

MANDATORY COUNTERBID

BY

ODDO ET CIE SCA



ODDO & CIE

FOR

all shares not yet owned by Oddo et Cie issued by

BHF KLEINWORT BENSON GROUP SA

BHF Kleinwort Benson

Centralizing Receiving Agent



The Counterbid runs from 27 January 2016 to 10 February 2016 inclusive

19 JANUARY 2016

Financial advisor to Oddo et Cie

J.P.Morgan

Mandatory Counterbid

possibly followed by a

Squeeze-out

for 75,541,866 shares not yet owned by Oddo et Cie issued by

BHF KLEINWORT BENSON GROUP SA

a public limited company incorporated under the laws of Belgium, with its registered office at 326 Avenue Louise, 1050 Brussels, registered with the (Brussels) Register of Legal Entities under number 0866.015.010

by

ODDO ET CIE SCA

a partnership limited by shares incorporated under the laws of France, with its registered office at 12 Boulevard de la Madeleine, 75009 Paris, registered with the (Paris) Trade and Companies Register under number 652.027.384

advised by

J.P. MORGAN

Price of the Counterbid: EUR 5.75 per Share with coupon no. 1 *et seq.* attached.

Initial Acceptance Period: From 27 January 2016 to 10 February 2016, inclusive

Squeeze-out: If, at the close of the Counterbid or its possible reopening, Oddo et Cie holds 95% or more of the Shares with voting rights issued by BHF KB, it reserves the right to proceed with a squeeze-out at the same terms and conditions as the Counterbid.

Centralizing and Receiving Agent

BANK DEGROOF PETERCAM

An electronic version of this Prospectus (including the Acceptance Form) can be found on the websites of the Centralizing Receiving Agent (www.degroofpetercam.com/bhfkfb), Oddo et Cie (www.oddo.fr) and BHF KB (www.bhfkleinwortbenson.com).

This Prospectus can also be obtained free of charge by phoning the Centralizing Receiving Agent at +32 2 229 66 90.

The Prospectus is available in English and French. In the event of inconsistencies between the French version of the Prospectus, on the one hand, and the English version as approved by the FSMA, on the other, the English version shall prevail.

Acceptance Forms for the Counterbid can be submitted free of charge to the Centralizing Receiving Agent or to any other financial intermediary in Belgium, in which case any fees charged shall be borne by the seller.

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SUMMARY OF THE PROSPECTUS

Important notice

The present summary covers the principal characteristics of the Counterbid (possibly followed by a squeeze-out), which are described in more detail in the Prospectus. This summary should be read as an introduction to the Prospectus.

Any decision to accept or not to accept the Counterbid must be based on a careful and comprehensive reading of the whole Prospectus. The Shareholders of BHF KB are requested to form their own opinion on the conditions of the Counterbid as well as on the advantages and disadvantages which this decision is likely to have for them.

No civil liability can be attributed to anyone simply on the basis of this summary or the translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus.

The terms used with a capital letter in the present summary that are not expressly defined therein shall have the meaning attributed to them in the Prospectus.

<i>The Counterbidder</i>	
<i>Oddo et Cie</i>	<p>The Counterbidder is Oddo et Cie, a partnership limited by shares incorporated under the laws of France, with its registered office at 12 Boulevard de la Madeleine, 75009 Paris, registered with the (Paris) Trade and Companies Register under number 652.027.384.</p> <p>Oddo et Cie is authorised by the <i>Autorité de Contrôle Prudentiel et de Résolution</i> ("ACPR") to operate as a credit institution, bank and investment services provider.</p> <p>As of the date of the Prospectus, Oddo et Cie directly holds 56,702,298 Shares in BHF KB, representing 42.877% of the capital of BHF KB.</p>
<i>The Target</i>	
<i>BHF KB</i>	<p>The target company is BHF Kleinwort Benson Group, a public limited company incorporated under the laws of Belgium (formerly RHJ International), with its registered office at 326 Avenue Louise, 1050 Brussels, registered with the (Brussels) Register of Legal Entities under number 0866.015.010.</p> <p>BHF KB is a financial holding which conducts activities mainly in the areas of private banking, asset management and the financial markets and corporates.</p> <p>The Shares of BHF KB are listed on the regulated market of Euronext Brussels under ISIN code BE0003815322.</p>
<i>Background, objectives and intentions of the Counterbidder</i>	
<i>Background</i>	<ul style="list-style-type: none"> • On 24 July 2015 Billion Eastgate (Luxembourg) S.à.r.l., a Luxembourg

	<p>company with its registered office at 6 Rue Eugène Ruppert, L-2453 Luxembourg, registered with the <i>Registre luxembourgeois du Commerce et des Sociétés</i> (Luxembourg Trade and Companies Register) under number B 198525, an indirect subsidiary wholly owned by Fosun International Limited ("Fosun") announced its intention to launch a voluntary and conditional takeover bid in cash for all shares of BHF KB which were not yet held by Billion Eastgate and its affiliates or otherwise economically transferred to Billion Eastgate and its affiliates at a price of EUR 5.10 per Share.</p> <ul style="list-style-type: none"> • The management board ("<i>collège de la gérance</i>") of Oddo et Cie, which met on 23 November 2015 in accordance with the powers conferred on it by law and the company's articles of association, decided to make a counterbid for all BHF KB Shares. • On 23 and 24 November 2015, Oddo et Cie entered into an agreement with major Shareholders of BHF KB, respectively AQTON and Franklin Templeton, according to which Oddo et Cie could acquire their stake in BHF KB upon fulfilment of certain conditions precedent. • On 27 November 2015, Oddo et Cie announced its intention to launch a voluntary and conditional counterbid in cash for the outstanding shares issued by BHF KB at a price of EUR 5,75 per BHF KB Share. • On 2 December 2015, Oddo et Cie specified that its initial voluntary and conditional counterbid in cash should be considered as a mandatory counterbid in cash, i.e. the Counterbid. • On 18 December 2015, Fosun announced its decision to withdraw its voluntary and conditional public takeover bid in cash for the BHF KB Shares further to the Counterbid EUR of 5.75 per Share in cash announced on 27 November 2015 (as amended on 2 December 2015) by Oddo et Cie.
<p><i>Agreements between Oddo et Cie and certain major Shareholders of BHF KB</i></p>	<p>In the context of the Counterbid, Oddo et Cie has entered into (i) a conditional share purchase agreement with Franklin Templeton, and into (ii) an irrevocable tender agreement with AQTON. These agreements are binding in all circumstances.</p> <p>None of these agreements contains specific provisions governing the exercise of the voting rights attached to the Shares. These agreements do not contain any penalty clause.</p> <ul style="list-style-type: none"> • Conditional share purchase agreement with Franklin Templeton <p>On 24 November 2015, Oddo et Cie entered into a conditional share purchase agreement with Franklin Templeton institutional, LLC, a company organised under the laws of the State of California, United States</p>

of America, with its registered office at One Franklin Parkway, San Mateo, California 94403 ("**Franklin Templeton**") (acting on behalf of funds and accounts referred to as the ("**Sellers**")), pursuant to which Franklin Templeton agreed to sell 23,206,881 Shares, representing 17.549% of the outstanding Shares issued by BHF KB, at a price of EUR 5.75 per Share.

Oddo et Cie has moreover agreed not to purchase Shares from any other person at a price per Share higher than the purchase price to be paid to Sellers pursuant to the agreement during a period of one year after closing. In the event that it does so it shall pay to the Sellers the difference between such higher purchase price paid and the purchase price to be paid under the agreement.

The effective transfer of the Shares was subject to the conditions precedent of (i) obtaining the authorisations of the relevant banking regulators, and (ii) Oddo owning or being before 31 December 2015 in a position to acquire 50% plus one share of the share capital of BHF KB prior to, within the framework or after a bid launched by Oddo et Cie; it being understood that for the purposes of the calculation of such threshold, Oddo et Cie and Franklin Templeton agreed that Franklin Templeton's Shares in BHF KB shall be taken into account.

On the date of the Prospectus, the first aforementioned condition precedent has already been satisfied. Furthermore, following the signature of this agreement and the irrevocable tender commitment with AQTON as referred to below as well as the additional acquisitions of Shares by Oddo et Cie on the market prior to the official announcement by Oddo et Cie of its Counterbid, the aforementioned second condition precedent has already been satisfied.

As a result thereof, Oddo et Cie effectively acquired the 23,206,881 Shares, representing 17.549% of the outstanding Shares issued by BHF KB, from Franklin Templeton on 13 January 2016.

- **Irrevocable commitment by AQTON to contribute Shares**

On 23 November 2015, Oddo et Cie entered into an agreement with AQTON SE, a company organised under the laws of the Federal Republic of Germany, with its registered office at Seedammweg 55, 61352 Bad Homburg v. d. Höhe, Germany ("**AQTON**") regarding 14,921,842 Shares, representing 11.28% of the Shares, pursuant to which AQTON irrevocably commits:

(i) to tender all its Shares into the Counterbid pursuant to the terms of the Counterbid, at the latest on the second Business Day of the Initial Acceptance Period of the Counterbid, and to not dispose of any Shares in any manner prior to such date;

(ii) starting from the date of the agreement, not to solicit, actively seek,

	<p>negotiate or continue to negotiate, directly or indirectly, any other takeover bid by a party other than Oddo et Cie, nor any transaction involving the acquisition of shares or other equity interests in all or any material part of the business of BHF KB or its subsidiaries, up to and including the settlement of the shares tendered during the Initial Acceptance Period of the Counterbid, or, as the case may be, up to and including the moment when Oddo et Cie withdraws the Counterbid in accordance with the applicable rules; and</p> <p>(iii) starting from the date of the agreement, not to purchase or otherwise acquire or subscribe, and cause any AQTON's affiliate (within the meaning of article 11 of the Company Code) not to purchase or otherwise acquire or subscribe, any share, warrant or other security issued by BHF KB.</p> <p>In case of a counterbid or higher bid for all the Shares issued by BHF KB by a person other than Oddo et Cie (a "Third Party Bid") and provided Oddo et Cie does not withdraw its Counterbid as a result of the Third Party Bid, the commitment of AQTON to tender its securities into the Counterbid in accordance with sections (i) (ii) and (iii) mentioned here above shall remain in force. There are no other conditions to be fulfilled for the irrevocable undertaking of AQTON to remain valid in case of a counterbid.</p> <p>However, it should be noted that given the conversion of Oddo et Cie's initial voluntary and conditional counterbid in cash into a mandatory counterbid in cash, Oddo et Cie is no longer entitled to withdraw its Counterbid as a result of a Third Party Bid.</p>
<p><i>Reasons for the Counterbid</i></p>	<p>With a long-term outlook for five generations, Oddo et Cie is a recognized player in the field of securities. The Oddo Group has proven expertise in the field of asset management, investment banking, back-office support and IT. This know-how is also at the heart of BHF KB's business.</p> <p>In this context, combining the two groups will allow for improved customer service as well as, in the medium term, increased profitability of the entities that form part of the BHF KB group.</p> <p>Oddo et Cie's strategic vision can be described as follows:</p> <ul style="list-style-type: none"> • A unique model in France, which the Oddo Group wishes to replicate in Germany <p>The three cornerstones of the Oddo Group are the following:</p> <ul style="list-style-type: none"> - First and foremost, the development of the Oddo Group is based on the quality of its people and its team dynamics. The choices made by each individual are the driving force behind the decisions carried out by the Oddo Group. It is with this idea in mind that the Oddo Group has enabled its employees to become shareholders. Today, more than 50% of the teams hold approximately 25% of the

capital. The Oddo Group now offers talent on the German teams the possibility to become shareholders.

- The Oddo Group wishes to develop a long-term approach to its activities and relations with clients, associates and partners. This major step in Germany has been accomplished with a view to creating a true Franco-German group in the long term.

- The Oddo Group's expertise in financial markets is based on the investment of 20% of its annual turnover in research and information systems, to the benefit of the totality of its investment banking and asset management activities.

Based on this experience, the Oddo Group is committed to developing this unique model in Germany by making acquisitions in all business areas that form part of the Oddo Group, in order to create a climate of growth for all its activities.

- **The eurozone's Franco-German engine**

Market capitalization in France and Germany represents 60% of the eurozone and around 45% of its GDP and population. These two countries therefore constitute a significant part of the eurozone. In-depth knowledge of these two markets is necessary in order to become the leading expert in the eurozone.

Moreover, the wealth and dynamism of German companies, which are to a large extent small and medium-sized (Mittelstand), are fully consistent with the skill sets developed by the Oddo Group in France in connection with family-owned and medium-sized businesses.

The German trade surplus, comparable in size to China's, illustrates the performance of German companies and explains the interest of the Oddo Group's investor clients in these companies.

The country's high savings rate and the growth of its institutional investors offer a real opportunity for business development in the region.

The successful synergies between Oddo Group's Paris teams and Seydler's teams in Frankfurt encourage a move forward.

The creation of a new management company, Oddo Meriten Asset Management, which already has a coherent offering and corporate organization, also constitutes a strong incentive to move forward with the new acquisition.

Thanks to enthusiastic teams and complementary skill sets in Düsseldorf, Frankfurt and Paris, the Oddo Group is confident in its ability to create a Franco-German group capable of extending its reach to neighbouring

	<p>countries and internationally.</p> <ul style="list-style-type: none"> • A heightened ability to invest in both technology and research <p>The Oddo Group is convinced that its clients' behaviour and needs have evolved due to improved access to information through digitalization.</p> <p>The business models of financial intermediaries will also evolve and may even change completely, as has occurred in other sectors. The Oddo Group wishes to actively participate in this transformation. That's why it has built up a large IT team of 160 people, which will further grow thanks to the platform provided by BHF-Bank AG and which will allow for economies of scale throughout the entire Oddo Group. Furthermore, the Oddo Group's investment in research and financial analysis on the German market will increase and allow it to become the leading expert in the eurozone.</p>
<p><i>Objectives of the Counterbid</i></p>	<p>Oddo et Cie aims to become a leading player in the eurozone in the field of asset management and investment banking. With this ambition in mind, the Oddo Group has launched a process of development in Germany, recently acquiring Seydler Bank AG, now called Oddo Seydler Bank AG, a bank specializing in <i>Mittelstand</i>, and the asset management company Meriten Investment Management GmbH, now called Oddo Meriten Asset Management GmbH. As a result of these acquisitions, Oddo et Cie currently generates a quarter of its turnover in Germany, where a quarter of its 1,300 workforce is also employed.</p> <p>Thanks to effective integration processes, these transactions have already generated positive outcomes and illustrate the Oddo Group's capacity for integration.</p> <p>Oddo et Cie believes that creating closer ties with BHF KB will allow it to become a leading independent player in the eurozone's financial landscape. With respect to the activities carried out by both Oddo et Cie and BHF KB, e.g. private banking, asset management and market activities, their combined size will ensure a comprehensive and innovative offer for investors and issuers, as well as operational synergies and substantial economies of scale. BHF KB's corporate loan business will allow Oddo et Cie to add a new item to its portfolio of services for small and medium-sized businesses.</p> <p>Notwithstanding the wealth management activities carried out by BHF KB (through its subsidiaries Kleinwort Benson Bank (United Kingdom) and Kleinwort Benson (Channel Islands) Holdings Limited (Guernsey)) outside the eurozone, the takeover should allow the creation of a positive dynamic for all entities of the BHF KB group.</p>
<p><i>Intentions</i></p>	<ul style="list-style-type: none"> • BHF KB's position within the Oddo Group following the Counterbid and possible reorganisations <p>Oddo et Cie intends to create closer ties with BHF KB in order to take</p>

advantage of the strategy described above.

With this in mind, the Oddo Group aims to consolidate all of its German activities with the entities of the BHF KB group.

The Oddo Group also confirms its intention to develop in the eurozone and it is its intention not to retain the private banking activities in the United Kingdom and the Channel Islands. In view of disposing these operations, Oddo et Cie and Société Générale negotiated an agreement.

In particular, by way of an offer letter dated 11 September 2015 and an amendment dated 23 November 2015, Société Générale has made a binding offer to the Counterbidder (the "**Offer**"), subject to the completion of the Counterbid, to acquire from BHF KB 100% of the issued and to be issued share capital of two of its subsidiaries involved in the wealth management business, namely Kleinwort Benson Bank Limited, a limited liability company incorporated in England and Wales ("**KBBL**"), and Kleinwort Benson (Channel Islands) Holdings Limited, a limited liability company incorporated in Guernsey ("**KBCIH**", such company holding notably 100% of Kleinwort Benson (Channel Islands) Limited ("**KBCIL**")) (together the "**Target Companies**"), as well as the full and unencumbered ownership of the Kleinwort Benson trademarks (the "**Acquisition**").

Société Générale has already received all corporate approvals necessary for the submission of the Offer and does not require any additional internal approvals to complete the Acquisition.

As customary, the closing of the Acquisition is however subject to various conditions precedent, i.e.:

- a confirmatory due diligence, which will be conducted at a later stage, it being understood however that the Offer would remain valid further to such due diligence unless Société Générale identifies a significantly adverse issue involving a major reputational risk for the Target Companies and/or their subsidiaries, while any other significantly adverse issues should be dealt in the share purchase agreement (as referred to below);
- the clearance of the competent antitrust authorities;
- the approval of the competent administrative and regulatory authorities (including the Prudential Regulation Authority in the United Kingdom and the Guernsey Financial Services Commission in Guernsey), and
- the negotiation and execution, at the latest on either 15 February 2016, or if on the later date, a tender offer has been launched by the Counterbidder and is not completed, 31 March 2016 (the "**Acceptance Deadline**"), of a share purchase agreement in line with market practice and satisfactory to both Société Générale and BHF KB regarding the Acquisition (the "**SPA**").

If need be, a transitional services agreement will also be concluded to organise the transition with respect to the provision of intra-group services in compliance with applicable regulatory requirements for such agreements.

The Offer will remain open until the Acceptance Deadline. The Offer will be deemed accepted by BHF KB only if the SPA is executed by BHF KB by the Acceptance Deadline.

The opportunity to sell Kleinwort Benson Investors will also be considered with the management in due time.

- **Impact of corporate governance and employment of BHF KB and BHF KB group companies**

Since the public announcement of its Counterbid, Oddo et Cie, based on its current knowledge of BHF KB group companies, has not made and does not currently intend to make any changes to the board of directors of BHF KB and its affiliated companies, to restructure the management or staff of BHF KB and its affiliated, or to modify their working conditions. The Counterbid reflects Oddo et Cie's willingness to accept new colleagues and changes to its corporate culture. Oddo et Cie wishes to preserve the skills and experience of BHF KB's and affiliated companies' personnel. Assuming Oddo et Cie Counterbid would be successful, the only change Oddo et Cie is currently anticipating is that Philippe Oddo intends to apply as Chief Executive Officer of BHF-BANK.

BHF KB's board of directors will be responsible for continuing to establish and implement a management policy, taking into account the changing economic circumstances affecting BHF KB's various activities.

The potential consequences of the implementation of Oddo et Cie's intentions for BHF KB's employees and affiliated companies will be mitigated by adequate accompanying measures adopted in accordance with the following principles: (i) respect for individuals and cultures, (ii) identification of synergies, and (iii) harmonization of procedures and practices within the new group. Ultimately, the Oddo Group's objective for BHF KB is to create value and related employment opportunities.

- **Dividend policy**

At this time, Oddo et Cie cannot determine BHF KB's dividend policy. This policy will be determined by the competent organs of BHF KB, taking into account BHF KB's capacity to distribute dividends, as well as a number of other factors, including BHF KB's business prospects, available cash, financial results, prevailing market conditions, the general economic climate and other considerations, notably with respect to tax and regulatory matters.

- **Intentions of Oddo et Cie with respect to BHF KB's articles of association**

At this time, Oddo et Cie does not intend to amend BHF KB's articles of association unless BHF KB's shares are delisted from the regulated market

	<p>of Euronext Brussels. In this case, BHF KB would no longer be a listed company. This would necessitate amendments to its articles of association, mainly in order to adapt the articles to its status as a privately held company, and its governance conditions, notably the intragroup conflict-of-interest procedure provided for by Article 524 of the Company Code would no longer apply.</p> <ul style="list-style-type: none"> • Future delisting of BHF KB's Shares <p>When conducting the Counterbid, Oddo et Cie reserves the right to request the delisting of the Shares from admission to trading on the regulated market of Euronext Brussels, in accordance with the applicable legislation. In the event of delisting of the Shares, the remaining Shareholders shall hold illiquid financial instruments. The FSMA may oppose the delisting in the interest of the protection of investors.</p> <p>The privatization of BHF KB would result in the loss of its status as a listed company at the close of the squeeze-out and this will result in fundamental changes to its articles of association and governance conditions.</p> <p>Apart from the above, Oddo et Cie has not as of the date of the Prospectus envisaged more precisely the possible synergies with BHF KB and estimated economic returns and timing thereof.</p>
<i>Characteristics of the Counterbid</i>	
<i>Nature and purpose of the Counterbid</i>	<p>The Counterbid is a mandatory offer made by Oddo et Cie in accordance with Article 5 of the Takeover Act and Chapter III of the Takeover RD. The Counterbid will be paid in cash.</p> <p>In launching the mandatory Counterbid, Oddo et Cie complies with its legal obligations that have arisen as a result of the signature of the agreements with Franklin Templeton and AQTON, as further described below and the subsequent acquisitions of Shares made by Oddo et Cie as set forth in Section 4.9.3 (<i>Acquisitions of Shares in the past twelve months</i>).</p>
<i>Scope of the Counterbid</i>	<p>The Counterbid covers all 75,541,866 BHF KB Shares (including treasury shares) with coupon no. 1 attached, which are not already, directly or indirectly, held by Oddo et Cie. On the contrary, the Counterbid does not cover the restricted depositary shares.</p> <p>BHF KB has not issued any other securities with voting rights or giving access to voting rights. BHF KB has not issued any rights allowing their holders to acquire shares.</p>
<i>Price of the Counterbid and payment</i>	<p>The Price of the Counterbid is EUR 5.75 per tendered Share (with coupon no. 1 and following attached).</p> <p>The Price of the Counterbid shall be paid within ten Business Days</p>

	<p>following announcement of the results of the Initial Acceptance Period. The Counterbidder plans to pay the Price of the Counterbid on 2 March 2016.</p> <p>The total Price of the Counterbid for all Shares amounts to EUR 434,365,729.50.</p>
<p><i>Justification of the Price of the Counterbid</i></p>	<p>1. Specific requirements under the Takeover RD</p> <p>Article 53 of the Takeover RD provides that the Price of the Counterbid must be at least equal to the higher of the following two amounts:</p> <ul style="list-style-type: none"> • <i>the highest price paid by Oddo et Cie or a person acting in concert with Oddo et Cie for a Share of BHF KB in the 12-month period preceding announcement of the Counterbid; or</i> • <i>the weighted average trading price over the 30 calendar days immediately preceding the date on which the obligation to launch a mandatory public bid arose.</i> <p>The highest price paid by Oddo et Cie for a Share of BHF KB is EUR 5.75, while the weighted average trading price over the thirty calendar days immediately preceding the date on which the obligation to make a mandatory bid arose (i.e. 25 November 2015) amounts to EUR 5.16.</p> <p>Neither Franklin Templeton, nor AQTON acquired BHF KB Shares at a price higher than the Price of the Counterbid in the 12 months prior to announcement of the Counterbid.</p> <p>In addition, in accordance with Article 37 of the Takeover RD, the Price of the Counterbid must exceed by at least 5% Fosun's Bid. The Price of the Counterbid (EUR 5.75) in fact exceeds Fosun's Bid (EUR 5.10) by 12.7%.</p> <p>2. Reference framework for the valuation of the Shares</p> <p>The Price of EUR 5.75 per Share offered by the Counterbidder is the result of negotiations between the Counterbidder and certain Shareholders which required this Price as a condition for acceptance of the Counterbid. Acceptance of the Counterbid by these Shareholders was deemed critical to the overall success of the Counterbid.</p> <p>The Counterbidder's internal investment committee approved the Price on the basis of an implied discount to book value, which was viewed as justified in light of the company's financial performance. It should be noted that the implied price for 100% of the company of EUR 757 million implies a 7.6% discount compared to the book value of EUR 819.7 million as of 30 June 2015 and a 4.6% discount compared to the book value of EUR 793.5 million as of 30 September 2015.</p>

(In euros millions)	6M 2015	9M 2015
Price per share	5.75	5.75
Number of shares (in millions)	131.7	131.7
Implied price for 100%	757.3	757.3
BHF KB book value	819.7	793.5
Implied premium / (Discount) included in the Counterbid	(7.6%)	(4.6%)

Furthermore, the following valuation methods were viewed as most relevant by the Counterbidder in order to assess the EUR 5.75 Price per Share of the Counterbid:

- historical share prices;
- price/book value multiple derived via linear regression and adjusted for excess capital - this methodology allows to account for both BHF KB's lower profitability and higher capitalization compared to its peers:
 - o a P/BV multiple estimated via linear regression is preferred to an average P/BV multiple which does not take into account BHF KB's lower profitability compared to its peers;
 - o moreover, BHF KB's shareholder equity has been adjusted for excess capital (above 12% CET1 ratio), in order to allow a like-for-like comparison and offer full value for excess capital.

The Price of the Counterbid represents a control premium of around:

- 40% compared to the weighted average Share Price over the last 12 months (before Fosun's Bid),
- 55% compared to the standalone valuation derived by linear regression on universal banks and adjusted for BHF KB's excess capital,
- 37% compared to the standalone valuation derived by linear regression on private banks and adjusted for BHF KB's excess capital.

The Counterbidder views this control premium as attractive to BHF KB' shareholders.

Other valuation methods retained for reference purposes include (the limitations of each are explained in the corresponding Section below):

- BHF KB's most recent share price targets, as published by equity research analysts; and
- trading multiples of comparable listed companies.
-

Precluded valuation methods include:

- multiples of comparable transactions; and
- discounted future dividends.

	<p>The table below provides a summary of the retained methods. A full description of these is included in Section 7.2.2 (<i>Justification of the Price of the Counterbid</i>).</p> <table border="1" data-bbox="545 247 1341 548"> <thead> <tr> <th></th> <th>Implied price per share (€)</th> <th>Implied premium (€5.75 per share)</th> </tr> </thead> <tbody> <tr> <td colspan="3">Share price</td> </tr> <tr> <td>Share price on July 24, 2015 (trading suspended before Fosun's bid)</td> <td>4.66</td> <td>23.4%</td> </tr> <tr> <td>Last 1 month weighted average (before Fosun's bid)</td> <td>4.60</td> <td>25.0%</td> </tr> <tr> <td>Last 3 months weighted average (before Fosun's bid)</td> <td>4.35</td> <td>32.2%</td> </tr> <tr> <td>Last 6 months weighted average (before Fosun's bid)</td> <td>4.41</td> <td>30.3%</td> </tr> <tr> <td>Last 12 months weighted average (before Fosun's bid)</td> <td>4.11</td> <td>40.1%</td> </tr> <tr> <td colspan="3">Trading multiples - Price / BV via linear regression adjusted for excess capital</td> </tr> <tr> <td>RoE 2017 vs. P/BV 2016 regression - Universal banks</td> <td>3.71</td> <td>54.9%</td> </tr> <tr> <td>RoE 2017 vs. P/BV 2016 regression - Private banks</td> <td>4.21</td> <td>36.7%</td> </tr> </tbody> </table> <p>Note: As Oddo et Cie does not currently have a controlling stake in BHF KB, the Price of the Counterbid includes a control premium, which is reflected in the additional amount paid compared to the results of the various valuation methods, which rely on management's stand-alone business plan.</p>		Implied price per share (€)	Implied premium (€5.75 per share)	Share price			Share price on July 24, 2015 (trading suspended before Fosun's bid)	4.66	23.4%	Last 1 month weighted average (before Fosun's bid)	4.60	25.0%	Last 3 months weighted average (before Fosun's bid)	4.35	32.2%	Last 6 months weighted average (before Fosun's bid)	4.41	30.3%	Last 12 months weighted average (before Fosun's bid)	4.11	40.1%	Trading multiples - Price / BV via linear regression adjusted for excess capital			RoE 2017 vs. P/BV 2016 regression - Universal banks	3.71	54.9%	RoE 2017 vs. P/BV 2016 regression - Private banks	4.21	36.7%
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<p><i>Initial conditions of the Counterbid</i></p>	<p>Upon the initial announcement by Oddo et Cie of its intention to launch a voluntary and conditional counterbid in cash for the outstanding Shares issued by BHF KB, the bid was subject to the conditions precedent mentioned below, as amended on 2 December 2015 further to the exemptions granted by the FSMA.</p> <p>However, at the date of this Prospectus, all the conditions precedent as further described in Section 7.3 (<i>Initial conditions of the Counterbid</i>) have already been met as a result of which the Counterbid is now unconditional.</p>																														
<p><i>Projected timetable</i></p>	<table border="1" data-bbox="545 1255 1377 1919"> <thead> <tr> <th>Event</th> <th>Scheduled Date</th> </tr> </thead> <tbody> <tr> <td>Filing of the first takeover notice</td> <td>26 November 2015</td> </tr> <tr> <td>Publication of the first notice pursuant to Article 7 <i>juncto</i> Article 57 of the Takeover RD</td> <td>27 November 2015</td> </tr> <tr> <td>Filing of and addendum to the first takeover notice</td> <td>2 December 2015</td> </tr> <tr> <td>Publication of the addendum to the first notice pursuant to Article 7 <i>juncto</i> Article 57 of the Takeover RD</td> <td>2 December 2015</td> </tr> <tr> <td>Approval of the Prospectus by the FSMA</td> <td>19 January 2016</td> </tr> </tbody> </table>	Event	Scheduled Date	Filing of the first takeover notice	26 November 2015	Publication of the first notice pursuant to Article 7 <i>juncto</i> Article 57 of the Takeover RD	27 November 2015	Filing of and addendum to the first takeover notice	2 December 2015	Publication of the addendum to the first notice pursuant to Article 7 <i>juncto</i> Article 57 of the Takeover RD	2 December 2015	Approval of the Prospectus by the FSMA	19 January 2016																		
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	<p>Publication of the Prospectus 27 January 2016</p> <p>Opening of the Initial Acceptance Period 27 January 2016</p> <p>Close of the Initial Acceptance Period 10 February 2016</p> <p>Publication of the results of the Counterbid 17 February 2016</p> <p>Voluntary reopening, mandatory reopening (in one of the instances mentioned in Article 35 of the Takeover RD) or simplified squeeze-out (if the Counterbidder holds at least 95% of the Shares) 2 March 2016</p> <p>Initial Payment Date (i.e. settlement) 2 March 2016</p> <p>Closing of the second Acceptance Period (if applicable) 24 March 2016</p> <p>Publication of the results of the period of reopening of the Counterbid (and squeeze-out, as the case may be) 1 April 2016</p>
<i>Initial Acceptance of the Counterbid</i>	<p>The Initial Acceptance Period for the Counterbid runs from 27 January 2016 until 16.00 CET on 10 February 2016, subject to extension.</p> <p>Shareholders that wish to accept the Counterbid must complete, sign and submit the Acceptance Form appended to the Prospectus as Annex 1, in two copies, not later than the last date of the Initial Acceptance Period or, as the case may be, of the subsequent Acceptance Period(s) after the reopening of the Counterbid.</p> <p>Acceptance Forms, duly completed and signed, may be submitted free of charge directly to the Centralizing Receiving Agent.</p> <p>Shareholders may choose to register their acceptance either directly or indirectly through a financial intermediary. In the latter case, Shareholders are requested to inquire with their financial institution about any costs they may incur in connection with the Counterbid.</p>
<i>Centralizing Receiving</i>	Bank Degroof Petercam NV/SA, a limited liability company (“naamloze

<i>Agent</i>	<p><i>vennootschap / société anonyme</i>”) incorporated under the laws of Belgium, with its registered office at 44 Rue de l’Industrie, 1040 Brussels, registered with the Register of Legal Entities (Brussels) under number 0403.212.172 acts as the Centralizing Receiving Agent in the context of the Counterbid.</p> <p>The Centralizing Receiving Agent shall centralise, directly or indirectly, the receipt of Acceptance Forms and ensure payment of the Price of the Counterbid.</p>
<i>Prospectus</i>	<p>The English version of the Prospectus was approved by the FSMA on 19 January 2016, in accordance with Article 19 §3 of the Takeover Act.</p> <p>An electronic version of the Prospectus (including the Acceptance Form) is available on the websites of the Centralizing Receiving Agent (www.degroofpetercam.com/bhfkb), Oddo et Cie (www.oddo.fr) and BHF KB (www.bhfkleinwortbenson.com).</p> <p>The Prospectus and the Acceptance Form are also available free of charge by phoning the Centralizing Receiving Agent at +32 2 229 66 90.</p> <p>A French translation of the Prospectus and the Acceptance Form is available in digital format on the abovementioned websites.</p> <p>In the event of inconsistencies between the French version of the Prospectus, on the one hand, and the English version as approved by the FSMA, on the other, the English version shall prevail. Oddo et Cie has verified the translation and is responsible for its consistency.</p>
<i>Applicable law and jurisdiction</i>	<p>The Counterbid is governed by Belgian law, in particular the Takeover Act and the Takeover RD. Any dispute relating to the present Counterbid shall be submitted to the exclusive jurisdiction the Brussels Court of Appeal.</p>

1. DEFINITIONS

For the purposes of this Prospectus, the following capitalised terms shall have the meanings set out below:

<i>Acceptance Form</i>	the form attached hereto as Annex 1 , to be completed in duplicate by Shareholders that wish to tender their Shares in the Counterbid.
<i>Acceptance Period</i>	the Initial Acceptance Period and/or the subsequent acceptance period(s) of any reopening of the Counterbid (including within the context of a squeeze-out).
<i>ACPR</i>	<i>Autorité de Contrôle Prudentiel et de Résolution.</i>
<i>Act of 2 May 2007</i>	the Act of 2 May 2007 on the disclosure of major shareholdings in issuers whose shares are admitted to trading on a regulated market.
<i>AMF</i>	<i>Autorité des Marchés Financiers.</i>
<i>AGM</i>	any annual general shareholders' meeting.
<i>AQTON</i>	AQTON SE, a company organised under the laws of the Federal Republic of Germany, with its registered office at Seedammweg 55, 61352 Bad Homburg v. d. Höhe, Germany.
<i>BaFin</i>	<i>Bundesanstalt für Finanzdienstleistungsaufsicht.</i>
<i>BHF KB</i>	the company targeted by the mandatory Counterbid made by Oddo et Cie, namely BHF Kleinwort Benson Group SA/NV (BHF KB), a public limited company (“ <i>naamloze vennootschap / société anonyme</i> ”) incorporated under the laws of Belgium, with its registered office at 326 Avenue Louise, 1050 Brussels, registered with the Register of Legal Entities (Brussels) under number 0866.015.010.
<i>BHF-BANK</i>	BHF-BANK Aktiengesellschaft, a company organised under the laws of the Federal Republic of Germany, with its registered office at Bockenheimer Landstrasse 10, 60323 Frankfurt am Main, Germany.
<i>Business Day</i>	any day on which the Belgian banks are open to the public, except Saturdays and Sundays, as defined in Article 3 §1(27) of the Takeover Act.
<i>Centralizing Receiving Agent</i>	Bank Degroof Petercam NV/SA, a limited liability company (“ <i>naamloze vennootschap / société anonyme</i> ”) incorporated under the laws of Belgium, with its registered office at 44

Rue de l'Industrie, 1040 Brussels, registered with the Register of Legal Entities (Brussels) under number 0403.212.172.

