COMPAGNIE DU
BOIS SAUVAGE

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Implementation of IFRS

In accordance with its commitments as a member company of the NextPrime segment, with effect from the half-yearly results for 2005, Compagnie du Bois Sauvage will prepare its consolidated financial statements under the international consolidation standards specified under IFRS (International Financial Reporting Standards).

It should be pointed out that these new standards apply exclusively to Compagnie du Bois Sauvage's consolidated financial statements and not to its parent company accounts.

Compagnie du Bois Sauvage has drawn up an opening IFRS balance sheet as at 01.01.2004, which is reconciled with the balance sheet as at 31.12.2003 under Belgian GAAP, in accordance with IFRS 1 (First-time Adoption) making use of the following options:

- Business combinations (IFRS 3) that occurred before the transition data are not restated
- Cumulative conversion differences are shown in the consolidated accounts.

For this transition all IFRS standards were applied, including those not yet recognised by the European Commission on the opening date. This explains the slight difference with the figures shown in the Company's 2004 annual report.

I. Consolidation scope

Full consolidation

The consolidated financial statements are primarily influenced by IAS 27 (Consolidated and Separate Financial Statements), which modifies the consolidation scope and methods.

Compagnie du Bois Sauvage used to consolidate its subsidiary company Neuhaus using the equity method of accounting. This presentation made the accounts more transparent since the assets and liabilities items and the profits of companies active in differing sectors were not just added together. IAS 27 does, however, stipulate that differing activities do not justify refraining from the full consolidation of subsidiaries since sufficient business unit information is provided through segment reporting.

In addition under the same standard, real estate partnerships in the United States, which the company controls but does not manage on a day-to-day basis, will also be consolidated.

Jointly-controlled shareholdings

IAS 31 (interests in joint ventures) offers the option of reporting jointly-controlled shareholdings in the consolidated accounts either by proportional consolidation or alternatively by the equity method.

Compagnie du Bois Sauvage applied the equity method option to Parfimmo and Rec-Hold.

The consolidation scope at 01.01.2004 is therefore:

Full consolidation

- Compagnie du Bois Sauvage Nederland
- Imolina
- Neuhaus
- Surongo America (including the real estate partnerships referred to above)
- Surongo Deutschland

Equity method

- Codic International
- Fauchon Group
- Parfimmo (at 31.12.2004)
- Rec-Hold
- TC Re (at 31.12.2004)

II. Reconciliation of equity capital

			EUR million
Equity capital (group share)	**31/12/2003**	**Belgian GAAP**	**206,3**
- Revaluation at fair value			38,5
- Appropriation of profit			10,8
- Change in consolidation scope			4,9
- Positive conversion difference			1,7
- Unexercised premium options			0,5
- Deferred tax (net)			- 4,7
- Treasury stock held			- 2,3
- Miscellaneous			- 0,3
Equity capital (group share)	**01/01/2004**	**IFRS**	**255,4**
Total difference			**49,1**

Main comments on reconciliation of equity capital

IAS 1 - Presentation of financial statements

The dividend in respect of 2003 financial year (EUR 10.8 million) is reclassified under equity capital. During the first half of 2004, the dividend payment will reduce the equity capital.

IAS 12 – Income taxes

Deferred tax liabilities and assets are recognised. The net asset figure of EUR 4.7 million as at 01.01.2004 mainly relates to buildings that are rented out (see IAS 40 below) and the unrealised capital gains on financial instruments held (see IAS 32/39 below).

IAS 27 - Consolidated and Separate Financial Statements

The full consolidation of Neuhaus “inflates” several asset and liabilities items on the balance sheet, including:

Assets

- Fixed assets EUR 25.3 million
- Intangible assets EUR 7.2 million
- Inventories EUR 6.5 million
- Customer and other short-term debtor accounts EUR 14.1 million

Liabilities

- Minority interests EUR 16.6 million
- Non-current, interest-bearing liabilities EUR 7.2 million
- Current, interest-bearing liabilities EUR 9.6 million
- Tax liabilities due EUR 3.3 million
- Suppliers and other short-term creditor accounts EUR 10.1 million

IAS 32/39 – Financial instruments

The unrealised capital gains or losses on the “available for sale” and “trading” portfolios and on other financial instruments (accounts payable and receivable) are recognised and produce a significant positive revaluation of EUR 29.7 million and a slight rise of EUR 0.7 million in deferred tax liabilities. Equity capital has therefore risen by EUR 29 million.

IAS 32 – Treasury stock
The cost of acquiring treasury stock is deducted from equity capital. At 01.01.2004, the figure amounted to EUR 2.3 million.

