

FY 2018 Results

March 15, 2019



GBL

Experience. Our greatest asset.

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FY 2018 highlights

Key milestones

- Net asset value of €16.2bn at year-end 2018 negatively impacted by:
 - The general market trend
 - The underperformance of the cyclical values notably exposed to the automotive and construction sectors
- Strategic focus maintained throughout 2018 on:
 - Pursuing our asset rotation strategy through €1.9bn of transactions of acquisitions and disposals
 - Developing our influence in support of our portfolio companies
 - Starting to execute the buyback of treasury shares authorized in October 2018 in the limit of €250m
- ESG approach further structured

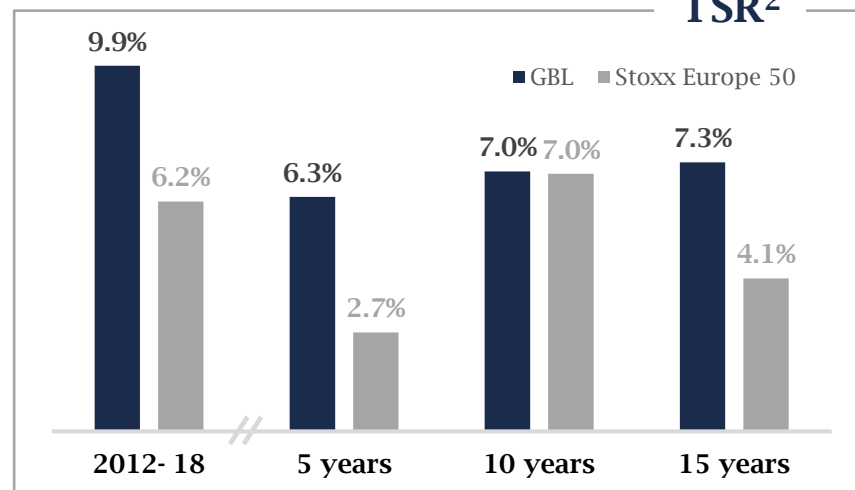
Dividend

- FY 2018 gross dividend proposed at €3.07¹ per share, up 2.3% versus prior year
- Dividend yield of 4.0%²
- Payout ratio of 108.6% (FY 2017: 113.5%)

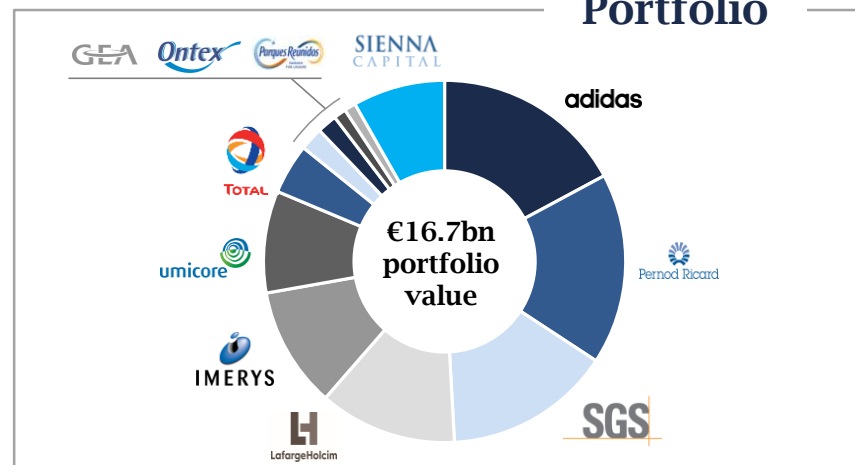
(1) Dividend subject to the approval of the General Shareholders' Meeting