<i>Company Code</i>	The Belgian Company Code, as in effect on the date of the Prospectus.
<i>Counterbid</i>	the mandatory counterbid in cash made by Oddo et Cie for the Shares of BHF KB, in accordance with the Takeover Act and the Takeover RD, as detailed in Section 7 (<i>The Counterbid</i>) of the Prospectus.
<i>Fosun</i>	Billion Eastgate (Luxembourg) S.à.r.l., a company incorporated under the laws of Luxembourg, with its registered office at 6 Rue Eugène, L-2453 Luxembourg, registered with the Luxembourg Trade and Companies Register under number B 198525, indirectly a wholly owned subsidiary of Fosun International Limited.
<i>Fosun's Bid</i>	a voluntary takeover bid in cash, made by Fosun, in accordance with the Takeover Act and the Takeover RD, as detailed in Section 6.1.2 (<i>Fosun's Bid</i>).
<i>Franklin Templeton</i>	Franklin Templeton Institutional, LLC, a company organised under the laws of the State of California, United States of America, with its registered office at One Franklin Parkway, San Mateo, California 94403.
<i>FSMA</i>	the Financial Services and Markets Authority.
<i>Initial Acceptance Period</i>	the period during which Shareholders may tender their Shares under the Counterbid, starting at 9.00 CET on 27 January 2016 and ending at 16.00 CET on 10 February 2016, subject to the extension of the Initial Acceptance Period, as mentioned in Section 7.6.2 (<i>Extension</i>).
<i>JP Morgan</i>	J.P. Morgan Securities plc, (Paris branch), 14 Place Vendôme, 75001 Paris, France.
<i>JP Morgan Europe</i>	J.P. Morgan Europe Limited, 25 Bank Street, Canary Wharf, London E14 5JP, United Kingdom.
<i>Oddo et Cie (or the Counterbidder)</i>	Oddo et Cie, a partnership limited by shares incorporated under the laws of France, with registered office at 12 Boulevard de la Madeleine, 75009 Paris, registered with the (Paris) Trade and Companies Register under number 652.027.384.
<i>Oddo Group</i>	the group to which Oddo et Cie belongs, as described in

Section 4.6 (*Structure of the Oddo Group*).

<i>Price of the Counterbid</i>	the cash compensation granted by Oddo et Cie for each Share tendered in the framework of the Counterbid, as detailed in Section 7.2 (<i>Price of the Counterbid</i>).
<i>Prospectus</i>	the present prospectus, including the Annexes which form an integral part hereto, and any possible supplement published in accordance with the applicable law.
<i>Restricted Stock Unit(s)</i>	any or all, as the context requires, of the outstanding and unvested restricted stock units of BHF KB, as further described in Section 5.6.4 (<i>Restricted Stock Units</i>).
<i>Section</i>	any section of this Prospectus.
<i>Shareholder</i>	a holder of one or more Shares.
<i>Shares</i>	depending on the context, all or some of the shares representing the capital of BHF KB, with coupon no. 1 <i>et seq.</i> attached.
<i>Société Générale</i>	Société Générale SA, a public limited company (“ <i>naamloze vennootschap / société anonyme</i> ”) incorporated under the laws of France, with its registered office at 29 Boulevard Haussmann, 75009 Paris, registered with the (Paris) Trade and Companies Register under number 552.120.222.
<i>Société Générale (Brussels branch)</i>	Société Générale (Brussels branch), Park Atrium, 11 Rue des Colonies, 1000 Brussels, Belgium.
<i>Supporting Shareholders</i>	AQTON and Franklin Templeton.
<i>Takeover Act</i>	the Act of 1 April 2007 on takeover bids.
<i>Takeover RD</i>	the Royal Decree of 27 April 2007 on takeover bids.

2. IMPORTANT NOTICES

2.1 INFORMATION CONTAINED IN THE PROSPECTUS

The Prospectus contains the only information authorised about the Counterbid. Oddo et Cie has not authorised any other person to provide information to Shareholders other than that contained in the Prospectus. The information contained in the Prospectus is correct as of its date. Any new significant fact or any material error or inaccuracy in the information contained in the Prospectus which could influence the evaluation of the Counterbid, occurring or noticed between approval of the Prospectus and the close of the final Acceptance Period, shall be mentioned in a supplement to the Prospectus, in accordance with Article 17 of the Takeover Act

Shareholders are requested to read the Prospectus carefully and in its entirety and to base their decision on their own analysis of the terms and conditions of the Counterbid, taking into account the advantages and disadvantages it presents. Any summary or description contained in the Prospectus relating to legal provisions, corporate or restructuring transactions or contractual relations is provided for information purposes only and should not be construed as a legal or tax opinion on the interpretation or applicability of such provisions. If in doubt as to the substance or meaning of information contained in the Prospectus, Shareholders are requested to seek advice from an accredited financial consultant or professional specialising in the purchase and sale of financial instruments.

2.2 RESTRICTIONS

It is prohibited to copy or distribute all or part of this Prospectus and to disclose its content or use the information contained herein for any purpose other than assessment of the Counterbid, unless the information is already publicly available in another form. Receipt by a Shareholder of this Prospectus indicates that Shareholder's agreement with the foregoing and the following provisions.

This Prospectus does not constitute an offer to buy or sell securities or the solicitation of an offer to buy or sell securities (i) in a jurisdiction where such an offer or solicitation is not authorised or (ii) vis-à-vis any person to whom it would be unlawful to make such an offer or solicitation. It is the responsibility of every person in possession of this Prospectus to obtain information regarding the existence of such restrictions and to ensure that they are observed, where appropriate.

No action has been or will be taken elsewhere than in Belgium to allow a public bid in any jurisdiction in which such steps would be required.

Neither the Prospectus, the Acceptance Form nor any advertisement or other information shall be publicly disseminated in a jurisdiction other than Belgium in which a registration, authorisation or other obligation exists or could exist with respect to an offer to buy or sell securities or a solicitation to that end by any person. Oddo et Cie expressly disclaims all liability for any violation of the present restrictions by any person.

2.3 AVAILABLE INFORMATION

The notice required by Article 11 *juncto* Article 57 of the Takeover Act, setting out the publication terms of the complete Prospectus, shall be published in the Belgian financial press around 25 January 2016.

An electronic version of the Prospectus (including the Acceptance Form) is available on the websites of the Centralizing Receiving Agent (www.degroofpetercam.com/bhfkfb), Oddo et Cie (www.oddo.fr) and BHF KB (www.bhfkleinwortbenson.com).

The Prospectus and the Acceptance Form are also available free of charge by phoning the Centralizing Receiving Agent at +32 2 229 66 90.

A French translation of the Prospectus and the Acceptance Form is available in digital format on the abovementioned websites. In the event of inconsistencies between the French version of the Prospectus, on the one hand, and the English version as approved by the FSMA, on the other, the English version shall prevail. Oddo et Cie has verified the translation and is responsible for its consistency.

The text of the Prospectus, as available on the Internet, does not constitute a bid in a jurisdiction where such a bid is not authorised. It is expressly prohibited to reproduce the electronic version of the Prospectus on another website or in any other place, or to reproduce the Prospectus in printed form for distribution.

2.4 FORWARD-LOOKING STATEMENTS

The Prospectus contains forward-looking statements such as those with the terms: "believe", "foresee", "expect", "anticipate", "project", "pursue", "tend to", "may" and similar expressions, as well as future and conditional tenses. These forward-looking statements demonstrate and involve risks and uncertainties, and although Oddo et Cie considers that the expectations and assumptions reflected in these forward-looking statements are based on reasonable and sensible hypotheses, nothing in this Prospectus can be construed as a guarantee that the subject projections will be realised or accomplished, nor that they will be proven exact. Such statements deal with known and unknown risks, uncertainties and other factors capable of leading to a substantial difference between the actual earnings, financial situation, performance or achievements of Oddo et Cie or BHF KB and the future sector results, earnings, performance or achievements expressly or implicitly alluded to in these forward-looking statements. These forward-forward looking statements are only valid as of the date of the Prospectus. Oddo et Cie expressly disclaims any obligation to update the forward-looking statements contained in this Prospectus if the relevant expectations, conditions, circumstances or facts on which they are based should change, unless such an update is required pursuant to Article 17 of the Takeover Act.

2.5 APPLICABLE LAW AND JURISDICTION

The Counterbid is governed by Belgian law, in particular the Takeover Act and the Takeover RD.

The Brussels Court of Appeal shall have exclusive jurisdiction to settle any disputes relating to the present Counterbid.

3. GENERAL INFORMATION

3.1 APPROVAL BY THE FSMA

The English version of the Prospectus was approved by the FSMA on 19 February 2016, in accordance with Article 19 §3 of the Takeover Act. Such approval does not imply an assessment or evaluation of the merits or quality of the Counterbid or of the position of Oddo et Cie or BHF KB.

In accordance with Article 5 *juncto* Article 57 of the Takeover RD, Oddo et Cie formally notified the FSMA of its intention to proceed with the Counterbid on 27 November 2015, as amended on 2 December 2015. This notification was published by the FSMA on respectively 27 November 2015 and 2 December 2015 in accordance with Article 7 *juncto* Article 57 of the Takeover RD.

Apart from the FSMA, no other authority in any other jurisdiction has approved the Prospectus or Counterbid. The Counterbid is launched in Belgium only and no action has been taken or will be taken to obtain authorisation to distribute the Prospectus outside Belgium.

3.2 RESPONSIBILITY FOR THE PROSPECTUS

Oddo et Cie, represented by its management board ("*collège de la gérance*"), is exclusively responsible for the content of the Prospectus, in accordance with Article 21 of the Takeover Act, with the exception of the following documents for which responsibility is accepted by their authors: the consolidated financial statements and financial statements of BHF KB for the financial year which ended on 31 December 2014, as well as the half-yearly financial statements of BHF KB dated 30 June 2015, appended hereto as **Annexes 5, 6 and 7**, respectively.

The information contained in this Prospectus about BHF KB and its affiliated companies has been compiled, reproduced and represented correctly, based on publicly available information.

Subject to the foregoing, the management board ("*collège de la gérance*") of Oddo et Cie confirms that, to the best of its knowledge, the content of this Prospectus is accurate, not misleading and consistent with reality and it does not contain any material omission capable of altering its scope.

No person is authorised to provide information or make statements about the Counterbid other than those contained in the Prospectus or claim that such information or statements were authorised by Oddo et Cie.

3.3 FINANCIAL AND LEGAL ADVISORS TO ODDO ET CIE

JP Morgan advised Oddo et Cie on certain financial aspects of the Counterbid. This advice was provided for the sole benefit of Oddo et Cie, and third parties may not rely on it. JP Morgan accepts no responsibility for the information contained in the Prospectus, and no part of that information may be construed as a promise, guarantee or opinion by JP Morgan.

NautaDutilh SPRL advised Oddo et Cie on certain legal aspects of the Counterbid. This advice was provided for the sole benefit of Oddo et Cie, and third parties may not rely on it. NautaDutilh SPRL accepts no responsibility for the information contained in the Prospectus, and no part of that information may be construed as a promise, guarantee or opinion by NautaDutilh SPRL.

3.4 MEMORANDUM IN REPLY OF BHF KB'S BOARD OF DIRECTORS TO THE COUNTERBID

The memorandum in reply to the Counterbid, to be adopted by the board of directors of BHF KB and to be approved by the FSMA in accordance with Article 22 of the Takeover Act will be made public in due time by BHF KB.

4. ODDO ET CIE

4.1 IDENTIFICATION OF ODDO ET CIE

Corporate name	Oddo et Cie
Registered office	12 Boulevard de la Madeleine, 75009 Paris
Date of incorporation and term of existence	9 June 1965 - until 31 December 2088
<i>Registre du Commerce et des Sociétés</i> number	652.027.384 R.C.S. Paris
Corporate form	Partnership limited by shares
Financial year	From 1 January until 31 December
Date of the annual general meeting	The annual general meeting must be held within 5 months from the closing date of the financial year and is usually held at the end of March
Auditor(s)	<ul style="list-style-type: none">• Co-auditors:<ul style="list-style-type: none">- PricewaterhouseCoopers Audit, a limited company incorporated under French law with its registered office at 63 Rue de Villiers, 92200 Neuilly-sur-Seine, registered with the <i>Registre du Commerce et des Sociétés</i> (Nanterre) under number 672.006.483; and- Pierre-Henri Scacchi et Associés, a limited company incorporated under French law with its registered office at 23 Rue d'Anjou, 75008 Paris, registered with the <i>Registre du Commerce et des Sociétés</i> (Paris) under number 408.272.375.

Pierre-Henri Scacchi et Associés was appointed by Oddo et Cie's general meeting of limited partners ("*associés commanditaires*") on 26 March 2010 for a term of six financial years. Its term will expire at the end of the general meeting called to approve the statements for the financial year closing on 31 December 2015.

PricewaterhouseCoopers Audit was appointed by Oddo et Cie's general meeting of limited partners ("*associés commanditaires*") on 31 March 2014 for a term of six financial years. Its term will expire at the end of the general meeting called to approve the

statements for the financial year closing on 31 December 2019.

- Substitute co-auditors:
 - Mr Jean-Baptiste Deschryver, whose address is located at 63 Rue de Villiers 92208 Neuilly-sur-Seine, and
 - BEAS, a limited company formed under French law with its registered office at 195 Avenue Charles de Gaulle, 92200 Neuilly-sur-Seine, registered with the *Registre du Commerce et des Sociétés* (Nanterre) under number 315.172.445.

Mr Jean-Baptiste Deschryver was appointed by Oddo et Cie's general meeting of limited partners ("*associés commanditaires*") on 31 March 2014 for a term of six financial years. His term will expire at the end of the general meeting called to approve the statements for the financial year closing on 31 December 2019.

BEAS was appointed by Oddo et Cie's general meeting of limited partners ("*associés commanditaires*") on 31 March 2014 to replace Mr Pierre-Henri Scacchi (who resigned). His term will expire at the end of the general meeting called to approve the statements for the financial year closing on 31 December 2015.

4.2 CORPORATE PURPOSE OF ODDO ET CIE

Pursuant to Article 2 of its articles of association, Oddo et Cie's corporate purpose, in France as in other countries, directly or through any branch, consists of:

- the exercise and development of all activities relevant to investment services, in particular trading in securities and the management of portfolios and counterparty risk;
- the exercise, as a secondary activity on behalf of direct and indirect clients of the group, of the following banking transactions:
 - holding cash accounts associated with securities accounts and making available payment methods;
 - conducting credit transactions systematically linked to financial instrument guarantees and/or life assurance contracts and/or bank guarantees on first demand, with the exception of consumer credit;
 - providing advice on and assistance with financial management;
- the exercise, as a secondary activity, of insurance intermediation activities within the meaning of the French Insurance Code and all related transactions, for subscribers or beneficiaries, relating to life insurance or capitalisation contracts;

- the acquisition of any interest or stake, majority or minority, in all types of companies performing such activities;
- the creation and contribution to the development of any non-profit legal entity with a public interest objective;
- and in general, the exercise of any civil, commercial or financial transactions or dealings in transferable or non-transferable instruments compatible with the company's purpose or with any similar or related corporate purpose or which relates to the management of the company's fixed and liquid assets.

4.3 MANAGEMENT STRUCTURE OF ODDO ET CIE

Oddo et Cie is a limited partnership with share capital (SCA). In accordance with French law, its shareholders are represented by a dual structure :

1. a general meeting of unlimited partners ("*associés commandités*") who jointly bear unlimited liability with regard to their personal assets (see Section 4.3.1 (*General meeting of unlimited partners*));
2. a general meeting of limited partners ("*associés commanditaires*") whose liability is limited to their respective capital contributions (see Section 4.3.2 (*General meeting of limited partners*)).

Decisions within their competence, such as the annual approval of the financial statements, must be taken by both bodies, with the exception *inter alia* of the distribution of profits, the appointment of the members of the supervisory board ("*conseil de surveillance*") and of the auditors who are appointed only by the general meeting of limited partners ("*associés commanditaires*").

In terms of corporate governance, the management structure of the Oddo Group is composed of the following bodies:

3. a supervisory board ("*conseil de surveillance*") which has an advisory role (see Section 4.3.3 (*Supervisory board*));
4. a management board ("*collège de la gérance*"), each manager having the ability to bind the company in relation to third parties at the conditions laid down in Oddo et Cie's articles of association (see Section 4.3.4 (*Management board*)), and
5. an executive committee, composed of the members of the management board and the managers of Oddo's Group main subsidiaries and business units (see Section 4.3.5 (*Executive committee*)).

This being said, the main governing bodies of Oddo et Cie are thus:

- the general meeting of unlimited partners ("*associés commandités*") in its capacity as the supervisory organ within the meaning of the French financial regulation (see Section 4.3.1 (*General meeting of unlimited partners*)), and
- the management board ("*collège de la gérance*"), in its capacity as the executive body within the meaning of the French financial regulation, and which is composed of three individual members who carry out the executive functions within Oddo et Cie and other companies within the Oddo Group (see Section 4.3.4 (*Management Board*));

Finally, in accordance with French financial regulation, Oddo et Cie has also set up:

- an audit and internal control committee, and
- a remuneration committee (see Section 4.3.6 (*Specialised committees*)).

These two committees, as well as the persons responsible for Permanent Control (i.e. the Chief Risk Officer and the Chief Compliance Officer) and the person responsible for Periodic Control (the Inspections Officer), have direct access and are accountable to the general meeting of unlimited partners ("*associés commandités*").

Oddo et Cie's current governance structure is evolving in order to implement Directive 2013/36/EU of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, transposed into French law by Act No 2013-672 of 26 July 2013, the Ordinance of 20 February 2014, and the Decree of 3 November 2014 on internal control in banking sector institutions, payment services and investment services subject to ACPR oversight (the "**CRD IV Directive**").

In particular, the general meeting of unlimited partners ("*associés commandités*") will be strengthened, notably through the appointment of a new member, a legal entity which will represent Oddo et Cie's employee-shareholders and which will be headed by an employee of the Oddo Group.

4.3.1 General meeting of unlimited partners ("*associés commandités*")

The general meeting of unlimited partners ("*associés commandités*") is the corporate organ composed of Oddo et Cie's unlimited partners. It is the supervisory organ within the meaning of the French financial regulation: it oversees the development of Oddo et Cie and ensures that its governance, financial and risk control function run properly.

Its members bear joint and unlimited liability with regard to their personal assets. The current members of Oddo et Cie's general meeting of unlimited partners ("*associés commandités*") are:

- Financière IDAT (Chairman: Philippe Oddo - Managing Director: Grégoire Charbit); and
- Philippe Oddo.

4.3.2 General meeting of limited partners ("associés commanditaires")

The general meeting of limited partners ("*associés commanditaires*") is the corporate organ composed of Oddo et Cie's limited partners ("*associés commanditaires*"). The latter are only liable to the extent of their respective contributions.

Oddo et Cie's share capital and voting rights, as of 5 January 2015, are divided as follows:

- Financière IDAT owns directly and indirectly a total of 56.16% of the share capital and 58% of the voting rights of Oddo et Cie, divided as follows:
 - o directly 46.88% of the share capital and 48.42% of the voting rights;
 - o indirectly 4.35% of the share capital and 4.49% of the voting rights via Oddace which is fully owned by Financière IDAT; and
 - o indirectly 4.93% of the share capital and 5.09% of the voting rights via Oddo Partners which itself owns 9.97% of the share capital and 10.29% of the voting rights of Oddo et Cie and which is owned by 49.53 % (share capital and voting rights) by Financière IDAT;
- Oddo Partners, held by 49,53 % (share capital and voting rights) by Financière IDAT and by 50.47% (share capital and voting rights) by Oddo Group employees, directly: 9.97% of the share capital of Oddo et Cie and 10.29% of the voting rights;
- Oddace directly: 4.35% of the share capital and 4.49% of the voting rights;
- BG Master Fund Plc directly: 4.52% of the share capital and 4.67% of the voting rights;
- Allianz directly: 1.93% of the share capital and 1.99% of the voting rights;
- Tethys directly: 0.96% of the share capital and 0.99% of the voting rights; and
- Other minority shareholders and treasury shares for the remaining 31.39% of the share capital and 29.15% of the voting rights.

Please note that the difference between the share capital and voting rights held in Oddo et Cie results from the fact that, in accordance with French company law, the voting rights of treasury shares and shares held by subsidiaries controlled by Oddo et Cie (i.e. Oddo Madelaine and Oddo Opéra) are suspended.

The general meeting of limited partners ("*associés commanditaires*") votes on all decisions for which the meeting of shareholders in partnerships limited by shares is responsible, jointly with the general meeting of unlimited partners ("*associés commandités*") in accordance with the law.

4.3.3 Supervisory board ("conseil de surveillance")

Under French company law, the supervisory board of a partnership limited by shares is a corporate organ which represents the limited partners ("*associés commanditaires*").¹ Its powers are more limited than those of the supervisory board of a limited company under French law.

The supervisory board has an advisory role, ensuring *a posteriori* oversight of Oddo et Cie's management. It regularly reviews Oddo Group's activities and its main projects, and based on its members' extensive experience, provides the management board ("*college de la gérance*") with opinions and recommendations. It also has the same powers as the auditors.

¹ Articles L. 226-9 of the French Commercial Code.

Oddo et Cie's supervisory board is composed of the following members, all appointed for an indefinite term:

1. Mr Jean-Pierre Pinatton (until the 2018 AGM) - Chairman

After studies at the *Ecole supérieure des sciences économiques et commerciales* (Essec), a master's degree in private law and a master's of business administration at the University of Chicago's Booth School of Business, Jean-Pierre Pinatton embarked on a career in international corporate finance (1970-1981) in New York at Smith Barney Harris Upham & Co Inc. He split his time between the New York and Paris offices and was named a partner in the firm in 1974. In 1981, he joined Gilbert Thorp, where he was named a general partner in 1984. While at the Paris Stock Exchange in 1988, he founded the PINATTON SCA group, of which he was manager.

In 2000, the PINATTON group merged with Oddo et Cie. Jean-Pierre Pinatton continued his career at Oddo et Cie as managing partner, in charge of private banking. In April 2003, he was named chairman of Oddo et Cie's supervisory board and chief executive officer of Oddo Contrepartie (SNC).

Apart from heading the supervisory board, he contributes to the various commercial teams of the Oddo Group.

2. Allianz France SA (until the 2017 AGM)

Allianz France, known as AGF until 2009, is a French insurance company and a subsidiary of the German Allianz group.

Founded in 1818 by Martin d'André, the *Société anonyme des assurances générales* was the first insurance company in France to offer fire, marine and life insurance.

In 1849, the company signed a reinsurance agreement with Phoenix of London and became a major player in the insurance sector.

In April 1946, the interim government of the French Republic, which had launched a nationalisation campaign in 1945, nationalised 34 insurance companies, including *Assurances Générales* and Phoenix.

In 1968, the nationalised insurance companies were restructured. *Assurance Générales* and Phoenix were merged to create Les AGF. The government kept a majority stake in the company until 1996, at which time Les AGF was privatised (the state kept only a 2% stake)

In 1998, the German company Allianz acquired 57.9% of Les AGF, which had since become AGF, and in 2007 gained complete control of the company. AGF became a subsidiary of Allianz and took its name in 2009.

As of 2014, Allianz France had 11,000 employees and 2,481 points of sale, more than five million clients, turnover of 12.49 billion, and an operating profit of EUR 883 million.

Allianz France's activities include insurance and the provision of financial assistance and services to individuals, professionals, firms and associations.

The permanent representative of Allianz France is Mr Peter Etzenbach.

Peter Etzenbach graduated from ESCP Europe. He started his career at Goldman Sachs in London, Hong Kong, Frankfurt and Paris, and was named Executive Director in 1998. After joining AXA in 2005, he performed strategic audit functions in Paris. From 2006 until 2008, he served as Senior Vice President Business Support and Development for AXA United States and Asset Management before being placed in charge of the AXA Group's strategy in 2008. He served as assistant general manager of AXA Life Japan in Tokyo from 2008 until 2011, where he was also a member of the board of directors and in charge of Financial and Investment Management. In 2011, he joined Allianz France and became a member of the executive committee in charge of the investment department.

3. Mr Gérard Barbot (until the 2018 AGM)

After completing his secondary studies, Gérard Barbot began his career in 1963 at the Ministry of Finance External Treasury Services (*Services Extérieurs du Trésor*). For seventeen years, he held various positions and in 1976 was named Chief Inspector of the Treasury, Deputy to the Paymaster of Isère.

He joined the General Financial Inspectorate in 1980 and for four years carried out audits in the public sector.

In 1984, he joined the *Caisse des dépôts* as Internal Audit Officer. In 1988, he was named Banking Products Manager/General Financial Officer. In 1994, he was entrusted with Institutional Third-party Asset Management and subsequently was named Assistant General Manager for Banking and Financial Activities.

In 2000, he was named General Manager, corporate officer, of CDC Ixis, the capital markets, financing and asset management entity of the CDC Group. During this time, he also supervised the risk management, ALM, accounting, and financial management departments and co-headed the Bank's main committees: audit, risk management, and investments.

From 1987 until 2003, he was a member of several working groups in the financial sector (financial intermediation, third-party asset management, and custodianship), served as a director of a number of companies and investment institutions (SICOVAM, Matif, Nouveau Marché) and was a member of COB's consultative financial management committee.

4. Mr Jean Raby (until the 2018 AGM)

Jean Raby is Finance and Legal Manager of Alcatel-Lucent. Before being appointed to this position, Jean Raby was a partner in the London-based investment firm Aleph Capital Partners, LLP.

Jean Raby previously worked for 16 years in the banking department of Goldman Sachs; he was named a partner in 2004 and subsequently co-managed then managed the investment bank in France, Belgium and Luxemburg from 2006 until 2010.

Jean Raby also headed the investment bank in Russia and the CIS (and co-headed the Moscow office) from 2011 through 2012. During his career at Goldman Sachs, he advised French and international clients on many financing transactions on the international capital markets, mergers, acquisitions and restructuring programmes. Jean Raby practiced law with the American law firm Sullivan & Cromwell, first in New York from 1989 to 1992, and subsequently in the Paris office, from 1992 until 1996.

Born in Canada, Jean Raby holds a bachelor's degree in law (LLB) from the University of Laval (Québec), a master's degree (MPhil) in International Relations from Cambridge University, and a master of laws (LLM) from Harvard Law School. He was admitted to the New York Bar in 1988.

5. Ms Diaa El Yaacoubi Bouriez (until the 2016 AGM)

After graduating from the *Ecole nationale supérieure des télécoms*, Ms Diaa El Yaacoubi started her career by creating the company E-Brands in 1999.

In 2003, she founded Streamcore Systems, which she chaired until 2012. She joined Odyssee in 2012 as chairwoman.

She also founded the business association *Esprits d'entreprises* in 2003, which she still heads.

She was appointed to Oddo et Cie's supervisory board in May 2015.

6. Mr Antoine Jeancourt-Galignani (until the 2016 AGM)

Antoine Jeancourt-Galignani graduated from Mount St. Mary's College in Spinkhill (UK), the *Ecole Saint Louis de Gonzague*, the Paris Law Faculty, and the Paris *Institut d'études politiques* ("IEP"). He also attended the *Ecole Nationale d'Administration* ("ENA") (Stendhal class, 1965).

In the course of his career, he has held positions as Inspector of Finance (since 1965), responsible for the construction financing office of the Treasury of the Ministry of Finance, Assistant General Manager of the *Caisse Nationale de crédit agricole* (1973-79), president of the *Union de crédit pour le développement régional* ("Unicrédit") (1976-1979), General Manager (1980-82), CEO (1981-82), General Manager (1982-86), Deputy CEO (1986-88), and CEO (1988-94) of Indosuez Bank, CEO of *Assurances générales de France* ("AGF") (1994-2001), Director (1986), Deputy CEO (1990-94) of Suez's financial holding company, President of the Institute of International Finance (1991-94), Director (since 1987), Chairman of Euro Disney's Supervisory Board (1995-2012), CEO-Managing Director of Gecina's Board of Directors (2001-05), CEO of Simco (2002), and Director of Bouygues (1989-99), Paribas (1994-2000), Société Générale (1994-2008) and Total (1994-2009).

7. Mr Olivier Marchal (until the 2016 AGM)

Olivier Marchal graduated from ESSEC in 1981 and obtained an MBA from Wharton Business School in 1986. He started his career at COGEMA in Gabon as Administrative and Financial Officer in 1981. In 1982, he joined First National Bank of Boston as Financial Analyst, Member of the Credit Committee and subsequently Loan Officer.

Today, he is Senior Partner and Head of Bain & Company's Paris office, after starting as a consultant in the London office in 1986. He co-founded the Brussels office in 1990, joined the Paris office in 1993, and was named Partner and subsequently Director in 1998. He managed the office from 2001 until 2008 and subsequently served as General Manager for Europe, the Middle East & Africa from 2008 until 2013.

During his career, Olivier Marchal has acquired vast international experience, owing to a multinational client base and the type of transactions he handles. In addition to heading Bain & Company's Paris office and chairing its board of directors, Olivier continues to be significantly involved in FMCG groups and investment funds which he helped to develop.

8. Ms Laurence Peyraut Bertier (until the 2016 AGM)

Throughout her career, Ms Laurence Peyraut Bertier has acquired specific expertise in transforming organisations through marketing strategies and the repositioning of brands in an international context.

Since August 2013, she has served as public affairs and communication manager at Roche. Her role is to build the reputation of a company dedicated to improving patients' lives.

Before joining Roche, Laurence Peyraut Bertier managed the Barclays Retail Banking brand at a global level, after having led Barclays Marketing and Communications Department for Western Europe (2007 to 2010) and France (2003 to 2007).

Prior to joining Barclays, Laurence Peyraut Bertier worked for twelve years at AXA, first as Marketing Officer at AXA Courtage, and subsequently as Marketing Officer for AXA France (1989-2002).

Laurence Peyraut Bertier is the honorary president of the first female finance executives networking federation, Financi'Elles.

She was appointed to the supervisory board of Oddo et Cie in May 2013.

Laurence Peyraut Bertier holds a master's degree in econometrics and a DESS in bank marketing et finance from Paris X.

She is a Chevalier (Knight) of the Legion of Honour.

9. Mr Patrick Werner (until the 2016 AGM)

After studies at the law faculty of Nancy and the University of Paris I-Panthéon Sorbonne, Patrick Werner obtained a post-graduate degree in public law and studied at the Paris Institute of Political Studies ("Sciences Po"). He is also a graduate of the *Ecole nationale d'administration* ("ENA") (Guernica class, 1976). Patrick Werner started his career as a finance inspector in 1976. After serving as chief of internal audit and then advisor to the managing director of the *Caisse des dépôts et consignations*, he was appointed to the executive board of the *Caisse des dépôts-développement*, where he was subsequently named finance director, deputy managing director and managing director.

In 1991, he moved to the insurance sector, where he was appointed managing director of the Victory Group, in charge of investments. After five years at the Victory Group, he was appointed managing director and then deputy chairman of the French Federation of Insurance Companies.

In 1998, he joined La Poste, where he served as assistant managing director, responsible for financial activities and the public network, an executive committee member, director of financial activities, assistant managing director in charge of banking activities, and chairman of the executive board of *La Banque Postale*.

He left La Poste in 2011 to join Gras Savoye where he held the office of chief operating officer.

He was appointed to the supervisory board of Oddo et Cie in September 2009.

10. Bernard Ramanantsoa (until the 2018 AGM)

After studies at the Université of Paris-I Sorbonne, the Université of Paris-IX Dauphine and the *Ecole nationale supérieure de l'aéronautique*, an MBA, a PhD in Economics and a master in sociology and history of philosophy, Bernard Ramanantsoa started his career as Lecturer at the *Ecole nationale supérieure de l'aéronautique* in 1971. In 1972, he became Chief Marketing Division at *Société nationale des chemins de fer français*. In 1979, he returned to teaching with a teaching position in the strategy and business policy department in the *Ecole des hautes études commerciales de Paris (HEC)* which he held until 2015. He became General Manager of HEC in 1995, a position he held until 2015 when he retired. From 1990 to 1991 he also acted as counsel for McKinsey. During its time in HEC he wrote several works in relation with his teaching lectures.

He was appointed to the supervisory board of Oddo et Cie in December 2015.

11. Mr Pierre Vaillaud (censor)

Born in Paris on 15 February 1935, Pierre Vaillaud graduated from X-Mines and the *Ecole nationale supérieure du pétrole et des moteurs* (IFP School). He started his career in 1963 at engineering company Technip, then a recently established company with a workforce of around 100 people.

In 1969, he started a successful career at oil and gaz company Total, including positions such as Director Engineering and construction at Ato Chimie, then Director natural gas and Director Exploration and production, to finally General Manager of the company in July 1989.

He returned to Technip as CEO in June 1992, as the company had evolved in a leading international engineering firm with 5600 employees. Pierre Vaillaud led the company through its IPO in 1994 and the acquisition of companies with strong technological expertise: Speichim, Krebs and KTI. Established in the United States, KTI enabled Technip to set up in North America. In 1999, as Pierre Vaillaud retired from its position, Technip was the first European of its sector behind Anglo-Saxon giants Bechtel, Fluor and KBR, and its turnover was slightly less than EUR 3 billion.

He was appointed censor of the Supervisory Board of Oddo et Cie in May 2013.

4.3.4 Management board ("collège de la gérance")

Oddo et Cie's management board ("*collège de la gérance*") is its management body. The management board ("*college de la gérance*") takes the key decisions on Oddo Group's activities and development; its approval is required on all critical business matters, as well as financial and human resources decisions. Each board member has all powers necessary to bind the company in dealings with third parties, as provided for by Oddo et Cie's articles of association, with the exception of those powers expressly reserved to other corporate bodies. In performing its management functions, the management board ("*collège de la gérance*") is in particular assisted by the executive committee, composed of the persons responsible for the Oddo Group's areas of business (see Section 4.3.5 (*Executive Committee*)). Its members are appointed by the general meeting of limited partners ("*associés commanditaires*") upon proposal of the general meeting of the unlimited partners ("*associés commandités*").

The two "Permanent Control" officers and the "Periodic Control" officer are subject to hierarchical control by an Oddo et Cie manager, who is a member of the management board. This hierarchical relationship implies strict oversight by way of weekly meetings.

The management board ("*collège de la gérance*") is composed of the following managers, each appointed for an indefinite term:

1. Mr Philippe Oddo (General Partner)

Philippe Oddo has an international university education and holds diplomas from Paris-Dauphine University, New York University in the United States, and Cologne University in Germany, as well as the *Ecole des hautes études commerciales* ("HEC"), from which he graduated in 1984.

