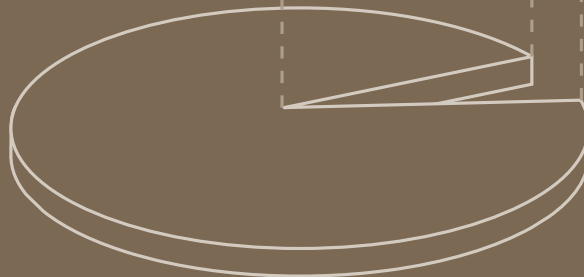




2006 ANNUAL REPORT



Management Report by the Board of Directors

Financial year 2006

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Consolidated accounts and corporate financial statement for the period ended 31 December 2006 presented to the General Meeting on 25 April 2007
Limited liability company (société anonyme) with a capital of ? 115,809,484
Registered office: Rue du Bois Sauvage 17, B-1000 Brussels / VAT no. BE 0402 964 823 / Brussels Register of Legal Entities (RPM)
This report is also available in French and Dutch. In the event of any discrepancy, the French version shall be deemed authoritative.

To obtain a copy of this brochure, please write to: Compagnie du Bois Sauvage S.A.
Rue du Bois Sauvage 17 / B - 1000 Brussels / Tel.: (32.2) 227.54.50 / Fax: (32.2) 219.25.20
E-mail: info@bois-sauvage.be / www.bois-sauvage.be

Compagnie du Bois Sauvage is a holding company under Belgian law, listed on Euronext Brussels. It has a stable shareholding structure being predominantly family-owned.

The Company's vocation is to acquire participating interests in listed or non-listed companies. It wishes to support talented businessmen and women, whether financiers or industrialists, who are seeking support at a certain stage of their businesses. It thus provides assistance with the financial management, structure and capital stability of these enterprises.

Also being a real estate company, it holds high-quality real-estate assets which are the source of stable and recurrent income. Very attentive to the interests of its own shareholders, it has distributed a dividend which has grown steadily, at a rate superior to the inflation.



Letter to the shareholders



The year 2006 reaped the fruits of the group's participations development and of the growth and investment strategy being implemented for a number of years, which has resulted in a strong recurring financial result, up 25% at € 20.6 million. Coupled with the strong stock market and economic performances of the past year, this has resulted in consolidated profits (group share) of € 64.1 million.

True to its distribution policy aimed at ensuring regularly growing earnings at least equal to the inflation rate, the Company proposes to raise the gross dividend to € 8.80 per share, i.e. a 5% increase over the dividend paid for 2005.

In December 2006, the Company concluded its public offer on Neuhaus, which it now wholly owns. That transaction followed on from the takeover bid brought to successful conclusion in February 2006. The original operation was a support measure for the transfer of the Neuhaus share listing from the regulated market to the Euronext Brussels free market. The additional investment added up to € 23 million, of which € 10.4 million through a capital increase.

Consolidating its strategic axes, the Company has:

- increased its shareholding in the Belgian company Parfimmo, a 3% shareholder in Umicore, from 33.3% to 50%, at a cost of € 13.3 million;
- acquired 100% of Parfina, a portfolio holding company, for € 1.4 million and increased its capital to € 20 million. Parfina has since acquired a 3% stake in Tessenderlo (€ 24 million) and has invested € 16 million in Cofinimmo;
- subscribed to a loan with warrants of € 7.5 million issued by Resilux, a Belgian listed company specialised in the manufacture and sale of PET packaging;
- acquired a 5% shareholding in Satair, a Danish listed company operating in the distribution of logistics services and parts for aircraft maintenance and construction, at a cost of € 6.3 million;
- made a € 5 million investment in the Matignon Technologies II fund, one of Europe's leading funds with "technologies and medical services" as its main components (paid up in the amount of € 0.5 million);
- acquired a 9.9% stake in Guy Degrenne, a French listed company specialised in the art of entertaining, for € 3.2 million;
- participated in the capital increase of Groupe Fauchon, a French foods distributor selling luxury goods, through the contribution of receivables in the amount of € 2.6 million;
- paid up an additional US \$ 2.6 million (€ 1.8 million) in the real estate partnerships DSF Capital II & III on the United States east coast;
- paid an additional € 1.5 million (total of € 2.5 million) on the convertible loan of Europal Group of Companies, a Belgian firm providing integrated packaging solutions;
- subscribed to a convertible loan of € 1.5 million issued by Dordogne Périgord Investissements, the parent company of the French venture Jean Ducourtieux, specialised in biscuits and dough for bakeries;
- subscribed to a capital increase of Berenberg bank in proportion to its share, at a cost of € 1.2 million;



Letter to the shareholders

- subscribed to a loan of € 1 million issued by Eurogarden, a Belgian company specialised in garden maintenance machinery;
- acquired a 12% interest (for € 1.2 million, of which 0.8 million paid) in H-Phar, a Belgian pharmaceutical research firm;
- paid up a further € 0.5 million in XDC's capital, in which it holds a 3% interest;
- subscribed (€ 0.3 million) to a capital increase in Nanocyl, a Belgian company producing carbon nanotubes, in which it owns a 5% stake;
- reduced its share in Floridienne, a listed Belgian industrial holding with investments in the non-ferrous metals chemical industry and the agri-foods industry, from 16.8% to 15.3% (€ -0.8 million);
- brought down its shareholding in Codic International, a Belgian real estate promoter, from 26.7% to 25% (€ -0.6 million), further to the exercise of an option by the management.

The cash and derivatives trading activities resulted in a profit of € 12.4 million, amply covering overheads and current depreciation.

The measures aimed at improving the information furnished to the shareholders have been continued: the Corporate Governance Charter approved by the Board of Directors has been available since 1 January 2006, contacts with analysts and investors have been intensified, the intrinsic value is published every month, and the detailed composition of the portfolio is once again presented on page 44 of this report.

The average daily number of securities traded was 795.

As of 31 December 2006, the company ranked 47th in terms of stock market capitalisation on Euronext Brussels. It forms part of the high-quality NextPrime segment and joined, at the time of its creation in March 2005, the new "BEL Mid" index of medium-sized companies.

Compagnie du Bois Sauvage would like to thank its shareholders for the trust and support they have shown during the financial year. The company would also like to express its gratitude to all its staff, for their professionalism and unequalled dedication.

The Managing Director
Vincent Doumier

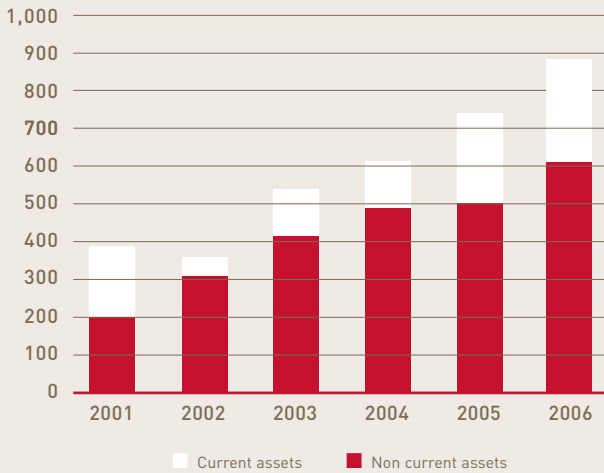
The Chairman
Guy Paquot



Key figures at 31 December

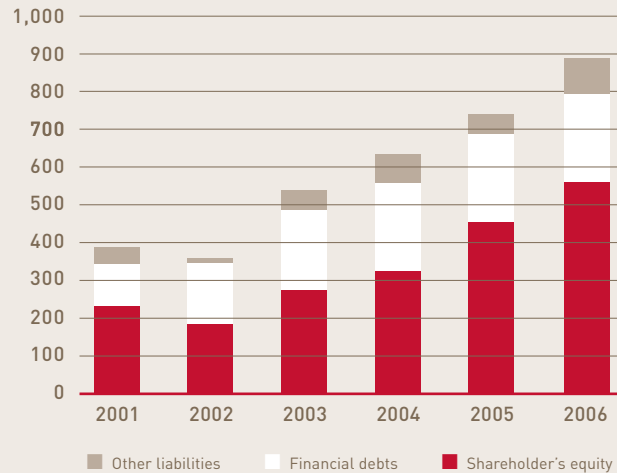
ASSETS - HISTORICAL EVOLUTION

Consolidated accounting figures (IFRS as from 2003 x € 1,000,000)



LIABILITIES - HISTORICAL EVOLUTION

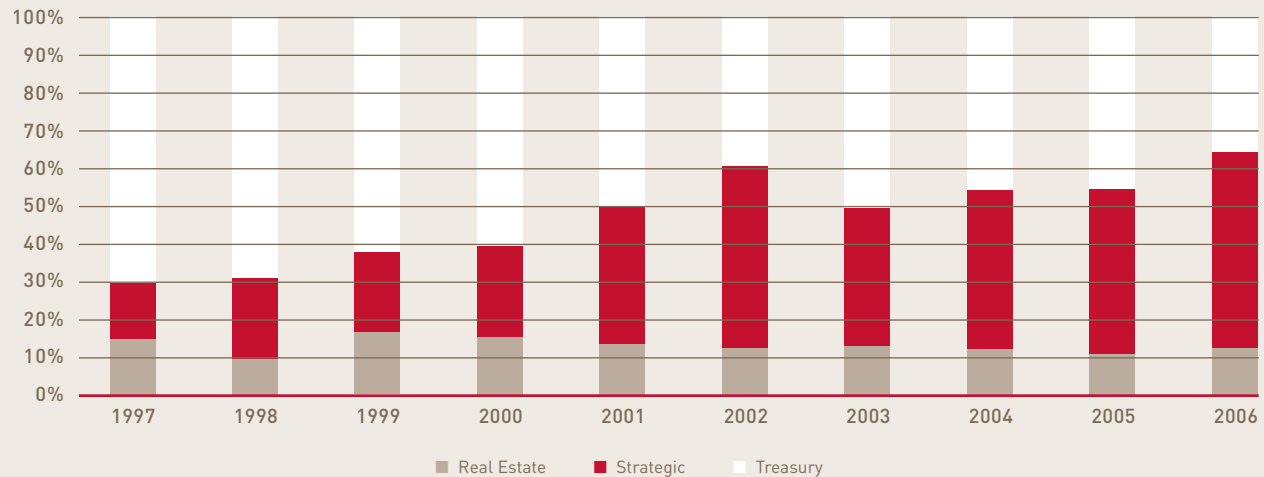
Consolidated accounting figures (IFRS as from 2003 x € 1,000,000)



EVOLUTION OF THE CONSOLIDATED PORTFOLIO

Market value at 31 December 2006

Total € 174,116,172 266,548,023 364,901,857 367,578,866 388,637,926 394,607,344 433,982,200 487,331,287 655,300,460 838,563,340



Key figures at 31 December

x € 1,000	2006	IFRS standards		Belgian standards	
		2005	2004	2003	2002
Group shareholder's equity	558,750	436,813	306,758	206,268	198,218
Consolidated net result (group share)	64,131	66,952	50,154	23,061	- 36,078
Stock market capitalisation at close of accounting period	490,362	361,316	272,526	187,310	182,606

	2006	IFRS standards		Belgian standards	
		2005	2004	2003	2002
Number of shares					
Outstanding	1,523,809	1,481,411	1,383,381	1,383,381	1,383,381
In the money	1,896,446	1,586,048	1,558,381	1,383,381	1,383,381
Fully diluted	1,896,446	1,851,048	1,558,381	2,073,381	2,540,421
Consolidated net income per share (group share) x €					
In circulation	42.09	45.19	36.25	16.67	- 26.08
In the money	33.82	42.21	32.18	16.67	- 26.08
Fully diluted	33.82	36.17	32.18	11.12	- 14.20
Intrinsic value per share at closing ⁽¹⁾ x €					
In the money	364.25	299.87	225.28	186.59	183.79
Fully diluted	364.25	296.67	225.28	188.13	189.28
Gross dividend ⁽¹⁾ x €	8.80	8.40	7.84	7.65	7.45

(1) Adapted for the grant, in 2005, of one new free share per 50 held.

	2006	IFRS standards		Belgian standards	
		2005	2004	2003	2002
Average daily volume traded	795	739	652	581	430
Price ⁽¹⁾ x €					
Closing	321.80	243.90	193.14	132.75	129.41
Highest	323.00	255.00	193.73	133.33	158.82
Lowest	245.50	191.08	132.84	113.73	119.02

(1) Adapted for the grant, in 2005, of one new free share per 50 held.



Principal risk factors

The purpose of this chapter is to identify the risk factors specific to the Company and its sector of activity.

The risk factors identified are as follows:

1. Interest rates

The Company actively manages the risk of a movement in interest rates whilst trying to benefit from their current level. To this end, credit lines with a floating rate are covered by options protecting the Company in the event of a rise in the rates. The cost of these options is amply offset by the gain on the rates.

2. Liquidity

The Company makes sure it has a net cash situation that is always positive. To this end, it has a computer programme that includes all the balance-sheet and off-balance-sheet items affecting the cash balances.

