2011

COMPAGNIE DU
BOIS SAUVAGE

ANNUAL REPORT

MANAGEMENT REPORT OF THE BOARD OF DIRECTORS OF COMPAGNIE DU BOIS SAUVAGE TO THE ANNUAL MEETING OF SHAREHOLDERS ON 25.04.12
Financial Year 2011

TABLE OF CONTENTS

1.	Letter to the Shareholders	2
2.	Key Figures at 31 December	4
3.	Combined Management Report Index	6
4.	History and Origins of the Group	7
5.	Corporate Governance Declaration	9
	5.1. Reference Code	9
	5.2. Reference Code Exemption	9
	5.3. Conflict of Interest	9
	5.4. Administrative Bodies' Composition and Modus Operandi	9
	5.4.1. Management Bodies and Powers	9
	5.4.2. Statutory Appointments	12
	5.4.3. Composition of the Board of Directors and Management Bodies	12
	5.5. Remuneration Report	14
	5.6. Internal Control and Risk Management System	17
	5.7. Shareholding Structure	20
	5.7.1. Shareholder Information	20
	5.7.2. Shareholding Structure	21
	5.7.3. Relations with the Main Shareholder	21
6.	Group Organisation Chart	22
7.	Activities During the Financial Year	23
8.	Accountable Executives' Declaration	43
9.	Earnings Allocation and Profit Appropriation Policy	44
10.	Elements that Could Affect a Public Takeover Bid	46
11.	Valuation Method for the Calculation of the Intrinsic Value at 31 December 2011	47
12.	Prospects for 2012	49
13.	Financial Timetable	49
14.	Sponsorship	50
15.	Consolidated and Statutory Financial Statements	51

Company and consolidated accounts as at 31.12.11 submitted to the Annual Meeting of Shareholders of 25.04.12. This report has been translated into Dutch and English. In the event of divergence, the French version shall be final. • COMPAGNIE DU BOIS SAUVAGE • Limited Company with a Capital of EUR 80,580,600 • Registered Offices: 17, Rue du Bois Sauvage, B-1000 Brussels • VAT BE 0402 964 823 - CTR Brussels • Tel.: +32 (0)2 227 54 50 • Fax: +32 (0)2 219 25 20 • www.bois-sauvage.be

Compagnie du Bois Sauvage is a holding company, quoted on NYSE Euronext Brussels, with a majority shareholder that is "family" and stable.

Its aim is to concentrate on a limited number of holdings, mainly industrial, listed or not.

It wishes to be close to the companies in which it invests and especially to take part both in their choice of leaders and the definition of their strategic orientations. It also provides support to the operational management and assistance in terms of financial management.

Its long-term shareholder perspective constitutes a pledge of stability.

Mindful of the interests of its own shareholders, it requires a regular income from its investments in order to allow the distribution of, if possible, a continuously growing dividend.

A current objective is to avoid dependence on credit and to maintain the necessary resources for the development of the Group's companies.

1. LETTER TO THE SHAREHOLDERS

2011 has seen an increase of the new uncertainties surrounding the national debts of the Eurozone states. These have had a direct impact on financial market performance and have forced many governments to adopt stringent measures in order to bring their public finances back into balance.

After the sales of its holding in Bank Degroof at end of 2010, the Board of Directors has taken care to adapt the strategy of the Group in order to concentrate on a limited number of holdings, to avoid dependence on credit, and to maintain the necessary resources for the development of the Group's companies.

Taking account of this new strategy and at the request of the main shareholder which has wanted to free its upstream companies of debt, the Board of Directors has proposed:

- In March 2011, a first capital decrease of EUR 26 per share, which was approved in April 2011 and implemented in July 2011;
- In January 2012, a second capital decrease of EUR 25 per share, which will be submitted to the approval of an Extraordinary General Meeting in April 2012 which will terminate to free the upstream companies debt.

The "Operating Profit Before Disposals and Fair Value Adjustments" is on forecast at EUR 35.6 million. This is an increase of EUR 9.7 million compared to 2010, again showing the good performance and the quality of the Group's assets. It takes account in 2011 of:

- The strong reduction of the Group's financial charges, which were EUR 7.7 million in 2011 versus EUR 21.3 million in 2010;
- The 11.3% increase of the turnover of the Neuhaus Group and the sustaining of its excellent operating profitability;
- The improvement of the results of the equity method companies at EUR 5.9 million in 2011 versus EUR 5.6 million in 2010;
- The reduction of the dividends resulting mainly from the absence of Bank Degroof dividend following the disposal of that holding (dividend of EUR 6.3 million in 2010).

The Group share of the net profit at EUR 31.1 million was influenced by the sale of the holding in Satair following the public takeover bid made by the EADS Group. This sale enabled the Company to realize a gain of EUR 15.7 million.

The Group's total net share is EUR 1.3 million. This amount corresponds to the Group share of the net profit corrected mainly by the fair value adjustments of the holdings in Umicore (EUR -13.2 million) and Berenberg Bank (EUR -7.2 million), as well as the transfer to the bottom line of EUR 7.5 million following the Satair sale.

After having repaid its entire bank debt in 2011 and after the first capital decrease, the Company posted a net consolidated debt of EUR 55 million at 31 December 2011.

After the 2010 dividend payout (EUR 10.6 million), the capital decrease of EUR 26 per share (EUR 40.6 million) and after the capital increase by the conversion of 48,902 2004-2011 bonds (EUR 7.5 million), the Group's equities amount to EUR 369.2 million.

The Company is proposing to continue its dividend growth policy and to take the dividend to EUR 7.00 gross per share.

During 2011, the Company:

- Received the proceeds of EUR 171 million from the sale of its Bank Degroof holding (16%);
- Sold its holding (5.8%) in Satair following the public acquisition bid launched by the EADS Group in July 2011, thus increasing its treasury by EUR 19 million;
- Sold its holding in Biofirst for EUR 10.4 million;
- Subscribed for an amount of EUR 4 million to the private debenture issued by Codic International in order to ensure its French subsidiary's development resources;
- Paid up an additional amount of USD 1.0 million in the DSF Capital III real estate partnership (Boston);

- Freed up an additional amount of USD 1.2 million in the Gotham City Residential Partner I (New York) partnership;

- Freed up an additional amount of EUR 0.25 million in the Matignon Technologies II Fund;

- Reduced its holding in Ter Beke (disposal of 9,900 shares) and in Solvay (disposal of 25,000 shares);

- Repurchased and cancelled Compagnie du Bois Sauvage 2005-2012 bonds for an amount of EUR 1,6 million.

The loans of EUR 1.1 million to the French Dordogne Périgord Investissement Company, of USD 0.7 million to the Noël Group and the loan of EUR 1.0 million to Eurogarden were repaid in advance in 2011.

The Metrobel and CBS Finance Companies were liquidated and have left the consolidate scope since 01 July 2011.

The VEAN Company exercised the sell option with regard to Compagnie du Bois Sauvage that it had held since November 2007 on 200,000 Recticel shares at the price of EUR 11.00 per share. The holding that Compagnie du Bois Sauvage has in Recticel with associated people (Guy Paquot, Fingaren s.c.a and Entreprises et Chemins de Fer en Chine s.a.) has passed to 30.43%.

Noting that the threshold of 30% was crossed by less than 2%, the Company decided, in order to benefit from the exemption from the obligation to launch an obligatory takeover bid as envisaged in Article 52, §1, 7° of the takeover bid royal decree of 27 April 2007:

- To proceed with the sale of the Recticel shares over the 30% threshold within a period of twelve months as from the date of acquisition;

- Not to exercise the voting rights that are associated with the surplus shares.

At 31 December 2011, 40,650 surplus Recticel shares were sold on the stock exchange at an average price of EUR 4.36 per share, reducing the total holding in Recticel to 30.29%.

In the context of the authorization given by the Extraordinary General Meeting of 28 April 2010 for the buyback of its own shares, Compagnie du Bois Sauvage proceeded with said buyback and cancelled 36,266 of its own shares, that is to say 2.3% of the capital. The number of shares in circulation fell from 1,611,612 to 1,575,346 at 5 March 2012.

To date, Compagnie du Bois Sauvage no longer holds any of its own shares and has temporarily suspended its buyback programme.

Measures seeking to improve information for shareholders were continued: the Corporate Governance Charter has been updated and is available on the website, contacts with analysts and investors have been continued, the intrinsic value is published monthly and the detailed composition of the portfolio is available on Pages 23, 24, 30 and 42 of this report.

The average daily number of shares traded in 2011 was 551.

The Company was indicted on 11 September 2009 on the charge of insider dealing, forgery and use of forgery in the context of the disposal of part of its portfolio of Fortis shares on 03 October 2008. The Company disputes the violation alleged in the indictment. As from Mai 10, 2012, the Council Chamber of the Court will analyse this case.

Compagnie du Bois Sauvage thanks its shareholders for the confidence and support displayed over the year. Our thanks are similarly addressed to all the Group's employees for their professionalism and sincere co-operation.

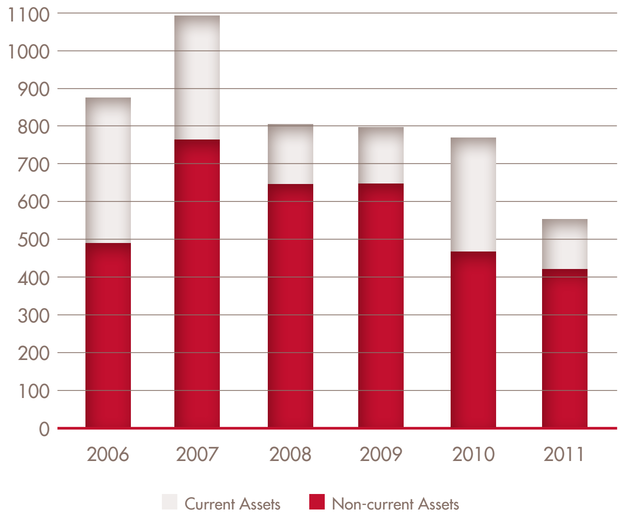
The Managing Director
Vincent Doumier

The Chairman
Frédéric Van Gansberghe

2. KEY FIGURES AT 31 DECEMBER

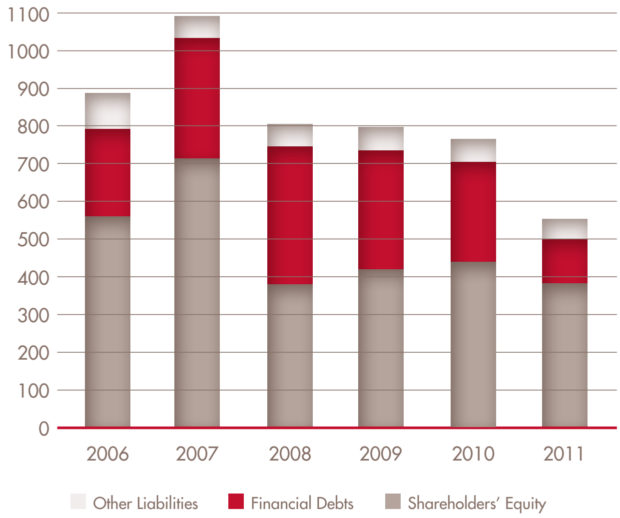
ASSETS – HISTORICAL TREND

Consolidated Accountancy Figures (in € millions)