Following his studies, he started at Oddo et Cie and joined the management team in 1987. During his 28 years at the head of Oddo et Cie, Philippe Oddo was responsible for considerable changes in the Oddo Group. Activities such as private banking and investment banking were progressively developed, thanks to a dynamic external growth policy, amongst other things. In 1998, Philippe Oddo initiated the creation of Oddo Asset Management, one of the first independent management companies and one of the Oddo Group's key activities today.

Philippe Oddo also pursued traditional back-office activities and services for other financial institutions, with the development of Oddo et Cie Services.

Philippe Oddo recently decided to develop the Oddo Group activities internationally, with the aim of transforming the Oddo Group into a Franco-German banking group, through the acquisition of Meriten Investment Management GmbH and Close Brothers Seydler Bank AG (now Oddo Meriten Asset Management GmbH and Oddo Seydler Bank AG, respectively).

Philippe Oddo was appointed "*gérant statutaire*" by article 15.1 of Oddo et Cie's articles of association.

Moreover, Philippe Oddo holds various offices in the following companies:

- Oddo Meriten Asset Management (SA): member and chairman of the board of directors
- Oddo Madeleine (SA): CEO
- Oddo Tunis (Tunisian limited company): Director
- Génération Vie (SA): Member and deputy chairman of the board of directors
- Oddo Seydler Bank AG: Chairman of the supervisory board
- Oddo Corporate Finance (SCA): Representative of Oddo et Cie, managing partner
- Oddo Contrepartie (SNC): Representative of Oddo et Cie, managing partner
- IDAT Entertainment (SAS): Representative of Financière IDAT, chairman
- Oddo Meriten Asset Management GmbH: Chairman of the supervisory board
- Financière IDAT (SAS): Chairman
- Oddace (EURL): Manager
- SCI IDAT Saint James: Managing partner
- IDAT Patrimoine (SARL): Manager
- Financière des Paiements Electroniques (SAS): Member of the supervisory board
- Euronext: Member of the supervisory board
- Fondation pour la Recherche sur Alzheimer: Director
- Fondation Bettencourt Schueller: Director
- Association Nationale des Sociétés par Actions: Vice-President

2. Mr Grégoire Charbit (Managing Partner)

Grégoire Charbit graduated from Paris II Panthéon-Assas University with a degree in Literary, Artistic and Industrial Property in 1989. That same year, he also obtained a diploma from the *Institut de droit public des affaires* ("IDPA"). The following year, he was admitted to the bar and started his career with the Paris law firm Gide-Loyrette-Nouel, where his practice involved both advisory work and litigation. He stopped working as an attorney in 1994 when he joined Oddo et Cie's legal department.

Thereafter, Mr Charbit developed his career within the Oddo Group. In 1997, he was named Secretary General of the Oddo Group, responsible in particular for external growth and partnerships, and the legal department. In November 2002, he was promoted to human resources manager of the Oddo Group.

After 13 years in the legal department in various supporting roles, Grégoire Charbit was appointed as member of the management board ("*collège de la gérance*") of Oddo et Cie by the general meeting on 26 April 2007, for an indefinite term. On the management board, he is in particular responsible for Oddo Group Operations and for the legal and compliance departments.

Grégoire Charbit also holds offices in the following companies:

- Oddo Meriten Asset Management (SA): Director
- Oddo Meriten Asset Management GmbH: Member of the supervisory board
- Oddo Corporate Finance (SCA): Member of the supervisory board
- Oddo Opéra (SNC): Manager
- Cogefi (SA): Director
- Génération Vie (SA): Director
- GIE Centrale de référencement Oddo Exane: Director
- Génération New Tech (SAS): Chairman
- Oddo Seydler Bank AG: Member of the management board
- Oddo New York Corporation: Director
- Oddo Services Switzerland Ltd (Swiss AktienGesellschaft): Director
- OAM Asia (private limited company under Singapore law): Director
- Orsay Alternative Funds (SICAV under Irish law): Director
- EFA (SA): Director
- Oddo Hong Kong Limited (private company with shares): Executive Officer
- Oddo Contrepartie (SNC): General Manager
- Financière IDAT (SAS): Managing Director
- Oddo Tunis (SA under Tunisian law): Permanent representative of Oddo et Cie, director
- Oddo Madeleine (SA): Permanent representative of Oddo et Cie, director

3. Mr Christophe Tadié (Managing Partner)

Christophe Tadié graduated from the *Institut national agronomique* of Paris-Grignon (1994), Ensae (1995), and the *Institut d'études politiques* of Paris (1995).

He was first an Associate Partner at Oliver Wyman and subsequently Managing Director at Quilvest Banque Privée, before being named the Marketing Manager of AXA's Investment Managers Group in 2006.

In April 2008, he became a partner with Bain & Company in Paris. In 2010, he was placed in charge of the Financial Services department.

He joined Oddo et Cie in 2012, when he succeeded François Levé as Financial Director and Risk Management and IT Strategy Officer.

He was appointed as member of the management board ("*collège de la gérance*") of Oddo et Cie by the general meeting on 31 March 2014, for an indefinite term.

Christophe Tadié also holds various offices in the following companies:

- Oddo Corporate Finance (SCA): Member of the supervisory board
- Oddo Meriten Asset Management (SA): Director
- Oddo Meriten Asset Management GmbH: Member of the supervisory board
- Oddo Madeleine (SA): Director
- Génération Vie (SA): Director
- GIE Centrale de référencement Oddo Exane: Auditor
- Oddo Services Switzerland Ltd (Swiss AktienGesellschaft): Director
- Oddo Tunis (SA under Tunisian law): Director
- OAM Asia (private limited company under Singapore law): Director
- Oddo Agir pour Demain (endowment fund): Director
- Oddo Seydler Bank AG: Member of the management board
- GIE Centrale de référencement Oddo Exane: Auditor
- Fonds de garantie des dépôts et de résolution: Member of the supervisory board

4. Financière IDAT (Unlimited Partner - member of the management board ("*collège de la gérance*"))

Financière IDAT, represented by Philippe Oddo and Grégoire Charbit, was appointed as member of the management board ("*collège de la gérance*") of Oddo et Cie by the general meeting on 15 May 2013, for an indefinite term. Due to changes in the governance structure of Oddo et Cie in order to meet the requirements of CRD IV, Financière IDAT will have to cease its management duties at Oddo et Cie in the course of 2016 but will keep its other functions in the Oddo Group. Oddo et Cie does not intend to appoint a new legal entity or natural person in replacement of Financière IDAT as member of the management board ("*collège de la gérance*") of Oddo et Cie.

4.3.5 Executive committee

The executive committee is composed of the members of the management board and the managers of Oddo Group's main subsidiaries and business units. Its members are appointed by the management board ("*collège de la gérance*").

The executive committee ensures cross-disciplinary collaboration and coordination between the different activities of the Oddo Group. It reviews operational business developments and can give approval or recommendations.

The executive committee of Oddo et Cie is composed of the following members, all of whom are appointed for an indefinite term:

- Philippe Oddo, general partner of Oddo et Cie;
- Grégoire Charbit, managing partner of Oddo et Cie, responsible for Corporate Development, Legal Affairs, Group Operations and Oddo Metals;
- Christophe Tadié, managing partner of Oddo et Cie, responsible for Finance, Risk Management and IT Strategy;
- Laurent Bastin, Managing Director of Oddo Private Banking;
- Nicolas Chaput, CEO of Oddo Meriten Asset Management SA;
- Lorenzo Gazzoletti, Deputy CEO of Oddo Meriten Asset Management SA;
- Olivier Rolland, Group Chief Information Officer;
- Jean-Philippe Taslé d'Héliand, Chairman of Oddo Private Banking;
- Richard Tuffier, Managing Director of Oddo Fixed Income;
- Nicolas Wirz, Managing Director of Oddo Securities;
- Werner Taiber, CEO of Oddo Meriten Asset Management GmbH, and
- René Parmantier, CEO of Oddo Seydler Bank and member of the executive committee of Oddo Investment Banking.

4.3.6 Specialised committees

1. Audit and internal control committee

In accordance with Article L. 823-19 of the French Commercial Code, Oddo et Cie has an audit and internal control committee consisting of members of the supervisory board, to which it reports, namely:

- Gérard Barbot (chairman);
- Allianz France, represented by Peter Etzenbach; and
- Olivier Marchal, in the process of being appointed following the resignation of Mr Eric Bourdais de Charbonnière.

In the interest of good corporate governance, the audit and internal control committee also reports to Oddo et Cie's supervisory body, namely the general meeting of unlimited partners ("*associés commandités*") of Oddo et Cie.

2. Remuneration committee

The general meeting of unlimited partners ("*associés commandités*") of Oddo et Cie is assisted by a remuneration committee, consisting of:

- Gérard Barbot (Chairman); and
- Grégoire Charbit, representative of the general meeting of unlimited partners ("*associés commandités*") of Oddo et Cie,
- in the presence of the human resources manager: Aurore Van der Werf.

4.4 REGULATORY FRAMEWORK FOR THE ACTIVITIES OF ODDO ET CIE

Oddo et Cie is authorised by the ACPR to operate as a credit institution, bank and investment services provider.

Since 1 January 2014, the CRD IV and Regulation (EU) No 575/2013 of the European Parliament and Council of 26 June 2013 ("**CRR**"), applicable with immediate effect, require the application of the Basel III measures in Europe.

CRD IV was transposed into French law by a ministerial decree of 3 November 2014.

The new regulatory framework aims to improve the financial strength of banking institutions and includes:

- a stricter definition of the (own funds) capital items eligible to meet capital requirements,
- new capital requirements,
- higher ratios, specifically regarding core capital and capital buffers.

Oddo et Cie has been granted an exemption by the ACPR from having to calculate capital adequacy and risk ratios on an individual basis, in accordance with the provisions of Article 7 CRR. Ratios are therefore calculated solely on a consolidated basis.

4.5 SHAREHOLDER AND CAPITAL STRUCTURE OF ODDO ET CIE

Further to the capital increase of 31 December 2015, the share capital of Oddo et Cie amounts to EUR 70,000,000, as of the date of this Prospectus. It is represented by 2,172,495 shares, each having approximately a nominal value of EUR 32,221. On 31 December 2014, the consolidated equity of Oddo et Cie amounted to EUR 539,055,000 and on 30 June 2015 to EUR 580,915,000 (Source: see **Annex 4** (Interim consolidated financial statements of Oddo et Cie as of 30 June 2015)).

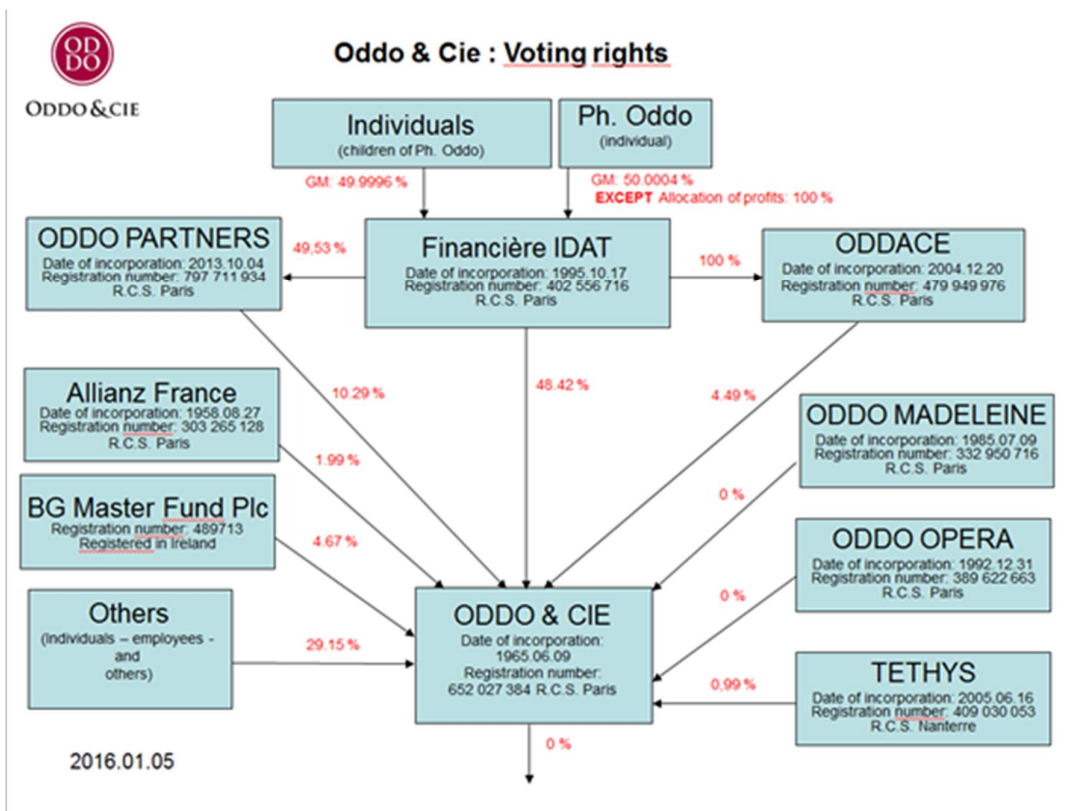
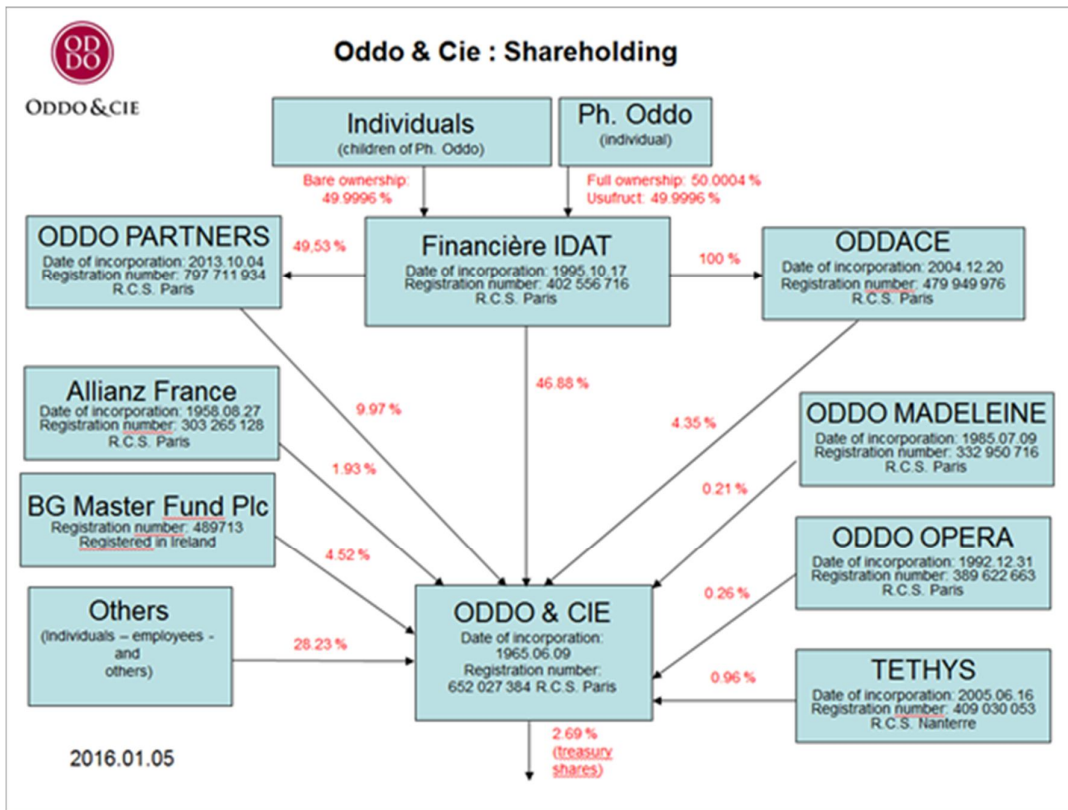
As further detailed in Section 7.5.4 (*Regulatory approvals*), the unconditional approval of the Counterbid by the European Central Bank was *inter alia* subject to a capital increase by Oddo et Cie in an amount of EUR 100 million. To this end, on 3 December 2015, Oddo et Cie's general meeting of limited partners ("*associés commanditaires*") gave a power of attorney to the management board ("*collège de la gérance*") to proceed with a capital increase in accordance with the requirements of the European Central Bank. On 11 December 2015, the management board ("*college de la gérance*") decided to increase the capital of Oddo et Cie with an amount of EUR 99,999,969.30 (including the issuance premium), it being understood that the subscription period would last until 31 December 2015.

On 31 December 2015, this capital increase was fully subscribed as follows and did not result in a change of control of Oddo et Cie (see "*Shareholder structure and voting rights of Oddo et Cie*" below):

- by Financière IDAT in an amount of EUR 56,999,932.08, it being understood that to this end Financière IDAT was granted a loan of EUR 40 million by Banque Palatine on 15 December 2015 and financed the balance with its own funds;
- by an affiliate of the private equity fund Boussard & Gavaudan (i.e. BG Master Fund Plc);
- by Téthys, the holding company of the family Bettencourt- Meyers, and
- by existing and new minority shareholders of Oddo et Cie.

The shareholder structure, on the date of this Prospectus, is also presented in detail in Sections 4.3.1 (*General meeting of unlimited partners*) and 4.3.2 (*General meeting of limited partners*).

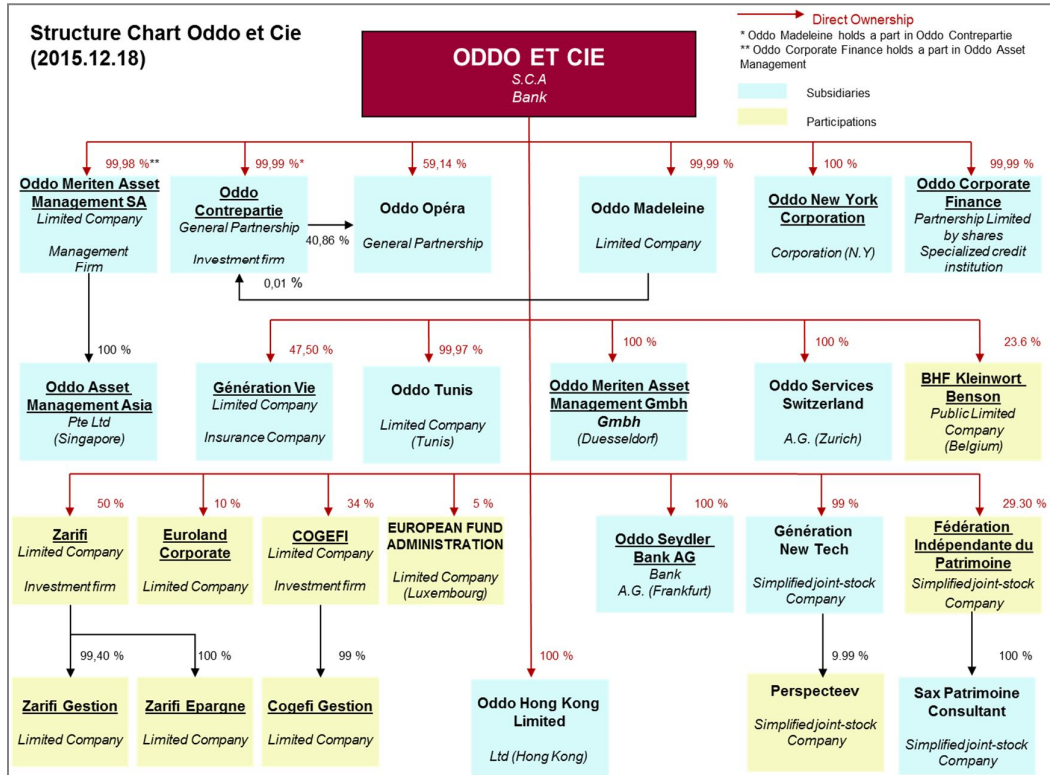
On the date of this Prospectus, the shareholder structure and voting rights of Oddo et Cie is as follows:



The difference between the share capital and voting rights held in Oddo et Cie results from the fact that, in accordance with French company law, the voting rights of treasury shares and shares held by subsidiaries controlled by Oddo et Cie (i.e. Oddo Madeleine and Oddo Opéra) are suspended.

4.6 STRUCTURE OF THE ODDO GROUP

4.6.1 List of subsidiaries and shareholdings



4.6.2 Brief description of the main subsidiaries of Oddo et Cie

- **Oddo Contrepartie**, authorised by the ACPR to provide investment services.
- **Oddo Corporate Finance**, authorised by the ACPR as a specialised credit institution and investment services provider. It is the corporate bank of the Oddo Group. This company is in the process of being merged with Oddo et Cie.
- **Oddo Meriten Asset Management SA**, an investment management company authorised by the AMF.
- **Oddo Asset Management Asia Private Limited**, a subsidiary based in Singapore of Oddo Meriten Asset Management SA, authorised as a registered fund management company by the Monetary Authority of Singapore. This company's primary activity is the management of powers of attorney for professional investors and credit research.
- **Oddo Meriten Asset Management GmbH**, a UCITS and AIF management company authorised in Germany by BaFin.
- **Oddo Seydler Bank AG**, an authorised bank in Germany whose main regulator is BaFin.
- **Oddo New York Corporation**, a broker dealer supervised by the Financial Industry Regulatory Authority (FINRA) of the United States of America. This company, a member of the NASD, was founded in 1997 for the primary purpose of marketing French equities to end-clients in the US.
- **Génération Vie**, an ACPR-authorized insurance company which is jointly owned with the Allianz Group.
- **Zarifi Entreprise d'investissement**, a Marseille-based investment company authorised by the ACPR with primarily private banking activity.
- **Génération New Tech**, a company founded on 31 October 2014 to hold shareholdings in companies.
- **Oddo Services Switzerland AG**, a company founded on 12 October 2012 for the primary purpose of providing back-office services for banks and financial institutions.
- **Oddo Tunis**, a Tunis-based company which is more than 99% controlled by Oddo et Cie, following buyouts in 2014, which specialises in financial engineering and analysis.
- **Fédération Indépendante du Patrimoine**, an organisation whose activity consists of the establishment of a network of wealth management advisors.

4.7 ACTIVITIES OF ODDO ET CIE

4.7.1 Description of the activities

The Oddo Group has two core business lines.

1. Investment banking

This line covers the following entities:

- **Oddo Securities**, major player on the European markets for equities and fixed income, notable for the independence of its financial analysis of issuers and its operational excellence in execution. The company's expertise goes to the heart of the investment and transactional support services provided by the Oddo Group to international institutional investors. The managing director is Nicolas Wirz.

Oddo Securities has two business lines:

- **Oddo Equities** is a leading Franco German equities broker, with its own Research team consisting of fifty analysts specialising in various sectors and/or cap size, with an average of 9 years' experience.

Oddo Equities is renowned for its fundamental approach, with strong industry expertise. It is reputed for the relevance of its studies. Oddo Equities has a sales team of 45 people that provides investment decision support services to international institutional investors.

The leading independent French player and specialist in midcap stocks, Oddo Equities does not engage in trading activities for its own behalf and guarantees its customers quality, confidentiality, transparency and independent work.

- **Oddo Fixed Income is a prominent player on the French and European market for fixed income securities, relying on excellence of execution** and an independent credit research team of 10 analysts, which publishes in French and English on 100 issuers.

A leading independent French brokerage firm, Oddo Fixed Income specialises in corporate and banking bonds as well as convertibles, in euros, for an international institutional client base. With its leading position on Euronext and its 20 experienced salespeople, Oddo Fixed Income is able to give quotes in real time over 300 French securities, and is an efficient distributor of primary issues.

- **Oddo Seydler Corporate Finance** is a corporate finance advisory firm consisting of 45 professionals organised by sector. Equipped with all the tools of an investment bank and recognized expertise in financial markets, it offers comprehensive advice to clients.

Oddo Seydler Corporate Finance provides its clients with a comprehensive offer ranging from consulting to the implementation of solutions in the following areas:

- **Mergers and acquisitions**

- Advisory services in mergers and acquisitions: an independent advisor on mergers and acquisitions, Oddo Seydler Corporate Finance supports its clients throughout all stages of their corporate finance transactions (mergers, acquisitions, public offers, assignments, transmissions, joint ventures, LBOs, etc.).

The bankers-advisors of Oddo Seydler Corporate Finance combine vast general knowledge with sector-specific expertise (media and telecoms, financial institutions group ("FIG"), real estate, food, computer engineering services companies, etc.).

- **Capital markets:**

- Equity Capital Markets ("ECM"): Oddo Seydler Corporate Finance has extensive expertise in the equity markets, helping companies to raise funds and their shareholders to manage their investments. As an authorised investment services provider and listing sponsor, Oddo Seydler Corporate Finance supports companies with all of the following: IPOs on Euronext and Alternext, capital increases (public and private placements), transfers from the free market or foreign markets on Euronext or Alternext, and transfers/reclassifications of blocks of shares.

- **Debt Capital Markets ("DCM"):** the DCM team of Oddo Seydler Corporate Finance is composed of bankers sharing a very strong credit culture. Their expertise lies in understanding the fundamentals of credit and the dynamics of various funding markets. The experts on the DCM team allow Oddo Seydler Corporate Finance to advise on a wide range of products: financial ratings and capital structures, fundraising on public bond markets or through private placements, bank finance, structured finance, LBOs and hybrid financing.
 - **Market Solutions:** the Market Solutions team is active in providing independent expertise on the valuation of complex products, and advisory on hedging strategies (risk analysis, strategic recommendations, counter-pricing, assistance with execution).
 - **Corporate broking:** the corporate broking team is a trading floor of 12 people, dedicated to providing liquidity to listed companies.
- **Oddo Metals** specializes in the trading of metals such as aluminium, copper, zinc and tin and offers a full range of services for processing industries. The Oddo Metals team is led by Mr Antoine Chacun.

2. Asset management:

This business line covers:

- **Oddo Meriten Asset Management** is the asset management branch of the Oddo Group, bringing together the activities of Oddo Asset Management and Meriten Investment Management.

Specializing in European markets, Oddo Meriten Asset Management offers its clients a unique range of high-performance investment solutions in all major asset classes: fixed income, high yield, European equities, asset allocation and quantitative management.

In line with the values of the Oddo Group, Oddo Meriten Asset Management accompanies clients for the long term. The size of the company, its independence and approach to management allow its teams to be responsive, flexible and innovative in order to better face challenges.

With EUR 45 billion in assets under management and 276 employees, Oddo Meriten Asset Management is a leading independent Franco-German management company in the eurozone.

Oddo Meriten Asset Management applies its management strategies, both traditional and alternative, to investment solutions designed to meet the needs of its investor clients, including FCP, SICAVs, dedicated fund mandates and hedge funds.

- **Oddo Private Banking** is a wealth expert with more than EUR 5.5 billion in assets under management. Oddo Private Banking develops fully personalized solutions to the most demanding investors, including entrepreneurs, executives, high net worth individuals, sophisticated investors, associations and organisations as well as top athletes. Oddo Private Banking has 115 employees, including 45 private bankers, based at its offices in Paris, Lyon and Strasbourg.

They have particular expertise in the following areas:

- wealth engineering: structuring private and professional wealth by anticipating changes in the asset situations of clients (due to, for instance, the exercise of stock options, cessation of business, family events, etc.) as well as their future needs, the transmission of wealth and donations;
- discretionary portfolio management: the delegation to Oddo Private Banking of the follow-up and investment of client securities portfolios;
- investment advisory: financial markets expertise is used to service private banking clients. To anticipate and offer advanced services, 20% of the group's revenue are invested in research and IT systems;
- **Oddo Services** is present in France and Switzerland and offers the following services:
 - operational outsourcing for private banks and asset management companies: Oddo Services provides the full range of custody solutions and is positioned as a white label;
 - depositary and valuation services for UCITS:
 - The depositary offer of Oddo Services comprises the following services:
 - preservation of fund assets: multi-products, multi-country, securities management, voting at meetings;
 - management of liabilities: record keeping, centralization of UCITS orders in registered or bearer form;
 - audit: a specialized team analyses the ratios at each net asset value;
 - services related to new regulations (AIFM, EMIR, Solvency 2, etc.).
 - administrative management, in partnership with the European Fund Administration:
 - valuation and bookkeeping;
 - transfer agent, register holding and support for international distribution;
 - analysis reports on performance and risks;
 - compliance tools.
 - outsourcing back-office life insurance: Oddo Services provides administrative management for its clients' life insurance contracts;
 - the full range of portfolio management, reporting and monitoring tools.

4.7.2 Recent developments

In 2015, the Oddo Group grew significantly in Germany.

- On 5 January 2015, Oddo et Cie completed its acquisition of 100% of the shares of Close Brothers Seydler Bank AG, a German company based in Frankfurt, now called Oddo Seydler Bank AG, one of the first *Mittelstand* brokers.

Oddo Seydler Bank AG is a broker authorised to provide the full range of banking services, which focuses on small and medium-sized enterprises. The bank is active on the capital, equity and debt markets and is also involved in designated sponsoring as a market maker and on the Frankfurt Stock Exchange as a specialist. Oddo Seydler Bank AG advises small and medium-sized German enterprises (SMEs) on their financial needs, including the structure and issuance of corporate bonds, promissory notes, convertible securities, public offerings and capital increases.

Oddo Seydler Bank AG has an in-house team of analysts and is considered a leading analysis firm for small and medium-sized German enterprises.

This acquisition constitutes the first stage in the international development of the Oddo Group through external growth and allows the Oddo Group to develop its expertise in Germany in order to strengthen its ability to service German clients, primarily *Mittelstand* companies, which tend to be neglected by German and international brokers.

- On 31 July 2015, Oddo et Cie acquired 100% of the shares of Meriten Investment Management GmbH, a German company based in Dusseldorf, now called Oddo Meriten Asset Management GmbH.

Oddo Meriten Investment Management is a financial services company providing asset management services and distribution to institutional clients. On 31 December 2014, it had assets under management totalling EUR 24.8 billion. Its clients include companies, pension funds, foundations, banks, savings banks and insurance companies. Oddo Meriten Asset Management GmbH, founded in 1969 in Dusseldorf, has long been recognized as a major institutional asset manager in Germany.

By means of this acquisition, Oddo et Cie confirmed its commitment to asset management and created the first Franco-German asset management company.

These two strategic acquisitions confirm the Oddo Group's development on the German market. Indeed, approximately a quarter of the Group's 1,300 employees are now in Germany.

4.8 FINANCIAL INFORMATION

The consolidated financial statements of Oddo et Cie dated 31 December 2014 were drawn up in accordance with IFRS. The stand-alone financial statements of Oddo et Cie dated 31 December 2014 were drawn up in accordance with French accounting rules and principles.

The stand-alone and consolidated financial statements of Oddo et Cie as per 31 December 2014 were audited by PricewaterhouseCoopers Audit, a public limited company incorporated under French law with its registered office at 63 Rue de Villiers, 92200 Neuilly-sur-Seine, registered with the *Registre du Commerce et des Sociétés* (Nanterre) under number 672.006.483, and by Pierre-Henri Scacchi et Associés, a public limited company under French law with its registered office at 23 Rue d'Anjou, 75008 Paris, registered with the *Registre du Commerce et des Sociétés* (Paris) under number 408.272.375. The auditors did not formulate any reservations on the financial statements.

The supervisory board of Oddo et Cie issued a report on the stand-alone and consolidated financial statements of Oddo et Cie dated 31 December 2014 for the attention of the annual general meeting of Oddo et Cie. The supervisory board had no particular comments on the financial statements and recommended approval by the annual general meeting.

The stand-alone and consolidated financial statements of Oddo et Cie were approved by the general meeting of unlimited and limited partners of Oddo et Cie, held on 26 March 2015.

On 31 December 2014, Oddo et Cie reported consolidated net banking income of EUR 315 million and a net profit of EUR 54 million. It had consolidated shareholders' equity of EUR 539 million.

The consolidated financial statements of Oddo et Cie for the financial year which closed on 31 December 2014, approved by the general meeting of Oddo et Cie on 26 March 2015, are appended hereto as **Annex 2**. The stand-alone financial statements of Oddo et Cie for the financial year which closed on 31 December 2014, approved by the general meeting of Oddo et Cie on 26 March 2015, are appended hereto as **Annex 3**.

The interim consolidated financial statements of Oddo et Cie, as per 30 June 2015, are appended hereto as **Annex 4**. The interim consolidated financial statements of Oddo et Cie as per 30 June 2015 were subject to a limited review by PricewaterhouseCoopers Audit and Pierre-Henri Scacchi et Associés, the auditors of Oddo et Cie, which did not detect any significant anomalies likely to call into question the compliance of the interim consolidated financial statements with IAS 34.

On 30 June 2015, the Counterbidder reported consolidated net banking income of EUR 210 million and a net profit of EUR 51 million. It had consolidated shareholders' equity of EUR 581 million.

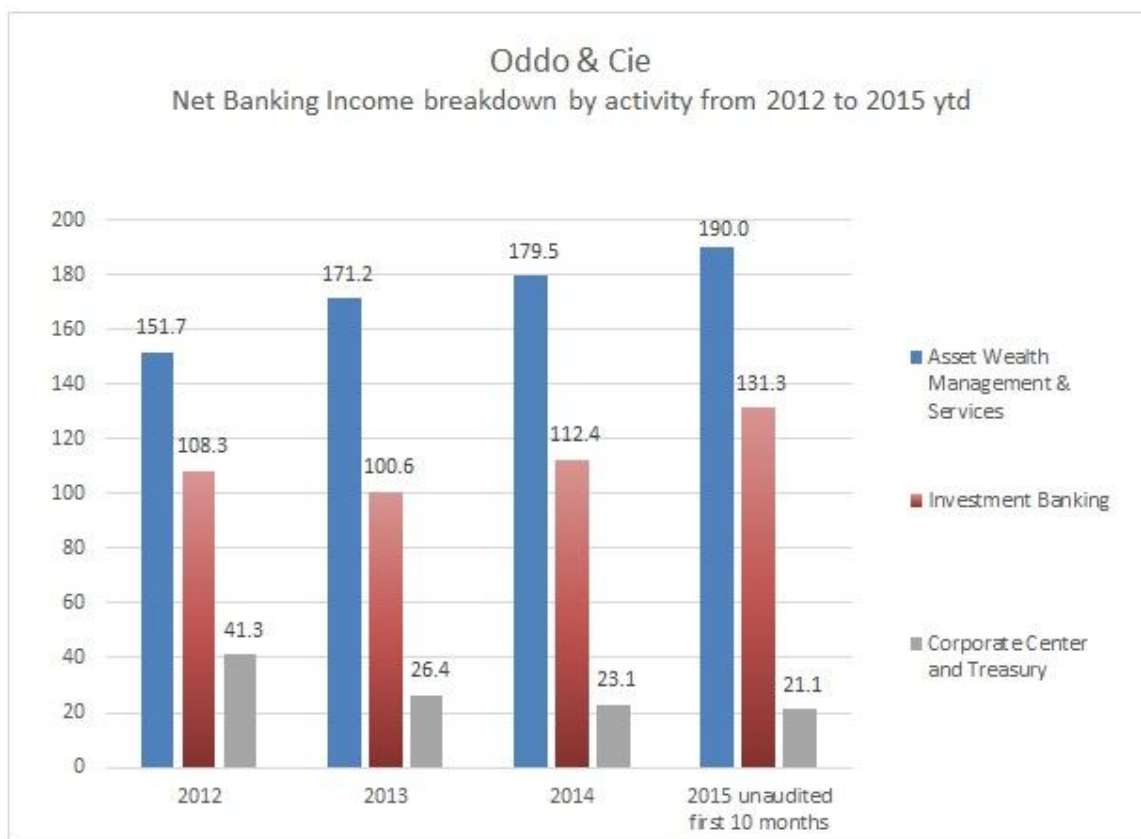
The contribution of various activities to net banking income has remained stable over the last three years, with asset and wealth management, including Oddo Services, representing over 50% of net banking income.

