Interim financial report 30/06/2017

under IFRS

29/09/2017 – 08:05

Obligation regarding periodical information as a consequence of the European transparency regulations.
Statement regarding the information given in this interim financial report over the period of 6 months ending on 30 June 2017.

The Board of Directors declares that to their knowledge

- The interim consolidated financial report for the period of 6 months, ending on 30 June 2017, gives a true and fair view of the financial position, the financial results and cash flow of Campine nv, including its consolidated subsidiary (hereinafter: "the Group").
- The interim financial report for the 6 months, ending on 30 June 2017, gives a true and fair view of the legal and regulatory required information and corresponds with the condensed interim consolidated financial statements.

Condensed consolidated income statement

'000 €	Notes	30/06/2017	30/06/2016
Revenue		116.538	85.864
Other operating income	4	1.758	522
Raw materials and consumables used		- 95.573	- 71.818
Employee benefits expense		- 6.599	- 6.039
Depreciation and amortisation expense		- 1.259	- 1.304
Changes in restoration provision		- 350	-
Other operating expenses	4	- 5.768	- 5.237
Operating result		8.747	1.988
Investment revenues		-	-
Hedging results	11	- 690	317
- Closed hedges		*- 14*	*573*
- Change in open position		*- 676*	*- 256*
Finance costs		- 350	- 222
Result before tax		7.707	2.083
Income tax expense	5	- 2.727	- 731
Result for the period		4.980	1.352
Result for the period		**4.980**	**1.352**
Attributable to:			
Equity holders of the parent		4.980	1.352
Non-controlling interest		-	-
		4.980	1.352
RESULT PER SHARE (in €)		3,32	0,90
Basic		3,32	0,90
Diluted		3,32	0,90

- During the first semester 2017 the Campine Group achieved a revenue of 116,538 K€. This increase was related to by the higher lead and antimony prices (2016: 85,864 K€).

- The operational result reached 8,747 K€, compared to 1,988 K€ in 2016 (+ 340 %).

- The total result of the lead hedging amounted to a loss of - 690 K€ (2016: + 317 K€). The remaining part of the net financial result amounted to a loss of - 350 K€ compared to a loss of - 222 K€ in 2016.

- Profit after taxes amounted to 4,980 K€, compared with a profit of 1,352 K€ in 2016 (+ 268 %).

Performances per business unit:

- **Lead:** Turnover increased to 73,305 K€ (53,097 K€ in 2016) (+ 38 %). Our volume increased to 31,585 mT (30,141 mT in 2016) (+ 4.8 %).
  The LME lead prices, which are the basis of our sales prices, were significantly higher in the first semester 2017 than in 2016. (Average 2017: 2,053 €/mT – average 2016: 1,693 €/mT).

- **Antimony:** Although the sales volume showed a limited increase to 6,163 mT (5,843 mT in 2016) (+ 5.5 %), turnover increased significantly to 35,826 K€ (25,277 K€ in 2016) (+ 42 %). This is due to the fact that the metal price of the first quarter 2017 was considerably higher than the one of the year before.
  Metal Bulletin prices fluctuated around 7,550 €/mT in the first quarter (2016: 4,850 €/mT). The average for the second quarter was 8,100 €/mT (2016: 6,000 €/mT).

- **Plastics:** Turnover rose to 13,989 K€ (12,111 K€ in 2016) (+ 15 %), while the volume increased considerably to 3,423 mT (3,080 mT in 2016) (+ 11,1 %).

Perspectives full year 2017

In the first six months, customer demand was in line with budget.

Volumes in the second semester are always lower compared to the first semester, but we expect to be able to retain our margins at the current level. This should generate a positive result in the second semester.

Risks and uncertainties

Campine, together with all other companies, is confronted with a number of uncertainties as a consequence of worldwide developments. The management aims to tackle these in a constructive way.