LIABILITIES – HISTORICAL TREND

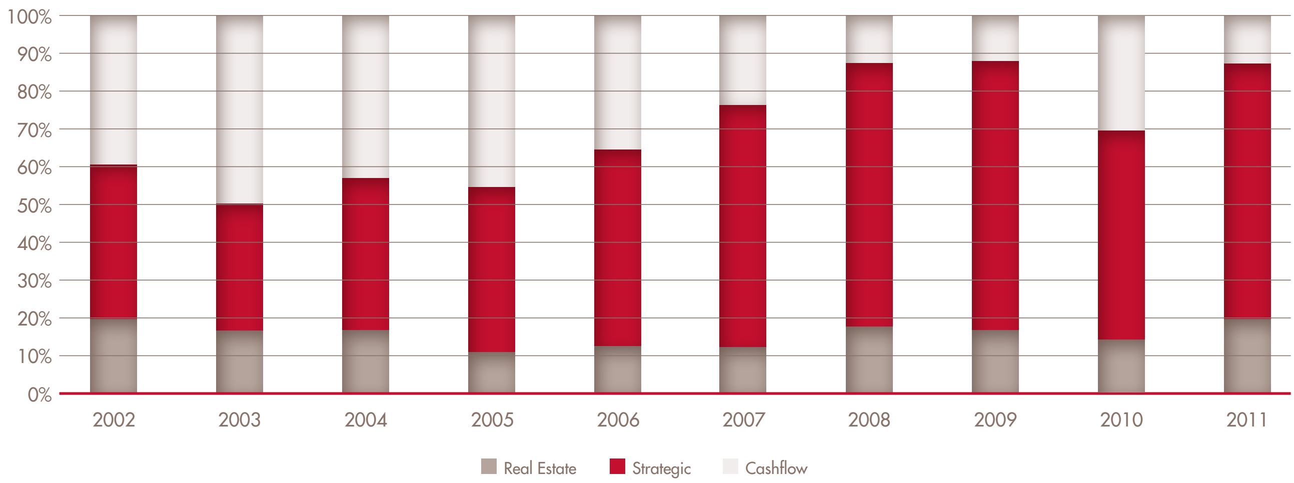
Consolidated Accountancy Figures (in € millions)



CONSOLIDATED PORTFOLIO TREND

Intrinsic Value at 31 December [1]

Total € 394,607,344 433,982,200 487,331,287 655,300,460 838,563,340 1,060,667,920 757,680,115 758,571,487 813,968,415 571,074,038



(1) See Page 47: Valuation Methods for the Calculation of the Intrinsic Value.

2. KEY FIGURES AT 31 DECEMBER

EUR 1,000	**2011**	2010	2009	2008
Shareholders' Equity (Group)	**369,199**	416,002	373,372	341,330
Intrinsic "in the money" value (1) (4) (6)	**443,395**	528,388	421,182	393,834
Consolidated Net Result (Group Share)	**31,090**	108,593	6,062	-181,926
Market Capitalization at the End of the Financial Year	**258,262**	317,230	264,082	237,063

	2011	2010	2009	2008
Consolidated Net Result Per Share (Group Share) (EUR)				
Basic	**19.67**	69.49	3.88	-117.88
Diluted	**19.66**	67.55	3.88	-117.88
Number of Shares				
In circulation	**1,582,000 (2)**	1,562,710 (2)	1,562,710	1,562,710
In the money	**1,585,150**	1,620,972	1,562,710	1,562,710
Fully diluted	**1,861,000**	1,893,422	1,891,855	1,888,705
Intrinsic Value Per Share at Closing (EUR)				
In the money (4) (6)	**279.72**	325.97	269.52	252.02
Fully diluted (4) (6)	**275.56**	319.19	268.33	253.85
Gross Dividend Per Share	**7.00**	6.80	6.60	6.40

	2011	2010	2009	2008
Average Daily Volume Traded	**551**	446	463	480
Average Daily Capital (EUR) (4)	**102,733**	81,861	76,141	126,421
Prices (EUR)				
At closing	**163.25**	203.00	168.99	151.70
Highest (5)	**206.43**	205.72	189.00	373.60
Lowest (5)	**163.25**	162.00	140.00	132.00

(1) The Valuation method for the calculation of the intrinsic value is explained on Page 47.
(2) Including 4,379 own shares held by Compagnie du Bois Sauvage at 31 December 2011 and 8,063 at 31 December 2010.
(4) See definitions of "in the money" and "fully diluted" on Page 48.
(5) The 2011 statistics have been adapted following the capital decrease of EUR 26 per share.
(6) At 31 December 2011, the intrinsic value had taken account of the capital decrease of EUR 40.6 million (EUR 26 per share).

3. COMBINED MANAGEMENT REPORT INDEX

Combined Management Report Content	Page(s)
■ Business trend, results and corporate situation	2 to 5
■ Main risks and uncertainties	17
■ Circumstances likely to have a notable influence on the Company's development	18
■ Research & Development	N/A
■ Existence of Company branches	N/A
■ Internal Control and Risk Management	17
■ Corporate Governance Declaration	9
■ Justification of the independence and of the accountancy and audit competency of at least one member of the Audit Committee	10
■ Remuneration Report	14
■ Shareholding Structure	20
■ Elements that could affect a Public Takeover Bid	46

4. HISTORY AND ORIGIN OF THE GROUP

The name 'Bois Sauvage' comes from the site of the Company's registered offices in Brussels. Many years ago, the area known as 'Bois Sauvage' – a distortion of the Dutch name 'Wilder Wouter' – lay between the Saint Michael and Saint Gudula Cathedral and the first wall around the City of Brussels.

All that remains of this 13th century wall are a few sections and in particular the Bois Sauvage arches, restored by the Company under the supervision of the Royal Commission on Monuments and Sites.

The rehabilitation of the Bois Sauvage site in 1992 won the company the Quartier des Arts Prize. Ten years later, in 2002, this prestigious prize was awarded once again to the Company for the restoration of the Treurenberg site.

Compagnie du Bois Sauvage is the result of the merger of nineteen companies with varying origins and active in various business sectors, such as Fours Lecocq, Compagnie Financière Nagelmackers, Charbonnages d'Hensies-Pommeroeul, Entrema and Somikin (Kindu mining company), some of which date back several centuries. Some of those companies were too small to play a decisive economic role, others focused on activities whose days were numbered, while yet others were in liquidation and destined to disappear.

The merger of these companies, which simply ratified a de facto situation, is perfectly in line with the Company's strategy of stability and its vocation as an economic and financial driving force.

The merger by absorption of the parent company, Surongo, in July 2002 was a major simplifying step in the Group's development. Today it consists of Entreprises et Chemins de Fer en Chine, main shareholder, and the operating company, Compagnie du Bois Sauvage.

Guy Paquot controls Fingaren s.c.a., which controls Entreprises et Chemins de Fer en Chine, s.a. Together, they own 41.27% (43.14% on a fully diluted basis) of Compagnie du Bois Sauvage at 17 October 2011. For 58.73% of the capital, the Company has no knowledge of any shareholders' pact and has not received any transparency declaration.

4. HISTORY AND ORIGIN OF THE GROUP

Date	Company	Year
11/03/2003	**Finpro**	1997
31/07/2002	**Surongo**	1927
22/12/1992	**Nagelinvest Waterloo**	1980
22/12/1992	**Nagelinvest Charleroi**	1980
22/12/1992	**Immochim**	1971
27/05/1991	**Entrema**	1945
12/04/1990	**Comptoir Général d'Approvisionnement**	1916
25/09/1989	**Compagnie Financière Nagelmackers**	1910
16/07/1987	**Ciment Portland de Buda**	1890
11/05/1987	**Ganoss**	1983
05/05/1987	**Cofinep**	1933
05/05/1987	**Charbonnages Hensies Pommerœul**	1912
26/06/1986	**Somikin**	1931
28/08/1985	**Surfinmo**	1983
04/05/1984	**Hensipar**	1959
04/05/1984	**Sefic**	1927
22/11/1982	**Charbonnages de Strepy Bracquegnies**	1873
30/04/1957	**Fours Lecocq**	1913
30/04/1957	**Ateliers de Trazegnies Réunis**	1902

COMPAGNIE DU BOIS SAUVAGE

02/12/1994

5.1. Reference Code

The Charter of Corporate Governance of Compagnie du Bois Sauvage, approved on 19 December 2005 by the Board of Directors, was last amended on 06 December 2010. It is available on the website: www.bois-sauvage.be.

This Charter is in conformity with the 2009 Belgian Corporate Governance Code except for the elements explained in Point 5.2 below.

5.2. Reference Code Exemptions

The exemptions from the 2009 Belgian Corporate Governance Code are summarized as follows:

- **Point 4.5 (Time Limit)**: The Board of Directors has preferred the formula of a 6-year term of office exceptionally renewable only once for the independent directors rather than the 4-year term of office twice renewable recommended by the Code. The primary reason for this choice is that most independent directors fulfil only one term of office, and that this formula offers an extra period which can be used to maximise the director's contribution.
- **Point 5.2./28 (Audit Committee)**: The Board of Directors has taken the view that two meetings a year (instead of four as recommended by the Corporate Governance Code) are sufficient for enabling the Audit Committee to function correctly. One or more additional meetings can be organized if required.
- **Point 5.3 (Appointment and Remuneration Committee)**: The Board of Directors has not considered it necessary for the Managing Director to participate formally in the meetings of the Appointment and Remuneration Committee when it is dealing with the remuneration of the other members of the executive management. The Appointment and Remuneration Committee can consult the Managing Director at any time.
- **Point 7.12 (Executive Director and Executive Manager Remuneration)**: The evaluation criteria refer to the dividend policy, the trend displayed by intrinsic value and discretionary aspects.
- **Point 7.17-18 (Executive Director Contracts)**: The Managing Director's service contract contains a clause providing that in the event of departure on the Company's initiative and in the absence of any serious deficiency on the part of the Managing Director, the latter shall be entitled to a flat-rate benefit corresponding to roughly two years of his current fixed and variable remuneration, even three in the event of a change of control, whereas the Belgian Corporate Governance Code recommends a maximum of eighteen months.
- **Point 4.11 (Board of Directors evaluation)**: The last assessment of the Board of Directors, its Committees and its Directors occurred in 2008. In view of the substantial renewal of the Board, the latter has decided that the assessment envisaged for 2011 should not be carried out until 2012.

5.3. Conflict of Interest

No decision taken by the Board of Directors in 2011 required the application of Article 523 of the Companies Code.

5.4. Administrative Bodies' Composition and Modus Operandi

5.4.1. Management Bodies and Powers

The composition of the Board of Directors, the qualification and the expiry date of the term of office of its members, as well as the main functions exercised by the non-executive directors, are included on Pages 12 and 13 of this report.

The Board is composed of an executive director, directors representing the main shareholder and independent directors The Board of Directors is currently made up of 7 members. Among these 7 members, 6 are non-executive directors, of which 3 are independent and 3 are representatives of the main shareholder.

The main rules governing the appointment to and the time limits on the Board are as follows:

- A majority of the directors on the Board must be non-executive.
- The independent directors serve a six-year term of office, which may only be renewed once.
- There is no limit to the number of terms for which executive directors may be re-elected while they are working in the Company.
- All terms of office shall terminate at the latest at the Annual General Meeting following the director's 70th birthday.
- The composition of the Board of Directors shall be based on a gender mix, diversity and a complementarity of skills, experience and knowledge.

During 2011, the Board met on 9 occasions. It discussed in particular:

- The Company and consolidated results
- The Chairmanship and composition of the Board of Directors
- The operations of the Committees
- The planned deleverage by divestment and reduction in complexity of the Group's structure
- The Company's strategy
- The following years' budgets
- The analysis of moveable or real estate assets
- The "Corporate Governance" policy and practice and an examination of the new legislation
- The organisation of the Company
- The indictment file following the sale of Fortis shares in October 2008
- The conversion of the 2004-2011 bonds
- The capital reduction of the Company
- The buyback of its own shares and the cancellation of a part thereof

The work of the Board is organised and documented in order to enable it to monitor and control the operations carried out in the day-to-day management, as well as the results, risks and value of the Company.