3. Cash portfolio

The Company has a portfolio of cash investments mainly comprising Belgian and European shares with a wide capitalisation. Although diversified, these investments expose it to variations in the stock markets and financial markets.

4. Currencies

The Company's long-term investments are solely in euros, American dollars and Danish crowns. The investments in American dollars represent around 10% of the assets. The risk linked to movements of the dollar is not covered.

5. Counterparty

The only counterparties accepted are the banks with which it has a direct relationship (Bank Degroof, BNP Paribas, Commerzbank, Dexia, Fortis Bank, ING Belgium, KBC/CBC and Société Générale) and one broker (Leleux).

6. Derivatives

The products underlying the derivatives activity are shares listed on Euronext. All the options issued are covered by shares held in portfolio for call options and by cash for put options. The Company has also set limits on amounts and terms and has adapted its back office and control systems to the development of this activity.

7. Operational risk

The Company has a small staff. However, every person has a "back-up" for his various activities and a procedural manual has been drawn up in order to ensure swift resumption.

All these risks are reviewed and measured twice a year by the Audit Committee.



History and origins of the group

The name “Bois Sauvage” comes from the place where the company’s registered office was established in Brussels. The place referred to as “Bois Sauvage”, a deformation of the Dutch patronymic “Wilde Wouter”, was located long ago between the Cathedral of Saints Michel and Gudule and the first enclosing wall of the City of Brussels.

Only a few sections of this 13th-century wall still remain, including the Bois Sauvage arcades, which have been renovated by the company, advised by the Royal Commission for Monuments and Sites.

The rehabilitation of the Bois Sauvage site earned the company the Quartier des Arts Award in 1992. Ten years later, in 2002, the company again received this prestigious award for the renovation of the Treurenberg site.

Compagnie du Bois Sauvage is the result of the merger of nineteen companies with very diverse origins and activities, such as Fours Lecocq, the Nagelmackers Financial Company, the Hensies-Pommeroeul Collieries, Entrema or Somikin (a mining company from Kindu), some of whose origins go back more than a hundred years. Some were too small to play a decisive economic role, others were concerned with what had become completely dated activities, whilst others were in liquidation and destined to disappear.

Their coming together, which simply confirmed a de facto situation, was in perfect accord with the Company’s strategy of stability and its mission to act as an economic and financial driving force.

The merger by absorption of the parent company Surongo in July 2002 constituted an important step in the group’s development, as it resulted in the simplification of its structure. Today it is made up of Entreprises et Chemins de Fer en Chine, the reference shareholder, and the operational company, Compagnie du Bois Sauvage.

The limited partnership Fingaren currently holds 86% of the company Entreprises et Chemins de Fer en Chine, which itself holds 42.9% (41.8% on a fully diluted basis) of Compagnie du Bois Sauvage as of 31 December 2006. For the rest, i.e. 57.1% of the capital, the Company is not aware of any shareholders pact and it can be considered as free float.

History and origins of the group



Financial calendar and Board of Directors



Annual results	1 st half of March
General Meeting	4 th Wednesday of April
Half-year results	2 nd half of August

Name	Address	Function	Term Ends
Guy Paquot ^{(1) (3)}	Rue Cornélis 1 B-1310 La Hulpe	CHAIRMAN	2009
Karel Boone ⁽²⁾	Aveschoot 50 B-9971 Lembeke	DEPUTY CHAIRMAN	2010
Vincent Doumier ⁽¹⁾	Avenue des Statuaires 127 B-1180 Brussels	MANAGING DIRECTOR	2010
Richard Dawids ^{(1) (3)}	Rue Clément Delpierre 58 B-1310 La Hulpe	DIRECTOR	Until 05/12/2006
Christine Blondel ⁽²⁾	26 rue François Millet F-77300 Fontainebleau - France	DIRECTOR	2012
Robert Demilie ⁽³⁾	Lange Leemstraat 202 B-2018 Antwerpen	DIRECTOR	2009
Donald Fallon ⁽²⁾	Rue de Thébais 2 1495 Mellery	DIRECTOR	2010
Marc Noël ⁽²⁾	10729 Trego Trail Raleigh, NC 27614 - USA	DIRECTOR	2009
Luc Vansteenkiste ⁽²⁾	Stationstraat 172 B-9260 Schellebelle	DIRECTOR	2011
Luc Willame ⁽²⁾	Avenue Grandchamp 282 B-1150 Brussels	DIRECTOR	2010

(1) Executive.

(2) Independent.

(3) Representing the principal shareholder.

Financial calendar and Board of Directors

Executive Committee ⁽¹⁾ (until 12 March 2007)	Richard Dawids Vincent Doumier Guy Paquot Laurent Puissant Baeyens	MEMBER (until 5/12/2006) MEMBER MEMBER MEMBER
Management Committee ⁽¹⁾ (from 12 March 2007)	Vincent Doumier Yves Liénart van Lidth de Jeude ⁽²⁾ Laurent Puissant Baeyens Guy Paquot	CHAIRMAN MEMBER MEMBER GUEST
General Secretariat	Bruno Spilliaert	
Auditors	S.C. Deschamps, Godefroid, Verset & c° S.P.R.L. represented by André Deschamps Boulevard Georges Deryck 26, bte 15 B-1480 Tubize	2007

(1) At its meeting on 12 March 2007, the Board of Directors decided to set up a Management Committee to replace the Executive Committee.
(2) Representing YVAX SPRL.

MAIN POSITIONS HELD BY THE NON-EXECUTIVE DIRECTORS OUTSIDE COMPAGNIE DU BOIS SAUVAGE S.A.

Christine Blondel	Executive Director of the Wendel International Centre for Family Businesses (INSEAD)
Karel Boone	Chairman of Lotus Bakeries N.V.
Robert Demilie	Deputy Chairman of Entreprises et Chemins de Fer en Chine S.A.
Donald Fallon	Honourary Chairman of C.B.R. S.A.
Marc Noël	Chairman of Noël Group LLC
Luc Vansteenkiste	Managing Director of Recticel S.A.
Luc Willame	Chairman of the Brussels Regional Development Agency

Honorary Directors	Gui de Vaucleroy Monique Neven Jean-Louis Raemdonck van Megrode Solange Schwennicke
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Corporate Governance

MANAGEMENT REPORT BY THE BOARD OF DIRECTORS OF COMPAGNIE DU BOIS SAUVAGE
TO THE ORDINARY GENERAL MEETING OF 25 APRIL 2007

A. Principles

The Corporate Governance Charter of Compagnie du Bois Sauvage, approved on 19 December 2005 by the Board of Directors and amended on 19 June 2006 and again on 12 March 2007, is available on the website (www.bois-sauvage.be).

The Charter is in accordance with the Belgian Corporate Governance Code.

The following point incorporates the explanation of the differences between the practices adopted by the Company and the recommendations of the Belgian Corporate Governance Code.

B. Difference between the Charter and the Belgian Corporate Governance Code

The differences are as follows :

- **Point 4.5 (Age limit for the Board of Directors):** The Board of Directors has preferred the formula of a six-year mandate renewable once only for independent directors, rather than that of a twice-renewable four-year mandate, as recommended by the Code. The main reason for this choice is that most of the independent directors only complete one term of office, and that this formula offers a more attractive term in order to maximise the director's contribution.
- **Point 4.6 (Independence of the Board of Directors):** Two independent directors of the company, Luc Vansteenkiste and Marc Noël, do not meet this criterion on account of their executive role in the company's strategic participating interests. The Board of Directors has examined these two cases and deemed that the character of these two directors was sufficiently independent for this not to obstruct their capacity for independence within the board.
- **Point 6 (Executive Committee):** The Chairman of the Board, Guy Paquot, held an executive position in Compagnie du Bois Sauvage in 2006. This situation is due to historical reasons. The duties were separated on 12 March 2007.
- **Point 5.1 (Audit Committee):** The Committee is made up of at least three members. The Board of Directors has opted for a pragmatic point of view here, adapted to the size of the Company, by appointing two members.
- **Point 5.3 (Nomination and Remuneration Committee):** The Board of Directors does not consider it necessary for the Managing Director to participate officially in the meetings of the Nomination and Remuneration Committee when this concerns the pay of the other members of executive management. He shall nonetheless be available to the Committee.
- **Point 7.2 (Transactions on non-listed companies):** Guy Paquot, Chairman of the Board of Directors, and a family group of shareholders close to him, are historic shareholders in a company in which Compagnie du Bois Sauvage is also a shareholder, Noël Group. In accordance with Article 524 of the Companies Code, Guy Paquot shall withdraw from the Board of Directors' deliberations when they concern this company.

Corporate Governance

C. Board of Directors

The composition of the Board of Directors, the capacity in which its members act and the date on which the latter's terms of office come to an end, as well as the main duties carried out by the non-executive directors, are presented on page 9 of this report. Accordingly, the Board is composed of executive directors, directors representing the principal shareholder and independent directors, some having two capacities. The independent directors are in the majority: they were 6 of a total of 10 members during the past financial year.

The main rules governing appointment, as well as the age limit for Board members, 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;
- active directors are not subject to any limit on the number of times they may be re-elected during the period in which they are in service;
- the age limit for being elected is 65; all elected directors may complete their term of office.

The Board met seven times during 2006. The following items were debated:

- the corporate accounts and the consolidated financial statements;
- the budget for the following years;
- investment projects;
- the public offer on Neuhaus;
- analysis of tangible and intangible assets;
- Corporate Governance policy and practices;
- questions pertaining to the group's financing;
- the organisation of the company;
- other items.

The Board's work is organised and documented so that it can monitor and check day-to-day management as well as the results, risks and value of the company.

D. Specialised committees

Three specialised committees have been in place since 1998.

In 2006, the Board of Directors decided to merge the Nomination and Remuneration Committees:

- The Audit Committee, made up of Donald Fallon and Karel Boone, met twice in 2006. In March 2006, it reviewed the corporate accounts and the consolidated financial statements at 31 December 2005, the valuation rules, the group's organisational chart and litigation. In September 2006, it examined the corporate accounts and the consolidated financial statements at 30 June 2006 and the organisational chart;
- The Nomination and Remuneration Committee, chaired by Luc Willame and composed of Christine Blondel and Robert Demilie, met on three occasions in the course of the past year. It followed up the matter of the pay of members of the Management Committee, steered the introduction of the new stock options programme, and began work with a view to proposing to the Board of Directors potential applicants for the director's seat vacated through the resignation of Richard Dawids on 5 December 2006.

These duties were remunerated by the granting of director's fees.



Corporate Governance

E. Executive Committee/Management Committee

Last year, Laurent Puissant Baeyens was named a member of the Executive Committee, which was made up of four members prior to the resignation of Richard Dawids in December.

In the course of 2006, the Committee met 22 times.

At its meeting on 12 March 2007, the Board of Directors decided to create a Management Committee within the meaning of Article 524 (a) of the Company Code, in the place of the Executive Committee.

The Board of Directors shall appoint the members of the Management Committee, remove them from office, and set their remuneration and the duration of their term of office.

Vincent Doumier, Managing Director, acts as Chairman of the Management Committee, whose members are listed on page 10 of this report.

The Management Committee shall adopt decisions by the majority of members present. However, the decision shall not be adopted if the Managing Director votes against it. In cases where the Managing Director is opposed to the opinion of the majority of the other members of the Management Committee, the item shall be submitted to the following meeting of the Board of Directors, which shall decide.

The Board of Directors has delegated to the Management Committee all administrative powers, except:

- the company's general policy and strategy;
- drawing up of the accounts;
- all matters reserved by law or the articles of association to the Board of Directors;
- preparation of the annual budget;
- any investment decision in an amount of more than € 1 million;
- any investment decision, even in an amount lower than the above-mentioned figure, if it is not in keeping with the Company's general policy or annual budget.

The Company often appoints a representative to its subsidiaries and the companies in which it has a shareholding, in order to help oversee their development. These mandates are carried out by members of the Management Committee in Berenberg Bank, Biobest, Ceran, Chemcom, Codic, Cofinimmo, Bank Degroof, Euroscreen, Floridienne, Galactic, Groupe Fauchon, H-Phar, Nanocyl, Neuhaus, Noël Group, Parfimmo, Recticel, Rec-Hold, Serendip, Simonis Plastic, Trade Credit Re, Ter Beke and Umicore.

Corporate Governance

F. Remuneration

Remuneration policy is analysed in the Nomination and Remuneration Committee and approved by the Board of Directors. It takes into account the characteristics specific to the group, and for the most part is based on the benchmarking technique.

For the 2006 financial year, total remuneration, before social security contributions and taxes, granted to the consolidating company's directors and members of the Executive Committee by virtue of their duties in the latter, in its enterprises, subsidiaries and associated enterprises, amounted to € 1,263,388, of which € 197,819 to the non-executive members and € 1,065,569 to the executive members.

