representing one 170,022,544th part of the share capital of the Company. The current fractional value of the Company's shares amounts to EUR 2.18 per share, which is the result of a fraction, the numerator of which is equal to the Company's share capital (i.e. EUR 370,649,145.92) and the denominator of which is equal to the Company's outstanding shares (i.e. 170,022,544 shares).

In addition to the existing shares, in July 2009, the Company issued 2009 Bonds for an aggregate principal amount of EUR 120,000,000, of which an aggregate principal amount of EUR 100,000 has been converted and of which an aggregate principal amount of EUR 119,900,000 remains outstanding. The current conversion price of the 2009 Bonds is EUR 5.63 per share (but can be adjusted in certain circumstances). If all of the outstanding 2009 Bonds were to be converted into new shares at the current conversion price, 21,296,625 new shares would have to be issued.

Accordingly, taking into account the aforementioned information, and based on the simulation referred to in paragraph (a), if all of the Bonds were to be converted into new shares on the date of this report, the Company's share capital and the number of outstanding shares would be increased, and have a dilutive effect for the shareholders, as indicated below.

	Before conversion of the Bonds	After conversion of the Bonds
Before dilution		
Share capital	EUR 370,649,145.92	EUR 423,200,371.98
Outstanding shares.....	170,022,544	194,128,611
Fractional value.....	EUR 2.18	EUR 2.18
Dilution	/	12.42%
After dilution ⁽¹⁾		
Share capital	EUR 417,075,788.42	EUR 469,627,014.48
Outstanding shares.....	191,319,169	215,425,236
Fractional value.....	EUR 2.18	EUR 2.18
Dilution	/	11.19%

Notes: (1) Taking into account a conversion of the outstanding 2009 Bonds in full and the issue of 21,296,625 new shares as a result thereof.

As further explained in section 4 above, technically, the conversion price of the Bonds could, depending on the circumstances, be reduced to an amount that is lower than the fractional value of the Company's shares at that time. If the conversion price is indeed reduced, more shares will need to be issued upon conversion of the Bonds, in which event the dilution would be greater than as simulated above. For pure illustration purposes only, if all of the Bonds were to be converted into new shares and if the conversion price at that time were to be EUR 2.18 (being the current fractional value of the Company's shares), 55,045,872 new shares would need to be issued by the Company. This would entail a dilution of 24.46% based on 170,022,544 outstanding shares prior to the conversion of the Bonds, or 22.34% on a fully diluted basis (taking into account the conversion of all outstanding 2009 Bonds in full) based on 191,319,169 outstanding shares prior to the conversion of the Bonds.

(c) **Consequences as to net equity**

Based on the audited consolidated annual financial statements of the Company for the financial year ended on December 31, 2012 (which have been prepared in accordance with the International Financial Reporting Standards or IFRS), the consolidated accounting net equity of the Company amounted to EUR 1,161.2 million or EUR 6.83 per share (based on 170,022,544 shares). Based on the audited non-consolidated annual financial statements of the Company for the financial year ended on December 31, 2012 (which have been prepared in

accordance with the Belgian generally accepted accounting principles or Belgian GAAP), the non-consolidated accounting net equity of the Company amounted to EUR 2,152,416,412.50 or EUR 12.66 per share (based on 170,022,544 shares). The aforementioned net equity positions do not take into account possible profits or losses since December 31, 2012.

Based on the consolidated financial statements of the Company for the six months ended on June 30, 2013 (which have been prepared in accordance with IFRS), the consolidated accounting net equity of the Company amounted to EUR 1,029.8 million or EUR 6.06 per share (based on 170,022,544 shares). The aforementioned net equity position does not take into account possible profits or losses since June 30, 2013.

For further information on the Company's net equity position on the aforementioned dates, reference is made to the financial statements of the Company, which are available on the Company's website (www.nyrstar.com).

Based on the simulation referred to in paragraph (a), if all the Bonds were to be converted into new shares, the Company's accounting net equity on a consolidated and non-consolidated basis, would be increased as indicated below:

	Before conversion of the Bonds ⁽³⁾	After conversion of the Bonds ⁽³⁾
Consolidated net equity		
(H1 2013)		
Net equity ⁽¹⁾ (in million EUR) ..	EUR 1,029.8	EUR 1,149.8
Outstanding shares.....	170,022,544	194,128,611
Net equity per share.....	EUR 6.06	EUR 5.92
Non-consolidated net equity		
(FY 2012)		
Net equity ⁽²⁾	EUR 2,152,416,412.50	EUR 2,272,416,412.50
Outstanding shares.....	170,022,544	194,128,611
Net equity per share.....	EUR 12.66	EUR 11.71

Notes: (1) The consolidated accounting net equity as at June 30, 2013 (IFRS).

(2) The non-consolidated accounting net equity as at December 31, 2012 (Belgian GAAP).

(3) It is assumed that none of the 2009 Bonds are exercised into shares of the Company and that all 2009 Bonds remain outstanding.

As indicated above, the conversion price of the Bonds is lower than the accounting net equity per-share based on the aforementioned consolidated and non-consolidated financial statements of the Company for the six months ended on June 30, 2013 and the financial year ended on December 31, 2012, respectively. Accordingly, in the event the Bonds were to be converted, this would entail, from an accounting perspective, a dilution of the accounting net equity per share, based on the aforementioned financial statements. Whether the same effect would also apply based on future financial statements of the Company, is dependent on the Company's accounting net equity position at the time of conversion.

(d) ***Financial considerations***

The question of whether a Bond will be effectively converted will ultimately depend on the decision of the respective holder of the Bond. Such decision will likely be in function of the market price of the shares of the Company at the moment of conversion compared to the conversion price of the Bonds. The holder of the Bond could realise a capital gain at the time of conversion of the Bond if the market price of the shares of the Company at that moment is higher than the conversion price of the Bond and if the shares can be sold at such price on the market.

In view hereof, it is not yet certain whether ultimately the Bonds will be converted. On the other hand, if the Bonds are converted into new shares, this will entail a financial dilution of the existing shareholders, as the basis assumption is that a holder of Bonds will only convert a Bond if the conversion price is lower than the prevailing market price of the shares at the time of conversion.

* * *

Done on 10 October

On behalf of the Board of Directors,



By: _____
De Wilde J Management BVBA
represented by Julien De Wilde as its
permanent representative,
Director



By: _____
Roland Junck,
Director

Free English translation for information purposes only

Annex A

Terms and Conditions of the Bonds

[see attached]

TERMS AND CONDITIONS OF THE BONDS

The following, subject to completion and amendment, is the text of the Terms and Conditions of the Bonds which is incorporated by reference into the Global Bond and will be endorsed on the Bonds in definitive form (if issued).

The issue of the €120 million 4.25 per cent. Convertible Bonds due 2018 (the “**Bonds**”, which expression shall, unless otherwise indicated, include any Further Bonds) was (save in respect of any such Further Bonds) authorised by a resolution of the Board of Directors of Nyrstar NV (the “**Issuer**”) passed on 16 September 2013 on the terms and subject to the conditions stated herein. The Bonds are constituted by a trust deed dated 25 September 2013 (the “**Trust Deed**”) between the Issuer and the Law Debenture Trust Corporation p.l.c. (the “**Trustee**”, which expression shall include all persons for the time being appointed as the trustee or trustees under the Trust Deed) as trustee for the Bondholders. The statements set out in these Terms and Conditions (the “**Conditions**”) are summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bonds and the interest coupons relating to them (the “**Coupons**”). The Bondholders and Couponholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and those provisions applicable to them which are contained in the Paying and Conversion Agency Agreement dated 25 September 2013 (the “**Agency Agreement**”) relating to the Bonds between the Issuer, the Trustee and KBC Bank NV (the “**Paying and Conversion Agent**” or the “**Domiciliary Agent**”, which expression shall include any successor as Paying and Conversion Agent or as Domiciliary Agent under the Agency Agreement).

Copies of the Trust Deed and the Agency Agreement are available for inspection at the office of the Trustee at Fifth Floor, 100 Wood Street, London EC2V 7EX, United Kingdom during normal business hours by the Bondholders and the Couponholders, and at the Specified Office of the Paying and Conversion Agent. Details concerning any offer described in Condition 10(f) are available at the Specified Office of the Paying and Conversion Agent.

1. Form, Denomination, Title and Status

(a) *Form and Denomination*

The Bonds will be in bearer form, each with Coupons attached. The Bonds will be represented by an Original Global Bond which will be deposited with, or with a depositary for, the National Bank of Belgium (“**NBB**”) as operator of the X/N Clearing System (the “**X/N Clearing System**”) and will be credited (against payment therefor) to the account of Euroclear Bank SA/NV (“**Euroclear**”) (for credit to the accounts designated by the relevant subscribers with Euroclear or Clearstream Banking, *société anonyme*, Luxembourg (“**Clearstream**”)) held with the X/N Clearing System. Beneficial interests in the Global Bond will be shown on, and transfers thereof will be effected only through, records maintained in a book-entry form by the X/N Clearing System, Euroclear and/or Clearstream. The Global Bond will be exchangeable in whole, but not in part, in certain limited circumstances described therein, for definitive Bonds.

The Bonds will be issued in denominations of €100,000 in principal amount and integral multiples thereof.

(b) *Title*

The persons shown in the records of the NBB, of participants in the X/N Clearing System (which include Euroclear and Clearstream) and of their respective sub-participants as holders of a particular principal amount at maturity of the Bonds (in which regard any certificate or other document issued by the NBB or by the relevant direct or indirect participant shall be conclusive and binding for all purposes save in the event of manifest error) shall for all purposes be treated by the Issuer and the Paying and Conversion Agent as the holders of such principal amount at

maturity of Bonds other than with respect to the payment of principal, premium (if any) or interest on such Bonds, the right to which will be vested, as against the Issuer and the Trustee, solely in the persons shown in the records of NBB as the holder of such principal amount at maturity of Bonds.

Transfers of Bonds are to be effected through the book-entry facilities of the X/N Clearing System, participants in the X/N Clearing System (which include Euroclear and Clearstream) and their respective participants. Such transfers will be made and settled in accordance with the rules and operating procedures of the participants in the X/N Clearing System. When made through the X/N Clearing System, Euroclear or Clearstream, such transfers will be settled in same-day funds in the same manner as conventional eurobonds.

(c) *Status*

The Bonds and Coupons constitute direct and (subject to Condition 2) unsecured obligations of the Issuer ranking *pari passu*, without any preference among themselves. The payment obligations of the Issuer under the Bonds and Coupons shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 2, at all times rank at least equally with all of its other present and future unsecured and unsubordinated obligations.

2. **Negative Pledge**

So long as any of the Bonds remains outstanding (as defined below), the Issuer shall not (and shall ensure that no Material Subsidiary will) create or permit to subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest ("**Security Interest**") upon the whole or any part of its undertaking or assets, present or future, to secure any Relevant Debt, or any guarantee or indemnity in respect of any Relevant Debt unless, at the same time or prior thereto, the Issuer's obligations under the Bonds, the Coupons and the Trust Deed either (a) are secured equally and rateably therewith to the satisfaction of the Trustee, or (b) have the benefit of such other Security Interest, guarantee, indemnity or other arrangement as the Trustee in its absolute discretion shall deem to be not materially less beneficial to the Bondholders than the Security Interest created or subsisting for the Relevant Debt or as shall be approved by a Resolution of the Bondholders.

"**Relevant Debt**" means any present or future indebtedness which is in the form of, or represented by, bonds, notes, debentures, loan stock or other securities which are, with the consent of the person issuing the same, for the time being quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other established securities market and having an original maturity of more than one year from its date of issue.

3. **Definitions**

In these Conditions, unless otherwise provided:

"**Additional Ordinary Shares**" has the meaning provided in Condition 5(c).

"**Agent**" means, in relation to the Original Bonds and any Further Bonds, the Paying and Conversion Agent.

"**BSE**" means NYSE Euronext Brussels.

"**Bondholder**" means the holder of any Bond.

“business day” means, in relation to any place, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business in that place.

“Calculation Period” means, with respect to the optional redemption provided in Condition 6(b)(ii), the Optional Redemption Calculation Period, or, with respect to the early redemption provided in Condition 6(d), the Early Redemption Calculation Period.

“Cash Alternative Amount” has the meaning provided in Condition 5(a).

“Cash Alternative Calculation Period” has the meaning provided in Condition 5(a).

“Cash Settlement Conversion Right” has the meaning provided in Condition 5(a).

“Cash Settlement Date” means, for the exercise of the Cash Settlement Conversion Right, the day after the Shareholder Event Notice Deadline.

a **“Change of Control”** shall occur if an offer is made to all (or, substantially all) Shareholders (or all (or, substantially all) such Shareholders other than the offeror and/or any parties acting in concert (as defined in Article 3, paragraph 1, 5° of the Belgian Law of 1 April 2007 on public takeover bids or any modification or re-enactment thereof) with the offeror), to acquire all or a majority of the issued ordinary share capital of the Issuer and (the period for such offer being closed, the definitive results of such offer having been announced and such offer having become unconditional in all respects) the offeror has acquired, or, following the publication of the results of such offer by the offeror, will acquire as a result of such offer, post-completion thereof, Ordinary Shares or other voting rights of the Issuer so that it has the right to cast more than 50 per cent. of the votes which may ordinarily be cast on a poll at a general meeting of the Issuer.

“Change of Control Conversion Price” has the meaning provided in Condition 5(b)(x).

“Change of Control Notice” has the meaning provided in Condition 5(g).

“Change of Control Period” means the period commencing on the occurrence of a Change of Control and ending 60 calendar days following the Change of Control or, if later, 60 calendar days following the date on which a Change of Control Notice is given to Bondholders as required by Condition 5(g).

“Change of Control Put Date” has the meaning provided in Condition 6(d).

“Change of Control Put Exercise Notice” has the meaning provided in Condition 6(d).

“Change of Control Resolutions” means Condition 5(b)(x) and Condition 6(e) to be submitted for approval to the general meeting of Shareholders of the Issuer in accordance with Article 556 of the Belgian Company Code.

“Clearstream” has the meaning provided in Condition 1(a).

“Closing Date” means 25 September 2013.

