



Awards for Best Financial Information

2011

Speech HB

13 October 2011

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Ladies and Gentlemen,

(Slide 1 Welcome, logo ABAF-BVFA)

We are honoured to welcome you here. This is the evening for the Belgian Association of Financial Analysts, de Belgische Vereniging van Financiële Analisten, l'Association Belge des Analystes Financiers. Last year we celebrated the 50th Award for the Best Financial Information as well as the nominations for Best Annual Report, Best Press Releases, Best Website and Best Investor Relations. This year we have worked again in close relation with BIRA, the Belgian Investor Relation Association and its President Frank Vandendorre. And for those who were present at last year's event, we have listened very carefully to the different recommendations given to our Association by Bira, by local and international analysts, by top bankers and by the international community. Therefore we also warmly welcome the SFAF and VBA representatives. And I would like to welcome Philippe Haspeslagh, dean of the Vlerick Leuven Ghent Management School, several senior partners of PwC and the management of Febelfin Academy, parties that we work closely together with and will be doing even more so in the future.

(Slide 2 : logo sponsors)

As we did last year we managed to find adequate sponsors for this event. Therefore I wish to thank The Crew for a marvellous support in design, concept and coordination (look at our new logo and the invitation, ladies and gentlemen), BNP Paribas Fortis as our main infrastructure sponsor, VWD Group with whom we are also closely working together on our new website, Umicore that is funding a large part of this evening, Nyse Euronext who has been a structural

sponsor for years and last but not least Price Waterhouse Coopers for we are jointly looking to the future for financial analysis and corporate reporting.

Last year, at the 50th award, we have made 4 promises in order to secure our analysts position for the coming 50 years. What did we do in the mean time?

(Slide 3 : Promise nr 1 : “We are not alone on this planet”)

Promise nr 1: “We are not alone on this planet”. We have invited several people from the international community of financial analysts to support us in the preparation of this Award. We intend to do so even more in the coming years. Analysts covering our main industries do not operate from Brussels alone. An increasing number of analysts operate from Paris or Amsterdam. A lot of Belgian quoted companies are no longer quoted in Brussels alone either. Financial analysis has become truly international. As ABAF-BVFA is member of EFFAS (slide 4: EFFAS logo and website), the European Federation of Financial Analyst Societies (www.effas.net) created in 1962 and ACIIA, the Association for International Investment Analysts (www.aciia.org), we are proud to say that over 15 non-Belgian analysts have helped us in analysing several quoted companies this year.

(slide 5: Promise 2: “Companies, large and small, enhancing transparency”)

Promise nr 2: Companies, large and small, have asked us to provide them with ways to enhance the transparency of information in the current difficult times. Though we are not a consulting company, and will not become one. There is a lot we can do by being an intermediary between FSMA or NBB and our quoted companies or at EFRAG, ECMI, ESMA, Commissie voor Boekhoudkundige Normen – Commission des normes comptables, roles that we are actively filling in, both at a Belgian and at a European level. Other companies such as The Crew or PwC are doing a pretty good job in consulting. But, we have decided to automate our Award grading analysis. We did not forget the human input that is

so important for the investor. Reference is made to the important study we held last year on this. Thanks to our business partner Callebaut and Co, we just made life easier for every analyst that is contributing to our Awards. Through an intranet application, analysts have quantitative company information as an automatic upload when they start their analysis. They fill in the question grids at their convenience using an automated web based tool. Quantitative rankings are made automatically. This saves lots of time and allows us to do 2 new things in the future

- 1) First, we are able to perform a horizontal analysis. Instead of having an analyst checking all questions on 1 company, we can in addition form groups of analysts that will check one criterion on all companies
- 2) And secondly, we will be able to analyse the evolution of every criterion using the database we are creating year over year.
- 3) The application provides us with a detailed report on every item of the Awards and for every company separately.

Luc Van der Elst and dr Sarah Steenhaut have done a wonderful job here and Luc will provide you with more detail during the Awards ceremony.

(slide 6 : “Our new training programme” + logo Vlerick)

Promise nr 3: ABAF-BVFA should adapt its training to more international levels and join forces with top players in the professional and training environment. We are proud to announce that ABAF-BVFA and Vlerick Leuven Gent Management School have joined forces on training and qualification for our long term training program. For short term training programs we are already collaborating with Febelfin Academy and will, from next year onwards collaborate with other business schools. We have merged our long term programme with the new Part-time Masters in Finance Programme of Vlerick Leuven Gent Management School which will be offered in Brussels at the Manhattan Center starting January 2012. This collaboration will bring to the

financial services community a unique resource for talent development and retention, financial skill building and professional certification.

Up till now, our qualification programmes prepared young professionals for the international accredited Certified International Investment Analyst exams (from ACIIA) and for the Chartered Financial Analyst exams (from CFA Institute) and are designed for professionals working in Investment Banking (Equity and Fixed Income Research, Trading and Sales, Corporate Finance and Structured Finance, Going Public, Mergers & Acquisitions, Project Finance, Private Equity); Asset Management (including Risk Management, Performance Measurement and Analysis, Private Banking); Investment and Management Consultancy; Accounting and Auditing and Capital Markets Communication/ Investor Relations, Finance and Accounting. But now we go one step further.

Vlerick Leuven Gent Management School is the only triple accredited (Equis, AMBA and AACSB) and Financial Times ranked business school in Belgium. Its fulltime Masters of Finance programme, based in Gent, has been preparing students for an international career in Finance since 1984.

