

*Unofficial translation of a Dutch original. In the event of any discrepancy between the English translation and the original Dutch version, the latter shall prevail.*

**ABLYNX NV**

Limited Liability Company (“*Naamloze Vennootschap*”)  
Registered offices: Technologiepark 21, 9052 Zwijnaarde  
Company number: 0475.295.446

(the “**Company**”)

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**SPECIAL REPORT BY THE BOARD OF DIRECTORS  
IN ACCORDANCE WITH ARTICLE 583 OF THE BELGIAN COMPANY CODE (“BCC”)  
REGARDING (I) THE ISSUE OF WARRANTS FOR THE BENEFIT OF CERTAIN EMPLOYEES AND (II) THE ISSUE  
OF WARRANTS FOR THE BENEFIT OF CERTAIN CONSULTANTS**

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The board of directors of the Company (the “**Board**”) has the intention, using the power of the authorized capital granted to it on April 29, 2010, as set out in article 6 of the Articles of Association, to issue a maximum of eight hundred sixty thousand warrants, of which (i) five hundred and five thousand (505,000) warrants for the benefit of certain employees (hereafter, the “**Employees SOP**”), free of charge, and (ii) a maximum of three hundred fifty five thousand (355,000) warrants for the benefit of certain consultants (hereafter the “**Consultants SOP**”), free of charge, each of such warrants entitling the holder thereof to subscribe for one new common share of the Company against payment of an exercise price (as defined below in Article 3 of this report), per warrant exercised, to be immediately and fully paid up upon exercise of the relevant warrant (the “**Warrants**”). The Warrants will be issued with cancellation of the shareholders’ preferential subscription rights.

The Board refers to its special report in accordance with Article 596 BCC and Article 598 BCC of even date herewith in which the Board justifies the proposed cancellation of the preferential subscription rights of the existing shareholders for the benefit of certain employees and consultants of the Company (and mainly for the benefit of the employees), in particular in respect of the issue price and the financial impact of the transaction for the shareholders, and in which in accordance with Article 598 BCC, the identity of the beneficiaries under the Consultants SOP (insofar as they are ‘certain persons’ within the meaning of article 598 BCC) is indicated.

In this report, the Board, in accordance with Article 583 BCC, will describe the purpose and justification for both issues of Warrants. Furthermore, for the purpose of completeness of this report, the Board will also describe the exercise price and financial impact on the existing

shareholders and warrant holders of the Company of the issue of the Warrants, (what is also described in the report of the Board in accordance with article 596 and 598 BCC).

The capitalized words in this report are defined in Section 2.

## **1. Justification for the issue of the Warrants**

The issues of the Warrants aims to achieve the following purposes:

- i. creating a long-term incentive for the selected employees and consultants who are able to contribute substantially to the success and growth of the Company;
- ii. providing the Company with the necessary means to recruit and retain competent and experienced staff members; and
- iii. creating a common interest between the Selected Participants on the one hand and the shareholders of the Company on the other, aimed at an increase in the value of the Company's shares.

The Board believes that these purposes are in the interest of the Company.

The proposed issue and exercise conditions of the Warrants are, as far as the tax treatment of the Warrants is concerned, in accordance with the conditions set out in the Law of March 26, 1999 concerning the Belgian action plan for employment 1998 and in particular with Articles 41 through 49 of this law, insofar as the Warrants would be subscribed for by persons who would thereby receive a benefit in kind arising out of or in connection with their professional activity.