The apportionment of the Counterbidder's gross operating income at the end of 2014 was in line with previous years, with asset and wealth management representing 60.2%, investment banking 17.7%, and corporate center and treasury accounting for 22.1%.

The unaudited figures for the first 10 months of 2015 indicated below were compiled at the end of October and include Oddo Seydler (from January 2015 onwards) and Meriten (from August 2015 onwards). Even when compared to the full year 2014, they show robust growth in both net banking income and gross operating income.

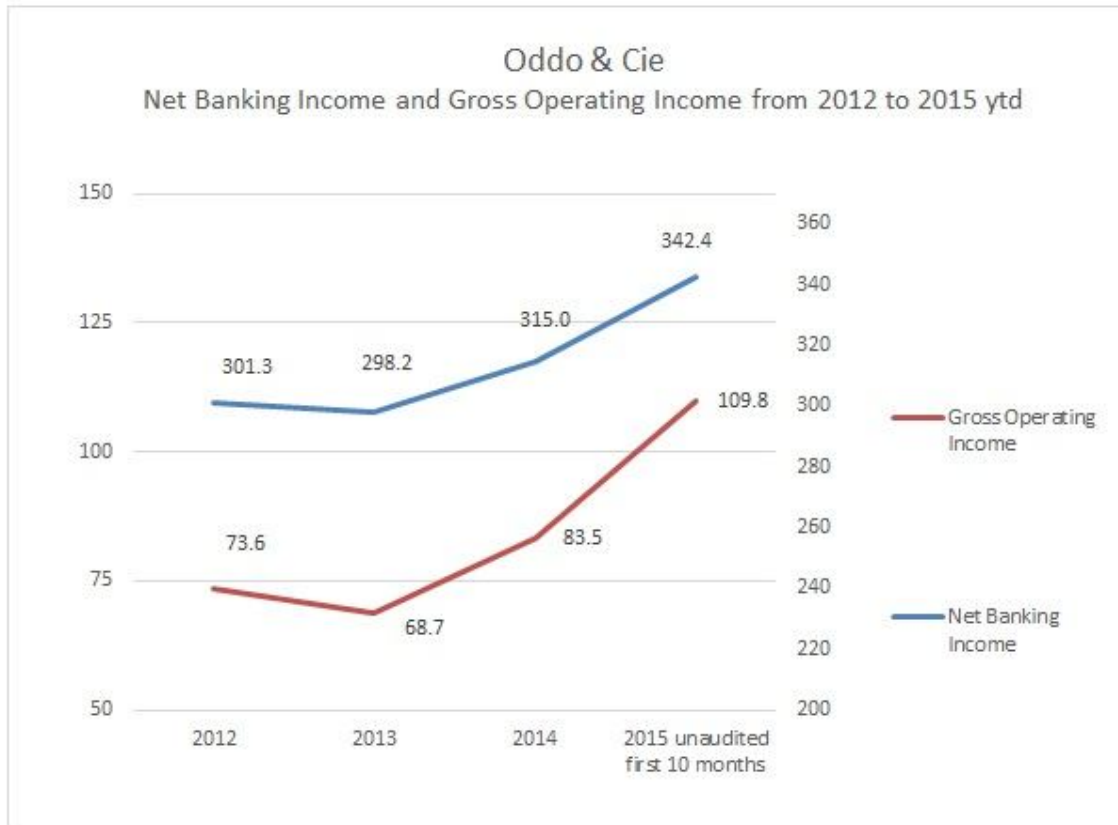
Oddo et Cie - Net Banking Income Breakdown by Activity

	2012	2013	2014	Unaudited figures for the first 10 months of 2015
Asset Wealth Management & Services	151.7	171.2	179.5	190.0
Investment Banking	108.3	100.6	112.4	131.3
Corporate Center and Treasury	41.3	26.4	23.1	21.1
Total	301.3	298.2	315.0	342.4



Oddo et Cie - Gross Operating Income

	2012	2013	2014	Unaudited figures for the first 10 months of 2015
Total	73.6	68.7	83.5	109.8



4.9 SHAREHOLDINGS IN BHF KB

4.9.1 Direct shareholdings in BHF KB

On the date of this Prospectus, Oddo et Cie directly holds 56,702,298 Shares in BHF KB, representing 42.877% of the latter's share capital.

4.9.2 Persons acting in concert with the Counterbidder within the meaning of the Takeover Act

On 2 December 2015, the Supporting Shareholders, acting in concert with the Counterbidder within the meaning of article 3, §1, 5° of the Takeover Act, held Shares in BHF KB as follows:

- Franklin Templeton holds 23,206,881 Shares in BHF KB, representing 17.549% of the latter's share capital, and
- AQTON holds 14,921,842 Shares in BHF KB, representing 11.284% of the latter's share capital.

However, it should be noted that on the date of this Prospectus, only AQTON is still deemed to be acting in concert with the Counterbidder within the meaning of article 3, §1, 5° of the Takeover Act.

4.9.3 Acquisitions of Shares in the past twelve months

The table below details the Shares which Oddo et Cie has acquired in the course of the twelve (12) months preceding the date of this Prospectus, with an indication of the market on which the acquisition was made or a mention of the fact that the acquisition took place off-market, the date of the acquisition and the (average) price paid.

Acquisition Date	Number of Shares	(Average) price per Share in EUR	Market	Acquisition on-Market or off-Market
24.02.2015	14,147	4.1219	Euronext Brussels	On-Market
25.02.2015	28,563	4.2444	Euronext Brussels	On-Market
25.02.2015	24,158	4.25	Euronext Brussels	On-Market
27.02.2015	1,218	4.25	Euronext Brussels	On-Market
03.03.2015	15,767	4.2442	Euronext Brussels	On-Market
29.04.2015	7,722	4.15	Euronext Brussels	On-Market
06.05.2015	7,895	4.15	Euronext Brussels	On-Market
07.05.2015	4,975	4.1315	Euronext Brussels	On-Market
08.05.2015	4,650	4.1074	Euronext Brussels	On-Market
11.05.2015	5,597	4.1299	Euronext Brussels	On-Market
12.05.2015	17,577	4.0661	Euronext Brussels	On-Market
13.05.2015	31,792	3.9921	Euronext Brussels	On-Market
14.05.2015	21,742	4.0381	Euronext Brussels	On-Market
15.05.2015	9,927	4.1092	Euronext Brussels	On-Market
18.05.2015	8,210	4.082	Euronext Brussels	On-Market
19.06.2015	17,315	4.0907	Euronext Brussels	On-Market
06.07.2015	5,526	4.3412	Euronext Brussels	On-Market
07.07.2015	12,449	4.3412	Euronext Brussels	On-Market
08.07.2015	3,677	4.4762	Euronext Brussels	On-Market
13.07.2015	245,987	4.7	Euronext Brussels	Off-Market
27.07.2015	477,413	5.1247	Euronext Brussels	On-Market
28.07.2015	670,581	5.2032	Euronext Brussels	On-Market

29.07.2015	25,000	5.1798	Euronext Brussels	On-Market
02.11.2015	10,000	5.15	Euronext Brussels	On-Market
03.11.2015	31,251	5.1495	Euronext Brussels	On-Market
04.11.2015	5,000	5.15	Euronext Brussels	On-Market
05.11.2015	81,547	5.1499	Euronext Brussels	On-Market
06.11.2015	252,427	5.1497	Euronext Brussels	On-Market
25.11.2015	5,041,829	5.75	Euronext Brussels	Off-Market
25.11.2015	410,000	5.75	Euronext Brussels	Off-Market
25.11.2015	1,923,398	5.75	Euronext Brussels	Off-Market
26.11.2015	756,470	5.75	Euronext Brussels	Off-Market
26.11.2015	470,000	5.75	Euronext Brussels	Off-Market
30.11.2015	1,816,758	5.7179	Euronext Brussels	On-Market
30.11.2015	200,000	5.70	Euronext Brussels	On-Market
01.12.2015	76,515	5.7382	Euronext Brussels	On-Market
02.12.2015	1,816	5.73	Euronext Brussels	On-Market
10.12.2015	37,496	5.7139	Euronext Brussels	On-Market
11.12.2015	19,863	5.7184	Euronext Brussels	On-Market
14.12.2015	38,508	5.7193	Euronext Brussels	On-Market
15.12.2015	11,822	5.7175	Euronext Brussels	On-Market
16.12.2015	14,654	5.72	Euronext Brussels	On-Market
21.12.2015	12,361	5.7175	Euronext Brussels	On-Market
22.12.2015	71,526	5.718	Euronext Brussels	On-Market
23.12.2015	69,898	5.7163	Euronext Brussels	On-Market
24.12.2015	74,494	5.7455	Euronext Brussels	On- Market

28.12.2015	40,000	5.7408	Euronext Brussels	On-Market
29.12.2015	52,141	5.7434	Euronext Brussels	On-Market
30.12.2015	68,354	5.7218	Euronext Brussels	On-Market
31.12.2015	22,500	5.719	Euronext Brussels	On-Market
04.01.2016	689,286	5.7193	Euronext Brussels	On-Market
05.01.2016	178,171	5.72	Euronext Brussels	On-Market
06.01.2016	54,814	5.7214	Euronext Brussels	On-Market
07.01.2016	148,694	5.7247	Euronext Brussels	On-Market
08.01.2016	27,825	5.7225	Euronext Brussels	On-Market
11.01.2016	44,881	5.7286	Euronext Brussels	On-Market
12.01.2016	66,138	5.7391	Euronext Brussels	On-Market
13.01.2016	23,206,881	5.75	Euronext Brussels	Off-Market
13.01.2016	316,084	5.7474	Euronext Brussels	On-Market
14.01.2016	170,549	5.7413	Euronext Brussels	On-Market
15.01.2016	140,796	5.7463	Euronext Brussels	On-Market
18.01.2016	31,203	5.7421	Euronext Brussels	On-Market

AQTON did not acquire any Share in the course of the twelve (12) months immediately preceding the date of this Prospectus.

Franklin Templeton acquired 850,000 Shares on 5 June 2015 at an average price of EUR 4.16 on the market of Euronext Brussels.

4.10 SOLE BIDDER

The Counterbid (and, if applicable, the squeeze-out) originates solely from Oddo et Cie, which makes the Counterbid (and, if applicable, the squeeze-out) entirely for its own behalf (see also Section 6.1.4 (*Obligation to launch a mandatory takeover bid and exemptions granted by the FSMA*))

5. THE TARGET COMPANY - BHF KB

5.1 IDENTIFICATION OF BHF KB

Company name	BHF Kleinwort Benson Group (formerly RHJ International)
Registered office	326 Avenue Louise - 1050 Brussels
Date of incorporation and term of existence	18 June 2004 - indefinite term of existence
Register of legal entities number	0866.015.010 (Brussels)
Corporate form	Public limited company
Financial year	1 January till 31 December
Date of the AGM	Third Tuesday in June at 15.00
Statutory auditor	KPMG Réviseurs d'entreprises, 40 Avenue du Bourget, 1130 Haren (Belgium), registered with the Register of Legal Entities (Brussels) under number 0419.122.548.

KPMG Réviseurs d'entreprises was appointed by the general shareholders' meeting held on 18 June 2013 for a term of three years. Its term will expire at the end of the general meeting called to approve the statements for the financial year closing on 31 December 2015.

5.2 CORPORATE PURPOSE OF BHF KB

Pursuant to Article 4 of its articles of association, the corporate purpose of BHF KB consists of:

- the operation and management of all companies and businesses which it holds;
- including without limitation (i) the direct or indirect acquisition of stakes or interests in any company or business, existing or to be incorporated, in Belgium or abroad, by way of a subscriptions to the capital, financial support, contribution of assets, merger, incorporation or any other means and (ii) the sale of any stake referred to above.

The company can, within the limits of its corporate purpose, execute or conduct any legal, commercial or financial document or transaction necessary or useful, directly or indirectly, to the realisation of its corporate purpose, in Belgium and abroad.

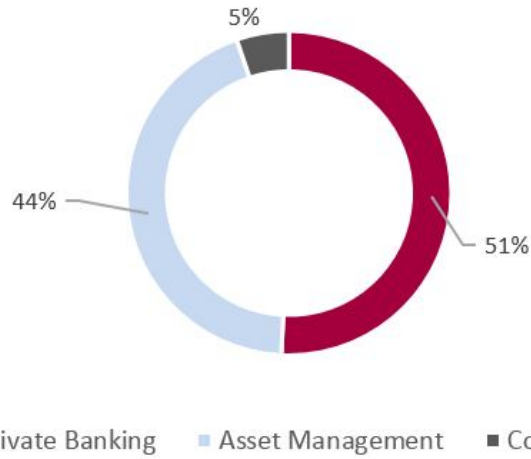
5.3 ACTIVITIES OF BHF KB

5.3.1 Description of the activities

Founded in 2004 as a listed private equity holding, BHF KB is now a financial holding which conducts activities mainly in the areas of private banking, asset management and the financial markets and corporates. It offers a complete range of wealth management services and strategic advice for businesses, as well as access to the community of institutional investors and family offices by way of its subsidiaries BHF-Bank AG, Kleinwort Benson and Kleinwort Benson Investors. It has been listed on the regulated market of Euronext Brussels since March 2005.

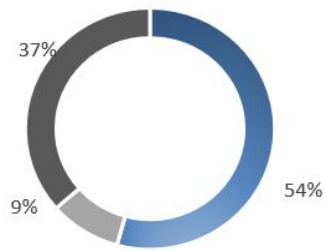
- **BHF-BANK**, a private bank since 1854, has a history dating back over 160 years. BHF-Bank is focused on serving German middle-market entrepreneurs and their families, through Private Banking and Asset Management as well as Financial Markets and Corporate Banking activities. BHF-BANK has EUR 43.6 billion assets under management at 30 June 2015, including EUR 22.7 billion in assets on behalf of private clients and family offices, and EUR 17.8 billion managed by its subsidiary Frankfurt Trust on behalf of institutional investors. BHF-BANK is also active in corporate banking and financial markets (equities, fixed income, ECM). BHF-Bank is headquartered in Frankfurt am Main (Germany): its 1087 employees (at the end of November 2015) are based in 13 locations in Germany, as well as subsidiaries in Luxembourg and Switzerland. In 2014, BHF-Bank generated a net banking income of EUR 211 million.
- For over 200 years, **Kleinwort Benson** has offered private banking and wealth management services to private individuals, company owners, entrepreneurs and institutions (pension funds, foundations and charities). Kleinwort Benson now includes Kleinwort Benson Bank, headquartered in London (UK), which is dedicated to wealth management and family office services, and Kleinwort Benson Channel Islands Holdings, headquartered in Guernsey and offering private banking, fiduciary and custody services. Those two companies managed GBP 5.4 billion (or EUR 7 billion) in private clients assets at year-end 2014, and generated an operating income of EUR 95.9 million.
- **Kleinwort Benson Investors** is an asset manager with headquarters in Dublin (Ireland). It currently manages specialist strategies for public and corporate pension schemes, sub-advisory investors and foundations/endowments. Kleinwort Benson Investors focuses on two key strategies for its international client base: equity strategies (accounting for two thirds of Assets under Management ("**AuM**") and environmental equity strategies. Kleinwort Benson Investors is a successful company, posting impressive AuM growth (from EUR 4 billion at the end of 2013 to EUR 6.8 billion at year end 2014) and generating an operating income of EUR 24.6 million at year end 2014.

BHF Kleinwort Benson
Assets under management by activity at year end 2014

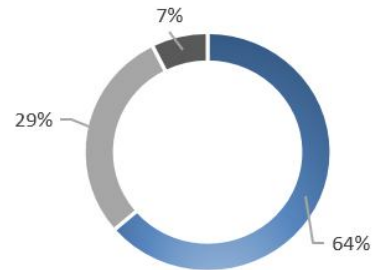


BHF Kleinwort Benson

Assets under management by entity at year end 2014



Operating income by entity at year end 2014



■ BHF Bank ■ Kleinwort Benson Wealth Management ■ Kleinwort Benson Investors

BHF KB further holds another financial investment through a 27.8% participation in Quirin Bank (Germany).

5.3.2 Recent developments

For an overview of recent developments with respect to BHF KB, reference is made to the press releases published on the BHF KB's website (www.bhfkleinwortbenson.com).

1. Periodic information

- On 19 November 2015, BHF KB published a trading update covering the nine months to 30 September 2015. Assets under Management ("AuM") were up EUR 2.5 billion (5%) year on year and up EUR 1.8 billion (3.3%) compared to 31 December 2014 year end. The operating income of EUR 261 million increased by EUR 4.7 million compared to the same period last year and the operating expenses fell by 1 million EUR year-on-year. The adjusted operating profit for the first nine months was EUR 2.9 million compared to an adjusted operating loss of EUR 11.6 million. The group's Tier 1 capital ratio stood at 16% and the consolidated net asset value amounted to EUR 793 million or EUR 6 per share.
- On 27 August 2015, BHF KB published its results for the six months ended 30 June 2015. Key highlights included an increase of the total AuM by 8% to 58.5 billion EUR from December 2014, an increase of operating income by 11% to 191.3 million EUR compared to the same period last year, a decrease of operating expenses by 2% year-on-year, an operating profit of EUR 8.0 million improved by EUR 23.8 million, a robust capital position with a Tier 1 capital ratio of 17% and a consolidated net asset value increased by EUR 820 million or EUR 6.20 per share. Strategic focus of BHF KB was announced as the delivery of long term profitability.
- On 16 June 2015, the AGM of BHF KB approved the non-consolidated financial statements for the financial year ended 31 December 2014, confirming a loss to be carried forward of EUR 145,802,202.
- On 21 May 2015, BHF KB published a first trading update covering the three months to 31 March 2015. Assets under Management were up EUR 5.7 billion (11%) compared to 31 March 2014 and up EUR 4.4 billion (8.2%) compared to 31 December 2014. The operating income for the first quarter of 2015 was EUR 99.6 million and operating expenses fell by 4%. The adjusted operating profit for the first quarter was EUR 10.9 million. The group's Tier 1 capital ratio stood at 16%.
- The annual report for the financial year ending 31 December 2014 was published on 30 April 2015, containing the group's consolidated results. The 2014 results note an increase of consolidated pro-forma operating income by 1.4% to EUR 334.6 million. Adjusted operating losses almost halved to EUR 23.5 million. Total assets under management increased by over 9.4% to EUR 54.2 billion, supported by net new flows of EUR 1.7 billion. Recurring cost savings were at EUR 17.0 million. The annual report contains information on the 2014 acquisition of BHF-Bank and the simplified shareholder structure and announced a further reorganisation of the group's legal structure towards a single-tier holding structure in the next few months. The annual report further includes information on the 2014 results of BHF KB's subsidiaries:
 - BHF-Bank – Total AuM increased by 5% to EUR 40.4 billion (EUR 1.5 billion growth delivered by private banking). The report notes a pre-tax operating profit of EUR 2.2 million compared with an operating loss of EUR 2.5 million in 2013.
 - Kleinwort Benson (comprises the private banking activities under Kleinwort Benson Wealth Management and the asset management activities of Kleinwort Benson Investors) – AuM was up 24% to EUR 13.9 billion with EUR 1.4 billion of net new asset growth. Revenues increased by

8% and cost growth was at 2%. The operating loss decreased from EUR 11.4 million to EUR 4.9 million.

- BHF KB released full year results for the financial year ended 31 December 2014 on 27 March 2015. AuM grew to EUR 54.2 billion, an increase of 9.4%. Operating income rose by EUR 4.7 million or 1.4% to EUR 334.6 million. The adjusted underlying operating loss amounted to EUR 23.5 million, representing a EUR 18.8 million improvement on prior year. The ongoing efficiency programmes already yielded EUR 17.0 million of recurring cost savings against the EUR 20 million costs saving target identified at the time of the acquisition of BHF-Bank. The statutory consolidated profit (including BHF-Bank's results for the 9 months since the date of its acquisition by BHF KB) amounted to EUR 71.6 million compared to a EUR 66.4 million loss in 2013. A further reorganisation of the group's legal structure was announced to be scheduled in the next few months.
- On 18 November 2014, BHF KB published a trading update for the quarter ended 30 September 2014, confirming that the simplification of BHF KB's group's legal structure and elimination of Kleinwort Benson Group Limited from the holding structure was under way and expected to be completed by the end of the first quarter of 2015. Total AuM were reported to be EUR 52.9 billion as at 30 September 2014. BHF KB noted that it had a strong balance sheet position with a Tier 1 ratio of 18% at 30 September 2014 and that all business units were showing good underlying operation progress and anticipated the positive trend to continue for the remainder of 2014. BHF KB further announced that it had resolved its dispute with the US Pension Benefit Guaranty Corporation who claimed approximately USD 200 million in connection with pension liabilities of Asahi Tec's US subsidiary that went bankrupt in 2009.
- BHF KB published its results for the six months ended 30 June 2014 on 28 August 2014. Key highlights included the proposed simplification of group's legal structure and the renaming of RHJI in BHF KB, the reduced pro-forma operating loss across the group (from EUR 19.7 million in 2013 to EUR 13.4 million at June 2014, reported on the basis of six months contribution from BHF-Bank in both periods), an increase of the total AuM by 9% to EUR 53.9 billion and a reduction of holding company costs by 28% to EUR 9.9 million.
- On 17 June 2014, BHF KB's AGM approved the non-consolidated financial statements for the financial year ended 31 December 2013, confirming a loss to be carried forward of EUR 106,060,533 and decided upon, *inter alia*, the reappointment of the directors and their remuneration.
- BHF KB issued a trading update on 15 May 2014 for the 3 months ended 31 March 2014. Key highlights included the successful acquisition of BHF-Bank for a preliminary purchase price of EUR 340 million, the increase of the AuM to EUR 38.9 billion at BHF-Bank, the marginal decrease of AuM to GBP 5.7 billion for Kleinwort Benson Wealth Management, the 24% increase in AuM to EUR 6.7 billion for Kleinwort Investors and a combined pro-forma Tier 1 ratio of 16.3%. BHF KB set a number of post-transformation targets as part of its strategic review of the business following the BHF-Bank acquisition.
- BHF KB issued its annual report for the financial year ended 31 December 2013 on 30 April 2014. Key highlights included the successful acquisition of BHF-BANK, the divestment of Shaklee and SigmaXYZ and the decrease of the consolidated loss across the group by 21% to EUR 66.4 million (as compared to EUR 84.4 million in 2012).

- On 27 March 2014, BHF KB published its results for the financial year ended 31 December 2013 and announced the completion of the BHF-Bank acquisition:
 - Key highlights included the 14% growth in AuM to GBP 5.9 billion for Kleinwort Benson Wealth Management, the 49% growth of AuM to EUR 5.4 billion for Kleinwort Investors, a 40% reduction of holding company costs across BHF KB and Kleinwort Benson Holdings and the decrease of the consolidated loss over the group by 21% to EUR 66.4 million.
 - On 26 March 2014, BHF KB and Kleinwort Benson Group Limited acquired BHF-Bank for a preliminary purchase price of EUR 340 million, subject to post-closing adjustments (the final purchase price ultimately amounted to EUR 347 million). Kleinwort Benson Group Limited acquired approximately 91% of BHF-Bank and BHF KB acquired approximately 9% of BHF-Bank directly through the issuance of new shares.

2. Information about share buy-back programme

- On 2 February 2015, BHF KB announced the end of its share buy-back programme initiated on 31 October 2014 which had expired on 30 January 2015. A total of 1,140,118 shares were purchased by BHF KB under the programme between 31 October 2014 and 30 January 2015 at an average price of EUR 4.48075 per share or EUR 5,108,583.45 in aggregate.
- BHF KB announced the launch of its share buy-back programme for an amount of up to 1.3 million shares (representing approximately 0.98% of total outstanding shares) and a consideration of up to EUR 6.5 million on 31 October 2014.
- The extraordinary shareholders' meeting of BHF KB held on 17 June 2014 decided to, *inter alia*, renew the general share buy-back authorization.

3. Major investments and divestments

- On 26 May 2015, BHF KB announced that Samena Capital, an investment group focused on principal investments in the Subcontinent, Asia, Middle East and North Africa will acquire, subject to certain closing conditions, a stake of up to 31.2% of Kleinwort Benson Bank Ltd (KBBL) for cash consideration of GBP 15 million. This transaction has however automatically been terminated since the long stop date for the closing of the transaction has lapsed.
- On 5 January 2015, BHF KB announced that it had completed the sale of its interest in Ripplewood Advisors LLC (previously known as Kleinwort Benson Advisors LLC) to an affiliate of Timothy C. Collins. BHF KB was not willing to fund its share of the sold entities capital needs and agreed to sell its interest for cash consideration of USD 4 million. The license of the name Kleinwort Benson Advisors had also been terminated.
- On 21 February 2014, BHF KB confirmed the approval from the BaFin for the acquisition of BHF-Bank.
- On 2 January 2014, BHF KB announced the completion of the spin-off of the merchant banking business previously carried out through Ripplewood into a new entity named Kleinwort Benson Advisors LLC. BHF KB has licensed the name Kleinwort Benson Advisors LLC to the new entity for a period of seven years.

4. Corporate and corporate governance matters

- On 24 February 2015, BHF KB announced that its extraordinary shareholders' meeting approved BHF KB's name change from RHJ International SA/NV to BHF Kleinwort Benson Group SA/NV.
- The extraordinary shareholders' meeting of BHF KB held on 16 June 2015 decided to, *inter alia*, absorb the losses by way of a reduction of the share capital and share premium, bringing the share capital to a new level of EUR 686,368,714.
- On 1 October 2014, BHF KB announced that the co-investors (Billion Infinity, AQTON and entities affiliated with Timothy C. Collins) notified BHF KB on 29 September 2014 that an aggregate amount of 41,198,419 shares held by them was subject to a lock-up agreement. The shares were issued in connection with the conversion of the ownership of these shareholders in Kleinwort Benson Group Limited into shares in BHF KB.
- On 23 September 2014, BHF KB announced the completion of a capital increase by contribution in kind of the co-investors' shareholding (i.e. Billion Infinity, AQTON and entities affiliated with Timothy C. Collins) in Kleinwort Benson Group. As a result of such capital increase, BHF KB's share capital amounted to EUR 735,731,877 represented by 132,244,164 ordinary shares. After this capital increase, BHF KB fully owned Kleinwort Benson Group Limited and the co-investors held approximately 31.2% of the share capital in BHF KB.

5.4 SHAREHOLDER STRUCTURE OF BHF KB

At the date of the Prospectus and taking into account the transparency notifications made at that date in accordance with the Act of 2 May 2007, the Shareholder structure of BHF KB is as follows:

Name Shareholder	Number of voting rights	% of voting rights
Fosun Group	25,768,724	19.49%
Billion Infinity Investment Ltd	23,085,478	17.46%
Fidelidade - Companhia de Seguros SA	2,683,246	2.03%
Oddo et Cie SCA	56,702,298	42.877%
AQTON²	14,921,842	11.28%

² The 14,921,842 Shares held by AQTON in BHF KB are the subject of an irrevocable tender commitment pursuant to which AQTON and the Counterbidder act in concert within the meaning of Article 3, §1, 5^o of the Takeover Act.

Timothy C. Collins and affiliates	12,070,256	9.13%
Timothy C. Collins	1,260,647	0.95%
Collins Family Partners Inc.	3,179,989	2.40%
CFP Holdings LLC	1,463,961	1.11%
RHJ International Investors LP	200,000	0.15%
Timothy C. Collins 1999 Trust	703,108	0.53%
Windmere Investments LLC	1,595,549	1.21%
Timothy C. Collins 2003 Descendants' Trust	3,667,002	2.77%

Furthermore, it should be noted that Fosun has entered into an agreement with Timothy C. Collins and affiliates pursuant to which Fosun would acquire respectively 8,879,157 Shares and 3,191,099 Shares (represented by restricted depository shares) from Timothy C. Collins and affiliates at a price of 4.90 per Share, subject to the satisfaction of certain conditions precedent. For more information about the above acquisitions, please refer to the press release issued by Fosun on 24 March 2015 and to the press release issued by Fosun on 21 October 2015 in relation to the extension of the long stop date.

Assuming that as of the date of this Prospectus, the above transaction would be closed, Fosun would hold 37,838,980 Shares, representing 28.61% of the voting rights of BHF KB.

Finally, it should be noted that in accordance with the share conversion agreement entered into by Kleinwort Benson Group Limited, BHF KB and the co-investors (i.e. Billion Infinity, AQTON and entities affiliated with Timothy C. Collins) on 27 August 2014, the latter have undertaken not to dispose of the 41,198,419 Shares during a period ending on 26 March 2017 (included), subject to limited customary exceptions (a so-called "lock-up"). These exceptions include the acceptance of a public tender offer for the outstanding Shares of BHF KB.

5.5 MANAGEMENT STRUCTURE OF BHF KB

5.5.1 Board of directors

1. Powers and responsibilities

In accordance with the Company Code, BHF KB is managed by a board of directors which has full powers and authority to take any action deemed necessary or useful, except where specific powers are reserved to the general shareholders' meeting, either by law or pursuant to BHF KB's articles of association. Amongst other things, the board approves BHF KB's strategy, reviews and approves the annual and six-month financial statements and presents to the AGM an overview of BHF KB's financial situation.

The board appoints members of its committees, the Chief Executive Officer and the other members of executive management. The board may delegate special powers to one or more directors, but all other board decisions must be taken by the board as a whole.

The board has delegated to Mr Fischer, BHF KB's Chief Executive Officer, general executive authority over BHF KB's affairs arising in the ordinary course of business (see Section 5.5.3 (*Executive Management - "Chief Executive Officer"*)).

2. Appointment

Board members are appointed by the shareholders at a general meeting further to a proposal of the board. BHF KB's articles of association provide that the board must have at least five and at most twelve members. BHF KB's articles of association also provide that as long as Mr Collins, together with his affiliates, owns, directly or indirectly, at least 5% of BHF KB's outstanding Shares, he will have the right to present two candidates, from which the general shareholders' meeting must appoint at least one.

The nomination and remuneration committee (see Section 5.5.2 (*Board Committees - Nomination and Remuneration Committee*)) makes recommendations to the board as on all candidates for election.

At least half of the board must be comprised of non-executive directors and at least three of those should be independent. To qualify as an independent director, an individual must meet the requirements set out in Article 526ter of the Company Code.

Pursuant to the Act of 28 July 2011 ensuring gender diversity on boards of autonomous state enterprises, listed companies and the National Lottery, at least one-third of the directors of BHF KB must be of a different gender from the other board members, as of 1 January 2017. Taking into account this requirement, the general shareholders' meeting held on 24 February 2015 appointed a woman to the board. As a result, one-sixth of the board members are of a different gender from other members.

3. Functioning

The board takes decisions as a body. It can validly deliberate if a majority of its members are present or represented (except in the event of force majeure, in which case at least three directors must be present or represented).

The board meets at regular intervals and as frequently as required by BHF KB's interests.

In accordance with Article 523 of the Company Code, any director with a conflict of interest must bring it to the attention of the other directors and the auditor and may not take part in the board's deliberations on this subject.

4. Composition

Except for Mr Fischer who serves as BHF KB's *Chief Executive Officer*, the board consists solely of non-executive directors. As of 30 April 2015, three of BHF KB's six board members are independent. To qualify as an independent director, the requirements set out in Article 526ter of the Company Code must be met.

Name	Year of birth	Classification	Audit, risk and compliance committee	Nomination and remuneration committee	Term of mandate
Gerd Häusler Chairman of the Board of directors	1951	Non-executive and independent director	Member	Chairman	20 June 2017
Leonhard Fischer	1963	Director and <i>Chief Executive Officer</i>	-	-	20 June 2017
Johannes Fritz	1954	Non-executive director	Member	-	20 June 2017
Anne van Aaken	1969	Non-executive and independent director	-	-	20 June 2017
Konstantin Graf von Schweinitz	1961	Non-executive and independent director	Chairman	Member	20 June 2017
Patrick Lei Zhong	1971	Non-executive director	-	Member	20 June 2017

5. Biographies

1. Gerd Häusler - chairman of the board of directors and of the nomination and remuneration committee

Mr Häusler has over 35 years' international banking and financial markets experience, most recently as CEO of Bayerische Landesbank (2010-2014) and, prior to that, as non-executive Vice Chairman and Chairman of the Risk Committee of Bayerische Landesbank (2009-2010). Mr Häusler served as counsel and director of the International Capital Markets Department of the IMF (2001-2006), responsible for all financial markets-related work. After two years as Vice Chairman and Managing Director at Lazard, he served as a member of BHF KB's Board from 2008 to 2013 and as Senior Advisor to BHF KB from 2008 until 2010. Mr Häusler was a member of the Board of Managing Directors of Dresdner Bank AG in Frankfurt (1996 to 2000) and Chairman of Dresdner Kleinwort Benson in London (1997 to 2000). During the first 18 years of his career Mr Häusler held various positions at Deutsche Bundesbank, the last being on the Executive Board and the Central Bank Council (1994-1996). He has served as non-executive director at various companies, most recently Munich Re, and has been a member of the Group of Thirty, a think tank on international economic and monetary affairs, since 1996. For most of 2014, Mr Häusler served as chairman and independent member of the board of directors of Kleinwort Benson Group Limited.

Mr Häusler has been a member of BHF KB's Board since February 2015. Mr Häusler's current term of office will end immediately after the 2017 AGM. Consistent with the terms applicable to all BHF KB directors, Mr Häusler may be reappointed.

Mr Häusler currently serves as chairman of the supervisory board and chairman of the risk committee of Bayerische Landesbank and as a member of the supervisory board of Munich Re.

Mr Häusler is the chairman of board of directors and the nomination and remuneration committee. He is also a member of the audit, risk and compliance committee.