“Conversion Date” has the meaning provided in Condition 5(h).

“Conversion Notice” has the meaning provided in Condition 5(h).

“Conversion Period” has the meaning provided in Condition 5(a).

“Conversion Price” has the meaning provided in Condition 5(a).

“Conversion Right” has the meaning provided in Condition 5(a).

“Coupon” has the meaning provided in the Preamble to these Terms and Conditions.

“Couponholder” means the holder of any Coupon.

“Current Market Price” means, in respect of an Ordinary Share at a particular date, the average of the daily Volume Weighted Average Price of an Ordinary Share on each of the five consecutive dealing days ending on the dealing day immediately preceding such date; provided that if at any time during the said five-dealing-day period the Volume Weighted Average Price shall have been based on a price ex-Dividend (or ex- any other entitlement) and during some other part of that period the Volume Weighted Average Price shall have been based on a price cum-Dividend (or cum- any other entitlement), then:

- (a) if the Ordinary Shares to be issued or transferred and delivered do not rank for the Dividend (or entitlement) in question, the Volume Weighted Average Price on the dates on which the Ordinary Shares shall have been based on a price cum-Dividend (or cum- any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Dividend (or entitlement) per Ordinary Share as at the date of first public announcement of such Dividend (or entitlement), in any such case, determined on a gross basis and disregarding any withholding or deduction required to be made on account of tax, and disregarding any associated tax credit; or
- (b) if the Ordinary Shares to be issued or transferred and delivered do rank for the Dividend (or entitlement) in question, the Volume Weighted Average Price on the dates on which the Ordinary Shares shall have been based on a price ex-Dividend (or ex- any other entitlement) shall for the purpose of this definition be deemed to be the amount thereof increased by an amount equal to the Fair Market Value of any such Dividend (or entitlement) per Ordinary Share as at the date of first public announcement of such Dividend (or entitlement), in any such case, determined on a gross basis and disregarding any withholding or deduction required to be made on account of tax, and disregarding any associated tax credit,

and provided further that if on each of the said five dealing days the Volume Weighted Average Price shall have been based on a price cum-Dividend (or cum- any other entitlement) in respect of a Dividend (or other entitlement) which has been declared or announced but the Ordinary Shares to be issued or transferred and delivered do not rank for that Dividend (or other entitlement) the Volume Weighted Average Price on each of such dates shall for the purposes of this definition be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Dividend (or entitlement) per Ordinary Share as at the date of the first public announcement of such Dividend (or entitlement), in any such case, determined on a gross basis and disregarding any withholding or deduction required to be made on account of tax, and disregarding any associated tax credit, and provided further that, if the Volume Weighted Average Price of an Ordinary Share is not available on one or more of the said five dealing days (disregarding for this purpose the proviso to the definition of Volume Weighted Average Price), then the average of such Volume Weighted Average Prices which are available in that five-dealing-day period shall be used (subject to a minimum of two such prices) and if only one, or no, such Volume Weighted Average Price is available in the relevant period the Current Market Price shall be determined by an Independent Financial Adviser.

“dealing day” means, when used with respect to an Ordinary Share, Security or Spin-Off Security, a day on which the Relevant Stock Exchange or relevant market on which such Ordinary Share, Security or Spin-Off Security is dealt, is open for business and on which Ordinary Shares, Securities or Spin-Off Securities (as the case may be) may be dealt in (other than a day on which such Relevant Stock Exchange or relevant market is scheduled to or does close prior to its regular weekday closing time).

“Delivery Date” has the meaning provided in Condition 5(h).

“Dividend” means any dividend or distribution to Shareholders (including a Spin-Off) whether of cash, assets or other property, and however described and whether payable out of share premium account, profits, retained earnings or any other capital or revenue reserve or account, and including a distribution or payment to holders upon or in connection with a reduction of capital (and for these purposes a distribution of assets includes without limitation an issue of Ordinary Shares or other Securities credited as fully or partly paid up by way of capitalisation of profits or reserves), provided that:

- (a) where a Dividend in cash is announced which is to be, or may at the election of a Shareholder or Shareholders be, satisfied by the issue or delivery of Ordinary Shares or other property or assets, or where a capitalisation of profits or reserves is announced which is to be, or may at the election of a Shareholder or Shareholders be, satisfied by the payment of cash, then the Dividend in question shall be treated as a cash Dividend of an amount equal to the greater of (i) such cash amount and (ii) the Current Market Price of such Ordinary Shares, or Fair Market Value of such other property or asset, as the case may be, as at (a) in the case of Current Market Price of such Ordinary Shares, the Effective Date in respect of the relevant Dividend or, as the case may be, the record date or other due date for establishment of entitlement in respect of the relevant capitalisation or (b) in the case of Fair Market Value of such other property or assets, as at the date of the first public announcement of such Dividend or capitalisation, or, in any such case, if later, the date on which the number of Ordinary Shares (or amount of such other property or assets, as the case may be) which may be issued or delivered is determined;
- (b) any issue of Ordinary Shares falling within Condition 5(b)(ii) shall be disregarded;
- (c) a purchase or redemption or buy back of share capital of the Issuer by or on behalf of the Issuer or any of its Subsidiaries shall not constitute a Dividend unless, in the case of a purchase or redemption or buy back of Ordinary Shares by or on behalf of the Issuer or any of its Subsidiaries, the weighted average price per Ordinary Share (before expenses) on any one day (a **“Specified Share Day”**) in respect of such purchases or redemptions or buy backs (translated, if not in the Relevant Currency, into the Relevant Currency at the Prevailing Rate on such day) exceeds by more than 5 per cent. the average of the closing prices of the Ordinary Shares on the Relevant Stock Exchange (as published by or derived from the Relevant Stock Exchange) on the five dealing days immediately preceding the Specified Share Day or, where an announcement (excluding, for the avoidance of doubt for these purposes, any general authority for such purchases, redemptions or buy backs approved by a general meeting of Shareholders or any notice convening such a meeting of Shareholders) has been made of the intention to purchase, redeem or buy back Ordinary Shares at some future date at a specified price, on the five dealing days immediately preceding the date of such announcement, in which case such purchase, redemption or buy back shall be deemed to constitute a Dividend in the Relevant Currency to the extent that the aggregate price paid (before expenses) in respect of such Ordinary Shares purchased, redeemed or bought back by the Issuer or, as the case may be, any of its Subsidiaries (translated where appropriate into the Relevant Currency as provided above) exceeds the product of (i) 105 per cent. of the average closing price of the Ordinary Shares determined as aforesaid and (ii) the number of Ordinary Shares so purchased, redeemed or bought back; and
- (d) if the Issuer or any of its Subsidiaries shall purchase, redeem or buy back any depositary or other receipts or certificates representing Ordinary Shares, the provisions of paragraph (c) above shall be applied in respect thereof in such manner and with such modifications (if any) as shall be determined in good faith by an Independent Financial Adviser.

“Domiciliary Agent” has the meaning provided in the Preamble to this Agreement.

“Early Redemption Calculation Period” has the meaning provided in Condition 6(d).

“Early Redemption Date” has the meaning provided in Condition 6(d).

“Early Redemption Notice” has the meaning provided in Condition 6(d).

“Effective Date” has the meanings provided in Condition 5(b)(iii) and (iv), as applicable.

“Effective Date in respect of the relevant Dividend” means (for the purposes of the definition of “Dividend”) the first date on which the Ordinary Shares are traded ex- the relevant Dividend or entitlement on the Relevant Stock Exchange.

“euro” or **“€”** means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

“Euroclear” has the meaning provided in Condition 1(a).

“Euroclear Belgium” means the Belgian clearing house for securities.

“Event of Default” has the meaning provided in Condition 9.

“Fair Bond Value” means the price calculated by an Independent Financial Adviser as being the average of the prices of the Bonds on each dealing day during the Calculation Period, and having regard to market parameters applicable to the Bonds, including the remaining maturity, interest rates, market credit spread assumptions, the market value of the Ordinary Shares and over-the-counter prices made in respect of the Bonds by reputable international investment banks.

“Fair Market Value” means, with respect to any property on any date, the fair market value of that property as determined by an Independent Financial Adviser provided that (i) the Fair Market Value of a cash Dividend shall be the amount of such cash Dividend; (ii) the Fair Market Value of any other cash amount shall be the amount of such cash; (iii) where Securities, Spin-Off Securities, options, warrants or other rights are publicly traded in a market of adequate liquidity (as determined by an Independent Financial Adviser), the Fair Market Value (a) of such Securities or Spin-Off Securities shall equal the arithmetic mean of the daily Volume Weighted Average Prices of such Securities or Spin-Off Securities and (b) of such options, warrants or other rights shall equal the arithmetic mean of the daily closing prices of such options, warrants or other rights, in the case of both (a) and (b) during the period of five dealing days on the relevant market commencing on such date (or, if later, the first such dealing day such Securities, Spin-Off Securities, options, warrants or other rights are publicly traded) or such shorter period as such Securities, Spin-Off Securities, options, warrants or other rights are publicly traded; (iv) where Securities, Spin-Off Securities, options, warrants or other rights are not publicly traded (as aforesaid), the Fair Market Value of such Securities, Spin-Off Securities, options, warrants or other rights shall be determined by an Independent Financial Adviser, on the basis of a commonly accepted market valuation method and taking account of such factors as it considers appropriate, including the market price per Ordinary Share, the dividend yield of an Ordinary Share, the volatility of such market price, prevailing interest rates and the terms of such Securities, Spin-Off Securities, options, warrants or other rights, including as to the expiry date and exercise price (if any) thereof. Such amounts shall, in the case of (i) above, be translated into the Relevant Currency (if declared or paid or payable in a currency other than the Relevant Currency) at the rate of exchange used to determine the amount payable to Shareholders who were paid or are to be paid or are entitled to be paid the cash Dividend in the Relevant Currency; and in any other case, shall be translated into the Relevant Currency (if expressed in a currency other than the Relevant Currency) at the Prevailing Rate on that date. In addition, in the case of (i) and (ii) above, the Fair Market Value shall be determined on a gross basis and disregarding any withholding or deduction required to be made on account of tax, and disregarding any associated tax credit.

“Final Maturity Date” means 25 September 2018.

“Further Bonds” means any further Bonds issued pursuant to Condition 17 and consolidated and forming a single series with the then outstanding Bonds.

“Global Bond” means the Original Global Bond and/or as the context may require any global bond representing any Further Bonds or any of them.

“Independent Financial Adviser” means an independent financial institution of international repute appointed at its own expense by the Issuer and approved in writing by the Trustee or, if the Issuer fails to make such appointment and such failure continues for a reasonable period (as determined by the Trustee in its sole discretion, but not less than seven (7) business days) and the Trustee is indemnified and/or secured and/or prefunded to its satisfaction against the costs, fees and expenses of such adviser and otherwise in connection with such appointment, appointed by the Trustee (without liability for so doing) following notification to the Issuer.

“Interest Payment Date” has the meaning provided in Condition 4(a).

“Interest Period” has the meaning provided in Condition 4(a).

“Issuer” has the meaning provided in the Preamble.

“Long-stop Date” means 31 January 2014.

“Material Subsidiary” means any Subsidiary of the Issuer whose total assets or revenues represent 5 per cent. or more of the consolidated total revenues or consolidated total assets (as the case may be) of the Issuer and its consolidated Subsidiaries.

“Meeting” means a meeting of Bondholders (whether originally convened or resumed following an adjournment).

“NBB” has the meaning provided in Condition 1(a).

“New Share Resolution” has the meaning provided in Condition 5(a).

“Optional Redemption Calculation Period” has the meaning provided in Condition 6(b)(ii).

“Optional Redemption Date” has the meaning provided in Condition 6(b)(i).

“Optional Redemption Notice” has the meaning provided in Condition 6(b)(i).

“Ordinary Shares” means fully paid ordinary shares in the capital of the Issuer.

“Original Bonds” means the bearer bonds substantially in the form set out in Schedule 1 of the Trust Deed comprising the €120 million 4.25 per cent. Convertible Bonds due 2018, in each case, in the case of definitive Bonds, having attached thereto Coupons, constituted by the Trust Deed and for the time being outstanding or, as the context may require, a specific number of them and includes any replacement Bonds issued pursuant to the Conditions and, except for the purposes of Clauses 3.1 and 3.2 of the Trust Deed, includes the Original Global Bond.

“Original Global Bond” means the global bond which will represent the Original Bonds, substantially in the form set out in Schedule 3 to the Trust Deed.

“outstanding” means, in relation to the Bonds, all the Bonds issued except (a) those that have been redeemed in accordance with these Conditions, (b) those in respect of which Conversion Rights have been exercised, and all the obligations of the Issuer duly performed in relation thereto, (c) those in respect of which the date for redemption has occurred and the redemption moneys (including all interest accrued on such redeemed Bonds to the date for such redemption and any interest payable under the Conditions after such date) have been duly paid to the Trustee or to the Paying and Conversion Agent as provided in Clause 2 of the Trust Deed and remain available for payment against presentation and surrender of Bonds and/or Coupons, as the case may be, (d) those which have become void, (e) those which have been purchased and cancelled as provided in these Conditions, (f) those mutilated or defaced Bonds which have been surrendered in exchange for replacement Bonds in accordance with these Conditions, (g) (for the purpose

only of determining how many Bonds are outstanding and without prejudice to their status for any other purpose) those Bonds alleged to have been lost, stolen or destroyed and in respect of which replacement Bonds have been issued in accordance with these Conditions and (h) any Global Bond to the extent that it shall have been exchanged for definitive Bonds pursuant to its provisions.

“Outstanding Convertible Bonds” means the 7% Senior Unsecured Convertible Bonds due 2014 issued by the Issuer on July 10, 2009.

“Paying and Conversion Agent” has the meaning provided in the Preamble to these Terms and Conditions.

a **“person”** includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, unincorporated association, limited liability company, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity).

“Physical Settlement Conversion Right” has the meaning provided in Condition 5(a).

“Physical Settlement Date” means the earlier of the date specified in the Physical Settlement Notice or ten (10) business days following the Long-stop Date.

“Physical Settlement Notice” has the meaning provided in Condition 5(a).