(2) TSR and dividend yield as of December 31, 2018

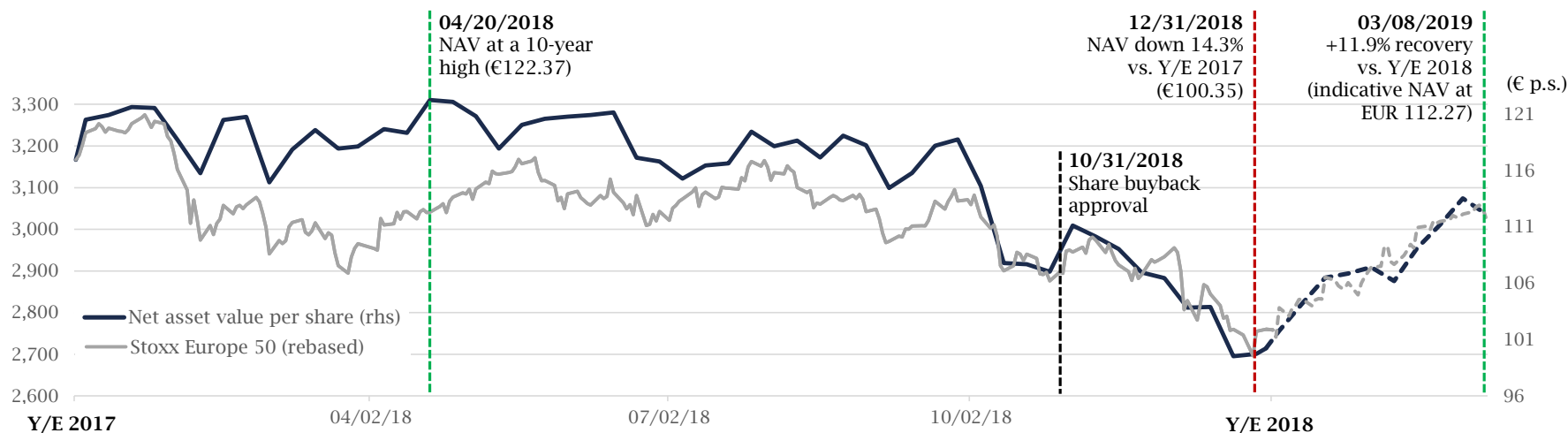
TSR²



Portfolio

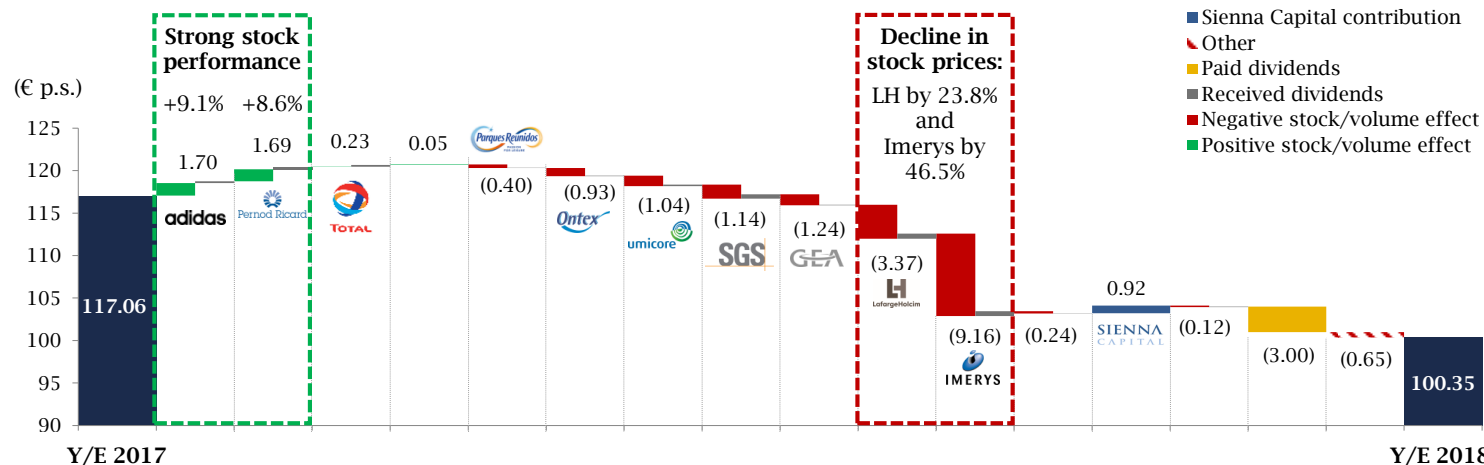


Volatility of our net asset value in a complex market environment



Source: Bloomberg (03/08/2019) & GBL

FY18 NAV bridge showing contrasting dynamics within the portfolio



- Successful integration of Kerneos and divestment of the Roofing division
- Withdrawal from the ceramic proppants market and “care and maintenance” program for Namibian natural graphite assets
- North American talc subsidiaries filing for US chapter 11 protection to seek permanent resolution of their historic talc-related liabilities in the United States

Active asset rotation in spite of turbulent markets, laying base for future growth

Listed investments



Increase in our stake to 17.7%

- Participation for €144m in the €892m capital increase carried out notably to support the group's strategic development of its rechargeable battery materials' activity
- GBL remaining Umicore's largest shareholder
- Participation valued at €1.5bn (9% of GBL's portfolio)



BURBERRY
London, England

Disposal of 6.6% of Burberry's capital in May 2018

- Divestment of the full stake as part of GBL's dynamic strategy of portfolio diversification (exposure to the consumer goods sector representing 37% of the portfolio at year-end 2018)
- Disposal proceeds and capital gain of c.£498m and c.£83m



Increase in our stake to 8.5%

- Gradual stake increase to become GEA's third largest shareholder
- Representation on the Supervisory Board since November 2018 enabling GBL to activate all value creation levers
- Participation valued at €0.3bn (2% of GBL's portfolio)



Sienna Capital



First co-investment transaction

- €250m invested alongside **KKR**
- Board representation for Sienna Capital consistent with GBL's DNA
- Carve-out of Unilever's global spreads division
- €3bn of pro-forma sales in 2017
- Closing completed in July 2018



- Disposal of Alvest Group and Kiloutou, generating net capital gains of EUR 80 million, GBL's share
- Acquisition of a majority stake in Climater



- Acquisition of svt (with consecutive build-up on Rolf Kuhn), Beltaste-Van Reusel and Indo

Influence developed further with our portfolio companies

Reinforced governance

GBL's increased representation

- Joined Ontex' Audit Committee and Nomination & Remuneration Committee
- Received a second seat at Parques Reunidos' Board of Directors
- Joined GEA's Supervisory Board

Acting as an active and engaged director notably in support of

New strategic plans



- New organization by market to further leverage the group's successful repositioning as a specialty minerals company



- Business review initiated in 2018 and having led to the comprehensive transformation program "Transform to Grow" announced in March 2019



- Strategy 2022 - "Building for growth"



- "Transform & Accelerate"

Evolution within Boards of Directors



Balance sheet strength

- Deleveraging policies



Return to shareholders

- Increase in payout ratio and share buyback



Executive Management upgrades



2019



2019

Capital allocation focused on long-term value creation



- Acceleration of growth investments to add production capacity for cathode materials in China and Europe to meet strong demand