Campine pays particular attention to the company risks related and inherent to the sector:

- Fluctuations of the prices of raw materials and metal. Prices fluctuate as a result of a changing supply and/or demand of raw materials and end products, but also because of pure speculation.
- Fluctuations in availability and cost of the energy.
- Changes in regulations (Flemish, Belgian, European and global) in the field of environment and safety/health including legislation related to sale (REACH) and storage (SEVESO) of chemical products.
- Market risks include: interest risk, foreign exchange rate, price risk and credit risk.

Condensed consolidated overview of the total result for the period

'000 €	Notes	30/06/2017	30/06/2016
Result for the period		4.980	1.352
Other comprehensive income			
Comprehensive income to be reclassified to the profit or loss statement in the future		-	-
Comprehensive income not to be reclassified to the profit or loss statement in the future (*)		-	-
(*) actuarial results of retirement benefit obligations			
Total result for the period		**4.980**	**1.352**
Attributable to:			
Equity holders of the parent		4.980	1.352
Non-controlling interest		-	-

Condensed consolidated balance sheet

'000 €	Notes	30/06/2017	31/12/2016
ASSETS			
Non-current assets			
Property, plant and equipment	7	6.858	6.632
Intangible assets	8	365	472
Deffered tax assets		199	198
Cash restricted in its use		275	275
		7.697	7.577
Current assets			
Inventories	9	26.981	30.305
Trade and other receivables	10 / 14	35.209	28.647
Derivatives	11 / 14	31	710
Deferred tax assets		-	-
Cash and cash equivalents	14	254	244
		62.475	59.906
TOTAL ASSETS		**70.172**	**67.483**
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		4.000	4.000
Translation reserves		-	-
Retained earnings*		20.167	15.187
Equity attributable to equity holders of the parent		24.167	19.187
Total equity		24.167	19.187
Non-current liabilities			
Retirement benefit obligation		1.324	1.348
Deferred tax liabilities		23	169
Bank loans	12	-	-
Provisions	15	920	570
		2.267	2.087
Current liabilities			
Retirement benefit obligation		76	89
Trade and other payables	13 / 14	23.705	25.028
Derivatives	11 / 14	150	153
Current tax liabilities		4.386	1.514
Bank overdrafts and loans	12 / 14	5.340	5.491
Advances on factoring	12 / 14	10.081	13.934
Provisions		-	-
		43.738	46.209
Total liabilities		46.005	48.296
TOTAL EQUITY AND LIABILITIES		**70.172**	**67.483**

Condensed consolidated cash-flow statement

'000 €	Notes	30/06/2017	30/06/2016
OPERATING ACTIVITIES			
Result for the period		4.980	1.352
Adjustments for:			
Other gains and losses (investment grants)		-	-
Investment revenues		-	-
Other gains and losses (hedging results)	11	690	- 317
Finance costs		350	222
(Deferred) tax expenses of the total result	5	2.727	731
Depreciation of property, plant and equipment		1.259	1.304
Gain on disposal of property, plant and equipment		-	-
Change in provisions (incl. retirement benefit)		313	- 37
Change in inventory value reduction		119	- 43
Change in trade receivables value reduction		-	-
Others		- 1	3
Operating cash flows before movements in working capital		10.437	3.215
Change in inventories		3.205	- 6.576
Change in receivables		- 6.562	- 4.729
Change in trade and other payables		- 1.323	1.647
Cash generated from operations		5.757	- 6.443
Hedging results		- 14	573
Interest paid		- 350	- 222
Income taxes paid		-	-
Net cash (used in) / from operating activities		***5.393***	***- 6.092***
INVESTING ACTIVITIES			
Interest received		-	-
Proceeds on disposal of property, plant and equipment		-	-
Purchases of property, plant and equipment	7	- 1.379	- 1.126
Purchases of intangible assets	8	-	-
Net cash (used in) / from investing activities		***- 1.379***	***- 1.126***
FINANCING ACTIVITIES			
Dividends and tantièmes paid	6		- 285
Repayments of borrowings	12		- 375
New bank loans raised			
Change in cash restricted in its use			
Change in bank overdrafts	12	- 151	3.147
Change in advances on factoring	12	- 3.853	4.822
Net cash (used in) / from financing activities		***- 4.004***	***7.309***
Net increase / (decrease) in cash and cash equivalents		***10***	***91***
Cash and cash equivalents at the beginning of the year		244	80
Effect of foreign exchange rate changes		-	-
Cash and cash equivalents at the end of the period		254	***171***
Bank balances and cash		***254***	***171***

