



M A N A G E M E N T R E P O R T  
**2 0 0 3** FINANCIAL YEAR

Corporate accounts  
and consolidated accounts  
as of 31 December 2003.

Submitted to the General  
Meeting of 28 April 2004

COMPAGNIE DU  
BOIS SAUVAGE


COMPAGNIE DU BOIS SAUVAGE

Limited company with capital of EUR 105,136,956

Head office: rue du Bois Sauvage, 17 in B-1000 Brussels

Brussels commercial register: 273 326

VAT: BE 402 964 823



On 31 March 2004, the Banking, Finance and Insurance Commission authorised utilisation of this annual report as a reference document for any public invitation for investment which might be launched by Compagnie du Bois Sauvage up until publication of its next annual report in the context of Heading II of Royal Decree n° 185 dated 9 July 1935, by means of the dissociated information procedure.

In the context of this procedure, the reference document must be accompanied by an operating note in order to constitute a prospectus as defined in Article 29 of the above-mentioned Royal Decree. The prospectus must be submitted for the approval of the Banking, Finance and Insurance Commission in accordance with Article 29 c (1) (1) of, paragraph 1 of Royal Decree n° 185 of 9 July 1935.

This report is a translation of the French version. This last, available from the company, will overrule in the event of divergency. Compagnie du Bois Sauvage assumes the responsibility for the translation.

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## LETTER TO SHAREHOLDERS

Following the very difficult 2002 financial year, 2003 saw a considerable recovery resulting in a net profit of EUR 23,1 million. The recurring financial result (EUR 11,3 million) is in accordance with the budget.

Following important value reductions in 2002 because of the impact of share prices, this year the Company has been able to reverse reductions, mainly on the Delhaize shares. Furthermore, a major capital gain was achieved from the sale of the holding in the Woluwe Shopping Center (EUR 10,4 million).

In line with its dividend policy, the company proposes, following a year of stabilisation due to exceptional stock-market conditions, to move forward and to increase the gross dividend to EUR 7,80 per share.

In November 2003, the Company made a bond issue of EUR 75 million for a five-year period, offering a 5,5% coupon. It has the particular feature, which is currently unique, of being intended simultaneously for corporate investors and for the general public. The purpose is to re-finance bonds expiring in 2003 and 2004 and to enable further growth. The success of the operation was such that it closed after the first day.

Reinforcing its main strategic lines, the Company has:

- Increased its holding in Recticel (EUR 1,7 million).
- Implemented an exchange of the major part of its Recticel shares which it held directly in return for shares of Rec-Hold (EUR 12,9 million).

- Taken a 25% holding in a real estate promotion company, Codic, thus strengthening its real estate section (EUR 9,25 million).
- Increased its holding in Degroof Bank, bringing it to 13,7% (EUR 3 million)
- Subscribed to a capital increase of Berenberg Bank (EUR 0,3 million)
- Participated in the re-structuring of the Fauchon group (EUR 1,1 millions).
- Increased its holding in Neuhaus, bringing it to 46,14% (EUR 0,1 million)
- Absorbed Finpro. The Company now has its holding in Cofinimmo directly.

The holding in Alpha Drain was sold, together with various items in the treasury portfolio.

The sale to our partner Agridec of the holding in the Woluwé Shopping Center released 17 million treasury. For the 10-year period during which it was on our books, this investment produced an actuarial yield of approximately 12,5%.

In addition, the Company sold a residential property in Atlanta (USD 4,9 million).

Trading activities on derivative products resulted in a profit of EUR 1,4 million which covers overheads and current depreciation.

Steps taken to improve information to shareholders and to produce greater liquidity were pursued.

- Participation in various events of Euronext
- Regular contact with analysts who are following the share (three analysts)
- Calculation and communication of net asset value on the web site, on a monthly basis

- Regular press releases
- Average daily volume of shares traded was 581
- A detailed breakdown of the portfolio is once again published on page 21 of this report.

As of today, the Company is the 49th capitalisation on Euronext Brussels.

The shares of Surongo, that were absorbed in June 2002, were deleted from the stock listing on 31 December 2003, as the trading volume and the number of shares in circulation had become negligible.

In December 2003, Fingaren, the majority shareholder of Entreprises et Chemins de Fer en Chine, made a voluntary Public Exchange Offer on its issued shares. This operation successfully closed in February 2004, Fingaren now has a 85,1% holding in Entreprises et Chemins de Fer en Chine.

In the context of the programme for purchase of own shares, 1.879 shares were purchased during the past financial year. Of at 31 December, there were 4.380 own shares in the portfolio.

Compagnie du Bois Sauvage thanks its shareholders for the confidence and support which they have shown throughout the financial year. These thanks also go to all of the Group's employees for the professionalism and honesty which they have demonstrated in their work.

*The Executive Committee*

## KEY FIGURES AS AT 31 DECEMBER

### CONSOLIDATED FINANCIAL DATA

(IN EUR THOUSANDS)	2003	2002	2001	2000	1999
Group Equity (*)	<b>206.304</b>	198.218	218.984	211.003	203.102
Consolidated net result (GROUP SHARE)	<b>23.061</b>	- 36.078	11.587	12.236	15.108
Average daily volume of traded shares (**)	<b>580,95</b>	430,29	174,26	183,65	125,54
Numbers of shares (INCLUDING 4.380 OWN SHARES AS AT 31/12/2003)	<b>1.383.381</b>	1.383.381	1.105.171	1.059.373	1.029.408
Market capitalisation at the end of the financial year	<b>187.310</b>	182.606	159.697	155.728	156.470

### FIGURES PER SHARE

	2003	2002	2001	2000	1999
Price At close	<b>135,40</b>	132,00	144,50	147,00	152,00
Highest	<b>136,00</b>	162,00	149,00	154,00	180,00
Lowest	<b>116,00</b>	121,40	130,00	140,00	142,54
Net asset value at close (in the money)	<b>190,32</b>	187,47	211,35	214,55	239,16
Consolidated net result (GROUP SHARE)	<b>16,67</b>	- 26,08	10,48	11,55	14,68
Gross dividend	<b>7,80</b>	7,60	7,60	7,13	6,66

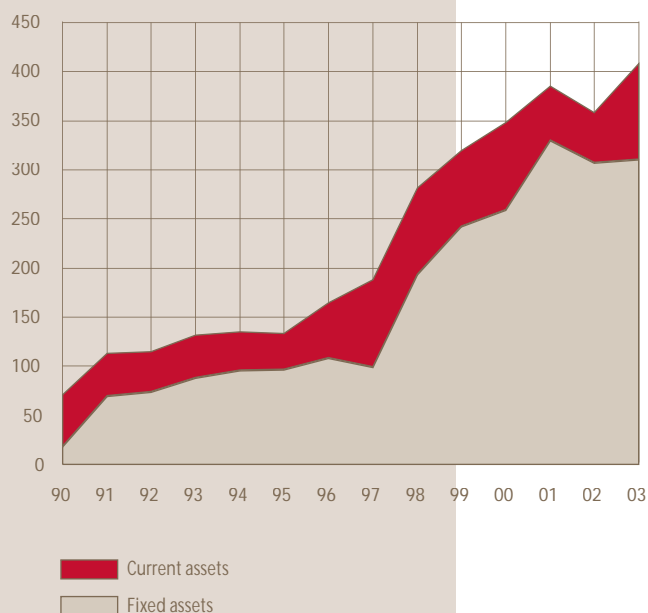
(\*) After adjustment of distribution of profit on the basis of own shares held.

(\*\*) Including 266,67 off stock-exchange.

### Assets – Historic development

(IN EUR MILLIONS)

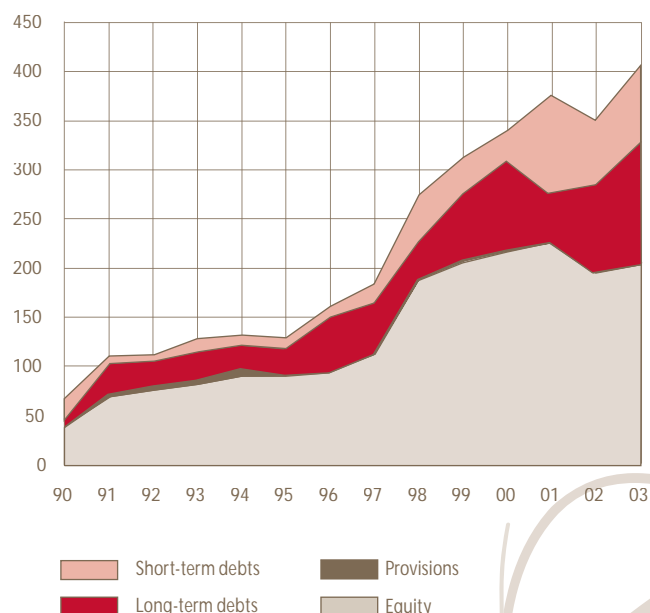
CONSOLIDATED ACCOUNTING FIGURES



### Liabilities – Historic development

(IN EUR MILLIONS)

CONSOLIDATED ACCOUNTING FIGURES



## OUR ORIGINS

The name of «Bois Sauvage» comes from the place where the company's head office is located, in Brussels. The «Bois Sauvage» locality, an adaptation of the original Dutch name of «Wilde Wouter», was long ago situated between the Cathedral of Saints Michel & Gudule and the first city wall around Brussels.

All that is left of that 13th-century wall is a few sections and, in particular the Bois Sauvage arcades which were renovated by the Company, with advice from the Royal Monuments and Sites Commission.

In 1992, the Company redevelopment of the Bois Sauvage site won the «Prix du Quartier des Arts». Ten years later, in 2002, this prestigious prize was once again awarded to the Company for its renovation of the site at Treurenberg.