- External growth through bolt-on and/or transforming acquisitions

A portfolio of solid companies, leaders in their sector, where GBL is influent



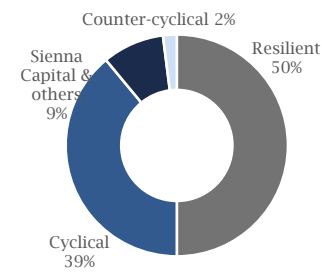
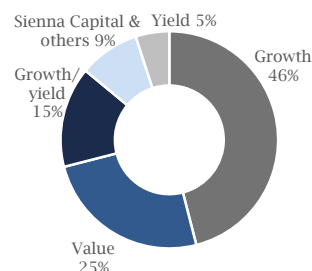
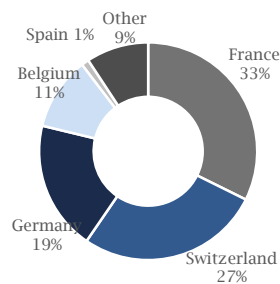
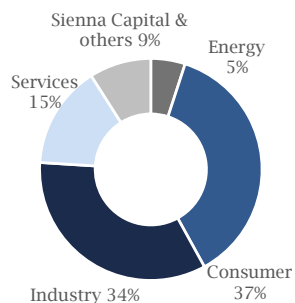
Sector	Sports equipment	Wines & Spirits	TIC	Cement & aggregates	Specialty minerals	Materials technology	Oil & Gas	Process technology food sector	Hygienic consum.	Leisure parks	Alternative assets
Sector ranking	#2	#2	#1	#1	#1	Top 3	Top 5	#1	Top 3	Top 3	n.a.
GBL's ranking in shareholding ⁽¹⁾	#1	#3	#1	#2	#1	#1	#16	#3	#1	#2	n.a.
Date of first investment	2015	2006	2013	2005	1987	2013	1998	2017	2015	2017	2013
Board representation	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	n.a.
GBL's ownership ⁽¹⁾	7.83%	7.49%	16.60%	9.43%	53.91%	17.69%	0.61%	8.51%	19.98%	21.19%	100%
Market cap. (€bn)	36.6	38.0	15.0	21.7	3.3	8.6	121.9	4.1	1.5	0.9	n.a.
Value of GBL's stake (€bn) ⁽¹⁾ (% of total)	2.9 17%	2.9 17%	2.5 15%	2.1 12%	1.8 11%	1.5 9%	0.7 5%	0.3 2%	0.3 2%	0.2 1%	1.4 8%

(1) Figures as of December 31, 2018, except where superseded by more recent public disclosures

A well-diversified portfolio of investment grade credit quality assets with strong liquidity

	adidas	Pernod Ricard	SGS	LafargeHolcim	IMERYS	umicore materials for a better life	TOTAL	GEA	Ontex	Parques Reunidos RECREO Y Ocio	SIENNA CAPITAL
Value of GBL's stake⁽¹⁾ (€bn)	2.9	2.9	2.5	2.1	1.8	1.5	0.7	0.3	0.3	0.2	1.4
Value of GBL's stake in # of days of ADTV⁽²⁾	12	20	44	16	207	32	1	16	31	201	N.A.
Ratings⁽³⁾ (S&P / Moody's)	.. ⁽⁴⁾	BBB / Baa2	n.r. / A3	BBB / Baa2	BBB / Baa2	1.2x ⁽⁴⁾	A+ / Aa3	n.r. / Baa2	BB / Ba2	3.3x ⁽⁴⁾	n.a.
Bloomberg consensus reco⁽³⁾											N.A.

— Sectorial exposure — — Geographic split — — Investment type — — Asset cyclicity —



(1) Figures as of December 31, 2018

(2) 1-year average as of December 31, 2018 in terms of ADTV (Average Daily Trading Volume)

(3) Ratings and consensus as of March 8, 2018

(4) Net debt to EBITDA ratio (based on recurring EBITDA for Umicore) as of December 31, 2018 (September 30, 2018 regarding Parques Reunidos)

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FY 2018 key financial data

		At the end of December		Variation	EUR p.s.	
		2018	2017	2018/2017	2018	2017
1	Consolidated net result	659	705	(46)	4,18	4,53
	Cash earnings	456	427	+ 6.9%	2.83	2.64
2	Net debt	(693)	(443)	(250)		
	Loan To Value	4.2%	2.3%	1.9%		

1 Consolidated net result of €659m

(€m)	FY 2018	FY 2017	Δ
Cash earnings	456	427	+ 29
Mark to market and other non cash items	3	(5)	+ 8
Operating companies and Sienna Capital	319	413	(94)
Eliminations, capital gains, depreciations and reversals	(120)	(129)	+ 10
Consolidated net result	659	705	(46)

Highlights

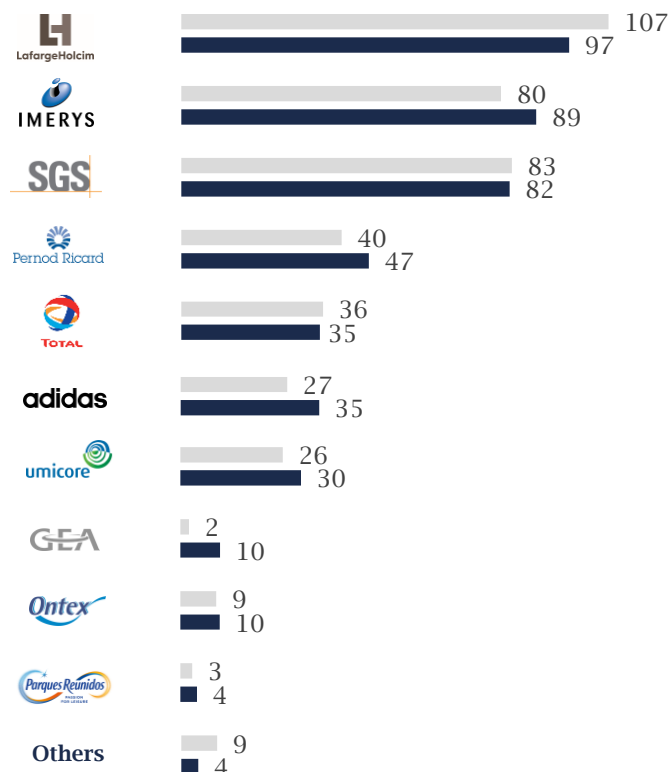
- FY 2018 consolidated net result at €659m, vs. €705m in FY 2017. This result stems primarily from:
 - €350m net dividends from investments
 - €302m contribution from Imerys
- Cash earnings increased by €30m or + 6.9%, notably as a result of:
 - Increased net dividend contribution from the listed participations (+ €22m)
 - Increased contribution from Sienna Capital (+ €6m)