Condensed consolidated statement of changes in equity

'000 €	Share capital	Retained earnings	Attributable to equityholders of the parent	Total
Balance on 31 December 2015	**4.000**	**19.480**	**23.480**	**23.480**
Total result of the period	-	1.352	1.352	1.352
Dividends and tantièmes (see note 6)	-	- 285	- 285	- 285
Balance on 30 June 2016	**4.000**	**20.547**	**24.547**	**24.547**
Total result of the period	-	- 1.034	- 1.034	- 1.034
Dividends and tantièmes (see note 6)	-	-	-	-
Balance on 31 December 2016	**4.000**	**15.187**	**19.187**	**19.187**
Total result of the period	-	4.980	4.980	4.980
Dividends and tantièmes (see note 6)	-	-	-	-
Balance on 30 June 2017	**4.000**	**20.167**	**24.167**	**24.167**

Notes to the condensed consolidated financial statements

1. Basis of preparation

The condensed financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting as adopted by the EU.

2. Significant accounting policies

The same accounting policies, presentation and methods of computation are followed in these condensed financial statements as were applied in the preparation of the Group's financial statements for the year ended on 31 December 2016.

There were no relevant changes in Standards and Interpretations applicable since 1 January 2017 that had a significant impact for the Group.

Campine is currently analysing the potential impact of the implementation of IFRS 15 and IFRS 9, which standards are to be applied for reporting periods beginning on 1 January 2018. However, no material impact is expected.

3. Segment information

For management purposes, the Group is organised into three operating divisions: Antimony, Plastics and Lead. These divisions are the basis on which the Group reports its primary segment information. Principal activities as follows:

- Antimony trioxide (Sb_2O_3) is used as a fire retardant in the textile, plastics, cable and pigment industries and is also applied as a high efficiency catalyst in PET-production.
- Our plastics activities enable us to offer predispersed and ready to use flame retardant masterbatches for processors and compounders to provide a dust-free handling and increase production efficiency.
- Our lead recycling business is based on converting lead from used car and truck batteries and industrial scrap into lead bullion and alloys that are marketed to battery and lead sheet producers (a.o. X-ray protection).

'000 €	Antimony 30/06/2017	Plastics 30/06/2017	Lead 30/06/2017	Eliminations / others 30/06/2017	Total 30/06/2017
REVENUE					
External sales incl. sales to entities within the Group	35.826	13.989	73.305	-	123.120
Sales to entities within the Group				- 6.582	-
Total revenue	**35.826**	**13.989**	**73.305**	**- 6.582**	**116.538**
Inter-segment sales are charged at prevailing market prices					
RESULT					
Segment operating result	1.528	197	8.374	-	10.099
Unallocated expenses					- 1.352
Operating result					8.747
Investment revenues					-
Hedging results			- 690		- 690
Other gains and losses					-
Finance costs					- 350
Result before tax					7.707
Income tax expense					- 2.727
Result for the period					**4.980**
'000 €	Antimony 30/06/2017	Plastics 30/06/2017	Lead 30/06/2017	Others 30/06/2017	Total 30/06/2017
OTHER INFORMATION					
Capital additions 2015	210	360	471	337	1.378
Depreciation and amortisation	397	104	554	204	1.259
					119
BALANCE SHEET					
Assets					
Fixed assets	2.294	632	2.664	1.633	7.223
Deffered tax				199	199
Cash restricted in its use			275		275
Stocks	10.084	3.730	11.642	1.525	26.981
Trade and other receivables	11.596	5.560	17.243	810	35.209
Derivatives			31		31
Cash and cash equivalent				254	254
Total assets	**23.974**	**9.922**	**31.855**	**4.421**	**70.172**