“Potential Event of Default” means an event or circumstance that would with the giving of notice, lapse of time, issue of a certificate and/or fulfillment of any other requirement provided for in Condition 9 become an Event of Default.

“Prevailing Rate” means, in respect of any currencies on any day, the spot rate of exchange between the relevant currencies prevailing as at or about 12 noon (London time) on that date as appearing on or derived from the Relevant Page or, if such a rate cannot be determined at such time, the rate prevailing as at or about 12 noon (London time) on the immediately preceding day on which such rate can be so determined or if such rate cannot be so determined by reference to the Relevant Page, the rate determined in such other manner as an Independent Financial Adviser shall prescribe.

“Proceedings” has the meaning provided in Condition 19(b).

“Reference Date” means, in relation to a Retroactive Adjustment, the date as of which the relevant Retroactive Adjustment takes effect or, in any such case, if that is not a dealing day, the next following dealing day.

“Relevant Currency” means euro or, if at the relevant time or for the purposes of the relevant calculation or determination, the BSE is not the Relevant Stock Exchange, the currency in which the Ordinary Shares are quoted or dealt in on the Relevant Stock Exchange at such time.

“Relevant Date” means, in respect of any Bond, whichever is the later of:

- (i) the date on which payment in respect of it first becomes due; and
- (ii) if any amount of the money payable is improperly withheld or refused the date on which payment in full of the amount outstanding is made or (if earlier) the date on which notice is duly given by the Issuer to the Bondholders in accordance with Condition 16 that, upon further presentation of the Bond, where required pursuant to these Conditions, being made, such payment will be made, provided that such payment is in fact made as provided in these Conditions.

“Relevant Debt” has the meaning provided in Condition 2.

“Relevant Page” means the relevant page on Bloomberg or such other information service provider that displays the relevant information.

“Relevant Stock Exchange” means the BSE or if at the relevant time the Ordinary Shares are not at that time listed and admitted to trading on the BSE, the principal stock exchange or securities market on which the Ordinary Shares are then listed, admitted to trading or quoted or accepted for dealing.

“Resolution” means a resolution passed at a Meeting, duly convened and held, by a majority of not less than three quarters of the votes cast.

“Retroactive Adjustment” has the meaning provided in Condition 5(c).

“Security Interest” has the meaning provided in Condition 2.

“Securities” means any securities including, without limitation, Ordinary Shares, or options, warrants or other rights to subscribe for or purchase or acquire Ordinary Shares.

“Shareholder Event Notice” has the meaning provided in Condition 6(b)(ii).

“Shareholder Event Notice Deadline” has the meaning provided in Condition 6(b)(ii).

“Shareholder Event Redemption Date” has the meaning provided in Condition 6(b)(ii).

“Shareholders” means the holders of Ordinary Shares.

“Specified Date” has the meanings provided in Conditions 5(b)(vii) and (viii), as applicable.

“Specified Office” means, in relation to the Paying and Conversion Agent, Avenue du Port, 2, 1080 Brussels, Belgium, or any other office approved by the Trustee and notified to Bondholders pursuant to Condition 16, Clause 10.1.11 of the Trust Deed and Clause 13.8 of the Paying and Conversion Agency Agreement.

“Spin-Off” means:

- (a) a distribution of Spin-Off Securities by the Issuer to Shareholders as a class; or
- (b) any issue, transfer or delivery of any property or assets (including cash or shares or securities of or in or issued or allotted by any entity) by any entity (other than the Issuer) to Shareholders as a class pursuant to any arrangements with the Issuer or any of its Subsidiaries.

“Spin-Off Securities” means equity share capital of an entity other than the Issuer or options, warrants or other rights to subscribe for or purchase equity share capital of an entity other than the Issuer.

“Subsidiary” means, at any particular time, a company or other entity which is then directly or indirectly controlled, or more than 50 per cent. of whose issued share capital (or equivalent) is then beneficially owned by the Issuer and/or one or more of its respective Subsidiaries. For this purpose, for a company to be **“controlled”** by another means that the other (whether directly or indirectly and whether by ownership of share capital, the possession of voting power, contract or otherwise) has the power to appoint and/or remove all or the majority of the members of the Board of Directors or other governing body of that company or otherwise controls or has the power to control the affairs and policies of that company.

“TARGET Business Day” means a day (other than a Saturday or Sunday) on which the TARGET System is operating for the settlement of payments in euro.

“**TARGET System**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) system, or any successor thereto.

“**Volume Weighted Average Price**” means, in respect of an Ordinary Share, Security or, as the case may be, a Spin-Off Security on any dealing day, the order book volume-weighted average price of an Ordinary Share, Security or, as the case may be, a Spin-Off Security published by or derived (in the case of an Ordinary Share) from Bloomberg page NYR.BB <equity> AQR or (in the case of a Security (other than Ordinary Shares) or Spin-Off Security) from the principal stock exchange or securities market on which such Securities or Spin-Off Securities are then listed or quoted or dealt in (if any) or, in any such case, such other source as shall be determined to be appropriate by an Independent Financial Adviser on such dealing day, provided that if on any such dealing day such price is not available or cannot otherwise be determined as provided above, the Volume Weighted Average Price of an Ordinary Share, Security or a Spin-Off Security, as the case may be, in respect of such dealing day shall be the Volume Weighted Average Price, determined as provided above, on the immediately preceding dealing day on which the same can be so determined or as an Independent Financial Adviser might otherwise determine in good faith to be appropriate.

“**X/N Clearing System**” has the meaning provided in Condition 1(a).

References to any act or statute or any provision of any act or statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment.

References to any issue or offer or grant to Shareholders or existing Shareholders “**as a class**” or “**by way of rights**” shall be taken to be references to an issue or offer or grant to all or substantially all Shareholders or existing Shareholders, as the case may be, other than Shareholders or existing Shareholders, as the case may be, to whom, by reason of the laws of any territory or requirements of any recognised regulatory body or any other stock exchange or securities market in any territory or in connection with fractional entitlements, it is determined not to make such issue or offer or grant.

In making any calculation or determination of Current Market Price or Volume Weighted Average Price, such adjustments (if any) shall be made as an Independent Financial Adviser considers appropriate to reflect any consolidation or sub-division of the Ordinary Shares or any issue of Ordinary Shares by way of capitalisation of profits or reserves, or any like or similar event.

For the purposes of Conditions 5(a), (b), (c), (h) and (i) and Condition 10 only, (a) references to the “**issue**” of Ordinary Shares or Ordinary Shares being “**issued**” shall include the transfer and/or delivery of Ordinary Shares, whether newly issued and allotted or previously existing or held by or on behalf of the Issuer or any of its Subsidiaries, and (b) Ordinary Shares held by or on behalf of the Issuer or any of its respective Subsidiaries (and which, in the case of Condition 5(b)(iv) and (vi), do not rank for the relevant right or other entitlement) shall not be considered as or treated as “**in issue**” or “**issued**” or entitled to receive the relevant Dividend, right or other entitlement.

4. Interest

(a) Interest Rate

The Bonds bear interest from (and including) the Closing Date at the rate of 4.25 per cent. per annum calculated by reference to the principal amount thereof and payable semi-annually in arrear in equal installments on 25 March and 25 September of each year (each an “**Interest Payment Date**”), commencing with the Interest Payment Date falling on 25 March 2014.

The amount of interest payable in respect of a Bond in respect of any period which is shorter than an Interest Period, shall be calculated on the basis of the actual number of days in the relevant

period, from and including the immediately preceding Interest Payment Date (or, in respect of the first Interest Period, the Closing Date) to but excluding the date on which it falls due, divided by the number of days in the Interest Period.

“Interest Period” means the period beginning on (and including) the Closing Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

(b) *Accrual of Interest*

Each Bond will cease to bear interest (i) where the Conversion Right shall have been exercised by a Bondholder, from the Interest Payment Date immediately preceding the relevant Conversion Date or, if none, the Closing Date (subject in any such case as provided in Condition 5(j)) or (ii) where such Bond is redeemed or repaid pursuant to Condition 6 or Condition 9, from the due date for redemption or repayment thereof unless, upon due presentation thereof, payment of the principal in respect of the Bond is improperly withheld or refused, in which event interest will continue to accrue at the rate specified in Condition 4(a) (both before and after judgment) until whichever is the earlier of (a) the day on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant holder, and (b) the day seven days after the Trustee or the Paying and Conversion Agent has notified Bondholders of receipt of all sums due in respect of all the Bonds up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

5. Conversion of Bonds

(a) *Conversion Period and Conversion Price*

Subject to and as provided in these Conditions, each Bond shall entitle the holder to convert such Bond into:

- (i) new and/or existing Ordinary Shares (credited as fully paid) (a **“Physical Settlement Conversion Right”**) in the event that an extraordinary general meeting of the Shareholders of the Issuer convened on or before the Long-stop Date (i) approves the increase of the share capital of the Issuer in an amount and for a duration sufficient for the purposes of converting the Bonds into new shares of the Issuer, (ii) cancels the preferential subscription rights of existing Shareholders for the purpose of the capital increase referred to under (i), and (iii) authorises the issue of new shares below the fractional value of the Ordinary Shares (the **“New Share Resolution”**); or
- (ii) the Cash Alternative Amount (a **“Cash Settlement Conversion Right”** and, together with a Physical Settlement Conversion Right, each a **“Conversion Right”**) in the event that (i) the New Share Resolution is not approved on or before the Long-stop Date, and (ii) the Issuer does not elect to redeem the Bonds in accordance with Condition 6(b)(ii).

If the New Share Resolution has been approved by the Shareholders in a general meeting of Shareholders on or before the Long-stop Date, the Issuer will deliver a notice (the **“Physical Settlement Notice”**) in accordance with the provisions of Condition 16 to notify the Bondholders of the approval of the New Share Resolution and to specify the Physical Settlement Date, which shall not be earlier than three (3) nor later than five (5) business days after the date on which the Physical Settlement Notice is sent. The Physical Settlement Notice will be published no later than five (5) business days following the date of such general meeting of Shareholders.

The number of Ordinary Shares to be issued or transferred and delivered on exercise of a Physical Settlement Conversion Right in respect of a Bond shall be determined by dividing the principal amount of such Bond to be converted by the conversion price (the “**Conversion Price**”) in effect on the relevant Conversion Date.

The initial Conversion Price is €4.9780 per Ordinary Share. The Conversion Price is subject to adjustment in the circumstances described in Condition 5(b).

For purposes of these Conditions, the “**Cash Alternative Amount**” in respect of each Bondholder exercising a Cash Settlement Conversion Right shall be based on the average of the daily Volume Weighted Average Price of the Ordinary Shares on each dealing day during the Cash Alternative Calculation Period, and shall be calculated in accordance with the following formula:

$$CAA = \sum_{n=1}^N \frac{1}{N} \times S \times P_n$$

where:

CAA is the Cash Alternative Amount in respect of each Bondholder exercising a Cash Settlement Conversion Right;

S is equal to (x) the principal amount of the Bond to be converted by such Bondholder divided by (y) the Conversion Price in effect on the relevant Conversion Date;

P_n is the Volume Weighted Average Price of an Ordinary Share on the nth dealing day of the Cash Alternative Calculation Period; and

N is 20, being the number of dealing days in the Cash Alternative Calculation Period,

provided that if any Dividend or other entitlement in respect of the Ordinary Shares is announced in circumstances where the record date or other due date for the establishment of entitlement in respect of such Dividend or other entitlement shall be on or after the relevant Conversion Date and if on such dealing day in the Cash Alternative Calculation Period the price determined as provided above is based on a price ex-Dividend or ex-any other entitlement, then such price shall be increased by an amount equal to the Fair Market Value of any such Dividend or other entitlement per Ordinary Share as at the date of the first public announcement of such Dividend or entitlement (or, if that is not a dealing day, the immediately preceding dealing day).

For purposes of these Conditions, the “**Cash Alternative Calculation Period**” is the period of twenty consecutive dealing days commencing on the second dealing day after the Conversion Date.

A Bondholder may exercise the Conversion Right in respect of a Bond by delivering such Bond, together with a Conversion Notice, to the Specified Office of the Paying and Conversion Agent in accordance with Condition 5(h).

Subject to and as provided in these Conditions, the Conversion Right in respect of a Bond may be exercised, at the option of the holder thereof, at any time subject to any applicable fiscal or other laws or regulations and as hereinafter provided, from (x) the Physical Settlement Date (for the exercise of the Physical Settlement Conversion Right), or (y) the Cash Settlement Date or, if earlier, following the date on which a Change of Control Notice is given (for the exercise of the Cash Settlement Conversion Right), to the close of business (at the place where the relevant Bond is delivered for conversion) on the date falling ten days prior to the Final Maturity Date (both days

inclusive) or, if such Bond is to be redeemed pursuant to Condition 6(b) prior to the Final Maturity Date, then up to (and including) the close of business (at the place aforesaid) on the seventh day before the date fixed for redemption thereof pursuant to Condition 6(b) unless there shall be a default in making payment in respect of such Bond on such date fixed for redemption, in which event the Conversion Right shall extend up to (and including) the close of business (at the place aforesaid) on the date on which the full amount of such payment becomes available for payment and notice of such availability has been duly given in accordance with Condition 16 or, if earlier, the Final Maturity Date or, if the Final Maturity Date is not a day which is a TARGET Business Day and a Brussels business day, the immediately preceding day which is a TARGET Business Day and a Brussels business day; provided that, in each case, if such final date for the exercise of Conversion Rights is not a business day at the place aforesaid, then the period for exercise of Conversion Rights by Bondholders shall end on the immediately preceding business day at the place aforesaid.

Conversion Rights may not be exercised (i) following the giving of notice by the Trustee pursuant to Condition 9 or (ii) in respect of a Bond in respect of which the relevant Bondholder has exercised its right to require the Issuer to redeem that Bond pursuant to Condition 6(d).

The period during which Conversion Rights may (subject as provided below) be exercised by a Bondholder is referred to as the “**Conversion Period**”.

Conversion Rights may only be exercised in respect of the whole of the principal amount of a Bond.

