

TER BEKE

limited company that makes a public call on savings
Beke 1
B-9950 Waarschoot

Company number 0421.364.139 (Ghent)
(the 'Company')

**CONVENING NOTICE FOR THE ORDINARY GENERAL MEETING AND
EXTRAORDINARY GENERAL MEETING ON 28 MAY 2014**

The Dutch Version of this convening notice is regarded as the sole official version

The Board of Directors is pleased to invite the shareholders of the Company to attend the ordinary General Meeting and extraordinary General Meeting to be held on Wednesday 28 May 2014 at 11 a.m. and 12 a.m. at the Company's registered office.

The Extraordinary General Meeting will be held in the presence of Mr Frank De Raedt, Notary Public established in Waarschoot, substituting for his colleague Mr Eric Spruyt, Notary Public established in Brussels.

To ensure the smooth registration of shareholders attending, shareholders are kindly requested to report to the Company's head office at least fifteen (15) minutes before the start of the meeting.

I. AGENDA

Agenda of the ordinary General Meeting

The meeting will deliberate and vote on the following agenda:

1. Presentation and discussion of the annual report
The chair will give an explanation of the annual report.
2. Presentation and discussion of the remuneration report
The chair of the Compensation and Nomination Committee will give an explanation of the remuneration report.

PROPOSAL FOR DECISION:

The General Meeting approves the remuneration report.

3. Presentation and discussion of the report from the Statutory Auditor
The Statutory Auditor will give an explanation of the Statutory Auditor's report.
4. Discussion and approval of the statutory annual accounts closed per 31 December 2013 and of the appropriation of profits

PROPOSAL FOR DECISION:

The General Meeting approves the annual accounts closed per 31 December 2013, including the proposed appropriation of profits.

5 Distribution and dividend payment

PROPOSAL FOR DECISION:

The General Meeting agrees to pay a gross dividend of EUR 2.50 per share qualifying for dividend. The dividend will be made payable on 16 June 2014 (listing ex-coupon: 11 June 2014).

6. Discussion of the consolidated annual accounts closed per 31 December 2013
The chair will give an explanation of the consolidated annual accounts.

7. Discharge of the directors

PROPOSAL FOR DECISION:

The General Meeting grants discharge to each of the directors for the performance of their duties during the financial year that ended on 31 December 2013.

8. Discharge of the Statutory Auditor

PROPOSAL FOR DECISION:

The General Meeting grants discharge to the Statutory Auditor for the performance of his duties during the financial year that ended on 31 December 2013.

9. Reappointment of director

PROPOSAL FOR DECISION:

The General Meeting agrees on the reappointment of Mrs. Dominique Coopman, Via Donizetti 14, 20082 Noviglio (Mi), Italy, as director, for a period of four years, commencing immediately after the annual General Meeting of 2014 and expiring immediately after the annual General Meeting of 2018.

10. Reappointment of director

PROPOSAL FOR DECISION:

The General Meeting agrees on the reappointment of NV Holbigenetics, Kere 103, 9950 Waarschoot, permanently represented by Mr. Frank Coopman, as director, for a period of four years, commencing immediately after the annual General Meeting of 2014 and expiring immediately after the annual General Meeting of 2018.

11. Reappointment of director

PROPOSAL FOR DECISION:

The General Meeting agrees on the reappointment of NV Fidigo, Oudeheerweg-Heide 77, 9250 Waasmunster, permanently represented by Mr. Dirk Goeminne, as director, for a period of four years, commencing immediately after the annual General Meeting of 2014 and expiring immediately after the annual General Meeting of 2018.

12. Reappointment of independent director

PROPOSAL FOR DECISION:

The General Meeting agrees on the reappointment of Lemon Comm. V., Zegersdreef 3, 2930 Brasschaat, permanently represented by Mr. Jules Noten, as independent director as understood in articles 524 and 526ter of the Belgian Company Code, for a period of four years, commencing immediately after the annual General Meeting of 2014 and expiring immediately after the annual General Meeting of 2018.

13. Termination of director's mandate

PROPOSAL FOR DECISION:

The mandate of independent director of BVBA Delvaux Transfer, Stationsstraat 79, 1730 Asse, represented by Willy Delvaux, expires at the General Meeting of Shareholders to be held on 28 May 2014. As the mandate of BVBA Delvaux Transfer has already been extended twice, he can no longer act as an independent director. This mandate will therefore not be extended.