'000 €	Antimony 30/06/2016	Plastics 30/06/2016	Lead 30/06/2016	Eliminations / others 30/06/2016	Total 30/06/2016
REVENUE					
External sales inc. Sales to entities within the Group	25.277	12.111	53.097	-	90.485
Sales to entities within the Group				- 4.621	-
Total revenue	**25.277**	**12.111**	**53.097**	**- 4.621**	**85.864**
Inter-segment sales are charged at prevailing market prices					
RESULT					
Segment operating result	1.412	578	1.533	-	3.523
Unallocated expenses					- 1.535
Operating result					1.988
Investment revenues					-
Hedging results			317		317
Other gains and losses					-
Finance costs					- 222
Result before tax					2.083
Income tax expense					- 731
Result for the period					**1.352**

'000 €	Antimony 30/06/2016	Plastics 30/06/2016	Lead 30/06/2016	Others 30/06/2016	Total 30/06/2016
OTHER INFORMATION					
Capital additions 2016	383	116	307	318	1.124
Depreciation and amortisation	421	91	569	223	1.304
BALANCE SHEET					
Assets					
Fixed assets	2.436	430	2.637	1.676	7.179
Deffered tax				101	101
Cash restricted in its use			275		275
Stocks	8.631	3.558	13.888	917	26.994
Trade and other receivables	8.292	4.523	17.226	322	30.363
Derivatives			99		99
Cash and cash equivalent				171	171
Total assets	**19.359**	**8.511**	**34.125**	**3.187**	**65.182**

The unallocated expenses concern mainly remuneration for general services, insurances, IT, costs for safety, health and environment, maintenance and depreciation of general intangible assets.

4. Other operating expense and income

Other operating expense:

'000 €	30/06/2017	30/06/2016
Office expenses & IT	330	280
Fees	1.065	625
Insurances	229	236
Interim personnel	279	294
Carry-off of waste	915	1.222
Travel expenses	118	103
Transportation costs	1.501	1.331
Other purchase and sales expenses	308	306
Expenses on operational hedges	375	4
Renting	72	77
Subscriptions	170	116
Other taxes (unrelated to the result)	-	195
Financial costs (other than interest)	114	104
Others	292	344
	5.768	**5.237**

The increase in fees is mainly due to the cost of legal advice in the framework of the appeal procedure regarding the fine imposed by the European Commission concerning the alleged violation of competition rules in the market of lead recycling. This fine was already integrated as cost in 2016 and is financed based on the realised operational cash-flow in 2017.

Other operating income:

'000 €	30/06/2017	30/06/2016
Operating hedge results	544	49
Finance income (other than interest)	130	60
Recuperation of waste materials	1.073	395
Claims	-	-
Others	11	18
	1.758	**522**

The increase in recuperation of waste materials is mainly a consequence of the raised material prices and larger volumes.

5. Income tax expense

	Period	
'000 €	30/06/2017	30/06/2016
Current tax	- 2.873	- 240
Deferred tax	146	- 491
Income tax expense for the period	**- 2.727**	**- 731**

Domestic income tax is calculated at 33,99% (30/06/2016: 33,99%) of the estimated assessable result for the year.

6. Dividends paid during the period

No dividend was paid to shareholders in 2017.