## **2. Definitions**

The words below shall have the following respective meaning for the purposes of this report:

<b>Affiliated Company</b>	a company affiliated with the Company within the meaning of Article 11 of the Belgian Company Code;
<b>Beneficiary</b>	the person who is designated in accordance with Article 5.3.6.2 by the Warranholder to exercise the rights of the Warranholder attached to the Warrants after his death;
<b>Board</b>	the board of directors of the Company;
<b>Company</b>	Ablynx NV, with registered offices at 9052 Zwijnaarde, Technologiepark 21 and with company number 0475.295.446;

<b>Consultancy Agreement</b>	the agreement other than an Employment Agreement pursuant to which services are provided to the Company or an Affiliated Company;
<b>Date of the Offer</b>	the date on which the Proxyholder of the Board of Directors offers the Warrants to the Selected Participants in accordance with the second paragraph of Article 5.2.2;
<b>Employment Agreement</b>	the agreement within the meaning of the Belgian law of July 3, 1978 on employment agreements (or an agreement under a legal system other than Belgian law that corresponds in substance to an employment agreement) pursuant to which a person in a subordinated relationship provides services to the Company or an Affiliated Company;
<b>End of the Employment Agreement or the Consultancy Agreement</b>	the effective date of the termination, for any or no reason, of the Employment Agreement or the Consultancy Agreement between the relevant Selected Participant and the Company or an Affiliated Company, with the exception of a termination that is coupled with a simultaneous employment under a (possibly new) Employment Agreement or a (possibly new) Consultancy Agreement with the Company or an Affiliated Company;
<b>Exercise Period</b>	the period or periods during which the Warrantholder in accordance with Article 5.3.5 may exercise the Warrants granted with a view to acquiring common shares of the Company;
<b>Exercise Price</b>	the price for the acquisition of one common share upon exercise of a Warrant, as set out herein;
<b>Offer</b>	the offer of the Warrants that has been notified to the Selected Participant in accordance with Article 5.2.2;
<b>Proxyholder of the Board of Directors</b>	The person to whom the Board of Directors of the Company grants power of attorney to determine, on the basis of a recommendation by the Remuneration Committee of the Company, the number of warrants that will be offered to each of the Selected Participants and to proceed to all acts which are necessary or useful regarding the offer of the warrants and

to realize the issue of warrants. The Proxyholder of the Board of Directors shall be a director who himself is no Selected Participant.

**Securities**

shares, bonds and other securities whether or not representing the share capital or granting voting rights, as well as securities that give the right to subscribe for or acquire securities or to convert into securities;

**Selected Participant**

the person to whom Warrants will be offered by the Proxyholder of the Board of Director.

The Selected Participants under the Employees SOP are the persons, who at the time of the Offer will be associated with the Company by way of Employment Agreement and to whom by the Proxyholder of the Board of Directors the Warrants will be offered.

The Selected Participants under the Consultants SOP are the following persons who will be associated with the Company by way of Consultancy Agreement and of which the identity is set out in accordance with article 598 BCC;

- Edwin Moses, Chief Executive Officer;
- Eva-Lotta Allan, Chief Business Officer;
- Josi Holz, Chief Medical Officer;
- NV Woconsult, Chief Financial Officer, or its permanent representative Wim Ottevaere.

**Subscription Form**

the form that the Selected Participant must complete and sign for acceptance or refusal of the Warrants offered to him/her, and that (in case of acceptance) entails a proxy to subscribe before a notary for the Warrants offered to him/her;

**Transfer**

the selling, offering, engaging in a deferred sale ("*verkoop op termijn/vente à terme*") or pledging of Securities or the granting of a right of usufruct ("*vruchtgebruik/usufruit*") or any other right with regard to Securities or the granting of options to buy or sell Securities or the disposing of Securities in any other manner or the conclusion of a swap or other agreement which in part or entirely transfers the economic advantages or the ownership of Securities, whether or not for consideration, whether by reason of universal transfer ("*algemene rechtsopvolging*")/"*transfert universel*") or otherwise and whether or not such transfer is settled by means of a transfer of securities, in cash or in any other manner;

<b>Warrant</b>	as defined above;
<b>Warrantholder</b>	the person entered into the Company's Warrant registry as the holder of one or more Warrants;

### **3. Issue price and exercise price**

The Warrants will be offered free of charge.

Each Warrant will entitle the holder thereof to subscribe, under the conditions specified below, for one common share.

In view of the Law of March 26, 1999 and, for the consultants whose identity is published in accordance with article 598 BCC, in view of article 598 BCC, the Exercise Price of the Warrants will be (at least) equal to the average closing rate of the share during a period of thirty days before the Date of the Offer, as to be determined in the Offer.