Fractions of Ordinary Shares will not be issued on conversion or pursuant to Condition 5(c). Rather, a cash payment shall be made by the Issuer in respect of any such fraction determined by reference to the Current Market Price per Ordinary Share on the relevant Conversion Date, and the Issuer shall make payment of the relevant amount to the relevant Bondholder not later than five TARGET Business Days following the relevant Conversion Date by transfer to a euro account maintained by the holder with a bank with access to the TARGET System, in accordance with instructions contained in the relevant Conversion Notice. However, if the Conversion Right in respect of more than one Bond is exercised at any one time such that Ordinary Shares are to be issued to the same person, the number of such Ordinary Shares to be issued in respect thereof shall be calculated on the basis of the aggregate principal amount of such Bonds being so converted (rounded down, if necessary, to the nearest whole number of Ordinary Shares).

The Issuer will procure that Ordinary Shares to be issued or delivered on exercise of Physical Settlement Conversion Rights (or the payment of the Cash Alternative Amount on exercise of Cash Settlement Conversion Rights) will be issued or delivered (or made) to the holder of the Bonds completing the relevant Conversion Notice or his nominee. Such Ordinary Shares will be deemed to be issued or delivered as of the relevant Conversion Date, to the extent permitted by law. Any Additional Ordinary Shares to be issued or transferred and delivered pursuant to Condition 5(c) will be deemed to be issued or delivered as of the relevant Reference Date.

The Ordinary Shares to be issued on exercise of Physical Settlement Conversion Rights, including any Additional Ordinary Shares to be issued pursuant to Condition 5(c), will be issued and delivered to the relevant Bondholder on or prior to the relevant Delivery Date (as defined, and as more particularly described, in Condition 5(h)).

Such Ordinary Shares or (as the case may be) Additional Ordinary Shares will in all respects rank *pari passu* with the fully paid Ordinary Shares in issue on the date on which the relevant Ordinary Shares or (as the case may be) Additional Ordinary Shares are issued, subject to and as provided in Condition 5(i).

(b) *Adjustment of Conversion Price*

Upon the happening of any of the events described below, the Conversion Price shall be adjusted as follows:

- (i) If and whenever there shall be a consolidation, reclassification or subdivision in relation to the Ordinary Shares, in each such case without increase or decrease of the Issuer's share capital, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such consolidation, reclassification or subdivision by the following fraction:

$$\frac{A}{B}$$

where:

- A is the aggregate number of Ordinary Shares in issue immediately before such consolidation, reclassification or subdivision, as the case may be; and
- B is the aggregate number of Ordinary Shares in issue immediately after, and as a result of, such consolidation, reclassification or subdivision, as the case may be.

Such adjustment shall become effective on the date the consolidation, reclassification or subdivision, as the case may be, takes effect.

- (ii) If and whenever the Issuer shall issue any Ordinary Shares credited as fully paid to the Shareholders by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve) other than (1) where any such Ordinary Shares are or are to be issued instead of the whole or part of a Dividend in cash which the Shareholders would or could otherwise have elected to receive or (2) where the Shareholders may elect to receive a Dividend in cash in lieu of such Ordinary Shares, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such issue by the following fraction:

$$\frac{A}{B}$$

where:

- A is the aggregate number of Ordinary Shares in issue immediately before such issue; and
- B is the aggregate number of Ordinary Shares in issue immediately after such issue. Such adjustment shall become effective on the date of issue of such Ordinary Shares.

- (iii) If and whenever the Issuer shall pay or make any Dividend to Shareholders, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to the Effective Date by the following fraction:

$$\frac{A - B}{A}$$

where:

- A is the Current Market Price of one Ordinary Share on the Effective Date; and
- B is the portion of the Fair Market Value of the aggregate Dividend attributable to one Ordinary Share, with such portion being determined by dividing the Fair Market Value of the aggregate Dividend by the number of Ordinary Shares entitled to receive the relevant Dividend (or, in the case of a purchase, redemption or buy back of Ordinary Shares or any depositary or other receipts or certificates representing Ordinary Shares by or on behalf of the Issuer or any Subsidiary of the Issuer, by the number of Ordinary Shares in issue immediately following such purchase, redemption or buy back, and treating as not being in issue any Ordinary Shares, or any Ordinary Shares represented by depositary or other receipts or certificates, purchased, redeemed or bought back.

Such adjustment shall become effective on the Effective Date or, if later, the first date upon which the Fair Market Value of the relevant Dividend is capable of being determined as provided herein.

“Effective Date” means, in respect of this sub-paragraph (b)(iii), the first date on which the Ordinary Shares are traded ex-the relevant Dividend on the Relevant Stock Exchange or, in the case of a purchase, redemption or buy back of Ordinary Shares or any depositary or other receipts or certificates representing Ordinary Shares, the date on which such purchase, redemption or buy back is made or, in the case of a Spin-Off, on the first date on which the Ordinary Shares are traded ex-the relevant Spin-Off on the Relevant Stock Exchange.

For the purposes of the above, Fair Market Value shall (subject as provided in paragraph (a) of the definition of “Dividend” and in the definition of “Fair Market Value”) be determined as at the Effective Date.

- (iv) If and whenever the Issuer shall issue Ordinary Shares to Shareholders as a class by way of rights, or shall issue or grant to Shareholders as a class by way of rights, any options, warrants or other rights to subscribe for or purchase new Ordinary Shares, or any Securities which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, any new Ordinary Shares issuable by the Issuer (or shall grant any such rights in respect of existing Securities so issued), in each case at a price per Ordinary Share which is less than 95 per cent. of the Current Market Price per Ordinary Share on the Effective Date, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such issue or grant by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Ordinary Shares in issue on the Effective Date;
- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares issued by way of rights, or for the Securities issued by way of rights, or for the options or warrants or other rights issued by way of rights and for the total number of Ordinary Shares deliverable on the exercise or conversion thereof, as the case may be, would purchase at such Current Market Price per Ordinary Share; and

- C is the number of Ordinary Shares to be issued or, as the case may be, the maximum number of Ordinary Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights or upon conversion or exchange or exercise of rights of subscription or purchase in respect of such Securities at the initial conversion, exchange, subscription or purchase price or rate (not taking into account any later adjustment thereof).

Such adjustment shall become effective on the Effective Date.

“Effective Date” means, in respect of this sub-paragraph (b)(iv), the first date on which the Ordinary Shares are traded ex-rights, ex-options or ex-warrants on the Relevant Stock Exchange.

It is expressly understood that any subsequent exercise of such options, warrants or rights into new Ordinary Shares, or the conversion into, exchange into or subscription for new Ordinary Shares shall not trigger an additional adjustment of the Conversion Price or other terms of the Bonds.

- (v) If and whenever the Issuer shall issue any Securities (other than Ordinary Shares or options, warrants or other rights to subscribe for or purchase any Ordinary Shares) to Shareholders as a class by way of rights or grant to Shareholders as a class by way of rights any options, warrants or other rights to subscribe for or purchase any Securities (other than Ordinary Shares or options, warrants or other rights to subscribe for or purchase Ordinary Shares), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such issue or grant by the following fraction:

$$\frac{A - B}{A}$$

where:

- A is the Current Market Price of one Ordinary Share on the first day on which the terms of such issue or grant are publicly announced (or, if that is not a dealing day, the immediately preceding dealing day); and
- B is the Fair Market Value on the date of such announcement (or, if that is not a dealing day, the immediately preceding dealing day) of the portion of the rights attributable to one Ordinary Share.

Such adjustment shall become effective on the first date on which the Ordinary Shares are traded ex-rights, ex-options or ex-warrants on the Relevant Stock Exchange.

- (vi) If and whenever the Issuer shall issue (otherwise than as mentioned in sub-paragraph (b)(iv) above) wholly for cash or for no consideration any Ordinary Shares (other than Ordinary Shares issued on conversion of the Bonds or on the exercise of any rights of conversion into, or exchange or subscription for or purchase of, Ordinary Shares) or issue or grant (otherwise than as mentioned in sub-paragraph (b)(iv) above) wholly for cash or for no consideration any options, warrants or other rights to subscribe for or purchase any new Ordinary Shares (other than the Bonds, which term shall for this purpose include any Further Bonds), in each case at a price per Ordinary Share which is less than 95 per cent. of the Current Market Price per Ordinary Share on the date of the first public announcement of the terms of such issue or grant, the Conversion Price shall be adjusted

by multiplying the Conversion Price in force immediately prior to such issue or grant by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Ordinary Shares in issue immediately before the issue of such Ordinary Shares or the grant of such options, warrants or rights;
- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the issue of such Ordinary Shares or, as the case may be, for the Ordinary Shares to be issued or otherwise made available upon the exercise of any such options, warrants or rights, would purchase at such Current Market Price per Ordinary Share; and
- C is the number of Ordinary Shares to be issued pursuant to such issue of such Ordinary Shares or, as the case may be, the maximum number of Ordinary Shares which may be issued upon exercise of such options, warrants or rights calculated as at the date of issue of such options, warrants or rights.

Such adjustment shall become effective on the date of issue of such Ordinary Shares or, as the case may be, the issue or grant of such options, warrants or rights.

It is expressly understood that any subsequent exercise, conversion or exchange of such options, warrants or rights into Ordinary Shares shall not trigger an additional adjustment of the Conversion Price or other terms of the Bonds.

- (vii) If and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request of or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity (otherwise than as mentioned in sub-paragraphs (b)(iv), (b)(v) or (b)(vi) above) shall issue wholly for cash or for no consideration any Securities (other than the Bonds which term shall for this purpose exclude any Further Bonds) which by their terms of issue carry (directly or indirectly) rights of conversion into, or exchange or subscription for, new Ordinary Shares (or shall grant any such rights in respect of existing Securities so issued) or Securities which by their terms might be redesignated as Ordinary Shares, and the consideration per Ordinary Share receivable upon conversion, exchange, subscription or redesignation is less than 95 per cent. of the Current Market Price per Ordinary Share on the date of the first public announcement of the terms of issue of such Securities (or the terms of such grant) (or, if that is not a dealing day, the immediately preceding dealing day), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such issue or grant by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Ordinary Shares in issue immediately before such issue or grant (but where the relevant Securities carry rights of conversion into or rights of exchange or subscription for Ordinary Shares which have been issued, purchased or acquired by the Issuer or any Subsidiary of the Issuer (or at the direction or request of or pursuant to any arrangements with the Issuer or any

Subsidiary of the Issuer) for the purposes of or in connection with such issue, less the number of such Ordinary Shares so issued, purchased or acquired);

- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares to be issued or otherwise made available upon conversion or exchange or upon exercise of the right of subscription attached to such Securities or, as the case may be, for the Ordinary Shares to be issued or to arise from any such redesignation would purchase at such Current Market Price per Ordinary Share; and
- C is the maximum number of Ordinary Shares to be issued or otherwise made available upon conversion or exchange of such Securities or upon the exercise of such right of subscription attached thereto at the initial conversion, exchange or subscription price or rate or, as the case may be, the maximum number of Ordinary Shares which may be issued or arise from any such redesignation;

provided that if at the time of issue of the relevant Securities or date of grant of such rights (as used in this sub-paragraph (b)(vii), the "Specified Date") such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such Securities are converted or exchanged or rights of subscription are exercised or, as the case may be, such Securities are redesignated or at such other time as may be provided), then for the purposes of this sub-paragraph (b)(vii), "C" shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase or acquisition or, as the case may be, redesignation had taken place on the Specified Date.

Such adjustment shall become effective on the date of issue of such Securities or, as the case may be, the grant of such rights.

It is expressly understood that any subsequent exercise, conversion or exchange of such Securities into Ordinary Shares, or redesignation of such Securities into Ordinary Shares, shall not trigger an additional adjustment of the Conversion Price or other terms of the Bonds.

- (viii) If and whenever there shall be any modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to any such Securities (other than the Bonds, which term shall for this purpose include any Further Bonds) as are mentioned in sub-paragraph (b)(vii) above (other than in accordance with the terms (including terms as to adjustment) applicable to such Securities upon issue) so that following such modification the consideration per Ordinary Share receivable has been reduced and is less than 95 per cent. of the Current Market Price per Ordinary Share on the date of the first public announcement of the proposals for such modification, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately prior to such modification by the following fraction:

$$\frac{A + B}{A + C}$$

where:

- A is the number of Ordinary Shares in issue immediately before such modification (but where the relevant Securities carry rights of conversion into or rights of exchange or subscription for, or purchase or acquisition of, Ordinary Shares

which have been issued, purchased or acquired by the Issuer or any Subsidiary of the Issuer (or at the direction or request of or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) for the purposes of or in connection with such issue, less the number of such Ordinary Shares so issued, purchased or acquired);

- B is the number of Ordinary Shares which the aggregate consideration (if any) receivable for the Ordinary Shares to be issued or otherwise made available upon conversion or exchange or upon exercise of the right of subscription, purchase or acquisition attached to the Securities so modified would purchase at such Current Market Price per Ordinary Share or, if lower, the existing conversion, exchange, subscription, purchase or acquisition price or rate of such Securities; and
- C is the maximum number of Ordinary Shares which may be issued or otherwise made available upon conversion or exchange of such Securities or upon the exercise of such rights of subscription, purchase or acquisition attached thereto at the so modified conversion, exchange, subscription, purchase or acquisition price or rate but giving credit in such manner as an Independent Financial Adviser shall consider appropriate for any previous adjustment under this subparagraph (b)(viii) or subparagraph (b)(vii) above;

provided that if at the time of such modification (as used in this sub-paragraph (b)(viii), the “Specified Date”) such number of Ordinary Shares is to be determined by reference to the application of a formula or other variable feature or the occurrence of any event at some subsequent time (which may be when such Securities are converted or exchanged or rights of subscription, purchase or acquisition are exercised or at such other time as may be provided), then for the purposes of this sub-paragraph (b)(viii), “C” shall be determined by the application of such formula or variable feature or as if the relevant event occurs or had occurred as at the Specified Date and as if such conversion, exchange, subscription, purchase or acquisition had taken place on the Specified Date.

Such adjustment shall become effective on the date of modification of the rights of conversion, exchange, subscription, purchase or acquisition attaching to such Securities.