1 Cash earnings of €456m, increasing by 6.9%

Cash earnings			
(€m)	FY 2018	FY 2017	Δ
Net dividend contribution from listed participations	443	421	+ 22
Contribution from Sienna Capital	48	42	+ 6
Net financial expenses ⁽¹⁾	(23)	(31)	+ 8
Yield enhancement ⁽²⁾	11	13	(2)
Dividends collected on treasury shares	9	17	(8)
Operating expenses	(32)	(35)	+ 3
Net charges	(35)	(36)	+ 1
Cash earnings	456	427	+ 29

Net dividend contribution from listed participations

(in €m)



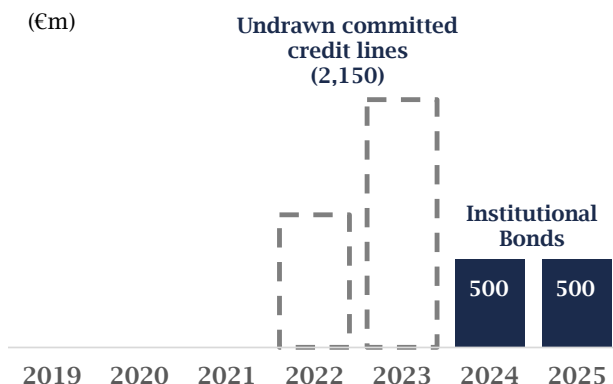
- (1) Corresponding to (i) net interest expenses excluding Sienna Capital and (ii) other net financial expenses excluding yield enhancement and dividends received on treasury shares
- (2) Yield enhancement activity consisting (i) of executing derivatives instruments (primarily sales of options with short-term maturities on some assets in GBL's portfolio) and (ii) in operations on trading assets, aiming at generating an increased yield for GBL

2 Sound and flexible financial position

Key figures

	12/31/2018	12/31/2017
Net debt (€m)	(693)	(443)
LTV ratio	4.2%	2.3%
Liquidity profile (€bn)	2.5	2.7

Debt maturity profile



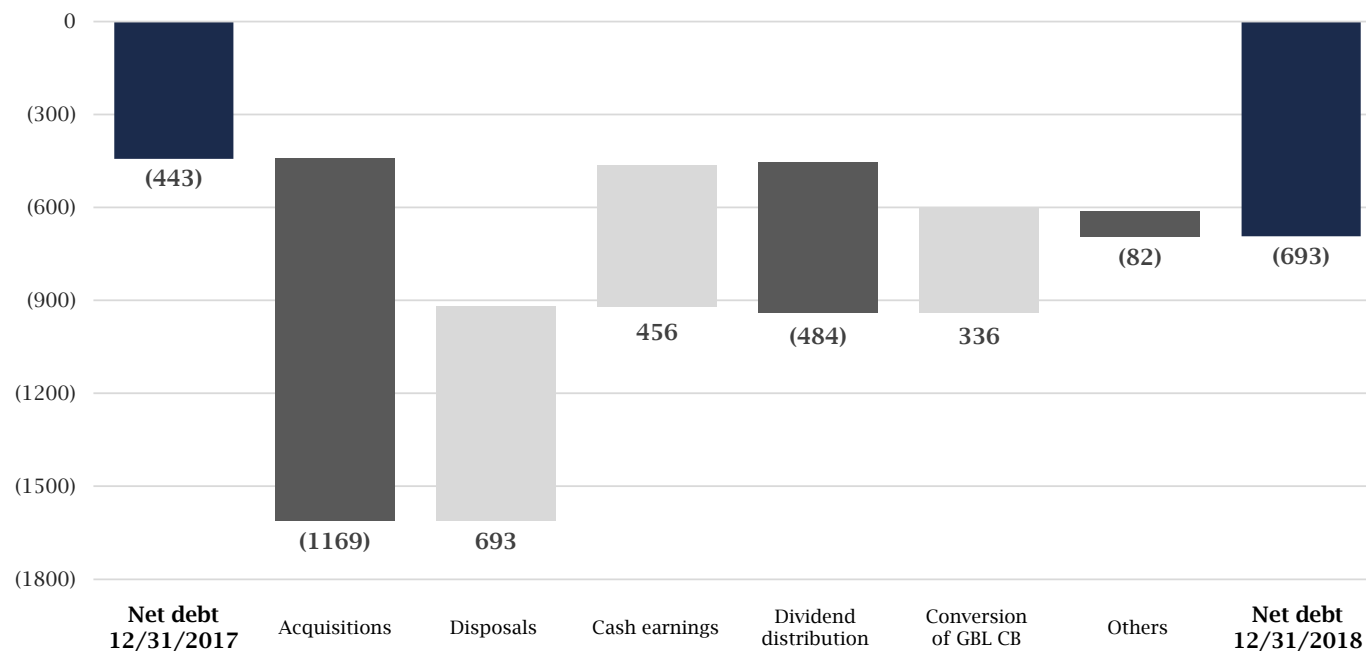
Issuance of a €500m Institutional bond

- Placement in June 2018 of a €500m institutional bond, with a coupon of 1.875% and a 7-year maturity
- Issuance proceeds covering GBL's general corporate purposes and contributing to lengthen the debt maturity profile from 4.0 years as of year-end 2017 to 6.1 years as of year-end 2018
- Placement oversubscribed more than 2.5 times by a diversified institutional investor base
- Success of this placement illustrating the market's confidence in GBL's creditworthiness

Convertible bond

- Maturity on October 9, 2018, of the convertible bonds issued for an amount of €450m on September 27, 2013
- Early conversion requests received for 81% of the convertible bonds (92% redeemed in treasury shares) and outstanding nominal repaid in cash at maturity for an amount of €84m
- Gain on the disposals of treasury shares in relation to the conversion of bonds whose settlement was carried out through share deliveries amounting to €195m (transactions on treasury shares not impacting the consolidated net result)