### **4. Consequences for the existing shareholders and warrant holders**

In case the maximum number of Warrants to be issued (860,000 Warrants), would be subscribed for and in case such Warrants would all be exercised, the dilution that would result from such exercise (in terms of relative shareholding, *i.e.* pro rata participation in the voting rights in, and the profits of, the Company) for the existing shareholders (currently 43,704,895 common shares) and warrant holders (currently warrants which entitle to an aggregate of 2,686,953 shares), on non-diluted (*i.e.* without taking into account the impact on the existing warrant holders) as well as on fully diluted basis, as set out in the table hereunder.

	<b>% in relation to the existing shares (=on non-diluted basis)</b>	<b>% on fully diluted basis</b>
<b>860,000 warrants to be issued</b>	1.93	1.82

Ablynx NV has an aggregate of 3,833,360 outstanding warrants, 2,292,814 warrants of which entitle the holder thereof to an aggregate of 1,146,407 shares (whereby two warrants give right to subscribe for one share) and 1,540,546 warrants of which entitle the holder thereof to an aggregate of 1,540,546 shares (whereby one warrant gives right to subscribe for one share). The total number of voting rights that can be acquired upon the exercise of the outstanding warrants amounts to 2,686,953.

The total number of outstanding warrants currently amounts to 6.15% of the total number of outstanding shares (on fully diluted basis).

The Board of Directors believes that the percentage of outstanding warrants (also after the proposed issue) is not unusual compared with similar companies in the same sector.

The issue of the Warrants may in addition cause an economic shift from the shareholders to the Warrantheolders at the occasion of the exercise of the Warrants, if the value of the common shares would be higher than the Exercise Price of the Warrants at the time of the issue of common shares further to the exercise of Warrants. This is an inherent trait of the Warrants to be issued, and the Board believes that this potential economic shift is acceptable in the light of the benefits for the Company associated with the issue of the Warrants and even is desirable, taking into account the purpose of the issue of Warrants, as set out in article 1 of this report.

The net intrinsic value of the existing shares on the date of the annual account of the Company ending on December 31, 2010 amounted to EUR 3.86 per (on that moment existing) share. On the basis of the current stock price of a share of the Company, the Board expects that the exercise price of the Warrants shall come close to that net intrinsic value. The Board points out that the final dilution that the net intrinsic value of the existing shares shall undergo, shall depend upon the final exercise price of the warrants (and the negative difference between that exercise price and the net intrinsic value per share on that moment). However, on the basis of the current share price, the exercise price shall largely exceed the fractional value of the share as included in that annual account ( EUR 1,87).

The costs in relation to the services received in compensation for the granting of such Warrants are booked under IFRS as a cost in the consolidated accounts of the Company. The total amount of the costs is spread over the vesting period and determined on the basis of the actual value of the Warrants on the date of grant by applying the Black & Scholes model. Since the Company has suffered losses over the last years and it is expected that this will also be the case in 2012, the booking of these costs has no real impact on the profit per share since this is already negative and nor does it have an impact on the equity.

## **5. Issue and exercise conditions**

### 5.1. Number of common shares

Each Warrant shall entitle the Holder thereof to subscribe for one (1) common share.

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## 5.2. Offer of, subscription for, and vesting of the Warrants

### *5.2.1. Qualifying persons*

The Warrants will be offered to the Selected Participants.

The Company will apply the appropriate tax and social security treatment resulting from the subscription for free for the Warrants by Selected Participants that accept the Offer and to which the Belgian tax law of March 26, 1999 applies.

### *5.2.2. Offer of Warrants to the Selected Participants*

The Offer of the Warrants to the Selected Participants will occur on the day of the decision of the Board of Directors to issue, on the basis of a decision of the Proxyholder of the Board of Directors, who, based on a recommendation by the Remuneration Committee of the Company, shall determine the number of Warrants that will be offered to each of the Selected Participants.