7. Significant movements in property, plant and equipment

'000 €	Land and buildings	Properties under construction	Fixtures and equipment	Total
COST OR VALUATION				
On 31 December 2016	**13.373**	**271**	**56.912**	**70.556**
Additions	132		1.517	1.649
Transfers	-	- 271	-	- 271
Disposals	-	-	-	-
On 30 June 2017	**13.505**	**-**	**58.429**	**71.934**
ACCUMULATED DEPRECIATION AND IMPAIRMENT				
On 31 December 2016	**12.225**	**-**	**51.699**	**63.924**
Depreciation charge for the year	120		1.032	1.152
Eliminated on disposals	-	-	-	-
On 30 June 2017	**12.345**	**-**	**52.731**	**65.076**
CARRYING AMOUNT				
On 30 June 2017	**1.160**	**-**	**5.213**	**6.858**
On 31 December 2016	**1.148**	**271**	**5.698**	**6.632**

8. Significant movements in other assets

'000 €	Licences, patents and trademarks
COST	
On 31 December 2016	1.722
Additions	-
On 30 June 2017	**1.722**
CUMULATED DEPRECIATION AND AMORTISATION	
On 31 December 2016	1.250
Charge for the year	107
On 30 June 2017	**1.357**
CARRYING AMOUNT	
On 30 June 2017	**365**
On 31 December 2016	**472**

9. Inventories

'000 €	30/06/2017	31/12/2016
Raw materials	13.510	12.296
Work-in-progress	2.852	5.002
Finished goods	10.619	13.007
	26.981	**30.305**

The inventory per 30 June 2017 includes a value reduction of 525 K€ (31/12/2016: 458 K€) to value inventory at the lower of cost and net realisable value.

10. Trade and other receivables

'000 €	30/06/2017	31/12/2016
Amounts receivable from the sale of goods	34.411	27.375
Other receivables	798	1.272
	35.209	**28.647**

This increase of 6.562 K€ is mainly due to the higher turnover realised in the 2nd quarter of 2017 compared to the 4th quarter of 2016.

An allowance has been recorded for estimated irrecoverable amounts from the sale of goods of 923 K€ (31/12/2016: 923 K€). This allowance has been determined on a case-by-case basis. Balances are written-off when sufficiently certain that the receivable is definitely lost. The Board of Directors confirms that the carrying amount of trade and other receivables approximates their fair value as those balances are short-term.

The total amount from sales of goods of 34.411 K€ includes 25.789 K€ subject to commercial factoring by a credit institute. Based on these receivables the credit institute deposits advances on the account of Campine 10.081 K€ per 30/06/2017, see note 12. Bank borrowings) and afterwards collects the receivables itself. The credit risk stays at Campine and is covered by a credit insurance.

11. Derivatives

The table below summarises the net change in fair value – realised and unrealised – of the positions on the LME lead futures where it sells forward lead and tin via future contracts of - 690 K€ included in the income statement during the half year ended 30 June 2017 (30 June 2016: 317 K€).

'000 €	Fair value of current instruments	Underlying open positions (tons)	Change in fair value in income statement
On 30 June 2016	- 735	8.800	317
On 31 December 2016	557	7.250	- 2.708
On 30 June 2017	- 119	4.565	- 690

On 30 June 2017 the fair value of the derivatives are included in the balance sheet as current assets – derivatives for 31 K€ and current liabilities – derivatives for 150 K€. The amount of 26 K€ is related to the open position of the fixed price and sale contracts on 30 June 2017.

On the financial side this open position represents a loss of 26 K€ on 30 June 2017 whereas on the operational side the transaction represents a profit of 26 K€ on 30 June 2017.

The classification of the fair value of the hedge instruments is level 1 (unadjusted quoted prices in an active market for identical assets or liabilities) in the "fair value hierarchy" of IFRS 13.

12. Bank borrowings (finance lease obligations not included)

'000 €	30/06/2017	31/12/2016
Bank loans	-	-
Bank overdrafts	5.340	5.491
Advances on factoring	10.081	13.934
	15.421	**19.425**

The borrowings are repayable as follows:

'000 €	30/06/2017	31/12/2016
Bank loans after more than one year	-	-
Bank loans within one year	-	-
Bank overdrafts	5.340	5.491
Advances on factoring	10.081	13.934
	15.421	**19.425**

The average interest rates paid were as follows:

	30/06/2017	31/12/2016
Bank overdrafts	2,54%	2,08%
Advances on factoring	2,04%	1,72%
Bank loans	-	-

Bank loans are arranged at fixed interest rates. Other borrowings (bank overdrafts and advances on factoring for an amount of 15.421 K€ (31/12/2016: 19.425 K€)) are arranged at floating rates, thus exposing the Group to an interest rate risk.

