

TER BEKE

Limited liability company which makes or has made a call on public savings
Beke 1
9950 Waarschoot

Enterprise Number 0421.364.139 (Ghent)
(the 'Company')

**CONVOCATION FOR THE EXTRAORDINARY
GENERAL MEETING OF DECEMBER 14, 2011**

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

The Board of Directors is pleased to invite the shareholders of the Company to the Extraordinary General Meeting which will be held on Wednesday, 14 December 2011, at 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.

Agenda of the Extraordinary General Meeting

The meeting will deliberate and vote on the following agenda:

1. Amendment of articles 29, 30, 31, 32, 34, 35, 36 and 38 of the articles of association in order to bring them in line with the Act of 20 December 2010 relating to the exercise of certain rights of shareholders of listed companies, published in the Belgian Official Gazette of 18 April 2011. These amendments shall only come into effect from 1 January 2012 and are as follows :

PROPOSED RESOLUTION:

- a. *Removal of the second paragraph in article 29 of the articles of association*
- b. *Substitution of article 30 of the articles of association by the following text:*

The Board of Directors or the auditors shall convene the Annual General Meeting. They must to convene the meeting every time the shareholders representing one fifth of the issued capital request it. In this case the shareholders must indicate the subject of the agenda in their request.

The convocation notices shall at least contain the specifications prescribed by article 533bis of the Belgian Company Code. The convocation notices are in the form and within the terms specified by articles 533 and following of the Belgian Company Code.

The agenda of the annual meeting shall specify (among others): the discussion of the annual report and the auditors' report; the discussion and approval of the annual accounts; the discharge from liability of the directors and auditors, and where applicable, the election of directors and auditors.

As long as the shares of the Company are traded on a market as meant in article 4 of the Belgian Company Code, one or more shareholders owning together at least 3% of the capital, have the right to propose items on the agenda or propose resolutions in accordance with the applicable provisions of the Belgian Company Code. The conditions to be met and the procedure to be followed are specified in the Belgian Company Code.

- c. *Substitution of article 31 of the articles of association by the following text:*

The right to participate in an Annual General Meeting and to exercise voting rights at such meeting will be granted only on the basis of the accounting registration of the registered shares of the shareholder, on the fourteenth day prior to the Annual General Meeting in question, being the date of registration, either by means of their registration in the register of registered securities of the company, or by means of their registration on the accounts of an authorised custody account keeper or settlement establishment, or by submission of the bearer securities to a financial intermediary, regardless of the number of shares held by the shareholder on the day of the Annual General Meeting.

At the latest on the sixth day preceding the date of the Annual General Meeting, the shareholder notifies the Company or the person designated by the Board of Directors of its intention to attend the Annual General Meeting in accordance with the procedure laid down by the Board of Directors. The shareholder provides the Company or the person designated by the Board of Directors, in case it has bearer securities or dematerialised shares, in accordance with the procedure laid down by the Board of Directors, a certificate of the financial intermediary or the authorised custody account keeper or settlement establishment, proving the number of bearer securities or dematerialised shares that are submitted or recorded respectively in the name of the shareholder on its accounts on the date of registration and for which the shareholder has declared its will to participate in the Annual General Meeting.

The Board of Directors will keep a register for each shareholder that has notified the Company of its wish to participate in the Annual General Meeting, which sets out its name and address or registered office, the number of shares held by the shareholder on the date of registration and for which it has declared its will to participate in the Annual General Meeting, as well as a description of the documents proving that the shareholder held the shares on the date of registration.

- d. *Substitution of article 32 of the articles of association by the following text:*

Every shareholder may be represented at the Annual General Meeting by a third party, a proxy holder in accordance with the applicable provisions of the Belgian Company Code. In the convocation notice, the Board of Directors specifies the procedure to vote by proxy within the limits specified by the Belgian Company Code and draws up a form that can be used to give a proxy. The Company must receive the proxy on the sixth day before the date of the Annual General Meeting at the latest in accordance with the procedure laid down by the Board of Directors. Only proxies of shareholders that meet the admission formalities as set forth in article 31 of these articles of association shall be taken into account.