2 Evolution of net debt over FY 2018

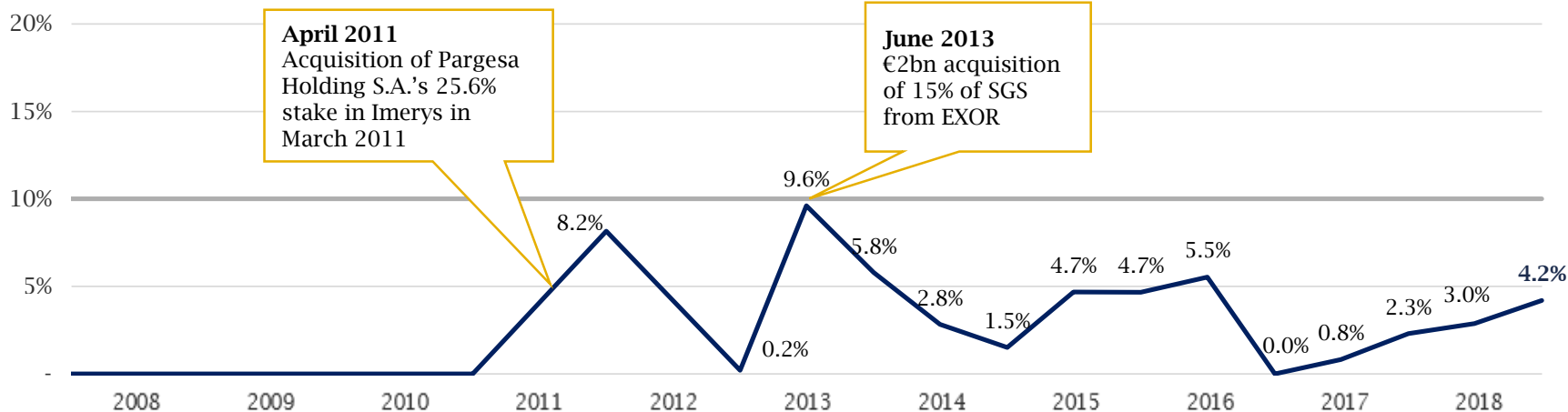


(€m)

Gross cash	564	376
Gross debt	(1,007)	(1,069)
LTV	2.3%	4.2%
Undrawn committed credit lines	2,150	2,150
Liquidity profile	2,714	2,526

2 Conservative use of leverage

LTV evolution over the last 10 years



Note: Computed based on information disclosed in GBL's annual and half-yearly reports using the adjusted portfolio value (i.e. increased by the value of the treasury shares underlying the bonds convertible into GBL shares issued in October 2013 until their maturity in October 2018)

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GBL's equity investment case reaffirmed



A diversified portfolio of:

- high-quality listed assets
- valuable alternative unlisted assets where GBL is influent



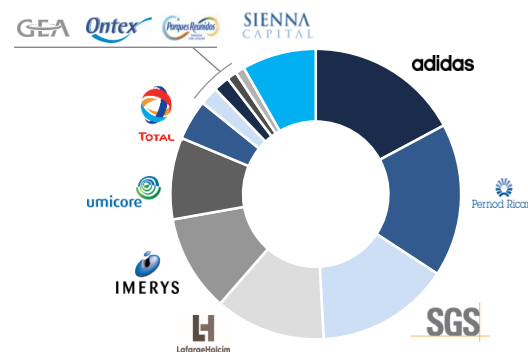
Trading at a discount to NAV



Consistently outperforming its benchmark over the long term



Dividend yield exceeding the portfolio's weighted average



9.9%

TSR (vs. 6.2% for our reference index)

4.0%

Dividend yield

24.2%

Discount to NAV

Solid financial position

€2.5bn

Significant available liquidity

4.2%

Loan To Value ("LTV") historically below 10%

Sound governance

Ability to move quickly

Management remuneration aligned with shareholders' interests

Efficient cost structure

18bps

5-year average Opex vs. NAV (2014-18)

51%

Opex coverage by yield enhancement income (2014-18)

~0%

No material tax leakage

2019 outlook

- Global environment remaining complex notably due to uncertainties at both geopolitical and macroeconomic levels, but potentially creating opportunities in terms of new investments and/or reinforcement into our portfolio
- 2019 approached with serenity notably given:
 - The quality of our portfolio, and the conservative level of valuation of some of our participations
 - The robustness of our balance sheet and that of most of our portfolio companies
 - The expertise of our teams in place
- Financial flexibility enabling us to:
 - Execute share buyback
 - Seize investment opportunities
 - Support the development of our participations if need be

Governance

- Evolution announced in December 2018 not impacting GBL's strategic orientation

Long-term strategic objective

- GBL reaffirms its strategic objective to continue to deliver an annualized total shareholder return outperforming the reference index over the long term through:
 - continuous and sustainable growth of its intrinsic value and
 - dividend distributionthroughout the cycle