Remuneration paid to the directors in 2006 on an individual basis before deduction of social security contributions and taxes (total enterprise cost)

Executive and non-executive directors

The gross pay of the directors is divided into two parts:

1. A fixed sum of € 5,000 gross per person per annum;
2. A variable sum corresponding to 2/95ths of the profit distributed every year by the company shared in equal parts among all the directors, the Chairman of the Board of Directors being entitled to a double share.

x €	Attendance	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Total
Guy Paquot ⁽¹⁾	7 / 7	53,995			53,995
Richard Dawids ⁽¹⁾⁽²⁾	4 / 7	29,081			29,081
Vincent Doumier ⁽¹⁾	7 / 7	29,498			29,498
Christine Blondel	4 / 5	3,333		500	3,833
Karel Boone	6 / 7	29,498	4,000		33,498
Robert Demilie	6 / 7	29,498		1,000	30,498
Donald Fallon	6 / 7	29,498	5,000		34,498
Marc Noël	4 / 7	29,498		250	29,748
Solange Schwennicke	1 / 2	5,500			5,500
Luc Vansteenkiste	6 / 7	29,498			29,498
Luc Willame	5 / 7	29,498		1,250	30,748
Total		298,395	9,000	3,000	310,395

(1) Executive directors.

(2) Executive directors until 5/12/2006.



Corporate Governance

Executive Committee

During the last year, this Committee had four members.

The gross pay of members of the Executive Committee is divided into three parts:

1. The fixed amount paid monthly;
2. The fixed amount and the variable part of their director's pay (see above) for members who are part of the Board of Directors;
3. A variable part corresponding to 2.5/95ths of the profit distributed yearly by the company, shared out by the Board of Directors among members of the Executive Committee on the basis of a proposal from the Nomination and Remuneration Committee.

x €	Remuneration			Total
	Fixed	Variable	Other ⁽¹⁾	
Vincent Doumier	108,564	142,392	52,351	303,307
Other members	356,780	307,440	98,042	762,262
Total	465,344	449,832	150,393	1,065,569

(1) Company car, insurance, business expenses, options and employer's social security contributions.

The ordinary General Meeting of 26 April 2006 approved the introduction of a stock option plan for members of the Executive Committee and employees.

In addition to the fees paid to the Auditor in the framework of its company auditing mandate, special emoluments in the amount of € 4,100, excluding VAT, were paid in 2006 for the completion of various assignments relating to the contribution in Neuhaus shares and the emission of subscription rights.

G. Stock option plan

Long-term staff motivation is boosted by a stock option plan concerning 3,000 shares in Compagnie du Bois Sauvage. The options were awarded to beneficiaries on 6 June 2006. Each gives the holder the right to acquire, up until 20 April 2011, a share in Compagnie du Bois Sauvage at the price of € 283.41.

Save in special cases (death, incapacity, retirement and, under certain conditions, dismissal), these rights become definitive for beneficiaries on 6 June 2007 for the first quarter and on 6 June 2008, 2009 and 2010 for the remaining quarters.

H. Statutory appointments

Mr Richard Dawids decided, in December 2006, to resign from his directorship for personal reasons. He has been a director of the Company for 18 years and we would like to thank him for his contribution to our work.

The Board of Directors proposes to appoint Mr Michel Delloye as independent director for a term of six years expiring at the end of the General Meeting of 2013.

Corporate Governance

Mr Michel Delloye is a long-term investor in Belgian and European companies, whose development he actively supports. Alongside this activity by the firm Cytindus, founded in 1997, he is also an independent director of listed and unlisted companies in Belgium (Telenet and Brederode in particular) and in France.

Trained as a lawyer, Mr Delloye began his career in 1981 in the auditing firm Deloitte before moving on to Groupe Bruxelles Lambert (GBL) in 1984, where he was financial director until 1988. At that time, he was sent to New York to manage the North American activities. He returned to Brussels in 1990 and was appointed general manager of GBL, before leaving for Luxembourg to become Managing Director of CLT Multimedia (which became RTL Group), Europe's leading private commercial radio and TV group. Once the merger with Bertelsmann Group had been concluded, he left this post in 1996 to look after his own investment activities. He moved on to London to serve in 1998 and 1999 as CEO of Central European Media Enterprise, a television group active in Central and Eastern Europe.

The mandate of the Auditor, S.C. Deschamps, Godefroid, Verset & Co S.P.R.L., expires this year.

We propose the appointment of Deloitte Réviseur d'entreprises SC s.f.d. SCRL as the firm's Auditor for a period of three years. Its yearly emoluments will be set at € 20,000 excluding VAT and it will be represented by Michel Denayer and Eric Nys.

I. Profit allocation policy

For over 15 years, the Board has regularly proposed to increase the return on capital. The aim, inasmuch as the company's results allow, is to raise the dividend, year after year, by a rate at least equal to inflation. It is important to reconcile two points of view: consolidation of the Company's resources and return on capital.

The year 2006 saw the confirmation of the excellent results obtained in 2005 in a positive stock market climate. Accordingly, the Board of Directors proposes to increase the gross dividend by € 0.40, bringing it to € 8.80 per share.



Corporate Governance

J. Information to the shareholders

The company's web site (www.bois-sauvage.be) is regularly updated in order to provide shareholders with better information, enabling them to exercise their rights in an optimal fashion.

The intrinsic value of the share is published on the site every month, as well as in the press releases relating to the six-monthly and annual results.

In keeping with the Company's policy of transparency, this report gives on page 44 the detailed breakdown of the portfolio and its book value as of 31 December 2006.

Since 2004, the Company has authorised Bank Degroof to improve the share's liquidity on the stock exchange. This means that Compagnie du Bois Sauvage share can be listed continuously on the new Euronext platform, thereby offering investors the possibility of trading at any time of the day without any liquidity constraints.



As of February 2002, the Company has been registered in the NextPrime high-quality segment.

The company is listed on the BEL Mid index, whose securities are selected on criteria of liquidity and floating stock market capitalisation.

The number of securities issued rose from 1,481,411 on 31 December 2005 to 1,523,809 on 31 December 2006 following the issue of new shares under the takeover bid on Neuhaus at end 2005, brought to conclusion in February 2006. The annual volume of securities traded in 2006 was 202,826. The average daily volume was 795 in 2006, compared with 739 in 2005.

Degroof, Fortis, ING and KBC banks distribute analyses on the Company. These are available from the Company.

K. Relationship with the principal shareholder

As of 31 December 2006, Entreprises et Chemins de Fer en Chine held 652,999 shares in Compagnie du Bois Sauvage of a total of 1,523,809 outstanding shares, i.e. 42.9%. Theoretically, after exercise of all its outstanding convertible loans and warrants, Entreprises et Chemins de Fer en Chine would hold 792,352 shares of a total of 1,896,446, or 41.9%.

Entreprises et Chemins de Fer en Chine is a holding company whose shares are treated on the public auction exchange and whose main task is to ensure the stability of the group's shareholding structure.

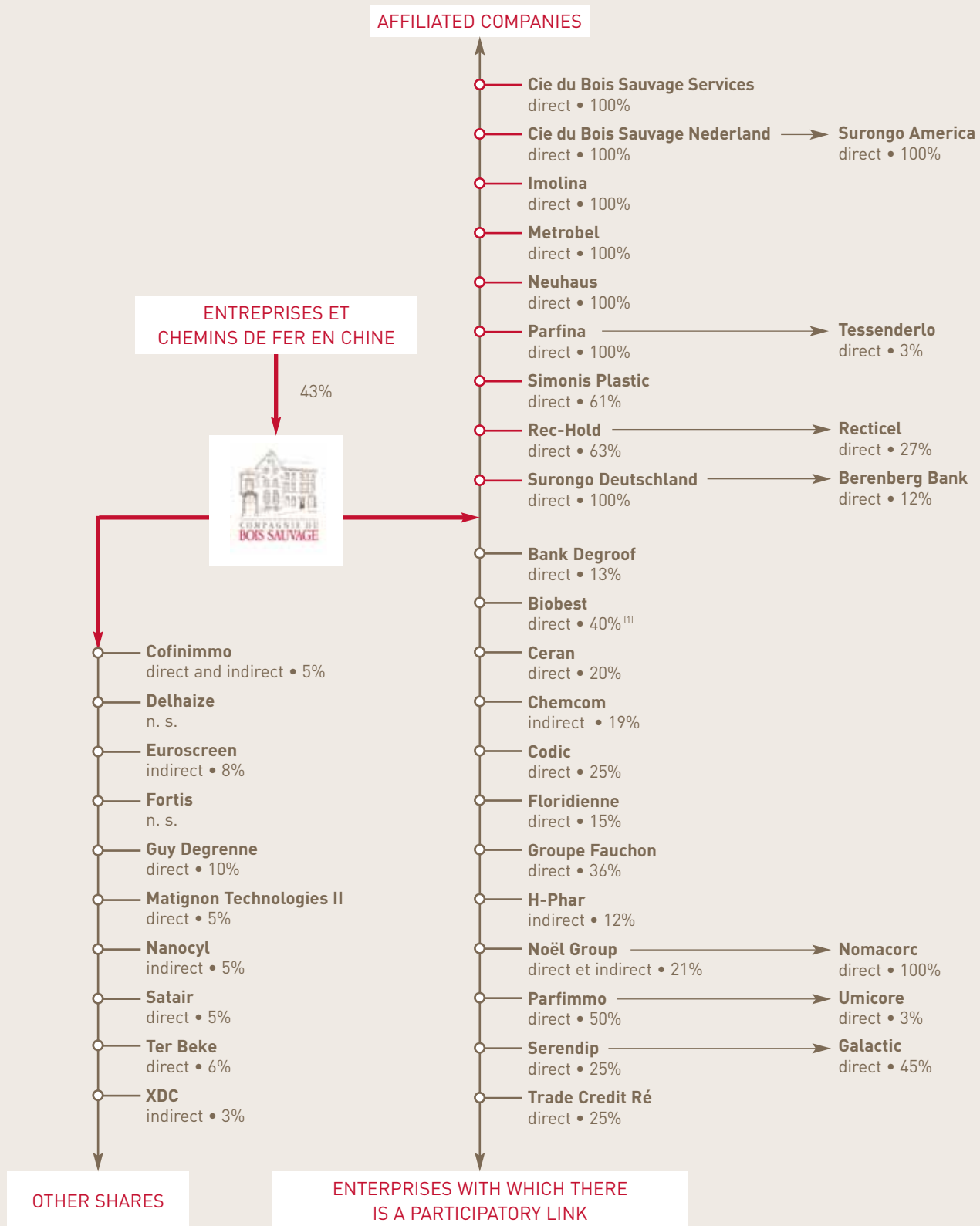
The two companies have two directors in common: Guy Paquot and Robert Demilie.

Fingaren, a private holding company, currently holds 86% of Entreprises et Chemins de Fer en Chine.

There is no agreement whatsoever between these two companies, and no emoluments, benefits, management fees or any other kind of remuneration has been paid by Compagnie du Bois Sauvage or any of its subsidiaries to Entreprises et Chemins de Fer en Chine or Fingaren.

The Company is not aware of the existence of any shareholders' or directors' pacts.

Organisational chart of the group



(1) Biobest: Acquisition effected in February 2007

Activities during the financial year

Real estate

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

The real estate policy has been determined on the basis of the following main points:

- small number of investments reaching a critical volume;
- direct investments, if possible with a partner specialised in property management;
- expected return higher than that of government bonds at 10 years, and growing.

The dominant element of the Company's property investments remains the participating interest in the company Cofinimmo (see also page 21), in which it held a 4.6% stake as of 31 December 2006 (3% directly, 1% through the company Parfina and 0.6% through Parfimmo).

Since the end of 2003 the Company has held a participating interest, which was brought down from 26.7% to 25% in 2006 (further to the exercise of an option by the management on 1.7%), in the property development company Codic (see also page 20).

Finally, the Company has an American subsidiary, Surongo America, which invests in top-of-the-range residential projects in the United States (see also page 42).

Aside from these three participating interests, the assets chiefly comprise:

- the buildings on the site of the registered office and the Treurenberg (3,000 m² of office space, 2,000 m² of housing and 70 m² of shops);
- various other surface areas and sites in the provinces of Liege and Hainaut (42 ha);
- two office blocks in Luxembourg (320 m²).

The amount of the group's current real estate revenue in 2006 was € 4.0 million, compared with € 5.5 million in 2005.

As of 31 December 2006, all the flats, office space and shops were let.

Activities during the financial year

Real estate participating interests

Codic



An international real estate project developer specialised in office complexes, business parks, shopping centres and multipurpose projects, both in the city centre and in outlying areas.

The group is active in Belgium, France, Luxembourg and, since 2006, in Hungary, and has a staff of around 40 people.

Financial year 2005-2006 ended with record profits. The prospects for 2006-2007 (which began on 1 May 2006) remain excellent but are not expected to reach the exceptional level of the previous financial year.

The evolution of the letting rate in completed projects will result in the sale of those projects, to be finalised in the first half of 2007.