- e. *Substitution of article 34 of the articles of association by the following text:*

During the meeting, the Board of Directors has the right to adjourn the resolution of the ordinary Annual General Meeting on the approval of the annual accounts with five weeks. This adjournment annuls any reached resolution.

- f. *Substitution of the second sentence of article 35 of the articles of association by the following text:*

Warrant and/or bond holders may attend the Annual General Meeting, but only with an advisory vote, subject to observance of the aforementioned admission requirements as provided for shareholders, which must then be applied mutatis mutandis.

- g. *Substitution of article 36 of the articles of association by the following text:*

Before the meeting is opened, the shareholder or its proxy holder signs an attendance list with the names of the shareholders and the number of shares with which they participate in the meeting.

The Annual General Meeting cannot deliberate on items that are not on the agenda.

The directors answer the questions put to them by shareholders during the meeting or beforehand in writing concerning their report or the items on the agenda, provided the communication of information or facts is not likely to be detrimental to the commercial interests of the Company or the confidentiality by which the Company or its directors are bound.

The auditors answer questions put to them by shareholders during the meeting or beforehand in writing concerning their report, provided the communication of information or facts is not likely to be detrimental to the commercial interests of the Company or the confidentiality by which the Company or its directors are bound.

If various questions relate to the same subject, the directors and auditors may give a single answer.

Unless legislation stipulates otherwise, resolutions are validly adopted by a simple majority vote, irrespective of the number of shares represented at the meeting.

If, during the election of a director or an auditor, no candidate achieves an absolute majority of the cast votes, a second ballot will take place between the two candidates having received most of the votes. If there is a tie in the second ballot, the elder candidate is elected.

Votes are by show of hands or roll call, unless the Annual General Meeting resolves otherwise with a simple majority of the votes.

- h. *Substitution of article 38 of the articles of association by the following text:*

The minutes of the Annual General Meeting are signed by the members of the bureau and the shareholders who so request and contain at least the information stipulated in article 546 of the Belgian Company Code. They are made public on the Company's website within 15 days after the Annual General Meeting.

Unless legal provisions stipulate otherwise, the copies to be submitted legally or otherwise are signed by the chairman of the Board of Directors or by two directors.

2. Amendment of articles 21 and 40 of the articles of association in order to bring them in line with the Act of 6 April 2010 to reinforce corporate governance in listed companies and autonomous public enterprises and to change the rules relating to the prohibition to exercise a profession in the banking and financial sector, published in the Belgian Official Gazette of 23 April 2010, and more specifically as follows :

PROPOSED RESOLUTION:

- a. *Substitution of the title of article 21 into “Advisory committees”*
- b. *Insertion of a new paragraph in article 21 of the articles of association that reads as follows: “The Board of Directors is obliged to choose a remuneration committee from among its members. The remuneration committee has at least the powers as listed in article 526quater, §5 of the Belgian Company Code. The remuneration committee shall regularly report to the Board of Directors regarding the exercise of its tasks.
The remuneration committee is composed of at least three directors. All members of the remuneration committee must be non-executive directors and the majority of the members of the remuneration committee need to be independent within the meaning of the Belgian Company Code. The remuneration committee has the necessary expertise in the field of remuneration policy.
The members of the remuneration committee are appointed by the Board of Directors.
The term of their mandate may not exceed six years. They are eligible for reappointment.”*
- c. *Insertion of a new paragraph in article 40 in fine of the articles of association, that reads as follows:
“The Annual General Meeting, by special vote, also decides on the remuneration report”.*

3. Update of article 17 of the articles of association

PROPOSED RESOLUTION:

Substitution of the second paragraph of article 17 of the articles of association by the following text:

“The convocation notices specify the date, time and agenda of the meeting and are sent at least eight full days before the meeting by letter, fax, e-mail or any other written medium.”

4. Update of article 18 of the articles of association

PROPOSED RESOLUTION:

Substitution of the first sentence in the second paragraph of article 18 of the articles of association by the following text:

“Every director can give proxies by letter, fax, e-mail or any other written medium to another board member to represent him at a specific meeting of the Board of Directors.”