It is expressly understood that any subsequent exercise, conversion or exchange of such Securities into Ordinary Shares, or redesignation of such Securities into Ordinary Shares, shall not trigger an additional adjustment of the Conversion Price or other terms of the Bonds.

- (ix) If and whenever the Issuer or any Subsidiary of the Issuer or (at the direction or request of or pursuant to any arrangements with the Issuer or any Subsidiary of the Issuer) any other company, person or entity shall offer any Securities in connection with which Shareholders as a class are entitled to participate in arrangements whereby such Securities may be acquired by them (except where the Conversion Price falls to be adjusted under sub-paragraphs (b)(ii), (b)(iii), (b)(iv), (b)(vi) or (b)(vii) above or (b)(x) below (or would fall to be so adjusted if the relevant issue or grant was at less than 95 per cent. of the Current Market Price per Ordinary Share on the relevant dealing day) or under sub-paragraph (b)(v) above), the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the making of such offer by the following fraction:

$$\frac{A - B}{A}$$

where:

- A is the Current Market Price of one Ordinary Share on the date on which the terms of such offer are first publicly announced (or, if that is not a dealing day, the immediately preceding dealing day); and
- B is the Fair Market Value on the date of such announcement (or, if that is not a dealing day, the immediately preceding dealing day) of the portion of the relevant offer attributable to one Ordinary Share.

Such adjustment shall become effective on the first date on which the Ordinary Shares are traded ex-rights on the Relevant Stock Exchange.

- (x) If a Change of Control shall occur at any time after the Change of Control Resolutions have been approved by the Shareholders in a general meeting of Shareholders, then upon any exercise of Conversion Rights during the Change of Control Period, the Conversion Price (the “**Change of Control Conversion Price**”) shall be determined as follows:

$$\text{CoCCP} = \frac{\text{CP}}{(1 + (\text{IP} \times c/t))}$$

where:

- CoCCP is the Conversion Price in effect during the Change of Control Period;
- CP is the Conversion Price in effect immediately prior to the Change of Control Period;
- IP is issuance premium of each Bond over the reference price of the Ordinary Share used to determine the terms of the Bonds (i.e., 35.0%), expressed as a fraction;
- c is the number of days from and including the date the Change of Control occurs to but excluding the Final Maturity Date; and
- t is the number of days from and including the Closing Date to but excluding the Final Maturity date (i.e., 1,826 days).

- (xi) If the Issuer determines that an adjustment should be made to the Conversion Price as a result of one or more circumstances not referred to above in this Condition 5(b) (even if the relevant circumstance is specifically excluded from the operation of subparagraphs 5(b)(i) to 5(b)(x)), the Issuer shall, at its own expense and acting reasonably, request an Independent Financial Adviser to determine as soon as practicable what adjustment (if any) to the Conversion Price is fair and reasonable to take account thereof and the date on which such adjustment (if any) should take effect and upon such determination such adjustment (if any) shall be made and shall take effect in accordance with such determination, provided that an adjustment shall only be made pursuant to this subparagraph 5(b)(xi) if such Independent Financial Adviser is so requested to make such a determination not more than 21 days after the date on which the relevant circumstance arises and if the adjustment would result in a reduction of the Conversion Price.

Notwithstanding the foregoing provisions:

- (a) where the events or circumstances giving rise to any adjustment pursuant to this Condition 5(b) have already resulted or will result in an adjustment to the Conversion

Price or where the events or circumstances giving rise to any adjustment arise by virtue of any other events or circumstances which have already given or will give rise to an adjustment to the Conversion Price or where more than one event which gives rise to an adjustment to the Conversion Price occurs within such a short period of time that, in the reasonable opinion of the Issuer, a modification to the operation of the adjustment provisions is required to give the intended result, such modification shall be made to the operation of the adjustment provisions as may be advised by an Independent Financial Adviser to be in its opinion appropriate to give the intended result; and

- (b) such modification shall be made to the operation of these Conditions as may be advised by an Independent Financial Adviser to be in its opinion appropriate (i) to ensure that an adjustment to the Conversion Price or the economic effect thereof shall not be taken into account more than once and (ii) to ensure that the economic effect of a Dividend is not taken into account more than once.

For the purpose of any calculation of the consideration receivable or price pursuant to sub-paragraphs (b)(iv), (b)(vi), (b)(vii) and (b)(viii), the following provisions shall apply:

- (a) the aggregate consideration receivable or price for Ordinary Shares issued for cash shall be the amount of such cash;
- (b) (x) the aggregate consideration receivable or price for Ordinary Shares to be issued or otherwise made available upon the conversion or exchange of any Securities shall be deemed to be the consideration or price received or receivable for any such Securities (on one or more occasions) and (y) the aggregate consideration receivable or price for Ordinary Shares to be issued or otherwise made available upon the exercise of rights of subscription attached to any Securities or upon the exercise of any options, warrants or rights shall be deemed to be that part (which may be the whole) of the consideration or price received or receivable for such Securities or, as the case may be, for such options, warrants or rights which are attributed by the Issuer to such rights of subscription or, as the case may be, such options, warrants or rights or, if no part of such consideration or price is so attributed, the Fair Market Value of such rights of subscription or, as the case may be, such options, warrants or rights as at the date of the first public announcement of the terms of issue of such Securities or, as the case may be, such options, warrants or rights, plus in the case of each of (x) and (y) above, the additional consideration receivable or price (if any) upon the conversion or exchange of such Securities, or upon the exercise of such rights or subscription attached thereto or, as the case may be, upon exercise of such options, warrants or rights and (z) the consideration receivable or price per Ordinary Share upon the conversion or exchange of, or upon the exercise of such rights of subscription attached to, such Securities or, as the case may be, upon the exercise of such options, warrants or rights shall be the aggregate consideration or price referred to in (x) or (y) above (as the case may be) divided by the number of Ordinary Shares to be issued upon such conversion or exchange or exercise at the initial conversion, exchange or subscription price or rate;
- (c) if the consideration or price determined pursuant to (a) or (b) above (or any component thereof) shall be expressed in a currency other than the Relevant Currency, it shall be converted into the Relevant Currency at the Prevailing Rate on the date of the first public announcement of the terms of issue of such Ordinary Shares or, as the case may be, Securities;
- (d) in determining the consideration or price pursuant to the above, no deduction shall be made for any commissions or fees (howsoever described) or any expenses paid or incurred for any underwriting, placing or management of the issue of the relevant Ordinary Shares or Securities or options, warrants or rights, or otherwise in connection therewith; and

- (e) the consideration or price shall be determined as provided above on the basis of the consideration or price received, receivable, paid or payable regardless of whether all or part thereof is received, receivable, paid or payable by or to the Issuer or another entity.

(c) *Retroactive Adjustments*

If the Conversion Date in relation to the conversion of any Bond shall be after the record date in respect of any consolidation, reclassification or sub-division as is mentioned in Condition 5(b)(i), or after the record date or other due date for the establishment of entitlement for any such issue, distribution, grant or offer (as the case may be) as is mentioned in Condition 5(b)(ii), (iii), (iv), (v) or (ix), or after the date of the first public announcement of the terms of any such issue or grant as is mentioned in Condition 5(b)(vi) and (vii) or of the terms of any such modification as is mentioned in Condition 5(b)(viii), but before the relevant adjustment to the Conversion Price becomes effective under Condition 5(b), and the relevant record date, other due date or date of first public announcement, as the case may be, precedes the Delivery Date or the date on which payment of the Cash Alternative Amount is made (such adjustment, a “**Retroactive Adjustment**”), then (i) in the event of an exercise of a Physical Settlement Conversion Right, the Issuer shall (conditional upon the relevant adjustment becoming effective) procure that there shall be issued or transferred and delivered to the converting Bondholder, in accordance with the instructions contained in the Conversion Notice, such additional number of Ordinary Shares (if any) (the “**Additional Ordinary Shares**”) as, together with the Ordinary Shares issued or to be transferred and delivered on conversion of the relevant Bonds, is equal to the number of Ordinary Shares which would have been required to be issued or delivered on conversion of such Bond if the relevant adjustment to the Conversion Price had been made and become effective immediately prior to the relevant Conversion Date, or (ii) in the event of an exercise of a Cash Settlement Conversion Right, the amount of the Cash Alternative Amount shall (conditional upon the relevant adjustment becoming effective) be calculated after making the relevant adjustment to the Conversion Price had it been made and become effective immediately prior to the relevant Conversion Date.

(d) *Decision of an Independent Financial Adviser*

If any doubt shall arise as to whether an adjustment falls to be made to the Conversion Price or as to the appropriate adjustment to the Conversion Price, and following consultation between the Issuer and an Independent Financial Adviser, a written opinion of such Independent Financial Adviser in respect thereof shall be conclusive and binding on the Issuer, the Bondholders and the Trustee, save in the case of manifest error.

(e) *Outstanding Convertible Bonds; Share or Option Schemes*

No adjustment will be made to the Conversion Price (i) where Ordinary Shares are issued or granted to holders of the Outstanding Convertible Bonds as a result of the conversion of such bonds, and (ii) where Ordinary Shares or other Securities (including rights, warrants and options) are issued, offered, exercised, allotted, appropriated, modified or granted to, or for the benefit of, employees, former employees, independent service providers providing services on a more than halftime basis, or former independent service providers providing services on a more than halftime basis (including directors holding or formerly holding executive office or the personal service company of any such person) or their spouses or relatives, in each case, of the Issuer or any of its Subsidiaries or any associated company or to a trustee or trustees to be held for the benefit of any such person, in any such case pursuant to any share or option scheme.

(f) *Rounding Down and Notice of Adjustment to the Conversion Price*

On any adjustment, the resultant Conversion Price, if not an integral multiple of €0.01, shall be rounded down to the nearest whole multiple of €0.01. No adjustment shall be made to the Conversion Price where such adjustment (rounded down if applicable) would be less than one per

cent. of the Conversion Price then in effect. Any adjustment not required to be made and/or any amount by which the Conversion Price has been rounded down, shall be carried forward and taken into account in any subsequent adjustment, and such subsequent adjustment shall be made on the basis that the adjustment not required to be made had been made at the relevant time and/or, as the case may be, that the relevant rounding down had not been made.

Notice of any adjustments to the Conversion Price shall be given by the Issuer to Bondholders in accordance with Condition 16 and to the Trustee promptly after the determination thereof.

The Conversion Price shall not in any event be reduced to below the minimum level permitted by Belgian law (if any), and the Issuer undertakes that it shall not take any action, and shall procure that no action is taken, that would otherwise result in an adjustment to the Conversion Price to below such minimum level.

(g) *Change of Control*

Within 14 calendar days following the occurrence of a Change of Control, the Issuer shall give notice thereof to the Trustee and to the Bondholders in accordance with Condition 16 (a "**Change of Control Notice**"). The Change of Control Notice shall contain a statement informing Bondholders of their entitlement to exercise their Conversion Rights as provided in these Conditions and their entitlement to exercise their rights to require redemption of their Bonds pursuant to (and subject to the conditions set out in) Condition 6(e).

The Change of Control Notice shall also specify:

- (i) to the fullest extent permitted by applicable law, all information material to Bondholders concerning the Change of Control;
- (ii) the Conversion Price immediately prior to the occurrence of the Change of Control and the Conversion Price applicable pursuant to Condition 5(b)(x) during the Change of Control Period on the basis of the Conversion Price in effect immediately prior to the occurrence of the Change of Control;
- (iii) the closing price of the Ordinary Shares as derived from the Relevant Stock Exchange as at the latest practicable date prior to the publication of the Change of Control Notice;
- (iv) the last day of the Change of Control Period;
- (v) the Change of Control Put Date; and
- (vi) such other information relating to the Change of Control as the Trustee may require.

The Trustee shall not be required to monitor or take any steps to ascertain whether a Change of Control or any event which could lead to a Change of Control has occurred or may occur (and, unless notified in writing to the contrary, shall be entitled to assume that no Change of Control or any event which could lead to a Change of Control has occurred) and will not be responsible or liable to Bondholders or any other person for any loss arising from any failure by it to do so.

(h) *Procedure for exercise of Conversion Rights*

Conversion Rights may be exercised by a Bondholder during the Conversion Period by delivering the relevant Bond to the Specified Office of the Paying and Conversion Agent, during its usual business hours, accompanied by a duly completed and signed notice of conversion (a "**Conversion Notice**") in the form (for the time being current) obtainable from the Paying and Conversion Agent. Conversion Rights shall be exercised subject in each case to any applicable

fiscal or other laws or regulations applicable in the jurisdiction in which the Specified Office of the Paying and Conversion Agent is located.

If such delivery is made after the end of normal business hours or on a day which is not a business day in the place of the Specified Office of the Paying and Conversion Agent, such delivery shall be deemed for all purposes of these Conditions to have been made on the next following such business day.

Any determination as to whether a Conversion Notice has been duly completed and properly delivered shall be made by the Paying and Conversion Agent and shall, save in the case of manifest error, be conclusive and binding on the Issuer, the Trustee, the Paying and Conversion Agent and the relevant Bondholder.

A Conversion Notice, once delivered, shall be irrevocable.

The conversion date in respect of a Bond (the “**Conversion Date**”) shall be the business day in Brussels immediately following the date of the delivery of the relevant Bond and the Conversion Notice as provided in this Condition 5(h) and, if applicable, the making of any payment to be made as provided below.

Each Bond should be delivered upon exercise of Conversion Rights together with all Coupons relating to it which mature on or after the relevant Conversion Date, failing which the relevant holder will be required to pay the full amount of any such missing Coupon. Each amount so paid will be repaid in the manner specified in Condition 7 against presentation and surrender (or, in the case of partial payment only, endorsement) of the relevant missing Coupon at any time after the relevant Conversion Date and before the expiry of 10 years after the Relevant Date in respect of the relevant Bond (whether or not a Coupon would otherwise have become void pursuant to Condition 11), but not thereafter.

A Bondholder exercising Conversion Rights must pay directly to the relevant authorities any taxes and capital, stamp, issue and registration and transfer taxes and duties arising on conversion (other than, in the event of the exercise of Physical Settlement Conversion Rights, any taxes or capital, stamp, issue and registration and transfer taxes and duties payable in Belgium in respect of the allotment and issue of any Ordinary Shares on such conversion or in respect of the transfer and delivery of any Ordinary Shares on such conversion (including any Additional Ordinary Shares), which shall be paid by the Issuer).