The Selected Participants will be informed in writing by the proxyholder of the Offer that will set out the number of Warrants that is offered to the relevant Selected Participant, as well as the issue and exercise conditions of such Warrants. A Subscription Form will be attached to the notification.

### *5.2.3. Subscription period*

Each Selected Participant associated with the Company by way of Employment Agreement, has an acceptance period, which upon choice of the Proxyholder of the Board of Directors, for each individual beneficiary shall amount to sixty (60) calendar days or seventy five (75) calendar days as of the Date of the Offer, to inform the Company by means of the Subscription Form of his/her acceptance or refusal of the Warrants offered to him/her. The acceptance period shall be determined by the Proxyholder of the Board of Directors for each individual beneficiary in writing in the notice of the offer which is done by the Proxyholder of the Board of Directors to the beneficiary in accordance with article 5.2.2.

The acceptance may in regard to both issues, relate to all or part of the Warrants offered. For the avoidance of doubt, it is specified that no parts of Warrants will be issued.

In the event of acceptance, the Subscription Form must be returned. The Selected Participant that has not informed the Company of its acceptance before the expiry of the period of sixty (60), respectively seventy five (75) calendar days as of the Date of the Offer by means of the Subscription Form, shall irrefutably be deemed to have refused the Offer. The offer lapses upon the expiry of such period of sixty (60) respectively seventy five (75) calendar days and no acceptance of Warrants will be possible thereafter.

The Subscription Form at the same time serves as a proxy (which is necessary) to establish before a notary the subscription for the Warrants by the relevant Selected Participant.

#### *5.2.4. Granting of the Warrants*

After the expiry of the period of sixty (60) respectively seventy five (75) calendar days referred to above, the proxyholder will within a reasonable period of time proceed to the recordation of the realization of the issue of the Warrants for the number of Warrants that have been subscribed for by the Selected Participants.

#### *5.2.5. Vesting of the Warrants*

Without prejudice to the other exercise conditions of the Warrants (amongst others, Articles 5.3.6 and 5.3.7), the Warrants that are granted to a Selected Participant shall only be acquired in a final manner (“**vested**”) (and may therefore be exercised during the Exercise Periods) over a four year period, with 25% of the Warrants vesting on the first anniversary of the decision in principle of the meeting of the Board to issue these Warrants, and the balance vesting in equal monthly installments thereafter (one forty-eighth, approximately 2.08%, of the aggregate number of Warrants that are granted to a Selected Participant vesting per month) and subject to the condition that this person continues to be an Employee or Consultant at the relevant vesting date.

The vesting always relates to whole Warrants. In case 25% or one forty-eighth, as the case may be, of the aggregate number of Warrants granted to the relevant Selected Participant does not correspond to a whole number, the resulting number shall be reduced to the lower whole number, and every month one additional Warrant shall vest as soon as the sum of the fractions disregarded until that time, equals one (in other words, this additional Warrant constitutes the sum of the fractions of a Warrant that have been disregarded upon the vesting of the previous portion(s)).

Upon the End of the Employment or Consultancy Agreement of the relevant Selected Participant between one of the dates set out above, no additional Warrants shall vest for this part of a month.

### *5.3. Other terms and conditions of the Warrants*

#### *5.3.1. Issue Price*

The Warrants may be subscribed for without charge.

### *5.3.2. Registered Warrants*

The Warrants will be in registered form and shall be entered into the registry of warrant holders that is kept at the registered offices of the Company. They cannot be converted into bearer warrants.

### *5.3.3. Exercise Price*

The Exercise Price (as determined above in article 3 of this report) will be allocated to the entry "capital" for an amount that is equal to the fractional value of the common shares prevailing at the time of the issue of common shares upon exercise of the relevant Warrant. Any amount exceeding the fractional value will be allocated to the entry "issue premium" that will constitute the guarantee of third parties in the same manner as the capital and will be booked on an unavailable reserve account, that can only be decreased or cancelled by way of a decision of the Company's shareholders taken in accordance with the rules applicable to the amendment of the Articles of Association.