Since the start of its accounting year, Codic has also given effect to the sale of shares in Immo 167, which developed the Waterloo Atrium. The group has also finalised several letting transactions in projects sold in previous years, thus earning additional income.

In addition to its financial earnings, the evolution of different projects underway is particularly encouraging. New projects are being put in place, particularly in France, and permits have been obtained for several projects in Belgium, confirming the company's growth prospects and enabling it to look towards the future with confidence.

AUDITED CONSOLIDATED ACCOUNTS (IFRS)

x € million	30/04/2006	30/04/2005	30/04/2004
Real estate earnings	46.820	34.948	27.370
Net result	24.612	19.092	8.015
EBITDA	36.144	26.383	19.379
Shareholder's equity	57.176	47.824	45.788
Balance sheet total	229.041	172.128	147.906
Dividend paid	14.375	12.725	5.778
% of participating interest	25.00%	26.67%	25.00%

Activities during the financial year

Cofinimmo



The leading REIT company listed on the Brussels Stock Exchange.

The company holds a 4.6% share in Cofinimmo as of 31 December 2006: 3% directly, 1% through Parfina and 0.6% through Parfimmo. Its voting power is 5.14% because Parfimmo (50% Compagnie du Bois Sauvage) holds 1.14%.

For the financial year ended 31 December 2006, Cofinimmo registered:

- an increase in net current earnings per ordinary share to € 8.69, compared to € 8.60 in 2005;
- a 49% increase in net earnings per ordinary share, which stood at € 13.73, compared to € 9.21 in 2005. This increase is partly due to capital gains and the positive revaluation of the real estate portfolio.

In 2006, the company continued its diversification strategy in the sector of retirement homes, acquiring eight establishments in the second half of the year at a cost of € 85 million, thus drawing close to its objective for 2006, namely diversification into this sector in the amount of 5% of the total portfolio. The average initial yield on these acquisitions, let for 27 years, is 6.21%.

Net asset value before distribution amounted to € 122.15 per ordinary share at end 2006, compared to € 113.70 at end 2005. The company will distribute a gross dividend of € 7.40 per share for 2006 (against € 7.35 the previous year).

AUDITED CONSOLIDATED ACCOUNTS (IFRS)

x € million	31/12/2006	31/12/2005	31/12/2004
Real estate earnings	142.921	143.446	129.283
Group current net result	93.964	93.170	81.538
Group net result	133.420	89.497	66.636
Group shareholder's equity	1,306.026	1,217.864	1,143.332
Balance sheet total	2,608.183	2,406.060	2,251.188
Debt/equity ratio	47.52 %	46.30 %	46.11 %
Dividend paid	71.928	71.442	64.713
% of economic participating interest	4.56%	3.81%	3.81%

Imolina



A Luxembourg real estate company, wholly owned by Compagnie du Bois Sauvage.

The rentals of the two buildings have been collected regularly. They have been indexed in accordance with the rules and regulations in force.

This company sold its 10% share in Surongo America (see page 42) to Compagnie du Bois Sauvage Nederland in November 2006.

Activities during the financial year

Portfolio – Holdings (non-consolidated portfolio)

AFFILIATED COMPANIES

	2006	2006	2005	2005
	% held	Net book value (x € 1,000)	% held	Net book value (x € 1,000)
Shares				
Cie DU BOIS SAUVAGE NEDERLAND	100	11,877.3	100	11,877.3
Cie DU BOIS SAUVAGE SERVICES	100	273.4	100	273.4
IMOLINA	100	1,260.0	100	1,260.0
METROBEL	100	10,505.9	100	471.6
NEUHAUS	100	29,546.1	49	13,072.6
PARFINA	100	20,904.4	-	-
REC-HOLD	63	19,658.6	63	23,658.8
SIMONIS PLASTIC	61	562.8	61	629.3
SURONGO DEUTSCHLAND	100	16,500.0	100	16,500.0
Amounts receivable				
SURONGO DEUTSCHLAND		10,879.1		10,891.3
Total		121,967.6		78,634.3

OTHER AFFILIATED COMPANIES

	2006	2006	2005	2005
	% held	Net book value (x € 1,000)	% held	Net book value (x € 1,000)
Shares				
BANK DEGROOF	13	38,351.6	13	38,351.6
CERAN	20	433.8	20	376.0
CHEMCOM		Transfer to Metrobel	19	587.3
CODIC	25	9,249.4	27	9,804.2
FLORIDIENNE	15	8,134.0	17	8,892.5
GROUPE FAUCHON	36	2,562.6	35	-
NOEL GROUP	9	15,001.1	9	14,055.5
PARFIMMO	50	22,275.0	33	9,000.0
SERENDIP	25	2,749.5	25	2,907.4
TC RE	25	4,384.8	25	4,513.6
Amounts receivable				
CERAN		218.0		218.0
PARFIMMO		-		3,104.6
Total		103,359.8		91,810.7

Activities during the financial year

OTHER FINANCIAL FIXED ASSETS

	2006	2006	2005	2005
	% held	Net book value (x € 1,000)	% held	Net book value (x € 1,000)
Shares				
COFINIMMO	3	36,294.0	3	36,294.0
DELHAIZE		43,210.2		33,948.0
EUROSCREEN		Transfer to Metrobel	8	794.0
FORTIS		77,756.6		77,434.4
GUY DEGRENNE	10	3,161.8		-
MATIGNON TECHNOLOGIES		458.9		-
NANOCYL		Transfer to Metrobel	4	152.2
RECTICEL		192.0		150.0
SATAIR	5	6,326.6	-	-
START-UP		Transfer to Metrobel	3	25.0
TER BEKE		5,317.5	6	5,317.5
XDC		Transfer to Metrobel	3	114.5
Amounts receivable				
EUROPAL GROUP		Transfer to Metrobel		500
RESILUX		7,499.9		-
Various		5.9		9.8
Total		180,223.4		154,739.4

Activities during the financial year

Strategic participating interests

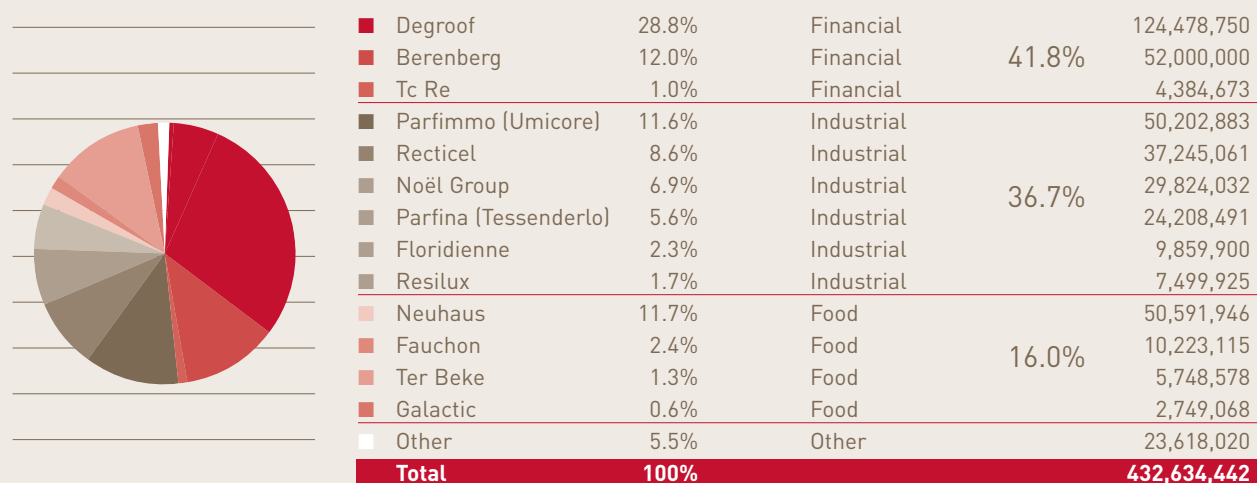
The growing importance of this part of the assets reflects the Company's chief mission, which is to acquire minority interests in listed and non-listed companies. It wishes to support talented businessmen and women, whether financiers or industrialists, who are seeking support at a certain stage in the life of their company. It thus provides assistance for the financial management, structure and capital stability of these enterprises.

The investment criteria applied by the Management Committee before presenting any new project to the Board of Directors are as follows:

1. Understanding of the business sector in which the company operates;
2. Confidence in current management;
3. Quantitative analysis;
4. Majority decision, with the Committee Chairman holding the right of veto.

CONSOLIDATED STRATEGIC PARTICIPATIONS

Market value at 31 December 2006



Activities during the financial year

Strategic participating interests - **Financial sector**

Bank Degroof



The leading independent private bank in Belgium, Bank Degroof is specialised in asset management and consulting. It offers its customers a comprehensive and integrated range of services: asset management, institutional management, market activities, corporate finance and credit and structuring activities. It has over 900 employees working in Belgium, France, the Netherlands, Spain, Luxembourg, Switzerland and Nassau.

Bank Degroof's financial year 2005-06 closed with consolidated net income (group share) of € 91.7 million, an 85% increase. Adjusted net current income (group share) amounted to € 99.8 million, or a 106% increase.

These excellent results reflect the progress made in all business activities. On the one hand, the significant rise in assets under management largely offset pressure on margins, and on the other, commercial developments, the increased efficiency of management and strong financial markets supported all of the bank's activities throughout the past financial year.

Assets under management rose by € 4.3 billion to a total of € 23.4 billion as of 30 September 2006, a 22.4% increase.

During financial year 2005-06, the group finalised the integration of its latest acquisitions. It thus demonstrated that it can grow while safeguarding the culture that has made its success and benefiting from the contributions of its new acquisitions.

AUDITED CONSOLIDATED ACCOUNTS (BELGIAN STANDARDS)

x € million	30/09/2006	30/09/2005	30/09/2004
Net financial income	259.239	196.400	176.530
Cost / income ratio (%)	55.9%	69.9%	72.2%
Group net result	91.720	49.555	32.988
Group shareholders' equity	250.030	190.017	172.724
Balance sheet total	3,796.776	3,413.145	2,814.622
Dividend paid	35.218	19.521	13.809
% of participating interest	13.13%	13.26%	13.29%

Activities during the financial year

Berenberg Bank



Berenberg Bank, founded in 1590, is the oldest private bank in Germany and one of the oldest banks in the world. Today it is one of the leading private banks in Germany. It employs 650 people in Hamburg, Bielefeld, Bremen, Dusseldorf, Frankfurt, Munich, Stuttgart, Wiesbaden, Edinburg, London, Luxembourg, Milan, Paris, Shanghai and Zurich.

The private banking activity enjoys considerable success in terms of consulting and management among its private customers. As in 2004 and 2005, the bank held first place in the "best asset manager" ranking drawn up by the Fuchsbriefe for the German-speaking region. The bank also ranks among the best investment consultants, and has received the "Ewige Besten-Liste" award as the best-performing institution in the German-speaking region for the last four years. The newspaper Die Welt has conferred its highest distinction on its services.

As regards investment banking, it continues to concentrate on small & mid caps in Europe and has built up a recognised expertise in this field and has further strengthened its leading position in Europe.

The bank's subsidiary in Zurich, Berenberg Bank (Schweiz) AG, whose customers include an important number of international investors, expanded its activities significantly in 2006.

The bank also develops tailor-made asset management models for its institutional customers (insurance companies, pension funds, foundations, etc.).

AUDITED CORPORATE FINANCIAL STATEMENTS

x € million	31/12/2006	31/12/2005	31/12/2004
Net financial income	165.739	160.661	127.183
Cost / income ratio (%)	65%	55%	49.9%
Net result	53.505	49.740	39.732
Shareholders' equity	145.113	135.113	135.113
Balance sheet total	2,718.485	2,293.898	1,911.668
Dividend paid	44.752	38.008	32.001
% of participating interest	12.00%	12.00%	12.00%

Activities during the financial year

Trade Credit Re



A Belgian company whose core business is credit insurance, surety insurance and various pecuniary loss insurance, both within and outside Belgium, on its own behalf and on behalf of third parties.

In 2006, TCRe earned the confidence of the market and of reinsurers.

TCRe is now on the securities list of the worlds two biggest brokers, Willis and Aon.

The company's portfolio of XS policies has risen from € 8 million to € 15 million. Total turnover has climbed from € 32 million to € 41.5 million. TCRe ended 2006 with a positive technical result of € 2.7 million, almost quadrupling over 2005.

To support its technical subscription capacity as well as its research and development, in 2006, TCRe created TCRe², a reinsurance company based in Luxembourg. TCRe² ended its first accounting period with a balanced budget.

TCRe is present in seven countries: Belgium, Luxembourg, Italy, France, Spain, Germany and the Netherlands. It operates throughout the OECD market.

The firm's capital stands at € 20 million, in which Compagnie du Bois Sauvage holds a 25% share. The other shareholders are management, the Belgian and Luxembourg Delcredere Offices and Fortis Venturing.