Such Bondholder must also pay all (if any) taxes imposed on it and arising by reference to any disposal or deemed disposal of a Bond or interest therein in connection with the exercise of Conversion Rights by it. The Trustee shall not be responsible for determining whether such taxes or capital, stamp, issue and registration and transfer taxes and duties are payable or the amount thereof and it shall not be responsible or liable for any failure by the Issuer to pay such taxes or capital, stamp, issue and registration and transfer taxes and duties payable in Belgium as referred to above.

Following delivery of a duly completed Conversion Notice in the event the Bondholder is exercising a Physical Settlement Conversion Right, the Issuer shall on or prior to the Delivery Date:

- (i) cause the issue and use all reasonable endeavours to ensure the admission to trading on the Relevant Stock Exchange of the Ordinary Shares to be issued and delivered in satisfaction of the relevant Physical Settlement Conversion Right; and
- (ii) procure that all such Ordinary Shares to be delivered in satisfaction of the relevant Physical Settlement Conversion Right be credited to such account of the relevant

Bondholder(s) held at any of Euroclear Belgium, Euroclear or Clearstream, as is specified in the relevant Conversion Notice.

For the purposes of the previous paragraph, “**Delivery Date**” means:

- (i) if the Conversion Date or, as the case may be, the Reference Date occurs on or prior to the fifteenth calendar day in any month during the Conversion Period, the last calendar day in such month; or
- (ii) if the Conversion Date or, as the case may be, the Reference Date occurs after the fifteenth calendar day in any month during the Conversion Period, the last calendar day in the next following month.

Following delivery of a duly completed Conversion Notice in the event the Bondholder is exercising a Cash Settlement Conversion Right, the Issuer shall cause the payment to be made to the Bondholder of such Cash Alternative Amount on or before the fifth Brussels business day following the Cash Alternative Calculation Period.

(i) *Ordinary Shares*

- (i) Ordinary Shares issued or transferred and delivered on exercise of Conversion Rights will be fully paid and will in all respects rank *pari passu* with the fully paid Ordinary Shares in issue on the Conversion Date or, in the case of Additional Ordinary Shares, on the relevant Reference Date, except in any such case for any right excluded by mandatory provisions of applicable law, and the relevant holders shall accordingly be entitled to all rights, distributions and payments in respect of which the relevant record date or other due date for the establishment of entitlement for which falls on or after such date of issue or transfer and delivery, whether in accordance with Condition 5(c) in the event that such relevant record date or other due date precedes the Delivery Date or otherwise. Ordinary Shares or, as the case may be, Additional Ordinary Shares will not rank for (or, as the case may be, the relevant holder shall not be entitled to receive) any rights, distributions or payments the record date or other due date for the establishment of entitlement for which falls prior to the relevant Conversion Date or, as the case may be, the relevant Reference Date.
- (ii) Save as provided in Condition 5(j), no payment or adjustment shall be made on exercise of Conversion Rights for any interest which otherwise would have accrued on the relevant Bonds since the last Interest Payment Date preceding the Conversion Date relating to such Bonds (or, if such Conversion Date falls before the first Interest Payment Date, since the Closing Date).

(j) *Interest on Conversion*

If any notice requiring the redemption of the Bonds is given pursuant to Condition 6(b) on or after the fifteenth Brussels business day prior to a record date in respect of any Dividend or distribution payable in respect of the Ordinary Shares which has occurred since the last Interest Payment Date (or in the case of the first Interest Period, since the Closing Date) where such notice specifies a date for redemption falling on or prior to the date which is 14 days after the Interest Payment Date next following such record date, interest shall accrue at the rate provided in Condition 4(a) on Bonds in respect of which Conversion Rights shall have been exercised and in respect of which the Conversion Date falls after such record date and on or prior to the Interest Payment Date next following such record date in respect of such Dividend or distribution, in each case from and including the preceding Interest Payment Date (or, if such Conversion Date falls before the first Interest Payment Date, from the Closing Date) to but excluding such Conversion Date. The Issuer shall pay any such interest by not later than 14 days after the relevant Conversion Date by transfer

to a euro account maintained with a bank in a city with access to the TARGET System in accordance with instructions given by the relevant Bondholder in the relevant Conversion Notice.

(k) *Purchase or Redemption of Ordinary Shares*

The Issuer or any Subsidiary of the Issuer may exercise such rights as it may from time to time enjoy to purchase or redeem or buy back any shares of the Issuer (including Ordinary Shares) or any depositary or other receipts or certificates representing the same without the consent of the Bondholders or the Couponholders.

(l) *No Duty to Monitor*

The Trustee shall not be under any duty to monitor whether any event or circumstance has happened or exists which may require an adjustment to be made to the Conversion Price or as to the amount of any adjustment actually made (and, unless notified in writing to the contrary, shall be entitled to assume that no such event or circumstance has happened) and will not be responsible or liable to the Bondholders or any other person for any loss arising from any failure by it to do so.

(m) *Consolidation, Amalgamation or Merger*

In the case of any consolidation, amalgamation or merger of the Issuer with any other corporation (other than a consolidation, amalgamation or merger in which the Issuer is the continuing corporation), or in the case of any sale or transfer of all, or substantially all, of the assets of the Issuer, the Issuer will forthwith give notice thereof to the Trustee and to the Bondholders in accordance with Condition 16 of such event and take such steps as shall be required by the Trustee to ensure that each Bond then outstanding will be convertible into the class and amount of shares and other securities and property receivable upon such consolidation, amalgamation, merger, sale or transfer by a holder of the number of Ordinary Shares which would have become liable to be issued or transferred and delivered upon exercise of Conversion Rights immediately prior to such consolidation, amalgamation, merger, sale or transfer. The above provisions of this Condition 5(m) will apply, *mutatis mutandis* to any subsequent consolidations, amalgamations, mergers, sales of transfers.

6. Redemption and Purchase

(a) *Final Redemption*

Unless previously purchased and cancelled, redeemed or converted as herein provided, the Bonds will be redeemed at their principal amount on the Final Maturity Date. The Bonds may only be redeemed prior to the Final Maturity Date in accordance with Condition 6(b)), Condition 6(d) or Condition 6(e).

(b) *Redemption at the Option of the Issuer*

(i) On giving not less than 45 nor more than 60 days' notice (an "**Optional Redemption Notice**") to the Trustee, the Paying and Conversion Agent and to the Bondholders in accordance with Condition 16, the Issuer may redeem all but not some only of the Bonds on the date (the "**Optional Redemption Date**") specified in the Optional Redemption Notice at their principal amount, together with accrued but unpaid interest to such date:

(a) at any time on or after 16 October 2016, if on each of not less than 20 dealing days during any period of 30 consecutive dealing days ending not earlier than the fifth dealing day prior to the giving of the relevant Optional Redemption Notice, the Volume Weighted Average Price of an Ordinary Share exceeds 130 per cent.

of the Conversion Price in effect (or deemed to be in effect) on each such respective dealing day; or

- (b) at any time if prior to the date the relevant Optional Redemption Notice is given, Conversion Rights shall have been exercised and/or purchases (and corresponding cancellations) and/or redemptions effected in respect of 85 per cent. or more in principal amount of the Bonds originally issued (which shall for this purpose include any Further Bonds).

For the purposes of Condition 6(b)(i), if on any dealing day in such 30 dealing day period the Volume Weighted Average Price on such dealing day shall have been quoted cum-Dividend (or cum-any other entitlement), the Volume Weighted Average Price of an Ordinary Share on such dealing day shall be deemed to be the amount thereof reduced by an amount equal to the Fair Market Value of any such Dividend or entitlement per Ordinary Share as at the date (or, if that is not a dealing day, the immediately preceding dealing day) of first public announcement of such Dividend (or entitlement).

- (ii) If the New Share Resolution has not been approved on or before the Long-stop Date, the Issuer shall have the right, but not the obligation, to redeem all, but not some, of the Bonds, on the Shareholder Event Redemption Date at the greater of (x) 102 per cent. of the principal amount of the Bonds, together with accrued but unpaid interest up to (but excluding) the Shareholder Event Redemption Date, and (y) 102 per cent. of the Fair Bond Value of the Bonds, together with accrued but unpaid interest up to (but excluding) the Shareholder Event Redemption Date. To exercise such right, the Issuer must deliver a notice (a "**Shareholder Event Notice**") in accordance with Condition 16 to notify the Bondholders of the redemption of the Bonds. Any Shareholders Event Notice will be published no later than the tenth dealing day (inclusive) after the Long-stop Date (the "**Shareholder Event Notice Deadline**").

The "**Optional Redemption Calculation Period**" means the period of five (5) consecutive dealing days commencing on the day following the date of the Shareholder Event Notice.

The "**Shareholder Event Redemption Date**" means the third dealing day after the end of the Optional Redemption Calculation Period.

(c) *Optional Redemption Notice and Shareholder Event Notice*

Any Optional Redemption Notice or Shareholder Event Notice shall be irrevocable. Any such notice shall specify (i) the Optional Redemption Date or the Shareholder Event Redemption Date, as applicable, which shall be a day which is a TARGET Business Day and a Brussels business day, (ii) the aggregate principal amount of the Bonds outstanding and the closing price of the Ordinary Shares as derived from the Relevant Stock Exchange, in each case as at the latest practicable date prior to the publication of the Optional Redemption Notice or the Shareholder Event Notice, as applicable, (iii) the last day on which Conversion Rights may be exercised by Bondholders, which, with respect to the Optional Redemption Notice, shall not be less than one month after the date of the Optional Redemption Notice, and (iv) the amount of accrued interest payable on the Optional Redemption Date or the Shareholder Event Redemption Date.

(d) *Early Redemption*

If the Change of Control Resolutions have not been approved and duly filed with the Clerk of the Commercial Court of Turnhout on or before the Long-stop Date, the Issuer shall redeem all, but not some, of the Bonds, on the date which is the 45th business day after the Long-stop Date (the "**Early Redemption Date**") at the greater of (x) 102 per cent. of the principal amount of the

Bonds, together with accrued but unpaid interest up to (but excluding) the Early Redemption Date, and (y) 102 per cent. of the Fair Bond Value of the Bonds, together with accrued but unpaid interest up to (but excluding) the Early Redemption Date. The Issuer will deliver a notice (an “**Early Redemption Notice**”) in accordance with Condition 16 to notify the Bondholders of the redemption of the Bonds. The Early Redemption Notice will be published no later than the third dealing day (inclusive) after the Long-stop Date.

The “**Early Redemption Calculation Period**” means the period of five (5) consecutive dealing days commencing on the dealing day following the Long-stop Date.

The Trustee shall not be required to monitor or take any steps to ascertain whether the Change of Control Resolutions have been approved and duly filed with the Clerk of the Commercial Court of Turnhout (and, unless notified in writing to the contrary, shall be entitled to assume that the Change of Control Resolutions will be approved and duly filed with the Clerk of the Commercial Court of Turnhout) and will not be responsible or liable to Bondholders or any other person for any loss arising from any failure by it to do so.

(e) *Redemption at the Option of Bondholders Upon a Change of Control*

Following the occurrence of a Change of Control, the holder of each Bond will have the right to require the Issuer to redeem that Bond on the Change of Control Put Date at its principal amount, together with accrued and unpaid interest to such date. To exercise such right, the holder of the relevant Bond must deliver such Bond together with, subject to Condition 7(c), all Coupons relating to it which mature after the Change of Control Put Date to the Specified Office of the Paying and Conversion Agent, together with a duly completed and signed notice of exercise in the form (for the time being current) obtainable from the Specified Office of the Paying and Conversion Agent (a “**Change of Control Put Exercise Notice**”), at any time during the Change of Control Period. The “**Change of Control Put Date**” shall be the fourteenth calendar day after the expiry of the Change of Control Period.

Payment in respect of any such Bond shall be made by transfer to a euro account maintained with a bank in a city with access to the TARGET System as specified by the relevant Bondholder in the relevant Change of Control Put Exercise Notice.

A Change of Control Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem all Bonds that are the subject of Change of Control Put Exercise Notices delivered as aforesaid on the Change of Control Put Date.

Bondholders should note that Belgian law in effect as at the date of the issuance of the Bonds requires that, where any person makes a public takeover bid on the shares of a Belgian listed company, such person shall also make an offer to (among others) holders of convertible bonds in the relevant company.

Bondholders should note that the exercise by any of them of the option set out in Condition 6(e) or any ability to exercise Conversion Rights at a Conversion Price determined in accordance with Condition 5(b)(x) will only be effective under Belgian law if, prior to the earliest of (a) the Issuer being notified by the Belgian Financial Services and Markets Authority of a formal filing of a proposed offer to the Shareholders of the Issuer or (b) the occurrence of the Change of Control, (i) the Change of Control Resolutions have been approved by the Shareholders of the Issuer in a general meeting of Shareholders and (ii) the Change of Control Resolutions have been filed with the Clerk of the Commercial Court of Turnhout (greffe du tribunal de commerce/griffie van de rechtbank van koophandel). The Issuer has undertaken pursuant to Condition 10(k) to use all reasonable endeavours to procure that the Change of Control Resolutions be passed at the general meeting of Shareholders of the Issuer, and to file a copy of such resolutions as aforesaid immediately thereafter. If a Change of Control occurs prior to such approval and filing,

Bondholders may not be entitled to exercise the option set out in Condition 6(e). There can be no assurance that such approval will be granted at such meeting.

(f) *Purchase*

Subject to the requirements (if any) of any stock exchange on which the Bonds may be admitted to listing and trading at the relevant time and subject to compliance with applicable laws and regulations, the Issuer or any Subsidiary of the Issuer may at any time purchase any Bonds (provided that all unmatured Coupons relating to them are purchased therewith or attached thereto) in the open market or otherwise at any price. Bonds purchased by the Issuer or any of its Subsidiaries shall be surrendered to the Paying and Conversion Agent for cancellation and, if so surrendered, shall be cancelled forthwith and may not be reissued or re-sold.