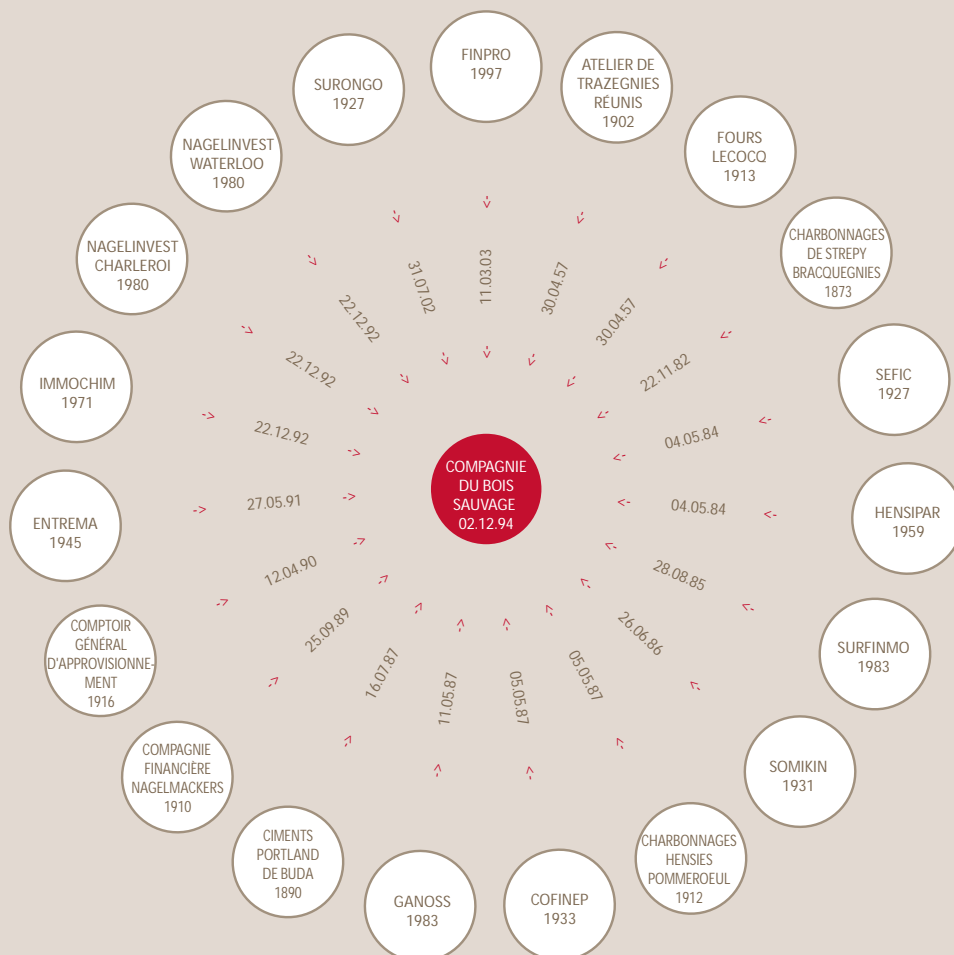
The Compagnie du Bois Sauvage is the result of the merging of 19 companies of various origins and having diverse activities, such as Fours Lecocq, la Compagnie Financière Nagelmackers, les Charbonnages d'Hensies-Pommeroeul, Entrema or Somikin (mining company of Kindu) some of whose origins go back more than a couple of centuries.

Some of them were too small to play an influential economic role, the activity of other companies was irrevocably outmoded, whilst others were in liquidation and destined to disappear.

The merging of these companies, which did no more than to confirm a situation of fact, was fully in accordance with the Company's strategy for stability and the vocation of economic and financial driving force.

The merger by absorption of the parent company Surongo in July 2002 represented an important step in the development of the Group, by simplifying its structure. It is now made up of Entreprises et Chemins de Fer en Chine, the controlling shareholder and the operational company, Compagnie du Bois Sauvage.

In December 2003, Fingaren, a limited partnership, and the majority shareholder of Entreprises et Chemins de Fer en Chine, initiated a voluntary Public Exchange Offer on its outstanding shares. This operation successfully closed in February 2004. Fingaren now has an 85,1% holding in Entreprises et Chemins de Fer en Chine.



## FINANCIAL CALENDAR

Annual results	First half March
General meeting	Fourth Wednesday in April
Half-year results	First half September

## BOARD OF DIRECTORS

Guy PAQUOT (1) (3)	Rue Cornélis 1 B-1310 La Hulpe	Chairman	2009
Richard DAWIDS (1) (3)	Rue Clément Delpierre 58 B-1310 La Hulpe	Director	2006
Vincent DOUMIER (1)	Avenue des Statuaires 127 B-1180 Brussels	Managing director	2004
Robert DEMILIE (3)	Lange Leemstraat 202 B-2018 Antwerpen	Director	2009
Gui de VAUCLEROY (2)	Avenue Baron d'Huart 137 B-1950 Kraainem	Director	2004
Donald FALLON (2)	Rue de Thébais 2 1495 Mellery	Director	2004
Marc NOËL (2)	10729 Trego Trail Raleigh, NC 27614 - USA	Director	2009
Jean-Louis RAEMDONCK van MEGRODE (2)	Avenue des Ombrages 33 B-1200 Brussels	Director	2004
Solange SCHWENNICKE (2)	Kerkhofstraat 27 1600 Sint-Pieters-Leeuw	Director	2006
Luc VANSTEENKISTE (2)	Stationstraat 172 B-9260 Schellebelle	Director	2005

(1) Executive (2) Independent (3) Representing main shareholder

## EXECUTIVE COMMITTEE

Guy Paquot	Chairman
Richard Dawids	Member
Vincent Doumier	Member

## GENERAL SECRETARIAT

Bruno Spilliaert

## AUDITORS

S.C. Deschamps, Godefroid, Verset & c° sprl, Represented by André Deschamps	Boulevard Georges Deryck 26 bte 15 B-1480 Tubize	2004
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## MAIN FUNCTION EXERCISED BY THE NON-EXECUTIVE DIRECTORS OUTSIDE OF LA COMPAGNIE DU BOIS SAUVAGE S.A.

Robert Demilie	Vice-Chairman of Entreprises et Chemins de Fer en Chine s.a.
Gui de Vaucleroy	Chairman of the Board of Delhaize «Le Lion» s.a.
Donald Fallon	Director of C.B.R. s.a.
Marc Noël	Chairman of Nomacorc LLC
Jean-Louis Raemdonck van Megrode	Director of Vermeulen-Raemdonck s.a.
Solange Schwennicke	Chairperson of Delvaux - Dujardin group
Luc Vansteenkiste	Managing Director of Recticel s.a.



MANAGEMENT REPORT  
FROM THE BOARD OF  
COMPAGNIE DU BOIS SAUVAGE  
AT THE ORDINARY GENERAL MEETING  
HELD ON 28 APRIL 2004

LA COMPAGNIE DU BOIS SAUVAGE undertakes to be bound by the rules of «corporate governance» in accordance with the recommendations issued by the financial and stock-exchange authorities.

The net asset value is published each month on our website ([www.bois-sauvage.be](http://www.bois-sauvage.be)) as well as at the time of releases regarding half-year and annual results.

Pursuing the Company's policy of transparency, page 21 of this report provides a detailed breakdown of the portfolio and its book value as at 31 December 2003.

The Board is made up of a majority of independent directors. There were six during the past financial year.

The main rules governing appointments and age limits in the Board are as follows:

- Non-active directors should be in the majority in the Board.
- Independent directors hold office for six years, and may be renewed once.
- There are no limits to the number of times active directors can be re-elected during the period of their employment.
- The age limit for election is 65; any elected director may complete his mandate.

Three specialised committees have been in place since 1998:

- The Audit committee, made up of Donald Fallon and Robert Demilie, met on four occasions in 2003. In January 2003, it analysed the exchange rates risks and the application of IAS to the Company. In March 2003, it examined the corporate and consolidated accounts as at 31 December 2002, the Group's organisation chart and ongoing legal disputes and commitments. In September 2003, it examined the

half-year balance-sheet and profit and loss accounts.

In November 2003, it prepared the proposals to be made to the Board on conversion to IAS.

- The Remuneration Committee, made up of Gui de Vaucleroy and Solange Schwennicke, met on one occasion during the past financial year. It followed the remuneration level of the management.
- The Appointment Committee, made up of Jean-Louis Raemdonck van Megrode and Guy Paquot, met to prepare the presentation, to the general meeting, of candidates to replace Messrs de Vaucleroy and Raemdonck van Megrode, who's mandate terminate in 2004 and not eligible for re-election.

These functions were remunerated by an attendance fee.

The Board, in its meeting on 8 September 2003, decided to set up an Executive Committee to replace the Management Committee.

This Committee has a double mission:

- Firstly, it is responsible for assisting the Managing Director in day-to-day management in areas in which he may call upon the Committee;
- Secondly it is responsible for producing preparatory notes for the Board and for informing it on the Company's current business.

The Executive Committee acts as a unit. Its members are the former members of the Management Committee, i.e. the three executive directors. It is chaired by the Chairman of the Board.

It meets when convened by the Managing Director, when required in the interests of the Company, and at least monthly. It may be convened at the request of any member.

With regard to current business, it takes

its decisions in on all matters relating to day-to-day management, subject to approval by the Managing Director for deliberation.

In this case, it must rule on a unit basis by majority of votes. In the event of equality, the matter at dispute shall be determined by the next Board meeting.

### OPERATION OF BOARD

Accordingly, the Board is made up of executive Directors, Directors representing the main shareholder and Independent Directors; some of them hold the position in two capacities. The independent directors are in majority.

In 2003, the Board met on five occasions. It discussed:

- Investment projects
- Half-year and annual results
- Budget for the following years
- Activity on derivative products
- Analysis of both real-estate and financial assets
- The purchase of own shares
- New accounting standards
- Group financing issues
- Company organisation
- Miscellaneous points.

The work of the Board is organised and documented to follow and control day-to-day management, and the results, risks and value of the company.

In many cases, the company will designate a representative to its subsidiaries and holdings in order to follow their development. Such positions are held by members of the Executive Committee within Berenberg Bank, Ceran, Codic, Banque Degroof, Floridienne, Neuhaus, Noël Group, Nomacorc, Recticel, Rec-Hold, Serendip, Simonis Plastic, Ter Beke and Waldo.

The remuneration policy is analysed within the Remuneration Committee and is approved by the Board. It takes account of the Group's own characteristics and is based primarily on the technique of «benchmarking».

The remuneration of Board members consists of a share of the statutory directors fee and of a fixed remuneration covered by the profit & loss account. In line with Article 21 of the articles of association, statutory allocations come to 5% of the distributed sums.

The remuneration of the Executive Committee members consists of a share of these remunerations.