Specialised Committees

Two Specialised Committees are in place:

Audit Committee

It met on 3 occasions in 2011 and in particular discussed the following points:

- Examination of the Company and consolidated accounts at 31 December 2010 and 30 June 2011
- Update of the Rules of Evaluation
- Methodology adopted for the calculation of the Group's intrinsic value
- Examination of current litigation
- Examination of the business-related risks according to the COSO referential (see Page 17)
- Examination of the yearly and half-yearly press releases
- Examination of the directors' third-party liability insurance
- Examination of the exchange rate hedge positions

The composition of the Audit Committee was last changed during the Board Meeting of 06 June 2011. François Blondel and Frédéric Jourdain were appointed members of the Audit Committee in order to succeed Luc Vansteenkiste and Michel Delloye. Since that time, François Blondel has acted as Chairman.

The members of the Audit Committee, as a result of their professional experience, have the necessary skills, both individually and collectively, for guaranteeing the Committee's efficacy. More particularly, the Chairman of the Audit Committee, François Blondel, is a law and Pure Economic Sciences graduate, who started his professional career in the Petrofina Group in the United States and in Europe before joining IBt as Managing Director, which enables him to guarantee the Committee's efficacy. He is independent within the meaning of Article 526ter of the Companies Code.

Appointment and Remuneration Committee

It met on 3 occasions in 2011, with Luc Willame in the chair, and then Patrick Van Craen. The Committee has continued to monitor and study:

- The remuneration of the members of the Management Committee
- The question of stock options
- The profiles of the candidates proposed to replace the outgoing directors in 2011 as well as the composition of the Audit and the Appointment and Remuneration Committees
- The review of the directorships in the Group's subsidiaries and holdings

Currently, one director out of the seven who constitute the Board of Directors is female. The Appointment and Remuneration Committee is attentive to reinforcing the Board of Directors' gender mix in the future. Particular attention will be paid to this point at the time of the next appointment proposals.

The Appointment and Remuneration Committee was changed for the last time during the Board Meeting of 31 August 2011. It is chaired by Patrick Van Craen, who is assisted by Frederic Van Gansberghe and François Blondel.

The contributions to these Committees were remunerated by attendance allowances.

The role and operation of the Audit Committee and of the Appointment and Remuneration Committee are described in Point 5 of the Company's Corporate Governance Charter, which is available on its website at www.bois-sauvage.be.

Management Committee

During 2011, the Management Committee met on 24 occasions.

The Board of Directors appoints the members of the Management Committee, dismisses them, and determines their remuneration and their terms of office. This Committee was reduced from 3 to 2 members at the end of 2011 in view of the Group's reduced size.

Vincent Doumier, Managing Director, chairs the Management Committee. The names of members of the Committee can be found on Page 13 of this report.

The decisions of the Management Committee shall be based on a majority of the attending members. However, a decision shall not be adopted if it is not supported by the Managing Director's vote. If the Managing Director opposes the majority opinion of the other members of the Management Committee, the point shall be submitted to the next Board Meeting, which shall decide on the matter.

The Board has delegated to the Management Committee the powers to manage the Company with the exception of:

- The Company's general policy and strategy
- The closing of the accounts
- Any matter reserved by law or by the Articles of Association for the Board
- The drawing up of the annual budget
- Any investment decision where the amount exceeds EUR 1 million
- Any investment decision, even on an amount of less than EUR 1 million, if it fails to fall within the general policy or the annual budget

The Company normally appoints a representative to its subsidiaries and holdings in order to monitor their development. The main directorships held at 31 December 2011 by members of the Management Committee or by a non-executive director of the Company within the holdings are as follows:

Company	Directorship Held by (1)
Berenberg Bank (Joh. Berenberg, Gossler & Co. KG)	V. Doumier
Ceran-Institut des Langues et de la Communication (ILC), SA	V. Doumier & L. Puissant Baeyens
Codic International, S.A.	V. Doumier
Cofinimmo, SA	V. Doumier
DSF Capital Partners, LP	V. Doumier (Advisory Board)
Euroscreen, SA	L. Puissant Baeyens
Galactic, SA	F. Van Gansberghe
Guy Degrenne, SA	L. Puissant Baeyens
Man-to-tree, SA	F. Van Gansberghe, L. Puissant Baeyens
Nanocyl, SA	L. Puissant Baeyens
Neuhaus, NV	V. Doumier
Noël Group, LLC	V. Doumier & L. Puissant Baeyens (Advisory Board)
Recticel, NV	V. Doumier
Serendip, SA	F. Van Gansberghe
Trade Credit Re-Insurance Company, SA	L. Puissant Baeyens

(1) Or representing Compagnie du Bois Sauvage, its subsidiaries and others (LPB sprl)

5.4.2. Statutory Appointments

The Board hereby informs the AGM of the resignation as director of Mr Michel Delloye, with effect from 06 June 2011, and of Mr Jean-Claude Daoust, with effect from 07 June 2011, both for personal reasons.

The Board of Directors propose that you to ratify the anticipated appointment for a six-year period, in an independent director capacity within the meaning of Article 526 ter of the Companies Code, as he complies with all of the criteria set forth by that Article, of Mr François Blondel, on 08 June 2011 instead of 30 June 2011, as initially decided by the Annual General Meeting of 27 April 2011.

The directorship of Miss Valérie Paquot expires on the day of the Annual General Meeting of 25 April 2012. The Board of Directors proposes that you re-elect Miss Valérie Paquot, as the director representing the main shareholder, for a four-year period expiring at the time of the Annual General Meeting of 2016.

The Board of Directors proposes that you appoint, for a three-year period, in a director capacity, the company Frédéric Van Gansberghe s.a. (company number 0466.007.596), represented by Mr Frederic Van Gansberghe, to replace the directorship of Mr Frédéric Van Gansberghe, resigning.

The Board of Directors propose to remunerate the directorship of Mr Frédéric Jourdain like the other Board members.

The directorship of Mr Guy Paquot expired on 30 June 2011. The Board proposes that you confer an honorary function upon him for his chairmanship from 1986 to 2010.

5.4.3. Composition of the Board of Directors and Management Bodies

Board of Directors

Frédéric VAN GANSBERGHE (3)	Drèves des Etangs 32 B-1630 Linkebeek	Chair	2017
François BLONDEL (2)	Avenue des Cormorans 15 B-1150 Brussels	Director	2017
Jean-Claude DAOUST (2)	Rue Vilain XIIII, 29 B-1000 Brussels	Director	until 07 June 2011
Pierre-Yves de LAMINNE DE BEX (3)	Bld des Invalides, 173 B-1160 Brussels	Director	2015
Michel DELLOYE (2)	Avenue des Cytises 6 B-1180 Brussels	Chair	until 06 June 2011
Vincent DOUMIER (1)	Avenue des Statuaires 127 B-1180 Brussels	Managing Director	2016
Frédéric JOURDAIN (2)	Molenstraat 2 B-1600 Sint Laureins-Berchem	Director	2017
Guy PAQUOT (3)	Rue Cornélis 1 B-1310 La Hulpe	Director	until 30 June 2011
Valérie PAQUOT (3)	Route des Ecluses 34/17 CH-1997 Haute-Nendaz	Director	2012
Patrick VAN CRAEN (2)	Chemin du Silex 1 B-1170 Brussels	Director	2016

(1) Executive
(2) Independent
(3) Representing or being connected with the main shareholder

Audit Committee	François Blondel	Chairman with effect from 08 June 2011
	Michel Delloye	Chairman until 06 June 2011
	Pierre-Yves de Laminne de Bex	Member
	Frédéric Jourdain	Member
Appointment and Remuneration Committee	Patrick Van Craen	Chairman from 07 June 2011
	Jean-Claude Daoust	Chairman until 07 June 2011
	François Blondel	Member
	Frédéric Van Gansberghe	Member
Management Committee	Vincent Doumier	Chairman
	Yves Liénart[1]	Member until 30 November 2011
	Laurent Puissant Baeyens[2]	Member

The Chair of the Board of Directors and the General Secretary are invited to each Management Committee meeting.

(1) Representing YVAX sprl
(2) Representing LPB sprl

General Secretariat	Bruno Spilliaert	
Auditor	S.C. s.f.d. S.C.R.L. Deloitte Réviseurs d'Entreprises represented by Mr Eric Nys and Mrs Corine Magnin Berkenlaan 8b B-1831 Diegem	2013

Main position held by the independent directors outside Compagnie du Bois Sauvage s.a.

François BLONDEL	Company Director
Frédéric JOURDAIN	
Patrick VAN CRAEN	Member of the Management Committee of CFE

Honorary Directors

Baron Karel Boone
Robert Demilie
Baron Donald Fallon
Monique Neven
Marc Noël
Jean-Louis Raemdonck van Megrode
Baronne Solange Schwennicke
Baron Gui de Vaucleroy

5.5. Remuneration Report

5.5.1. Procedure Adopted For Remuneration Policy Formulation

5.5.1.1. The directors' remuneration policy is reviewed each year by the Appointment and Remuneration Committee before being discussed at a Board Meeting. In the event of revision, it is submitted to the following AGM for approval.

5.5.1.2. The Management Committee's remuneration policy is reviewed each year by the Appointment and Remuneration Committee before being submitted to the Board of Directors. The remuneration level is analysed in the light of the Group's particular characteristics. It takes in particular account of existing remunerations within comparable companies. The Group takes part annually in business leader remuneration surveys and has access to their results as support to be used by the Appointment and Remuneration Committee in its analyses. If significant divergences were to be noted between the results of those analyses and remuneration contracts, they would be subject to negotiation with a view to adaptation.

5.5.2. Remuneration Policy

5.5.2.1. Executive and Non-Executive Directors

The Directors' statutory gross remuneration is divided as follows:

1. A fixed part of EUR 5,000 gross per person per annum paid during the year during which the mandate has been exercised.
2. A variable part equivalent to a maximum of 2/95ths of the profit allocated annually by the Company equally distributed among all the Directors, with the Chair of the Board of Directors being entitled to a double share. The variable remunerations received in 2011 relate to services rendered in 2010.
3. Remunerations for the services of the director members of the Audit Committee and the Appointment and Remuneration Committee are paid during the year in which the mandate is exercised.

No amendment to the remuneration policy is currently being envisaged for the next two years, excepting the criteria for granting the variable remuneration of the Executive Director's that will be reviewed in 2012.

Remunerations in shares for the Executive Director and the Management Committee are covered in Point 5.5.2.3. below.

The other elements of the Executive Director's remuneration are detailed at Point 5.5.2.2. below.

5.5.2.2. Management Committee

The total gross remuneration of the Managing Director, Chairman of the Managing Committee, is divided into four parts:

1. An annual fixed part
2. A variable part
3. A part in pension insurance according to the defined annual contribution principle
4. Other benefits consisting of a company car, entertainment expenses, and insurance

The remuneration of the other members of the Managing Committee consists of a fixed indexable amount, paid monthly in advance. With effect from 01 January 2011, Management Committee members have been allowed, on the basis of a decision of the Board of Directors, to be allocated a variable remuneration, the maximum value of which amounts to two thirds of the fixed remuneration. The variable part of remuneration of all Management Committee members is determined according to the following criteria: one part on basis of the trend of the Company's intrinsic value; a second part on basis of the dividend trend, and a last part on a qualitative criteria basis. The appreciation of the criteria will last for one year. Pursuant to Article 520ter of the Companies Code, this appreciation period was adopted by the Annual General Meeting of 27 April 2011.

5.5.2.3. Share-Based Payment Plan

The Extraordinary General Meeting of 26 April 2006 approved the introduction of a five-year stock-option plan in favour of the members of the Management Committee, employees and permanent Company co-contractors.

The stock-option plan expired in 2010. It was designed for the long-term motivation of the staff via an options plan involving a total of 15,000 Compagnie du Bois Sauvage shares over five years. These options were allocated for the first time to the beneficiaries on 06 June 2006 and give each one the right to acquire one Compagnie du Bois Sauvage share. Except for special cases (decease, incapacity, retirement and, under certain conditions, dismissal), these rights may only be exercised five years after their allocation and will only be definitively acquired by the beneficiaries at a rate of one quarter per allocation per annum. Details of this options plan can be found on Page 18. The ratification of the prolongation for a five-year period of the 2006-2011, 2007-2012 and 2008-2013 options plans was approved at the Extraordinary General Meeting of 28 April 2010.