2. Leonhard Fischer - Director and Chief Executive Officer

Prior to joining BHF KB Mr Fischer served, from 2003 to 2006, as Chief Executive Officer of Winterthur Group, an insurance subsidiary of Credit Suisse, and from 2003 to March 2007, as a member of the Executive Board of Credit Suisse Group. Before that, Mr Fischer Credit worked at Allianz AG, where he was a member of the Management Board and headed the Corporate and Markets Division since 2001. Previously, he was with Dresdner Bank AG, as a member of the Executive Board since 1998, and JP Morgan in Frankfurt, starting in 1987. Mr Fischer also sat on the board of directors of AXA Konzern AG from January 2007 until May 2012.

Mr Fischer holds an MA in Finance from the University of Georgia and a Business Management Degree from the University of Bielefeld.

He has been a member of BHF KB's board since September 2007. Mr Fischer's current term of office will end immediately after the 2017 AGM. Consistent with the terms applicable to all BHF KB directors, Mr Fischer may be reappointed.

Mr Fischer has served as a member of the board of directors of Glencore plc since April 2011 and was a member of the board of directors of Julius Baer Group Ltd from April 2009 to April 2014.

3. Johannes Fritz - Director

Dr Fritz has been Head of the Quandt/Klatten Family Office since 2000 and was previously its Managing Director, responsible for all financial questions and day-to-day-business (1990-2000). Previously, he was with KPMG covering financial institutions and industrial companies (1984-1989) and, prior to that, was the assistant to the CEO of Bertelsmann. Dr Fritz holds an MBA from Mannheim University and a post-graduate degree from NYU Stern School of Business.

Dr Fritz has been a member of the board since February 2015. Dr Fritz's current term will end immediately after the 2017 AGM. Consistent with the terms applicable to all BHF KB directors, Dr Fritz may be reappointed.

Dr Fritz currently serves as Head of the Quandt/ Klatten Family Office, Managing Director of Seedamm-Vermögensverwaltungs GmbH, Chairman of the Supervisory Board of Solarwatt GmbH, member of the Supervisory Board of Drees & Sommer AG, and member of the Board of Directors of Gemalto N.V.

Dr Fritz is also a member of the audit, risk and compliance committee.

4. Konstantin Graf von Schweinitz - Director and Chairman of the Audit, Risk and Compliance Committee

Mr Graf von Schweinitz has over 30 years of investment banking experience, principally in capital markets and risk management. He spent 19 years in the investment banking divisions of Dresdner Bank and Dresdner Kleinwort Wasserstein, until March 2007. During this time, he worked in various areas including derivatives trading, hedge fund management and as Chief Operating Officer of Dresdner Kleinwort Wasserstein UK, before becoming Chief Risk Officer of Dresdner Kleinwort Wasserstein and Head of Risk Management Investment Banking. He was also the Deputy Chairman of Dresdner Group's Credit Committee and a member of Dresdner Kleinwort Wasserstein's Executive Committee. From 1982 to 1988, he worked at the Chase Manhattan Bank where he headed the European Swap Group. Since 2007, Mr Graf von Schweinitz has been an independent advisor to hedge funds, banks and private equity companies. He holds a BA and MA from Oxford University.

Mr Graf von Schweinitz has been a member of BHF KB's board since June 2011. His current term will end immediately after the 2017 AGM. Consistent with the terms applicable to all BHF KB directors, Mr Graf von Schweinitz may be reappointed

Mr Graf von Schweinitz is a consultant at DII Capital, a London-based financial advisory firm. Since 2007 he has acted as advisor on various risk and investment-related assignments for hedge funds, banks and private equity companies.

He is chairman of the audit, risk and compliance committee and a member of the nomination and remuneration committee.

He has been on the board of directors of Kleinwort Benson Bank Limited since July 2010 and became its chairman in July 2015.

5. Anne van Aaken - Director

Professor van Aaken teaches law and economics at the University of St. Gallen, Switzerland. She has acted as an expert consultant to the World Bank, the Organisation for Economic Co-operation and Development and the United Nations Conference on Trade and Development. Professor van Aaken holds a Master's in Law from the University of Munich, a PhD in Law from the University of Frankfurt/Oder, a Master in Economics from the University of Fribourg, and is admitted to the bar in Germany. From 2011 until 2014, she served as an independent member of the board of directors of Kleinwort Benson Group Limited.

Professor van Aaken has been a member of the board since February 2015. Her current term will end immediately after the 2017 AGM. Consistent with the terms applicable to all of the company's directors, she may be reappointed.

She is currently vice president of the *Société européenne de droit international* and a member of the executive committee of the International Society of Public Law.

6. Patrick Lei Zhong - Director

Mr Zhong has over 18 years' experience in international strategic investment and has broad experience working with CEOs, entrepreneurs and government leaders both in China and globally, most recently within the Fosun group.

Mr Zhong has been a member of BHF KB's board since February 2015. Mr Zhong's current term will end immediately after the 2017 AGM. Consistent with the terms applicable to all BHF KB directors, Mr Zhong may be reappointed.

Mr Zhong is Senior Managing Director and Head of Global Investments and Strategies at Shanghai Fosun High Technology (Group) Co. Ltd, President of China Momentum Fund LP, a member of the Supervisory Board of Tom Tailor Holding AG and a member of the Boards of Directors of Ingenico, Cirque du Soleil, Alma Laser Limited, St. John Knits International Inc. and Raffaele Caruso SpA. Mr Zhong also serves as Chairman of Forbes China and Chairman of Fosun Media.

Mr Zhong is a member of the nomination and remuneration committee.

He served as a non-executive director on the board of directors of Kleinwort Benson Group Limited from March to September 2014.

5.5.2 Board committees

The following board committees assist and advise the board: the audit, risk and compliance committee and the nomination and remuneration committee. The board has adopted formal charters for each of these committees. Amendments with respect to the composition and tasks of the committees, as set out in their respective charters, may be made by the board.

1. Audit, risk and compliance committee

The audit, risk and compliance committee must consist of at least three non-executive directors, a majority of whom must be independent. Directors may be appointed to the audit, risk and compliance committee for terms of up to four years and may be reappointed, provided no member of the committee serves consecutive terms exceeding in total twelve years.

The audit, risk and compliance committee's role is to assist and advise BHF KB's board on, amongst other things:

- (i) the quality and integrity of BHF KB's financial statements;
- (ii) the relationship with BHF KB's statutory auditor;
- (iii) risk management;
- (iv) compliance with legal and regulatory requirements; and
- (v) compliance with internal codes of conduct and other policies.

According to BHF KB's 2014 annual report, the audit, risk and compliance committee consists of Mr Graf von Schweinitz, Mr Häusler and Dr Fritz. Mr Graf von Schweinitz is the chairman. Given their professional background, all members of the committee were confirmed to possess adequate expertise in the areas of auditing and accounting within the meaning of Article 526*bis* of the Company Code. In addition, a majority of the members of the committee, including its Chairman, are independent directors within the meaning of Article 526*ter* of the Company Code.

2. Nomination and remuneration committee

The nomination and remuneration committee must consist of at least three non-executive directors, a majority of whom must be independent. Directors may be appointed to the committee for terms of up to four years and may be reappointed, provided no member serves consecutive terms exceeding in total twelve years.

The nomination and remuneration committee's role is to assist and advise BHF KB's board on, amongst other things:

- (i) the size and composition of, and appointment to, the board;
- (ii) the size and composition of, and appointment to, board committees;
- (iii) the appointment and evaluation of members of senior management and executive management; and
- (iv) remuneration policy.

According to BHF KB's 2014 annual report, the nomination and remuneration committee consists of Mr Häusler, Mr Graf von Schweinitz and Mr Zhong. Mr Häusler is the committee chairman. A majority of the members of the committee, including its chairman, are independent directors within the meaning of Article 526*ter* of the Company Code.

3. Assessment of the board and board committees

BHF KB's board has adopted a policy to review and assess its own performance and interaction with executive management at least every two or three years. In addition, the board periodically assesses its size and composition. This assessment is conducted at the initiative of the chairman (with the assistance of the nomination and remuneration committee and an external specialist when deemed necessary).

During the evaluation process, each director is requested to consider and provide comments on topics such as:

- the effectiveness of the board (availability and adequacy of background materials, time available to discuss important issues etc.)
- qualifications and responsibilities of individual directors (contribution, presence at meetings, outside commitments, understanding of the business and risks, independence of relevant directors etc.); and
- effectiveness of oversight of, and interaction with, management.

Where appropriate, part of this evaluation can be conducted on the basis of a written process, each director being requested to comment and provide a numerical rating on a number of questions included in a written questionnaire. Following review and discussion, the chairman of the board may make proposals to enhance the board's performance or effectiveness.

The audit, risk and compliance committee and the nomination and remuneration committee review at least every two to three years their respective terms of reference and own effectiveness and submit their evaluation, including any recommendations for change, to the board. The evaluation process for the committees is similar to that described above for the board and is coordinated by the nomination and remuneration committee.

5.5.3 Executive management

1. Composition

The executive management is composed of the Chief Executive Officer ("CEO"), the Chief Financial Officer, the General Counsel and the Belgian Managing Director of BHF KB. Senior management is composed of the other Managing Directors of BHF KB and its management subsidiaries. The CEO and the other members of the executive management and/or senior management do not constitute (nor exercise their functions through) any, formal or informal, management committee.

Upon recommendation of the nomination and remuneration committee, the board appoints the CEO and, in consultation with the CEO, the other members of the executive management.

The individuals who compose BHF KB's executive management are as follows:

Name	Year of birth	Title
Leonhard Fischer	1963	<i>Chief Executive Officer</i>
Martha Böckenfeld	1965	<i>Chief Financial Officer</i>
Rüdiger Schmid-Kühnhöfer	1974	<i>Chief Operating Officer & General Counsel</i>
Jean-Marc Roelandt	1965	<i>Belgian Managing Director</i>

2. Chief Executive Officer

Mr Leonhard Fischer is BHF KB's *Chief Executive Officer*. Mr Fischer is engaged full-time with BHF KB for an indefinite term.

The board has delegated to Mr Fischer the powers typically exercised by a *Chief Executive Officer*. These comprise general executive authority over BHF KB's affairs arising in the ordinary course of business.

Mr Fischer has authority to cause BHF KB to enter into any transaction or procedure for all matters not exceeding EUR 25 million, including, without limitation: to initiate or defend legal proceedings; incur or grant any form of financing; grant any form of collateral; effect any renting or leasing transaction; enter into any services (including consultancy) agreement (as provider or recipient), and/or; effect any investment or divestment (including treasury or hedging) transaction.

Notwithstanding any provisions to the contrary, Mr Fischer has authority to cause BHF KB to effect any treasury or hedging transaction exceeding EUR 25 million where so permitted under BHF KB's Treasury Management Policy and subject to the terms and limitations thereof.

Mr Fischer has authority to hire, dismiss and determine the terms of employment or separation of any of BHF KB's employees (including any member of senior management except for the *Chief Executive Officer*, *Chief Financial Officer*, *General Counsel* and *Belgian Managing Director*).

Mr Fischer does not have authority over any matters that are reserved to the board of directors or the general shareholders' meeting by law or pursuant to BHF KB's articles of association. Mr Fischer has authority to represent BHF KB in dealings with third parties and in legal proceedings within the scope of the powers described above. Mr Fischer is authorised to sub-delegate, at this own risk, one or more specific powers falling within the scope of the powers described above, to employees of BHF KB or any other person of his choosing. However, he may not sub-delegate to any one person all of the powers described above.

The board has the power at any time to withdraw or modify the authority it has delegated or terminate the agreement with the *Chief Executive Officer* with or without cause. While the *Chief Executive Officer* is supported by the other members of Executive Management for the fulfilment of his duties, the *Chief Executive Officer* retains sole decision-making power. The *Chief Executive Officer* and the other members of executive management do not constitute (or exercise their functions through) any formal or informal management committee.

3. Compliance officer

BHF KB's general counsel serves as compliance officer. The key responsibilities of the compliance officer include:

- (i) monitoring compliance with the obligations set forth in the Business Conduct and Ethics Code;
- (ii) monitoring compliance with the obligations set forth in the Dealing and Disclosure Code; and
- (iii) monitoring overall compliance with laws and regulations.

5.5.4 Corporate governance charter and Business Conduct and Ethics Code

1. Corporate governance code and charter

BHF KB has adopted the Belgian corporate governance code as its reference code and has established a corporate governance charter describing the main aspects of the rules and practices by which it operates. The charter as last amended on 24 March 2015 is available at BHF KB's website (www.bhfkleinwortbenson.com).

2. Business Conduct and Ethics Code

BHF KB's Business Conduct and Ethics Code summarises the values, standards, principles and business practices which BHF KB will apply, and which BHF KB's employees (including, but not limited to, officers and members of executive management) and directors are required to apply, in conducting business on behalf of BHF KB. BHF KB's employees and directors are expected to apply the spirit of the Business Conduct and Ethics Code as well as comply with its specific provisions. They are expected to become familiar with the Business Conduct and Ethics Code and to comply with it at all times in the performance of their duties for, or in relation to, BHF KB.

In addition to general principles, specific provisions address various legal and ethical compliance issues, including conflicts of interest (including those not covered by Article 523 of the Company Code), external directorships and other outside activities, business gifts and entertainment, whether offered or received, competition and fair dealing, discrimination and harassment, health and safety, confidentiality, and the protection of personal data and proprietary information.

The Business Conduct and Ethics Code also provides procedures to address complaints concerning auditing issues. The Business Conduct and Ethics Code encourages the reporting of any potential unethical or illegal conduct and sets forth specific compliance procedures. This includes the opportunity for all complaints to be brought anonymously. The Business Conduct and Ethics Code is intended to supplement BHF KB's other policies including the Dealing and Disclosure Code and BHF KB's general commitment to comply with applicable laws and is not intended to replace those laws.

3. Dealing and Disclosure Code

BHF KB's Dealing and Disclosure Code applies to all of BHF KB's employees and directors, as well as to the other persons and entities (including, to the extent indicated in the Code, to employees and directors of BHF KB's management subsidiaries) indicated therein. The purpose of the Dealing and Disclosure Code is to ensure that such persons and entities do not abuse, nor place themselves under suspicion of abusing, and maintain the confidentiality of, price sensitive information that they may have or may be thought to have, especially in periods leading up to an announcement of financial results or of price sensitive events or decisions. To this end, the Dealing and Disclosure Code sets out minimum standards to be followed. In particular, subject to special clearance that can only be granted in very limited circumstances, the persons that are subject to the Dealing and Disclosure Code may not deal in BHF KB shares during a closed or prohibited period. A closed period is defined as the period of one month before publication of the annual, semi-annual or any IAS 34 quarterly results for BHF KB and of 15 days before publication of any quarterly "trading update" for BHF KB or the annual, semi-annual, any IAS 34 (or equivalent) quarterly results or any quarterly "trading update" of any subsidiary of BHF KB which publicly announces results. A prohibited period is a period that BHF KB's general counsel has determined to be a sensitive period. The

Dealing and Disclosure Code also provides that directors and executive management (and certain persons associated with them) must comply with the Belgian law requirement to notify their transactions in BHF KB shares (or other financial instruments linked to such shares) to the FSMA in accordance with applicable Belgian rules and the guidance published by the FSMA. The Dealing and Disclosure Code is not intended to replace the applicable laws prohibiting insider dealing and disclosure of price sensitive information.

5.6 CAPITAL OF BHF KB

5.6.1 Share capital

BHF KB's share capital amounts to EUR 686,368,714 and is represented by 132,244,164 ordinary shares (including own shares), fully paid and without nominal value.

All shares are admitted to trading on Euronext Brussels, have the same rights and accounting value, and are entirely paid-up. Every share gives rise to one vote.

5.6.2 Authorised capital

To date, the board has not been empowered to increase the capital within the limits of the authorised capital.

5.6.3 Own shares

In accordance with the provisions of Article 11 of BHF KB's articles of association, BHF KB can, without the prior authorisation of its Shareholders, in accordance with Article 620 et seq. of the Company Code and within the limits set by the provisions of the Company Code and BHF KB's articles of association, acquire on or outside a stock exchange, at a unit price meeting all legal requirements, which can in no case be more than twenty percent lower than the lowest closing price over the last thirty days of the Shares' listing on Euronext Brussels preceding such acquisition, or more than twenty percent higher than the highest closing price over the last thirty days of the Shares' listing on Euronext Brussels preceding such acquisition.

This possibility extends to acquisitions on or outside a stock exchange by a direct subsidiary of BHF KB within the meaning and limits of Article 627 §1 of the Company Code. If BHF KB acquires Shares outside a stock exchange, even from a subsidiary of BHF KB, BHF KB will, as the case may be, make an offer on the same terms and conditions to all Shareholders, in accordance with Article 620 §1, 5° of the Company Code.

This authorisation is valid for five years from the date of the extraordinary general shareholders' meeting of 17 June 2014.

BHF KB can, without the prior authorisation of its Shareholders and without time limit, at the conditions set forth in Article 622 § 2, 1° of the Company Code, dispose of its own Shares at the conditions established by the board. This possibility extends to the Shares of any direct subsidiary de BHF KB, at the conditions established by the board of that subsidiary.

BHF KB can, without the prior authorisation of its Shareholders and without time limit, at the conditions set forth in Article 622 §2, 1° of the Company Code, dispose of its own Shares outside a stock exchange at the conditions established by the board. This possibility extends to the Shares of any direct subsidiary of BHF KB, at the conditions established by the board of that subsidiary.

BHF KB held 547,189 own Shares on 30 June 2015, representing 0.41% of its total issued and outstanding Shares at that time. The Counterbid also relates to these 547,189 own Shares held by BHF KB.

5.6.4 Restricted Stock Units

Since 2007, the board of BHF KB approved a long-term equity-based incentive plan. The purpose of this incentive plan is to serve BHF KB's interests and its affiliates by attracting, motivating and retaining qualified employees, consultants and independent contractors, while also aligning their interests with the interests of BHF KB's shareholders and reinforcing the creation of long-term value.

Awards under the incentive plan are made in the form of Restricted Stock Units, which vest at such times, in such manner and subject to such terms and conditions as determined under the relevant award agreement.

Such Restricted Stock Units awards form executive management's deferred variable remuneration. The vesting of Restricted Stock Units awarded to executive management as deferred variable remuneration is subject to the fulfilment of relevant entitlement criteria and the expiration of a three-year vesting period.

Restricted Stock Units granted to employees of BHF KB, other than the members of executive management, vest ratably over 3 or 4 years.

For each Restricted Stock Unit which vests, the award recipient shall receive one share of BHF KB or, at the option of BHF KB's group and subject to the award recipient's consent, a cash amount equal to the fair market value of such share as of the vesting date. The award recipient may also request, subject to BHF KB's consent, that a portion of the Restricted Stock Units vests in cash in order to satisfy any tax liabilities that may become due upon or after such vesting.

With a view to maintaining the economic substance of the Restricted Stock Units awards, the incentive plan contains a capital decrease distribution protection feature. Upon vesting of any Restricted Stock Units, this protection feature ensures that the award recipient is paid a cash amount equal to all capital decrease distributions paid on BHF KB Share between the award date and vesting of the Restricted Stock Units. The board may also, at its discretion, adjust Restricted Stock Units awards in the event of distributions other than a capital decrease or under certain other circumstances.

The incentive plan contains claw-back rights in favour of BHF KB. The claw-back rights entitle the board to reduce, cancel or terminate any award in respect of any unvested Restricted Stock Units when, as a minimum:

- (a) there is reasonable evidence of misbehaviour or material error by the award recipient;
- (b) BHF KB's or one of its (direct or indirect) subsidiary's financial statements are materially restated, corrected or amended (provided that, when this relates to a (direct or indirect) subsidiary's financial statements, it materially impacts BHF KB's financial statements); or
- (c) BHF KB or the relevant business units suffers a material failure of risk management;
- (d) BHF KB is compelled to do so under express requirements from BHF KB's regulator or one of its (direct or indirect) subsidiaries.

The incentive plan does not provide for an automatic acceleration of unvested Restricted Stock Units in the event of a change of control in BHF KB.

According to BHF KB's 2014 annual report, the total amount of outstanding and unvested Restricted Stock Units on 31 December 2014 was 3,144,601.

Based on publicly available information, the Restricted Stock Units are not voting securities, nor securities conferring access to voting rights within the meaning of Article 3, §1, 9° of the Takeover Act.

5.6.5 Restricted depositary shares

Investors in the United States or that are U.S. persons and who are both qualified institutional buyers (as defined in Rule 144A under the U.S. Securities Act of 1933) and qualified purchasers (as defined in the U.S. Investment Company Act of 1940 and related rules) may purchase restricted depositary shares representing BHF's ordinary shares. Each restricted depositary share currently represents one ordinary BHF KB Share. The restricted depositary shares are evidenced by restricted depositary receipts. The restricted depositary receipt depositary is The Bank of New York. For a further description of the restricted depositary shares, see "Description of Restricted Depositary Shares" beginning on p. 535 of the listing prospectus of BHF KB (formerly RHJ International) dated 23 March 2005.

5.6.6 Warrants and stock options

Based on the publicly available information about BHF KB, the latter has not issued any warrants or stock options, other than the Restricted Stock Units referred to in Section 5.6.4 (*Restricted Stock Units*).

5.6.7 Other securities carrying voting rights or giving access to voting rights

At the date of this Prospectus and based on the information which is publicly available, BHF KB had not issued any securities carrying voting rights or giving access to voting rights, other than the Shares.

5.6.8 Evolution of the share price of BHF KB on Euronext Brussels over the last twelve months

Over the last twelve months, the price of the BHF KB Shares has evolved from a EUR 4.3 to EUR 4.7 range during the first half of the year into a EUR 4.6 to EUR 5.8 range during the second half.

Main events during the year 2015 having influenced the share price:

- 24 March 2015: Fosun enters into a share purchase agreement to purchase the stake of Tim Collins in BHF KB at EUR 4.90 a Share;
- 24 July 2015: Fosun publicly states its intention to launch a public takeover bid on BHF KB at EUR 5.10 a Share; and
- 30 November 2015: Listing resumes after the Counterbidder announced on 27 November 2015 its intention to launch a public takeover bid on BHF KB at EUR 5.75 a Share.

The below graph illustrates the evolution of the Share price on Euronext Brussels between 19 January 2015 and 18 January 2016.



5.7 STRUCTURE OF THE BHF KB GROUP

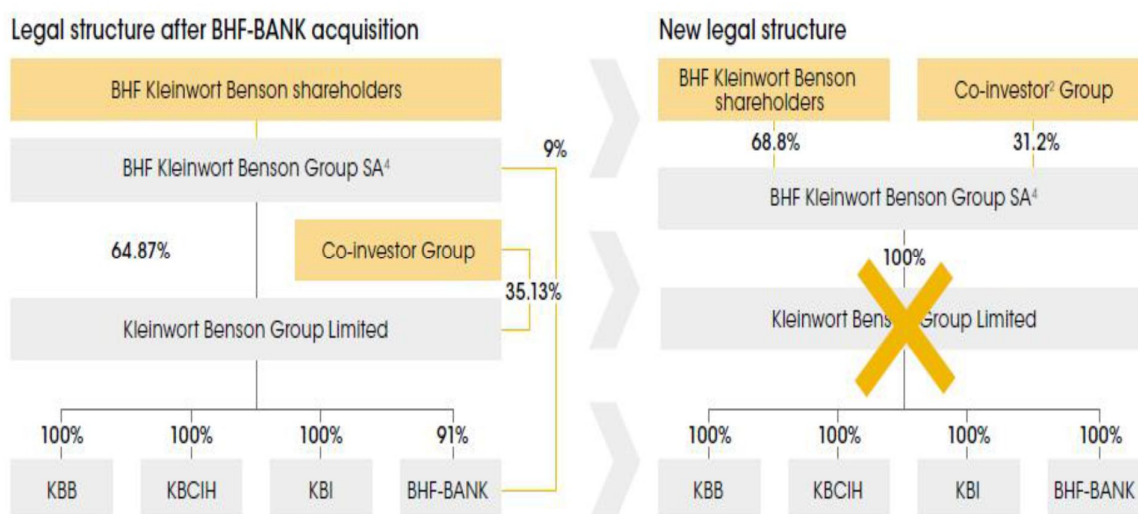
Following BHF KB's acquisition of BHF-Bank in March 2014, the group's structure was simplified in September 2014.

The ownership of the co-investors (i.e. Billion Infinity, AQTON and entities affiliated with Timothy C. Collins) in Kleinwort Benson Group Limited was converted into shares in BHF KB through a capital increase of 41,198,419 new shares out of BHF KB's authorized capital issued at their par value of EUR 5.5634 per share.

After this capital increase, BHF KB fully owned Kleinwort Benson Group Limited and the co-investors (i.e. Billion Infinity, AQTON and entities affiliated with Timothy C. Collins) held approximately 31.2% of the share capital in BHF KB.

Kleinwort Benson Group Limited is the intermediate holding company that owns 100% of Kleinwort Benson Bank, Kleinwort Benson Channel Islands, Kleinwort Benson Investors and 91% of BHF-Bank. The remaining 9% of BHF-BANK is held directly by BHF KB.

In its continuing efforts to evolve towards a more cost-efficient one-tier holding structure, BHF KB is planning to eliminate Kleinwort Benson Group Limited as an intermediate holding company. The structure chart below reflects this strategy and compares the situation after the BHF-Bank acquisition in March 2014 against the contemplated holding structure.



The percentage of 31.2% of the share capital in BHF KB held by the above-mentioned co-investors excludes the Shares held by Timothy C. Collins in BHF KB prior to the conversion as referred to above.

1. Percentages of shareholdings in companies consolidated by the global integration method (on 31 December 2014)

		2014	
		Direct	Indirect
BHF-BANK AG	Germany	9,0%	91%
BHF-BANK International S.A.	Luxembourg		100%
BHF-BANK (Switzerland) Ltd	Switzerland		100%
BHF Trust Management Gesellschaft für Vermögensverwaltung mbH	Germany		100%
Frankfurt Family Office GmbH	Germany		100%
FRANKFURT-TRUST Investment-Gesellschaft mbH	Germany		100%
KB Investors Dublin Ltd.	Ireland		100%
Kleinwort Benson (Channel Islands) Ltd.	Isles of Man		100%
Kleinwort Benson Bank Ltd.	United Kingdom		100%

2. Percentages of shareholdings in associated companies

	Country of registration	2014
Quirin Bank AG	Germany	27.8%

5.8 FINANCIAL REPORTING

BHF KB's consolidated financial statements dated 31 December 2014 were drafted in accordance with IFRS. BHF KB's stand-alone financial statements dated 31 December 2014 were drafted in accordance with the legal and regulatory requirements applicable in Belgium.

BHF KB's consolidated annual financial statements were approved by the general shareholders' meeting on 16 June 2015.

BHF KB's stand-alone and consolidated financial statements as per 31 December 2014 were audited by KPMG *Réviseurs d'entreprises/Bedrijfsrevisoren*, 40 Avenue du Bourget, 1130 Haren (Belgium), registered with the Register of Legal Entities (Brussels) under number 0419.122.548, which did not formulate any reservations.

BHF KB's stand-alone and consolidated financial statements for the financial year which closed on 31 December 2014, approved by BHF KB's general shareholders' meeting on 16 June 2015, are appended hereto as **Annexes 5 and 6**.

BHF KB's consolidated interim financial statements of 30 June 2015 are appended hereto as **Annex 7**. BHF KB's consolidated interim financial statements of 30 June 2015 were subject to a limited audit by KPMG *Réviseurs d'entreprises/Bedrijfsrevisoren*, BHF KB's statutory auditor, which did not reveal any facts suggesting that the consolidated interim financial information was not reported, in all significant respects, in accordance with IAS 34.

6. BACKGROUND TO AND OBJECTIVES OF THE COUNTERBID

6.1 BACKGROUND OF THE COUNTERBID

6.1.1 General background of the Counterbid

- On 24 July 2015 Billion Eastgate (Luxembourg) S.à.r.l., a Luxembourg company with its registered office at 6 Rue Eugène Ruppert, L-2453 Luxembourg, registered with the *Registre luxembourgeois du Commerce et des Sociétés* (Luxembourg Trade and Companies Register) under number B 198525, an indirect subsidiary wholly owned by Fosun International Limited announced its intention to launch a voluntary and conditional takeover bid in cash for all shares of BHF KB which were not yet held by Billion Eastgate and its affiliates or otherwise economically transferred to Billion Eastgate and its affiliates at a price of EUR 5.10 per Share (see Section 6.1.2 (*Fosun's Bid*) for further information).
- The management board ("*collège de la gérance*") of Oddo et Cie, which met on 23 November 2015 in accordance with the powers conferred on it by law and the company's articles of association, decided to make a counterbid for all BHF KB Shares.
- On 23 and 24 November 2015, Oddo et Cie entered into an agreement with major Shareholders of BHF KB, respectively AQTON and Franklin Templeton, according to which Oddo et Cie could acquire their stake in BHF KB upon fulfilment of certain conditions precedent as further detailed in Section 6.1.3 (*Agreements between Oddo et Cie and certain major Shareholders of BHF KB*).
- On 27 November 2015, Oddo et Cie announced its intention to launch a voluntary and conditional counterbid in cash for the outstanding shares issued by BHF KB at a price of EUR 5,75 per BHF KB Share.
- On 2 December 2015, Oddo et Cie specified that from that date its initial voluntary and conditional counterbid in cash should be considered as a mandatory counterbid in cash, i.e. the Counterbid (see Section 6.1.4 (*Obligation to launch a mandatory takeover bid and exemptions granted by the FSMA*)).
- On 18 December 2015, Fosun announced its decision to withdraw its voluntary and conditional public takeover bid in cash for the BHF KB Shares further to the Counterbid EUR of 5.75 per Share in cash announced on 27 November 2015 (as amended on 2 December 2015) by Oddo et Cie.

6.1.2 Fosun's Bid

Fosun's Bid related to the totality of the 94,405,184 Shares (including 547,189 own Shares) which were not held by Fosun and its affiliates or otherwise economically transferred to Fosun. Fosun offered EUR 5.1 in cash for each Share.

Fosun's Bid was subject to the following conditions precedent:

- (i) Fosun's Bid shall not be subject to review by any governmental authority regulating antitrust, competition or merger control matters in any jurisdiction beyond the initial phase of review for the applicable jurisdiction, and no substantive conditions shall be imposed in any decisions taken during such initial review periods approving Fosun's Bid, within the meaning of article 4 of the Takeover RD;

- (ii) on or before the 30th April 2016, the Guernsey Financial Services Commission in Guernsey, the Jersey Financial Services Commission in Jersey, The Isle of Man Financial Supervision Commission in the Isle of Man, the Central Bank of Ireland in Ireland, the Financial Market Supervisory Authority in Switzerland and the Prudential Regulation Authority in the United Kingdom as competent authorities for the regulated subsidiaries of BHF KB resident in Guernsey, Jersey, Isle of Man, Ireland, Switzerland and the UK respectively as well as the European Central Bank, the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) and the *Commission de Surveillance du Secteur Financier* (being the regulator of the financial industry in Luxembourg) as competent authorities for the regulated subsidiaries of BHF KB resident in Luxembourg and Germany and any competent authority in any other relevant jurisdiction have granted their final approval in writing, or provided notice in writing of no objection within the specified period for objection, to the acquisition or increase in control by Fosun (and its corporate group (as applicable)) of the regulated subsidiaries of BHF KB resident in the foregoing jurisdictions that would result from the acquisition of the BHF KB Shares by Fosun, as the case may be and, at the time of announcement of the results of Fosun:
- (a) each such approval or notice of no objection remains valid or has been extended or renewed as required;
 - (b) no such approval or notice of no objection is subject to any substantive condition; and
 - (c) none of the foregoing regulatory authorities have cancelled or varied, or notified (or intimated that they may notify) any proposal to cancel or vary, any license, registration, authorisation, permission or similar held by any such regulated subsidiaries;
- (iii) on or before the 30th April 2016, the German deposit protection fund (*Einlagensicherungsfonds*) has granted its approval;
- (iv) as a result of Fosun's Bid, and assuming that all the other conditions have either been satisfied, fulfilled or waived, the holding, by Fosun and its affiliates, of at least 50% plus one of voting rights as defined by article 3 §1, 9° of the Takeover Act in BHF KB on a fully diluted basis at the end of the initial acceptance period of Fosun's Bid;
- (v) prior to the publication of the results of Fosun's Bid, (i) no decision shall have been taken and no transaction shall have been entered into by BHF KB or any of its direct or indirect subsidiaries (the "**Group**") and (ii) no fact, event or circumstance shall have occurred that, in each case, results in or is intended to result in, directly or indirectly:
- any transfer of, or any issue (with deviation from the preferential subscription rights of the existing shareholders) of, or any agreement relating to, voting securities or securities conferring access to voting rights as defined by article 3 §1, 9° of the Takeover Act, which would result in a participation of 10% or more or which would increase an existing participation by 10% or more in any member of the Group, or which otherwise requires the approval of any competent regulator of the regulated members of the Group in the financial sector, save for any such transfer or issue to, or agreement entered into by an affiliate of Fosun;
 - a modification of the composition of the assets of the Group as compared to the assets of the Group as at 30 June 2015, for a value of more than 10% of the net asset value of

the Group based on the IFRS consolidated statements as at 30 June 2015 outside the ordinary course of business, including the grant to any person of any right, title or interest in assets of the Group with a value of more than 10% of this net asset value of the Group;

- a deterioration by more than 10% of (i) the Common Equity Tier 1 capital ratio as defined in article 92 para. 2 lit a of Regulation (EU) No. 575/2013 ("**CRR**") of any subsidiary of BHF KB which is subject to the CRR or of (ii) the Total Capital Ratio as defined in article 92 para. 2 lit c of the CRR of any subsidiary of BHF KB which is subject to the CRR;
- a decrease by more than 10% of the aggregate amount of assets under management of the Group as at 30 June 2015;

and no member of the Group shall have authorised, agreed or announced any decision to do any of the foregoing;

The above conditions precedent were provided exclusively for the benefit of Fosun, who reserved the right to waive any of them in whole or in part at any time. If any of the above conditions precedent were not met, the Bidder would announce its decision whether or not to waive such unmet condition(s) at the time of announcement of the results of Fosun's Bid following the initial acceptance period attached to Fosun's Bid, possibly extended, at the latest.

However, given that Fosun has withdrawn its voluntary and conditional public takeover bid in cash for the BHF KB Shares on 18 December 2015, Fosun's Bid is no longer valid.

6.1.3 Agreements between Oddo et Cie and certain major Shareholders of BHF KB

In the context of the Counterbid, Oddo et Cie has entered into (i) a conditional share purchase agreement with Franklin Templeton, and into (ii) an irrevocable tender agreement with AQTON. These agreements are binding in all circumstances.

None of these agreements contains specific provisions governing the exercise of the voting rights attached to the Shares. These agreements do not contain any penalty clause.

1. Conditional share purchase agreement with Franklin Templeton

On 24 November 2015, Oddo et Cie entered into a conditional share purchase agreement with Franklin Templeton (acting on behalf of funds and accounts referred to as the "**Sellers**"), pursuant to which Franklin Templeton agreed to sell 23,206,881 Shares, representing 17.549% of the outstanding Shares issued by BHF KB, at a price of EUR 5.75 per Share.