For the 2003 financial year, the entirety of remunerations, before social security and before taxes, allocated to the directors of the consolidating company for their duties within it, its affiliated companies, subsidiaries and associated companies came to EUR 1.002.543,96 of which EUR 185.705,56 to non-executive members and EUR 816.838,40 to executive members.

Almost all non-executive members' remunerations are variable (refer above). With regard to Executive Committee members' remuneration, approximately 60% is fixed.

No director, executive or not, has received any options on shares, advances or credit.

Attendance fees have been paid to Remunerations, Nomination and Audit Committee members.

## CHANGEOVER TO IAS/IFRS STANDARDS

In order to comply with the new IFRS / IAS (International Accounting Standards) accounting rules, and in order to be prepared, with effect from the 2005 financial year, in accordance with obligations relating to the membership of Euronext's NextPrime quality segment, the company terminated its analysis for purposes of assuring conversion of consolidated accounts to these new standards.

The new consolidation perimeter was determined on the basis of control and notable influence concepts. Each case was analysed in depth, and the Board approved the proposal of the Audit Committee. This proposal will bring no major change in the perimeter.

In preparation of this changeover, certain evaluation rules were adapted (see page 41 of the French report).

The opening balance-sheet with application of the IFRS standards will take place as of 1 January 2004, and the financial repercussions will be communicated to the public on the same occasion as the statement dealing with the half-year results as at June 2004.

## STATUTORY NOMINATIONS

The mandates of office of Gui de Vaucleroy and of Jean-Louis Raemdonck van Megrode are expiring. In accordance with the rules currently applicable in the Group, they may not be reelected.

Messrs de Vaucleroy and Raemdonck van Megrode have been Directors for six years. Their departure represents a great

loss, because of their extensive experience, independence of judgment, intellectual discipline and total gentlemanship to all those around them, and they will be greatly missed.

The Nomination Committee has decided to propose the appointment of Mr. Karel Boone, Chairman and CEO of Lotus Bakeries, and Mr. Luc Willame, Chairman of AGC Flat Glass, for a term of six years ending in 2010. They will both be independent directors.

The mandate of Vincent Doumier and of Donald Fallon are expiring in April 2004. Vincent Doumier and Donald Fallon are available for election and the Board proposes you to re-elect them for a six-year period to end in 2010.

The mandate of auditor S.C. Deschamps, Godefroid, Verset & c° sprl is expiring this year. We propose you to re-appoint him for a new three-year period. His annual emoluments will be set at EUR 7.500 excl. VAT and he will be represented by André Deschamps.

## SPECIAL REMUNERATIONS

In addition to remunerations paid to the auditor in the context of his mandate for auditing of the accounts, a special remuneration of EUR 1.000 excl. VAT was paid to him for his participation in the various Audit Committee meetings.

## PROFIT ALLOCATION POLICY

For more than 10 years, the Board has regularly proposed an increase in remuneration on the capital. The objective is, if the results permit, to increase the divi-

dend from one year to the next by a rate at least equal to that of the inflation. It is important to balance both viewpoints: increasing the company's resources and gaining a return on capital.

2002 was a stock-exchange crisis year which prompted the Board to propose a pause in the increase of the dividend. 2003 has seen a recovery in the company's results, and a healthier stock-market climate has been re-established. Consequently the Board proposes that the increase should be resumed and that the dividend should be increased to a level slightly higher than the inflation rate.

#### LIQUIDITY OF SHARE

Since June 2001, the Company has mandated Banque Paribas to improve liquidity of the share on the Stock-Exchange.

This will enable the Bois Sauvage share to be continuously quoted on the new Euronext platform, thus offering investors the facility of dealing at any time of day without constraint in the liquidity.



The company has been registered on the NextPrime quality segment since February 2002.

The number of shares did not increase in 2003; on 31 December 2003 the figure was 1.383.381. The annual volume of shares traded during 2003 was 148.142, of which 68.000 were off-exchange.

Fortis, ING and Paribas banks distribute analyses on the Company, and these can be obtained from the Company.

#### PURCHASE OF OWN SHARES

The Extraordinary General Meeting which was held on 11 Sept 2001 authorised the Board to purchase own shares for an 18-month period at a unit price not to be less than EUR 1 nor higher than 20% up in relation to the highest closing price over the 20 last days of quotation predating the operation and for a maximum number of 110.000 shares.

The Extraordinary General Meeting of 11 Mar 2003 renewed the Board's mandate for a fresh 18-month period under the same conditions.

It was also given authorisation to sell (either on the Stock Exchange, or by mutual agreement, at a minimum unit price corresponding to the stock-exchange rate on the date of the transaction) and/or to cancel own shares acquired during the period from 1 June 2002 up until 11 Mar 2003 and any shares which might be acquired in the period thereafter.

In 2003, the Company acquired on the Stock Exchange, depending on circumstances and when it believed that the prices were attractive, 1.879 own shares. It also recovered 73.239 own shares off stock Exchange under an agreement negotiated in 2001 by Surongo.

Moreover, it sold 104.573 own shares on the Stock Exchange or by mutual agreement. Several companies acquired blocks of 10.000 to 37.000 shares.

As at 31 December 2003, there remained 4.380 own shares in the portfolio. A non-available reserve was set up by deduction from the accumulated profit.

#### RELATIONSHIP WITH THE MAIN SHAREHOLDER

On 31 December 2003, Entreprises et Chemins de Fer en Chine held 713.630 shares in Compagnie du Bois Sauvage out of a total of 1.383.381 shares in circulation.

Theoretically, following the exercise of all warrants in circulation and the expiration of outstanding commitments, Entreprises et Chemins de Fer en Chine should hold 737.733 shares out of a total of 2.073.381, i.e. 35,58%.

Entreprises et Chemins de Fer en Chine is a patrimonial company which is quoted on the second market of Euronext Brussels, and whose main function is to provide stability in the group shareholding structure.

The two companies have 3 directors in common: Guy PAQUOT, Robert DEMILIE and Richard DAWIDS.

Following the Public Exchange Offer which it launched in January 2004, Fingaren now holds 85,1% of Entreprises et Chemins de Fer en Chine.

There is no agreement whatsoever between the companies, and no remuneration, advantage, management fee or other is paid by Compagnie du Bois Sauvage or any one of its subsidiaries to Entreprises et Chemins de Fer en Chine or to Fingaren.

The company has no knowledge of any shareholders' or directors' agreement.

# FINANCIAL YEAR ACTIVITIES

## 1. REAL ESTATE

The purpose of real-estate in the assets is to obtain a substantial revenue with regular growth. It is a key element in the stability of assets and of cash flow.

The real-estate policy has been defined in accordance with the following broad outlines:

- Reduced number of investments, reaching a critical volume
- Investments to be direct, if possible with a partner who specialises in real estate management
- Expected return higher than that of Government bonds, and increasing.

In 2003, several significant changes took place on the real-estate level:

- Sale of the share held in Woluwé Shopping Center with a capital gain of EUR 10,4 million before tax
- Purchase of 25% of Codic, a real-estate promotion company, for EUR 9,3 million (see also page 18)
- Sale by Surongo America of a residential real-estate in Atlanta with a capital gain of USD 2,9 million before tax. (see also page 20).

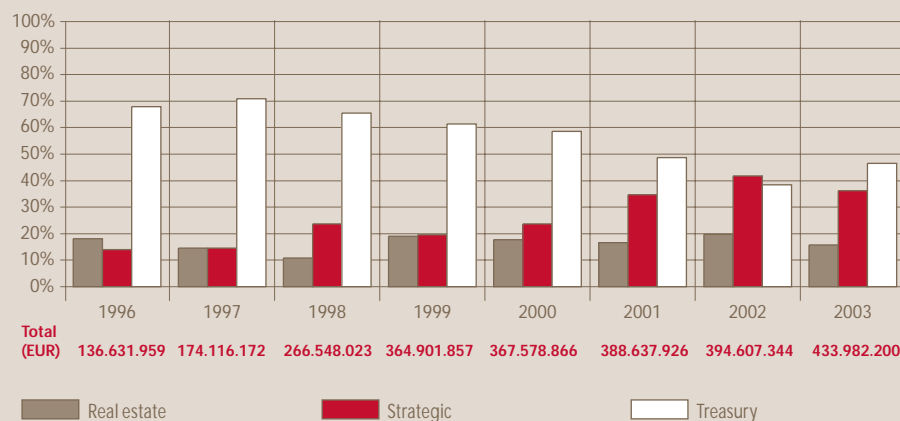
The main component of our real-estate investments is still our holding in Cofinimmo, equivalent to a REIT, of which we hold 3,99% as at 31-12-2003.

The main assets are:

- The buildings of the Head Office and at Treurenberg
- Various other premises and lands in the provinces of Liège and of Hainaut
- 2 office buildings in Luxembourg
- Industrial and residential buildings in the United States.

The amount of rent collected in the Group in 2003 is EUR 1,2 million against 1,6 million in 2002. The difference is explained by the sale of the share held in Woluwé Shopping Center and by the rental of new apartments and office space in the Treurenberg building. At the time of writing this report, all apartments and commercial floorspace were entirely rented, as well as 80% of the office space.