(g) *Cancellation*

All Bonds which are redeemed or in respect of which Conversion Rights are exercised will be cancelled (together with all related unmatured Coupons attached to the Bonds or surrendered with the Bonds) and may not be reissued or resold. Bonds purchased by, or on behalf of, the Issuer or any of its Subsidiaries shall be surrendered to the Paying and Conversion Agent for cancellation and if so surrendered, shall be cancelled forthwith and may not be reissued or re-sold.

(h) *Multiple Notices*

If more than one notice of redemption is given pursuant to this Condition 6, the first of such notices to be given shall prevail.

7. Payments

(a) *Agent*

KBC Bank NV has initially been appointed to act as the Paying and Conversion Agent and Domiciliary Agent.

The Issuer reserves the right to vary or terminate the appointment of the Paying and Conversion Agent and/or approve any change in the Specified Office through which such Paying and Conversion Agent acts, provided that it will maintain a Paying and Conversion Agent and maintain at all times a Domiciliary Agent and the Domiciliary Agent will at all times be a participant in the X/N Clearing System. Notice of any change in the Paying and Conversion Agent or its Specified Office will promptly be given by the Issuer to the Bondholders in accordance with Condition 16.

(b) *Payments of Principal, Premium and Interest*

Unless and until definitive Bonds are issued in exchange for book-entry interests in the Global Bond, payments of principal, premiums (if any) and interest in respect of the Bonds will be made through the Paying and Conversion Agent and the X/N Clearing System in accordance with the Agency Agreement and the regulations of the X/N Clearing System.

Unless instructed otherwise by the Paying and Conversion Agent, the NBB will debit the account of the Paying and Conversion Agent with the NBB for payments due by the Issuer to the bondholders in accordance with the regulations of the X/N Clearing System and will be responsible for ensuring that payments are credited to the accounts of the relevant participants in the X/N Clearing System.

The payment obligations of the Issuer under the Bonds will be discharged once the NBB has debited the account of the Paying and Conversion Agent with the NBB with respect of each amount so paid.

The persons shown in the records of the NBB, of participants in the X/N Clearing System and of their respective sub-participants as the holders of a particular principal amount at maturity of the Bonds must look solely to the NBB, participants in the X/N Clearing System or their sub-participants, as the case may be, for their share of each payment so made by the Issuer to, or to the order of, the holders of such Bonds.

Upon issue of definitive Bonds in exchange for book-entry interests in the Global Bond, payments of:

(a) principal and premium in respect of the Bonds and accrued interest payable on a redemption of the Bonds other than on an Interest Payment Date will be made against presentation and surrender (or in the case of partial payment only, endorsement) of the definitive Bond, at the Specified Office of the Paying and Conversion Agent;

(b) interest due on an Interest Payment Date will be made against presentation and surrender (or in the case of partial payment only, endorsement) of the relevant Coupons, at the Specified Office of the Paying and Conversion Agent; and

(c) all other amounts will be made as provided in these Conditions.

(c) *Coupons*

Each Bond should be presented for payment together with all related unmatured Coupons, failing which the full amount of any relative missing unmatured Coupon (or, in the case of payment not being made in full, the proportion of the full amount of the missing unmatured Coupon which the amount so paid bears to the total amount due) will be deducted from the amount due for payment. Each amount so deducted will be paid in the manner mentioned above against presentation and surrender (or, in the case of partial payment only, endorsement) of the related missing Coupon at any time before the expiry of 10 years after the Relevant Date in respect of the relevant Bond (whether or not the Coupon would otherwise have become void pursuant to Condition 11) or, if later, five years after the date on which the Coupon would have become void pursuant to Condition 11, but not thereafter.

(d) *No Charges*

Without prejudice to Condition 8, the Paying and Conversion Agent shall not make or impose on a Bondholder any charge in relation to any payment or conversion in respect of the Bonds in accordance with the terms and provisions of these Conditions.

(e) *Fractions*

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

8. Taxation

All payments made by or on behalf of the Issuer in respect of the Bonds and Coupons will be made subject to and after deduction or withholding for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of Belgium or any political

subdivision or any authority thereof or therein having power to tax required to be made by law. The Issuer will not be required to pay any additional or further amounts in respect of such deduction or withholding.

9. Events of Default

If any of the following events (each an “**Event of Default**”) occurs and is continuing, the Trustee at its discretion may, and if so requested in writing by the holders of at least one-quarter in principal amount of the Bonds then outstanding or if so directed by a Resolution and provided in each case that it is indemnified and/or secured and/or prefunded to its satisfaction shall, give notice to the Issuer at its registered office that the Bonds are, and they shall thereby immediately become due and repayable at their principal amount together with accrued interest (if any) to the date of payment:

- (a) if default is made in the payment of any principal or interest due in respect of the Bonds or any of them and the default continues for a period of seven days in the case of principal and fourteen days in the case of interest; or
- (b) if the Issuer fails to perform or observe any of its other obligations under these Conditions or the Trust Deed or fails to perform or observe any obligation under Condition 10 which would be a breach thereof and (except in any case where, in the opinion of the Trustee, the failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 30 days (or such longer period as the Trustee may permit) next following the service by the Trustee on the Issuer of notice requiring the same to be remedied; or
- (c) (i) any other present or future indebtedness of the Issuer or any of its Material Subsidiaries for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of any event of default (howsoever described), or (ii) any such indebtedness is not paid when due or if later, as the case may be, at the end of any applicable grace period, or (iii) the Issuer or any of its Material Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised, provided, in any instance, the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this paragraph (c) have occurred and is continuing equals or exceeds €25,000,000 (or its equivalent in any other currency or currencies), except to the extent the existence or enforceability of the relevant obligation is being disputed in good faith by appropriate proceedings; or
- (d) if any expropriation, attachment, sequestration, distress or execution affects any asset or assets of the Issuer or any of its Material Subsidiaries having an aggregate value of €25,000,000, unless such expropriation, attachment, sequestration, distress or execution is discharged within 60 days; or
- (e) if any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any of its Material Subsidiaries over all or a substantial part of its property or assets for an amount at the relevant time in excess of €25,000,000 (or its equivalent in any other currency or currencies) becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, administrative receiver, manager or other similar person) unless such enforcement is discharged within 60 days or is the subject of a bona fide dispute; or
- (f) if the Issuer or any of its Material Subsidiaries is bankrupt or unable to pay its debts, stops, suspends or announces its intention to stop or suspend payment on any of its debts, or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to deferring, rescheduling or otherwise readjusting any indebtedness, or a moratorium is declared or comes into effect in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer or any of its Material Subsidiaries; or

- (g) if an order is made or any corporate action is taken for the winding-up, dissolution, administration or reorganisation of the Issuer or any of its Material Subsidiaries, or the Issuer or any of its Material Subsidiaries ceases or threatens to cease to carry on all or substantially all of its business or operations, or if a receiver, liquidator, administrator, administrative receiver, trustee or similar officer is appointed in respect of the Issuer or any of its Material Subsidiaries or of all or a substantial part of its revenues and assets, except, in each case, for the purpose of a solvent liquidation of a Material Subsidiary;

provided that the Trustee shall have certified that, with respect to paragraphs (b), (d), (e), (f) and (g) above (and in relation to (f) and (g) with respect to a Material Subsidiary only and not the Issuer), in its opinion, such event is materially prejudicial to the interests of the Bondholders.

10. Undertakings

Whilst any Conversion Right remains exercisable, the Issuer will, save with the approval of a Resolution or with the prior written approval of the Trustee where, in its opinion, it is not materially prejudicial to the interests of the Bondholders to give such approval:

- (a) not issue or pay up any Securities, in either case by way of capitalisation of profits or reserves, other than:
 - (i) by the issue of fully paid Ordinary Shares to Shareholders and other holders of shares in the capital of the Issuer which by their terms entitle the holders thereof to receive Ordinary Shares or other shares or Securities on a capitalisation of profits or reserves; or
 - (ii) by the issue of Ordinary Shares paid up in full (in accordance with applicable law) and issued wholly, ignoring fractional entitlements, in lieu of the whole or part of a cash Dividend; or
 - (iii) by the issue of fully paid equity share capital (other than Ordinary Shares) to the holders of equity share capital of the same class and other holders of shares in the capital of the Issuer which by their terms entitle the holders thereof to receive equity share capital (other than Ordinary Shares); or
 - (iv) by the issue of Ordinary Shares or any equity share capital to, or for the benefit of, any employee or former employee, independent service provider providing services on a more than halftime basis or former independent service provider providing services on a more than halftime basis, director or executive holding or formerly holding executive office of the Issuer or any of its Subsidiaries or any associated company or to trustees or nominees to be held for the benefit of any such person, in any such case pursuant to an employee, director or executive share or option scheme whether for all employees, directors, or executives or any one or more of them,

unless, in any such case, the same constitutes a Dividend or otherwise gives (or, in the case of an issue or payment up of Securities in connection with a Change of Control, will give) rise (or would, but for the provisions of Condition 5(f) relating to roundings or the carry forward of adjustments, give rise) to an adjustment to the Conversion Price or is (or, in the case of any issue or payment up of Securities in connection with a Change of Control, will be) otherwise taken into account for the purposes of determining whether such an adjustment should be made;

- (b) not modify the rights attaching to the Ordinary Shares with respect to voting, dividends or liquidation nor issue any other class of equity share capital carrying any rights which are more favourable than the rights attaching to the Ordinary Shares but so that nothing in this Condition 10(b) shall prevent:

- (i) the issue of equity share capital to employees or former employees, independent service providers providing services on a more than halftime basis or former independent service providers providing services on a more than halftime basis or directors (including directors holding or formerly holding executive office or the personal service company of any such person) (or the spouse or relative of any such person) whether of the Issuer or any of its Subsidiaries or associated companies by virtue of their office or employment pursuant to any employees' share or option scheme; or
 - (ii) any consolidation, reclassification or subdivision of the Ordinary Shares; or
 - (iii) any modification of such rights which is not, in the reasonable opinion of an Independent Financial Adviser, materially prejudicial to the interests of the holders of the Bonds; or
 - (iv) any issue of equity share capital where the issue of such equity share capital results, or would, but for the provisions of Condition 5(f) relating to roundings or the carry forward of adjustments or, where comprising Ordinary Shares, the fact that the consideration per Ordinary Share receivable therefor is at least 95 per cent. of the Current Market Price per Ordinary Share, otherwise result, in an adjustment to the Conversion Price; or
 - (v) without prejudice to any rule of law or legislation, the conversion of Ordinary Shares into, or the issue of any Ordinary Shares in, uncertificated form (or the conversion of Ordinary Shares in uncertificated form to certificated form) or the amendment of the Articles of Association of the Issuer to enable title to securities in the Issuer (including Ordinary Shares) to be evidenced and transferred without a written instrument or any other alteration to the Articles of Association of the Issuer made in connection with the matters described in this Condition 10(b) or which is supplemental or incidental to any of the foregoing (including any amendment made to enable or facilitate procedures relating to such matters and any amendment dealing with the rights and obligations of holders of Securities, including Ordinary Shares, dealt with under such procedures); or
 - (vi) any issue of equity share capital or modification of rights attaching to the Ordinary Shares, where prior thereto the Issuer shall have instructed an Independent Financial Adviser to determine what (if any) adjustments should be made to the Conversion Price as being fair and reasonable to take account thereof and such Independent Financial Adviser shall have determined either that no adjustment is required or that an adjustment resulting in a decrease in the Conversion Price is required and, if so, the new Conversion Price as a result thereof and the basis upon which such adjustment is to be made and, in any such case, the date on which the adjustment shall take effect (and so that the adjustment shall be made and shall take effect accordingly);
- (c) procure that no Securities (whether issued by the Issuer or any Subsidiary of the Issuer or procured by the Issuer or any Subsidiary of the Issuer to be issued or issued by any other person pursuant to any arrangement with the Issuer or any Subsidiary of the Issuer) issued without rights to convert into, or exchange or subscribe for, Ordinary Shares shall subsequently be granted such rights exercisable at a consideration per Ordinary Share which is less than 95 per cent. of the Current Market Price per Ordinary Share at the close of business on the last dealing day preceding the date of the first public announcement of the proposed inclusion of such rights unless the same gives rise (or would, but for the provisions of Condition 5(f) relating to roundings or the carry forward of adjustments, give rise) to an adjustment to the Conversion Price and that at no time shall there be in issue Ordinary Shares of differing nominal values, save where such Ordinary Shares have the same economic rights;
- (d) not make any issue, grant or distribution or take or omit to take any other action if the effect thereof would be that, on the exercise of Physical Settlement Conversion Rights, Ordinary Shares could not, under any applicable law then in effect, be legally issued as fully paid, or, on the

exercise of Cash Settlement Conversion Rights, payment of the Cash Alternative Amount could not, under any applicable law then in effect, be legally made;

- (e) not reduce its issued share capital, share premium account, or any uncalled liability in respect thereof, or any non-distributable reserves, except:
 - (i) pursuant to the terms of issue of the relevant share capital; or
 - (ii) by means of a purchase or redemption of share capital of the Issuer to the extent, in any such case, permitted by applicable law; or
 - (iii) where the reduction does not involve any distribution of assets; or
 - (iv) solely in relation to a change in the currency in which the nominal value of the Ordinary Shares is expressed; or
 - (v) to create distributable reserves; or
 - (vi) to absorb accounting losses recognized by the Issuer, to create a reserve to absorb foreseeable accounting losses or to create an unavailable reserve in accordance with Article 622, §2, paragraph two of the Belgian Company Code, in each case in accordance with Article 614 of the Belgian Company Code; or
 - (vii) by way of transfer to reserves as permitted under applicable law; or
 - (viii) where the reduction is permitted by applicable law and the Trustee is advised by an Independent Financial Adviser, acting as an expert, that the interests of the Bondholders will not be materially prejudiced by such reduction; or
 - (ix) where the reduction is permitted by applicable law and results (or, in the case of a reduction in connection with a Change of Control, will result) in (or would, but for the provisions of Condition 5(f) relating to roundings or the carry forward of adjustments, result in) an adjustment to the Conversion Price or is (or, in the case of a reduction in connection with a Change of Control, will be) otherwise taken into account for the purposes of determining whether such an adjustment should be made,

provided that, without prejudice to the other provisions of these Conditions, the Issuer may exercise such rights as it may from time to time be entitled pursuant to applicable law to purchase, redeem or buy back its Ordinary Shares and any depositary or other receipts or certificates representing Ordinary Shares without the consent of Bondholders;