### *5.3.4. Term of the Warrant*

The term of the Warrants under the Employees SOP shall be seven years as of the decision to issue the Warrants.

The term of the Warrants under the Consultants SOP shall be five years as of the decision to issue the Warrants.

### *5.3.5. The Exercise Periods*

Without prejudice to Articles 5.2.5, 5.3.6 and 5.3.7, the Warrants that are vested may only be exercised, in accordance with Article 5.3.10, as of the beginning of the fourth calendar year following the calendar year in which the Date of the Offer lies and such only during the first fifteen days of each quarter (the "**Exercise Period(s)**").

However, in case such exercise period (completely or partially) would fall within a "closed period" or a "prohibited period" as defined in the Dealing Code of the Company (but, in respect of the "prohibited periods", only such prohibited periods as (currently) indicated in point IV.E. (a) and (b) of the Dealing Code, the relevant exercise period will be extended until after the end of such "closed period" or "prohibited period" and with such number of days as it was prohibited to deal during the initial period of 15 days pursuant to the Dealing Code.

The first fifteen days of the last possible full quarter within the term of the Warrants constitutes, (as extended in accordance with the previous, as the case may be, provided that this extension cannot exceed the term of the Warrants), the last Exercise period. Each Exercise Period shall end on the last bank business day of the relevant Exercise Period.

The Warrantholder is free not to exercise all or part of the vested Warrants during an Exercise Period, and to postpone the exercise of the Warrants that are not exercised to a later Exercise Period, without prejudice, however, to the exceptions and restrictions set out in Articles 5.3.6 and 5.3.7.

The Warrants (that are (still) exercisable but) that are not exercised at the end of the last Exercise Period, will lapse automatically and become of no value.

The Board may decide to provide for one or more additional Exercise Period(s) between the beginning of the fourth calendar year following the calendar year in which the Date of the Offer lies and the end of the last Exercise Period as described above.

#### *5.3.6. Exercisability of the Warrants: exceptions and restrictions*

##### *5.3.6.1. End of the Employment Agreement or the Consultancy Agreement*

###### *(i) End of the Employment Agreement or the Consultancy Agreement for serious cause*

Upon the End of: (i) the Employment Agreement for serious cause (within the meaning of Article 35 of the Belgian law of July 3, 1978) or (ii) the Consultancy Agreement because of breach of contract, on account of the Selected Participant that is also Warrantholder, before the exercise of the Warrants, the Warrants of the relevant Selected Participant (whether or not vested pursuant to Article 5.2.5) that are not yet exercised at that time, will lapse automatically and become of no value.

###### *(ii) End of the Employment Agreement or the Consultancy Agreement for a reason other than the reasons set out in Articles 5.3.6.1(i), 5.3.6.2 and 5.3.6.3*

Upon the End of the Employment Agreement or the Consultancy Agreement of a Selected Participant that is also Warrantholder, for a reason other than the reasons set out in Articles 5.3.6.1(i), 5.3.6.2 and 5.3.6.3, the Warrants that at that time (pursuant to Article 5.2.5) are vested, may be exercised during the then running or first upcoming Exercise Period.

Contrary to Article 5.3.5, second paragraph, the Warrants of the relevant Selected Participant that were not exercised during such Exercise Period, cannot be transferred to a later Exercise Period and shall lapse automatically and become of no value after expiry of such Exercise Period (whether or not they were vested pursuant to Article 5.2.5).

#### *5.3.6.2. Death*

Upon the death of a Warrantholder before the exercise of a Warrant that, in accordance with the issue and exercise conditions, is still exercisable or may still become exercisable, the Warrants of the Warrantholder that are not yet exercised, are transferred to the Beneficiary of the Warrantholder and such Warrants may be exercised by the Beneficiary at the time and in accordance with the terms and conditions set out in the issue and exercise conditions. The Warrants of the relevant Warrantholder that at the time of death are not vested in accordance with Article 5.2.5, will lapse automatically and become of no value.

