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## 2005 ANNUAL RESULTS

- ***Net result up 43% thanks to the significant increase of the recurring result and the positive impact of the stock market valuations***
- ***Intrinsic value per share at 31 December 2005 up 33% to EUR 300, compared to 1 January 2005***
- ***Gross dividend of EUR 8,40 per share, up 7% compared with the adjusted 2004 dividend***

### **INTRODUCTORY COMMENT**

As of 1 January 2005, the accounts are presented under IFRS (International Financial Reporting Standards). The transition to these standards required the restatement of data from 1 January 2004. The impact of the change in accounting standards is described in detail on the Company's website.

### **PRINCIPAL INVESTMENTS IN 2005: EUR 28.4 million**

The Company has:

- Increased the share capital of its subsidiary company **COMPAGNIE DU BOIS SAUVAGE NEDERLAND** by EUR 11.9 million to adjust its balance sheet following the transfer of the investments in Surongo America into its accounts at the end of 2004
- Contributed EUR 6.2 million to the restructuring of **GROUPE FAUCHON**, the French luxury foods retailer, raising its shareholding to 35.3%
- Raised its investment in **Trade Credit Ré**, a credit insurance company by EUR 2.5 million to maintain its stake at 25%
- Acquired a 19% interest in **CHEMCOM**, a Belgian biotechnology company specialising in the fields of taste and smell, for an amount of EUR 1.8 million.
- Completed its investment, through its US subsidiary, in the form of a second instalment of USD 1.5 million, in the real estate partnership, **DSF CAPITAL**, on the East Coast of the United States
- Acquired an 8.5% interest in **EUROSCREEN**, a Belgian biotechnology company focusing on cellular receptors, for an amount of EUR 1 million
- Increased by EUR 0.9 million its interest in **FLORIDIENNE**, a Belgian industrial holding company, to take it to 16.8%
- Raised its interest in the property development company, **CODIC INTERNATIONAL**, by EUR 0.6 million to 26.7%
- Raised its interest in the US company **NOMACORC**, which produces plastic corks for wine bottles, by USD 0.6 million
- Raised its interest by EUR 0.6 million, as the leading shareholder of the top-of-the-range chocolate maker **NEUHAUS**, to 49.3%, by purchasing shares on the market
- Subscribed to a convertible loan of the Belgian company **EUROPAL GROUP OF COMPANIES** which offers integrated packaging solutions, for EUR 0.5 million
- Paid in an additional amount of EUR 0.3 million in the capital of **XDC**, which specialises in digital cinema activities, in which it holds 3%.

#### **OTHER SIGNIFICANT EVENTS IN 2005**

On 1 July 2005, the US company **NOEL GROUP** (extrusion of plastics materials) acquired control of the US company called **NOMACORC** (plastic corks) through an exchange of securities. Following this transaction and the conversion of the Nomacorc bond, the Company has a direct and indirect holding of 19.7% in the new company.

In August 2005, **SURONGO AMERICA** sold one of two residential projects, comprising 240 apartments in Jacksonville (Florida, USA). The result of this sale was USD 5.9 million.

The Company took part in the takeover bid launched by Suez on **ELECTRABEL** and on this occasion realised a gain of EUR 19.9 million.

The Company issued a 7-year bond loan at the beginning of October 2005, together with warrants, in an amount of EUR 41 million, giving a coupon of 3.5%. On this occasion, a special conversion period of the loan issued in 2004 was opened and 70,363 bonds were converted, involving an increase in the equity of EUR 12.7 million and an equivalent reduction of the debt.

Finally, the Company launched in December 2005 a takeover bid on the Neuhaus Company, and held 94.85% of the latter at the end of the bid in February 2006.

