



**COMBINED GENERAL MEETING  
1 JULY 2014**

Dear Sir/Madam,

I am pleased to announce that our general shareholders' meeting will take place on 1 July 2014 when convened for the first time.

During the meeting, you will be asked to approve twenty-four resolutions, nine of which relate to the ordinary meeting and fifteen to the extraordinary meeting. The full wording of these resolutions is attached.

I would like to draw your attention to the following points:

- I. Resolution 6 -ordinary meeting- relates to the remuneration of the Chairman and CEO ("Say on Pay") ;
- II. Resolutions 10 to 20 -extraordinary meeting- relate to authorisations to increase the share capital. They are similar to the authorisations approved in 2013 and the years before;
- III. Resolution 21 -extraordinary meeting- relates to a new long-term incentive plan:

Long-term incentive plans play an essential role in the retention and engagement of the current management team. They are also key to retain the management of acquired companies and to attract talented new staff. Until 2012, the Group used stock options and bonus shares. Since 2012, the Group has been using only bonus shares as a long term incentive tool for the management team. The Group uses also phantoms shares to retain employees with high potential.

The new performance-related bonus share award plan submitted to your approval has the following characteristics:

- *The total amount of the overall plan will be of 360,000 bonus shares -about 1% of share capital- compared to 300,000 bonus shares for the previous plan approved by the AGM of July 2012;*
- *Annual allocations will be capped at 180,00 or 0.5% of capital;*
- *Corporate officers will not be able to be awarded more than 15% of the plan, or 54,000 bonus shares;*
- *All awards will be subject to performance criteria comprising a combination of the following: total return for shareholders, growth in consolidated sales, operating margin, net earnings per share, return on equity and return on capital employed;*
- *As with previous plans, the vesting period will be three years with a first tranche of 50% after two years;*
- *The authorisation period will be limited to 26 months.*

The performance criteria determined by the Board of Directors for the awarding of bonus shares are very restrictive. You will find below a summary of previous allocations of bonus shares with performance criteria.

<i>Nb of shares</i>	2009	2010	2011	2012	2013	2014
Granting	63,000	36,000	80,000	77,000	146,900	150,060
Vesting	32,808	28,800	64,000	23,100	-	-
Performance ratio	52%	80%	80%	60%*		
Criteria	Sales evolution, EBIT ratio, TSR	Sales evolution, EPS evolution, TSR	Sales evolution, EPS evolution, TSR	Sales evolution, EPS evolution, TSR	Sales evolution, EBIT ratio, TSR	Sales evolution, EBIT ratio, TSR

\*On the first tranche of 38,500 shares

I believe that approval of the 21<sup>st</sup> resolution is key in ensuring the engagement of the management team during this period of transition, and would like to thank you in advance for your support.

Regards



**Denis Thiery**  
**Chairman and Chief Executive Officer**