Oddo et Cie has moreover agreed not to purchase Shares from any other person at a price per Share higher than the purchase price to be paid to Sellers pursuant to the agreement during a period of one year after closing. In the event that it does so it shall pay to the Sellers the difference between such higher purchase price paid and the purchase price to be paid under the agreement.

The effective transfer of the Shares was subject to the conditions precedent of (i) obtaining the authorisations of the banking regulators, as indicated in Section 7.3 (*Initial conditions of the Counterbid*)(ii), and (ii) Oddo owning or being before 31 December 2015 in a position to acquire 50% plus one share of the share capital of BHF KB prior to, within the framework or after a bid launched by Oddo et

Cie; it being understood that for the purposes of the calculation of such threshold, Oddo et Cie and Franklin Templeton agreed that Franklin Templeton's Shares in BHF KB shall be taken into account.

On the date of this Prospectus, the first aforementioned condition precedent has already been satisfied (see Section 7.4.4 (*Regulatory approvals*)). Furthermore, following the signature of this agreement and the irrevocable tender commitment with AQTON as referred to below as well as the additional acquisitions of Shares by Oddo et Cie on the market as referred to in Section 4.9.3 (*Acquisitions of Shares in the past twelve months*) prior to the official announcement by Oddo et Cie of its Counterbid, the aforementioned second condition precedent has already been satisfied.

As a result thereof, Oddo et Cie effectively acquired the 23,206,881 Shares, representing 17.549% of the outstanding Shares issued by BHF KB, from Franklin Templeton on 13 January 2016.

2. Irrevocable commitment by AQTON to contribute Shares

On 23 November 2015, Oddo et Cie entered into an agreement with AQTON regarding 14,921,842 Shares, representing 11.28% of the Shares, pursuant to which AQTON irrevocably commits:

- (i) to tender all its Shares into the Counterbid pursuant to the terms of the Counterbid, at the latest on the second Business Day of the Initial Acceptance Period of the Counterbid, and to not dispose of any Shares in any manner prior to such date;
- (ii) starting from the date of the agreement, not to solicit, actively seek, negotiate or continue to negotiate, directly or indirectly, any other takeover bid by a party other than Oddo et Cie, nor any transaction involving the acquisition of shares or other equity interests in all or any material part of the business of BHF KB or its subsidiaries, up to and including the settlement of the shares tendered during the Initial Acceptance Period of the Counterbid, or, as the case may be, up to and including the moment when Oddo et Cie withdraws the Counterbid in accordance with the applicable rules; and
- (iii) starting from the date of the agreement, not to purchase or otherwise acquire or subscribe, and cause any AQTON's affiliate (within the meaning of article 11 of the Company Code) not to purchase or otherwise acquire or subscribe, any share, warrant or other security issued by BHF KB.

In case of a counterbid or higher bid for all the Shares issued by BHF KB by a person other than Oddo et Cie (a "**Third Party Bid**") and provided Oddo et Cie does not withdraw its Counterbid as a result of the Third Party Bid, the commitment of AQTON to tender its securities into the Counterbid in accordance with sections (i) (ii) and (iii) mentioned here above shall remain in force. There are no other conditions to be fulfilled for the irrevocable undertaking of AQTON to remain valid in case of a counterbid.

However, it should be noted that given the conversion of Oddo et Cie's initial voluntary and conditional counterbid in cash into a mandatory counterbid in cash, Oddo et Cie is no longer entitled to withdraw its Counterbid as a result of a Third Party Bid.

6.1.4 Obligation to launch a mandatory takeover bid and exemptions granted by the FSMA

1. Background of the transaction

As already disclosed in Sections 4.9.2 (Persons acting in concert with the Counterbidder) and 6.1.3 (*Agreements between Oddo et Cie and certain major Shareholders of BHF KB*), further to the signature by Oddo et Cie (i) on 23 November 2015 of an irrevocable tender commitment with AQTON in relation to the 14,921,842 shares it holds in BHF KB and (ii) on 24 November 2015 of a conditional share purchase agreement with Franklin Templeton in relation to the 23,206,881 shares it holds in BHF KB, Oddo et Cie is and was deemed to act in concert with AQTON, respectively Franklin Templeton within the meaning of Article 3, 5°, (a) of the Takeover Act. However, it should be noted that the concerted action does and did not exist between those three parties as they did not enter into a tripartite agreement, but only between respectively Oddo et Cie and AQTON on the one hand and Oddo et Cie or and Franklin Templeton on the other hand.

In terms of figures and as disclosed in the joint transparency notifications made pursuant to the Act of 2 May 2007, this means that:

- Oddo et Cie, holding 15.42% of the voting rights of BHF KB on 23 November 2015, is deemed to act in concert with AQTON, that held 11.28% of the voting rights of BHF KB on the same date; i.e. holding together in total 26.71% of the voting rights of BHF KB; and
- Oddo et Cie, holding 15.42% of the voting rights of BHF KB on 23 November 2015, was deemed to act in concert with Franklin Templeton, that held 17.55% of the voting rights of BHF KB on the same date; i.e. holding together in total 32.97% of the voting rights of BHF KB.

As a result of the additional Shares Oddo et Cie acquired after the signature of the above mentioned agreements, the latter and Franklin Templeton, i.e. persons acting in concert and holding more than 30% of the target company's voting securities, without any of them having crossed this threshold previously, were from a legal point of view jointly and severally obliged to make a mandatory bid within the meaning of Article 50, § 7, 1° of the Takeover RD. In addition, as a result of subsequent purchases of shares by Oddo et Cie following the signature of the above mentioned agreements, the latter and AQTON were from a legal point of view jointly and severally obliged to make a mandatory bid within the meaning of Article 50, § 4 of the Takeover RD.

On 1 December 2015, Oddo et Cie requested in accordance with Article 35 § 1 of the Takeover Act two exemptions to the FSMA:

- on the one hand, an exemption regarding Article 50, § 4 and § 7, 1° of the Takeover RD; and
- on the other hand, an exemption regarding the conditions precedents to which a mandatory takeover bid may be subject to.

On 2 December 2015, the FSMA decided, pursuant to Article 35, §1 of the Takeover Act to grant the two exemptions the Counterbidder requested.

2. Exemption regarding Article 50, § 4 and § 7, 1° of the Takeover RD

The first exemption that was granted by the FSMA relates to Article 50, § 4, and Article 50, § 7, 1°, of the Takeover RD, which both provide that persons who act in concert and who come under an obligation to launch a bid as a consequence of acquisitions of securities made by one of them are required severally to

make a takeover bid. Pursuant to the aforementioned provisions, Oddo et Cie and AQTON (pursuant to Article 50, § 4) on the one hand and Oddo et Cie and Franklin Templeton (pursuant to Article 50, § 7, 1°) on the other hand, had a several obligation to make a takeover bid on the Shares.

By way of derogation to the above mentioned Articles, the FSMA accepted on 2 December 2015 that the obligation to launch a bid be fulfilled only by Oddo et Cie.

3. Exemption regarding the conditions precedents to which a mandatory takeover bid may be subject to

The second exemption concerns the conditions precedent to which a mandatory takeover bid may be subject. The takeover legislation does not allow the offeror, in the case of a mandatory bid, to subject the bid to any conditions other than the one referred to in Article 4 of the Takeover RD.

As per Oddo et Cie's request, on 2 December 2015, the FSMA allowed for an additional condition to be laid down over and above the condition referred to in Article 4 of the Takeover RD and by analogy thereto, namely, approval of all the regulatory authorities as further detailed in the official announcement as published on 2 December 2015. However, as a reminder, as of the date of this Prospectus, all the conditions precedents have been satisfied and the Counterbid has become unconditional

6.2 REASONS FOR THE COUNTERBID

With a long-term outlook for five generations, Oddo et Cie is a recognized player in the field of securities. The Oddo Group has proven expertise in the field of asset management, investment banking, back-office support and IT. This know-how is also at the heart of BHF KB's business.

In this context, combining the two groups will allow for improved customer service as well as, in the medium term, increased profitability of the entities that form part of the BHF KB group.

Oddo et Cie's strategic vision can be described as follows:

1. A unique model in France, which the Oddo Group wishes to replicate in Germany

The three cornerstones of the Oddo Group are the following:

- First and foremost, the development of the Oddo Group is based on the quality of its people and its team dynamics. The choices made by each individual are the driving force behind the decisions carried out by the Oddo Group. It is with this idea in mind that the Oddo Group has enabled its employees to become shareholders. Today, more than 50% of the teams hold approximately 25% of the capital. The Oddo Group now offers talent on the German teams the possibility to become shareholders.
- The Oddo Group wishes to develop a long-term approach to its activities and relations with clients, associates and partners. This major step in Germany has been accomplished with a view to creating a true Franco-German group in the long term.
- The Oddo Group's expertise in financial markets is based on the investment of 20% of its annual turnover in research and information systems, to the benefit of the totality of its investment banking and asset management activities.

Based on this experience, the Oddo Group is committed to developing this unique model in Germany by making acquisitions in all business areas that form part of the Oddo Group, in order to create a climate of growth for all its activities.

2. The eurozone's Franco-German engine

Market capitalization in France and Germany represents 60% of the eurozone and around 45% of its GDP and population. These two countries therefore constitute a significant part of the eurozone. In-depth knowledge of these two markets is necessary in order to become the leading expert in the eurozone.

Moreover, the wealth and dynamism of German companies, which are to a large extent small and medium-sized (Mittelstand), are fully consistent with the skill sets developed by the Oddo Group in France in connection with family-owned and medium-sized businesses.

The German trade surplus, comparable in size to China's, illustrates the performance of German companies and explains the interest of the Oddo Group's investor clients in these companies.

The country's high savings rate and the growth of its institutional investors offer a real opportunity for business development in the region.

The successful synergies between Oddo Group's Paris teams and Seydler's teams in Frankfurt encourage a move forward.

The creation of a new management company, Oddo Meriten Asset Management, which already has a coherent offering and corporate organization, also constitutes a strong incentive to move forward with the new acquisition.

Thanks to enthusiastic teams and complementary skill sets in Düsseldorf, Frankfurt and Paris, the Oddo Group is confident in its ability to create a Franco-German group capable of extending its reach to neighbouring countries and internationally.

3. A heightened ability to invest in both technology and research

The Oddo Group is convinced that its clients' behaviour and needs have evolved due to improved access to information through digitalization.

The business models of financial intermediaries will also evolve and may even change completely, as has occurred in other sectors. The Oddo Group wishes to actively participate in this transformation. That's why it has built up a large IT team of 160 people, which will further grow thanks to the platform provided by BHF-Bank AG and which will allow for economies of scale throughout the entire Oddo Group. Furthermore, the Oddo Group's investment in research and financial analysis on the German market will increase and allow it to become the leading expert in the eurozone.

6.3 OBJECTIVES OF THE COUNTERBID

Oddo et Cie aims to become a leading player in the eurozone in the field of asset management and investment banking. With this ambition in mind, the Oddo Group has launched a process of development in Germany, recently acquiring Seydler Bank AG, now called Oddo Seydler Bank AG, a bank specializing in *Mittelstand*, and the asset management company Meriten Investment Management GmbH, now called Oddo Meriten Asset Management GmbH. As a result of these acquisitions, Oddo et Cie currently generates a quarter of its turnover in Germany, where a quarter of its 1,300 workforce is also employed.

Thanks to effective integration processes, these transactions have already generated positive outcomes and illustrate the Oddo Group's capacity for integration.

Oddo et Cie believes that creating closer ties with BHF KB will allow it to become a leading independent player in the eurozone's financial landscape. With respect to the activities carried out by both Oddo et Cie and BHF KB, e.g. private banking, asset management and market activities, their combined size will ensure a comprehensive and innovative offer for investors and issuers, as well as operational synergies and substantial economies of scale. BHF KB's corporate loan business will allow Oddo et Cie to add a new item to its portfolio of services for small and medium-sized businesses.

Notwithstanding the wealth management activities carried out by BHF KB (through its subsidiaries Kleinwort Benson Bank (United Kingdom) and Kleinwort Benson (Channel Islands) Holdings Limited (Guernsey)) outside the eurozone, the takeover should allow the creation of a positive dynamic for all entities of the BHF KB group.

6.4 ODDO ET CIE'S INTENTIONS WITH RESPECT TO BHF KB

6.4.1 BHF KB's position within the Oddo Group following the Counterbid and possible reorganisations

Oddo et Cie intends to create closer ties with BHF KB in order to take advantage of the strategy described in Section 6.3 above (*Objectives of the Counterbid*).

With this in mind, the Oddo Group aims to consolidate all of its German activities with the entities of the BHF KB group.

The Oddo Group also confirms its intention to develop in the eurozone and it is its intention not to retain the private banking activities in the United Kingdom and the Channel Islands. In view of disposing these operations, Oddo et Cie and Société Générale negotiated an agreement.

In particular, by way of an offer letter dated 11 September 2015 and an amendment dated 23 November 2015, Société Générale has made a binding offer to the Counterbidder (the "**Offer**"), subject to the completion of the Counterbid, to acquire from BHF KB 100% of the issued and to be issued share capital of two of its subsidiaries involved in the wealth management business, namely Kleinwort Benson Bank Limited, a limited liability company incorporated in England and Wales ("**KBBL**"), and Kleinwort Benson (Channels Islands) Holdings Limited, a limited liability company incorporated in Guernsey ("**KBCIH**"), such company holding notably 100% of Kleinwort Benson (Channel Islands) Limited ("**KBCIL**") (together the "**Target Companies**"), as well as the full and unencumbered ownership of the Kleinwort Benson trademarks (the "**Acquisition**").

Société Générale has already received all corporate approvals necessary for the submission of the Offer and does not require any additional internal approvals to complete the Acquisition.

As customary, the closing of the Acquisition is however subject to various conditions precedent, i.e.:

- a confirmatory due diligence, which will be conducted at a later stage, it being understood however that the Offer would remain valid further to such due diligence unless Société Générale identifies a significantly adverse issue involving a major reputational risk for the Target Companies and/or their subsidiaries, while any other significantly adverse issues should be dealt in the share purchase agreement (as referred to below);
- the clearance of the competent antitrust authorities;
- the approval of the competent administrative and regulatory authorities (including the Prudential Regulation Authority in the United Kingdom and the Guernsey Financial Services Commission in Guernsey), and
- the negotiation and execution, at the latest on either 15 February 2016, or if on the later date, a tender offer has been launched by the Counterbidder and is not completed, 31 March 2016 (the "**Acceptance Deadline**"), of a share purchase agreement in line with market practice and satisfactory to both Société Générale and BHF KB regarding the Acquisition (the "**SPA**").

If need be, a transitional services agreement will also be concluded to organise the transition with respect to the provision of intra-group services in compliance with applicable regulatory requirements for such agreements.

The Offer will remain open until the Acceptance Deadline. The Offer will be deemed accepted by BHF KB only if the SPA is executed by BHF KB by the Acceptance Deadline. However, should the SPA not being executed by the Acceptance Deadline due notably to a counterbid being filed during the Initial Acceptance Period, the Acceptance Deadline should be extended accordingly by Oddo et Cie and Société Générale. Furthermore, in the very unlikely event Société Générale would not proceed with the Acquisition, Oddo et Cie will be looking for other potential buyers.

On 26 May 2015, BHF KB announced that Samena Capital, an investment group focused on principal investments in the Subcontinent, Asia, Middle East and North Africa would, subject to certain closing conditions, acquire a stake of up to 31.2% of Kleinwort Benson Bank Ltd for cash consideration of GBP 15 million. Samena would also have an option to increase its ownership to 39.9% during 3 years following completion of the transaction. The transaction was expected to close by the third quarter of 2015 (See Section 5.3.2 (*Recent developments*)) but has automatically been terminated since the long stop date for closing of the transaction has lapsed.

The opportunity to sell Kleinwort Benson Investors will also be considered with the management in due time.

6.4.2 Impact of corporate governance and employment of BHF KB and BHF KB group companies

Since the public announcement of its Counterbid, Oddo et Cie, based on its current knowledge of BHF KB group companies, has not made and does not currently intend to make any changes to the board of directors of BHF KB and its affiliated companies, to restructure the management or staff of BHF KB and its affiliated companies, or to modify their working conditions. The Counterbid reflects Oddo et Cie's willingness to accept new colleagues and changes to its corporate culture. Oddo et Cie wishes to preserve the skills and experience of BHF KB's and affiliated companies' personnel. Assuming Oddo et Cie Counterbid would be successful, the only change Oddo et Cie is currently anticipating is that Philippe Oddo intends to apply as Chief Executive Officer of BHF-BANK.

BHF KB's board of directors will be responsible for continuing to establish and implement a management policy, taking into account the changing economic circumstances affecting BHF KB's various activities.

The potential consequences of the implementation of Oddo et Cie's intentions for BHF KB's employees and affiliated companies will be mitigated by adequate accompanying measures adopted in accordance with the following principles: (i) respect for individuals and cultures, (ii) identification of synergies, and (iii) harmonization of procedures and practices within the new group. Ultimately, the Oddo Group's objective for BHF KB is to create value and related employment opportunities.

6.4.3 Dividend policy

At this time, Oddo et Cie cannot determine BHF KB's dividend policy. This policy will be determined by the competent organs of BHF KB, taking into account BHF KB's capacity to distribute dividends, as well as a number of other factors, including BHF KB's business prospects, available cash, financial results, prevailing market conditions, the general economic climate and other considerations, notably with respect to tax and regulatory matters.

6.4.4 Intentions of Oddo et Cie with respect to BHF KB's articles of association

At this time, Oddo et Cie does not intend to amend BHF KB's articles of associations unless BHF KB's shares are delisted from the regulated market of Euronext Brussels (see Section 6.4.5 (*Future listing of BHF KB's Shares*)). In this case, BHF KB would no longer be a listed company. This would necessitate amendments to its articles of association, mainly in order to adapt the articles to its status as a privately held company, and its governance conditions, notably the intragroup conflict-of-interest procedure provided for by Article 524 of the Company Code would no longer apply.

6.4.5 Future delisting of BHF KB's Shares

When conducting the Counterbid, Oddo et Cie reserves the right to request the delisting of the Shares from admission to trading on the regulated market of Euronext Brussels, in accordance with the applicable legislation (see Sections 7.7.4 (*Squeeze-out*) and 7.7.5 (*Application for a delisting*)). In the event of delisting of the Shares, the remaining Shareholders shall hold illiquid financial instruments.

The privatization of BHF KB would result in the loss of its status as a listed company at the close of the squeeze-out and this will result in fundamental changes to its articles of association and governance conditions.

Apart from the above, Oddo et Cie has not as of the date of the Prospectus envisaged more precisely the possible synergies with BHF KB and estimated economic returns and timing thereof.

6.5 ADVANTAGES FOR BHF KB AND ITS SHAREHOLDERS

For the Shareholders, the main and immediate advantage of the Counterbid is the Price. In this respect, reference is made to Section 7.2 (*Price of the Counterbid*). The Counterbid also constitutes an opportunity for the Shareholders to obtain immediate liquidity.

In the long term, a stable majority Shareholder such as Oddo et Cie will allow BHF KB to develop its national and international activities with the added advantage of Oddo et Cie's know-how and the operational synergies of a financial group.

6.6 ADVANTAGES FOR ODDO ET CIE AND ITS SHAREHOLDERS

The advantages of the Counterbid for Oddo et Cie are reflected in the objectives and intentions set out above. The Counterbid will mainly allow Oddo et Cie to increase its stake in BHF KB in order to create the first independent Franco-German financial group, develop synergies between the two entities, and reinforce the Oddo Group's market position.

7. THE COUNTERBID

7.1 CHARACTERISTICS OF THE COUNTERBID

7.1.1 Nature of the Counterbid

The Counterbid is a mandatory offer made in accordance with Article 5 of the Takeover Act and Chapter III of the Takeover RD. The Counterbid will be paid in cash.

In launching the mandatory Counterbid, Oddo et Cie complies with its legal obligations that have arisen as a result of the signature of the agreements described in Section 6.1.3 (*Agreements between Oddo et Cie and certain major Shareholders of BHF KB*) and the subsequent acquisitions of Shares as set forth in Section 4.9.3 (*Acquisitions of Shares in the past twelve months*). Please also refer to Section 6.1.4 (*Obligation to launch a mandatory takeover bid and exemptions granted by the FSMA*).

7.1.2 Scope of the Counterbid

The Counterbid covers all 75,541,866 BHF KB Shares (including treasury shares) with coupon no. 1 attached, which are not already, directly or indirectly, held by Oddo et Cie. On the contrary, the Counterbid does not cover the restricted depositary shares.

The BHF KB Shares are listed on Euronext Brussels under ISIN code BE0003815322.

BHF KB has not issued any other securities with voting rights or giving access to voting rights. BHF KB has not issued any rights allowing their holders to acquire shares.

7.2 PRICE OF THE COUNTERBID

7.2.1 Purchase price

The Price of the Counterbid is EUR 5.75 per tendered Share (with coupon no. 1 and following attached).

If BHF KB declares or pays a distribution (in capital or a dividend) on its Shares with coupon no.1 attached, prior to the acquisition of the Shares by the Counterbidder, the price to be paid for a Share pursuant to the Counterbid shall be reduced by one EUR per each EUR of the distribution per Share paid to the Shareholders or to which they are entitled by detaching the coupon or otherwise prior to the sale of the Shares to the Counterbidder.

A justification of the Price of the Counterbid is provided in Section 7.2.2 (*Justification of the Price of the Counterbid*).

In accordance with Article 45 *juncto* Article 57 of the Takeover RD, in the event of the acquisition of Shares to which the Counterbid relates by Oddo et Cie, or persons acting in concert with it, within a period of one year from the end of the bid period, at terms that are more favourable for the transferors than those of the Counterbid, the difference shall be paid to all Shareholders that accepted the Counterbid.

The total Price of the Counterbid for all Shares amounts to EUR 434,365,729.50.

7.2.2 Justification of the Price of the Counterbid

1. Specific requirements under the Takeover RD

The Price of the Counterbid is EUR 5.75 per tendered Share. Article 53 of the Takeover RD provides that the Price of the Counterbid must be at least equal to the higher of the following two amounts:

- *the highest price paid by Oddo et Cie or a person acting in concert with Oddo et Cie for a Share of BHF KB in the 12-month period preceding announcement of the Counterbid; or*
- *the weighted average trading price over the 30 calendar days immediately preceding the date on which the obligation to launch a mandatory public bid arose.*

The highest price paid by Oddo et Cie for a Share of BHF KB is EUR 5.75, as reflected in the table included in Section 4.9.3 (*Acquisition of Shares in the past twelve months*), while the weighted average trading price over the thirty calendar days immediately preceding the date on which the obligation to make a mandatory bid arose (i.e. 25 November 2015) amounts to EUR 5.16.

Neither Franklin Templeton nor AQTON acquired BHF KB Shares at a price higher than the Price of the Counterbid in the 12 months prior to announcement of the Counterbid.

In addition, in accordance with Article 37 of the Takeover RD, the Price of the Counterbid must exceed by at least 5% Fosun's Bid. The Price of the Counterbid (EUR 5.75) in fact exceeds Fosun's Bid (EUR 5.10) by 12.7%.

2. Reference framework for valuation of the Shares

a. Preliminary remarks

The structure of the BHF KB group has changed substantially in recent years. For that reason, the factors used to assess the Price of the Counterbid are based on the most recent financial information released by BHF KB.

The present Counterbid of EUR 5.75 per Share represents a 100% valuation of BHF KB at EUR 757 million.

b. Basic financial information

➤ Reference figures

Summary of the consolidated pro forma financial income of BHF KB (excluding non-recurring items):

(In euros millions)	2013	2014	3. months 2015	6 months 2015	9 months 2015
Net fee and commission income	223.8	247.9		140.3	203.8
Net interest income	55.9	62.9		36.0	51.0
Gains / losses from financial instruments at fair value	17.9	5.4		10.4	1.2
Other operating income	32.4	18.4		4.6	5.0
Operating income	330.0	334.6	99.6	191.3	261.0
Operating expenses	(373.9)	(356.9)	(88.7)	(179.3)	(271.3)
Movements in loan loss provisions	1.6	(1.3)		(1.3)	(1.2)
Operating profit (excluding non-recurring items)	(42.4)	(23.5)	10.9	10.7	(11.6)
Non-recurring items	(20.0)	(19.2)	(0.3)	(2.6)	16.8
Operating profit (loss)	(62.4)	(42.7)	10.6	8.0	5.2

Regarding historical financials, the following should be noted:

- Operating profit (excluding non-recurring items): after being quasi-stable for the first six months of 2015 (EUR 10.9 million for the first three months and EUR 10.7 million for the first six months of the year), operating profit (excluding non-recurring items) dropped sharply in the third quarter of 2015 and amounted to EUR -11.6 million for the first nine months of the year. For the first nine months of 2015 only, BHF KB reported an additional metric - underlying operating profit excluding non-recurring items - to adjust for the impact of unrealised losses and exchange rate fluctuations at the level of "Kleinwort Benson Wealth Management" which amounted to EUR +2.9 million;
- Operating profit: there was a steady decline throughout 2015, from EUR 10.6 million for the first three months of the year and EUR 8.0 million for the first six months of the year to EUR 5.2 million for the first nine months of 2015;
- Statutory profit after tax: this figure is only available for the first six months of 2015 and amounts to EUR -2.2 million.

For the remainder of the year, and in light of the abovementioned persistence of non-recurring items, the Counterbidder has made the following assumptions:

- Profit after tax for Q4 2015: the profit after tax for Q4 2015 is assumed to be nil.
- Shareholders' equity: shareholder's equity as of 31 December 2015 is assumed to be stable at EUR 793 million, the latest amount reported by BHF KB as of 30 September 2015.
- Dividend payment for 2015: the dividend paid for FY 2015 is assumed to be nil.

For 2016 and 2017, the Counterbidder has made the following assumptions:

- Operating profit 2017E: when releasing its figures for financial year 2014, BHF KB announced its goal of achieving an operating profit (before taxes) of over EUR 60 million by the end of 2017. This target was confirmed by BHF KB's management in the September 2015 results. Despite (i) the negative historical profitability of BHF KB, (ii) the absence of a detailed business plan from BHF KB's management and (iii) the absence of detailed due diligence by the Counterbidder on BHF KB, the operating profit (before taxes) for 2017E is estimated at EUR 60 million;
- Operating profit for 2016E: the figure is assumed rounded to EUR 30 million, which corresponds to a "halfway" point between the operating profit for 2015E (close to nil) and 2017E (EUR 60 million);

- Shareholders' equity: the shareholders' equity at year-end 2016 is estimated using a roll-forward of the estimated 2015 year-end position (see the preceding paragraph), adding the estimated profit after tax for the full year 2016. It is assumed that no dividends will be distributed in 2016.

For forward-looking statements, please refer to Section 2.4 (*Forward-looking Statements*).

(In euros millions)	H1-2015 (actuals)	9M-2015 (actuals)	YE-2015 (estimate)	YE-2016 (estimate)	YE-2017 (estimate)
BHF KB management operating profit (before taxes)			0.0	30.0	60.0
Marginal normative taxes in Belgium (33.99%)				(10.2)	(20.4)
Share in associates (net of tax)				1.6	1.6
BHF KB estimated profit after tax			0.0	21.4	41.2
Dividend			0.0	0.0	0.0

(In euros millions)	H1-2015 (actuals)	9M-2015 (actuals)	YE-2015 (estimate)	YE-2016 (estimate)	YE-2017 (estimate)
Shareholders' equity	819.7	793.5	793.5	814.9	
Profit after tax			0.0	21.4	41.2
Dividend			0.0	0.0	0.0
RoE 2017					5.1%

It should be noted that the Counterbidder has not relied on the analyst consensus profit after tax, which is based on only one analyst forecast, and does not provide a 2017 estimate. Moreover, in the absence of a detailed business plan per business line from BHF KB's management, the Counterbidder has assumed a standard Belgian corporate tax rate of 33.99%, given that the company is headquartered and listed in Belgium, even though most of BHF KB's operations are conducted abroad.

➤ Number of Shares used for the calculation

The number of BHF KB Shares used for the calculation amounts to 131,696,975, corresponding to the total number of Shares indicated by BHF KB on 30 September 2015, i.e. 132,244,164, less the 547,189 treasury shares held by BHF KB on 30 June 2015.

c. Assessment method for the Price of the Counterbid per Share

The Price of EUR 5.75 per Share offered by the Counterbidder is the result of negotiations between the Counterbidder and certain Shareholders which required this Price as a condition for acceptance of the Counterbid. Acceptance of the Counterbid by these Shareholders was deemed critical to the overall success of the Counterbid.

The Counterbidder's internal investment committee approved the Price on the basis of an implied discount to book value, which was viewed as justified in light of the company's financial performance. It should be noted that the implied price for 100% of the company of EUR 757 million implies a 7.6% discount compared to the book value of EUR 819.7 million as of 30 June 2015 and a 4.6% discount compared to the book value of EUR 793.5 million as of 30 September 2015.

(In euros millions)	6M 2015	9M 2015
Price per share	5.75	5.75
Number of shares (in millions)	131.7	131.7
Implied price for 100%	757.3	757.3
BHF KB book value	819.7	793.5
Implied premium / (Discount) included in the Counterbid	(7.6%)	(4.6%)

Furthermore, the following valuation methods were viewed as most relevant by the Counterbidder in order to assess the EUR 5.75 Price per Share of the Counterbid:

- historical share prices;
- price/book value multiple derived via linear regression and adjusted for excess capital - this methodology allows to account for both BHF KB's lower profitability and higher capitalization compared to its peers:
 - o a P/BV multiple estimated via linear regression is preferred to an average P/BV multiple which does not take into account BHF KB's lower profitability compared to its peers;
 - o Moreover, BHF KB's shareholder equity has been adjusted for excess capital (above 12% CET1 ratio), in order to allow a like-for-like comparison and offer full value for excess capital.

The Price of the Counterbid represents a control premium of around:

- 40% compared to the weighted average Share Price over the last 12 months (before Fosun's Bid),
- 55% compared to the standalone valuation derived by linear regression on universal banks and adjusted for BHF KB's excess capital,
- 37% compared to the standalone valuation derived by linear regression on private banks and adjusted for BHF KB's excess capital.

The Counterbidder views this control premium as attractive to BHF KB' shareholders.

Other valuation methods retained for reference purposes include (the limitations of each are explained in the corresponding Section below):

- BHF KB's most recent share price targets, as published by equity research analysts; and
- Price/Earnings multiples of comparable listed companies.

Precluded valuation methods include:

- multiples of comparable transactions; and
- discounted future dividends.

Most relevant valuation methods

➤ Historical share prices

This method consists of comparing the Price of the Counterbid with historical observable share prices of BHF KB. The Shares are listed on Euronext Brussels.

As illustrated by the following chart, BHF KB's share price following Fosun's Bid should not be considered a neutral reference point to assess the Price of the Counterbid, as the stock price has been affected by the bidding process and speculation of a higher bid.



Source: FactSet as of 18 January 2016

The following table sets out the main stock exchange statistics for the Shares and the premiums implied in the Price of the Counterbid:

Reference date	Share price (€)	
	Volume-weighted average price	Premium / (Discount)
Odco & Cie bid price	5.75	
Fosun's bid price on July 24, 2015	5.10	12.7%
Share price on July 24, 2015 (trading suspended before Fosun's bid)	4.66	23.4%
Last 1 month weighted average (before Fosun's bid)	4.60	25.0%
Last 3 months weighted average (before Fosun's bid)	4.35	32.2%
Last 6 months weighted average (before Fosun's bid)	4.41	30.3%
Last 12 months weighted average (before Fosun's bid)	4.11	40.1%
<i>For reference - Share price as of January 18, 2016</i>	<i>5.76</i>	<i>(0.2%)</i>
<i>Last 1 month weighted average</i>	<i>5.74</i>	<i>0.2%</i>
<i>Last 3 months weighted average</i>	<i>5.61</i>	<i>2.5%</i>
<i>Last 6 months weighted average</i>	<i>5.51</i>	<i>4.4%</i>
<i>Last 12 months weighted average</i>	<i>5.18</i>	<i>11.0%</i>

Source: FactSet as of 18 January 2016

Note: Calculations are based on the daily closing share price; the weighted average share price reflects the volume-weighted average share price based on the daily closing share price and the traded volume

Consequently, the Price of the Counterbid includes the following premium:

- +12.7% compared to Fosun's Bid of EUR 5.10 per share;
- +30.3% compared to the weighted average stock price over the six months preceding Fosun's Bid.

➤ **Price/Book Value multiple via linear regression, adjusted for excess capital**

This method consists of applying to BHF KB's current or future financial figures trading multiples of comparable companies in order to determine the implied value of BHF KB and compare it with the Price of the Counterbid.

The Counterbidder has retained the following considerations regarding peer group selection:

- the absence of a listed company fully comparable to BHF KB, due to the latter's unique business model (combining asset management, financing, market making and private banking activities) in a geographic zone essentially focused on Germany, the United Kingdom and Ireland (with a Belgian holding structure);
- thus, the Counterbidder has retained two distinct sets of relatively comparable companies:
 - Peer Group 1 - Universal banks: European banking groups with operations within a similar geographic area and business activities that include private banking, asset management, financing, and market making. This group includes Barclays, HSBC, Lloyds, RBS, Bank of Ireland, BNP Paribas, Crédit Agricole SA, Natixis, Société Générale, Credit Suisse, UBS, Deutsche Bank, Commerzbank, ING Groep, and KBC.
 - Barclays: Barclays is an international financial services provider engaged in personal, corporate and investment banking, credit cards, and wealth management with an extensive presence in Europe, the Americas, Africa and Asia. Barclays operates in over 50 countries and employs over 130,000 people. Barclays is quoted on the London Stock Exchange.
 - HSBC: HSBC is headquartered in London. The group serves customers worldwide from over 6,100 offices in 72 countries and territories in Europe, Asia, North and Latin America, and the Middle East and North Africa. With assets of 2,548 billion dollars at 30 September 2015, HSBC is one of the world's largest banking and financial services organisations. HSBC Holdings is quoted on the London Stock Exchange and on the Hong Kong Stock Exchange.
 - Lloyds: Lloyds is a leading UK-based financial services group providing a wide range of banking and financial services, focused on personal and commercial customers. The group's main business activities are retail, commercial and corporate banking, general insurance, and life, pensions and investment provision. Lloyds is quoted on the London Stock Exchange.
 - RBS: RBS is a financial services group operating in the UK, Europe, the Americas and Asia. RBS is a UK-centered bank with its headquarters in Edinburgh, Scotland. RBS has been serving customers in Scotland since 1727. RBS is quoted on the London Stock Exchange.
 - Bank of Ireland: Bank of Ireland is a diversified Financial Services Group established in 1783 by Royal Charter. The company provides retail and commercial bank services to customers. Bank of Ireland is quoted on the Irish Stock Exchange.
 - BNP Paribas: The BNP Paribas Group was created from the merger of BNP and Paribas. The company is engaged in the provision of banking and financial services. It operates in the following segments: Retail Banking, Investment Solutions, and Corporate and Investment Banking. BNP Paribas is quoted on Euronext Paris.