IAS 36 – Impairment of assets
Under this standard, the company is required on each reporting date to assess whether an asset may be impaired. Goodwill on acquisition is therefore assessed and where applicable is reported on an annual basis (impairment test).

IAS 37 - Provisions
Provisions for major repairs are no longer recognised.
The only provisions written back in the opening balance sheet are those relating to Neuhaus.

IAS 40 - Investment Property
Buildings that are rented out (mainly at Surongo America via the partnerships mentioned above and at the Group's headquarters) are shown at the fair value. This produces a positive revaluation of EUR 8.8 million but also deferred tax liabilities of EUR 3.2 million. Equity capital has therefore risen by EUR 5.6 million.

III. Consolidated balance sheet at 31.12.2004 and 01.01.2004 under IFRS and at 31.12.2003 under Belgian GAAP

ASSETS (EUR '000)	IFRS 31.12.2004	IFRS 01.01.2004	B. GAAP 31.12.2003	Difference 31.12.2003 01.01.2004
Non-current assets	**486.018**	**410.749**	**313.418**	**97.331**
Tangible assets	25.199	27.145	10.873	16.272
Fixed assets in progress	*435*	*519*	*0*	*519*
Land and buildings	*10.638*	*12.350*	*2.023*	*10.327*
Equipment	*7.745*	*9.077*	*87*	*8.990*
Furniture	*784*	*1.075*	*0*	*1.075*
Improvement on rental property	*11*	*14*	*0*	*14*
Other tangible assets	*5.586*	*4.110*	*8.763*	*-4.653*
Investment property	56.790	54.193	0	54.193
Intangible assets	7.036	7.250	728	6.522
Goodwill	*986*	*2.118*	*0*	*2.118*
Other intangible assets	*6.050*	*5.132*	*728*	*4.404*
Participating interests in subsidiaries	1.515	4.077	0	4.077
Participating interests in joint ventures	200	0	0	0
Companies consolidated by the equity method	55.036	38.941	17.180	21.761
Non current income taxes receivable	1.688	2.065	0	2.065
Other financial fixed assets	337.332	276.377	284.637	-8.260
Shares	*327.551*	*266.075*	*276.172*	*-10.097*
Other securities	*123*	*0*	*0*	*0*
Amounts receivable	*9.649*	*10.018*	*8.465*	*1.553*
Other financial assets	*9*	*284*	*0*	*284*
Non current hedging instruments	104	0	0	0
Non current trade and other debtors	1.101	684	0	684
Non current pre-payments	17	17	0	17
Current assets	**124.836**	**124.496**	**97.389**	**27.107**
Inventories	6.683	7.030	539	6.491
Other current financial assets	39.421	35.825	52.501	-16.676
Shares	*31.698*	*25.080*	*25.133*	*-53*
Amounts receivables	*6.097*	*5.325*	*5.084*	*241*
Other financial assets	*1.626*	*5.420*	*22.284*	*-16.864*
Income taxes receivable	3.498	3.292	0	3.292
Current trade and other debtors	21.539	21.296	15.406	5.890
Trade debtors	*15.824*	*15.264*	*2.461*	*12.803*
Other debtors	*5.715*	*6.032*	*12.945*	*-6.913*
Cash and cash equivalent	52.558	55.546	28.310	27.236
Other current assets	1.137	1.507	633	874
Total	**610.854**	**535.245**	**410.807**	**124.438**

EQUITY AND LIABILITIES (EUR ‘000)	IFRS 31.12.2004	IFRS 01.01.2004	B. GAAP 31.12.2003	Difference 31.12.2003 01.01.2004
Shareholder’s equity	**323.216**	**271.971**	**206.367**	**65.604**
Paid-up capital	168.439	168.149	168.149	0
Registered capital	*105.137*	*105.137*	*105.137*	*0*
Share premium account	*63.302*	*63.012*	*63.012*	*0*
Reserves	138.319	89.524	38.119	51.405
Consolidated reserves	*113.129*	*71.515*	*39.106*	*32.409*
Revaluation reserves	*26.678*	*18.009*	*0*	*18.009*
Consolidation differences	*0*	*0*	*2.695*	*-2.695*
Translation differences	*-1.488*	*0*	*-3.682*	*3.682*
Own shares	0	-2.317	0	-2.317
Group shareholder’s equity	**306.758**	**255.356**	**206.268**	**49.088**
Minority interests	**16.458**	**16.615**	**99**	**16.516**
Liabilities				
Non-current liabilities	**209.340**	**169.641**	**128.195**	**41.446**
Interest-bearing non-current liabilities	200.734	162.226	128.187	34.039
Bank loans	*87.303*	*81.266*	*53.178*	*28.088*
Bond loans	*78.982*	*77.993*	*75.000*	*2.993*
Convertible loans	*31.703*	*0*	*0*	*0*
Lease contracts	*2.746*	*2.967*	*0*	*2.967*
Other loans	*0*	*0*	*9*	*-9*
Non-current provisions	617	619	8	611
Non-current pensions and similar obligations	229	185	0	185
Non current hedging instruments	566	588	0	588
Deferred income taxes	7.185	6.014	0	6.014
Other non-current liabilities	9	9	0	9
Current liabilities	**78.298**	**93.633**	**76.245**	**17.388**
Interest-bearing current liabilities	22.508	50.839	37.595	13.244
Bank loans	*21.480*	*15.931*	*6.406*	*9.525*
Bond loans	*348*	*31.802*	*30.917*	*885*
Lease contracts	*82*	*82*	*0*	*82*
Other loans	*598*	*3.024*	*272*	*2.752*
Current provisions	17	8	0	8
Income taxes	5.447	5.777	0	5.777
Suppliers and other current creditors	47.718	35.265	34.660	605
Suppliers	*10.533*	*7.461*	*539*	*6.922*
Other creditors	*37.185*	*27.804*	*34.121*	*-6.317*
Other current liabilities	2.608	1.744	3.990	-2.246
Total	**610.854**	**535.245**	**410.807**	**124.438**