#### **COMPARATIVE FIGURES – IFRS CONSOLIDATED ACCOUNTS AS OF 31 DECEMBER**

<b>(in thousand EUR)</b>	<b>2005</b>	<b>2004</b>	<b>Difference (%)</b>
<b>Recurring financial result</b>	<b>25,345</b>	<b>12,031</b>	<b>111%</b>
Financial and real estate income	36,591	26,673	37%
Net share in the result of companies consolidated on an equity basis	- 621	- 2,391	74%
Finance costs	- 10,625	- 12,251	- 13%
<b>Other recurring results</b>	<b>- 1,651</b>	<b>- 1,733</b>	<b>5%</b>
Administrative expenses	- 46,398	- 42,777	8%
Other operating result	51,530	47,964	7%
Depreciation and impairment losses	- 6,783	- 6,920	- 2%
<b>Recurring result (*)</b>	<b>(a) 23,694</b>	<b>10,298</b>	<b>130%</b>
<b>Non-recurring financial result</b>	<b>60,374</b>	<b>47,118</b>	<b>28%</b>
Result in capital	60,374	47,118	28%
<b>Other non-recurring results</b>	<b>- 3,526</b>	<b>- 2,915</b>	<b>- 21%</b>
Provisions (allocations (-), reversals (+))	- 3,526	- 1,822	94%
Miscellaneous results	-	- 1,093	100%
<b>Non-recurring result</b>	<b>(b) 56,848</b>	<b>44,203</b>	<b>29%</b>
<b>Profit/loss before taxes</b>	<b>(a+b) 80,542</b>	<b>54,501</b>	<b>48%</b>
<b>Taxes</b>	<b>- 6,709</b>	<b>- 2,698</b>	<b>149%</b>
<b>Net profit</b>	<b>73,833</b>	<b>51,803</b>	<b>43%</b>
Group share	66,952	50,154	33%
Minorities	6,881	1,649	317%
<b>(EUR)</b>			
<b>Result (Group share) per share in circulation</b>	<b>45.19</b>	<b>36.25</b>	<b>25%</b>
<b>Result (Group share) per share in the money</b>	<b>42.21</b>	<b>32.18</b>	<b>31%</b>
<b>Result (Group share) per share fully diluted</b>	<b>36.17</b>	<b>32.18</b>	<b>12%</b>
Number of shares in circulation	1,481,411	1,383,381	
Number of shares in the money	1,586,048	1,558,381	
Number of shares fully diluted	1,851,048	1,558,381	

(\*) Profit on ordinary activities

## **COMMENTS**

For the first time, the consolidation scope included the accounts of our subsidiary company Neuhaus pursuant to IFRS. The comments below do not reflect this impact as Neuhaus' accounts are explained in its press release of today's date.

Up by 111%, the "**Recurring Financial Result**" includes the rise in dividends collected on the securities portfolio (+26%), the good results from the derivatives products activity, the rise in the result of the companies consolidated on an equity basis and the slight fall in financial costs.

The "**Result In Capital**" takes account of the gain realised on the sale of the Electrabel shares during the takeover bid launched by Suez, the gain realised following the sale of one of the two real estate partnerships in the United States, and the valuation at market price of the shares held "for transaction purposes" and the investment properties, mainly in the United States.

The movement in "**Other Non-Recurring Result**" is mainly attributable to deferred taxes.

## **VALUATION**

On the basis of stock market prices as at 31 December 2005 for all listed companies, and based on expert valuations (where available) or the net assets (IFRS) for others, the value of the share amounted to EUR 300 as at 31 December 2005 (based on the number of shares "in the money" taking only into account the conversion of convertible bonds and the exercising of warrants, the conversion or exercise price of which are lower than the market price).

The stock market price at 31 December 2005 showed a discount of 19 % in relation to this amount.

## **HOLDINGS**

The ongoing results at 31 December 2005 of the different holdings are in line with expectations. Nevertheless, the Recticel (via Rec-Hold) and the Groupe Fauchon companies have not yet come up to expectation. These two companies have a negative impact of EUR 9.6 million on the result of the companies consolidated by the equity method.