- Crédit Agricole SA: Crédit Agricole SA was founded in 1894 and is headquartered in Montrouge, France. The bank provides French retail banking, international retail banking, asset management, securities and investor services, insurance, consumer and lease financing, leasing and corporate and investment banking services to retail and corporate clients, SMEs, large institutional investors and local authorities. Crédit Agricole SA is quoted on Euronext Paris.
- Natixis: Natixis is the corporate, investment, insurance and financial services arm of Groupe BPCE, the second-largest banking group in France. The company provides banking, financial and insurance solutions. Natixis is quoted on Euronext Paris.
- Société Générale: Société Générale is one of the largest European financial services groups. With more than 148,000 employees, based in 76 countries, the company has 30 million clients worldwide. Société Générale's teams offer advice and services to individual, corporate and institutional customers in three core businesses. Société Générale is quoted on Euronext Paris.
- Credit Suisse: Credit Suisse AG is one of the world's leading financial services providers. It offers clients combined expertise in the areas of private banking, investment banking and asset management. Credit Suisse provides advisory services, comprehensive solutions and innovative products to companies, institutional clients and high-net-worth private clients globally, as well as to retail clients in Switzerland. Credit Suisse is headquartered in Zurich and operates in over 50 countries worldwide. The group employs approximately 48,100 people. Credit Suisse is quoted on the Swiss Stock Exchange.
- UBS: UBS provides private, institutional and corporate clients worldwide, as well as retail clients in Switzerland, with financial advice and solutions. The operational structure of the group is comprised of the Corporate Center and five business divisions: Wealth Management, Wealth Management Americas, Retail & Corporate, Asset Management and the Investment Bank. UBS is quoted on the Swiss Stock Exchange.
- Deutsche Bank: Deutsche Bank provides commercial and investment banking, retail banking, transaction banking, and asset and wealth management products and services to corporations, governments, institutional investors, small and medium-sized businesses, and private individuals. Deutsche Bank is Germany's leading bank, with a strong position in Europe and a significant presence in the Americas and Asia Pacific. Deutsche Bank is quoted on the Frankfurt Stock Exchange.
- Commerzbank: Commerzbank is a leading international commercial bank with branches and offices in more than 50 countries. The core markets of Commerzbank are Germany and Poland. Due to its focus on Private Customers, Mittelstandsbank, Corporates & Markets, and Central & Eastern Europe, its private customers and corporate clients, as well as institutional investors, benefit from a comprehensive portfolio of banking and capital market services. The bank employs approximately 52,000 people. Commerzbank is quoted on the Frankfurt Stock Exchange.
- ING Groep: ING is a global financial institution with a strong European base, offering banking services through its operating company ING Bank and holding a significant stake in the listed insurer NN Group NV. ING Bank's more than 52,000 employees offer retail and commercial banking services to customers in over 40 countries. ING is quoted on Euronext Amsterdam.

- KBC: KBC is an integrated bancassurance group, catering mainly for retail, SME and midcap customers. It focuses on its home markets of Belgium and certain countries in Central and Eastern Europe. The group has established a presence in selected countries and regions around the globe. KBC is quoted on Euronext Brussels.
 - Peer Group 2 - Private banks: Continental European banking groups with operations consisting primarily of private banking, wealth management and corporate finance. This group includes Vontobel, EFG International, Van Lanschot and Julius Baer.
 - Vontobel: Vontobel is a globally oriented Swiss private bank headquartered in Zurich. It has around 1,400 employees worldwide. Vontobel specializes in wealth and asset management for private clients and institutional investors, as well as investment banking. Vontobel has branches at 21 locations worldwide. It is quoted on the Swiss Stock Exchange.
 - EFG International: EFG International is a leading global private banking group, offering private banking, wealth management and asset management services. The group's principal places of business are in the Bahamas, the Cayman Islands, the Channel Islands, Hong Kong, Liechtenstein, Luxembourg, Monaco, Singapore, Spain, Switzerland, Taiwan, the United Kingdom, and the United States of America. EFG is quoted on the Swiss Stock Exchange.
 - Van Lanschot: Van Lanschot NV is the holding company of F. van Lanschot Bankiers NV, the oldest independent bank in the Netherlands with a history dating back to 1737. Van Lanschot, a wealth manager operating under the Van Lanschot and Kempen & Co brand names, is active in private banking, asset management and merchant banking, with the aim of preserving and creating wealth for its clients. Van Lanschot NV is quoted on Euronext Amsterdam.
 - Julius Baer: Julius Baer is the leading Swiss private banking group, with a focus on servicing and advising sophisticated private clients and a premium brand in global wealth management. Bank Julius Baer & Co. Ltd, is the principal operating company of Julius Baer Group Ltd., whose shares are quoted on the SIX Swiss Exchange.

Source: SNL Financial

The following table compares BHF KB's key figures with those of the abovementioned peers for FY 2014:

FY 2014 - LCYbn	Total assets	Total equity	Operating revenues	Cost / Income ratio	Total Earnings	RoE ¹	RoA ¹
Peer Group 1 - Universal banks²							
Barclays	1,357.9	66.0	25.8	69.2%	0.8	1.3%	0.06%
HSBC	2,634.1	200.0	63.7	61.9%	14.7	7.5%	0.55%
Lloyds	854.9	49.9	17.6	77.5%	1.5	3.4%	0.18%
RBS	1,050.8	60.2	15.2	88.0%	(2.7)	(4.5%)	(0.26%)
Bank of Ireland	129.8	8.7	3.1	53.5%	0.8	9.5%	0.60%
BNP Paribas	2,077.8	93.7	39.2	67.7%	0.5	0.5%	0.03%
Crédit Agricole S.A	1,589.0	56.2	16.7	66.8%	2.8	5.3%	0.18%
Natixis	590.4	20.2	7.7	70.7%	1.2	6.4%	0.22%
Société Générale	1,308.1	58.9	23.8	67.2%	3.0	5.3%	0.24%
Credit Suisse	921.5	45.0	24.7	84.5%	2.3	5.0%	0.26%
UBS	1,062.5	54.4	28.2	90.2%	3.6	7.0%	0.35%
Deutsche Bank	1,708.7	73.2	31.7	85.5%	1.7	2.6%	0.10%
Commerzbank	557.6	27.0	9.1	76.7%	0.4	1.4%	0.07%
ING	992.9	58.5	15.4	63.4%	1.4	2.6%	0.14%
KBC	245.2	16.5	6.9	55.0%	1.8	11.4%	0.73%
Peer Group 2 - Private banks²							
Vontobel	18.5	1.4	0.9	78.7%	0.1	8.9%	0.71%
EFG International	25.3	1.2	0.7	89.2%	0.1	5.5%	0.27%
Van Lanschot	17.3	1.4	0.6	58.1%	0.1	8.1%	0.62%
Julius Baer	82.2	5.3	2.5	80.8%	0.4	7.1%	0.47%
BHF KB (as reported)	9.4	0.8	0.3	120.9%	0.1	10.9%	1.2%
BHF KB (adjusted ³)	9.4	0.8	0.3	120.9%	(0.1)	(9.1%)	(1.0%)

Source: SNL Financial (templated financials)

Note:¹ RoE and RoA computed on average total equity and average total assets over the period 2013-2014.² Peer financials are unadjusted for any exceptional items; ³ BHF KB's 2014 adjusted profit after tax of EUR -59.8 million, computed as EUR 71.6 million reported profit after tax - negative goodwill impact of EUR 131.4 million (related to the acquisition of BHF).

The Counterbidder has retained the following considerations with regard to forecasts:

- BHF KB's historical operating losses, which render the use of historical profit-after-tax multiples impossible:
 - o negative pro forma profit after tax (excluding non-recurring items) for fiscal years 2013 and 2014;
- the absence of a business plan released by management or reliable forecasts by analysts, which limit the application of prospective multiples:
 - o Operating profit in the first 9 months of 2015 does not allow a relevant extrapolation for the entire financial year: operating profit before taxes, adjusted for non-recurring items, amounts to EUR -11.6 million. Restated to reflect the impact of unrealised losses and exchange rate fluctuations at the level of Kleinwort Benson Wealth Management, operating profit excluding EUR -11.6 million in non-recurring items for the first 9 months of 2015 amounted to EUR 2.9 million.
 - o BHF KB's limited coverage by financial analysts (only two analysts, according to Bloomberg, cover BHF KB's stock) limits the reliability of the forecasts provided

In order to estimate the excess capital and subsequently adjusted financials, the Counterbidder has made the following assumptions:

- 2016E book value: see Section 7.2.2.2 b. Reference figures
- 2017E profit after tax: see Section 7.2.2.2 b. Reference figures
- 2016E Common Equity Tier 1 (“CET1”): based on book value forecast (as described above) as well as the following deductions:
 - o The value of intangible assets is assumed stable compared to the 30 June 2015 level.
 - o Other regulatory deductions are assumed stable compared to the 31 December 2014 level (Pillar 3 disclosure).
- 2016E Risk Weighted Assets (“RWAs”): assumed annual growth of 0.5% since 31 December 2014 (Pillar 3 disclosure).
- 2016E adjusted book value: the Counterbidder considers 12.0% CET1 ratio to be the minimum capitalisation level at which BHF KB should operate. On that basis, the Counterbidder considers any capital in excess of 12.0% of 2016E RWAs to be excess capital (approx. EUR 217 million), implying a 2016E adjusted book value of EUR 598.2 million.
- 2017E adjusted profit after tax: assuming a 1% post-tax replacement yield on excess capital (as described above), which would reduce profit after tax by around EUR 2.2 million, implying 2017E adjusted profit after tax of EUR 39 million

(In euros millions)	YE-2014 (actuals)	YE-2015 (estimate)	YE-2016 (estimate)	YE-2017 (estimate)
Shareholders equity	797.6	793.5	814.9	
Intangibles	(57.2)	(67.4)	(67.4)	
Regulatory adjustment excl. intangibles	(5.6)	(5.6)	(5.6)	
CET1 capital fully loaded	734.8	720.5	741.9	
RWAs (0.5% growth per annum)	4,334	4,355	4,377	
CET1% ratio	17.0%	16.5%	16.9%	
Minimum capital (Counterbidder estimate)			12.0%	
Excess cap vs. CET1 target			217	
Profit after tax				41.2
Profit after tax adjustment for excess cap (1.0% post-tax yield)				(2.2)
Adjusted profit after tax				39.0
Adjusted book value			598.2	
Adjusted RoE				6.5%

The Price/Book Value multiple (“P/BV”) 2016E derived via a linear regression adjusted for excess capital has been retained to value BHF KB:

- o This valuation shall take into account BHF KB’s adjusted Return on Equity (“RoE”) compared to those of companies in the relevant Peer Group. A P/BV multiple estimated via linear regression is preferred to an average P/BV multiple which does not take into account BHF KB’s lower profitability compared to its peers. Moreover; BHF KB’s shareholders’ equity has been adjusted for excess capital (above 12.0% CET1 ratio);
- o Estimation via linear regression between RoE 2017E and P/BV 2016E: linear regression between (i) estimated RoE versus (ii) market capitalisation/accounting value of shareholders' equity (P/BV).
- o BHF KB’s RoE has been adjusted to reflect the significantly higher capitalization of BHF KB compared to its peers (17% CET1 ratio for BHF KB versus 12% on average for the universal banking peers).

The following table summarises 2017E RoE and 2016E P/BV multiples of companies in Peer Groups 1 & 2:

Company		Reporting currency	P/BV 2016E	RoE 2017E	Equity per share 2016E (rep. currency)
Peer Group 1 - Universal banks					
United Kingdom	Barclays	GBP	0.55x	8.4%	3.44
	HSBC	GBP	0.75x	9.1%	6.42
	Lloyds	GBP	1.01x	12.6%	0.63
	RBS	GBP	0.61x	6.1%	4.25
	Bank of Ireland	EUR	1.07x	10.7%	0.28
France	BNP Paribas	EUR	0.61x	9.0%	72.56
	Crédit Agricole SA	EUR	0.46x	7.2%	19.85
	Natixis	EUR	0.67x	8.5%	5.99
Switz.	Société Générale	EUR	0.51x	7.7%	68.17
	Credit Suisse	CHF	0.70x	9.0%	26.33
Ger.	UBS	CHF	1.10x	11.9%	15.18
	Deutsche Bank	EUR	0.38x	6.5%	48.29
Bel NL	Commerzbank	EUR	0.33x	4.8%	24.26
	ING	EUR	0.90x	10.2%	12.06
	KBC	EUR	1.39x	14.6%	36.64
Peer Group 2 - Private banks					
NL	Van Lanschot	EUR	0.63x	6.8%	34.34
Switz.	Vontobel	CHF	1.51x	14.3%	26.20
	EFG International	CHF	1.15x	12.3%	8.30
	Julius Baer	CHF	1.63x	15.2%	25.67

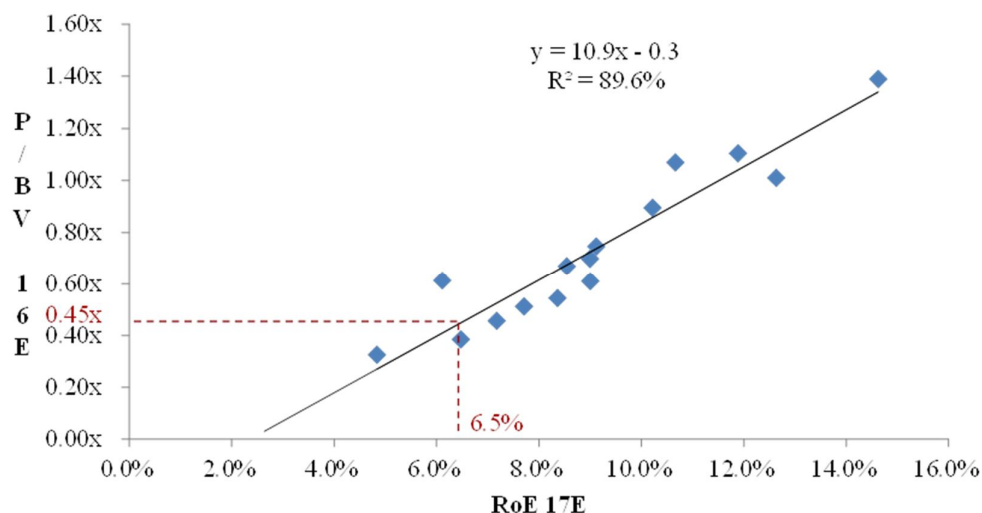
Source: FactSet as of 18 January 2016; HSBC 2016E equity per share has been converted from USD to GBP.

Notes:

- P/BV multiple computed as: stock price per share/accounting value of 2016E shareholders' equity (source: FactSet) divided by the number of shares
- RoE computed as: 2017E earnings per share estimate (source: FactSet estimates)/accounting value of 2016E shareholders' equity (source: FactSet) divided by the number of shares

For reference purposes, the abovementioned information has been re-arranged below to graphically illustrate the correlation between RoE and P/BV within the Peer Groups.

Peer Group 1 - Universal banks



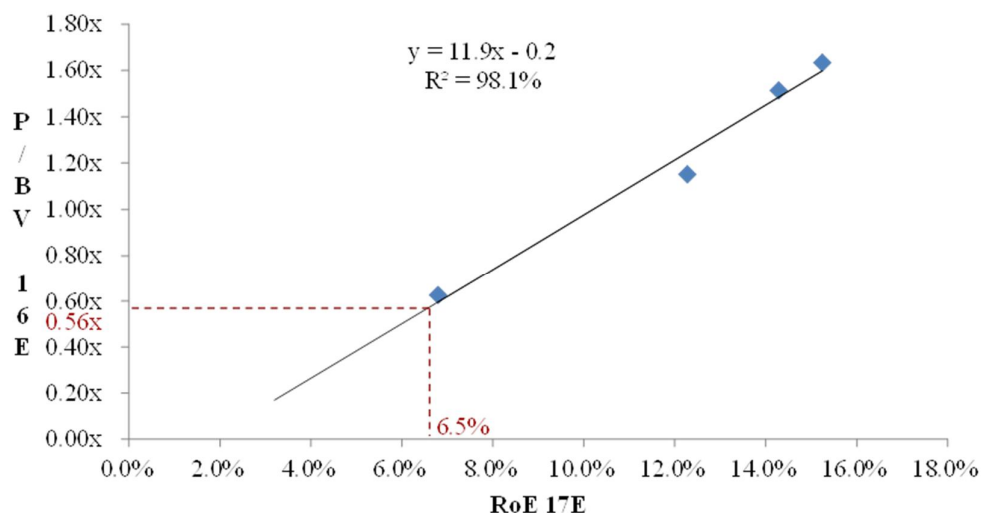
Based on linear regression on Peer Group 1 companies, application of the abovementioned estimated P/BV multiple to BHF KB's 2016E book value results in the following valuation:

Peer Group 1 - Universal banks	Reg BV	Computation
BHF KB profit after tax 2017E (in EUR m) - adjusted for excess cap.	39.0	=A
BHF KB book value 2016E (in EUR m) - adjusted for excess cap.	598.2	=B
BHF KB RoE 2016E - adjusted for excess cap.	6.5%	$C=A/B$
Slope	10.9x	=D
Intercept	(0.3)	=E
RSQ	89.6%	
Implied P/BV 2016E multiple	0.45x	$F= C \times D+E$
Valuation - excluding excess capital (in EUR m)	272	$G=B \times F$
Excess capital (in EUR m)	217	=H
Valuation - including excess capital (in EUR m)	489	=G+H
Implied price per share	3.71	
Implied premium vs. counterbid	54.9%	

Note 1: Excess capital of EUR 217 million is valued separately at 1x P/BV.

Note 2: The coefficient of determination, R^2 , for the linear regression performed on Peer Group 1 (universal banks) stands at 89.6%, which has been deemed satisfactory.

Peer Group 2: Private banks



Based on linear regression on Peer Group 2 companies, application of the abovementioned estimated P/BV multiple to BHF KB's 2016E book value results in the following valuation:

Peer Group 2 - Private banks	Reg BV	Computation
BHF KB profit after tax 2017E (in EUR m) - adjusted for excess cap.	39.0	=A
BHF KB book value 2016E (in EUR m) - adjusted for excess cap.	598.2	=B
BHF KB RoE 2016E - adjusted for excess cap.	6.5%	$C=A/B$
Slope	11.9x	=D
Intercept	(0.2)	=E
RSQ	98.1%	
Implied P/BV 2016E multiple	0.56x	$F=C \times D+E$
Valuation - excluding excess capital (in EUR m)	337	$G=B \times F$
Excess capital (in EUR m)	217	=H
Valuation - including excess capital (in EUR m)	554	=G+H
Implied price per share	4.21	
Implied premium vs. counterbid	36.7%	

Note 1: Excess capital of EUR 217 million is valued separately at 1x P/BV.

Note 2: The coefficient of determination, R^2 , for the linear regression performed on Peer Group 2 (private banks) stands at 98.1%, which has been deemed satisfactory.

Consequently, the Price of the Counterbid includes a premium of:

- 54.9% compared to the valuation of BHF KB using the P/BV multiple estimated via linear regression adjusted for excess capital on Peer Group 1 (universal banks);
- 36.7% compared to the valuation of BHF KB using the P/BV multiple estimated via linear regression adjusted for excess capital on Peer Group 2 (private banks).

➤ **Summary of the most relevant valuation methods**

	Implied price per share (€)	Implied premium (€5.75 per share)
Share price		
Share price on July 24, 2015 (trading suspended before Fosun's bid)	4.66	23.4%
Last 1 month weighted average (before Fosun's bid)	4.60	25.0%
Last 3 months weighted average (before Fosun's bid)	4.35	32.2%
Last 6 months weighted average (before Fosun's bid)	4.41	30.3%
Last 12 months weighted average (before Fosun's bid)	4.11	40.1%
Trading multiples - Price / BV via linear regression adjusted for excess capital		
RoE 2017 vs. P/BV 2016 regression - Universal banks	3.71	54.9%
RoE 2017 vs. P/BV 2016 regression - Private banks	4.21	36.7%

Note: As Oddo et Cie does not currently have a controlling stake in BHF KB, the Price of the Counterbid includes a control premium, which is reflected in the additional amount paid compared to the results of the various valuation methods, which rely on management's stand-alone business plan.

Other valuation methods retained for reference purposes.

➤ **Most recent BHF KB share price targets, as published by equity research analysts**

This method consists of comparing the Price of the Counterbid with target price recommendations made by sell-side equity research analysts.

The two sell-side equity research analysts that cover BHF KB on a regular basis are KBC Securities and Petercam.

- KBC Securities' last recommendation before announcement of the Counterbid is dated 20 November 2015. KBC Securities indicates a target price of EUR 5.50 per share and the recommendation is to "accept the offer"¹. KBC Securities last recommendation prior to Fosun's Bid is dated 27 March 2015, with a target price of EUR 4.00 per share.
- Petercam's last recommendation is dated 20 November 2015 (thus after Fosun's Bid), indicating a target price of EUR 4.90 per share. This recommendation is unchanged compared to those published on 27 August 2015, 27 July 2015 and 27 March 2015.

¹ *Inconsistency between the target price of EUR 5.50 per share and KBC Securities' recommendation to "accept the offer" which refers to Fosun's Bid of EUR 5.10 per share.*

These target prices have been compared with the Price of the Counterbid, subject to the following limitations:

- Only two local sell-side equity research analysts cover the stock.
- The last pre-bid recommendation is dated 27 March 2015, i.e. 8 months before the Counterbid.
- There is a 22.5% difference between Petercam's and KBC Securities' views on the target price.

Broker	Date	Recommendation	Target price (EUR)	bid premium / (discount) vs, target price
Before Fosun's bid				
KBC Securities	27-Mar-15	Hold	4.00	43.8%
Petercam	27-Mar-15	Hold	4.90	17.3%
After Fosun's bid				
KBC Securities	20-Nov-15	Accept the offer	5.50	4.5%
Petercam	20-Nov-15	Hold	4.90	17.3%

➤ **Price/Earnings multiples of comparable listed companies**

This method applies the average Price/Earnings Multiple 2017E of the retained Peer Group to BHF KB's 2017E profit after tax:

- Price/earnings multiple: divide (i) the stock price by (ii) estimated earnings per share.
- Apply this multiple to BHF KB's previously estimated underlying profit after tax.

Please refer to Section 7.2.2.2 (b) for detailed information about the peer group selection and BHF KB's forecasts.

The following table summarises P/E 2017E multiples of companies in Peer Groups 1 & 2:

Company	Reporting currency	Share price (report. currency)	Market cap. (in euros billions)	EPS 2017E (report. currency)	P/E 2017E	
Peer Group 1 - Universal banks						
United Kingdom	Barclays	GBP	1.88	41.6	0.29	6.5x
	HSBC	GBP	4.80	123.6	0.59	8.2x
	Lloyds	GBP	0.64	59.8	0.08	8.0x
	RBS	GBP	2.60	39.4	0.26	10.0x
	Bank of Ireland	EUR	0.30	9.8	0.03	10.0x
France	BNP Paribas	EUR	44.33	55.1	6.53	6.8x
	Crédit Agricole SA	EUR	9.06	24.3	1.42	6.4x
	Natixis	EUR	4.02	12.8	0.51	7.8x
Switz.	Société Générale	EUR	34.91	27.7	5.25	6.6x
	Credit Suisse	CHF	18.40	33.0	2.37	7.8x
Ger.	UBS	CHF	16.75	57.4	1.80	9.3x
	Deutsche Bank	EUR	18.55	26.3	3.13	5.9x
Bel & NL	Commerzbank	EUR	7.90	9.9	1.17	6.7x
	ING	EUR	10.80	41.7	1.23	8.8x
	KBC	EUR	50.88	20.9	5.36	9.5x
Average Peer Group 1					7.9x	
Median Peer Group 1					7.8x	
Peer Group 2 - Private banks						
NL	Van Lanschot	EUR	21.51	0.9	2.34	9.2x
Switz.	Vontobel	CHF	39.65	2.0	3.74	10.6x
	EFG International	CHF	9.56	1.3	1.02	9.4x
	Julius Baer	CHF	41.93	8.5	3.91	10.7x
Average Peer Group 2					10.0x	
Median Peer Group 2					10.0x	

Source : FactSet as of 18 January 2016; HSBC EPS 2017E converted from USD to GBP

Notes:

- Price/earnings multiple computed as: stock price per share/earnings per share (2017E).
- The stock price and market capitalisation of HSBC are expressed in USD as the company reports in USD (as opposed to GBP, which is its primary trading currency).

The application of the above average P/E 2017E multiples to BHF KB's estimated profit after tax 2017E results in the following valuation:

(In euros millions)	Universal banks	Private banks
BHF KB profit after tax 2017E	41.2	41.2
Average P/E 2017E multiple	7.9x	10.0x
Implied valuation	325.2	411.0
Implied price per share	2.47	3.12
Implied premium	132.9%	84.2%

Consequently, the Price of the Counterbid includes a premium of:

- 132.9% compared to the average price/earnings multiple of Peer Group 1 (universal banks).
- 84.2% compared to the average price/earnings multiple of Peer Group 2 (private banks).

d. Precluded methods

For the reasons explained below, the following methods have been precluded for the valuation of BHF KB.

➤ **Multiples of comparable transactions**

This method consists of applying multiples observed during recent transactions to BHF KB's historical financial figures. It should be noted that each transaction is unique due to market conditions, expected synergies and specific commitments entered into by the Counterbidder. Consequently, this valuation method has been precluded due to the absence of recent comparable transactions and a lack of reliable information.

➤ **Discounted future dividends**

Pursuant to this method, a bank values its equity by discounting the future dividends it will be able to distribute to shareholders, taking into account the equity required by regulatory constraints and market practices. In the absence of detailed information on the required level of equity, BHF KB's capital needs, and management's business plan, this method could not be used.

7.3 INITIAL CONDITIONS OF THE COUNTERBID

Upon the initial announcement by Oddo et Cie of its intention to launch a voluntary and conditional counterbid in cash for the outstanding Shares issued by BHF KB, the bid was subject to the conditions precedent mentioned below, as amended on 2 December 2015 further to the exemptions granted by the FSMA (see Section 6.1.4 (*Obligation to launch a mandatory takeover bid and exemptions granted by the FSMA*)).

However, at the date of this Prospectus, all the below conditions precedent have already been met (see Section 7.4.3 (*Review of the Counterbid by the German competition authorities*) and 7.4.4 (*Regulatory approvals*)) as a result of which the Counterbid is now unconditional.

Initial conditions precedent to which the Counterbid was subject to:

- (i) the Counterbid is not subject to investigation by any governmental authority responsible for regulating antitrust, competition or merger matters in any jurisdiction, beyond the initial examination to determine the applicable jurisdiction (which, for Germany, means any investigation beyond the one-month examination period pursuant to Section 40 §1(1) of the Act prohibiting restrictions on competition - *Gesetz gegen Wettbewerbs-beschränkungen* or *GWB* - following the filing of the complete notification with the German Federal Cartel Office), and no substantive conditions are imposed in the decisions taken during the initial examination periods approving the Counterbid, in accordance with Article 4 of the Takeover RD;
- (ii) on or no later than 30 April 2016, the Guernsey Financial Services Commission in Guernsey, the Jersey Financial Services Commission in Jersey, the Central Bank of Ireland in Ireland, the Financial Market Supervisory Authority in Switzerland, and the Prudential Regulation Authority/Financial Conduct Authority in the United Kingdom, in their capacity as the authorities competent for the regulated subsidiaries of BHF KB established in Guernsey, Jersey, Ireland, Switzerland and the United Kingdom, respectively, as well as the European Central Bank, the Federal Financial Supervisory Authority of Germany (*Bundesanstalt für Finanzdienstleistungsaufsicht*) and the *Commission de Surveillance du Secteur Financier* (the regulatory authority for the financial sector in Luxembourg), as the authorities competent for the regulated subsidiaries of BHF KB established in Luxembourg and Germany, and any competent authority in any other relevant jurisdiction (including the European Central Bank), have granted their final approval in writing, or have notified in writing their absence of an objection within the time period specified to formulate objections, to the acquisition or increase in control by the Counterbidder (and its group of companies (as the case may be)) of the regulated subsidiaries of BHF KB established in the aforementioned jurisdictions that would result from the acquisition of the Shares by the Counterbidder and, at the time the results of the Counterbid are announced each such approval or notice of no objection is still valid or has been extended or renewed, if required.

7.4 REGULARITY AND VALIDITY OF THE COUNTERBID

7.4.1 Management board's resolution to make the Counterbid

The Counterbid was approved by the management board ("*collège de la gérance*") of Oddo et Cie on 23 November 2015.

7.4.2 Requirements of Article 3 *juncto* Article 57 of the Takeover RD

The Counterbid is subject to the requirements of Article 3 *juncto* Article 57 of the Takeover RD:

- Totality of securities with voting rights or that give access to voting rights

The Counterbid covers all Shares, i.e. all outstanding shares with voting rights, issued by BHF KB, excluding shares already held by Oddo et Cie or persons related to Oddo et Cie. BHF KB has not issued any other securities with voting rights or giving access to voting rights.

- Availability of the funds

As the Price of the Counterbid is EUR 5.75 per BHF KB Share, the funds required to pay the price of the Shares covered by the Counterbid amount to EUR 434,365,729.50 .

These funds form the object of (i) a deposit in an escrow account opened in the name of Oddo et Cie with Société Générale (Paris branch) in an amount of EUR 216,366,391 and (ii) for the remainder, an irrevocable and unconditional credit line granted to Oddo et Cie by Société Générale (Brussels branch) and JP Morgan Europe totalling EUR 380,000,000.

- Compliance of the Counterbid's conditions with the Takeover Act and the Takeover RD

The Counterbid's conditions comply with the applicable legislation, more specifically the Takeover Act and the Takeover RD. Oddo et Cie considers that these conditions, notably the Price of the Counterbid, should allow it to achieve the desired outcome.

- Undertaking by Oddo et Cie to see the Counterbid through

Oddo et Cie undertakes, for its part, to make every effort to see the Counterbid through to completion, in accordance with the conditions and procedures provided for in the Prospectus.

- Receipt of acceptances and payment of the Price of the Counterbid by the Centralizing Receiving Agent

The Centralizing Receiving Agent shall centralise, directly or indirectly, the receipt of Acceptance Forms and ensure payment of the Price of the Counterbid.

7.4.3 Review of the Counterbid by the German competition authorities

On 11 December 2015, Oddo et Cie received a confirmation from the German competition authorities that the proposed concentration does not fulfil the conditions for prohibition pursuant to Section 36 § 1 of the Act prohibiting restrictions on competition - *Gesetz gegen Wettbewerbs-beschränkungen* or *GWB*. As a result thereof, the first condition precedent to which the Counterbid is subject to was fully satisfied.

Pursuant to Section 39 § 9 of the *GWB*, the only follow-up action to which Oddo et Cie is subject to is to notify the German federal cartel office without delay once the concentration is put into effect.

7.4.4 Regulatory approvals

BHF KB has subsidiaries in various jurisdictions. A number of these subsidiaries are, due to their business activities, subject to supervision by the respective competent regulatory authorities. These authorities are the respective banking and financial sector regulatory authorities. Applicable statutory provisions in the jurisdictions of such subsidiaries provide for the requirement that the competent regulatory authorities and, in the case of credit institutions located in the eurozone, the European Central Bank, have to be notified in case a third person intends to acquire a qualifying holding in the respective supervised entity.

In accordance with Article 4 para. 1 lit. c of Regulation (EU) no. 1024/2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions, the European Central Bank is the competent authority to decide – in cooperation with the respective national competent authorities - on ownership control proceedings. The national competent authorities are notified of the contemplated acquisitions and are in charge of assessing the contemplated acquisition. While the national competent authorities interact with the European Central Bank at an early stage during the process, the national competent authorities forward the notification and a proposal for a decision to oppose or not to

oppose the acquisition to the European Central Bank. The final decision is taken by the European Central Bank. Upon such notification the competent regulatory authorities conduct ownership control proceedings during which they establish whether the contemplated acquirer fulfils the statutory requirements for an acquirer of the respective regulated entity. Such requirements are, inter alia, evidence that the contemplated acquirer has sufficient funds available to acquire the entity, that the management of the acquirer is fit and proper, and that the acquirer has a coherent business plan. Depending on the statutory process the regulatory authorities would either grant approval to the contemplated acquisition after satisfactory review process or not object to it. The regulatory authorities may, however, also prohibit the acquisition.

In order for the Counterbidder to be in the position to accept legal title in the Shares of BHF KB it has to obtain the approval or non-objection by the competent regulatory authorities. Failure to do so could constitute a criminal or administrative offence in some jurisdictions and competent regulatory authorities could order the transaction to be unwound or take alternative measures (such as seeking a court order) to stop the acquisition.

As at the date of the Prospectus, the Counterbidder has already obtained all the required regulatory approvals in connection with the acquisition contemplated through the Counterbid. Consequently, the second condition precedent to which the Counterbid was subject to was also fully satisfied.

In particular, Oddo et Cie has obtained the following regulatory approvals:

- **Jersey:** On 15 September 2015, Oddo et Cie received a statement of no objection from the Jersey Financial Services Commission (JFSC) with regard to an increase by the Counterbidder of its shareholding in BHF KB and thereby of its indirect shareholding in Kleinwort Benson Group Limited, the ultimate beneficial owner of the Jersey regulated entities (i.e. Kleinwort Benson (Jersey) Trustees Limited and participating members).
- **Guernsey:** On 30 October 2015, Oddo et Cie received a letter from the Guernsey Financial Services Commission (GFSC), confirming its non-objection to Oddo et Cie becoming a shareholder controller of various Kleinwort Benson entities regulated in Guernsey.
- **Ireland:** On 24 November 2015, Oddo et Cie received a letter from the Central Bank of Ireland (CBI), in which the latter refers to the proposal to modify the shareholder structure of Kleinwort Benson Investors Dublin Limited (KBIDL), Kleinwort Benson Investors International Limited (KBIIIL) and Kleinwort Benson Fund Managers Limited (KBFML), further to an acquisition by Oddo et Cie of an additional stake in BHF KB resulting in an increase in its direct shareholding from 15.12% to more than 50% and in an indirect increase in the stakes of Financière Idat SAS, Oddo Partners and Mr. Philippe Oddo in KBDIL, KBIIIL and KBFML. It approves in that regard (i) the proposal to change the shareholder structure of KBIDL and KBIIIL, as well as (ii) the proposed transaction with regard to KBFML, in accordance with the applicable legislation. In accordance with the applicable legislation, changes to the shareholder structure approved by the CBI must be carried out within twelve months from receipt of the approval letter.
- **United Kingdom:**
 - On 2 December 2015, Oddo et Cie received a notice of approval from the Financial Conduct Authority (FCA), which approves the change of control of Kleinwort Benson (Channel Islands) Limited resulting from the Counterbid. The approval remains effective

only if the control in question is acquired within three months of the date of the approval. The FCA may extend this three-month period on request.