### Evolution of consolidated portfolio (market value at 31.12)



## 2. PORTFOLIO - HOLDINGS (NON-CONSOLIDATED PORTFOLIO)

	2003		2002	
	% holding	net book value in thousands of euros	% holding	net book value in thousands of euros
<b>P1. AFFILIATED COMPANIES</b>				
<b>Shares</b>				
Cie DU BOIS SAUVAGE NEDERLAND	100	148,8	100	148,8
ENTREMA SERVICES	100	273,4	100	273,4
ECFC	2	1.730,5	2	2.522,0
FINPRO		Absorbed	100	12.105,0
IMOLINA	100	1.260,0	100	1.260,0
METROBEL	100	1.348,3	100	4.353,0
NEUHAUS	46	11.185,7	46	12.040,7
REC-HOLD	41	22.879,3		See P2
SIMONIS PLASTIC	100	728,2	100	1.052,1
SURONGO AMERICA	96	14.262,0	96	14.057,2
SURONGO DEUTSCHLAND	100	12.000,0	100	12.000,0
<b>Receivables</b>				
SURONGO DEUTSCHLAND		17.188,0		17.166,6
<b>Total P1</b>		<b>83.004,2</b>		<b>76.978,8</b>
<b>P2. OTHER COMPANIES WITH A LINK</b>				
<b>Shares</b>				
ATC (Alpha Drain)		Sold	25	182,8
BANQUE DEGROOF	14	38.351,6	13	35.395,3
BEECKMANS VAN GAVER & CIE (in liquidation)	25	-	25	-
CERAN	20	262,8	20	433,8
CODIC	25	9.250,6	-	-
FLORIDIENNE	15	6.250,0	15	7.217,8
NOEL GROUP	18	8.797,9	18	9.181,4
REC-HOLD		See P1	13	12.563,5
SERENDIP	25	3.189,0	25	3.178,5
WALDO	34	363,7	34	1.421,3
<b>Receivables</b>				
CHOCOLATS DE L'IRIS		-		325,3
NOMACORC		2.377,8		2.865,1
WALDO		1.836,3		6.153,7
<b>Total P2</b>		<b>70.679,5</b>		<b>78.918,5</b>
<b>P3. OTHER LONG-TERM INVESTMENTS</b>				
<b>Shares</b>				
COFINIMMO	4	37.172,8	Via Finpro and Metrobel	
DELHAIZE		21.999,8		10.002,5
ELECTRABEL		54.269,3		47.420,8
FORTIS (B)		44.993,9		44.383,1
RECTICEL		121,7	5	11.873,5
Various		283,2		8,7
<b>Total P3</b>		<b>158.840,7</b>		<b>113.688,6</b>

## STRATEGIC HOLDINGS

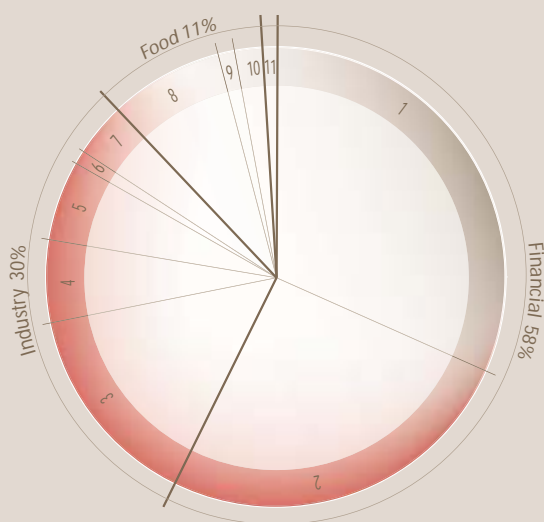
The increasing importance of this section reflects the company's main purpose, which is to take minority holdings in listed or non-listed companies. Its policy is to accompany talented men and women in business, industry or finance, who are looking for support at a certain stage in the existence of their company. It also provides help with their financial management, their structure and their capital stability.

The investment criteria upheld by the Executive Committee before presenting a new project to the Board are as follows:

- Understanding of the business sector in which the company operates
- Confidence in the management in place
- Positive financial analysis
- Unanimity of the decisions

### Consolidated strategic holdings

(MARKET VALUE AT 31.12.2003, EUR)



1	Degroof	33%	51.001.196
2	Berenberg	25%	40.000.000
3	Recticel	14%	23.001.020
4	Nomacorc	6%	9.802.874
5	Noël Group	6%	8.797.697
6	Simonis Plastic	0%	728.209
7	Floridienne	4%	6.250.000
8	Neuhaus	8%	13.129.328
9	Waldo (Fauchon)	1%	1.681.144
10	Serendip	2%	3.189.000
11	Others	1%	1.549.899
	<b>Total</b>	<b>100%</b>	<b>159.130.368</b>

## STRATEGIC HOLDINGS - FINANCIAL DIVISION



### DEGROEF BANK

Belgian bank specialising in four basic fields: asset management; investment banking; market activities; management of investment funds on its own account.

The bank continued its commercial expansion during its 2002/03 financial year: assets under management have increased, while deposits have progressed by 9,4%.

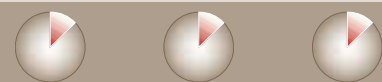
External growth continued, in 2003, with the acquisition of «de Buck, Banquiers sa», which is mainly active in the two provinces of Flanders.

The shares portfolio for own account yielded a 17,83% return. Previous streamlining operations and technological investments enabled cost-cutting and have contributed to the recovery of the consolidated net profit which already gives a better view of the group's profit-making capacity.

During the last financial year, the Company was able to acquire 6.250 additional shares, but was also slightly diluted, following the acquisition of «de Buck Banquiers» which was achieved by a capital increase.

### AUDITED CONSOLIDATED ACCOUNTS

(IN MILLIONS OF EUROS)	30/09/2003	30/09/2002	30/09/2001
Net financial income	<b>148,104</b>	155,725	168,176
Cost / income ratio	<b>84,4%</b>	86,0%	77,4%
Net group profit	<b>25,228</b>	11,032	15,086
Group Equity	<b>144,581</b>	109,943	93,978
Balance-sheet total	<b>2.550,266</b>	2.549,795	2.708,048
Dividend paid	<b>9,124</b>	7,586	14,692
Percentage holding	<b>13,74%</b>	13,14%	13,91%



### BERENBERG BANK

Berenberg Bank is the oldest private bank in Germany, and is among the oldest banks in the world. Anchored in the over 400 years of traditions of a Hanseatic family business, the Bank had developed into a modern, dynamic and international Private Banking house.

The Bank is involved in commercial business as well as active in trading of all types of securities. Granting of credits combined with service and advice, it is in this very manner that a Private bank can help its customers the best possible.

During the last years capital- and asset management and advice in these fields have developed into a cornerstone of the Banks

activities. Berenberg Bank is not only for the private investor, but also for institutional customers, like insurance companies and pension funds.

With a balance sheet of almost 2 billion Euros, Berenberg Bank is today among the most important private banks in Germany. The Bank employs 400 collaborators in its head office in Hamburg, Bremen, Dusseldorf, Frankfurt, London, Luxemburg, Shanghai and Zürich. A series of specialized subsidiaries complete the range of services that the Bank offers.

The past year, another successful result was attained. The equity of the Bank amounts to EUR 130 million.

#### AUDITED CORPORATE ACCOUNTS

(IN MILLIONS OF EUROS)	31/12/2003	31/12/2002	31/12/2001
Net financial income	<b>115,713</b>	119,083	116,164
Cost / income ratio	<b>48,9%</b>	44,7%	43,1%
Net profit	<b>37,352</b>	41,179	45,650
Equity	<b>132,669</b>	125,333	123,182
Total Balance sheet	<b>1.852,009</b>	1.942,551	1.772,188
Dividend paid	<b>31,629</b>	33,873	32,125
Percentage holding	<b>12%</b>	12,00%	12,00%



#### STRATEGIC HOLDINGS - INDUSTRIAL DIVISION



##### FLORIDIENNE

*This is a Belgian industrial holding company which has majorit participations in the chemicals industry, non-ferrous metals and in agribusiness. It also has leading biotech holdings.*

The sectors in which the company operates are generally industrial sectors in which it has a large market share.

For example, in the chemicals industry, the recycling of nickel-cadmium cells, cadmium oxide, lead salts for the PVC industry; in agribusiness: snails and Saint-Jacques scallops.

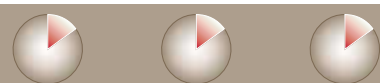
In biotech, it holds an important position in plant derivative enzymes such as the papain protease, and is working towards increased understanding of the olfactory mechanisms.

These technologies may come to exert considerable influence on the agricultural industry of the future.

The group currently employs 1.000 persons and operates exports to more than 100 countries.

#### AUDITED CONSOLIDATED ACCOUNTS

(IN MILLIONS OF EUROS)	31/12/2003	31/12/2002	31/12/2001
Turnover	<b>147,340</b>	139,869	117,300
Net group result	<b>1,735</b>	0,848	- 0,800
Cash-flow	<b>8,698</b>	8,483	6,390
Group Equity	<b>34,494</b>	33,482	34,070
Balance-sheet total	<b>138,798</b>	141,911	131,914
Dividend paid	<b>1,252</b>	1,097	1,639
Percentage holding	<b>15,18%</b>	15,44%	15,44%



##### NOEL GROUP

*American company specialising in plastic extrusion*

In 2003, the Noel group continued to focus on the finalisation of an operational structure in line with its main centres of activity: insulations, specialised extruded-foam profiles and decoration components.

The company has experienced significant growth in sales volume, mainly by the addition of new products in the furnishings sector and new activity in the field of insulation products.

In 2003, for the first time, the Focal Point subsidiary experienced a positive cash flow and the company envisages a net profitability in 2004.

The Nomaco (specialised profiles) activity has experienced a major progress and is constantly improving its profitability. Nomaco/KFlex, a 50% owned subsidiary, experienced initial production problems in 2003 and has not yet reached profitability. The company envisages a positive yield for 2004.

Noel Group has completed its re-structuring process and is in a good position to generate high growth results in terms of turnover and profitability.

#### CONSOLIDATED ACCOUNTS

(IN MILLIONS OF EUR)	31/12/2003	31/12/2002	31/12/2001
Turnover	<b>76,082</b>	63,575	52,428
Group net result	<b>1,409</b>	2,011	- 2,058
Cash-flow	<b>n.c.</b>	n.c.	n.c.
Group Equity	<b>27,764</b>	26,820	18,594
Balance-sheet total	<b>53,222</b>	61,280	43,037
Dividend paid	<b>1,409</b>	0,420	-
Percentage holding	<b>17,78%</b>	17,85%	12,13%





**NOMACORC**  
*American company which manufactures synthetic corks for wine-bottles.*

Nomacorc has continued its high growth throughout 2003. The turnover and profit both experienced very positive development.

A clearly-defined strategic plan is in place to lead the company towards the production level of one billion corks for 2005, with the 500-million barrier broken in 2003. Following the initial introduction of the Nomacorc closure in «new» wine countries, the highest growth levels are now exhibited by the European markets.

The company is preparing the introduction of several new closure products in order to meet the demand of various world market segments.

Nomacorc is now the undisputed leader in the field of synthetic closures for wine bottles.