14. Appointment of independent director

PROPOSAL FOR DECISION:

The General Meeting agrees on the appointment of BVBA Ann Vereecke, Rijsbrugge 22, 9051 Afsnee, permanently represented by Mrs. Ann Vereecke, as independent director as understood in articles 524 and 526ter of the Belgian Company Code, for a period of four years, commencing immediately after the annual General Meeting of 2014 and expiring immediately after the annual General Meeting of 2018.

15. Remuneration of directors

PROPOSAL FOR DECISION:

The General Meeting agrees to pay the directors a fixed remuneration for the performance of their duties in 2014 for a total amount of EUR 220,000.

Agenda of the Extraordinary General Meeting

The meeting will deliberate and vote on the following agenda:

1. Amendment to the articles of association - amendment to Articles 9, 13 and 31 Pursuant to the Law of 14 December 2005 concerning the abolition of securities made out to bearer.

Proposal for decision:

The Extraordinary General Meeting decides to delete the transitional provisions in Articles 9, 13 and 31 of the company articles of association and to modify Article 31 as follows:

“The entitlement to participate in the general meeting of shareholders and to exercise voting rights, is only granted on the basis of the accounting registration of the shares in the name of the shareholder on the fourteenth day prior to the general meeting concerned, at twenty-four hundred hours, being the registration date, either by their registration in the register of shares in the name of the company, or by their registration on the account of a authorised account holder or settlement institution, regardless of the number of shares that the shareholder holds on the day of the General Meeting.

The shareholder shall inform the company or a person appointed by the board of directors, no later than the sixth day prior to the general meeting of his/her intention to participate in the general meeting, in accordance with the procedure established by the board of directors. In the event a shareholder holds dematerialised shares, he/she shall provide the company or a person appointed by the board of directors, in accordance with the procedure defined by the board of directors, an attest from the authorised account holder or settlement institution, which shows with how many dematerialised shares, which are registered in the name of the shareholder on the registration date, the shareholder wishes to participate in the general meeting.

For each shareholder who has indicated he/she wishes to participate in the general meeting, the name and address or registered office, together with the number of shares the shareholder held on the registration date and with which he/she wishes to participate in the general meeting, as well as a description of the documents that demonstrate that he/she owned the shares on the registration date, shall be recorded in a register appointed by the board of directors.”

2. Renewal of the authorisation of the Board of Directors relating to the authorised capital

1. Inspection of the special report of the Board of Directors in pursuance of articles 604 and 560 of the Belgian Company Code regarding the description of special circumstances under which the Board of Directors shall be able to use the authorised capital and the purposes for which, including the possibility to, in the context of the issue of securities within the authorised capital, to change the respective rights of the existing shares.

2. Renewal of the authorisation regarding authorised capital and authorisation to change the respective rights of the existing categories of shares and securities.

PROPOSED RESOLUTION

The Extraordinary General Meeting resolves to renew the authorisation regarding authorised capital for a period of 3 years, both in pursuance of article 604 and 607, second paragraph, 2° of the Belgian Company Code, and resolves to replace article 47, paragraph 1 and paragraph 8 of the articles of association as follows: *“The Board of Directors has the authority for a period of three years starting from the publication in the Annexes to the Belgian Official Gazette of an Extract of the report of the Extraordinary General Meeting of twenty eight May two thousand and fourteen (date of the Extraordinary General Meeting which effectively adopted the resolution), to increase the issued capital in one or more times with a sum to the amount of the authorised capital on the date of the renewal of this authorisation, or four million nine hundred and two thousand eight hundred euro ninety-six cent (4,902,800.96).”*

“The Board of Directors is explicitly authorised to increase the issued authorised capital of the Company in one or several times, from the date of the notification by the Financial Services and Markets Authority (FSMA) to the Company, by contribution in cash with termination or restriction of the preferential right of subscription of the existing shareholders or by contribution in kind in accordance with the provisions regarding this matter. This authority is awarded for a period of three years starting from the publication of an Extract of the report of the Extraordinary General Meeting of twenty eight May two thousand and fourteen (date of the Extraordinary General Meeting which effectively adopted the resolution) in the Annexes to the Belgian Official Gazette and can be renewed and is assigned within the conditions of article 607 of the Belgian Company Code.”

3. Authorisation to buy back shares in its own capital

(a) Renewal of the authorisation to buy back and divest shares in its own capital, profit-sharing certificates or certificates relating to it to avert an imminent serious disadvantage for the Company.