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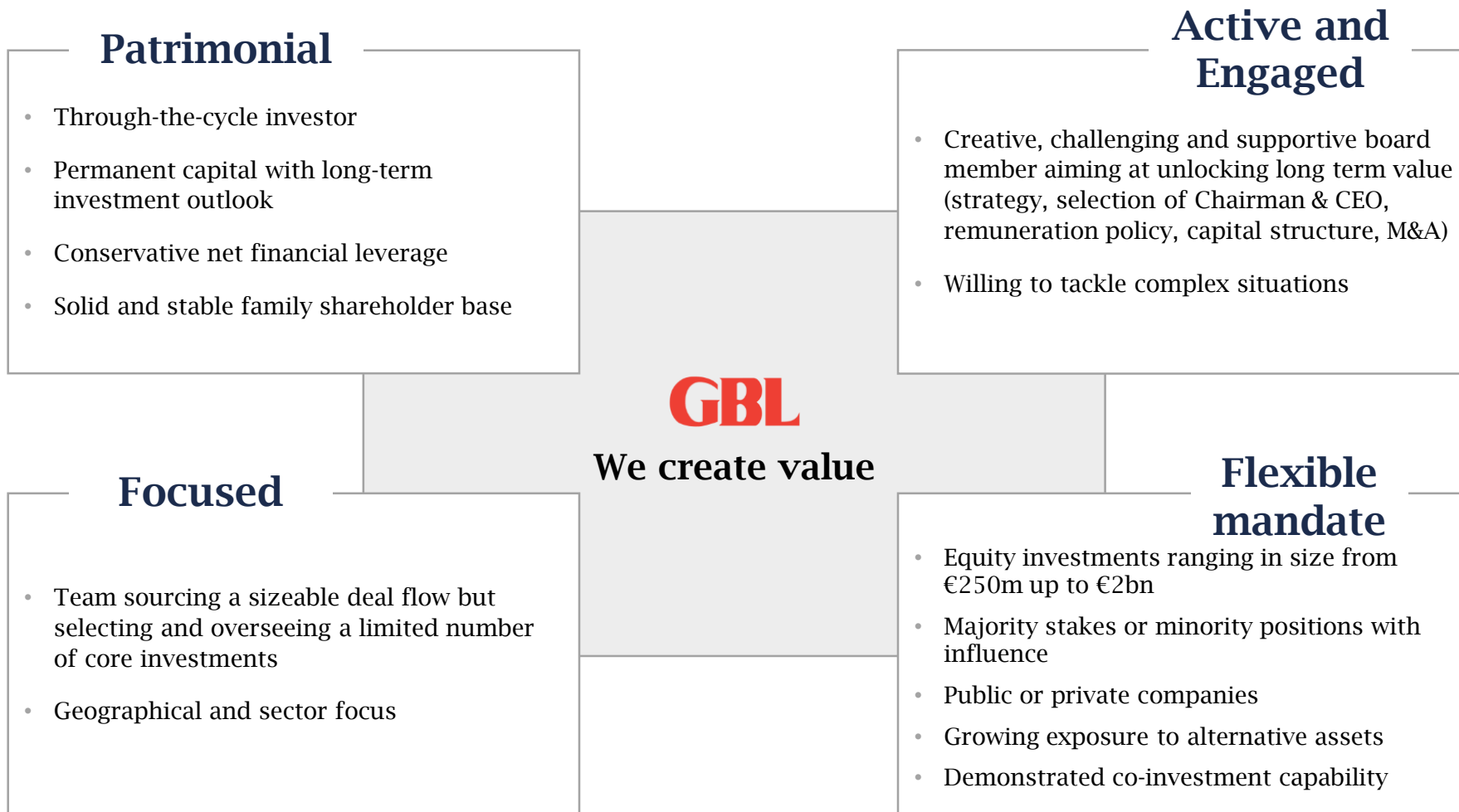
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3. Management

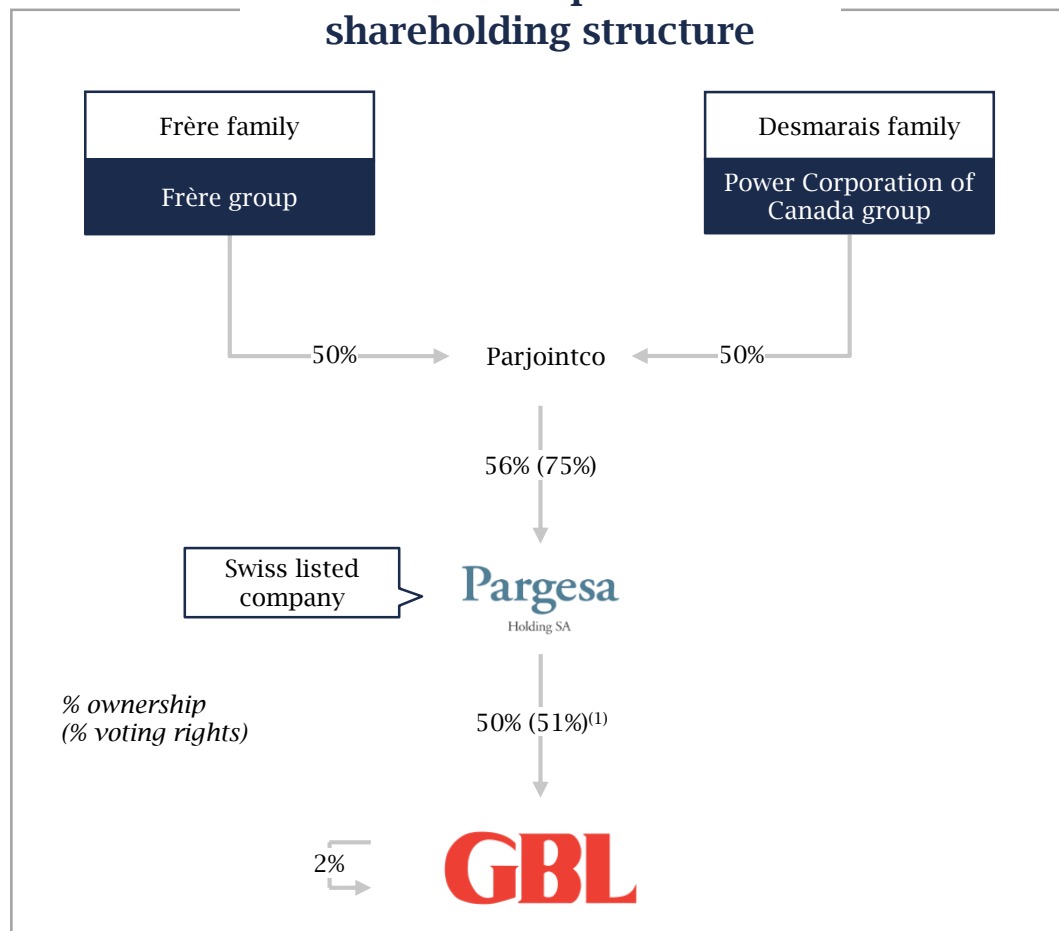
Solid core values



Shareholding & governance

A stable and solid family ownership

GBL's simplified shareholding structure



Relations with the controlling shareholder

- The Frère and Desmarais families joined forces to invest together in Europe in the early 1980s
 - A shareholders' agreement between the two families was created in 1990 and has been extended twice, once in 1996 and again in 2012
 - 25+ years of formal partnership
- Multi-generational collaboration
- The current agreement, effective until 2029 and with the possibility of extension, establishes a parity control in Pargesa and GBL