#### CONSOLIDATED ACCOUNTS

(IN MILLIONS OF EUR)	31/12/2003	31/12/2002	31/12/2001
Income	<b>33,792</b>	21,944	10,349
Group net profit	<b>4,927</b>	2,858	0,260
Net cashflow	<b>n.c.</b>	n.c.	n.c.
Group Equity	<b>8,549</b>	3,523	- 0,212
Balance-sheet total	<b>30,605</b>	20,685	15,755
Dividend paid	-	-	-
Percentage holding	<b>18,35%</b>	18,60%	18,60%



**RECTICEL**  
*Recticel is a Belgian group of European scale, also active in the rest of the world. It has a presence in 20 countries, with 100 sites.*

The net turnover of the Group has increased by 0,5% reaching EUR 1.183,6 million.

Operating cash flow has decreased by 21,4% to EUR 75,6 million. This downturn affects all sectors and is explained by multiple factors such as the reduction in volumes for the Ford Mondeo and the delay in the start-up of various contracts in the automobile industry. Operating results have also declined. It dropped by 56,8% reaching a low of EUR 17,2 million. Because of all of these factors, the net loss (Group share) is EUR 14,6 million.

Since 2002, Recticel took a range of re-structuring measures in response to the economic downturn. Efforts to prepare the Group

for a persistent unfavourable economic situation were continued in 2003.

Thanks to these savings, which will come to approximately EUR 16,3 million in 2004 and EUR 19,3 million in 2005, Recticel will achieve a sustained improvement in its results. All of these efforts should enable the Group to resume profitability as from 2004.

In 1998, Recticel's shareholding structure was organised around the new Rec-Hold holding company, created for a period designated to end on 31 December 2003. In September 2003, the majority of shareholders re-iterated their confidence in the Group for a period of 2 years.

In the context of this reorganisation, Compagnie du Bois Sauvage made an exchange of Recticel shares which it directly held in return for Rec-Hold shares.

Compagnie du Bois Sauvage has, by this operation, increased its holding in Rec-Hold, and has confirmed its wish to see Rec-Hold perform the role of a stable shareholder for Recticel, thus enabling the management of Recticel to concentrate on the development of its strategy under ideal conditions.

As at 31 December 2003, Compagnie du Bois Sauvage had a 40,81% holding in Rec-Hold, which had a 42,06% holding in Recticel.

#### REC-HOLD - CORPORATE ACCOUNTS

(IN MILLIONS OF EUR)	31/12/2003	31/12/2002	31/12/2001
Financial income	<b>9,395</b>	5,856	5,244
Net profit	<b>0,579</b>	2,456	1,604
Cash-flow	<b>7,172</b>	2,546	1,693
Equity	<b>70,037</b>	99,178	96,722
Balance-sheet total	<b>111,241</b>	162,964	173,650
Dividend paid	-	-	-
Percentage holding	<b>40,81%</b>	13,42%	13,42%



#### RECTICEL - CONSOLIDATED ACCOUNTS

(IN MILLIONS OF EUR)	31/12/2003	31/12/2002	31/12/2001
Turnover	<b>1.183,600</b>	1.177,400	1.155,020
Net group result	<b>-14,600</b>	22,500	19,558
Operating cash flow	<b>75,600</b>	96,100	93,700
Group Equity	<b>232,200</b>	253,800	243,107
Balance-sheet total	<b>844,200</b>	830,000	828,406
Dividend paid	<b>4,817</b>	9,633	8,620
Percentage holding	<b>0,06%</b>	4,66%	3,06%





**SIMONIS PLASTIC**  
Belgian company specialising in precision plastic injection mouldings.

For the second consecutive year, the operating result has been greatly affected by the delay in an essential project. In order to regain competitiveness in the polymers injection marketplace, there has been made further adaptation of the company's structure. During the financial year, Simonis Plastic acquired a minority holding in a new rapid prototyping activity located in Liège. This new activity now supplements the previously existing injection and testing activities.

On the strength of this new activity and encouraging commercial forecasts, positive operating result and cashflow are expected for 2004.

#### CORPORATE ACCOUNTS

(IN MILLIONS OF EUROS)	31/12/2003	31/12/2002	31/12/2001
Turnover	2,520	3,255	4,451
Net result	-0,270	-0,180	-0,162
Cash-flow	-0,114	-0,006	0,187
Equity	0,730	1,000	1,180
Balance-sheet total	2,159	2,220	2,775
Dividend paid	-	-	-
Percentage holding	100%	100%	100%



#### STRATEGIC HOLDINGS - FOOD DIVISION



**NEUHAUS**  
Famous Belgian manufacturer of top-of-the-range chocolate, confectionery and biscuit products

The year 2002/03 has been a turning point in the existence of the company, being characterised by difficulties and disappointments, but also by progress and grounds for optimism.

The global turnover has progressed by 3,2% and the current result by 212% , mainly thanks to improvement in productivity. The turnover of Jeff de Bruges improved by 11% and its distribution network increased by 13 new stores.

In the United States, the situation remained difficult, albeit with improvement. The lowest-performance shops were closed, whilst others, with comparable floorspace, have experienced 25% growth.

Exceptional items, which amount to more than EUR 2 million, prevented the final result from being positive.

A new management has been installed. Its main task is commercial development and the recovery of global profitability.

After six months in 03/04, the Group achieved a consolidated turnover which was up by 3,6% by comparison with 02/03, with a 2,9% increase in operating cash-flow.

On 31 December 2003, the Company's holding was 46,14%.

#### AUDITED CONSOLIDATED ACCOUNTS

(IN MILLIONS OF EUROS)	30/06/2003	30/06/2002	30/06/2001
Turnover	62,323	60,376	57,929
Net group result	-0,765	-1,226	1,775
Cash-flow	6,677	4,855	6,283
Group Equity	21,833	22,796	23,974
Balance-sheet total	50,264	46,355	44,025
Dividend paid	-	-	0,558
Percentage holding	46,14%	45,88%	44,59%



**SERENDIP**  
Belgian company which has a 45% holding in Galactic, which produces lactic acid.

2003/04 was a financial year characterised by transition. It was mainly devoted to the setting-up of a joint-venture in China. The new factory, with a capacity twice that of the Belgian facility, should start production in mid-2004. This project takes up a large proportion of the Belgian resources. The marketplace for lactic acid continues to develop strongly around 2 axes:

- The market for cattle feeding in Europe, in which the company hopes to take an important position.
- The market for meat storage in the USA, in which the company is looking into the possibility of a commercial development in 2004.

The European market is suffering from pricing pressures initiated by the competition and - in respect of exports - by weakness of the dollar.

#### GALACTIC - CORPORATE ACCOUNTS

(IN MILLIONS OF EUROS)	31/03/2003	31/03/2002	31/03/2001
Turnover	22,004	19,973	8,842
Net result	0,930	0,510	-0,071
EBITDA	4,632	3,193	1,278
Equity	13,720	13,105	12,968
Balance-sheet total	21,348	21,625	22,064
Dividend paid	-	-	-
Percentage holding	11%	11%	11%





## WALDO

*French company controlling the well-known Fauchon in Paris.*

At the end of 2002, the company had implemented a strategic purchase: the takeover of 12 Flo Prestige catering shops in Paris. This acquisition and the development in the United States doubled the turnover but was also the source of management and treasury problems throughout the group.

Irreconcilable differences relating to the management and philosophy of the Fauchon group prompted the shareholders to implement re-organisation and to set up a new management under the chairmanship of Mr Michel Ducros.

In 2004, the Company's contribution to the re-capitalisation will amount to approximately EUR 2,5 million. Furthermore, credit facilities granted will be converted into capital.

At the end of these operations, the Company's holding will be 22% of the company resulting from the merger of the different levels of companies.

### AUDITED CONSOLIDATED ACCOUNTS

(IN MILLIONS OF EUROS)	31/03/2003	31/03/2002	31/03/2001
Turnover	<b>51,100</b>	34,501	36,510
Net group result	<b>-1,123</b>	- 0,330	0,331
Cash-flow	<b>-1,174</b>	0,423	1,853
Group Equity	<b>1,567</b>	2,048	2,327
Balance-sheet total	<b>125,002</b>	31,255	29,292
Dividend paid	-	-	-
Percentage holding	<b>33,63%</b>	33,63%	31,00%



### OTHER HOLDINGS

#### **CODIC** CODIC

*A property development company operating in Belgium, France and Luxembourg, specialising in the development of office and business park projects*

In December 2003, Compagnie du Bois Sauvage acquired a 25% holding in Codic. This investment was conducted in partnership with Agridec and Sofina. At present, 20% is held by the management of Codic.

### AUDITED CONSOLIDATED ACCOUNTS (UK GAAP)

(IN MILLIONS OF EUROS)	30/04/2003	30/04/2002	30/04/2001
Real estate income	<b>31,898</b>	33,865	33,318
Net profit	<b>19,888</b>	27,592	18,389
EBITDA	<b>24,844</b>	26,211	25,832
Equity	<b>37,916</b>	37,028	29,436
Balance-sheet total	<b>145,870</b>	131,608	157,405
Dividend paid	<b>19,000</b>	20,000	7,747
Percentage holding	<b>25%</b>	-	-



#### **Cofinimmo** COFINIMMO

*Leading REIT fund quoted on Euronext Brussels.*

Cofinimmo integrated the BEL20 in March 2003 and recorded, for the financial year closing on 31 December 2003:

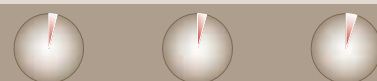
- A 21,3% increase in its current net result (group share) attaining EUR 73,7 million as against EUR 60,8 million in 2002
- A 6,5% increase in its net result attaining EUR 60,3 million as against EUR 56,6 million in 2002

The net asset value before distribution came to EUR 111,10 per share against EUR 111,43 the previous year. The company will distribute a gross unit dividend of EUR 7,25 for 2003, up by 3,6% compared to 2002, which was EUR 7,00.

The Company's holding has been slightly diluted by several capital increase.