PROPOSED RESOLUTION

The Extraordinary General Meeting resolves to renew the authorisation to buy back shares in its own capital, profit-sharing certificates or certificates relating to it to avert an imminent serious disadvantage for the Company for a period of 3 years and resolves to substitute the first paragraph of article 48 of the articles of association as follows:

“The Board of Directors is explicitly authorised , in accordance with the provisions of the Belgian Company Code, to buy back, pledge or divest shares in its own capital, profit-sharing certificates or certificates relating to it if the buy-back, divestment or pledging is necessary to avert an imminent serious disadvantage for the Company. This authorisation applies for a period of three years from the publication of an Extract of the report of the Extraordinary General Meeting of twenty eight May two thousand and fourteen (date of the Extraordinary General Meeting which effectively adopted the resolution) in the Annexes to the Belgian Official Gazette. This authorisation also applies for the purchase, exchange or pledging of shares, profit-sharing certificates of the Company or certificates relating to it, by a directly controlled subsidiary within the meaning of article 627 of the Belgian Company Code. The

Board of Directors is authorised to cancel the thus obtained shares by the Company, to have the cancellation recorded by notarised deed and to amend and co-ordinate the articles of association to bring them in line with the thus reached resolutions. "

(b) Renewal of the authorisation to buy back shares in its own capital, profit-sharing certificates or certificates relating to it.

PROPOSED RESOLUTION

The Extraordinary General Meeting resolves to renew the authorisation to buy back shares in its own capital, profit-sharing certificates or certificates relating to it for a period of 3 years and resolves to substitute the transitional provision of the articles of association as follows:

"Authorisation to the Board of Directors, for a period of three years, to purchase, exchange or pledge the maximum number of shares, profit-sharing certificates of the Company or certificates relating to it in accordance with legal provisions.

The Extraordinary General Meeting explicitly authorises the Board of Directors to purchase, exchange or pledge the maximum number of shares, profit-sharing certificates of the Company or certificates relating to it in accordance with legal provisions, at a price to the amount of minimum the price at which these shares or profit-sharing certificates of the Company or certificates relating to it, are listed on a Belgian stock exchange at the time of the purchase, exchange or pledge minus ten percent (10%) and maximum the price at which these shares, profit-sharing certificates of the Company or certificates relating to it, are listed on a Belgian stock exchange at the time of this purchase, exchange or pledge, plus ten percent (10%). This authorisation applies for a period of three years starting from the date of the Extraordinary General Meeting of twenty eight May two thousand and fourteen. This authorisation also applies for the purchase, exchange or pledging of shares, profit-sharing certificates of the Company or certificates relating to it, by a directly controlled subsidiary within the meaning of article 627 of the Belgian Company Code. The Board of Directors is authorised to cancel the thus obtained shares by the Company, to have the cancellation recorded by notarised deed and to amend and co-ordinate the articles of association to bring them in line with the thus reached resolutions. "

Authorisation to the Board of Directors to divest shares of the Company listed on the first market of a stock exchange or on the official listing of a stock exchange located in a member state of the European Union without prior consent of the Annual General Meeting.

The Extraordinary General Meeting explicitly authorises the Board of Directors to divest shares of the Company listed on the first market of a stock exchange or on the official listing of a stock exchange located in a member state of the European Union without prior consent of the Annual General Meeting."

II. CONDITIONS OF ACCESS

Pursuant to Article 536 §2 of the Companies Code and Article 31 of the Articles of Association of the Company, a shareholder will only be admitted to the General Meeting of shareholders and may exercise his/her voting rights if (1) the number of shares with which he/she wishes to participate in the General Meeting are properly registered in his/her name on Wednesday 14 May 2014 (midnight Belgian time) (hereafter referred to as: Registration Date) in accordance with the following registration procedure and if (2) the shareholder has confirmed to the Company that he/she wishes to participate in the General Meeting no later than Thursday, 22 May 2014 (midnight Belgian time) in accordance with the following notification procedure.

A. REGISTRATION PROCEDURE

The registration procedure is as follows:

For the holder of shares registered by name

The holder of shares registered by name must be registered on the Registration Date in the share register of the Company with the number of shares for which he/she wishes to be registered on the Registration Date and with which he/she wishes to participate in the General Meeting.