5. Amendment of article 27 of the articles of association

PROPOSED RESOLUTION:

Substitution of the last paragraph of article 27 of the articles of association by the following text:

“Within the context of the day-to-day management or the powers of the management committee, the Company is also validly represented by the authorised representative for this day-to-day management or a member of the management committee respectively. The Company is also, within the context of their mandate -as awarded by the Board of Directors in accordance with article twenty of these articles of association - validly represented by special authorised agents.”

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

- (a) 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.
- (b) 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 fourteen December two thousand and eleven (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 fourteen December two thousand and eleven (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.”

7. 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 fourteen December two thousand and eleven (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 fourteen December two thousand and eleven. 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."

8. Authorisation to co-ordinate the articles of association

PROPOSED RESOLUTION:

The Extraordinary General Meeting grants the executing notary, with right of substitution:

- all powers to co-ordinate and sign the text of the articles of association of the Company, (1) on the date of the current Annual General Meeting, in order to bring them in line with the resolutions following the proposed resolutions under numbers 2 to 7 and (2) on 1 January 2012 in order to bring them in line with these resolutions and the resolutions adopted following the proposed resolutions under 1.

- all powers to deposit these amendments with the court registry of the competent court of commerce, in accordance with legal provisions.

9. Appointment of an independent director

PROPOSED RESOLUTION:

The Annual General Meeting resolves to appoint BVBA Guido Vanherpe, Reinaertdreef 10, 9830 Sint Martens Latem, permanently represented by Mr Guido Vanherpe, as independent director as understood in articles 524 and 526ter of the Belgian Company Code, for a period of three years, which commences after the close of the Extraordinary General Meeting of 14 December 2011 and which ends at the close of the Annual General Meeting of 2015.

Guido Vanherpe is 48 years old. He studied Applied Economic Sciences and obtained a DESS in Applied Marketing from Aix-Marseille University and an MBA from Indiana University in Bloomington (US). He started his career as assistant brand manager at Procter & Gamble. In 1989, he became Sales & Marketing director of the chilled food division of Unilever, a large part of which was taken over by Ter Beke in 1996. In 1993, he became Marketing & Sales manager at La Lorraine Bakery Group, an industrial bakery Group of which he became the CEO in 1995. He is also CEO and member of the board at Vanobake Baking & Milling Group, the family owned shareholder of, amongst others, La Lorraine Bakery Group, and he is an independent member of the board of directors of Resilux SA. His proven entrepreneurship, combined with his international experience in the fresh food business, ensures a perfect fit with the new director profile that was prepared by the board of directors.

10. Powers to perform all formalities

PROPOSED RESOLUTION:

The Extraordinary General Meeting grants a special power of attorney to Mrs Hilde Coopman, electing domicile at the registered office, with the right of substitution, to perform all formalities with the Crossroads Bank for Enterprises and the VAT Administration.

The reports announced in the agenda are available for inspection by the shareholders from 28 November 2011 at the company's registered office.

In order to be able to participate in or have oneself represented at the Extraordinary General Meeting, the shareholders and the owners of convertible bonds or warrants are requested under articles 31 and 32 of the articles of association, either to register in the register of registered securities of the company, or to deposit their bearer securities at least six (6) working days before the general meeting at one of the following institutions: BNP Paribas Fortis, KBC, ING, Bank Degroof and Petercam.

The owners of shares booked on a securities account must, at least six (6) working days before the Extraordinary General Meeting, deposit a certificate drawn up either by the recognised account holder or by a settlement establishment verifying the unavailability of these shares until the time of the Annual General Meeting. This certificate must be deposited at one of the following institutions: BNP Paribas Fortis, KBC, ING, Bank Degroof and Petercam.

The holders of warrants may attend the Extraordinary General meeting, but only with an advisory vote.

The shareholders can have themselves represented at the Extraordinary General Meeting by an authorised representative, by written proxy in accordance with the standard model that is available at the company's registered office. This proxy must also be deposited at least six (6) working days before the date of the Annual General Meeting at one of the following institutions: BNP Paribas Fortis, KBC, ING, Bank Degroof and Petercam.

The Board of directors