## **PROSPECTS FOR THE CURRENT FINANCIAL YEAR**

Since the beginning of 2006, the Company has announced several investments for a total amount of EUR 36.4 million:

- Increase in the interest in **NEUHAUS** to 94.85% following the takeover bid. The 423,980 ensuing Neuhaus shares were financed by the creation of 42,398 new shares (increase of EUR 10.4 million of the equity) and by a payment of EUR 10 million.
- Subscription in the capital increase and taking a 4% interest in **SATAIR**, a Danish listed company which is one of the world leaders in the distribution of logistic services and parts for aeroplane maintenance and construction (EUR 4.6 million).
- Commitment of USD 10 million (EUR 8.3 million), of which USD 8 million (EUR 6.7 million) not yet paid-up, via its American subsidiary company in **DSF CAPITAL III**, a new partnership in Boston (Massachusetts) which invests in top-of-the-range residential real estate in the area between Boston and Washington DC.
- Convertible loan of EUR 1 million to the Belgian company, **EUROGARDEN**, which specialises in garden maintenance machines. This loan has enabled the financing of a strategic acquisition in France.
- Acquisition of a 7.46% interest in the capital of the French listed company, **GUY DEGRENNE** (EUR 2.1 million). Benefiting from a great cutlery tradition, it has become in a few decades a leader in tableware.

The Board is of the view that, unless the global economic climate deteriorates further, the recurrent profit should increase in comparison with 2005. The net profit outlook will to a large extent depend on stock market performance.

## **ADDITIONAL INFORMATION**

The full version of this press release, including the appendices (consolidated balance sheet, profit split by segment, movements in equity capital) and the auditor's report, is available from the Company's website.

## **STATUTORY AUDITOR'S REPORT**

Within the framework of his audit of 31 December 2005 and following the applicable standards of the *Institut des Réviseurs d'Entreprises* (Institute of Auditors), the Statutory Auditor, Deschamps Godefroid Verset & Co, has confirmed that the accounting information based on IFRS stated in the announcement does not give rise to any reservations on its part and corresponds with the half-yearly accounts agreed upon by the Board of Directors.

## **FINANCIAL TIMETABLE**

26 April 2006	Ordinary General Meeting
3 May 2006	Payment of the dividend against surrender Coupon 17
12 September 2006	Publication of the half-yearly results

**Compagnie du Bois Sauvage** is a holding company incorporated under Belgian law, listed on the Brussels Euronext (Next Prime), whose main shareholder is family and stable. Its purpose is to take participating interests in both listed and unlisted companies. Its aim is to support talented businessmen and businesswomen, whether financiers or industrialists, who seek support during their company's existence. It thus provides help not only in terms of financial management, but also for the structure and stability of the company's capital.

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## **ENCLOSURES**

1. Statutory Auditor's Report
2. Consolidated balance at 31 December 2005
3. Sectoral information at 31 December 2005
4. Cash flow table at 31 December 2005
5. Simplified table of the Group's equity variation

### **1. STATUTORY AUDITOR'S REPORT**

In accordance with the legal and statutory provisions, we are submitting a report to you on the execution of the audit assignment that has been entrusted to us.

We have proceeded to review the consolidated accounts for the financial year ending 31 December 2005, established on the basis of legal and regulatory provisions in force in Belgium, of which the balance sheet total amounts to EUR 736.469.883,26 and of which the income statement shows a benefit (loss) for the financial year of EUR 73.832.917,87. We have also carried out certain specific additional checks as required by law. The annual accounts of the majority of the Belgian and foreign companies included in the consolidation and controlled by other auditors have been the subject, insofar as these documents were available, of reports or certifications on the accounts of those companies as at 31 December 2005 or on a nearby date; we have based ourselves on their certifications.

The establishment of the consolidated accounts and the appreciation of the information to be included in the consolidated Management Report is the management body's responsibility.

Our audit of the consolidated accounts has been carried out in accordance with the applicable standards of revision in Belgium, such as enacted by the Institute of Company Auditors.

#### **Unqualified Certification of the Consolidated Accounts**

The aforesaid standards of revision require that our audit be organised and performed in such a way as to obtain reasonable assurance that the consolidated accounts contain no significant anomalies.