5.5.3. Remuneration and Emoluments (Total Company Cost)

For FY 2011, the total remuneration, including social security contributions and tax, allocated to the directors and members of the Management Committee of the consolidating company on account of their positions in the latter, in its subsidiaries, and its associated companies, amounted to the sum of EUR 1,216,308, of which EUR 245,745 went to the non-executive directors and EUR 970,563 to the Management Committee.

5.5.3.1. Gross Remuneration Paid in 2011 to the Directors on an Individual Basis (Total Company Cost)

	Board of Directors				Appointment and Remuneration Committee	
€	Presence (2011)	Fixed (2011)	Variable (related to 2010)	Audit Committee (2011)	(2011)	Total
Frédéric Van Gansberghe	7/7	3,333	0		833	4,166
Michel Delloye	2/3	2,083	32,372	1,667		36,122
Christine Blondel	-	0	14,163			14,163
François Blondel	5/5	2,917	0	3,333	667	6,917
Karel Boone	-	0	6,744			6,744
Jean-Claude Daoust	3/3	2,083	21,582		417	24,082
P.-Y. de Laminne de Bex	9/9	5,000	21,582	4,000		30,582
Vincent Doumier (2)	9/9	5,000	21,582			26,582
Donald Fallon	-	0	6,744			6,744
Frédéric Jourdain	7/7	0	0			0
Guy Paquot (1)	3/4	2,500	32,372			34,872
Valérie Paquot	6/9	5,000	7,418			12,418
Patrick Van Craen	8/9	5,000	14,837		1,000	20,837
Luc Vansteenkiste	2/2	1,667	21,582	1,250		24,499
Luc Willame	1/2	1,667	21,582		350	23,599
Total		**36,250**	**222,560**	**10,250**	**3,267**	**272,327**

(1) Paid to Mr Guy Paquot and/or to Fingaren S.C.A.
(2) Executive Director

As Chairman of the Board of Directors until 06 June 2011, Mr Michel Delloye received in 2011, in addition to his directorship percentages, an amount of EUR 1,875 as entertainment expenses. Mr Frédéric Van Gansberghe, Chairman of the Board of Directors since 06 June 2011, received in 2011, in addition to his directorship percentages, an amount of EUR 2,625 as entertainment expenses.

5.5.3.2. Gross Remunerations Paid Within the Group in 2011 to the Management Committee (Total Company Cost)

During the past year, this Committee was composed of three people until 30 November 2011, and then only two.

A part of the fixed and variable remuneration of the Managing Director is paid to him as a director and is included in the specific table above. Mr Vincent Doumier has self-employed status. The other members act as company representatives.

			Remuneration		
€	Fixed	Variable	Pension	Other	**Total**
Vincent Doumier	220,840	105,000	55,316	7,736	388,892 (1)
Other Members	367,209	55,000	0	132,880 (2)	555,089
Total	**588,049**	**160,000**	**55,316**	**140,616**	**943,981**

(1) Excluding the remunerations as director included in the relevant table (see above).
(2) A contractual indemnity for breach of contract of an amount of EUR 132,880 corresponding to 7 months of remuneration was paid to the Company YVAX sprl following his departure.

5.5.3.3. Subscription Rights on Shares Allocated to the Management Committee in 2011

There was no subscription right on shares allocated to the Management Committee in 2011.

There was no subscription right on shares due or exercisable in 2011.

5.5.3.4. The main contractual provisions relating to the severance pay for the Managing Director are included at Point 5.2 of this Annual Report. For the other members of the Management Committee, a 12-month fixed and variable remuneration indemnity is envisaged in accordance with the Corporate Governance Code recommendation.

5.5.4. Evaluation of the Board of Directors, its Committees and its Individual Directors

Under the leadership of its Chairman, the Board regularly (at least every two or three years) assesses its size, its composition, how it is working and its interaction with executive management.

This evaluation process has four objectives:

- Assessing how the Board operates
- Checking that important questions are suitably prepared and discussed
- Evaluating the actual contribution of each Director through his or her presence at Board and Committee meetings and his or her constructive involvement in discussions and decision-making
- Checking the Board's current composition against the composition that is desirable for the Company

The non-executive Directors regularly (preferably at least once a year) assess their interaction with executive management. In this respect, non-executive Directors will meet at least once a year without the presence of the Managing Director and the other executive Directors.

There is a periodic evaluation of the contribution of each Director aimed at adapting the composition of the Board to take account of changing circumstances. When dealing with re-election, the Director's contribution and effectiveness are evaluated in accordance with a pre-established and transparent procedure.

The Board acts on the results of the performance evaluation by recognising strengths and addressing weaknesses. Where appropriate, this will involve proposing new members for appointment, proposing that existing members be not re-elected, or taking any other measures deemed appropriate for the effective operation of the Board.

The last assessment of the Board of Directors, its Committees and its Directors occurred in 2008. In view of the substantial renewal of the Board, the latter has decided that the assessment envisaged for 2011 should not be carried out until 2012.

5.5.5. Other Remunerations

In addition to the fees paid to Deloitte Réviseurs d'Entreprises S.C s.f.d. S.C.R.L and its network under its mandate to audit the accounts of Compagnie du Bois Sauvage and its subsidiaries for a total amount of EUR 129,900, emoluments unrelated to the audit services for an amount excluding VAT of EUR 12,500 were granted in 2011 for various other assignments.

5.6. Internal Control and Risk Management System

The Board of Directors monitors the existence and proper functioning of the internal audit at the operational, financial and legal levels and pays particular attention to the assessment of the risks relating to the Company's activity and to the internal audit's efficacy.

The evaluation of the risk management and internal audit systems was structured in 2010 on the basis of the COSO model (*).

5.6.1. Audit Environment

Vocation and Strategy of the Company
Its aim is to concentrate on a limited number of holdings, mainly industrial, listed or not. It wishes to be close to the companies in which it invests and especially to take part both in their choice of their Management and the definition of their strategic orientations. It also provides support to the operational management and assistance in terms of financial management. Its long-term shareholder perspective constitutes a warranty of stability.

(*) COSO is a framework established by Committee of Sponsoring Organisations (international body) increasingly used by companies in evaluating and improving their risk management.

Vigilent to the interests of its own shareholders, it requires a regular income from its investments in order to allow the distribution of, if possible, a continuously growing dividend. A current objective is to avoid dependence on credit and to reserve the necessary means for the development of the Group's companies.

Definition of the Company's Roles and Decision-Making Bodies
The Board is invested with the powers necessary for carrying out all administration, management and disposal activities in the interests of the Company. All activities that are not expressly reserved by law or by the Articles of Association for the General Meeting fall within its responsibility.

The Board, in its meeting of 12 March 2007, entrusted the daily management of the Company to a Management Committee, within the meaning of Article 524 bis of the Companies Code.

The Board has delegated to the Management Committee the powers to manage the Company with the exception of:

- The Company's general policy and strategy;
- The closing of the accounts;
- Any matter reserved by law or by the Articles of Association for the Board;
- The drawing up of an annual budget;
- Any investment decision whose amount exceeds EUR 1 million;
- Any investment decision, even on an amount of less than EUR 1 million, if it fails to fall within the general policy or the annual budget.

The Management Committee's responsibilities are at least equivalent to those described at Point 6.5 of the 2009 Belgian Corporate Governance Code.

The Board has established two Specialised Committees for the purpose of examining specific questions. Decision-making however remains the collective responsibility of the Board.

In 1999, the Board set up an Audit Committee for the purpose of examining specific questions and issuing recommendations. The Audit Committee monitors the integrity of financial information provided by the Company, in particular by reviewing the relevance and consistency of the accounting standards used by the Company and the

Group, including the criteria for consolidating the accounts of companies within the latter. This review involves assessing the accuracy, completeness and consistency of financial information. At least once a year, the Audit Committee shall review the internal control and risk management systems set up by the Management Committee, with a view to ensuring that the main risks (including those relating to compliance with existing legislation and regulations) are properly identified, managed and disclosed.

The Remuneration Committee has been established by the Board of Directors in accordance with Article 526 quater of the Companies Code.

The Board Meeting of 19 June 2006 decided to merge the Remuneration and Appointment Committees. The Appointment and Remuneration Committee is comprised of three non-executive Directors. A majority of its members is independent. The Appointment and Remuneration Committee has a dual role to play: it makes recommendations to the Board with regard to the appointment of Directors and it makes proposals to the Board on the remuneration policy for non-executive Directors and on the resulting proposals to be submitted to the shareholders, as well as on remuneration policy for executive management.

Integrity and Ethics

From the deontological and ethical point of view, an internal code of conduct with regard to financial transactions applies within the Group. Its purpose is to ensure fair, ethical and lawful behaviour by the Group's directors and staff.

Given the size of the Company in terms of staff (fewer than 10 people), the Board has not deemed it necessary to set up a special mechanism by which Company staff can confidentially share their concerns as regards any irregularities.

5.6.2. Risk Management Process

The main risks are assessed by the Board of Directors on a half-yearly basis. The Board also monitors them on an ad hoc basis. This risks analysis gives rise to corrective actions if necessary.

The members of the Management Committee are also members of the Board or the Audit Committee or "Advisory Board" of certain of the Group's holdings (see Page 11), which enables them to monitor the risks specific to those holdings.

The analysis of the risks relating to the Company's activities has enabled the following main risks to be highlighted in 2011:

a) Interest Rates

The effect of an interest rate variation can not only affect the Group's cashflows relating to the variable-rate debt but also the yield of its treasury. The fixed-rate debts are valued according to the amortised cost using the actual interest rate method.

b) Liquidity

The Group takes care to have sufficient financial means at its disposal for coping with its debt repayments and its financial commitments.

c) Participation Risk

The Company has a portfolio of participation comprising mainly Belgian and European shares. Although diversified, these shareholdings expose it to the variations of the stock exchanges and financial markets. Each of these shareholdings is also exposed to some specific risks. The industrial risk relating to the 100% stake in the Neuhaus Group is mainly due to the nature of food and therefore related to the risk of contamination of the products. The other important industrial risk relates to the fact that the Neuhaus Group has only one production unit.

d) Real Estate

The main risks linked to the Group's real estate investments relate to the valuation of the properties, to rental vacancy, and to the level of the rents and their payment. Moreover, there exists a risk that the buildings be destroyed by fire or by a natural disaster.

e) Currencies

The Company's long-term (direct) investments are only in euros and American dollars. The investments in American dollars represent nearly 10% of the assets.

f) Counterparty
The counterparty risk relates mainly to the operations with the banks and with financial intermediaries.

g) Market Activity
The risk relating to market activities is both a risk relating to the prices of the underlying shares and to their volatility.

h) Risk Relating to the Drawing up of Financial Statements
The data processing is ensured by a reduced staff. The reliability and completeness of these data are essential elements of the management's work.

i) Risk of Fraud and of Delegation of Power
A fraud at the staff level or a non-observance of the powers of signature could entail a financial loss and impair the Company's image.

j) Risk Relating to Non-Compliance with Regulations and Legislation
Legislative and regulatory developments (including tax aspects) or non-observance by the Company thereof could have an impact on the Group's profitability and image.

5.6.3. Control Activities

a) Interest Rates
As Compagnie du Bois Sauvage has repaid all of its variable rate debt, it is now managing interest rate hedge contracts of the "Interest Rate Swap" variety, which had been entered into in parallel with its debt. It should be noted that a loan and a hedge are two contracts without any legal link between them.

b) Liquidity
The Company ensures that it always has a positive net cashflow. For this purpose, it has at its disposal a powerful IT tool covering all balance-sheet and off-balance-sheet items affecting the cashflow.

c) Participation Risk
The Group's portfolio of participations is an essential element for its objective of long-term value creation and the distribution of a regularly growing dividend. The diversification of these participations is one of the methods used to reduce the risk inherent in such investments.