Comments on the opening balance sheet under IFRS as at 01.01.2004

Assets
Fixed assets
The EUR 16.2 million change is mainly explained by the full consolidation of Neuhaus and the classification of the properties rented out by the group under “investment properties” (shown under “other intangible assets” under Belgian GAAP) in accordance with IAS 40.

Investment properties
See comments above:
- Consolidation scope
- IAS 40

Intangible assets
The EUR 6.5 million change is explained by the fact that Neuhaus is fully consolidated.

Shareholdings in subsidiaries
This heading includes subsidiary companies Entrema Services, Metrobel and Simonis Plastic, which are accounted for at historic cost.

Shareholdings accounted for by the equity method and other financial assets
See comments above:
- Consolidation scope
- IAS 32/39

Deferred tax assets
See IAS 12 above.

Inventories
Stem from the full consolidation of Neuhaus.

Other current financial assets and cash and cash equivalents
The change in the total of these two items is explained by the consolidation of Neuhaus and the adoption of IAS 32/39.

Tax assets due
Mainly recoverable withholding taxes.

Customer and other short-term debtor accounts
The EUR 5.9 million change is explained by the fact that Neuhaus is fully consolidated.

Liabilities
Group equity capital
See above table.

Minority interests
The EUR 16.5 million change is explained by the fact that Neuhaus is fully consolidated.

Non-current, interest-bearing liabilities
The EUR 34.0 million change is explained by
- the full consolidation of Neuhaus (EUR 7.2 million)
- the full consolidation of the real estate partnerships in the United States (EUR 23.1 million)
- the revaluation of debts at the fair value (EUR 3.7 million)

Deferred tax charges
See IAS 12 above.

Current, interest-bearing liabilities
The EUR 9.6 million change is mainly explained by the fact that Neuhaus is fully consolidated.

Tax liabilities due
The EUR 3.3 million change is mainly explained by the fact that Neuhaus is fully consolidated.

IV. Equity capital reconciliation table 31.12.2003/01.01.2004 to 31.12.2004

(EUR million)	**31.12.2003 01.01.2004**	**Net profit as at 31.12.2004**	**Equity capital adjustments**	**31/12/2004**
Equity capital (group share) Belgian GAAP	**206.3**	**57.2**	**- 9.7**	**253.8**
- Revaluation at fair value	38.5	- 6.2	10.3	42.6
- Appropriation of profit	10.8	-	0.3	11.1
- Change in consolidation scope	4.9	-	-	4.9
- Positive conversion difference	1.7	-	- 1.5	0.2
- Unexercised premium options	0.5	- 0.3	-	0.2
- Deferred tax (net)	- 4.7	0.1	- 0.8	- 5.4
- Treasury stock held	- 2.3	-	2.3	-
- Miscellaneous	- 0.3	- 0.6	0.3	- 0.6
Equity capital (group share) IFRS	**255.4**	**50.2**	**1.2**	**306.8**
Total difference	**49.1**	**- 7.0**	**10.9**	**52.9**

The Compagnie du Bois Sauvage is a holding company incorporated under Belgian law and listed on the Euronext Brussels (Next Prime) stock market. It has a stable shareholding structure being predominantly family-owned. Its purpose is to take participating interests in both listed and unlisted companies. Its aim is to support talented businessmen and women, whether financiers or industrialists, who at a particular time during the existence of their company seek support. It thus provides help not only in terms of financial management, but also for the structure and stability of the company's capital.