### AUDITED CONSOLIDATED ACCOUNTS

(IN MILLIONS OF EUROS)	31/12/2003	31/12/2002	31/12/2001
Net rents	<b>127,758</b>	115,925	109,119
Net current result for group	<b>73,708</b>	60,758	55,961
Net group profit	<b>60,312</b>	56,631	73,433
Group Equity	<b>920,623</b>	851,127	734,197
Balance-sheet total	<b>2,051,703</b>	1,977,641	1,680,946
Dividend paid	<b>64,270</b>	49,898	44,478
Percentage holding	<b>3,99%</b>	4,34%	5,22%



#### E.N.E.

*Belgian company producing photovoltaic solar cells for satellites.*

Research and development: ENE finalised a contract with the European Space Agency, to increase the performance of its space photovoltaic multi-junction cells. The result obtained by ENE excelled the contractual performance figure by 24% as confirmed by a report to ESA's Industrial Policy Committee.

Commercial production: in July 2003, the company obtained a contract for production of gallium arsenide solar cells for a fifth Earth observation satellite (DMC China).

Three satellites from the same serie, whose solar cells were also supplied by ENE, were successfully launched into orbit in November 2003. The first satellite in this serie was launched in 2002.

Other contracts for the supply of the same type of cells are in negotiation for production start in 2004.

### CORPORATE ACCOUNTS

(IN MILLIONS OF EUROS)	31/12/2003	31/12/2002	31/12/2001
Margin	<b>0,444</b>	0,250	0,363
Net profit	<b>0,038</b>	0,021	0,055
Cash-flow	<b>0,131</b>	0,104	0,164
Equity	<b>2,154</b>	2,137	2,117
Balance-sheet total	<b>2,658</b>	2,348	2,372
Dividend paid	-	0,011	0,051
Percentage holding	<b>18%</b>	18%	18%



#### GROUPE CERAN

*Belgian company specialising in total-immersion language teaching.*

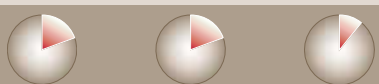
The CERAN group has experienced a difficult year in 2003. In fact, as in 2002, sales were hit by cost-cutting measures taken by companies with regard to their training budgets. The «Junior» courses have experienced similar activity to that of 2002, however with a slight improvement.

The CERAN centres in Ireland and in the United States have been closed.

Concerning regard to the group's internal organisation, various audits have permitted to achieve an in-depth review of the commercial and new business development processes, and to set-up a new group structure with a promising commercial approach for the coming years.

### CONSOLIDATED ACCOUNTS

(IN MILLIONS OF EUROS)	31/12/2003	31/12/2002	31/12/2001
Turnover	<b>5,794</b>	7,242	8,402
Net Group result	<b>-0,583</b>	-0,516	0,204
Cash-flow	<b>-0,018</b>	0,550	0,667
Group Equity	<b>1,344</b>	1,926	2,240
Balance-sheet total	<b>7,829</b>	8,655	10,620
Dividend paid	-	-	-
Percentage holding	<b>19,55%</b>	19,55%	11,17%



#### IMOLINA

*Luxembourg real estate company*

Rents from the two buildings were received on a regularly basis. They have been indexed in accordance with currently applicable regulations.

### AUDITED CORPORATE ACCOUNTS

(IN MILLIONS OF EUROS)	31/12/2003	31/12/2002	31/12/2001
Rental income	<b>0,085</b>	0,083	0,079
Net result	<b>0,004</b>	-0,005	0,004
Cash-flow	<b>0,030</b>	0,021	0,031
Equity	<b>1,664</b>	1,661	1,666
Balance-sheet total	<b>1,671</b>	1,675	1,671
Dividend paid	-	-	-
Percentage holding	<b>100%</b>	100%	100%



#### METROBEL

*Belgian company, previously involved in real-estate, and now a portfolio company.*

2003 was characterised by several elements:

- Capital gain of EUR 1 million on the sale of the holding in Woluwé Shopping Center.
- EUR 3 million capital reduction
- Distribution of a dividend of EUR 3,2 million
- Recovery of approximately EUR 0,3 million provision following the positive outcome of an old real estate dispute.

### AUDITED CORPORATE ACCOUNTS

(IN MILLIONS OF EUROS)	31/12/2003	31/12/2002	31/12/2001
Financial income	<b>0,435</b>	0,425	0,455
Net result	<b>1,619</b>	-0,054	1,226
Cash-flow	<b>1,705</b>	0,711	1,373
Equity	<b>0,382</b>	4,392	7,666
Balance-sheet total	<b>3,098</b>	8,053	7,997
Dividend paid	<b>2,600</b>	3,200	0,170
Percentage holding	<b>100%</b>	100%	100%





#### SURONGO AMERICA

American real estate company mainly involved in the southeast coast (North Carolina, Georgia, Florida).

Good progress were achieved in the new project at Jacksonville, Florida, which started in November 2002 (10 of the 23 buildings have been taken delivery of). It is planned to be terminated in June 2004 with an estimated occupancy of 50% by that date. Approximately 25% of the 240 apartments are already let.

There is a 90% occupation of the other Jacksonville project (also 240 apartments) which was completed in June 2001.

At the end of the year, a residential building in Atlanta was sold, with a capital gain of USD 2,9 million.

#### CORPORATE ACCOUNTS

(IN MILLIONS OF EUR)	31/12/2003	31/12/2002	31/12/2001
Income	0,587	0,571	0,677
Net profit	2,201	0,242	0,060
Cash position	5,109	0,090	2,037
Equity	23,439	21,239	20,997
Balance-sheet total	25,490	23,638	22,752
Dividend paid	-	-	-
Percentage holding	100%	100%	56,60%



#### OTHERS

With the exception of Entreprises et Chemins de Fer en Chine, the companies mentioned below have equity of less than EUR 1 million. Therefore, the development in their accounts is not illustrated, being not very significant.

##### Entrema Services

Belgium accounting and administrative service-provider for group companies. This company concentrates its investments on IT hardware, and provides the essential tool for the operation of the group. It is a 100% holding.

##### Entreprises et Chemins de Fer en Chine

2% holding in the parent company acquired after merger by absorption of Surongo.

The Board decided, at its meeting on 15 December 2003, that the Entreprises et Chemins de Fer en Chine shares should be presented at the PEO and that the Bois Sauvage shares obtained in exchange should be held in the «own shares» portfolio.

#### Compagnie du Bois Sauvage Nederland

Dutch 100% owned holding company. This company, previously known as Surongo Nederland, changed into its present name at the time of the bond issue of EUR 75 million maturing in November 2008 and offering a 5,5% coupon.

#### OTHER FINANCIAL FIXED ASSETS - TREASURY

Following important value reductions in 2002, this year the Company has been able to reverse significant write-downs, mainly on the Delhaize shares.

In addition to Delhaize, Electrabel and Fortis, the other items, coming to more than EUR 1,5 million, as held on 31 December 2003, mainly relate to: ING Belgique (ex-BBL), KBC, Solvay, Ter Beke (convertible bonds) and Total.

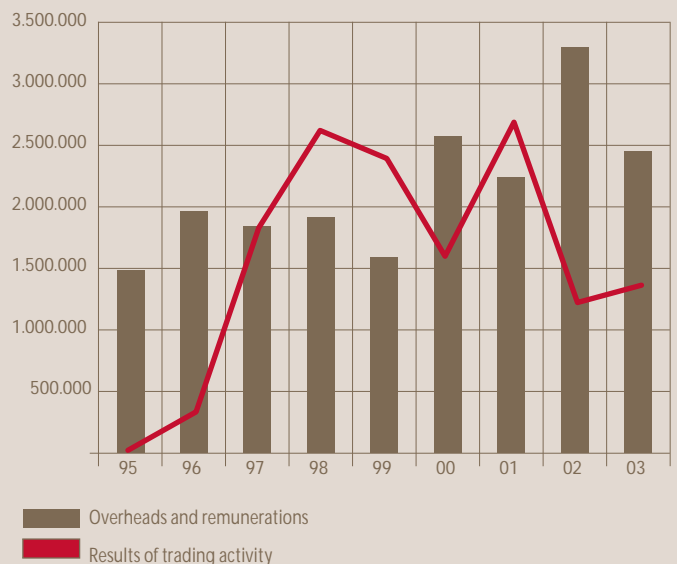
Various items have been sold or partly sold during the past financial year, for a total value of EUR 17,3 million.

This portfolio enables, among other things, to make trading activity on derivative products, on covered options.

In 2003, operations relating to this activity yielded a result of EUR 1,4 million.

Since 1997, this activity largely contributes to cover overheads (services and other goods + other operating charges) and remunerations for the Compagnie du Bois Sauvage.

#### Cover of overheads and remunerations by the trading activity



**BREAKDOWN OF CONSOLIDATED PORTFOLIO  
OF COMPAGNIE DU BOIS SAUVAGE AS AT 31.12.2003**

	Quantity	Net book value (EUR)	Average book price as at 31/12/2003 (EUR)	Percentage holding
<b>1. STRATEGIC HOLDINGS</b>				
Degroof	92.541	38.351.599,53	414,43	13,74%
Berenberg Bank		31.200.000,00		12,00%
Rec-Hold	103.794	22.879.311,21	220,43	40,81%
Neuhaus	429.063	11.185.672,41	26,07	46,14%
Noel Group LLC	1.850.009	8.797.902,80	4,76	17,78%
Floridienne	125.000	6.250.000,00	50,00	15,18%
Serendip B	150.000	3.189.000,00	21,26	25,00%
Nomacorc (via Surongo America)		3.027.119,13		18,35%
Nomacorc 2001-4/9/2009 6%	3.000.000	2.377.744,31		
Waldo Dec 07 Coupon unique	2.000	135.000,00		
Waldo Dec 07 7,5%	2.000	135.000,00		
Waldo	37.999	363.650,43	9,57	33,63%
Waldo conv99-14.1.2004 2%	27.000	258.390,00	9,57	
Waldo 01-6.6.06 Euribor+2	1.001.000	1.001.000,00		
Simonis Plastic	49.980	728.208,60	14,57	100,00%
Other		1.081.297,97		
<b>2. REAL ESTATE</b>				
Cofinimmo	354.108	36.906.366,86	104,22	3,99%
Codic	7.813	9.250.592,00	1.184,00	25,00%
Head Office Bois Sauvage		8.725.590,85		
Surongo America		6.657.157,92		
Luxembourg		1.044.768,72		
Land & other		881.895,63		
<b>3. TREASURY</b>				
Fortis	2.821.591	44.976.160,80	15,94	
Electrabel	217.774	47.297.221,39	217,18	
Consolidated treasury		28.309.358,55		
Time deposit		22.284.027,24		
Delhaize	539.475	21.999.790,50	40,78	
Total	39.948	5.543.235,04	138,76	
Solvay	75.000	5.156.250,00	68,35	
Ter Beke OCS 99-2004 6%	200	5.000.000,00	25.000,00	
Treasury (Surongo America)		4.971.071,00		
KBC	74.660	2.662.075,38	35,66	
ING Belgique (ex-BBL)	8.066	2.379.470,00	295,00	
ECFC	764	1.730.460,12	2.265,00	2,00%
Other (23 items)		9.687.856,13		