On 30 June 2017, the Group had available 11.342 K€ (31/12/2016: 6.219K€) of undrawn committed borrowing facilities.

The credit agreements with our bankers contain a number of covenants, based on equity, solvability and stock rotation. On 30 June 2017 the Group complied adequately with all covenants:

- On 30 June 2017 the equity (corrected for other assets and deferred taxes) amounted to 23.603 K€ as to a required minimum of 20.000 K€.
- On 30 June 2017 the solvency ratio (33,9%) complied to the imposed ratio of 30% (temporarily lowered by the banks to 25% until 30 June 2017).
- On 30 June 2017 Campine complied to the stock rotation ratio.

13. Trade and other payables

'000 €	30/06/2017	31/12/2016
Trade creditors and accruals	17.123	13.999
Other payables and accruals	6.582	11.029
	23.705	**25.028**

Trade creditors and accruals principally comprises amounts outstanding for trade purchases and ongoing costs. The Board of Directors considers that the carrying amount of trade payables approximates their fair value as those balances are short-term.
There are no trade payables older than 90 days (with exception of disputes), hence an age analysis is irrelevant.

14. Financial instruments

The major financial instruments of the Group are financial and trade receivables and payables, investments, cash and cash equivalents as well as derivatives.

Below is an overview of the financial instruments as on 30 June 2017:

'000 €	Categories	Book value	Fair value	Level
I. Fixed assets				
II. Current Assets				
Trade and other receivables	A	35.209	35.209	2
Cash and cash equivalents	B	254	254	2
Derivatives	C	31	31	1
Total financial instruments on the assets side of the balance sheet		**35.494**	**35.494**	
I. Non-current liabilities				
Interest-bearing liabilities	A	-	-	2
Other non-current liabilities	A	-	-	2
Other financial liabilities	C	-	-	2
II. Current liabilities				
Interest-bearing liabilities	A	15.421	15.421	2
Current trade and other debts	A	23.705	23.705	2
Derivatives	C	150	150	1
Total financial instruments on the liabilities side of the balance sheet		**39.276**	**39.276**	

Below is an overview of the financial instruments as on 31 December 2016:

'000 €	Categories	Book value	Fair value	Level
I. Fixed assets				
II. Current Assets				
Trade and other receivables	A	28.647	28.647	2
Cash and cash equivalents	B	244	244	2
Derivatives	C	710	710	1
Total financial instruments on the assets side of the balance sheet		**29.601**	**29.601**	
I. Non-current liabilities				
Interest-bearing liabilities	A	-	-	2
Other non-current liabilities	A	-	-	2
Other financial liabilities	C	-	-	2
II. Current liabilities				
Interest-bearing liabilities	A	19.425	19.425	2
Current trade and other debts	A	25.028	25.028	2
Derivatives	C	153	153	1
Total financial instruments on the liabilities side of the balance sheet		**44.606**	**44.606**	

Categories correspond with the following financial instruments:

A. Financial assets or liabilities (including receivables and loans) held until maturity, at the amortised cost.
B. Investments held until maturity, at the amortised cost.
C. Assets or liabilities, held at the fair value through the profit and loss account.

The aggregate financial instruments of the Group correspond with levels 1 and 2 in the fair values hierarchy. Fair value valuation is carried out regularly.

- Level 1: unadjusted quoted prices in an active market for identical assets or liabilities.
- Level 2: the fair value based on other information, which can, directly or indirectly, be determined for the relevant assets or liabilities.