- On 2 December 2015, Oddo et Cie received a notice of approval from the Prudential Regulation Authority (PRA), which approves the change of control of Kleinwort Benson Bank Limited resulting from the Counterbid. The approval remains effective only if the control in question is acquired within three months of the date of the approval. The PRA may extend this three-month period on request.

- **European Central Bank:** On 10 December 2015 Oddo et Cie obtained approval from the European Central Bank (ECB), subject to the fulfilment of two conditions precedent, namely (i) that Oddo et Cie proceed with a capital increase in the amount of EUR 100 million and (ii) that the German Deposits Protection Fund, through the Auditing Association of German Banks, grant its approval. In this regard, the requested capital increase was enacted on 31 December 2015 as further described in Section 4.5 (*Shareholder and capital structure of Oddo et Cie*) and Oddo et Cie obtained the approval of the German Deposits Protection Fund on 8 January 2016. Oddo et Cie confirmed the fulfilment of the two conditions precedent to the ECB on the same date.

Through the unconditional approval of the transaction by the ECB, the conditions precedent for the Counterbid relating to the prior approval of or a notice of no objection from the German Federal Authority for Financial Supervision (*Bundesanstalt für Finanzdienstleistungsaufsicht*) and the *Commission de Surveillance du Secteur Financier* (the Luxembourg regulatory authority for the financial sector), the authorities competent for the regulated subsidiaries of BHF KB established in Germany (i.e. BHF-BANK and Quirin Bank AG) and Luxembourg (i.e. BHF Bank International SA), are also fulfilled to the extent that, pursuant to the so-called "common" procedure established under the Single Supervisory Mechanism, the transaction must be approved by the ECB.

- **Switzerland:** As far as Switzerland is concerned, it should be noted that, in accordance with Swiss law, Oddo et Cie notified the Financial Market Supervisory Authority prior to the launch of the Counterbid of the fact that it intended to acquire a qualifying shareholding in the BHF KB's regulated subsidiary established in Switzerland. This subsidiary will request an additional *a posteriori* authorisation from the Financial Market Supervisory Authority. Consequently, the prior approval of or a notice of no objection from the Financial Market Supervisory Authority in Switzerland no longer constitutes a condition precedent to the Counterbid.

The Counterbid is not subject to any regulatory approval other than the FSMA's approval of this Prospectus and the approvals mentioned in this Section.

7.5 PROJECTED TIMETABLE

Event	Scheduled Date
Filing of the first takeover notice	26 November 2015
Publication of the first notice pursuant to Article 7 <i>juncto</i> Article 57 of the Takeover RD	27 November 2015
Filing of and addendum to the first takeover notice	2 December 2015
Publication of the addendum to the first notice	2 December 2015

pursuant to Article 7 *juncto* Article 57 of the Takeover RD

Approval of the Prospectus by the FSMA	19 January 2016
Publication of the Prospectus	27 January 2016
Opening of the Initial Acceptance Period	27 January 2016
Close of the Initial Acceptance Period	10 February 2016
Publication of the results of the Counterbid	17 February 2016
Voluntary reopening, mandatory reopening (in one of the instances mentioned in Article 35 of the Takeover RD) or simplified squeeze-out (if the Counterbidder holds at least 95% of the Shares)	2 March 2016
Initial Payment Date (i.e. settlement)	2 March 2016
Closing of the second Acceptance Period (if applicable)	24 March 2016
Publication of the results of the period of reopening of the Counterbid (and squeeze-out, as the case may be)	1 April 2016

7.6 INITIAL ACCEPTANCE PERIOD

7.6.1 Initial Acceptance Period

The Initial Acceptance Period for the Counterbid runs from 27 January 2016 until 16.00 CET on 10 February 2016.

7.6.2 Extension

In accordance with Article 31 *juncto* Article 57 of the Takeover RD, the Initial Acceptance Period may be extended by five Business Days. This will be the case if, at any time after publication of the Notice of the Counterbid but prior to publication of the results of the Counterbid, Oddo et Cie (and/or a person acting in concert with Oddo et Cie) acquires or undertakes to acquire Shares outside the framework of the Counterbid at a price which exceeds the Price of the Counterbid. In that case, the Price of the Counterbid shall be aligned to this higher price and the Initial Acceptance Period shall be extended by five Business Days as from publication of the price increase, so that Shareholders may accept the Counterbid at this higher price.

Furthermore, in accordance with Article 40, §1, 4^o *juncto* Article 57 of the Takeover RD, in case of a counterbid, the Acceptance Period shall also be extended until the expiry of the acceptance period of a counterbid.

7.7 REOPENING OF THE COUNTERBID AND SQUEEZE-OUT

7.7.1 Holding of 90% of the shares

Pursuant to Article 35 (1) *juncto* Article 57 of the Takeover RD, a mandatory takeover bid shall be reopened for a period of no less than five Business Days and no more than fifteen Business Days if the bidder and or persons affiliated to it hold, upon expiry of the initial acceptance period, 90% or more of the shares targeted by the bid. Under these circumstances, the Counterbid shall be reopened within ten Business Days following publication of the results of the Counterbid.

7.7.2 Increase in the Price of the Counterbid

If Oddo et Cie undertakes to acquire Shares, prior to the expiration of the bid period, at a price exceeding the Price of the Counterbid, Articles 35 and 36 *juncto* Article 57 of the Takeover RD require that the Acceptance Period be reopened within ten Business Days from notification of the fact justifying the reopening, unless the Counterbid has been extended in accordance with Article 31 *juncto* Article 57 of the Takeover RD, as explained in Section 7.6.2 (*Extension*).

If the event of reopening of the Counterbid in accordance with Articles 35 and 36 *juncto* Article 57 of the Takeover RD, it shall be reopened at the increased price and Oddo et Cie shall pay the difference between the increased price and the initial Price of the Counterbid to the holders of securities that accepted the earlier offer.

Oddo et Cie does not intend to proceed with such an acquisition of Shares at a price in excess of the Price of the Counterbid.

7.7.3 Voluntary reopening of the Counterbid

If Oddo et Cie, persons affiliated to it and persons acting in concert with it following the Counterbid hold less than 90% of the Shares, and all the conditions precedent have been fulfilled, Oddo et Cie reserves the right to reopen the Counterbid at its discretion under the same terms and conditions after the publication of the results of the Counterbid following the Initial Acceptance Period.

In no event shall the aggregate of the Initial Acceptance Period and any voluntary reopening of the Counterbid exceed 10 weeks.

7.7.4 Squeeze-out

If Oddo et Cie, persons affiliated to it and persons acting in concert with it following the Counterbid or its reopening hold at least 95% of the Shares, Oddo et Cie is, pursuant to Articles 42 and 43 *juncto* Article 57 of the Takeover RD and Article 513 of the Company Code, legally entitled to launch a simplified squeeze-out for all Shares not yet held by it or a person acting in concert with it.

If a squeeze-out is launched, the Counterbid shall be reopened within three months from expiry of the Initial Acceptance Period (or the first reopening thereof) for a period of fifteen Business Days. This reopening shall be at the same conditions as the Counterbid. The launch of a squeeze-out and the reopening of the Counterbid shall be notified in advance.

Shares not held by Oddo et Cie and persons acting in concert with it and which have not been offered up upon expiry of the reopened Acceptance Period shall be deemed transferred to Oddo et Cie. The funds required to pay for these Shares shall be deposited with the Bank for Official Deposits (*Caisse des dépôts et consignations*) for those holders that did not sign or submit the Acceptance Form in due time.

7.7.5 Application for a delisting

Even if the conditions for a reopening or squeeze-out would not be satisfied, Oddo et Cie may apply for a delisting of the Shares pursuant to section 7, § 4 of the Law of 2 August 2002, in which case such delisting will need to be approved by Euronext Brussels. The FSMA may oppose the delisting in the interest of the protection of investors. In such a case and assuming Oddo et Cie requests the delisting within three months following expiry of the Acceptance Period without having applied for a simplified squeeze-out beforehand, the Counterbid must be reopened in accordance with Article 35 of the Takeover RD.

7.8 SELL-OUT

If Oddo et Cie, persons affiliated to it and persons acting in concert with it hold, following the Counterbid or the reopening thereof, at least 95% of the Shares, any Shareholder can oblige Oddo et Cie to acquire, in accordance with Article 44 *juncto* Article 57 of the Takeover RD, the Shares it holds at the conditions of the Counterbid.

Any such request must be sent to Oddo et Cie's registered office by registered mail with an acknowledgment of receipt, within three months from the end of the last Acceptance Period.

7.9 ACCEPTANCE OF THE COUNTERBID AND PAYMENT

7.9.1 Acceptance procedure for the Counterbid

- General information

Shareholders that wish to accept the Counterbid must complete, sign and submit the Acceptance Form appended hereto as **Annex 1**, in two copies, not later than the last date of the Initial Acceptance Period or, as the case may be, of the subsequent Acceptance Period(s) after the reopening of the Counterbid.

Acceptance Forms, duly completed and signed, may be submitted free of charge directly to the Centralizing Receiving Agent.

Shareholders may choose to register their acceptance either directly or indirectly through a financial intermediary. In the latter case, Shareholders are requested to inquire with their financial institution about any costs they may incur in connection with the Counterbid.

Financial intermediaries must comply, as the case may be, with the procedure described in the Prospectus.

- Additional practical information

Shareholders holding dematerialized Shares (held in a securities account) are required to ask their financial intermediary to transfer the Shares to the Centralizing Receiving Agent. To do so, Shareholders must submit an Acceptance Form, duly completed and signed, or inform the Centralizing Receiving Agent, directly or indirectly through a financial intermediary, of their acceptance. The financial intermediary is obliged to transfer the offered Shares to the Centralizing Receiving Agent's account.

- Title to the Shares

Shareholders tendering their Shares represent and warrant that (i) they are the legal owners of the tendered Shares; (ii) they have the power and required capacity to accept the Counterbid; and (iii) the Shares are free from any security interest, pledge or other encumbrance.

If the Shares are owned by two or more persons, the Acceptance Form must be signed by all persons concerned.

If the Shares are subject to a beneficial interest, the Acceptance Form must be signed by both the bare owner and the beneficial owner.

If the Shares have been pledged, the Acceptance Form must be signed by the pledgor and the pledgee, with the pledgee expressly confirming the irrevocable and unconditional release of the Shares from the pledge. If the Shares are encumbered in any other way or subject to any other claim or interest, all beneficiaries of said encumbrance, claim or interest must complete and sign the Acceptance Form and irrevocably and unconditionally transfer the encumbrance, claim or interest.

7.9.2 Withdrawal of acceptance

In accordance with Article 25(1) *juncto* Article 57 of the Takeover RD, Shareholders that have accepted the Counterbid may still retract their acceptance during the Initial Acceptance Period (or any subsequent Acceptance Period(s)).

In order to validly retract acceptance, the withdrawal should be directly notified in writing to the financial intermediary to which the Shareholder submitted its Acceptance Form, specifying the number of Shares for which acceptance is retracted. Shareholders with registered Shares shall be informed by BHF KB of the procedure to retract their acceptance. If a Shareholder notifies its retraction of acceptance to a financial intermediary which is not the Centralizing Receiving Agent, the financial intermediary is responsible for promptly informing and is obliged to inform the Centralizing Receiving Agent. This notification must be accomplished no later than 16.00 CET on 10 February 2016 (for the Initial Acceptance Period) or, as the case may be, the date determined in the relevant notification and/or press release.

7.10 ANNOUNCEMENT OF THE RESULTS

In accordance with Article 32 *juncto* Article 57 of the Takeover RD, Oddo et Cie shall announce, within five Business Days following the end of the Initial Acceptance Period, the results of the Counterbid, as well as the number of Shares Oddo et Cie holds following the Counterbid. This announcement shall be made in a distributed press release and published on the websites of the Centralizing Receiving Agent (www.degroofpetercam.com/bhfbk), Oddo et Cie (www.oddo.fr) and BHF KB (www.bhfkleinwortbenson.com).

If the Counterbid is reopened as described in Section 7.7 (*Reopening of the Counterbid*), Oddo et Cie shall announce, within five Business Days following the end of the subsequent acceptance period(s), the results of the reopening, as well as the number of Shares Oddo et Cie holds thereafter. This announcement shall be made in a distributed press release published on the websites of the Centralizing Receiving Agent (www.degroofpetercam.com/bhfkb), Oddo et Cie (www.oddo.fr) and BHF KB (www.bhfkleinwortbenenson.com).

7.11 PAYMENT OF CONSIDERATION

Oddo et Cie shall pay the Price of the Counterbid to Shareholders that have validly offered their Shares during the Initial Acceptance Period, within ten Business Days following announcement of the results of the Initial Acceptance Period. If there are subsequent Acceptance Periods (due to one or more reopening(s) of the Counterbid) as described in Section 7.7 (*Reopening of the Counterbid*), Oddo et Cie shall pay the Price of the Counterbid within ten Business Days following the announcement of the results of the subsequent Acceptance Period(s).

The Price of the Counterbid shall be paid to Shareholders that have duly accepted the Counterbid, without condition or restriction, by wire transfer to the bank account specified by the Shareholder in its Acceptance Form.

The Counterbidder shall bear the tax on stock market transactions. See Section 8.1.7 (*Tax on stock market transactions*) for more details. The Centralizing Receiving Agent shall not charge the Shareholders any commission, fees or other costs under the Counterbid. Shareholders registering their acceptance with a financial institution other than the Centralizing Receiving Agent are requested to inquire about any costs they could incur in connection with the Counterbid.

Risk and title to Shares validly tendered during the Initial Acceptance Period (or any subsequent Acceptance Period(s)) shall be transferred to Oddo et Cie on the initial settlement date (or relevant subsequent settlement date), upon payment of the Price of the Counterbid by the Centralizing Receiving Agent in the name of Oddo et Cie (i.e. when Oddo et Cie's account is debited for this purpose).

7.12 HIGHER BID

In the event of a higher bid (the price of which must be at least 5% above the Price of the Counterbid in accordance with Articles 37 to 41 *juncto* Article 57 of the Takeover RD), the Initial Acceptance Period shall be extended until expiry of the acceptance period for the higher bid.

In the event of a valid and more favourable higher bid, all Shareholders that have offered their Shares under the Counterbid may exercise their right to retract their acceptance in accordance with Article 25 *juncto* Article 57 of the Takeover RD and the procedure described in Section 7.9 (*Acceptance of the Counterbid and payment*).

7.13 SUBSEQUENT INCREASE IN THE PRICE OF THE COUNTERBID

If Oddo et Cie increases the Price of the Counterbid, all Shareholders that accepted the Counterbid prior to the price increase will benefit from it.

7.14 OTHER ASPECTS OF THE COUNTERBID

7.14.1 Financing of the Counterbid

As the Price of the Counterbid amounts to EUR 5.75 per BHF KB Share, the funds required to purchase the Shares tendered in the Counterbid amount to EUR 434,365,729.50.

These funds form the object of (i) a deposit in an escrow account with Société Générale (Paris branch) in the name of Oddo et Cie in an amount of EUR 216,366,391, and (ii) for the rest, an irrevocable and unconditional credit line granted to Oddo et Cie by Société Générale (Brussels branch) and JP Morgan Europe for a total of EUR 380,000,000.

To this end, Oddo et Cie has signed an irrevocable EUR 380 million credit facility agreement with JP Morgan Europe and Société Générale (Brussels branch) This loan has a duration of six months extendible to twelve months. The purpose of this credit facility is to finance the acquisition of 50% of BHF KB's Shares.

1. Impacts on profit and loss

- Based on the assumptions that Oddo et Cie will draw down the complete amount, i.e. EUR 380 million, on 29 February 2016 and that the credit facility will be refinanced through a bond issue on 30 April 2016, the impact on the profit and loss and equity for 2015 and 2016 will be as follows:

Full-year 2015 P&L impact: EUR -1.213 million comprising:

- upfront fees (arrangement and agency fees) in the amount of EUR -1.950 million;
- commitment fees for the undrawn credit line in the amount of EUR -0.006 million;
- applicable French corporate tax impact of EUR +0.743 million

Full-year 2016 P&L impact: EUR -5.315 million comprising

- commitment fees for the undrawn credit line in the amount of EUR -0.089 million;
- interest paid on the credit facility (once drawn) in the amount of EUR -0.612 million;
- accrued interest on the refinancing bond issue in the amount of EUR -6.465 million;
- Applicable French corporate tax impact for EUR +1.850 million

- The tax impact is based on the effective corporate tax rate applicable in France for full-year 2015 and 2016, applied on the tax base which is capped at 75% of the total interest expense, pursuant to French tax law (above a threshold of EUR 3 million).
- The annual profit and loss impact from 2017 onwards will exclusively consist of interest payments on the bond issue, namely - EUR 9.5 million before taxes or EUR -7 million after taxes.
- Please note that for purposes of the abovementioned calculations, Oddo et Cie has assumed that the EURIBOR level will stay at a floor rate of 0%.

2. Impacts on balance sheet

- The financing of the Counterbid in itself will have no impact on equity, other than lowering the net profit for the year in due proportion to its cost (see Impact on profit and loss and pro forma consolidated balance sheet below).

The following table provides an unaudited consolidated balance sheet as of 30 September 2015 and shows total assets of EUR 2,988.797 million, a total equity of EUR 606.639 million and a consolidated net result of EUR 69.594 million

The unaudited consolidated balance sheet as of 30 September 2015 is used as the starting point for the pro forma calculation.

CONSOLIDATED BALANCE SHEET

(In EUR thousands)

	September 30th, 2015	September 30th, 2015 Proforma
ASSETS		
Cash, central banks, postal savings banks	2 257	2 257
Financial assets at fair value through profit or loss	471 246	471 246
Hedging derivatives	2.2	
Available-for-sale financial assets	560 291	560 291
Loans and advances to banks	746 429	1 219 901
Loans and advances to customers	250 267	250 267
Financial assets held to maturity	2.7	
Current and deferred tax assets	5 951	5 951
Other assets	808 785	808 785
Investments in equity associates	47 077	47 077
Assets held for sale	2.10	
Property, equipment and intangible assets	17 757	17 757
Goodwill	78 738	78 738
TOTAL ASSETS	2 988 797	3 462 269
LIABILITIES		
Central banks		
Financial liabilities at fair value through profit or loss	103 527	103 527
Hedging derivatives	761	761
Deposits from banks	354 383	734 383
Deposit from customers	1 211 419	1 211 419
Debt securities issued	4 651	4 651
Current and deferred tax liabilities	15 366	15 366
Other liabilities	632 913	632 913
Provision for liabilities	37 931	37 931
Subordinated financial liabilities	21 205	21 205
TOTAL FINANCIAL LIABILITIES	2 382 158	2 762 158
EQUITY		
Share capital	60 000	70 000
Consolidated reserves	450 859	540 859
Net profit for the year	69 594	63 066
Sub-total	580 453	673 925
Net profit and gains and losses recognised directly in equity	25 452	25 452
Total attributable to owners of the parent	605 905	699 377
Non-controlling interests	734	734
TOTAL CONSOLIDATED EQUITY	606 639	700 111
TOTAL EQUITY AND LIABILITIES	2 988 797	3 462 269

- The pro forma balance sheet shows the following impacts:

Capital increase of EUR 100 million

- Share capital is increased by EUR 10 million, share premium is increased by EUR 90 million.
- Cash accounts ("Loans and advances to banks") are increased by EUR 100 million.

Drawing of the EUR 380 million credit facility

- Debts to credit institutions ("Deposits from banks") are increased by EUR 380 million.
- Net result for the year is decreased by the amount of the above-mentioned 2015 and 2016 financing costs, i.e. EUR 6.528 million
- Cash accounts ("Loans and advances to banks") are increased by the difference, i.e. EUR 373.472 million.

7.14.2 Applicable law

This Counterbid is governed by Belgian law, in particular the Takeover Act and the Takeover RD. Any dispute relating to the present Counterbid shall be submitted to the exclusive jurisdiction the Brussels Court of Appeal.

7.14.3 Agreements likely to have a substantial impact on the valuation, progress and outcome of the Counterbid

For the purposes of this Section, reference is made to Section 6.1.3 (*Agreements of Oddo et Cie and certain major shareholders of BHF KB*) and Section 6.4 (*Oddo et Cie's intentions with respect to BHF KB*).

7.14.4 Cost associated with the tender of Shares in the Counterbid

Oddo et Cie shall not pay any costs charged by financial intermediaries, other than the Centralizing Receiving Agent, to which Shareholders submit their Acceptance Forms. If the Acceptance Forms are submitted to the Centralizing Receiving Agent, however, Shareholders shall not be charged any costs for acceptance of the Counterbid. Shareholders are therefore requested to inquire with their respective financial institution about any costs they may incur in connection with the Counterbid.

8. TAX TREATMENT OF THE COUNTERBID

The information provided below does not purport to describe all tax implications of the Counterbid and does not take into account the specific circumstances of individual Shareholders, some of which may be subject to special rules (such as credit institutions, insurance companies, undertakings for collective investment, securities or currency traders, and persons holding Shares as part of a straddle position, repo transaction, conversion transaction, hybrid transaction or any other integrated financial transaction), or tax laws of countries other than Belgium. The information provided in this Section is based on laws and practices in effect in Belgium on the date of this Prospectus. These laws and practices are subject to change, with retroactive effect as the case may be.

The information set out below does not constitute legal or tax advice or recommendations. Shareholders are advised to ask their tax consultants about the tax implications of accepting the Counterbid, having regard to their specific situation.

8.1 TAXATION IN BELGIUM UPON TRANSFER OF THE SHARES

8.1.1 Definitions

For the purposes of this Section, (i) "Belgian natural person" means any individual subject to Belgian personal income tax (i.e. a natural person whose residence or assets are in Belgium or individuals treated as such for the purposes of Belgian tax law); (ii) "Belgian company" means any company subject to Belgian corporate tax (i.e. a company with its registered office, principal place of business or place of effective management in Belgium); (iii) "Belgian legal entity" means any legal entity subject to the Belgian legal entities tax (i.e. a legal entity other than a Belgian company); and (iv) "non-resident" means a natural person, company or legal entity that does not fall into any of the three preceding categories.

8.1.2 Belgian natural persons

For individuals holding Shares as a private investment, capital gains realized upon disposal of the Shares are generally not subject to Belgian income tax. Likewise, capital losses on the Shares are in principle not tax deductible.

However, individuals may be subject to income tax at a special rate of 33% (plus local surcharges, generally between 6% and 9% of the income tax due) if the capital gain on the Shares is deemed to have been realized outside the scope of the normal management of their assets. Capital losses on the Shares are in principle not tax deductible.

Furthermore, the government announced that, as from 1 January 2016, capital gains realized on shares may be subject to Belgian income tax if the shares are transferred within six months following their acquisition. At the date of this Prospectus, the requirements and arrangements for this tax have yet to be determined by the legislature.

Capital gains realized by individuals upon disposal of Shares held for professional purposes are taxable at the normal rates applicable to earned income (plus local taxes), except for Shares held for more than five years, in which case the capital gain is taxable at a separate rate of 16.5% (plus local taxes). Capital losses on the transfer of Shares are in principle tax deductible, and the resulting losses may, under certain conditions, be carried forward.

8.1.3 Belgian companies

Belgian companies (other than small companies within the meaning of Article 15 of the Company Code ("SMEs")) are subject to Belgian corporate tax at a separate rate of 0.412% on capital gains realized upon the disposal of Shares provided that (i) the income distributed in respect of the Shares is deductible pursuant to Articles 202(1) and 203 of the Income Tax Code 1992 (hereinafter the "**Conditions for Tax-exempt Dividends Treatment**") and (ii) the Shares have been held with full title for an uninterrupted period of at least one year. The special 0.412% capital gains tax rate cannot be offset by any deductions (such as tax losses), nor are such capital gains eligible for tax credits.

Belgian resident companies classified as SMEs are normally not subject to the abovementioned tax on capital gains realized upon the disposal of Shares provided (i) the Conditions for Tax-exempt Dividends Treatment are met and (ii) the Shares have been held with full title for an uninterrupted period of at least one year.

If the minimum one-year holding period is not met (but the Conditions for Tax-exempt Dividends Treatment are), the capital gains realized upon disposal of the Shares by Belgian resident companies (SMEs or not) will be taxable at a separate rate of 25.75%.

Capital losses on Shares incurred by Belgian companies (regardless of whether they are SMEs) are not tax deductible.

8.1.4 Belgian legal entities

Capital gains realized upon the transfer of Shares by legal entities are in principle tax exempt. Capital losses are not tax deductible.

8.1.5 Non-residents

Capital gains realised on Shares by a person not residing in Belgium and which did not acquire the Shares in the context of professional activities carried out in Belgium through a permanent or Belgian establishment are, as a rule, not subject to Belgian income tax (except as set out in Section 8.1.6 (*Uncertain implications of Article 228(3) of the Income Tax Code 1992 for non-residents*)), unless the capital gains (i) are presumed to have been realized outside the scope of the normal management of private assets and (ii) were obtained or collected in Belgium. In this case, the capital gains will be subject to withholding tax at a rate of 30.28% (insofar as Articles 90(1) and 248 of the Income Tax Code 1992 apply). However, Belgium has concluded double tax treaties with more than 95 countries which generally provide for a total exemption from Belgian taxation of capital gains realized by residents of other countries. Capital losses are generally not tax deductible.

Furthermore, the government announced that, as from 1 January 2016, capital gains on shares may be subject to Belgian income tax if the shares are transferred within six months following their acquisition. As of the date of this Prospectus, the conditions for the application and arrangements for such tax have yet be determined by the legislature.

Capital gains are taxable at normal progressive rates, while capital losses are deductible if the capital gains or losses were realized or incurred on the Shares by a non-resident owning them in the context of professional activities carried out in Belgium through a permanent establishment (subject to the exceptions set out in Section 8.1.6 (*Uncertain implications of Article 228 (3) of the 1992 Income Tax Code for non-residents*)).

8.1.6 Uncertain implications of Article 228 (3) of the Income Tax Code 1992 for non-residents

According to a strict interpretation of Article 228 (3) of the Income Tax Code, capital gains realized on the Shares by Belgian non-residents may be subject to tax in Belgium in the form of a payroll withholding tax if the following three cumulative conditions are met: (i) the capital gains would have been taxable if the non-resident were a Belgian resident for tax purposes; (ii) the income is "imputable" to a Belgian resident for tax purposes (including a Belgian establishment of a foreign entity), which in this context means that the capital gain was realized when the Shares were transferred to a Belgian resident (including a Belgian establishment of a foreign entity); and (iii) the capital gains on shares are taxable in Belgium in accordance with a double tax treaty or, if no such treaty applies, the taxpayer fails to submit proof that the capital gains are effectively taxed in its country of residence.

However, it has not been clearly established that the capital gain included in the sales price of an asset can be considered "imputable" to the buyer of the asset, within the meaning of the second requirement set out above. Furthermore, such a tax would imply that the Belgian resident buyer knows (i) the identity of the Belgian non-resident (to verify whether the third condition referred to above is met) and (ii) the amount of the capital gain on shares realized by the Belgian non-resident (which in turn determines the tax to be withheld by the Belgian buyer). Consequently, the application of this tax to transactions in Shares taking place the main market of Euronext Brussels will raise practical difficulties, since buyers and sellers as a general rule do not know each other.

Apart from the uncertainties set out above, the legislative history to the act introducing Article 228(3) of the Income Tax Code 1992 supports the position that the legislature did not intend to extend the scope of Article 228(3) to capital gains included in the sales price of an asset.

On July 23, 2014, formal guidance on the interpretation of article 228, §3 Income Tax Code has been issued by the Belgian tax authorities (published in the Belgian Official Gazette of July 23, 2014). The Belgian tax authorities state therein that article 228, §3 Income Tax Code only covers payments for services, as a result of which no professional withholding tax should apply to capital gains realised by non-residents in the situations described above. It should, however, be noted that a formal guidance issued by the tax authorities does not supersede and cannot amend the law if the latter is found to be sufficiently clear in itself. Accordingly, in case of dispute, it cannot be ruled out that the interpretation of article 228, §3 Income Tax Code made by the tax authorities in their formal guidance is not upheld by the competent courts.

8.1.7 Tax on stock market transactions

A tax on stock market transactions is due on any cash consideration paid for Shares offered further to the Counterbid through a professional intermediary, currently at a rate of 0.27% of the purchase price. This tax is however limited to a maximum of EUR 800 per taxable transaction. The tax is due separately by each party to the transaction, i.e. the seller (transferor) and the purchaser (transferee), and is collected by the professional intermediary.

This tax is not due by (i) professional intermediaries described in Article 2(9) and (10) of the Act of 2 August 2002 on the supervision of the financial sector and financial services; (ii) insurance companies referred to in Article 2(1) of the Act of 9 July 1975 on the supervision of insurance undertakings, acting on their own behalf; (iii) pension institutions referred to in Article 2(1) of the Act of 27 October 2006 on the supervision of pension institutions, acting on their own behalf; (iv) undertakings for collective investment in transferable securities, as defined by the Act of 20 July 2004 on certain forms of collective management of investment portfolios (Part II), acting on their own behalf; and (v) non-residents, acting on their own behalf, provided they submit a certificate to the financial intermediary in Belgium confirming their non-resident status.

In the context of the Counterbid, the tax on stock market transactions with respect to the Shares submitted to the Counterbid shall be borne by Oddo et Cie.

ANNEX 1 - ACCEPTANCE FORM

For the mandatory public takeover bid in cash by the partnership limited by shares Oddo et Cie ("Oddo et Cie") for all shares issued by the limited company BHF Kleinwort Benson Group ("BHF KB") not yet owned by Oddo et Cie and persons affiliated to it.

To be completed and submitted in duplicate to Bank Degroof Petercam and/or to the financial intermediary (for dematerialized shares) no later than 16.00 CET on 10 February 2016 or any later date announced in the event of an extension, or any earlier deadline set by the financial intermediary.

By fax: +32 2 233 91 05
By e-mail: corpect@degroofpetercam.com

I, the undersigned, *(first and last name or corporate name and form)*

.....

Residing at/with its registered office at

.....

.....

.....(full address),

having had the opportunity to read the prospectus appended to this document (the "**Prospectus**"), relating to the mandatory takeover bid in cash by Oddo et Cie (the "**Counterbid**") for all Shares issued by BHF KB not yet held by Oddo et Cie and persons affiliated to it (the "**Shares**"),

(i) irrevocably and unconditionally undertake, subject only to valid withdrawal during the Acceptance Period (as described in Section 7.9.2 (*Withdrawal of the acceptance*)) and/or a higher bid made in accordance with the applicable provisions after the date mentioned on this Acceptance Form (as described in Section 7.12 (Higher bid)), to sell and transfer to Oddo et Cie, in return for the payment indicated in the Prospectus and in accordance with the terms and conditions set out therein, the following Shares under the Counterbid, to which I alone have full title and which I hold free of any pledge, security or other encumbrance (if the Shares are owned by two or more persons, all owners must complete and sign the Acceptance Form; if the Shares are subject to beneficial ownership, both the bare owner and the beneficial owner must complete and sign the Acceptance Form; if the Shares are pledged or have been given as collateral, both the pledgor and the pledgee must complete and sign the Acceptance Form, with the pledgee expressly confirming the irrevocable and unconditional release of the Shares from the pledge; if the Shares are encumbered in any other manner or are subject to any other right, title, claim or interest, all beneficiaries of such right, title, claim or interest must complete and sign the Acceptance Form and irrevocably and unconditionally waive any such right, title, claim, or interest in relation to the Shares),

Number of BHF KB Shares

Form

(in words)

Registered

(in words)

Dematerialized (book-entry)

(ii) hereby authorize.....(Centralizing Receiving Agent or other financial intermediary) to transfer the abovementioned Shares to Oddo et Cie;

(iii) if the abovementioned Shares are in registered form, I hereby request that the transfer be recorded in the shareholders' register of BHF KB and, to that end, I authorize each director of BHF KB (with the power to delegate their authority) to sign the register in my name and on my behalf; and

(iv) if the abovementioned Shares are in dematerialized form, I hereby authorize the Centralizing Receiving Agent to sell the abovementioned Shares to Oddo et Cie on my behalf;

I hereby also represent and warrant that:

(i) I am duly authorised to transfer the abovementioned Shares and all authorizations, formalities or procedures required to that end have been duly and successfully obtained, accepted, completed and/or carried out;

(ii) I have inquired about any restrictions that could exist with respect to the provision of this Prospectus to me and/or the acceptance of the Counterbid by me in any relevant jurisdiction and confirm that I have complied with any such restrictions;

(iii) I am acting either (i) in my own name and on my own behalf or (ii) as the authorized representative of another person, in which case I represent and warrant that I hold a valid power of attorney or discretionary investment mandate for that person;

(iv) I am aware that, in order to be valid, this Acceptance Form, duly completed and signed in duplicate, and any power of attorney or other required documents, must be submitted by me or by my agent or the financial intermediary I have authorized to that end during business hours and in any case before 16.00 CET on 10 February 2016, or any later date announced in the event of extension of the Initial Acceptance Period, to a branch of the Centralizing Receiving Agent;

(v) I am aware of the fact that acceptance of the Counterbid shall not give rise to any costs for the owners of Shares that submit their Shares to the Centralizing Receiving Agent, the potential tax on stock market transaction will be borne by Oddo et Cie, and that I must bear any other costs charged by any other financial intermediaries I use; and

(vi) I have received all information necessary to make an informed decision regarding the Counterbid.

I hereby request that the Price of the Counterbid for the abovementioned Shares be credited to my bank account:

IBAN.....

BIC with bank:

.....on the settlement date indicated in Section 7.11 (*Payment of the consideration*) of the Prospectus.

Unless indicated otherwise, capitalized terms used in this Acceptance Form shall have the meaning ascribed to them in the Prospectus.

Signed in two (2) original counterparts at (place).....
on (date).....

Shareholder's signature
Name:

**ANNEX 2 - CONSOLIDATED FINANCIAL STATEMENTS OF ODDO ET CIE
FOR THE FINANCIAL YEAR WHICH CLOSED ON 31 DECEMBER 2014**

**ANNEX 3 - FINANCIAL STATEMENTS OF ODDO ET CIE
FOR THE FINANCIAL YEAR WHICH CLOSED ON 31 DECEMBER 2014**

**ANNEX 4 - INTERIM CONSOLIDATED FINANCIAL STATEMENTS
OF ODDO ET CIE AS OF 30 JUNE 2015**

**ANNEX 5 - CONSOLIDATED FINANCIAL STATEMENTS OF BHF KB
FOR THE FINANCIAL YEAR WHICH CLOSED ON 31 DECEMBER 2014**

**ANNEX 6 - FINANCIAL STATEMENTS OF BHF KB
FOR THE FINANCIAL YEAR WHICH CLOSED ON 31 DECEMBER 2014**

ANNEX 7 - HALF-YEARLY FINANCIAL STATEMENTS OF BHF KB DATED 30 JUNE 2015