We are now combining this academic excellence with a professional designation that is accredited by the FSA in London in a world class Centre for Financial Services in Brussels. The first part of the new campus has become operational last week in the Manhattan Tower. Philippe Haspeslagh quotes: “The fact that the campus is situated between the Dexia and the Euroclear buildings is not a coincidence. The sector needs now, more than ever, to retain and develop its talents to deal with the changing regulations and environment. Vlerick will not focus on quantitative finance and structured products, but on the operational, strategic and people issues facing the financial organisations today.

Show on slide 6 : “The CIIA diploma promoted by EFFAS and ABAF has an awarding body status in the United Kingdom and is recognised by FSSC (Financial Services Skills Council) as a Key 2 qualification (Fact sheet CIIA UK Recognition). “

This Vlerick Masters degree has been accepted and accredited by EFFAS and ACIIA. As such this 18 month programme brings our existing programme to a higher degree combining its professional international certificate with a full Masters academic title. Classes will start early January 2012 and will continue up to June 2012. After finishing their June exams, students will be invited to sit the prestigious EFFAS Summer School in the Ciudad de Santander next to Madrid. Classes will restart in September 2012 and continue up to June 2013. After succeeding they will obtain their academic Vlerick Masters degree in Finance and the CEFA degree. They will be invited promptly to sit the final CIIA exam and as such obtain the CIIA final designation and the UK FSA accreditation. So, ladies and gentlemen, every company looking for a top tier training programme in finance should send us its hipos. I am most happy to take the 200 first candidates in during the reception later on this evening.

The Belgian Association will of course continue to fulfil its core tasks of improving quality, adequacy and correctness of financial information provided to investors and will further collaborate with Febelfin Academy, Nyse Euronext, Vlerick, Solvay Management School and FSMA/NBB to do so. ABAF-BVFA will continue to framework and guard the ethical behaviour of its members.

(slide 7 : “The Awards for Best Financial Information have become so much more than a reward for excellent financial analysis.”)

Promise nr 4: The Awards for Best Financial Information have become so much more than a reward for excellent financial analysis. There is so much more than financial analysis. We could even ask ourselves whether there is life after

financial analysis? Well of course there is. That's because there simply is more to financial analysis than... financial analysis. At least the way we look at it. There's looking at the bigger picture, strategy, outlooks, perspectives. There's looking at numbers, even when they're nonfinancial but environmental, social and so much more. Therefore we dedicate the speeches of this evening to corporate reporting and non financial reporting. Therefore we have joined forces with Price Waterhouse Coopers and The Crew Communication to elaborate further on these important topics and the future for the next 50 year of our financial analysts. Both these companies have recently seen a request for deeper and broader integrated reporting from many players.

So, tonight and for the 51st time, the Belgian Association of Financial Analysts is granting its annual Awards for Best Financial Information. These awards aim to reward the Belgian listed companies that stand out in terms of communication policy, transparency and investor relations.

Over the past few months, 68 financial analysts have analyzed how the Belgian listed companies communicate with the financial markets and how they make financial information available to the investors' community. It has to be stressed that the Award still gets tremendous support from the vast majority of the Belgian, French and Dutch analysts and from the stock quoted companies. Their help is a key feature of the Awards and the Belgian Association of Financial Analysts would sincerely like to thank all that have participated in the process this year.

Last year the following companies were honoured for their remarkable efforts and results. We nominated Umicore as overall winner for 2010, CNP/NPM for

its Best Annual Report, Belgacom for Best Press Releases, Umicore for Best Investor Relations and Solvay for Best Website.

Over the past months, 55 companies were screened and ranked. We imposed again that every participating company is being analyzed by at least 3 analysts. This year we have obtained an average of 3.91 analysts per company. Therefore we would like to thank all equity houses that participated in the process.

Good financial communication remains a necessity and we are particularly pleased with the progress that a number of small- and midcaps keep making. For these smaller companies in particular, financial communication remains the challenge in order to attract the attention of national and international, small and larger investors.”

Last year we launched a nationwide study analyzing and assessing what the private investor thinks about the current analyst role in our financial centres. We checked as well how the analyst evaluates himself and what he thinks about this strife for transparency. Finally we crosschecked our findings with the investor relation community, the natural counterparty of the analyst. We also analyzed the role of the investor relation officer within this process and how it has evolved over recent times.

And we were happy for the financial analyst is still useful! And yes, he provides us with sufficient information and we prefer him to be in Brussels, where he understands the local context better.

This year we internationalized the analyst base for our Awards, and the results have been intriguing. But Luc Van der Elst, my vice president will tell you all about this later on this evening.

(slide 8 : “program of the evening.”)

The program for this evening is as follows:

- a) Mr Grynberg, CEO from Umicore, winner of last year's award, was prepared to help and support us, as the tradition has lived on for years now. He will give you his views on this Award.
- b) Robert Peirce, senior audit partner of PwC, will explain why Corporate reporting is a perspective from the future.
- c) Zoe Knight, Director, Climate Change strategy at HSBC Bank plc in London will introduce you to the marvelous world of Non-financial reporting for financial analysts. Both speeches will address the issue of non financial reporting from 2 different perspectives.
- d) After that, Douglas Geddes The Crew Research's Director will do what he likes best: ask questions & ensure we get answers; this will be your opportunity to raise questions;
- e) Luc Van der Elst will guide you through the complete Awards process and Ceremony.
- f) And, you will then be invited to our Walking Dinner.

I now gladly give the floor to Mr Grynberg, CEO of last year's winner Umicore
Mr Grynberg, the floor is yours.

Thank you,

(slide 9 : "logo Umicore.")