In accordance with these standards, we have taken account of the organisation of the consolidated unit in terms of administrative and accounting matters as well as its internal auditing system. The Company's Managers have answered our requests for explanation and information with clarity. We have examined, by sampling, the justification of the amounts appearing in the consolidated accounts. We have evaluated the cogency of the rules of evaluation, of the rules of consolidation and the significant accounting estimates made by the company, as well as the presentation of the consolidated accounts as a whole. We believe that our work and that of our colleagues who have audited the accounts of the subsidiary companies provide a reasonable basis for the expression of our opinion.

In our opinion, founded on our revision and on our colleagues' reports, and in the light of the legal and regulatory provisions applicable in Belgium, the consolidated accounts as at 31 December 2005 give a faithful image of the consolidated unit's asset base, financial standing and results.

#### **Additional Certification and Information**

We are completing our report with the following additional certification and information, which is not of a kind to alter the scope of the certification of the consolidated accounts:

The consolidated Management Report includes the information required by law and accords with the consolidated accounts. However, we are not in a position to pronounce on the description of the principal risks and uncertainties with which all of the companies included in the consolidation are confronted, as well as their situation, their foreseeable evolution or the notable influence of certain facts on their future development. We can nevertheless confirm that the information provided does not contain any obvious contradictions with the information given to us in the context of our mandate.

Tubize, 14 March 2006

**Deschamps, Godefroid, Verset & Co**  
**Represented by**  
**André R. DESCHAMPS**  
**Auditor**

**2. CONSOLIDATED BALANCE AT 31 DECEMBER 2005**

<b>(in thousand EUR)</b>	<b>2005</b>	<b>2004</b>
<b>Non-current Assets</b>	<b>499,251</b>	<b>486,018</b>
Fixed assets	26,571	25,199
Investment properties	42,640	56,790
Intangible assets	8,138	7,036
Shareholdings in subsidiaries	1,763	1,515
Shareholdings in subsidiaries Equity method	200	200
	66,799	55,036
Deferred tax assets	2,692	1,688
Other financial fixed assets	350,069	337,332
Non-current hedging instruments	0	104
Non-current trade and other receivables	0	1,101
Non-current prepayments	379	17
<b>Current Assets</b>	<b>237,219</b>	<b>124,836</b>
Inventories	8,541	6,683
Other current financial assets	106,981	39,421
Current tax receivables	4,594	3,498
Current trade and other receivables	23,291	21,539
Advances	55	0
Cash and cash equivalents	92,091	52,558
Other current assets	1,666	1,137
<b>Total assets</b>	<b>736,470</b>	<b>610,854</b>
<b>(in thousand EUR)</b>	<b>2005</b>	<b>2004</b>
<b>Shareholders' Equity</b>	<b>453,718</b>	<b>323,216</b>
Paid-up capital	185,986	168,439
Reserves	250,827	138,319
Treasury stock held	0	0
<b>Group Equity Capital</b>	<b>436,813</b>	<b>306,758</b>
Minority interests in the net assets	16,905	16,458
<b>Liabilities</b>	<b>282,752</b>	<b>287,638</b>
<b>Non-current Liabilities</b>	<b>235,569</b>	<b>209,340</b>
Non-current, interest-bearing liabilities	218,827	200,734
Non-current provisions	476	617
Non-current employment obligations	299	229
Non-current hedging Instruments	418	566
Deferred tax liabilities	15,539	7,185
Other non-current liabilities	10	9
<b>Current Liabilities</b>	<b>47,183</b>	<b>78,298</b>
Current, interest-bearing liabilities	18,592	22,508
Current provisions	970	17
Current tax receivables	5,939	5,447
Current trade and other payables	19,065	47,718
Other current liabilities	2,617	2,608
<b>Total liabilities and stockholders' equity</b>	<b>736,470</b>	<b>610,854</b>

### 3. SECTORAL INFORMATION AT 31 DECEMBER 2005

#### Primary Sectoral Information - Per Activity

Compagnie du Bois Sauvage is a holding company that owns financial interests that are managed independently of their branches of industry and which help to balance the portfolio.

For the primary sectoral information, these interests have been grouped together according to their movable or immovable nature, and the Neuhaus Company, the only industrial subsidiary to be globally consolidated, is presented separately.