AUDITED CORPORATE FINANCIAL STATEMENTS

x € million	31/12/2006	31/12/2005
Gross premiums	25.678	20.294
Premiums acquired net of reinsurance	1.971	0.651
Net result	- 0.299	- 2.162
Shareholders' equity	17.539	17.838
Balance sheet total	36.623	30.968
Dividend paid	-	-
% of participating interest	25.00%	25.00%

Activities during the financial year

Strategic interests - Industrial sector

Floridienne



Floridienne Group is an industrial holding company listed on Euronext Brussels, whose history dates back to the 19th century. It holds participating interests (generally majority stakes) in the non-ferrous metals chemicals industry and in agribusiness. Alongside its two main activities, Floridienne Group also invests in promising undertakings in the chemical, food and biotechnology sectors.

In 2006, Floridienne Group focused on stepping up the performance of its existing activities.

The chemical business registered a strong improvement in its results stemming from a higher volume of sales and high metal prices.

In the group's agribusiness division, the "snails" activity suffered a loss in turnover that put a serious strain on its result. Reorganisation was stepped up at the end of the year with the introduction of a new management team for the division as a whole. The new team will focus on building synergy between the different product lines and greatly increasing the size of sites.

The biology and venture capital business showed excellent financial results thanks to exceptional capital gains on the sale of minority holdings and the strong performance of its holdings portfolio.

In 2006, Floridienne sold two minority shareholdings in the firms NewTree (chocolate with therapeutic virtues) and Rulo (recycling of PVC) and contributed its stake in CBD (fast-growing trees) to FuturaGene, listed on the AIM market in London. It also made new investments in Oleo (cogeneration plants fuelled by vegetable oil) and Sotecna (production of essential oils).

Floridienne stands by its strategy of being a leading industrial player in niche markets and market niches.

AUDITED CONSOLIDATED ACCOUNTS (IFRS)

x € million	31/12/2006	31/12/2005	31/12/2004
Turnover	160.700	161.623	152.709
Group net result	6.800	5.687	4.428
Operating result	5.700	5.176	5.599
Group shareholders' equity	47.600	42.755	38.238
Balance sheet total	173.700	157.266	156.078
Dividend paid	1.975	1.811	1.481
% of participating interest	15.34%	16.82%	15.18%

Activities during the financial year

Noël Group



An American holding company specialized in plastic extrusion and organized into its core businesses: insulation, specialized extruded-foam profiles, synthetic wine corks and decoration components.

During 2006, Noël Group, and its portfolio of diversified businesses, continued to meet its performance objectives. Although raw material pricing remained volatile and the United States residential construction markets retrenched, the businesses were able to maintain strong market positions and profitability.

Nomacorc continues to improve its leadership position in the synthetic wine cork sector. While sales growth remains impressive, the group has continued its investments in management, manufacturing and product development capabilities to meet future demands.

Nomaco (specialized profiles) implemented substantial cost improvement initiatives that resulted in continued profitability growth.

Regarding Insulation products, the group continued its strong market position by reinforcing its leadership as the low cost producer. Nomaco K Flex continued its operational improvements 2006.

Overall, the group's prospects remain very positive.

The participating interest rose to 20.7% in 2006 following the buy-back and cancellation by the company of a little more than 5% of its shares.

AUDITED CONSOLIDATED ACCOUNTS (US GAAP)

x US \$ million	31/12/2006	31/12/2005	31/12/2004
Turnover	185.206	177.416	93.442
Group net result	11.440	19.238	6.677
EBITDA	26.456	30.086	14.581
Group shareholders' equity	63.960	62.097	32.686
Balance sheet total	134.843	124.637	58.649
Dividend paid	1.600	5.307	1.700
% of participating interest	20.70%	19.66%	17.78%

Activities during the financial year

Parfimmo

A Belgian holding company with a 3% participating interest in the Belgian company Umicore and a 1.2% stake in Confinimmo (see also page 21).

Umicore achieved record results in 2006, driven by a solid global performance and the exceptional contribution of the Precious Metals – Services business. The transformation of the undertaking into a group specialised in materials technology, with leading positions in all its activities, has reached a decisive point further to the filialization and joint venture project of the zinc alloys business.

Umicore is continuing to lay down the foundations of its future growth via strong financing of R&D activities and internal and external expansion projects.

In 2006, Umicore registered:

- a turnover of € 1.92 billion (up 11%);
- an EBITDA of € 503.4 million (up 29%);
- a recurring EBIT of € 336.1 million (up 44%);
- an adjusted EPS (earnings per share) of € 8.53 (up 44%).

Umicore will pay a gross dividend of € 2.10 per share for the financial year 2006, up 13.5%.

This participating interest is meant to give Umicore a stable shareholding structure and to encourage the development of the strategies in place.

The 3% shareholding in Cumerio was sold on the stock exchange in 2006 at an average price of € 20.26 per share.

In 2006, Compagnie du Bois Sauvage and Bank Degroof each raised their shareholding in Parfimmo from 33.3% to 50% with the acquisition of the share held by Axa Belgium.

AUDITED CORPORATE FINANCIAL STATEMENTS

x € million	31/12/2006	31/12/2005
Financial income	14.359	4.588
Net result	10.665	1.884
Shareholders' equity	36.849	27.264
Balance sheet total	64.203	83.490
Dividend paid	1.080	1.620
% of participating interest	50.00%	33.33%

Activities during the financial year

Parfina



A Belgian holding company with a 3% participating interest in the Belgian firm Tessenderlo and a 1% stake in Cofinimmo (see also page 21).

Tessenderlo Group is an international chemicals group operating through more than 100 undertakings based in 21 countries. It has a workforce of around 8,100 people, of whom 2,200 in Belgium. Its consolidated turnover added up to € 2,238 millions in 2006, and was earned in its three business sectors (Chemicals, Specialties and Plastics Processing). It is the European and world leader in most of its products. Tessenderlo Group is listed on the Euronext Brussels Eurolist and Next 150, NextPrime and BEL Mid.

The turnover of Tessenderlo Group in 2006 rose to € 2,238.3 million from € 2,149.5 million in 2005, i.e. a 4.1% increase stemming primarily from Plastics Processing and Chemicals (mainly PVC and chlor-alkali).

At end December 2006, consolidated net result showed a loss of € 24.3 million after accounting for € 76.9 million in non-recurring items, mostly related to the "Target 2007" restructuring plan.

The recurring operating result (REBIT) at end 2006 added up to € 72.3 million, a 7.3% improvement over 2005.

The gross dividend was maintained at € 1.20 per share.

This participating interest is aimed at giving Tessenderlo a stable shareholding structure and encouraging the further development of strategies being implemented.

AUDITED CORPORATE FINANCIAL STATEMENTS

x € million	31/12/2006
Financial income	0.182
Net result	- 0.142
Shareholders' equity	20.621
Balance sheet total	40.890
Dividend paid	-
% of participating interest	100%

Activities during the financial year

Recticel



Recticel is a Belgian group present throughout Europe and also active worldwide. It is present in over 26 countries with some 100 establishments and a workforce of 11,250. It operates in four sectors: flexible foam rubbers, bedding, insulation and the automotive sector.

Nordwind Capital, with which Recticel had been in exclusive negotiations for the sale of its Interior Solutions activities, has informed Recticel that it was pulling out of the talks. Consequently, Recticel will keep this division whose total EBITDA is positive but showing a deficit in the United States. Recticel decided to depreciate completely its American assets (€ 31.1 million) and to create an additional reserve (€ 7.0 million) for future rental and reorganisation expenses in the United States. This (non-cash) impact resulted in a net loss for 2006.

Apart from the specific problems related to the Interior Solutions business in the United States, Recticel had satisfactory operating results in all its activities. Turnover rose by 6% to € 1.47 billion. EBITDA amounted to € 106 million, a 29% increase over 2005. This headway resulted from higher volumes, operating improvements, the overall effects of restructuring measures and the repercussions of higher raw material prices in sales prices.

As of 31 December 2006, Compagnie due Bois Sauvage held a 62.85% interest in Rec-Hold, which owned 27.03% of Recticel.

REC-HOLD – AUDITED CONSOLIDATED ACCOUNTS (IFRS)

x € million	31/12/2006	31/12/2005	31/12/2004
Share of result accounted for by the equity method	- 5.739	- 7.659	1.446
Net result	- 7.032	- 8.803	0.380
Group shareholders' equity	31.278	37.642	46.313
Balance sheet total	58.392	65.134	73.895
% of participating interest	62.85%	62.85%	62.85%

RECTICEL – AUDITED CONSOLIDATED ACCOUNTS (IFRS)

x € million	31/12/2006	31/12/2005	31/12/2004
Sales	1,474.400	1,391.600	1,276.319
Group net result	- 21.200	- 28.000	5.367
EBITDA	106.000	82.100	82.400
Group shareholders' equity	190.200	211.400	243.786
Balance sheet total	919.300	946.500	985.008
Dividend paid	4.817	4.817	4.817
% of economic participating interest	17.24%	17.24%	17.24%

Activities during the financial year

Strategic interests - Food sector

Groupe Fauchon



A French company that holds the controlling interest in the famous Paris-based firm, Fauchon.

The financial year that ended on 31 March 2006 saw the sale on 30 June 2005 of all the Paris shops (apart from the historic establishments based at Place de la Madeleine). The group has thus definitively refocused on its core business: exporting its know-how and brand through partnerships across the world, from its single and partially renovated base in Paris, at the Place de la Madeleine.

In accordance with its market plan, the group recorded strong growth in turnover, at comparable group structure, as a result of its client's regained confidence, the dynamism of the brand name and the effort to reposition and renew the range of products. At comparable perimeter, expansion topped 20%.

The streamlining efforts also continued with the dual objective of reducing the group's breakeven point while significantly improving its organisational processes.

As a result of all these changes, the group has significantly cut its losses and repaid its financial debt.

In 2006, Compagnie du Bois Sauvage participated in the capital increase implemented by Groupe Fauchon, with the contribution of a claim of € 2.6 million.

Compagnie du Bois Sauvage currently has a 35.88% interest in Groupe Fauchon.

As of 31 December 2006, equity (excluding valuation of the brand and the goodwill) was estimated at € 7.1 million.

AUDITED CONSOLIDATED ACCOUNTS (FRENCH STANDARDS)

x € million	31/03/2006	31/03/2005	31/03/2004
Turnover	41.009	68.281	81.006
Gross margin	21.384	35.260	43.752
Group net result	- 5.760	- 15.905	- 33.524
Group shareholders' equity	5.457	3.353	- 19.851
Balance sheet total	23.758	49.386	64.632
Dividend paid	-	-	-
% of participating interest	35.88%	35.29%	28.98%

Activities during the financial year

Neuhaus



The famous Belgian manufacturer of top-of-the-range chocolate products, confectionery and biscuits.

During 2006, the Neuhaus Group's turnover increased by 18% to € 83.9 million. This increase concerns primarily the Jeff de Bruges brand, but also the Neuhaus brand.

For Neuhaus, this success stems from the introduction of a new concept for its shops that will be producing full results in 2007, the expansion of duty-free sales and new customers in both Belgium and abroad.

The deployment of the new Jeff de Bruges concept throughout virtually the entire network and the brand's growing renown, both in France and in other countries, produced excellent results in 2006.

In 2007, Neuhaus will be celebrating its 150th anniversary and different activities will be held throughout the year to highlight the event.

The main challenges for 2007 are:

- the international development of Jeff de Bruges;
- the deployment of the new Neuhaus concept throughout the network;
- the strengthening of logistics and production activities to provide cost-effective support for growth in sales.

Compagnie du Bois Sauvage held a 49% share in Neuhaus as of 31 December 2005, which rose to 95% at the conclusion of its public takeover bid of February 2006 and to 100% at the conclusion of its squeeze-out in December 2006.

AUDITED CONSOLIDATED ACCOUNTS (IFRS)

x € million	31/12/2006	31/12/2005	31/12/2004
Turnover	83.914	70.883	64.523
Group net result	3.331	1.338	0.505
EBITDA	13.921	8.922	8.949
Group shareholders' equity	29.550	26.538	25.989
Balance sheet total	69.927	70.056	60.902
Dividend paid	-	0.595	0.558
% of participating interest	100%	49.27%	47.73%

Activities during the financial year

Serendip



A Belgian company that holds 45% in Galactic, a company producing lactic acid.

In 2006, the lactic acid market continued to enjoy sustained growth. Galactic increases both its volume of sales and turnover. Sales prices remained low due to strong competition.

The Chinese subsidiary B&G (a joint venture) has expanded in Asia and now controls more than 50% of China's domestic market.

The American subsidiary engaged in intensive market prospection, which enabled it to sign its first big contracts.

New applications were developed and patented.

A major research drive on PLA (a new 100% biodegradable plastic) was granted and a pilot project is being studied.