## DISTRIBUTION OF PROFITS

	EUR
The company's result comes to	22.289.727,47
To which there must be added	
— the profit carried forward after reversals/forming the unavailable reserves for own shares (net reversal of EUR 3.9 million compared to 31.12.2002)	15.730.374,20
— the transfer to the immunised reserves	- 3.236.023,38
To constitute the distributable profit	35.058.297,38
We propose that you allocate (*):	
— to the distribution of a EUR 7,80 gross dividend	10.756.207,80
— to the directors fee of Bois Sauvage	566.116,20
To be carried forward	23.735.973,38

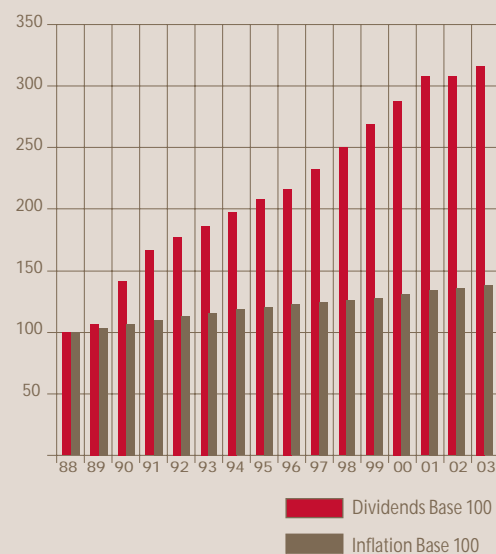
(\*):The allocation of the result shall be modified on the basis of the number of own shares purchased between 31-12-2003 and the date of payment of the dividend.

If you approve these proposals, then the dividend of EUR 7,80 shall be payable with effect from 5 May 2004 at the Head Office and at counters of the Fortis Bank and of the Degroof Bank, upon presentation of coupon n° 12.

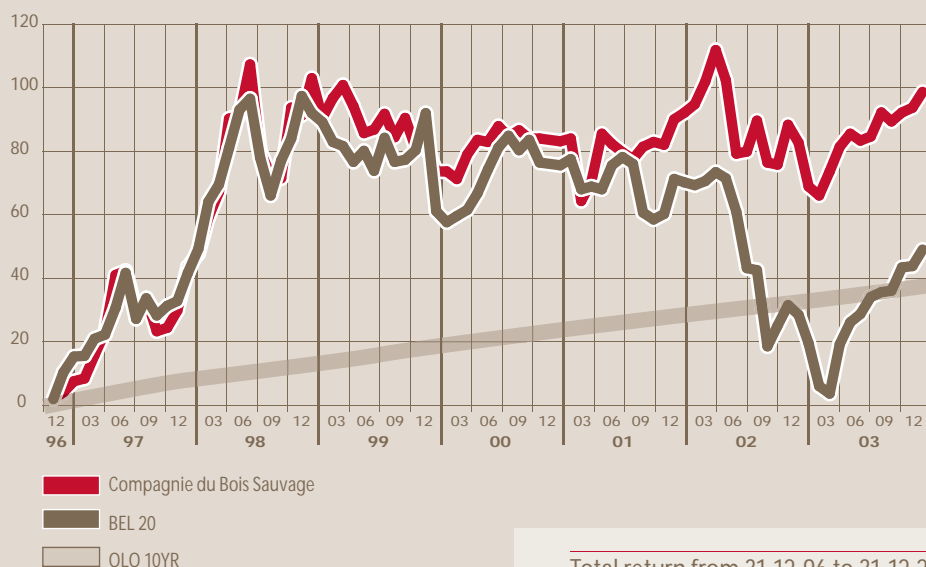
This dividend is 2,6% up in relation to last year's dividend. If calculated on the basis of the stock-exchange price as at 31 December, it would give a gross yield of 5,76%.

After distribution, the equity of the company comes to EUR 206.407.417,90

### Dividend versus inflation



### Total return on Cie du Bois Sauvage versus BEL20 and OLO 10YR



### Total return from 31-12-96 to 31-12-2003

	Total return	Annual
Compagnie du Bois Sauvage	94,52%	9,97%
BEL 20	45,87%	5,54%
OLO 10YR	34,73%	4,35%

Source: Bloomberg

## VALUATION OF PORTFOLIO AS AT 31 DECEMBER 2002

Net asset value after distribution of the Compagnie du Bois Sauvage share was calculated as at 31 December 2003.

The assumptions used for this calculation are as follows:

- Real-estate property is valued on the basis of a professional assessment as at 31-03-2002
- No liquidation tax was calculated
- No possible social liabilities were taken into account
- The stock-exchange rate as at 31 December 2003 was taken into account for valuation of quoted companies.

With regard to non-quoted companies, these are valued on the basis of their net book or consolidated assets value according to available data.

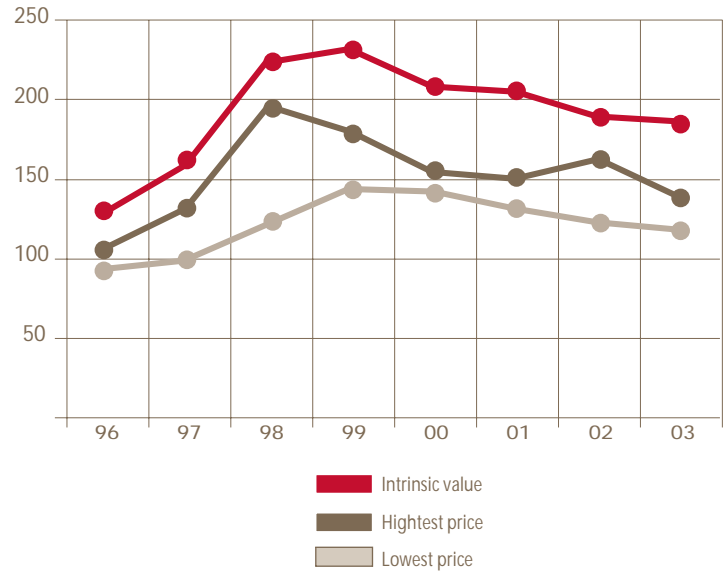
The Degroof Bank was evaluated (on the basis of the 02/03 results) according to the model employed for the last transaction. The Berenberg Bank was evaluated (on the basis of the 2003 results) according to the model used at the time of the acquisition. Nomacorc (in Surongo America) was evaluated (on the basis of the 2003 results) according to the conversion model for the bond held in the portfolio.

Upon the following assumptions:

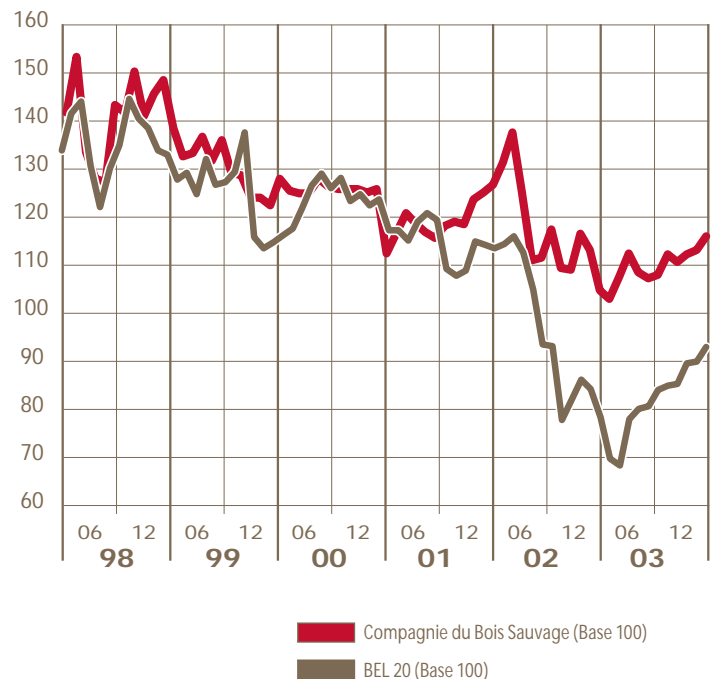
- The exercise of all warrants in circulation (net asset value, «fully diluted») or
- Exclusively the exercise of warrants whose option price is less than the market price (net asset value «in the money»)

Development in net asset value is as follows.

### Evolution of the «fully diluted» net asset value



### Compagnie du Bois Sauvage versus BEL 20



	31/12/2003	31/12/2002
Net asset value «fully diluted»	<b>191,89</b>	193,07
Net asset value «in the money»	<b>190,32</b>	187,47

## CONFLICT OF INTERESTS

What follows are elements extracted from the minutes of the Board of Directors' meeting of 16 June 2003 which, among others, discussed whether or not to extend the participation in the company Rec-Hold.

«Rec-Hold was incorporated in 1998 for a duration which is about to expire. The Board has to decide whether or not the Company should keep its investment in Recticel's holding company.

Before the discussion, Luc Vansteenkiste pointed out that he is a shareholder in Rec-Hold and that the company controlled by him - Vean - is its managing director. He is also, through Vean, a shareholder and the managing director of Recticel, which is a remunerated function.

Whatever decision the Board would take, it will affect him personally, because a decision by Compagnie du Bois Sauvage not to keep its investment in Rec-Hold might alter the control of Recticel, with repercussions on that company's strategic options.

Luc Vansteenkiste thinks there is at the very least a duality between his own and Compagnie du Bois Sauvage's interests. He therefore thinks it preferable to declare a conflict of interests and follow the procedure in article 523 of the Companies Code.

He will notify the company's auditor, and says he is now leaving the room.

Before moving on to discuss the agenda item, the Chairman asks him to briefly comment on Recticel's situation.