The secondary segment is based on the geographical area.

<b>(in thousand EUR)</b>	<b>Recurring result</b>		<b>Profit/loss before taxes</b>	
	<b>2005</b>	<b>2004</b>	<b>2005</b>	<b>2004</b>
"Holding" activities	19,798	7,482	77,978	53,673
Real estate investments	9,468	5,395	22,627	8,848
Movable investments	21,167	13,221	66,281	55,959
Corporate	- 10,837	- 11,134	- 10,930	- 11,134
Neuhaus	3,896	2,816	2,564	828
<b>Total</b>	<b>23,694</b>	<b>10,298</b>	<b>80,542</b>	<b>54,501</b>

<b>(in thousand EUR)</b>	<b>Consolidated assets</b>		<b>Consolidated liabilities (reconciliation of equity capital)</b>	
	<b>2005</b>	<b>2004</b>	<b>2005</b>	<b>2004</b>
"Holding" activities	666,267	549,879	241,964	255,597
Real estate investments	122,953	117,131	28,760	38,932
Movable investments	520,838	410,894	8,139	6,081
Corporate	22,476	21,854	205,065	210,584
Neuhaus	70,203	60,975	40,788	32,041
<b>Total</b>	<b>736,470</b>	<b>610,854</b>	<b>282,752</b>	<b>287,638</b>

#### Secondary sectoral information - by geographical area

<b>(in thousand EUR)</b>	<b>Recurring result</b>	
	<b>2005</b>	<b>2004</b>
Europe and ROW	22.119	10.395
USA	1.575	- 97
<b>Total</b>	<b>23.694</b>	<b>10.298</b>

**4. CASH FLOW TABLE AT 31 DECEMBER 2005**

<b>(in thousand EUR)</b>	<b>2005</b>	<b>2004</b>
<b>Cash flow coming from recurring activities</b>	<b>26,796</b>	<b>28,267</b>
Net results (group share)	66,952	50.154
Adjustments for		
Result of companies in equity method	621	2.391
Dividends of companies in equity method	3.284	1.399
Finance costs	10.625	12.251
Depreciation and impairment losses	6.783	6.920
Result in capital	- 60.374	- 47.118
Provisions and miscellaneous results	3.526	2.915
Variation of current assets excluding cash	- 5,290	268
Other non-cash variations	669	- 913
<b>Cash flow coming from investment activities</b>	<b>39,315</b>	<b>- 35,541</b>
Acquisition of financial fixed assets	- 29,534	- 41.197
Disposal of financial fixed assets	93,776	4.460
Acquisition of financial current assets	- 51,335	- 34.904
Disposal of financial current assets	17,653	38.706
Net variation of tangible and intangible assets	8,755	- 2.606
<b>Cash flow coming from financing activities</b>	<b>- 26,578</b>	<b>4,286</b>
Dividends paid	- 11,067	- 10.790
Finance costs	- 10,625	- 12.251
Net variation of the debt	14,177	10.177
Net variation of other non-current liabilities	8,136	1.191
Net variation of current trade and other payables	- 27,199	13.317
Movements on own shares	-	2.642
<b>Net variation of cash and cash equivalents</b>	<b>39,533</b>	<b>- 2,988</b>
Cash and cash equivalents at the start of the financial year	52,558	55,546
Cash and cash equivalents at the end of the financial year	92,091	52,558

**5. SIMPLIFIED TABLE OF THE VARIATION OF THE GROUP'S EQUITY**

<b>(in EUR '000)</b>	<b>2005</b>	<b>2004</b>
<b>1 January</b>	<b>306,758</b>	<b>255,356</b>
Result (Group share)	66,952	50,154
Dividend payment	- 11,067	- 10,790
Adjustements at fair value	55,513	10,303
Purchase (-)/sale (+) of own shares	0	2,640
Exchange differences	3,186	-1,488
Loan issue (capital part)	2,896	-
Bond conversion	12,548	-
Other	27	583
<b>31 December</b>	<b>436,813</b>	<b>306,758</b>