GALACTIC – AUDITED CORPORATE FINANCIAL STATEMENTS

x € million	31/03/2006	31/03/2005	31/03/2004
Turnover	23.952	24.978	21.219
Net result	- 0.293	- 0.112	1.406
EBITDA	2.062	2.487	3.409
Shareholders' equity	14.093	14.523	14.850
Balance sheet total	27.026	25.509	24.746
% of economic participating interest	11.25%	11.25%	11.25%

Activities during the financial year

Ter Beke



Ter Beke is a Belgian fresh foods group with nine plants, producing cooked pork meats for the Benelux markets and cooked pasta for the European market. Ter Beke is the leader in the pre-packaged cooked pork meats segment and the European leader in fresh lasagna. It markets its products under the brand names Come a Casa, L'Ardennaise, Pronto, Daniël Coopman, Vamos and Pluma.

In 2006, the group's turnover amounted to € 327 million and net result came to € 5.97 million, rising from respectively € 236 million and € 5.95 million.

Ter Beke took over Pluma Group in 2006, active in the cooked pork meat sector, taking on the number one position in this market in Belgium. The company also continued developing its Come a Casa brand of prepared pasta, in both Belgium and France. Ter Beke's efforts were rewarded by considerable growth in turnover for convenience foods.

Ter Beke also boosted its turnover in cooked pork meat, primarily as a result of the merger of its activities in this sector with those of Pluma Group in May 2006 and the success of its pre-packaged cooked pork meat products.

The company also implemented in 2006 an investment programme of over € 16.7 million.

The share held by Compagnie du Bois Sauvage was diluted following the acquisition of and merger with Pluma Group.

AUDITED CONSOLIDATED ACCOUNTS (IFRS)

x € million	31/12/2006	31/12/2005	31/12/2004
Turnover	326.718	236.238	200.035
Group net result	5.973	5.949	5.030
EBITDA	23.981	21.632	20.855
Group shareholders' equity	71.715	45.359	41.101
Balance sheet total	208.158	134.425	111.915
Dividend paid	3.618	2.875	2.726
% of participating interest	5.11%	6.45%	6.45%



Activities during the financial year

Other interests

Biobest



A Belgian company that has developed a major activity in the field of biological fight and pollinisation by bumblebees.

Compagnie du Bois Sauvage acquired a 40% interest, alongside Floridienne (via Florinvest - 20%) and Domaine d'Argenteuil (40%), at a cost of € 5 million (advance payment of € 1 million in 2006 and balance in 2007).

Biobest is based in Westerloo. Its annual turnover comes to around € 20 million and it exports to many countries. In addition to its plant in Belgium, it has a total of three plants in Turkey, Morocco and Canada.

Chemcom



A Belgian company destined to become an international reference in the world of chemical communication by helping companies to discover, select and refine interesting products in the fields of taste and olfaction.

In 2005, the Company acquired a participating interest of 19% in Chemcom for the sum of € 1.8 million.

Chemcom is a subsidiary (24%) of the Floridienne Group. The company offers its products and services to the foodstuffs, cosmetics, agriculture and pharmaceutical sectors.

Compagnie du Bois Sauvage Services



A Belgian company that provides accounting and administrative services for group companies.

This wholly-owned firm concentrates the group's investments in IT equipment and provides quality assurance for the IT system that is vital to the proper functioning of the group.

Activities during the financial year

Compagnie du Bois Sauvage (Nederland)



A Dutch holding company and wholly-owned subsidiary.

In 2003 this company launched a bond issue of € 75 million, falling due in November 2008 and offering a coupon of 5.5%.

Following the acquisition, in November 2006, of the 10% stake previously held by Imolina (see page 21), the group's share in Surongo America is 100% placed in this structure.

In 2006, the company collected a gross exceptional dividend from Surongo America in the amount of US \$ 9.6 million (€ 7.3 million).

AUDITED CORPORATE FINANCIAL STATEMENTS

x € million	31/12/2006	31/12/2005	31/12/2004
Investment income	11.202	4.430	4.208
Net result	6.445	0.057	- 0.160
Shareholders' equity	18.623	12.178	0,392
Balance sheet total	94.246	87.875	76,019
Dividend paid	-	-	-
% of participating interest	100%	100%	100%

Euroscreen



A Belgian biotechnology company focusing on cellular receptors. This company identifies and characterises new receptors as pharmacological targets for the discovery of medicines.

In 2005, Compagnie du Bois Sauvage acquired an 8.5% interest in Euroscreen at a cost of € 1 million.

Euroscreen concluded the transaction for the disposal of its Products division in January 2007 for € 14 million.

Activities during the financial year

Groupe Ceran



A Belgian firm specialised in language teaching through total immersion.

Turnover grew significantly in 2006 (+16%). Demand for the "Juniors" activity increased by an average of 12%, while "Adult" activity was driven by strong demand for English (+14%) and Dutch (+10%).

The total renovation of the Belgian premises, begun in 2004, continued in 2006 and concerned teaching tools (replacement of three laboratories), bedrooms and reception areas. Operating cash flow was used to fund these investments in the amount of € 0.9 million, without having to turn to outside financing.

The group's cash accounts were strengthened by the good performance of the activity and by the sale of the property in France.

The prospects for 2007 are encouraging.

NON AUDITED CONSOLIDATED ACCOUNTS (BELGIAN STANDARDS)

x € million	31/12/2006	31/12/2005	31/12/2004
Turnover	8.952	7.687	7.158
Net result	1.215	0.552	0.077
Operating cash flow	1.553	0.977	0.402
Group shareholders' equity	2.985	1.769	1.201
Balance sheet total	7.233	6.476	7.094
% of participating interest	19.56%	19.56%	19.56%

Guy Degrenne



A French company listed on Euronext Paris. The heir to a great cutlery tradition, Guy Degrenne has become a leader in the art of entertaining in the space of a few decades.

Compagnie du Bois Sauvage acquired a 9.9% interest in Guy Degrenne in 2006 for a total of € 3.2 million.

In the course of 2006, increased activity and further development of the network of authorised sales outlets (24 shops, compared to 19 at the start of the year; and 37 concessions in department stores, as compared to 20) compensated for decline registered by independent retailers. The network of authorised sales outlets now accounts for 56% of the division's turnover, as against only 20% in 2004. Consolidated turnover is expected to total € 102 million, a 6.2% increase.

Activities during the financial year

H-Phar



A Belgian pharmaceutical company. Its main activity includes research and development of a new molecule (a new type of therapy) for the treatment of AIDS (HIV). H-Phar is working with several European groups for the development of azodicarbonamide (ADA).

Compagnie du Bois Sauvage acquired a 12% share in H-Phar in 2006 for a total of € 1.2 million, of which € 0.8 million paid.

Metrobel



A Belgian firm, formerly in real estate and now a holding company.

In 2006, Compagnie du Bois Sauvage increased Metrobel's capital by € 10 million.

The group's shareholdings in Chemcom (page 37), Euroscreen (page 38), H-Phar (page 40), Nanocyl (page 40) and XDC (page 42) are housed in Metrobel since 2006.

Metrobel also subscribed to the two convertible bond issues:

- € 2.5 million in Europal, a Belgian venture that provides tailor-made integrated solutions for all packaging needs. Potential shareholding over the longer term: 15%.
- € 1.5 million in Dordogne Perigord Investissements, the parent company of the French firm Jean Ducourtieux, which manufactures biscuits and dough for bakeries. Potential shareholding over the longer term: 22.5%.

Nanocyl



A spin-off of the University of Liège, Nanocyl is a Belgian producer of carbon nanotubes.

Compagnie du Bois Sauvage acquired a 4% stake (€ 0.3 million) in 2004 alongside the following main shareholders: CNP, SRIW, Namur Invest, Privast Capital Partners and a number of private investors.

In 2006, Compagnie du Bois Sauvage increased its shareholding to 4.9% following the pullout of another shareholder and took part in the capital increase of € 3 million, contributing € 0.3 million.

Activities during the financial year

Resilux



A Belgian company that manufactures and sells PET pre-form products and bottles.

Compagnie du Bois Sauvage subscribed in December 2006 to a subordinated bond of € 7.5 million issued by Resilux. The loan has an interest rate of 7% and 166,665 warrants (exercise price of € 45 a share). Exercise of those warrants would give Compagnie du Bois Sauvage an 8% shareholding in Resilux.

In accordance with the management of Resilux, this shareholding aims to favour the development of strategies already in place.

Satair



A Danish company listed on the Copenhagen Stock Exchange, Satair is one of the world's leaders in the distribution of logistics services and spare parts for aircraft maintenance and construction.

Compagnie du Bois Sauvage acquired a 5.0% stake in Satair in 2006 at a cost of € 6.3 million.

In 2005/06, Satair saw significant growth in its earnings (19%, of which 14% organic growth) and a near doubling of its profit per share. The year also saw major acquisitions in the United States and in the Asia-Pacific region, which will help boost the company's growth in the coming years.

Simonis Plastic



A Belgian company specialised in precision plastics injection.

During 2006, as expected, Simonis Plastic registered significant growth in its injection activities (40%), allowing a return to balanced operating results.

Expansion of injection moulds manufacturing in China, combined with the new tools contributed by the subsidiaries Techno Consulting and Optim Test Center, resulted in the signature of a number of new contracts and a diversification of the firm's clientele.

For 2007, the budget is counting on growth in turnover.

Activities during the financial year

Surongo America



A wholly-owned American company that holds the group's real estate and industrial investments in the United States, primarily on the southeast and northeast coast (North Carolina, Georgia, Florida and Massachusetts).

2006 was another good year for Surongo America.

The real estate partnership DSF Capital Partners made a sizeable capital gain on the Halstead Tower project in Alexandria, Virginia. It produced an internal rate of return of 24%.

Village Walk, the residential project of 240 flats in Jacksonville (Florida) is currently 91% occupied.

A credit line of US \$ 17 million was obtained to acquire the 10% of Noël Group (see page 29) held by Compagnie du Bois Sauvage and to group, as from 1 January 2007, the total stake (20.7%) in Surongo America.

At the end of 2006, the Company made a commitment of US \$ 10 million for the Gotham City real estate development project in New York. It is based on the renovation of flats whose rents have been blocked since the end of the second world war.

An exceptional dividend of US \$ 9.6 million was paid in 2006.

AUDITED CONSOLIDATED ACCOUNTS (IFRS)

x € million	31/12/2006	31/12/2005	31/12/2004
Income	4.528	19.633	6.122
Group net result	1.945	6.672	3.026
Group shareholders' equity	29.843	37.518	31.880
Balance sheet total	75.651	64.926	79.327
Dividend paid	9.646	0.945	0.945
% of participating interest	100%	100%	100%

XDC



With some 300 cinemas equipped in Europe, XDC is Europe's leader in converting cinemas to digital screening. XDC also handles digital content distribution logistics and has distributed over 170 digital films in Europe.

Compagnie du Bois Sauvage subscribed its share in the capital increase of € 12.5 million in 2006 and still holds a 3% stake alongside the following main shareholders: Audiolux, BGL Investment Partners, Beaufagne, G.Consulting, Meusinvest, Partners @ Venture, Powe Capital Management and Vivium Life.



Activities during the financial year

Other fixed financial assets - Cash

In addition to Delhaize and Fortis, the other headings of over € 5 million held as of 31 December 2006 primarily concern: KBC, Suez and Total.

Important capital gains were made in 2006, mainly on Suez, Solvay and KBC shares.

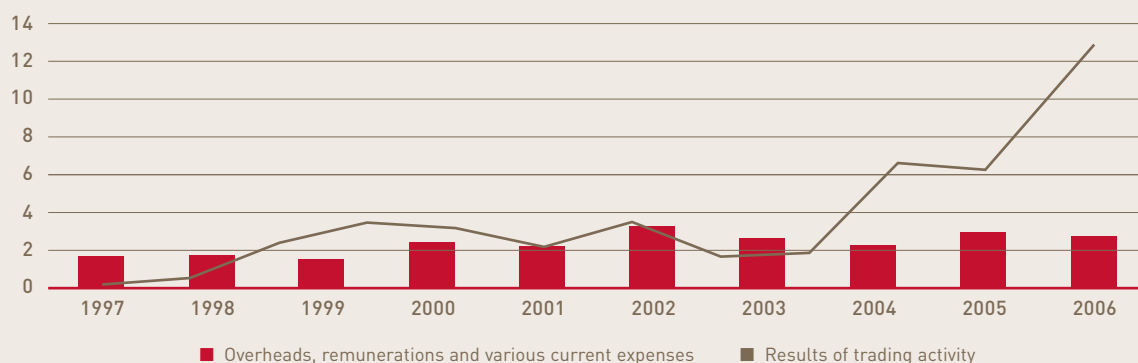
Among other things, this portfolio makes it possible to carry out the derivatives trading activity, which concerns covered options.

This activity registered a record result of € 12.4 million in 2006, compared to € 4.9 million in 2005.

Since 1997, this activity has amply covered overheads (services and various goods + various current expenses) and remunerations of Compagnie du Bois Sauvage.