Luc Vansteenkiste then leaves the meeting to let the Board deliberate in accordance with article 523 of the Companies Code.

Guy Paquot expresses confidence in management where 4 qualified managers lead the 4 basic business divisions, which ensures the possible succession of the managing director. He then comments on the current shareholding of Rec-Hold and the intentions, not yet confirmed, of each shareholder in the future.

He proposes that Compagnie du Bois Sauvage should vote for Rec-Hold to continue for a period of maximum 5 years, and should offer any Rec-Hold minority shareholders who wish to withdraw, a swap of their shares for Recticel shares held by the Compagnie du Bois Sauvage.

This operation and the capital reduction prompted by Mercator's withdrawal would increase Compagnie du Bois Sauvage's holding in Rec-Hold to approximately 40%, slightly over Lessius.

This decision - unanimously approved by the Board - is in line with the interest of the Company. Indeed, the activities of Recticel could otherwise be split up, a possibility not judged adequate, at least for now. It will also allow maintaining the management team, which has the full confidence of the Company.

This decision doesn't involve any immediate patrimonial consequence for the Company since no new investment is required.

Luc Vansteenkiste returns to the meeting».

## FORECASTS FOR 2004

### PROJECTS

There is no specific planned investment project currently in the pipeline. The company will nevertheless consider carefully any proposal likely to strengthen its existing priorities.

### OUTLOOK

Development prospects for the unlisted companies in which we have holdings are encouraging and allow us to count on satisfactory results. However, as stock market fluctuations could have significant impact on our treasury portfolio, no overall projection can be given.

### MECENAT

As a cultural sponsor, the company contributed to promotional events staged by the non-profit organisation «Les Amis de la Cathédrale», and is also active in a «business club» set up by another non-profit organisation, Promethéa. It also continued to help two other non-profit organisations, «Source» and «Foyer des Jeunes de Montserrat».

## **FINANCIAL APPENDIX 2003 FINANCIAL YEAR**

Consolidated accounts

as at 31st December 2003

Presented at the General Meeting on 28th April 2004

## **COMPAGNIE DU BOIS SAUVAGE**

Limited Company with a capital of EUR 105.136.956

Registered offices: rue du Bois Sauvage, 17

at B-1000 Brussels, Belgium

Brussels register of Commerce: 273 326

V.A.T.: BE 402 964 823

## CONSOLIDATED BALANCE SHEET AFTER DISTRIBUTION

ASSETS	Financial year 2003 (x 1.000 EUR)	Financial year 2002 (x 1.000 EUR)	Financial year 2001 (x 1.000 EUR)
<b>FIXED ASSETS</b>	<b>313.418</b>	<b>306.364</b>	<b>198.677</b>
I. Formation expenses	727	-	-
IV. Tangible assets	10.873	18.080	15.755
A. Land and buildings	2.023	2.085	1.339
B. Equipment	62	70	48
C. Furniture and vehicles	25	23	7
E. Other tangible assets	8.763	15.902	14.361
V. Financial assets	301.817	288.284	182.922
A. Companies consolidated by the equity method	17.180	23.061	18.874
1. Shares in associated companies	15.344	16.907	16.720
2. Other companies	1.836	6.154	2.154
B. Other companies	284.637	265.223	164.048
1. Shares and units	276.172	258.374	149.405
2. Loans and other receivables	8.465	6.849	14.643
<b>CURRENT ASSETS</b>	<b>97.388</b>	<b>51.250</b>	<b>185.607</b>
VI. Amounts receivable after one year	17	17	-
A. Trade receivable	-	-	-
B. Other amounts receivable	17	17	-
VII. Inventories and contracts in progress	539	552	571
A. Inventories	539	552	571
4. Finished goods	11	9	14
5. Buiding for sale	528	543	557
VIII. Amounts receivable within one year	15.406	12.814	20.655
A. Trade receivable	2.461	73	4.815
B. Other amounts receivable	12.945	12.741	15.840
IX. Liquid assets invested short term	52.501	37.270	160.271
A. Own shares	587	4.507	1.018
B. Other investments and deposits	51.914	32.763	159.253
X. Cash at banks and in hand	28.309	212	4.001
XI. Prepaid charges and accrued income	616	385	109
<b>TOTAL ASSETS</b>	<b>410.806</b>	<b>357.614</b>	<b>384.284</b>

LIABILITIES AND SHAREHOLDERS' EQUITY	Financial year 2003 (x 1.000 EUR)	Financial year 2002 (x 1.000 EUR)	Financial year 2001 (x 1.000 EUR)
<b>GROUP CAPITAL AND RESERVES</b>	<b>206.304</b>	<b>198.218</b>	<b>218.984</b>
<b>I. Capital</b>	<b>105.137</b>	<b>105.137</b>	<b>68.521</b>
A. Subscribed capital	105.137	105.137	68.521
<b>II. Share premium account</b>	<b>63.011</b>	<b>63.011</b>	<b>24.672</b>
<b>IV. Reserves and accumulated profit (*)</b>	<b>39.143</b>	<b>27.404</b>	<b>121.129</b>
<b>V. Consolidation differences</b>	<b>2.695</b>	<b>2.695</b>	<b>2.502</b>
<b>VI. Translation differences (+) (-)</b>	<b>-3.682</b>	<b>-29</b>	<b>2.160</b>
<b>MINORITY INTERESTS</b>	<b>99</b>	<b>99</b>	<b>10.439</b>
<b>VIII. Minority interests</b>	<b>99</b>	<b>99</b>	<b>10.439</b>
<b>PROVISIONS AND DEFERRED TAXES</b>	<b>8</b>	<b>1.106</b>	<b>1.338</b>
<b>IX. A. Provisions for liabilities and charges</b>	<b>8</b>	<b>1.106</b>	<b>1.338</b>
1. Pensions and similar obligations	-	-	-
2. Taxation	-	-	619
3. Major repairs and maintenance	-	765	690
4. Other liabilities and charges	8	341	29
<b>DEBTS</b>	<b>204.395</b>	<b>158.191</b>	<b>153.523</b>
<b>X. Amounts payable after one year</b>	<b>128.187</b>	<b>91.076</b>	<b>50.911</b>
A. Financial debts	128.178	91.070	50.905
1. Subordinated loans	-	-	344
2. Unsubordinated loans	75.000	38.590	34.500
4. Bank loans	53.178	52.480	16.061
D. Other amounts payable	9	6	6
<b>XI. Amounts payable within one year</b>	<b>72.218</b>	<b>63.813</b>	<b>99.914</b>
A. Current portion of amounts payable after one year	34.517	27.667	44.769
B. Financial debts	3.078	21.245	11.895
1. Bank debts	2.806	20.980	11.697
2. Other debts	272	265	198
C. Trade payables	539	135	31.237
1. Suppliers	539	135	31.237
E. Taxes, remuneration and social security	2.741	1.154	1.009
1. Taxes	2.675	1.084	926
2. Remuneration and social security	66	70	83
F. Other amounts payable (*)	31.343	13.612	11.004
<b>XII. Accrued charges and deferred income</b>	<b>3.990</b>	<b>3.302</b>	<b>2.698</b>
<b>TOTAL LIABILITIES</b>	<b>410.806</b>	<b>357.614</b>	<b>384.284</b>

(\*) The figures at 31.12.2002 have been amended according to the number of own shares repurchased at the day that the dividend is paid out.

## CONSOLIDATED INCOME STATEMENT

CHARGES	Financial year 2003 (x 1.000 EUR)	Financial year 2002 (x 1.000 EUR)	Financial year 2001 (x 1.000 EUR)
A. Debt charges	7.014	7.555	6.799
B. Other financial charges	421	323	539
B bis. Amortization of positive consolidation differences	6	338	916
C. Services and other goods	1.959	2.081	1.413
D. Remunerations, related social charges and pensions	567	539	464
E. Other operating charges	255	1.019	686
F. Amortization, depreciation and amounts written off on intangible and tangible assets	401	632	662
G. Amounts written of	13.146	49.822	7.181
1. Financial fixed assets	12.188	46.074	3.369
2. Financial current assets	415	3.461	3.812
3. Amounts receivable	543	287	-
H. Provisions for extraordinary liabilities and charges	8	416	105
I. Loss on disposal	11.374	6.046	2.623
1. Tangible and intangible fixed assets	-	19	-
2. Financial fixed assets	5.655	1.465	353
3. Financial current assets	5.719	4.508	2.270
4. Various	-	54	-
J. Extraordinary charges	282	31	-
K. Income taxes	3.182	1.122	266
K bis. Group share in the loss of companies consolidated using the equity method	2.042	171	313
L. Consolidated profit	23.061	-	11.616
1. Minority interests in the result	-	-	29
2. Net - result - Group share	23.061	-	11.587
<b>TOTAL CHARGES</b>	<b>63.718</b>	<b>70.095</b>	<b>33.583</b>

**INCOMES**

	<b>Financial year 2003</b> <b>(x 1.000 EUR)</b>	Financial year 2002 (x 1.000 EUR)	Financial year 2001 (x 1.000 EUR)
A. Incomes from financial fixed assets	15.240	15.105	8.193
1. Dividends	14.759	14.722	7.839
2. Interests	481	383	354
B. Income from financial current assets	1.429	1.722	7.883
C. Other financial incomes	2.070	3.011	3.247
D. Revenues from services	135	61	29
E. Other operating incomes	1.340	1.803	2.060
G. Reversal on amounts written off	28.389	7.270	6.999
1. Financial fixed assets	21.381	3.304	3.191
2. Financial current assets	6.721	3.912	3.526
3. Receivables	287	54	282
H. Reversal on provisions for liabilities and charges	1.106	648	16
I. Gain on disposal	13.998	4.375	4.722
1. Intangible and tangible assets	10.430	215	2.136
2. Financial fixed assets	2.918	29	145
3. Financial current assets	650	4.131	2.441
K. Adjustments of income taxes and Reversal on provision for taxation	-	1	-
Kbis. Group share in the profit of companies consolidated using the equity method	11	21	434
L. Consolidated loss	-	36.078	-
1. Minority interests in the result	-	-	-
2. Net - result - Group share	-	36.078	-
<b>TOTAL INCOMES</b>	<b>63.718</b>	<b>70.095</b>	<b>33.583</b>