- (f) if any offer is made to all (or as nearly as may be practicable all) Shareholders (or all (or as nearly as may be practicable all) Shareholders other than the offeror and/or any parties acting in concert with the offeror (as defined in Article 3, paragraph 1, 5° of the Belgian Act of 1 April 2007 on public takeover bids or any modification or re-enactment thereof)) to acquire all or a majority of the issued ordinary share capital of the Issuer, give notice of such offer to the Bondholders at the same time as any notice thereof is sent to the Shareholders (or as soon as practicable thereafter) that details concerning such offer may be obtained from the Specified Office of the Paying and Conversion Agent and, where such an offer has been recommended by the Board of Directors of the Issuer, or where such an offer has become or been declared unconditional in all respects, use all reasonable endeavours to procure that a like offer is extended to the holders of any Ordinary Shares issued during the period of the offer arising out of the exercise of the Physical Settlement Conversion Rights (or to persons who exercised Cash Settlement Conversion Rights during the period of the offer) by the Bondholders and/or to the holders of the Bonds;

- (g) use all reasonable endeavors to ensure that the Ordinary Shares issued upon exercise of Conversion Rights (x) will, as soon as is practicable, be admitted to listing and to trading on the Relevant Stock Exchange and (y) will be listed, quoted or dealt in, as soon as is practicable, on any other stock exchange or securities market on which the Ordinary Shares may then be listed or quoted or dealt in;
- (h) for so long as any Bond remains outstanding, use all reasonable endeavours to ensure that its issued and outstanding Ordinary Shares shall be admitted to listing on the Relevant Stock Exchange;
- (i) at all times three days after publication of the Physical Settlement Notice (if any) keep available for issue, free from pre-emptive rights out of its authorised but unissued capital, sufficient authorised but unissued Ordinary Shares to enable the exercise of all Conversion Rights, and all other rights of subscription and exchange for Ordinary Shares, to be satisfied in full;
- (j) procure that it shall not become domiciled or resident in or subject generally to the taxing authority of any jurisdiction (other than Belgium) unless it would not thereafter be required pursuant to then current laws and regulations to withhold or deduct for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed or levied by or on behalf of such jurisdiction or any political subdivision thereof or therein having power to tax in respect of any payment on or in respect of the Bonds which are significantly different from those imposed or levied under the taxing authority of Belgium; and
- (k) (i) use all reasonable endeavours to obtain that the Change of Control Resolutions are approved by a resolution of the Shareholders of the Issuer in a general meeting of Shareholders, and in connection therewith to propose a resolution to such effect at the general meeting of Shareholders of the Issuer scheduled to be held by no later than the Long-stop Date, and (ii) immediately following approval of such a resolution to file a copy thereof with the Clerk of the Commercial Court of Turnhout (*greffe du tribunal de commerce/greffe van de rechtbank van koophandel*).

The Issuer has undertaken in the Trust Deed to deliver to the Trustee annually a certificate of two authorised signatories of the Issuer as to there not having occurred an Event of Default or Potential Event of Default since the Closing Date or the date of the last such certificate or if such event has occurred as to the details of such event. The Trustee will be entitled to rely on such certificate and shall not be obliged to independently monitor compliance by the Issuer with the undertakings set forth in this Condition 10 or otherwise in the Trust Deed, nor be liable to any person for not so doing. The Trustee is also entitled to rely, without further investigation, on a certificate signed by two authorised signatories of the Issuer certifying its Material Subsidiaries and shall incur no liability to any person for so doing.

As used in these Conditions, “**share capital**” has the meaning given to *capital/kapitaal* in Article 476 of the Belgian Company Code.

11. Prescription

Claims against the Issuer for payment in respect of the Bonds or the Coupons shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of such payment subject to Conditions 5(h) and 7(c).

Claims in respect of any other amounts payable in respect of the Bonds shall be prescribed and become void unless made within 10 years following the due date for payment thereof.

12. Replacement of Bonds and Coupons

If any Bond or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Paying and Conversion Agent subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Bonds or Coupons must be surrendered before replacements will be issued.

13. Meetings of Bondholders, Modification and Waiver, Substitution

(a) Meetings of Bondholders

The Trust Deed contains provisions for convening meetings of Bondholders to consider matters affecting their interests, including the sanctioning by a Resolution of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by the Issuer or the statutory auditor of the Issuer or the Trustee and shall be convened by the Issuer if requested in writing by Bondholders holding not less than 20 per cent. in principal amount of the Bonds for the time being outstanding. The quorum for any meeting convened to consider a Resolution will be one or more persons holding or representing at least 50 per cent. in principal amount of the Bonds for the time being outstanding, or at any adjourned meeting one or more persons being or representing Bondholders whatever the principal amount of the Bonds so held or represented. All Resolutions require the approval of Bondholders holding or representing at least 75 per cent. in principal amount of the Bonds the holders of which are taking part in the vote. Under Article 574 of the Belgian Company Code, if a Resolution is approved by Bondholders holding or representing less than one-third of the principal amount of the Bonds for the time being outstanding (whether their holders are present or represented at the meeting or not), such Resolution is not enforceable unless approved by the Belgian Court of Appeal in the district where the Issuer's registered office is located. The Trustee may not have standing to make such a request to the Belgian Court of Appeal on behalf of the Bondholders. The Trustee may, without the consent of the Bondholders, prescribe such other or further regulations regarding the holding of meetings of Bondholders and attendance and voting thereat as are necessary to comply with Belgian law. Any Resolution duly passed shall be binding on all Bondholders (whether or not they were present at the meeting at which such Resolution was passed and whether or not they vote in favour) and Couponholders.

No Resolution of the Bondholders which in the opinion of the Issuer relates to any of the matters listed in Article 568 of the Belgian Company Code shall be effective unless passed at a meeting complying in all respects with Belgian law or ratified at such a meeting. The matters listed in Article 568 of the Belgian Company Code include, *inter alia*, modifying or suspending the date of maturity of Bonds, postponing any day for payment of interest payable in respect of the Bonds, reducing the rate of such interest or deciding urgent interim actions in the common interest of Bondholders.

(b) Modification and Waiver

The Trustee may agree, without the consent of the Bondholders or Couponholders, to (i) any modification of any of the provisions of the Trust Deed, any trust deed supplemental to the Trust Deed, the Agency Agreement, any agreement supplemental to the Agency Agreement, the Bonds, the Coupons or these Conditions which in the Trustee's opinion is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of law (regardless of whether or not the same is materially prejudicial to the interests of the Bondholders), and (ii) any other modification to the Trust Deed, any trust deed supplemental to the Trust Deed, the Agency Agreement, any agreement supplemental to the Agency Agreement, the Bonds, the Coupons or these Conditions (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust

Deed, any trust deed supplemental to the Trust Deed, the Agency Agreement, any agreement supplemental to the Agency Agreement, the Bonds, the Coupons or these Conditions which is, in the reasonable opinion of the Trustee, not materially prejudicial to the interests of the Bondholders, except that the Trustee may not exercise this discretion in respect of any matter which is listed in Article 568 of the Belgian Company Code. The Trustee may, without the consent of the Bondholders or the Couponholders, determine any Event of Default or a Potential Event of Default should not be treated as such, provided that in the opinion of the Trustee, the interests of Bondholders will not be materially prejudiced thereby. Any such modification, authorisation or waiver shall be binding on the Bondholders and Couponholders and, unless the Trustee agrees otherwise, such modification shall be notified to the Bondholders promptly in accordance with Condition 16.

(c) *Substitution*

The Trustee may, without the consent of the Bondholders or the Couponholders, agree with the Issuer to the substitution in place of the Issuer (or any previous substitute or substitutes under this Condition) as the principal debtor under the Bonds, the Coupons and the Trust Deed of any Subsidiary of the Issuer subject to (a) the Bonds being unconditionally and irrevocably guaranteed by the Issuer, and (b) the Bonds continuing to be convertible or exchangeable into Ordinary Shares as provided in these Conditions *mutatis mutandis* as provided in these Conditions, with such amendments as the Trustee shall consider appropriate, provided that in any such case, (x) the Trustee being satisfied that the interests of the Bondholders will not be materially prejudiced by the substitution, and (y) certain other conditions set out in the Trust Deed being complied with. In the case of such a substitution the Trustee may agree, without the consent of the Bondholders or the Couponholders, to a change of the law governing the Bonds and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Bondholders. Any such substitution shall be binding on the Bondholders and Couponholders and shall be notified promptly to the Bondholders in accordance with Condition 16.

(d) *Entitlement of the Trustee*

In connection with the exercise of its functions (including but not limited to those referred to in this Condition) the Trustee shall have regard to the interests of the Bondholders as a class and, in particular but without limitation, shall not have regard to the consequences of the exercise of its trusts, powers or discretions for individual Bondholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory, and the Trustee shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Issuer or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Bondholders.

(e) *Meetings of Shareholders and Right to Information*

Bondholders shall be entitled to attend all meetings of Shareholders of the Issuer in accordance with Article 537 of the Belgian Company Code, as well as to receive any documents that are to be distributed to them in accordance with Articles 535 and 553 of the Belgian Company Code. Bondholders who attend any meeting of Shareholders of the Issuer shall be entitled only to a consultative vote in accordance with applicable law.

14. Enforcement

The Trustee may at any time, at its discretion and without notice, take such proceedings against the Issuer as it may think fit to enforce the provisions of the Trust Deed, the Bonds and the Coupons, but it shall not be bound to take any such proceedings or any other action in relation to the Trust Deed, the Bonds and the

Coupons unless (i) it shall have been so directed by a Resolution of the Bondholders or so requested in writing by the holders of at least one-quarter in principal amount of the Bonds then outstanding, and (ii) it shall have been indemnified and/or secured and/or prefunded to its satisfaction. No Bondholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails so to do within a reasonable period and the failure shall be continuing.

15. The Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including relieving it from taking proceedings unless indemnified and/or secured and/or prefunded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or any of the Issuer's Subsidiaries, to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Bondholders and to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith. The Trustee may rely, without liability to the Bondholders or Couponholders or any other person, on a report, confirmation or certificate or any advice of any accountants, financial advisers (including, for the avoidance of doubt, any Independent Financial Adviser) or financial institution, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. The Trustee shall be obliged to accept and be entitled to rely on any such report, confirmation or certificate or advice where the Issuer procures delivery of the same pursuant to its obligation to do so under any provision of these Conditions or the Trust Deed and such report, confirmation or certificate or advice shall be binding on the Issuer, the Trustee, the Bondholders and the Couponholders in the absence of manifest error.

Whenever under these Conditions the Trustee is required to make any determination or exercise any discretion, the Trustee shall be entitled (but not obliged) to do so acting pursuant to the advice of an Independent Financial Adviser or any other entity acting as an expert, and the Trustee shall incur no liability to any person for acting (or refraining from acting) pursuant to such advice.

16. Notices

The Issuer shall ensure that all notices are duly published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Bonds are for the time being listed. Any such notice shall be deemed to have been given on the date of such publication or, if required to be published in more than one newspaper or in more than one manner, on the date of the first such publication in all the required newspapers or in each required manner. If publication as provided above is not practicable, notice will be given in such other manner, and shall be deemed to have been given on such date, as the Trustee may approve.

With respect to notices for a meeting of Bondholders, any convening notice for such meeting shall be made in accordance with article 570 of the Belgian Company Code by an announcement to be inserted, not less than 15 days prior to the meeting, in the Belgian Official Gazette (*Moniteur Belge – Belgisch Staatsblad*) and in a nationwide newspaper. Resolutions to be submitted to the meeting must be described in the convening notice. In addition, the convening notice shall specify the procedures in respect of voting on resolutions to be decided by the meeting.

Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the Bondholders in accordance with this Condition.

17. Further Issues

The Issuer may from time to time without the consent of the Bondholders and the Couponholders create and issue further notes, bonds or debentures either having the same terms and conditions in all respects as the outstanding notes, bonds or debentures of any series (including the Bonds and, in such case, referred to herein as the “**Further Bonds**”) or in all respects except for the first payment of interest on them and the first date on which conversion rights may be exercised and so that such further issue shall be consolidated and form a single series with the outstanding notes, bonds or debentures of any series (including the Bonds) or upon such terms as to interest, conversion, premium, redemption and otherwise as the Issuer may determine at the time of their issue, to the extent permitted under applicable tax laws. Any further notes, bonds or debentures forming a single series with the outstanding notes, bonds or debentures of any series (including the Bonds) constituted by the Trust Deed or any deed supplemental to it shall, and any other notes, bonds or debentures may, with the consent of the Trustee, be constituted by a deed supplemental to the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Bondholders and the holders of notes, bonds or debentures of other series in certain circumstances where the Trustee so decides.

18. Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Bonds under the Contracts (Rights of Third Parties) Act 1999.

19. Governing Law and Jurisdiction

(a) *Governing Law*

The Trust Deed (other than the provisions relating to meetings of Bondholders, the New Share Resolution and the Change of Control Resolutions), the Agency Agreement, the Bonds and the Coupons (and all non-contractual obligations arising out of or in connection with them) are governed by, and shall be construed in accordance with, English law.

The provisions relating to meetings of Bondholders, the New Share Resolution and the Change of Control Resolutions are governed by, and shall be construed in accordance with, Belgian law.

(b) *Jurisdiction*

The courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed, the Agency Agreement and the Bonds, and accordingly any legal action or proceedings arising out of or in connection with the Trust Deed, the Agency Agreement and the Bonds (“**Proceedings**”) may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts and has waived any objection to Proceedings in such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. These submissions are made for the benefit of the Trustee and the Bondholders and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not). The Issuer has appointed the Law Debenture Corporate Services Limited as its agent for service of process in England.

Notwithstanding the foregoing, Belgian courts have exclusive jurisdiction over matters concerning the validity of decisions of the board of directors of the Issuer, of the general meeting of Shareholders of the Issuer and of the general meeting of Bondholders.