COVER OF OVERHEADS AND REMUNERATIONS BY THE TRADING ACTIVITY

x € 1,000,000



Activities during the financial year

Composition of the consolidated portfolio of Compagnie du Bois Sauvage as of 31 December 2006

x €	Quantity	Net book value (IFRS)	Average price	% of holding
1. Strategic participating interests				
Bank Degroof	92,541	124,478,750	1,345.12	13.13%
Berenberg Bank		52,000,000		12.00%
Neuhaus	929,999	50,591,946	54.40	99.99%
Parfimmo (3 % Umicore + 1,2 % Cofinimmo)	135,000	50,202,883	371.87	50.00%
Rec-Hold	103,794	30,879,753	297.51	62.85%
Noel Group LLC	4,038,461	26,709,678	6.61	20.70%
Loan to Noel Group		3,114,354		
Parfina (3 % Tessenderlo + 1 % Cofinimmo)	999	24,208,491	24,232.72	99.90%
Metrobel	199,999	10,506,647	52.53	100.00%
Groupe Fauchon	681,541	10,223,115	15.00	35.88%
Floridienne	126,328	9,859,900	78.05	15.34%
Resilux 06-14 to 7 %		6,701,600		
Warrants Resilux	166,665	798,325	4.79	
Satair	213,729	7,265,648	33.99	5.01%
Ter Beke	87,966	5,748,578	65.35	5.11%
TC Re	49,998	4,384,673	87.70	25.00%
Guy Degrenne	379,609	3,439,258	9.06	9.87%
Serendip (Galactic)	150,000	2,749,068	18.33	25.00%
Other (4 items)		2,406,468		
2. Real Estate				
Cofinimmo	345,363	47,033,981	136.19	2.96%
Surongo America		32,873,045		100.00%
Codic	7,813	16,704,585	2,138.05	25.00%
Bois Sauvage site		9,609,272		100.00%
Luxembourg		1,428,318		100.00%
Land & other		840,791		100.00%
3. Cash				
Fortis	3,000,000	96,960,000	32.32	
Consolidated cash		71,506,516		
Delhaize	685,300	43,276,695	63.15	
KBC	302,000	28,055,800	92.90	
Total	340,000	18,581,000	54.65	
Suez	171,038	6,709,821	39.23	
Fortis Bank	32,179	4,987,745	155.00	
Solvay	42,000	4,880,400	116.20	
Mobistar	55,000	3,555,750	64.65	
Electrabel	6,561	3,513,416	535.50	
Dexia	150,000	3,112,500	20.75	
BNB	760	2,736,000	3,600.00	
Sanofi Reverse Convertible		2,000,000		
Umicore	15,000	1,935,000	129.00	
Other (7 items)		5,628,265		

Distribution of profits



x €

The company's profit amounts to	35,650,183.10
To which is added the profit carried forward	94,760,759.72
To constitute the profit available for distribution	130,410,942.82

We propose allocating this to:

- the legal reserve	280,948.40
- the distribution of a gross dividend of € 8.80 per share	13,409,519.20
- the payment of directors' fees of Compagnie du Bois Sauvage	635,187.75
To be carried forward	116,085,287.47

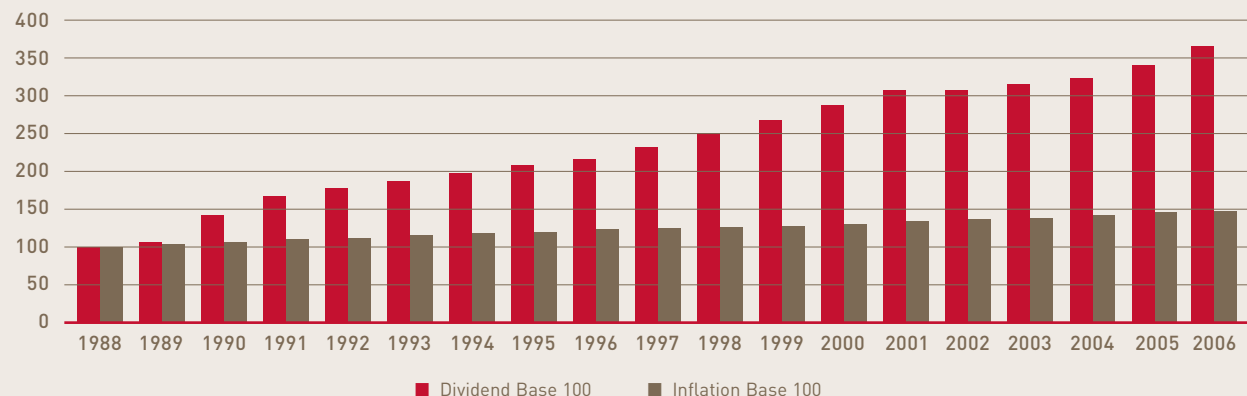
If these proposals are approved, the gross dividend of € 8.80 will be payable with effect from 2 May 2007, at the registered office and over the counter at branches of Fortis Bank and Bank Degroof, upon presentation of coupon no. 18.

This dividend is 5% higher than the previous year's payout. Calculated on the basis of the share price as of 31 December 2006, it constitutes a gross return of 2.7%.

After profit distribution, the company's equity capital will amount to € 324,199,716.71.

DIVIDEND VERSUS INFLATION

Base 100



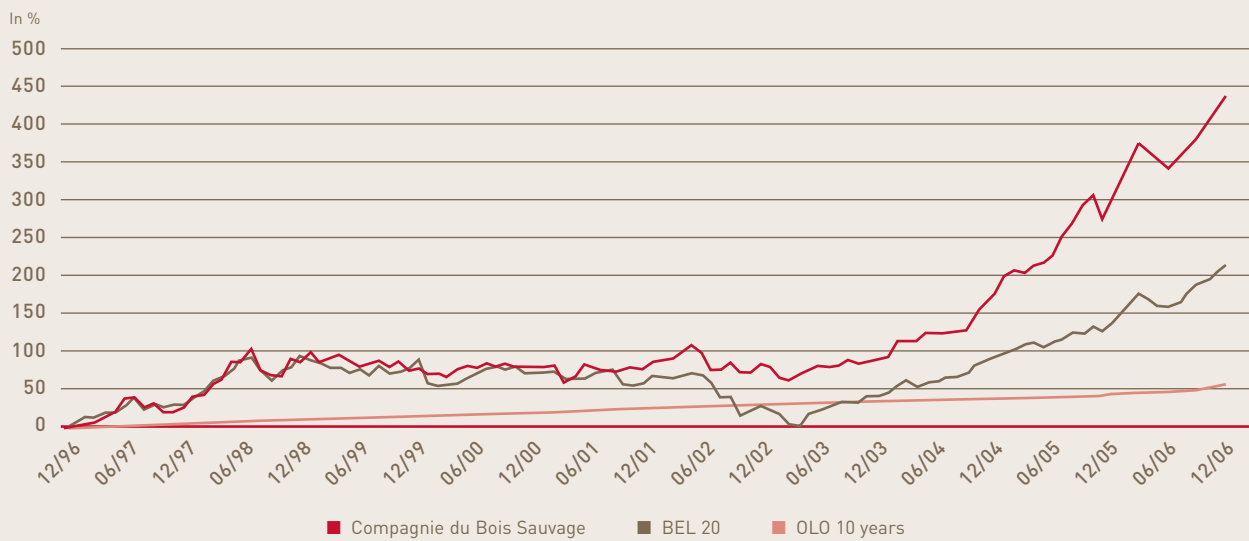
Distribution of profits

TOTAL RETURN FROM 31 DECEMBER 1996 TO 31 DECEMBER 2006

	Total return	Annual
Compagnie du Bois Sauvage	431.41%	18,18%
BEL 20	215.90%	12.19%
OLO 10 YEARS	58.44%	4.71%

Source: Bloomberg.

TOTAL RETURN COMPAGNIE DU BOIS SAUVAGE VERSUS BEL 20 & OLO 10 YEARS



Portfolio valuation at 31 December 2006



The intrinsic value before distribution of Compagnie du Bois Sauvage share was calculated on 31 December 2006.

The following assumptions were made for the purposes of this calculation:

- Real estate is valued on the basis of a model for the capitalisation of the rental amounts received;
- No liquidation tax is calculated;
- No corporate liability is taken into account;
- The market price as of 31 December 2006 is used for the valuation of the listed companies.

Unlisted companies are valued on the basis of their net book value or consolidated book value (IFRS if available).

Bank Degroof is revalued on the basis of the corrected net assets as of 31/12/2006.

Berenberg Bank is revalued (on the basis of the 2006 results) using the model implemented at the time of acquisition.

Noël Group (in Compagnie du Bois Sauvage and in Surongo America) is revalued (on the basis of the 2006 results and the business plan).

THE INTRINSIC VALUE HAS EVOLVED AS FOLLOWS:

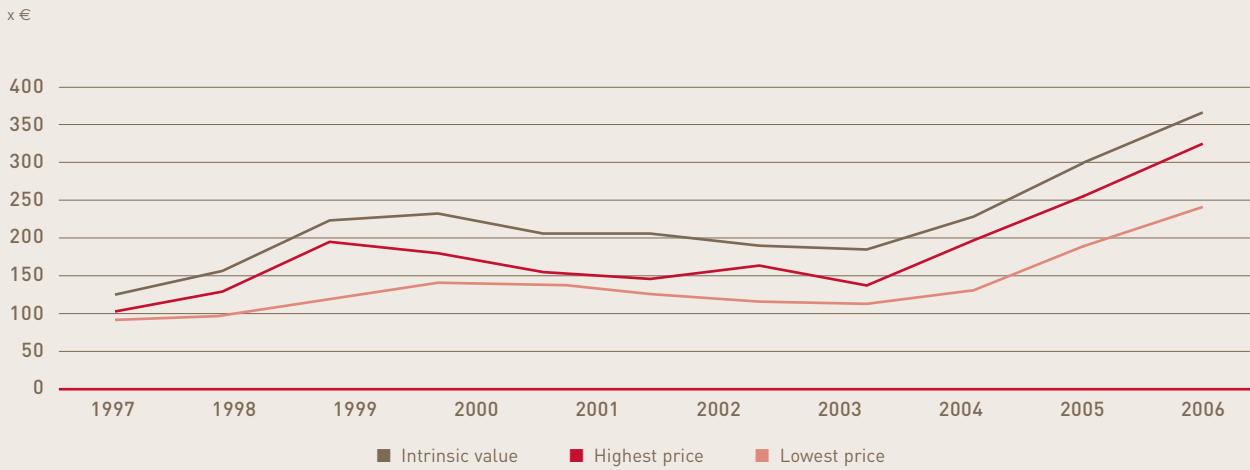
	31/12/2006	31/12/2005
"Fully diluted" intrinsic value	364.25	296.67
"In the money" intrinsic value	364.25	299.87

The "fully diluted" intrinsic value implies the conversion of all outstanding convertible bonds and the exercise of all outstanding warrants and options.

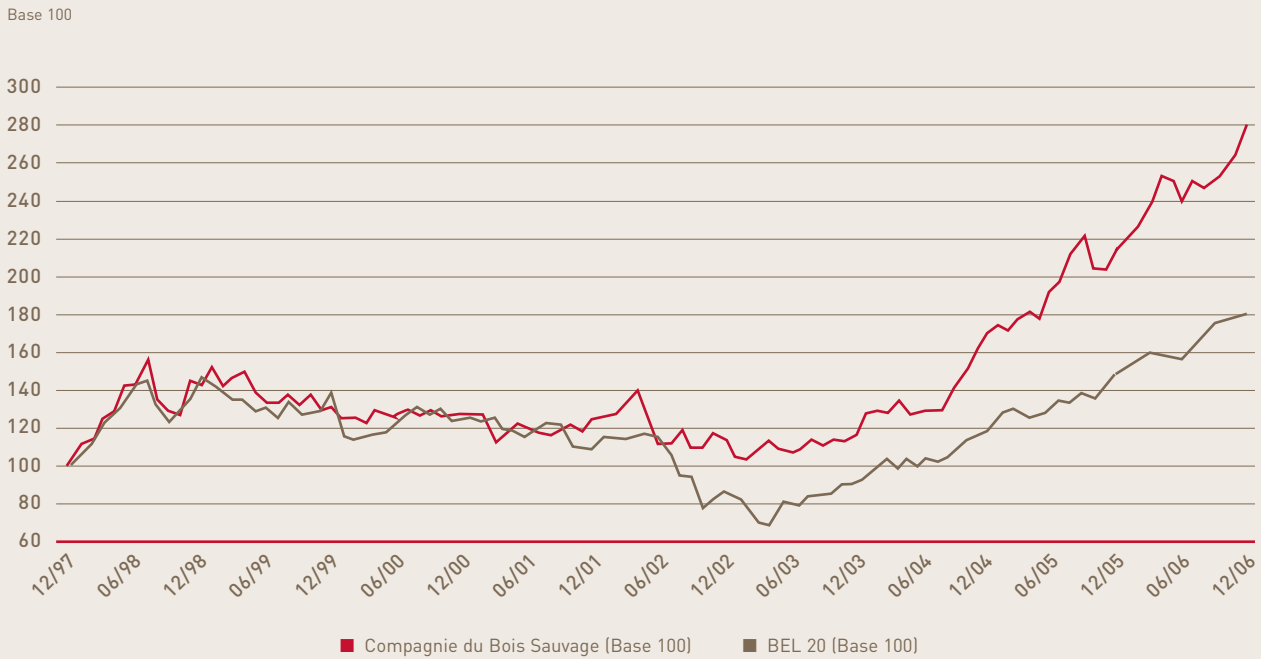
The "in the money" intrinsic value implies the conversion of only those convertible bonds and the exercise of only those warrants or options whose conversion price or exercise price is lower than the market price.