(1) Taking into account the treasury shares whose voting rights are suspended

Note: December 31, 2018 figures, except where superseded by more recent public disclosures

Further rotating our portfolio, within a flexible mandate

Investment assessment

Strict selection of opportunities based on the following grid of investment criteria:

Sector

- Exposure to long-term growth drivers
- Resilience to economic downturn
- Favorable competitive dynamics and barriers to entry
- Build-up opportunities

Company

- Market leader with clear business model
- Foreseeable organic growth
- Strong cash flow generation capabilities
- Return on capital employed higher than WACC
- Low financial gearing
- Appropriate positioning vis-à-vis digital disruption

Valuation

- Attractive valuation
- Potential for shareholder return

Governance

- Potential to become first shareholder, with influence
- Potential for Board representation
- Seasoned management

ESG

- ESG strategy, reporting and relevant governance bodies being in place for listed investment opportunities

Divestment guidelines

Continuous assessment of the portfolio assets, focusing on the following areas:

Potential for further value creation

Valuation risk

- Multiples above historical average
- Prospective TSR below internal targets

Specific company risk

- Business model's disruption risk related to digital or technological evolutions
- Other company risks including competition, geopolitics and ESG

Portfolio concentration risk

- Objective not to exceed around 15-20% in terms of:
 - portfolio's exposure to a single asset
 - cash earnings' contribution from a single asset

With a clear investment strategy

Investment themes

Anticipating megatrends and upcoming disruptions



Health & lifestyle



Technology & digital



Demographic shift (e.g. ageing population)



Sustainability & resource scarcity



Shift in global economic power towards
developing markets



Accelerating urbanization

Key sector focus

- Consumer
 - Luxury
 - Entertainment
 - E-commerce/digital
- Services
- Industry/manufacturing
 - Green economy
 - Natural resources
 - Sustainability
- Healthcare

Out-of-scope sectors

- Utilities
- Oil & Gas
- Financials
- Real Estate
- Telecom
- Regulated industries
- Biotech

Active professional investor influential through the governance bodies



	adidas	Pernod Ricard	SGS	LafargeHolcim	IMERYs	umicore	TOTAL	GEA	Ontex	Parques Reunidos
Board presence	✓ 1/16	✓ 2/15	✓ 3/9	✓ 2/10	✓ 3/14	✓ 2/10	✓ 1/12	✓ 1/12	✓ 1/7	✓ 2/10
Audit Committee	✓ 1/4	✓ 1/3	✓ 1/3	✓ 1/4	✓ 1/4	✓ 1/3	✓ 1/4	-/4	✓ 1/3	-/3
Nomination and/or Remuneration Committee	-/3	✓ 0/3 1/5	✓ 1/3	✓ 1/5	✓ 2/5 2/6	-/3	✓ 1/5	-/3	✓ 1/4	✓ 1/4
Strategic Committee	n.a.	✓ 1/6	n.a.	n.a.	✓ 3/8	n.a.	✓ 0/6	✓ 1/6	n.a.	n.a.

Asset rotation of €16bn in aggregate since 2012

	2012	2013	2014	2015	2016	2017	2018	
Acquisitions €7.9bn				●	●			adidas
					●	●		BURBERRY <i>London, England</i>
						●	●	GEA
				●	●	●		Ontex
						●		Parques Reunidos <i>Madrid, Spain</i>
		●	●	●	●	●	●	SIENNA CAPITAL
		●			●			SGS
		●	●	●	●		●	umicore
	-	€2.3bn	€0.5bn	€1.3bn	€1.6bn	€1.1bn	€1.2bn	
Disposals €8.0bn	●							ARKEMA
		●			●	●		GDF SUEZ ENGIE
		●	●					IBERDROLA
	●							Pernod Ricard
		●	●	●	●	●	●	SIENNA CAPITAL
			●	●				SUEZ
		●	●	●	●			TOTAL
							●	BURBERRY <i>London, England</i>
	€1.0bn	€1.4bn	€1.2bn	€0.7bn	€2.5bn	€0.6bn	€0.7bn	

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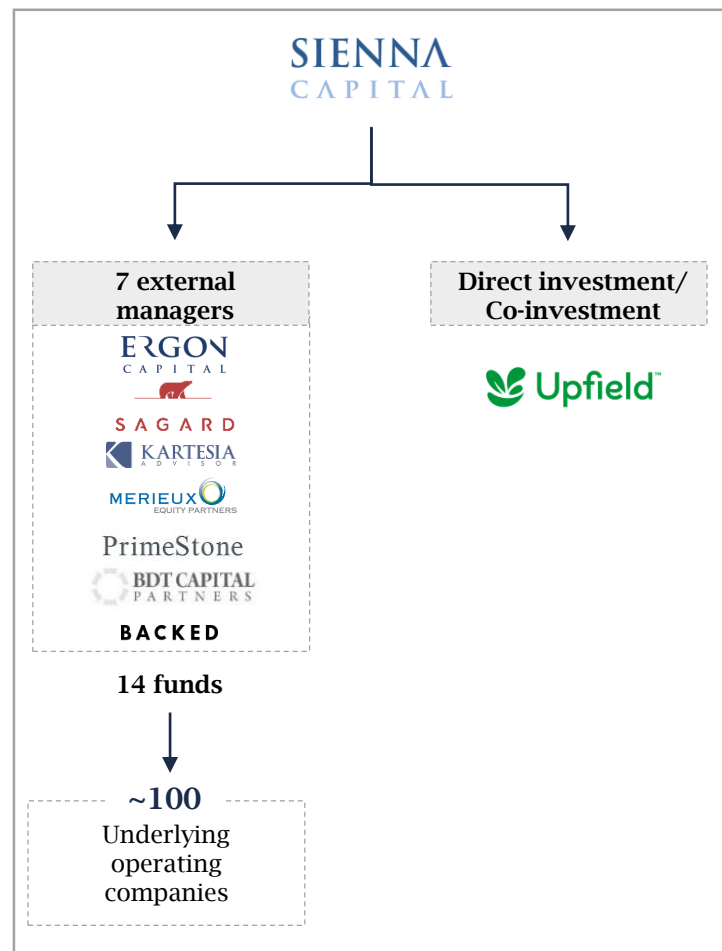
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Overview of Sienna Capital