The valuation techniques regarding the fair value of the level 2 financial instruments are the following:

- The fair value of the other level 2 financial assets and liabilities is almost equal to their book value:
  - either because they have a short-term maturity (like trade receivables and debts),
  - or because they have a variable interest rate.
- For fixed-income payables the fair value was determined using interest rates that apply to active markets.

15. Provisions

The provisions amounted to 920 K€ (31/12/2016: 570 K€). These mainly relate to the soil sanitation obligation on and around the site of the Group and were determined in compliance with the requirements of OVAM – by an independent study bureau.

16. Related party transactions

All related party transactions are conducted on a business base and in accordance with all legal requirements and the Corporate Governance Charter.

Trading transactions

During the period, group entities entered into the following trading transactions with related parties that are not members of the Group:

- Purchase of antimony metal from F.W. Hempel Intermétaux SA for an amount of 8.035 K€ (30/06/2016: 3.567K€).
- Purchase of lead waste to Hempel Legierungsmetalle GmbH for an amount of 1.112 K€. (30/06/2016: 879 K€).

Other transactions

- Camhold performed certain administrative/management services for the Campine Group, for which a management fee of 9 K€ (30/06/2016: 9 K€) was charged and paid, being an appropriate allocation of costs incurred by relevant administrative departments.

The companies below passed through personnel an IT expenses to the Campine Group:

- F.W. Hempel Metallurgical: 163 K€ (30/06/2016: 128K€)
- F.W. Hempel & Co Erze und Metalle: 88 K€ (30/06/2016: 50K€)

17. Important events after balance sheet date

<u>New CEO for Campine</u>
Campine NV's Board of Directors appointed Willem De Vos, an independent member of Campine's Board of Directors since May 2015, as Chief Executive Officer. Mr De Vos succeeds Mr Geert Krekel who has in mutual understanding with the Board stepped down as of 23/08/2017 as Campine's CEO and Director. The severance pay for Mr Geert Krekel has not been integrated in the half year figures per 30 June 2017 as this concerns an event after 30 June 2017.

Between 30 June 2017 and the date these interim financial statements were authorised for issue, no other important events occurred.

18. Approval of interim financial statements

The interim financial statements were approved and authorised for issue by the Board of Directors of 21 September 2017.

This information is also available in Dutch. Only the Dutch version is the official version. The English version is a translation of the original Dutch version.

For further information you can contact Karin Leysen (tel. no +32 14 60 15 49) (email: <u>Karin.Leysen@campine.be</u>).

Report on the review of the consolidated interim financial information of Campine NV for the six-month period ended 30 June 2017

In the context of our appointment as the company's statutory auditor, we report to you on the consolidated interim financial information. This consolidated interim financial information comprises the condensed consolidated balance sheet as at 30 June 2017, the condensed consolidated income statement, the consolidated condensed statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated cash-flow statement for the period of six months then ended, as well as selective notes 1 to 18.

Report on the consolidated interim financial information

We have reviewed the consolidated interim financial information of Campine NV ("the company") and its subsidiaries (jointly "the group"), prepared in accordance with International Accounting Standard (IAS) 34, "Interim Financial Reporting" as adopted by the European Union.
The condensed consolidated balance sheet shows total assets of 70,172 (000) EUR and the condensed consolidated income statement shows a consolidated profit (group share) for the period then ended of 4,980 (000) EUR.
The board of directors of the company is responsible for the preparation and fair presentation of the consolidated interim financial information in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union. Our responsibility is to express a conclusion on this consolidated interim financial information based on our review.

Scope of review

We conducted our review of the consolidated interim financial information in accordance with International Standard on Review Engagements (ISRE) 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit performed in accordance with the International Standards on Auditing (ISA) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated interim financial information.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial information of Campine NV has not been prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

Antwerp, 22 September 2017

The statutory auditor

DELOITTE Bedrijfsrevisoren
BV o.v.v.e. CVBA
Represented by Luc Van Coppenolle