For the holder of dematerialised shares

The holder of dematerialised shares must inform the authorised financial institution or depository institution on whose accounts the shares are registered with how many he/she wishes to register on the Registration Date and with which he/she wishes to participate in the General Meeting, and this no later than the Registration Date before closing time of the authorised financial institution or depository institution. The ownership of the shares on the Registration Date will be determined on the basis of the confirmation of deposit that will be drawn up by the authorised financial intermediary or depository institution concerned and presented by the shareholder to the NV Ter Beke in accordance with the following notification procedure.

Only those persons who hold shares on the Registration date are entitled to attend and vote at the general meeting of shareholders.

B. NOTIFICATION PROCEDURE:

In addition to the registration process set out above, the shareholder must inform the Company in writing no later than midnight on Thursday 22 May 2014 that he/she wishes to participate in the General Meeting. The holder of dematerialised shares shall hand over the confirmation of registration from the financial intermediary mentioned above, or from the authorised financial intermediary or depository institution, together with his/her notification of participation to the Company.

The above-mentioned notification of participation in the General Meeting and, where necessary, the deposit of the above-mentioned confirmation of registration may only be validly deposited with the Company in the following manner:

- by letter, addressed to NV Ter Beke, attn. Hilde Coopman, Beke 1, B-9950 Waarschoot; this letter must arrive at the address given no later than midnight on 22 May 2014; or
- per fax, on fax number +32 9 370 15 09; this fax must have arrived at the fax number given no later than midnight on 22 May 2014; or
- per e-mail:, sent to the e-mail address hilde.coopman@terbeke.be ; this e-mail must arrive at the e-mail address given no later than midnight on 22 May 2014.

III. VOTING BY PROXY

Pursuant to the Companies Code and Article 32 of the Articles of Association of the Company a shareholder may elect to be represented at the General Meeting by a proxy. When appointing a proxy, the shareholder must use the proxy form issued by the Company. The appointment of a proxy must be in writing and must be signed by the shareholder in accordance with the applicable legal requirements. Proxy forms can be obtained from the Company head office or from the Company website (www.terbeke.be). A copy of the signed proxy form must arrive at the Company no later than midnight on Thursday 22 May 2014 per letter, per fax or per e-mail at the same address as stated above in the notification procedure.

You must give the original of the signed proxy form to your proxy who, no later than the day of the General Meeting, will submit this form to the Company representatives in order to be admitted to the meeting.

The natural persons who as shareholder, proxy or representative of a legal entity participate in the meeting must be able to identify themselves in order to be admitted to the meeting. The representatives of legal entities must be able to prove their identity as corporate representative or as special proxy.

IV. ENTITLEMENT TO SUBMIT AGENDA ITEMS AND DECISIONS TO VOTE ON – ENTITLEMENT TO SUBMIT QUESTIONS

Pursuant to Article 533 of the Companies Code and Article 30 of the Articles of Association of the Company shareholders who alone or together hold at least 3% of the share capital of the Company are entitled to 1) submit new items to be placed on the agenda of the General Meeting, and 2) to submit decisions to vote on regarding existing or new items on the agenda.

The proposals for inclusion in the agenda and proposals for decisions to be voted on must be submitted to the Company no later than midnight on Tuesday 6 May 2014 (Belgian time) and may be sent to the Company per letter, fax or e-mail at the same address as stated above in the notification procedure. If valid proposals for inclusion in the agenda and/or valid proposals for decisions to be voted on are submitted within the period mentioned above, the Company will publish a new agenda no later than Tuesday 13 May 2014.

Furthermore, pursuant to Article 540 of the Companies Code, all shareholders are entitled to submit questions in writing to the directors and Statutory Auditor as well as to ask questions orally during the General Meeting. Written questions must be submitted in advance and will only be answered if the person asking the question has complied with the registration and notification procedure as stated above.

The written questions to the administrators and/or Statutory Auditor must reach the Company no later than midnight on Thursday 22 May 2014 (Belgian time) and may be sent to the Company per letter, fax or e-mail at the same addresses as stated in the notification procedure above.

F. AVAILABILITY OF DOCUMENTS

All documents relating to this General Meeting and that pursuant to statutory requirements must be made available to the shareholders, may be consulted from Friday 25 April 2014 at the Company website (www.terbeke.be)

Likewise from that date shareholders can peruse these documents and/or request a copy, free of charge, from the Company offices at Beke 1, B-9950 Waarschoot, during normal office hours. Free complementary copies of the documents may also be requested in writing, per letter, fax or e-mail at the addresses stated in the notification procedure above.

The Board of Directors