Portfolio valuation at 31 December 2006

EVOLUTION OF INTRINSIC VALUE "FULLY DILUTED"



COMPAGNIE DU BOIS SAUVAGE VERSUS BEL 20





Projects

Since the beginning of 2007, Compagnie du Bois Sauvage has announced several investments for a total amount of € 12.7 million:

- acquisition (€ 5 million) of 40% of the Belgian company Biobest, specialised in biological pest control and pollinisation by bumblebees;
- commitment of US \$ 10 million for the Gotham City real estate development project in New York. The project is based on the renovation of flats whose rents have been blocked since the end of the second world war.

Among the projects being studied, to date there is no significant investment project being implemented. Compagnie du Bois Sauvage nevertheless continues to study closely any proposal that could strengthen its existing business areas.

Prospects

The Board considers that, save in the case of an erosion of the global economic climate, the recurrent profits should rise over the 2006 level. Prospects for net results will depend in large measure on the evolution of stock exchanges.

Corporate sponsorship

Pursuing its policy of cultural sponsorship, the Company has participated in events promoting the non-profit association "Les Amis de la Cathédrale" (Friends of the Cathedral), and events in support of the Queen Elisabeth Competition and the Queen Paola Foundation. It has also continued its support to the "business club" set up by the non-profit association Promethéa.

Compagnie du Bois Sauvage has also supported initiatives in support of training for underprivileged young people in Brussels (non-profit association "FTQP") and for women and children in distress (non-profit association "Les Amis de Soeur Emmanuelle").

Financial Statements

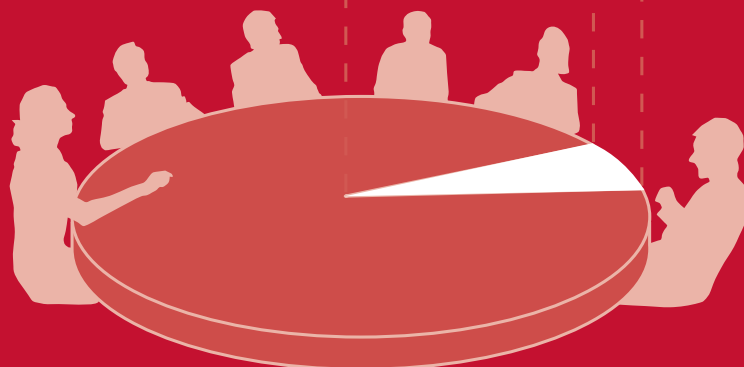
2006 Financial Year

Consolidated accounts – IFRS

Consolidated balance sheet at 31 December	52
Consolidated profit and loss account at 31 December	54
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Consolidated accounts for the period ended 31 December 2006
presented to the General Meeting on 25 April 2007.



Consolidated balance sheet at 31 December (IFRS)

x € 1,000	2006	2005	2004
Non-current assets	612,157	499,251	486,018
Tangible assets	25,358	26,571	25,199
Investment property	40,482	42,640	56,790
Goodwill and intangible assets	18,334	8,138	7,036
Investments in subsidiaries	936	1,763	1,515
Investments in associated companies	200	200	200
Companies consolidated by the equity method	107,829	66,799	55,036
Deferred tax assets	1,423	2,692	1,688
Other financial fixed assets	417,081	350,069	337,332
Non-current hedging instruments	136	0	104
Non-current trade and other receivables	0	0	1,101
Non-current pre-payments	378	379	17
Current assets	271,253	237,219	124,836
Inventories	8,181	8,541	6,683
Other current financial assets	165,524	106,981	39,421
Income taxes receivable	3,592	4,594	3,498
Trade and other current receivables	33,171	23,291	21,539
Advance	455	55	0
Cash and cash equivalents	59,186	92,091	52,558
Other current assets	1,144	1,666	1,137
Total assets	883,410	736,470	610,854



Consolidated balance sheet at 31 December (IFRS)

x € 1,000	2006	2005	2004
Shareholders' equity	563,420	453,718	323,216
Group shareholders' equity	558,750	436,813	306,758
Paid-up capital	196,375	185,986	168,439
Reserves	362,375	250,827	138,319
Own shares	0	0	0
Minority interests	4,670	16,905	16,458
Liabilities	319,990	282,752	287,638
Non-current liabilities	232,478	235,569	209,340
Non-current interest-bearing liabilities	216,958	218,827	200,734
Non-current provisions	517	476	617
Non-current obligations regarding employment	527	299	229
Non-current hedging instruments	126	418	566
Deferred tax liabilities	14,340	15,539	7,185
Other non-current liabilities	10	10	9
Current liabilities	87,512	47,183	78,298
Current interest-bearing liabilities	47,812	18,592	22,508
Current provisions	2,740	970	17
Payable tax liabilities	7,141	5,939	5,447
Suppliers and other current creditors	24,392	19,065	47,718
Other current liabilities	5,427	2,617	2,608
Total shareholders' equity and liabilities	883,410	736,470	610,854

Consolidated profit and loss account at 31 December (IFRS)

x € 1,000	2006	2005	2004
Recurrent financial result	20,577	16,416	8,243
Financial and property revenues ⁽¹⁾	26,832	27,662	22,885
Share of profit from companies consolidated by equity method	5,186	-621	-2,391
Financial charges	-11,441	-10,625	-12,251
Other recurrent results	1,907	-1,651	-1,733
Administrative expenses	-52,060	-46,398	-42,777
Other operating results	60,121	51,530	47,964
Write-downs and losses in value	-6,154	-6,783	-6,920
Recurrent result ⁽²⁾	22,484	14,765	6,510
Non-recurrent financial result	54,298	69,303	50,906
Result in capital ⁽¹⁾	54,298	69,303	50,906
Other non-recurrent results	-1,824	-3,526	-2,915
Provisions (allocations (-), withdrawals (+))	-2,439	-3,526	-1,822
Various results	615	-	-1,093
Non-recurrent result	52,474	65,777	47,991
Profit before tax	74,958	80,542	54,501
Taxation	-8,561	-6,709	-2,698
Net profit	66,397	73,833	51,803
Group share	64,131	66,952	50,154
Minority interests	2,266	6,881	1,649

(1) The result of activities on derivatives is intergrated at 100% in the result in capital. The accounts of 2004 and 2005 were reprocessed in this direction. This change has no impact on the final result.

(2) Recurrent results = result of ordinary activities.

x €	2006	2005	2004
Profit (group share) per share in circulation	42.09	45.19	36.25
Profit (group share) per share in the money	33.82	42.21	32.18
Profit (group share) per share fully diluted	33.82	36.17	32.18

Table of changes in shareholders' equity (IFRS)

x € 1,000	Capital subscribed	Share premium account	Consolidated reserves	Revaluation reserves	Differences on translation	Own shares	Total	Minority interests
Balance at 1 December 2004	105,137	63,302	113,129	26,678	-1,488	-	306,758	16,458
Dividends paid	-	-	-11,067	-	-	-	-11,067	-292
Free granting	2,103	-	-2,103	-	-	-	-	-
Bonds conversion	5,347	7,201	-	-	-	-	12,548	-
Convertible - loan issue - equity capital share	-	2,896	-	-	-	-	2,896	-
Market value of financial assets	-	-	-	54,646	-	-	54,646	-59
Market value of financial instruments	-	-	-	867	-	-	867	-
Change in consolidation perimeter	-	-	75	-	-	-	75	-389
Change in differences on translation	-	-	-	-	3,186	-	3,186	-239
Net profit - group share	-	-	66,952	-	-	-	66,952	1,330
Other	-	-	-	-48	-	-	-48	96
Balance at 31 December 2005	112,587	73,399	166,986	82,143	1,698	-	436,813	16,905
Dividends paid	-	-	-12,800	-	-	-	-12,800	-
Bid on Neuhaus	3,222	7,167	-	-	-	-	10,389	-
Market value of financial assets	-	-	-	62,961	-	-	62,961	-
Market value of financial instruments	-	-	-	-	-	-	-	-
Change in consolidation perimeter	-	-	-76	-	-	-	-76	-14,501
Change in differences on translation	-	-	1,932	-	-5,145	-	-3,213	-
Net profit - group share	-	-	64,131	-	-	-	64,131	2,266
Other	-	-	545	-	-	-	545	-
Balance at 31 December 2006	115,809	80,566	220,718	145,104	-3,447	-	558,750	4,670

Cash flow statement (IFRS)

x € 1,000	2006	2005	2004
Cash flow from recurrent activities	22,731	26,796	28,267
Net profit (group share)	64,131	66,952	50,154
Adjustments for:			
Result from companies consolidated by the equity method	-5,186	621	2,391
Dividends from companies consolidated by the equity method	4,720	3,284	1,399
Financial expenses	11,441	10,625	12,251
Write-downs and losses in value	6,154	6,783	6,920
Result in capital	-54,298	-69,303	-50,906
Option premiums collected	2,949	8,929	3,788
Provisions and various results	2,439	3,526	2,915
Variation in current assets (excl. cash & equivalents)	-8,396	-5,290	268
Other non-cash variations	-1,223	669	-913
Cash flow from investment activities	-79,022	39,315	-35,541
Acquisition of financial fixed assets	-111,877	-29,534	-41,197
Sale of financial fixed assets	25,881	93,776	4,460
Acquisition of current financial assets	-108,480	-51,335	-34,904
Sale of current financial assets	112,083	17,653	38,706
Net variation in tangible and intangible assets	3,371	8,755	-2,606
Cash flow from financing activities	23,386	-26,578	4,286
Dividends paid	-12,800	-11,067	-10,790
Financial expenses	-11,441	-10,625	-12,251
Increase of capital	10,389	15,444	-
Net variation in indebtedness	27,351	-1,267	10,177
Net variation in other non current assets	-1,222	8,136	1,191
Net variation in accounts payable and other current liabilities	11,109	-27,199	13,317
Movements on own shares	-	-	2,642
Net variation in cash and cash equivalents	-32,905	39,533	-2,988
Cash and cash equivalents at opening of the financial period	92,091	52,558	55,546
Cash and cash equivalents at closure of the financial period	59,186	92,091	52,558



Auditor's Report

As required by law, we are pleased to report on the audit assignment that has been entrusted to us. The report includes our opinion on the consolidated accounts and all required additional information.

Unreserved certification of the consolidated accounts

We audited the consolidated accounts for the financial year ended 31 December 2006, prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted in the European Union. The consolidated balance sheet shows total assets of € 883,410,125.95 and a consolidated profit for the year of € 66,397,372.22.

Preparation of the consolidated accounts is the responsibility of the management body. This responsibility includes: the development, organisation and follow-up of internal controls on the preparation and presentation of consolidated annual accounts free of any significant discrepancies, whether as a result of fraud or errors; the choice and implementation of appropriate accounting methods and the determination of reasonable accounting estimates.

It is our responsibility to express an opinion on the accounts based on our audit. We conducted our audit in accordance with legal requirements and the standards applicable in Belgium, as laid down by the Institut des Reviseurs d'Entreprises. Those standards require that we plan and perform the audit to obtain reasonable assurance that the annual accounts are free of material misstatement, resulting either from fraud or errors.

In accordance with these standards, we considered the Company's administrative and accounting organisation as well as its internal control procedures. We obtained from the management body and the Company's staff the explanations and information required for our audit. We examined on a test basis evidence supporting the amounts in the consolidated financial statements. Our audit also included an assessment of the Company's accounting methods, consolidation rules and the reasonable nature of the accounting estimates, as well as an evaluation of the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated accounts for the period ended 31 December 2006 give a fair and true view of the assets, financial position and cash flow of the consolidated group, in accordance with the International Financial Reporting Standards as adopted in the European Union.

Auditor's Report

Additional certifications (and information)

The preparation and content of the consolidated activity report is the responsibility of the management body. It is our responsibility to include in our report the following additional information, which is not such as to alter the certification of the consolidated accounts:

- The directors' report contains the information required by law and is consistent with the consolidated financial statements. We are nevertheless not in a position to give our opinion on the description of the principal risks and uncertainties with which all the consolidated companies are confronted, or on the foreseeable evolution of the consolidated group or the influence of certain facts on its future development. We can nevertheless confirm that the information provided presents no obvious contradictions with the information provided to us in the context of our audit.

DESCHAMPS, GODEFROID, VERSET & C^o
REPRESENTED BY
ANDRÉ R. DESCHAMPS
AUDITOR

Tubize, 12 March 2007



2006 ANNUAL REPORT

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