A Warrantholder may only designate his spouse and/or one or more other legal successors as Beneficiary.

The designation, as well as the revocation and re-designation of a Beneficiary must be in writing.

In the absence of any valid designation in accordance with the two preceding paragraphs, the persons that are the legal successors to the Warrantholder under applicable law will be deemed to be the Beneficiary. In the event that there are several successors, all successors acting together, or, as the case may be, a person designated by all successors acting together, will be deemed to be the Beneficiary.

#### *5.3.6.3. Retirement*

Upon the End of the Employment Agreement or the Consultancy Agreement of the Selected Participant that is also Warrantholder, because of his legal retirement or the reaching of the retiring age, the Selected Participant retains its vested Warrants and may continue to exercise such Warrants at the time and in accordance with the issue and exercise conditions. The Warrants of the relevant Warrantholder that at the time of his retirement are not vested in accordance with to Article 5.2.5, will lapse automatically and become of no value.

#### *5.3.7. Acceleration of the exercise of the Warrants*

##### *5.3.7.1. Cases of accelerated exercise of the Warrants*

In the following events, the Warrantholder is entitled to an accelerated exercise of its Warrants, whether or not they are vested pursuant to Article 5.2.5, in accordance with the formalities set out below and having regard to, and bearing, any tax consequences resulting from the accelerated exercise:

- (i) liquidation of the Company;
- (ii) sale of all or substantially all of the assets of the Company;

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(iii) when a public takeover bid is issued on the Company.

The tax consequences of an accelerated exercise will be borne exclusively by the relevant Warrantholder.

The Company shall inform the Warrantholders in writing in case one of the foregoing events occurs.

In case the Warrantholder, when an event (i) or (ii) occurs, as set out above, does not wish to exercise its Warrants in an accelerated manner, such Warrants will lapse automatically and become of no value.

#### *5.3.8. Non-transferability of the Warrants*

The Warrants are not transferable except: in case of death of a Warrantholder, in which case the Warrants held by the Warrantholder at the time of death are transferred to the Beneficiary in accordance with Article 5.3.6.2. Any tax consequences of a transfer pursuant to an obligation under the Articles of Association will be borne by the Warrantholder.

#### *5.3.9. Common shares to which the Warrantholder is entitled*

5.3.9.1 Each Warrant entitles the holder thereof to subscribe for one common share of the Company.

The transferability of the common shares that have been subscribed for upon the exercise of a Warrant, is at any time subject to the provisions of the Articles of Association of the Company, as they are in effect (possibly as amended from time to time) at that time.

The common shares that are issued upon the exercise of the Warrants, will entitle the holder thereof to dividends as of the beginning of the financial year during which the Warrants are exercised, or, in case the Warrants are exercised at a time that the annual shareholders' meeting has not yet decided on the allocation of the result of the preceding financial year, as of the beginning of the financial year preceding the financial year during which the Warrants are exercised.

5.3.9.2 The Company will only be held to issue common shares for the benefit of the Warrantholder upon the exercise of Warrants provided that the requirements set out in Article 5.3.10 are fulfilled. Upon exercise of a Warrant, no fractions of common shares will be issued.

In the event of exercise of Warrants, the common shares will be issued, in accordance with Article 591 of the Belgian Company Code, as soon as reasonably possible after the end of the

relevant Exercise Period, taking into account the required administrative and company law formalities.

After the issue of common shares upon the exercise of Warrants, the Board will arrange for the registration of such new common shares in the share registry of the Company in the name of the subscriber. The Company as soon as reasonably possible will arrange for the admission to listing of the new common shares.