The specific risks of the listed holdings are treated separately and are available in their respective annual reports. The industrial risk relating to the 100% shareholding in the Neuhaus Group is regularly analysed and reviewed by the Neuhaus Holding Board of Directors, on which the Group has one director. The Group endeavours to have a directorship in the unlisted holdings in order to facilitate better monitoring. The portfolio of holdings is regularly reviewed by the Management Committee and by the Board of Directors.

d) Real Estate
The Group has taken care to diversify its real estate investments or to invest in closed-end investment companies that are themselves diversified. For buildings held in its own name, fire insurance has been subscribed.

e) Currencies
The risk relating to the US Dollar (USD) trend is not covered by the Group except for a Cross Currency Swap in an amount of USD 17 million because there are no regular and foreseeable flows in this currency.

f) Counterparty
The only counterparties accepted are the banks with which the Company has a direct relationship (Bank Degroof, BNP Paribas Fortis, ING Belgium, KBC/CBC and the Leleux brokerage firm).

In the event of relationships with other counterparties (except for the acquisition of holdings), the Group will take care to guard as much as possible against default risk.

g) Market Activity
The Group does not handle any sell options. All the buy options that are issued are covered by securities held in portfolio. The Company has set limits in term of amounts and period of the options that it holds and has adapted its back-office systems and its activity's control.

h) Risk Relating to the Drawing up of Financial Statements
Each person has the essential professional qualities for accomplishing his or her tasks. A back-up for the main activities is in place and a number of procedures have been drafted in order to ensure rapid recovery in the event of a person's absence. The consolidated financial statements are reviewed at various levels prior to publication.

The Board of Directors approves any changes of the principles and accounting methods that apply within the Group and their compliance with the IFRS standards.

i) Risk of Fraud and of Delegation of Power
Separation of tasks and double signature requirements form the basic principles operating in the Group. Documentation including relevant supporting documents serves as support for operations. The principle of double approval and double control applies. Under the Articles of Association, the Managing Director has the power of signature on his own. The use of the Managing Director's signature alone would, however, be exceptional.

j) Risk Relating to Non-Compliance with Regulations
The Group is particularly attentive to keeping abreast of regulation, and of changes to and observance of legislation and regulations. The treatment of particular non-recurring operations is the subject of specific analysis, notably in consultation with the auditor or other specialists.

All these risks are examined and measured every six months by the Audit Committee.

5.6.4. Information and Communication

Financial information is published according to the legal publication schedule followed and established by the General Secretary. The periodic information that is published is reviewed beforehand by the Management Committee and the Audit Committee, and is approved by the Board of Directors.

The maintenance, updating and protection of access to the data and computer programmes are performed by contracted service providers. IT data are backed-up daily and once a week a copy of the system is stored externally.

5.6.5. Steering and Supervision

The supervision of the various managerial activities of Compagnie du Bois Sauvage is reinforced by the work of the Audit Committee, in particular through specific supervision of risk and internal control management systems.

The management body receives various daily reports on the state of, and changes to, the Company's assets, debts and commitments.

Given the size of the Company, there is currently no independent internal audit position. The Audit Committee shall assess at least once a year whether there is a need for creating this position.

5.7. Shareholding Structure

5.7.1. Shareholder Information

The Company's website (www.bois-sauvage.be) is regularly updated in order to ensure better information for shareholders, enabling them to exercise their rights as effectively as possible.

The intrinsic value of the share is published there each month and at the time of the press releases relating to the quarterly, half-yearly and yearly results.

In accordance with the Company's transparency policy, this report provides details of the consolidated portfolio at 31 December 2011 on Pages 23, 24, 30 and 42.

Compagnie du Bois Sauvage is listed on NYSE Euronext Brussels. The Company is listed in the BEL Mid index, for which securities are selected on the basis of liquidity and floating market capitalization criteria.

Since 2004, the Company has given a mandate to Bank Degroof to improve the share's liquidity on the Stock Exchange. That enables Compagnie du Bois Sauvage shares to be continuously quoted on the new NYSE Euronext platform, thus offering investors the possibility of trading at any time without any liquidity constraint.

The number of issued shares was 1,582,000 at 31 December 2011 (including 4,379 own shares held) against 1,562,710 at 31 December 2010 (including 8,063 own shares held). This increase results from the conversion of 48,902 convertible 2004-2011 bonds and the cancellation of 29,612 own shares. The number of fully diluted shares was 1,861,000 at 31 December 2011 against 1,893,422 at the end of 2010. This reduction is due to the reimbursement of 2,810 convertible 2004-2011 bonds (which were not converted) and to the aforesaid cancellation of 29,612 own shares.

The annual number of shares processed in 2011 was 141,589. The average daily volume was of 551 in 2011 against 446 in 2010.

Bank Degroof and KBC Bank regularly publish analyses on the Company; these are available from the Company.

5.7.2. Shareholding Structure

The main shareholders of Compagnie du Bois Sauvage s.a., as well as the person holding ultimate control thereof, Mr Guy Paquot, sent it, on 17 October 2011, an updated notification of the shares held on that date. This notification was also sent to the Financial Services and Markets Authority (FSMA).

Situation at 17 October 2011

Denominator taken into account: 1,582,000

Holders of Voting Rights	Number of Voting Rights	% of Voting Rights
Guy Paquot	11,585	0.73%
Fingaren s.c.a.	212	0.01%
Entreprises et Chemins de Fer en Chine s.a.	641,081	40.52%
Total	**652,878**	**41.27%**

Guy Paquot controls Fingaren s.c.a., which controls Entreprises et Chemins de Fer en Chine, s.a.

All the companies mentioned have their head office at 17, Rue du Bois Sauvage, 1000 Brussels.

The Company has no knowledge of any shareholders' or directors' pact that could involve restrictions on the transfer of shares and/or the exercise of the right to vote.

5.7.3. Relations with the Main Shareholder

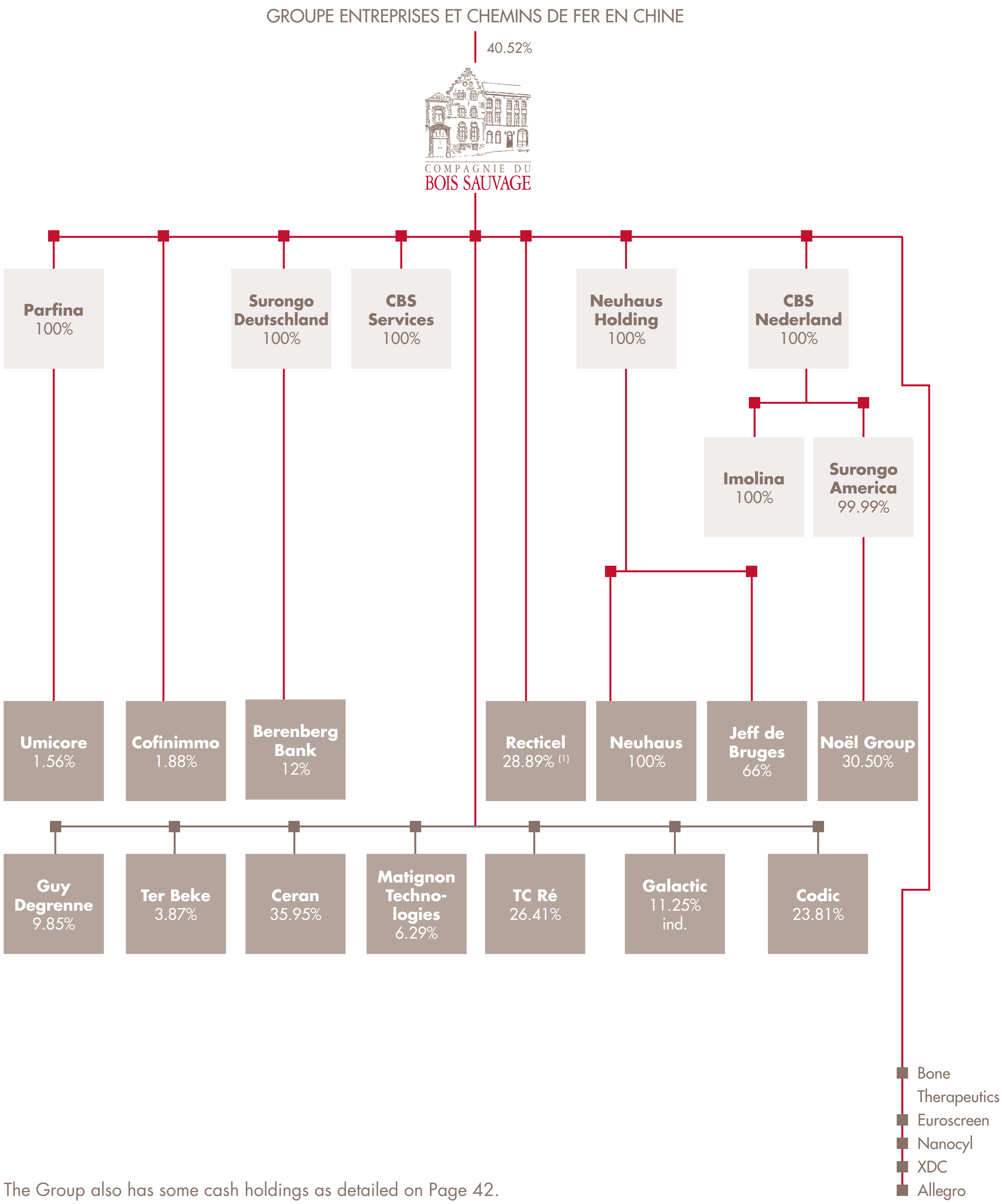
Entreprises et Chemins de Fer en Chine is a holding company listed on the public sale market whose main task is that of ensuring a stable shareholder base.

Fingaren, a private holding company, today owns 89.99% of Entreprises et Chemins de Fer en Chine.

Compagnie du Bois Sauvage and Entreprises et Chemins de Fer en Chine have three common directors: Valérie Paquot, Pierre-Yves de Laminne de Bex and Frédéric Van Gansberghe.

Except for the amount paid in respect of the Compagnie du Bois Sauvage capital reduction, the percentages paid to Fingaren in the context of Guy Paquot's mandate exercised at Compagnie du Bois Sauvage until 30 June 2011, the leasing agreements of offices for Fingaren and Entreprises et Chemins de Fer en Chine and an amount relating to the length of service cost following the transfer of a Company employee to Entreprises et Chemins de Fer en Chine, there is no agreement in existence between these three companies, and no remuneration, benefit, management fee or anything else is paid by Compagnie du Bois Sauvage or one of its subsidiaries to Entreprises et Chemins de Fer en Chine or Fingaren.

6. GROUP ORGANISATION CHART AND MAIN SHAREHOLDINGS



The Group also has some cash holdings as detailed on Page 42.

(1) Excluding 89,350 Recticel shares that are the subject of a discretionary sales mandate.

Group Strategy

The year 2011 has seen the Company portfolio gradually changing and adapting to the new strategy defined by the Board. The net debt was reduced to 14.7% of the equity.

The real estate division, is no longer a development axis, but accounts for 19.7% of the total. The long-term investment division, needing still further reduction, accounted at 31 December 2011 for 66.7% of the total, while the cash and cash equivalent (13.6% of the total) is intended to ensure that the Company honours its various commitments.

The distribution between these various pillars will continue to evolve in 2012 in order to gradually focus the strategic portfolio around a limited number of holdings.