Sienna Capital is a platform for GBL to invest in alternative assets in partnership with external managers and also via direct investments and co-investments



Several benefits to GBL

- Earn attractive risk-adjusted returns
- Contribute to growing GBL's NAV and dividend
- Part of an ongoing diversification of GBL's portfolio and revenue stream
- Attract talent around the activities of GBL and serve as a best ideas factory
- Provide co-investment opportunities

8%

- Contribution to GBL's Net Asset Value

Overview of Sienna Capital

2017/2018 has been an active period for Sienna Capital

ERGON
CAPITAL

SAGARD

KARTESIA
ADVISOR

MERIEUX
EQUITY PARTNERS

PrimeStone

BDT CAPITAL
PARTNERS

BACKED

As of Dec. 31, 2018

€1.6bn

Cumulative capital invested in 7 fund managers since inception

€1.3bn

€2.3bn

€1.0bn

Stake value

+

Distribution received

1.4 x

Implied money multiple on invested capital

€0.5bn

Remaining callable capital

€48m

Contribution to GBL's cash earnings (up 15% vs. €42m in 2017)





First co-investment



- Commitment of **€250m** by Sienna Capital
- Co-investment alongside **KKR**
- Carve-out of Unilever's global spreads division
- €3bn of pro-forma sales in 2017
- Closing completed in July 2018



Overview of Sienna Capital

Funds/year of initial investment	Strategy	Funds	Commitment	Capital invested	Remaining commitment	Distribution received to date	Stake value	Implied money multiple
 2005	Private Equity	ECP I, II, III, IV	€863m	€621m	€242m	€593m	€337m	1.5x
 2002	Private Equity	Sagard I, II, 3	€385m	€263m	€121m	€286m	€180m	1.7x
 2013	LBO Debt	KCO III & IV	€300m	€211m	€90m	€75m	€209m	1.4x
 2014	Healthcare Growth Capital	Mérieux Participations I & 2	€75m	€55m	€20m	€0m	€62m	1.1x
PrimeStone 2015	European mid-cap public equities	PrimeStone	€150m	€150m	-	-	€153m	1.0x
 2015	Long-term capital to closely held businesses	BDTCP II	€107m	€59m	€50m	€2m	€72m	1.2x
BACKED 2017	Digital technologies	Backed 1	€25m	€20m	€5m	-	€27m	1.4x
 2018			€250m	€250m	-	-	€275m	1.1x
Cumulative			€2,155m	€1,629m	€528m	€970m	€1.315m⁽¹⁾	1.4x

Note: figures as of December 31, 2018

(1) Difference between Sienna Capital's stake value of EUR 1,315 million and its net asset value of EUR 1,374 million primarily corresponding to Sienna Capital's cash position

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Ian Gallienne – Co-CEO

Earlier in his career, Mr. Gallienne worked at the private equity firm Rhône Group in New York and London. In 2005, he founded and was Managing Director of the private equity funds of Ergon Capital Partners in Brussels.

He has been a Director of Groupe Bruxelles Lambert since 2009 and Co-CEO since 2012.

He obtained an MBA from INSEAD in Fontainebleau.

Mr. Gallienne serves as a Director of Imerys, Pernod Ricard, SGS and adidas.



Colin Hall – Head of Investments

Mr. Hall began his career in 1995 in the merchant banking group of Morgan Stanley. In 1997, he joined Rhône Group, a private equity firm, where he held various management positions for 10 years in New York and London. In 2009, he was the co-founder of a hedge fund, sponsored by Tiger Management (New York), where he worked until 2011. In 2012 he joined, as CEO, Sienna Capital, a 100% subsidiary of Groupe Bruxelles Lambert, which regroups its alternative investments (private equity, debt or specific thematic funds). In 2016, he was also appointed to the role of Head of Investments at GBL.

He holds a BA from Amherst College and an MBA from the Stanford University Graduate School of Business.

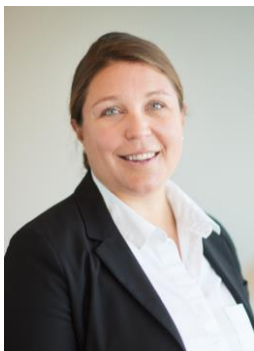
Mr. Hall serves as a Director of Imerys, Umicore, Parques Reunidos and GEA.



Xavier Likin – CFO

Mr. Likin started his career in Central Africa in the car distribution sector where he held various administrative and financial positions at MIC. In 1997, he joined PwC where he became Senior Manager and was designated as C.P.A. by the Institut des Réviseurs d'Entreprises. In 2007, he joined Ergon Capital Partners as Chief Financial Officer. Later, in June 2012, he was appointed Group Controller of GBL. Since August 1, 2017, he assumes the CFO function.

Mr. Likin holds a M.Sc. in Commercial Engineering and certificates in Tax Administration from the Solvay Brussels School of Economics & Management (ULB).



Priscilla Maters – General Secretary & Chief Legal Officer

Mrs. Maters began her career in 2001 with law firms in Brussels and London (including at Linklaters), where she specialised in mergers-acquisitions, capital markets, financing and business law.

She joined GBL in 2012 and is now carrying the function of Chief Legal Officer and General Secretary.

Mrs. Maters has a law degree from Université Libre de Bruxelles and from the London School of Economics (LLM).

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