#### *5.3.10. Exercise procedure*

An exercisable Warrant will only be validly exercised if not later than the last day of the relevant Exercise Period:

- (i) - the Board of Directors receives a registered letter (with acknowledgement of receipt) sent to the registered offices of the Company and addressed to the Board indicating that Warrants are exercised. The letter will explicitly indicate the number of Warrants to be exercised; or
  - the by KBC, that takes care of the practical settlement of the exercise procedure, hereto communicated formalities are fulfilled; and
- (ii) the Board of Directors receives full payment of the common shares that are subscribed for upon Exercise of the Warrants, by way of bank transfer to an account of the Company, the number of which will be communicated by the Company; and
- (iii) the Board of Directors receives in case the Warrants are exercised by a person or persons other than the Selected Participant, adequate evidence of the right of this person or these persons to exercise the Warrant; and
- (iv) the Board of Directors receives declarations and documents deemed necessary or desirable by the Board for purposes of any applicable law or regulation, and the submission of which is requested by the Board.

Regardless of the point in time during the Exercise Period at which the actions set out above occur, the Warrants will be deemed to be exercised on the last day of such Exercise Period.

#### *5.3.11. Costs and taxes*

Stamp duties, stock exchange taxes and other similar duties or taxes that may be due upon the exercise of the Warrants and/or the acquisition of common shares, will be borne by the Warrantheolders.

#### 5.4. Modifications of the capital structure of the Company – reservation of rights

By way of deviation from Article 501 of the BCC and without prejudice to the exceptions provided by law, the Company reserves the right to adopt any resolution that it deems necessary with respect to its capital, its Articles of Association or its management. Such resolutions may include, amongst others: a capital decrease whether or not with repayment to the shareholders, a capital increase by way of incorporation of reserves whether or not combined with the creation of new shares, a capital increase in kind, a capital increase in cash whether or not with limitation or cancellation of the shareholders' preferential subscription right, an issue of profit certificates, of convertible bonds, of preferential shares, of bonds cum warrant, of ordinary bonds or warrants, an amendment to the provisions of the Articles of Association regarding the distribution of profits or the (net) proceeds of liquidation or other rights attached to the common shares, a stock split, a distribution of stock dividend, a dissolution of the Company, a legal merger, a legal de-merger or a contribution or transfer of a universality or of a branch of activity whether or not combined with the exchange of shares. The Company may adopt such resolutions even if they (could) imply a reduction in the benefits conferred to the Warranholder by the issue and exercise conditions of the Warrants or the law, unless such a reduction is obviously the only purpose of such resolution.

In the event of a legal merger or legal de-merger, the Board shall provide all reasonable efforts to obtain that the Warrants that are still outstanding at the date of such transaction, will be replaced by warrants in the merger company or in the split companies in accordance with the exchange ratio applied to the then existing common shares of the Company.

#### 5.5. Exercise of the Warrants in accordance with the law

In the event that the Warranholder exercises Warrants pursuant to Article 501 of the BCC, the common shares so obtained will not be transferable as long as the Warrants but for such exercise would otherwise not yet have been exercisable in accordance with the issue and exercise conditions. Any tax consequences of such exercise will be borne by the Warranholder.

Article 501 of the BCC provides that: "in the event of a capital increase by way of a contribution in cash, all warranholders may exercise their warrants, notwithstanding any provision to the contrary in the Articles of Association or in the issue terms, and may as a shareholder subscribe for the new issue, in so far as the existing shareholders have such right".

#### 5.6. Miscellaneous

##### *5.6.1. Applicable law*

The Warrants and the issue and exercise conditions of the Warrants are governed by Belgian law.

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#### 5.6.2. *Competent courts*

Any dispute regarding the Warrants or the issue and exercise conditions thereof may only be submitted to the courts of the registered office of the Company.

#### 5.6.3. *Notifications*

Any notification to the Warrantholder will be made by registered letter at the address mentioned in the registry of warrantholders or by notification in writing with acknowledgement of receipt.

Any notification to the Company, the Board or the proxyholder will be made validly by way of a registered letter addressed to the registered office of the Company or by notification in writing with acknowledgement of receipt.

Any notification will be deemed to have been received three business days after the date of the postmark of the registered letter. Changes of address must be notified in accordance with this Article 5.6.3.

Zwijnaarde, February 1, 2012

For the Board,

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Jim Van heusden, Director,  
on his own behalf, as well as on behalf of the members of the Board represented by him as special proxyholder