COMPOSITION OF THE CONSOLIDATED PORTFOLIO OF COMPAGNIE DU BOIS SAUVAGE

Intrinsic Value at 31 December 2011

In € 1,000 Cluster		Market Value	% of Division	Breakdown per Cluster
Real Estate	Europe	73,957	65.6%	
	USA	38,788	34.4%	
		112,745	**100.0%**	**19.7%**
	Of which unlisted holdings	*84,941*		
Strategic	Financial	73,124	19.2%	
	Industrial	118,234	31.1%	
	Food	179,359	47.1%	
	Other	9,997	2.6%	
		380,714	**100.0%**	**66.7%**
	Of which unlisted holdings	*277,718*		
Cashflow	Consolidated Cashflow	60,882		
	Cash Equivalent	16,733	100%	
		77,615	**100%**	**13.6%**
	Of which unlisted holdings excluding consolidated cashflow	*0*		
Total		**571,074**		**100%**
	Of which unlisted holdings excluding consolidated cashflow	*362,659*		

Real estate holdings

During 2011, the real estate division enabled substantial income to be released and constituted an element of stability in the valuation of the assets.

The principles which guided its management are the following:

- Small number of investments and reaching a critical size
- Direct investments, if possible with a partner specialising in real estate management
- Expected return higher than that of the 10-year Government Bonds and growing

One of the predominant element of the Company's real estate investments remains the holding in the Cofinimmo Company (see Page 25), of which it held 1.88% at 31 December 2011.

Since the end of 2003, the Company has had a holding of 23.81% in the Codic International property development company (see Page 28).

Finally, the Company invests, via its American subsidiary Surongo America, in top-of-the-range residential projects in the United States (see Page 26).

In addition to these three holdings, the asset base also includes on own account:

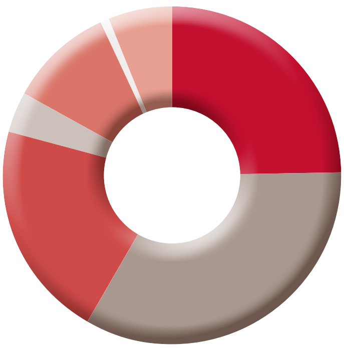
- Buildings at the head office and Treurenberg sites (3,000m² of offices, 2,000m² of homes and 70m² of shops);
- Various other plots and land in the Provinces of Liege and Hainault (36 ha); An application for a town-planning permit on 10 hectares in an industrial park in the Commune of Ans was filed on 31 December 2010;
- Two office buildings in Luxembourg (320m²).

At 31 December 2011, 100% of the flats, offices and shops held on own account were let.

The Group's current real estate income in 2011 was EUR 3.4 million, a level comparable with that of 2010.

COMPOSITION OF THE GROUP'S REAL ESTATE PORTFOLIO

Intrinsic Value at 31 December 2011



In € 1,000	Market Value	Quantity	Closing Price	% of Division	% of Holding
Cofinimmo	27,804	306,147	90.82	24.7%	1.88%
Surongo America	38,788			34.4%	99.99%
Codic International	23,122	7,812		20.5%	23.81%
Loan to Codic Int.	4,000			3.5%	
Bois Sauvage Site	10,939			9.7%	100.00%
Luxembourg	1,488			1.3%	100.00%
Land & Miscellaneous	6,604			5.9%	100.00%
Total	**112,745**			**100%**	

Presentation of the Main Real Estate Holdings

Cofinimmo

Main closed-end investment company listed on NYSE Euronext Brussels, the company is conducting a growth strategy on four main axes: the acquisition of offices let long-term to blue-chip occupants, the acquisition of nursing homes let very long-term to reputable operators, the forming of long-term real estate partnerships with industrial or service companies for their operating buildings and the holding in real estate Private Public Partnerships.

The diversification policy was continued and the reduction over one year of the offices part from 55.6% to 48.6% is the result of investments in the health sector and in an asset base, acquired in December, of branches of the French insurance company MAAF, as well as real estate sales amounting to EUR 172.1 million.

Cofinimmo recorded for the financial year closed on 31 December 2011:

- A current net result (Group share – excluding IAS 39) per share of EUR 7.45 versus EUR 8.02 in 2010
- An increase of its net result (Group share) per ordinary share, reaching EUR 7.80 in 2011 versus EUR 5.64 in 2010

The net assets at fair value before distribution of earnings reached EUR 96.15 per ordinary share at the end of 2011, as against EUR 91.72 at the end of 2010 (after distribution of the 2010 dividend). The Company proposes a gross unitary dividend of EUR 6.50 for 2011, identical to that for 2010 (see www.cofinimmo.com for further information).

The reduction of the percentage of the Compagnie du Bois Sauvage's holding in Cofinimmo is due to the increased number of shares representing the latter's capital.

AUDITED CONSOLIDATED ACCOUNTS (IFRS)

(in EUR millions)	**31/12/2011**	31/12/2010	31/12/2009
Real Estate Result	208.57	214.32	214.29
Current Net Result	103.64	105.68	92.86
Net Group Result	118.54	83.80	32.45
Shareholders' Equity (Group)	1,460.89	1,459.78	1,400.90
Total Balance Sheet	3,528.94	3,381.91	3,402.68
Debt Ratio	49.89%	47.50%	49.97%
Estimated Dividend	98.76	96.61	91.06
% of Holding	**1.88%**	**2.02%**	**4.01%**

Surongo America

American company, subsidiary at 100%, holding the Group's real estate and industrial investments in the United States, primarily on the East coast (North Carolina, Florida, Massachusetts and New York).

Village Square Partners, LLP, the residential 240-apartment complex in Jacksonville (Florida), was 94% occupied at the end of 2011 and the income was up 8% compared to 2010. The fair value of this real estate investment increased by USD 0.4 million in 2011 (Group share after tax). This investment is to a large extent financed by a loan guaranteed by the real estate and the "General Partner", Surongo America, Inc. being a Limited Partner.

The real estate partnership, DSF Capital Partners, LP, has invested in two projects. The first concerns the renovation of a building which enjoyed an average occupancy rate of 92% in 2011 against 91% in 2010. The second is a hotel which was inaugurated in February 2009 and has an occupancy rate that is up 2.9% compared to 2010. The average price per room is also increasing. The refinancing of this partnership's debts is in place until 2013.

In 2006, Surongo America invested in the DSF Capital Partners III, LP partnership. This Partnership's three real estate investments are located in the periphery of Washington DC, which is one of the areas least affected by the crisis. The two first had an average occupancy rate for 2011 that was comparable with 2010 at 97% and 95%. Rents are slightly up compared to 2010. The third project, which construction began in 2010, was available for let in October 2011, three months in advance. At the end of December, the project was already 48% occupied.

The real estate partnership in New York, Gotham City Residential Partners I, LP, was subscribed at the end of 2006. The aim of this project is to purchase apartment buildings with a view to their renovation. Surongo America's total commitment is USD 10 million, USD 8.9 million of which were paid up at 31 December 2011, against USD 7.7 million at the end of 2010. The fair value of the buildings constituting the only asset of this investment was upwardly reviewed by USD 0.8 million (net Group share) at the end of 2011 after two years (2008 and 2009) of negative adjustment, for a revised total of USD 1.4 million (net Group share). At the end of 2011 the apartments were 94% rented, as at the end of 2010. 4% are being renovated and 2% are to let. Most of the investments were made from shareholders' equity.

In October 2008, Surongo America grasped an investment opportunity by participating, with its historical partners via a loan of USD 2 million, in a project for financing the takeover of a real estate complex in Florida (via St. Augustine Village Partners, LLLP). The apartments of this complex are being sold more slowly than hoped, but always at a profit.

In October 2010, Surongo America, Inc. subscribed to the creation of the Zeb Land, LLC Partnership. In November 2010, Zeb Land, LLC acquired the production building of Nomaco (subsidiary of Noël Group) and has let this building to Nomaco on a 10-year lease. This operation has enabled Noël Group to continue its deleverage of bank debt and to repay part of its debts to Surongo America, Inc. in advance.

The Corc, LLC Partnership is financed almost exclusively by a loan and its only asset is a building that is let to an entity of Noël Group.

The overall result of 2011 was impacted by a positive fair value correction of Village Square Partner, LLP (see above) and a positive fair value adjustment of USD 0.8 million (net Group share) in Gotham City Residential Partners I, LP directly recorded in equitys.

REAL ESTATE INVESTMENTS' OCCUPANCY RATE

(in %)	**31/12/2011**	31/12/2010	31/12/2009
Village Square Partners, LLP	94	94	91
DSF Capital Partners, LP	(1)	(1)	(1)
DSF Capital Partners III, LP	(1)	(1)	(1)
Gotham City Residential Partners, LP	94	94	98
Zeb Land, LLC	100	100	100
Corc, LLC	100	100	100

(1) : as it is a question of several projects at various point of development, the occupancy rates are not comparable.

AUDITED CONSOLIDATED ACCOUNTS (IFRS)

(in USD millions)	**31/12/2011**	31/12/2010	31/12/2009
Revenue	3.96	3.87	3.62
Net Group Result	0.96	-5.00	-6.57
Net Overall Group Result	1.77	-5.00	-6.57
Shareholders' Equity (Group)	31.13	29.36	34.36
Total Balance Sheet	80.75	78.71	77.83
Distributed Dividend	-	-	-
% of Holding	**100%**	**100%**	**100%**

Codic International

Codic is an independent property development company created in 1970.
In recent years, the company has developed more than a million square metres of offices, business parks, shopping centres and multipurpose projects.

Initially established in Belgium, Codic took a very early interest in nearby markets. Following investments in the Grand Duchy of Luxembourg and France, it was in Hungary, Spain and Romania that the Group reinforced its European positioning.

The end of 2011 was, again, marked by an economic crisis, with immediate repercussions not only for the banks, but also for various European countries. The repercussions on the property markets will be felt throughout 2012. The credit access became considerably tougher during the second half of the year, particularly in the real estate sector.

In 2010 /2011, in a tricky climate, Codic was able to record positive results. The gross margin achieved via the various projects amounted to EUR 18 million and the consolidated net profit amounted to EUR 3.5 million. The current year will remain a difficult one both for letting and for selling and the results will reflect this.

During recent years, Codic International has reduced its pace of development and the company has worked to develop exemplary real estate projects, presenting Triple A criteria with an environmental approach and thus being able to meet the requirements of investors in search of impeccable products. In this difficult context, Codic is devoting its financial means mainly to developing its projects in its original markets. (See also www.codic.eu)

Codic does not have sufficient visibility for the coming months to take a position on the results of year 2011/2012.

In addition to its 23.81% holding in Codic International, Compagnie du Bois Sauvage has subscribed to bonds issued by Codic International in 2011 for a total amount of EUR 4 million.

AUDITED CONSOLIDATED ACCOUNTS (IFRS)

(in EUR millions)	**30/04/2011**	30/04/2010	30/04/2009
Gross Margin	18.26	27.63	31.64
Net Group Result	3.49	9.21	11.31
EBIT	5.64	17.26	17.96
Shareholders' Equity	103.98	101.18	97.49
Total Balance Sheet	241.78	242.24	295.05
Distributed Dividend	0.70	5.51	5.99
% of Holding	**23.81%**	**23.81%**	**23.81%**

Imolina

Luxembourg real estate company, a wholly-owned subsidiary of the Group.

Rental payments from two Luxembourg buildings have been received on a regular basis.

Strategic holdings

This investment division reflects the Company's primary mission of concentrating on a limited number of mainly industrial holdings, listed or not, and to contribute to the choices of the leaders and the definition of the strategic orientations.

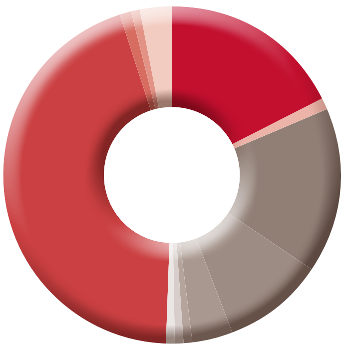
The main investment criteria include:

1. An understanding of the business in which the Company is involved
2. Confidence in and partnership with management in place
3. Quantified analysis

In 2011, the Group sold the totality of its holdings in Satair and Biofirst (see also the letter to the shareholders). It also reduced its position in Ter Beke.

COMPOSITION OF THE GROUP'S STRATEGIC PORTFOLIO

Intrinsic Value at 31 December 2011



In € 1,000	Market Value	Quantity	Closing Price	% of Sub-Cluster	% of Holding
Financial 19%					
Berenberg Bank	68,308			93.4%	12.00%
TCRe	4,816	52,190		6.6%	26.41%
	73,124			**100.0%**	
Industrial 31%					
Umicore (via Parfina)	59,756	1,875,000	31.87	50.5%	1.56%
Recticel	38,520	8,447,356	4.56	32.6%	29.20%
Noël Group (via SurAm)	14,801	6,015,841	2.46	12.5%	30.52%
Loan to Noël Group (via SurAm)	984			0.8%	
Matignon Technologies	2,434	5,000		2.1%	6.29%
Ceran	1,739	8,189		1.5%	35.95%
	118,234			**100.0%**	
Food 47%					
Neuhaus Holding	171,000			95.3%	100.00%
Galactic (via Serendip)	4,938	150,000		2.8%	11.25%
Ter Beke	3,421	67,074	51.00	1.9%	3.87%
	179,359			**100.0%**	
Other 3%					
Other	9,997			100.0%	
	9,997			**100.0%**	
Total 100%	**380,714**				

Presentation of the Main Strategic Holdings

1. Financial sector

Berenberg Bank

Berenberg Bank, founded in 1590, is the oldest private bank in Germany and is one of the oldest banks in the world. Today, it is a high quality private bank in Germany. It manages EUR 26 billion of assets and employs more than 1,100 people (977 at the end of 2010), mainly in Germany but also abroad, all of whom are committed to the company's values: "Commitment, Reliability and Responsibility".

Private banking business is enjoying great success in the field of consultancy and management for its customers. The bank has received many Awards. It has been designated as Germany's best private bank by the "Professional Wealth Management/Financial Times Group" and the best local bank in Germany by "Euromoney", and it holds first place in the Handelsblatt's "Die Elite der Vermögensverwalter" ranking.

In 2011, the bank continued its growth, which it wants to be only organic in order to be able to keep its company culture, which is one of its strengths. The bank which had no "subprime" products in 2008 today has no sovereign bonds issued by any European States that are affected by the debt crisis. (See also www.berenberg.de)

AUDITED CONSOLIDATED ACCOUNTS

(in EUR millions)	**31/12/2011**	31/12/2010	31/12/2009
Net Financial Income	292.3	261.30	256.62
Assets Under Management	26,000	25,500	21,900
Cost / Income Ratio	76%	73%	63%
Net Profit	58.18	61.74	64.21
Shareholders' Equity	298.23	300.94	290.09
Total Balance Sheet	4,276.44	3,601.85	3,646.22
Distributed Dividend	45.75	50.58	43.68
% of Holding	**12.00%**	**12.00%**	**12.00%**

TCRe
INSURE YOUR AUTONOMY

Trade Credit Re Insurance Company SA (TCRe)

Belgian company providing credit insurance, insurance-guarantees and the insurance of various types of pecuniary losses, both in Belgium and the main countries of the European Union.

In 2011, TCRe successfully maintained its position in the credit insurance market despite an overall fall of demand for protection of that kind.

In the course of this seventh business year, the gross premiums decreased by 5.5% and the premiums net of reinsurance by 14%. This premium decrease was to a large extent due to a reduction in 2011 of the activities in the Spanish market because of a stricter customer selection policy.

TCRe closed the year 2011 with a net profit of EUR 0.25 million after increasing the equalization provision by EUR 0.1 million and after tax. Its subsidiary TCRe[2] (a Luxembourg reinsurance company) closed the financial year with a positive result of EUR 0.9 million, assigned entirely to the equalization provision.

The company's capital is EUR 20 million. Compagnie du Bois Sauvage has a 26.41% holding. The other shareholders are: the management, the Office National du Ducroire (ONDD), the Office du Ducroire Luxembourgeois and a private shareholder. It should be noted that the Office National du Ducroire (ONDD) has acquired at the start of 2012 the shares held by ABN-Amro Venturing Holding B.V., and has taken its holding in the capital of TCRe to 52.82%. A shareholder's pact has been signed in order to ensure future liquidity to minority shareholders.
(See also www.tc-re.com)

COMPANY ACCOUNTS

(in EUR millions)	**31/12/2011**	31/12/2010 Audited	31/12/2009 Audited
Gross Premiums	38.00	40.13	37.68
Net Reinsurance Premiums	3.86	4.05	3.03
Net Profit	0.25	1.45	0.07
Shareholders' Equity	18.50	18.28	16.83
Total Balance Sheet	72.41	55.85	55.06
Distributed Dividend	-	-	-
% of Holding	**26.41%**	**26.41%**	**26.41%**

2. Industrial sector

GROUPE BOIS SAUVAGE

Umicore (via Parfina, sa)

Umicore concentrates its activities in four sectors: Catalysis, Energy Materials, Performance Materials and Recycling. The Group is developing its industrial activities on every continent in order to serve its customers on a global basis.

- Umicore has completed a record year both in terms of recurring EBIT and of earnings per share. The growth of the recurring EBIT came mainly from the "Catalysis" division, which grew more quickly than the automotive market, and from the "Recycling" division, which benefited from an abundance of materials to be recycled.

- In 2011, Umicore recorded:
  - A turnover of EUR 2.3 billion (up 15%)
  - A recurring EBIT of EUR 416 million (up 21%)
  - An adjusted profit per share of EUR 2.69 as against EUR 2.33 in 2010

Umicore continued to invest in research and development to the tune of EUR 157 million, that is to say a growth of 13% compared to 2010.

The Umicore Board will be proposing to its AGM a gross dividend of EUR 1.00 per share (including an instalment of EUR 0.40, which has already been paid in September 2011). (See also www.umicore.com)

AUDITED CONSOLIDATED ACCOUNTS (IFRS)

(in EUR millions)	**31/12/2011**	31/12/2010	31/12/2009
Income (Excluding Metals)	2,290	2,000	1,723
Net Group Result	325	249	74
Recurring EBIT	416	343	146
Shareholders' Equity (Group)	1,667	1,517	1,314
Total Balance Sheet	3,713	3,511	2,826
% of Holding	**1.56%**	**1.56%**	**1.65%**

Recticel

The Recticel Group is involved in four selected fields: flexible foams, bedding, insulation and automotive. Although the Group essentially produces semi-finished products (flexible foams and automotive sector), it is also involved in a number of sectors such as the manufacture of finished products and consumer goods for the retail trade (insulation and bedding). With its slogan, "The Passion for Comfort", Recticel's objective is to distinguish itself as an important polyurethane foam producer contributing to everyday comfort for a wide public.

One thus finds, in the Bedding business line, mattresses and bed frames marketed under well-known brand names (Beka®, Lattoflex®, Literie Bultex®, Schlaraffia®, Sembella®, Superba®, Swiss Flex®,…).

The Insulation business line deals with top-quality thermal insulation products that are ready-to-use in construction and renovation projects. These insulation products are marketed under well-known brand names (Euro Wall®, Powerroof®, Powerdeck® and Powerwall®).

Moreover, Recticel attaches great importance to innovation and to technological progress. The Group's various products are therefore being used in more and more innovative and novel applications.

As a market leader in most of its fields, Recticel is present in 110 establishments throughout 27 countries. The Group is universally present in Europe but also operates in the United States and Asia. In 2011, the Group achieved a turnover of EUR 1,378 million (see also www.recticel.com).

The Compagnie du Bois Sauvage holding in Recticel increased slightly in 2011 to 28.89% (excluding shares under selling contract).

AUDITED CONSOLIDATED ACCOUNTS (IFRS)

(in EUR millions)	**31/12/2011**	31/12/2010	31/12/2009
Sales	1,378.10	1,348.40	1,276.70
Net Group Result	17.40	14.40	20.70
EBITDA	88.80	83.50	102.30
Shareholders' Equity (Group)	248.80	241.7	225.50
Total Balance Sheet	728.10	777.50	757.90
Estimated Dividend	8.10	7.81	7.23
% of Holding	**28.89%**	**28.65%**	**28.65%**

Noël Group

American holding company specialising in synthetic material extrusion and transformation, organized around its main clusters of activity: insulation, specialist extruded foam sections, foam components for the bedding industry, synthetic wine corks and leisure products made of expanded foam (www.noelgroup.net).

In 2011, the Noël Group continued to improve its operating profit to a significant degree, in spite of a macroeconomic situation that has affected both its sales and its earnings. The increase of the raw material prices continues to weigh on the Group's results. Sales in all the sectors, except for the "Home Furnishings" division, were up. For 2012, the erosion of the gross margin will be stabilized and the company envisages a positive development of its results in all its business lines.

Spongex, LLC is the leader in its market of the thermoplastic elastomer products in the production of articles for water sports, fitness and marine applications. Spongex business continued to improve following the reorganisation implemented during the two previous financial years.

The Noël Group has sold its automotive activity cluster in Europe in order to focus on its core business in the United States. Following this sale, the Noël Group no longer has any automotive activity. This sale has distinctly improved the Group's cash position.

Nomacorc, in which Noël Group has a minority interest, is the world leader in synthetic wine closures. With 500 employees worldwide, the company produced more than 2 billion wine corks in 2011 thanks to its three production sites (USA, Belgium and China). In eleven years of existence, the company has enjoyed ten financial years with sales growth of more than 10%. In 2011, its sales growth was once again more than 10% (www.nomacorc.com).

In view of the economic uncertainties, the Group is remaining prudent but envisages nevertheless an improvement for 2012. Technological innovation continues to be a strong pillar of the Group and should contribute to its development (see also www.noelgroup.net).

CONSOLIDATED ACCOUNTS (US GAAP)

(in USD millions)	**31/12/2011**	31/12/2010	31/12/2009
Turnover [(1)]	88.81	88.34	85.32
Net Group Result	0.55	-2.07(*)	-17.47
EBITDA	4.97	4.86	1.36
Shareholders' Equity (Group)	47.96	47.61	44.95
Total Balance Sheet	61.77	74.62	75.61
Distributed Dividend	-	-	-
% of Holding	**30.5%**	**30.5%**	**30.5%**

(1) Excluding gain on the sale and leaseback of a production building.

Ceran Group

Belgian company specialising in teaching languages by complete immersion.

The turnaround of the Adults activities that started in 2010 after a year of crisis has continued in 2011. The frequentation of the French, English and German courses is distinctly up (beyond 20%) in relation to the previous financial year. The Dutch courses were slightly down.

The Juniors activity in Belgium enjoyed a record year once again.

At the end of 2011, the Ceran Group posted a consolidated turnover of EUR 9.35 million, that is to say a progression of 15% in relation to 2010. The financial year ended with a net profit of EUR 0.5 million and stable equity.

Important investments relating to the refurbishing of the infrastructures are now finished and enable CERAN today to offer top-quality learning and accommodation environments. With a concern for constant improvement of the catering services, a collaborative project with Alain Ducasse Formation et Conseil has been launched.

The opening of a CERAN day school on the FEB's premises in Brussels in November 2011 constitutes the first stage of a new plan to develop the supply of products intended for business customers.

In the context of this diversification, the CERAN Group has acquired, at the end of 2011, the French TERRES NEUVES Company (Acclimatization to Cultures Institute), established in Paris and specialising in intercultural training.

Despite an uncertain economic context, the CERAN Group is pursuing its strategic development and will be opening a new Juniors centre in England in 2012. (See also www.ceran.com)

Matignon Technologies II

This investment fund was created in 2006 with the objective of constituting a portfolio of holdings in companies involved in medical technologies and services with significant prospects for growth, profitability and added-value over a eight- to ten-year period.

The Company has a holding of 6.3% in this fund.

The initial commitment of Compagnie du Bois Sauvage of EUR 5 million had been paid up to the tune of EUR 3.6 million at 31 December 2011.

3. Food sector

Neuhaus Holding

Famous Belgian manufacturer of high-class chocolate products.

Thanks to a turnover of EUR 134 million, up 11%, the Neuhaus Group has recorded pre-tax profits with a rise of 17%.

The Neuhaus brand is sold in more than 25 own shops and present in more than 40 countries and at 50 airports. Its turnover increased by more than 12% in 2011. (See also www.neuhaus.be)

Jeff de Bruges (66% owned) extended its distribution network to more than 90 own shops (80 in 2010) and now has more than 300 franchisees, the majority of which are in France (275 in 2010). Its turnover increased by more than 11% in 2011. (See also www.jeff-de-bruges.be)

The opening of new sales outlets, increased renown of the Group's brands, constant improvement in productivity and reductions to structural charges were the basis of this increased profit.

The challenges for 2012 include:

- To continue to adapt the product range to market expectations
- To increase the number and the quality of sales outlets
- To increase sales in the "business travel", e-commerce and company customer (BtoB) sectors
- To go further in the improvement of the production apparatus and of the productivity while maintaining the products' high quality level

The reduction of the Group's equity is explained by the Neuhaus capital decrease of EUR 12 million and the distribution of a dividend of EUR 4 million.

AUDITED CONSOLIDATED ACCOUNTS (IFRS)

(in EUR millions)	**31/12/2011**	31/12/2010	31/12/2009
Turnover	133.47	119.86	105.67
Net Group Result	11.63	10.95	10.31
EBITDA	30.43	27.86	24.16
Shareholders' Equity (Group)	53.24	57.59	50.89
Total Balance Sheet	99.36	106.07	100.25
% of Holding	**100%**	**100%**	**100%**

Galactic (via Serendip)

Belgian company producing lactic acid. With a world market share of 20%, Galactic is the second largest producer of lactic acid in the world. Its shareholders are 100% Belgian.

Lactic acid, produced by sugar fermentation, is used mainly as a food additive but also more and more in the industrial sector as a substitute for traditional petrochemical products. Galactic has production units in Belgium, China and the United States.

Galactic has had to cope with significant raw material price rises. These rises have not always been able to be passed on to the customers because of serious competition. This is the main explanation for the lower earnings.

The American unit has performed well and sales are now reaching a satisfactory level. Similarly, the Japanese office has recorded a significant rise of its sales.

Futerro, a joint-venture with Total Petrochemicals, has continued to develop its production process of PLA, a renewable organic polymer product containing lactic acid. A study is underway for selecting the site for the installation of the first industrial unit. (See also www.lactic.com)

Compagnie du Bois Sauvage has a holding of 25% in the Serendip Company, which has a 45% holding in Galactic as its only asset.

AUDITED COMPANY ACCOUNTS

(in EUR millions)	**31/03/2011**	31/03/2010	31/03/2009
Turnover	30.52	31.91	31.90
Net Profit	0.87	2.98	1.35
EBITDA	4.45	5.52	3.80
Shareholders' Equity	21.30	20.64	18.43
Total Balance Sheet	47.97	39.20	35.73
Dividend	0.40	1.00	0.85
% of Holding	**11.25%**	**11.25%**	**11.25%**

4. Other holdings

Metrobel

The Metrobel Company has been liquidated and left the consolidation scope on 01 July 2011.

Euroscreen

Belgian world specialist company in the field of G-Protein Coupled Receptors (GPCR) focusing on the discovery of new drugs.

During 2011, the company has worked with Janssen Pharmaceuticals Inc., a subsidiary of the Johnson & Johnson Group, on its ESNJJ project generating proprietary small anti-diabetes molecules.

It has in addition continued to develop its internal pipeline, with in particular ESN364, a major project identifying new proprietary small molecules that are active against pathologies of the central "sex-hormones" axis (GnRH, LH, FSH, Testosterone, Œstradiol), targeting in particular a first clinical indication in the endometriosis. This project should constitute a major advance in this therapeutic axis (women's health diseases) with a new mechanism of action and superiority over the existing therapies, in particular because of the expected absence of side-effects.

Euroscreen is preserving its mixed business model combining: (i) Its Euroscreen "Drug Discovery" unit and (ii) its "Euroscreen Fast" Business Unit, which is active worldwide and dedicated to providing services for the biotechnological and pharmaceutical industries.

The company will have to be refinanced before the end of 2012, for the purpose of bringing its future developments to fruition, especially its main ESN364 project, which would enable it to reach the clinical phase in 2013. (See also www.euroscreen.com)

At the end of 2011, the company had EUR 4.7 million in cash at its disposal.

The Compagnie du Bois Sauvage holding is 8.46%.

Nanocyl

A Belgian company which develops, produces and markets carbon nanotubes and products formulated on the basis of carbon nanotubes.

Nanocyl is continuing to consolidate its role as a key player in the world market in the production and marketing of carbon nanotubes and bi-products in the automotive and IC packaging sectors for their anti-static properties, and composites based on glass or carbon fibres for their mechanical reinforcement properties, plus the formulation of thermoplastics and anti-fire coatings as well as non-toxic paint for the treatment of immersed surfaces. NC7000 remains the benchmark nanotube on the world market for its excellent electrical conductivity properties.

2011 has seen the development of new non-inflammable and non-toxic thermoplastic products for applications in logistics, of rubber with reinforced mechanical properties, as well as improvement in maintenance of those properties over time. The use of composite-based products has accelerated and the use of carbon nanotubes for the manufacturing of a membrane in a type of battery has proceeded to the commercial stage. The use of NC7000 in formulae containing carbon fibres for products used in competitive sport has also been confirmed.

The TS&D Department (Technical Service & Development) containing five employees set up in 2010 has had a positive impact for the finalisation of NC7000-based formulations on customers' premises.

Nanocyl carried out a capital increase of EUR 9 million in 2011, mainly subscribed by third parties (Compagnie du Bois Sauvage took part in an amount of EUR 0.17 million). It should enable the company to finance its industrial development. (See also www.nanocyl.com)

The Compagnie du Bois Sauvage holding was 6.19% at the end of 2011.

XDC

XDC is the European leader in technologies and services relating to digital cinema.

XDC, 2.85% of which is held by Compagnie du Bois Sauvage, is continuing to benefit from the transition towards digital cinema. With its subsidiary FTT, XDC is committed for approximately 5,000 digital screens and has to date installed more than 2,000 screens in Europe. This represents a market share of more than 35%, making it the leading company. XDC's sales in 2011 leaped 38% to EUR 84.3 million. XDC has recorded a positive EBITDA of EUR 17.8 million, that is to say 21.1% of the sales. XDC has recorded a positive net profit, mainly due to the exceptional profit made on the sale of the CineStore activities. (See also www.xdcinema.com)

Bone Therapeutics

A Belgian company created in 2006, Bone Therapeutics specialises in the treatment of osteoarticular diseases by cellular therapy. The Company develops innovative cellular products on the basis of a proprietary technological platform. The applications concerned are bone reconstruction (osteonecrosis, non-consolidated fractures, maxillofacial reconstruction,...) and the treatment of orphan bone diseases.

Bone Therapeutics carried out in 2011 two fund-raising exercises for a total of EUR 12.0 million. Compagnie du Bois Sauvage did not take part therein. Thanks to this fund-raising, it will be able to continue its development programme with equanimity and to embark upon its Phase III clinical research, the final stage before the marketing of the products. (See also www.bonetherapeutics.com)

Guy Degrenne

Listed French company. Benefiting from a great cutlery tradition, Guy Degrenne has become in a few decades a leader in tableware.

In recent years, the company has been the subject of an in-depth reorganisation. All of the Group's activities have been rethought and adapted to current market needs. The turnover of the financial year ending 31/03/2011 records a growth of 4.4%, and that at the end of September 2011 (6 months) one of 3.2%. The Group share of the net earnings at the 31/03/2011 is however still in the red, with a loss of EUR 2.6 million against a loss of EUR 3.6 million for the previous financial year. (See also www.guydegrenne.fr)

Compagnie du Bois Sauvage (Nederland)

Wholly-Owned Dutch Holding Company.

Compagnie du Bois Sauvage (Nederland) holds 99.99% of the American company, Surongo America, Inc. Information on this holding is on Page 26.

The company also owns the Luxembourg company, Imolina (see Page 29).

Compagnie du Bois Sauvage Services

Belgian company providing accounting and administrative services for the Group companies.

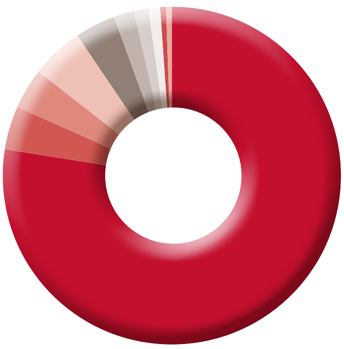
This company centralises the IT equipment investments and ensures the quality of the logistical services indispensable to the proper working of the Group. It is wholly-owned by Compagnie du Bois Sauvage.

Cash and cash equivalents

At 31 December 2011, the Group's cash and cash equivalents amounted to EUR 61 million. The few share positions still in the portfolio after the reorganisations of 2010 and 2011 amounted to EUR 18 million. All of the positions are intended to be realised as well as possible. There has been no further own-account trading activity since the end of 2008, except for the sales of a few call options.

OTHER FINANCIAL FIXED ASSETS – GROUP CASH AND CASH EQUIVALENT

Intrinsic Value at 31 December 2011



In € 1.000	Market Value	Quantity	Closing Price	% of Cluster
Consolidated Cash	60,882			78.4%
Delhaize	3,255	75,000	43.41	4.2%
GDF Suez	2,957	140,000	21.12	3.8%
Total	3,950	100,000	39.50	5.1%
Solvay	2,865	45,000	63.66	3.7%
Mobistar	1,620	40,000	40.49	2.1%
Fortis Bank	1,052	70,447	14.94	1.4%
Cie du Bois Sauvage	715	4,379	163.25	0.9%
Ageas	180	150,000	1.20	0.2%
Other	139	0	0.00	0.2%
Total	**77,615**			**100%**

8. ACCOUNTABLE EXECUTIVES' DECLARATION

To the best of our knowledge,

i) The financial statements, drawn up in compliance with IFRS standards, give a faithful image of the assets, financial situation and results both of the Company itself and other companies included in the consolidation,
ii) The management report contains a faithful account of important developments and events and of the main transactions with contracting parties that have taken place during the course of the financial year and of their effects on the accounts and a description of the main risks and uncertainties to which the Company is exposed.

Vincent DOUMIER
Managing Director

9. EARNINGS ALLOCATION AND PROFIT APPROPRIATION POLICY

For over 15 years, the Board has regularly proposed increasing the return on capital. Its aim, provided the results permit, is to increase the dividend year after year by a rate at least equal to the rate of inflation. It is important to reconcile the two points of view:

- Reinforcement of the Company's resources;
- Return on capital.

2011 has seen a confirmation of the good operating results. The Board proposes to raise the gross dividend by EUR 0.20 per share to take it to EUR 7.00.

COMPAGNIE DU BOIS SAUVAGE PROFIT APPROPRIATION

	EUR
The result for the financial year amounts to	20,946,622.29
To which is added	
- The profit carried forward	158,611,095.12
To make up the profit to be distributed	**179,557,717.41**
We propose the following allocation:	
- To the statutory reserve	0
- To other reserves	0
- To unavailable reserves for own shares	4,440,570.81
- To the distribution of a gross dividend of EUR 7.00 (*)	11,018,500.40
- To the Directors' profit shares	191,528.93
Balance carried forward	**163,907,117.27**

(*) The self-held Compagnie du Bois Sauvage shares are not entitled to the dividend.

If you approve these proposals, the dividend of EUR 7.00 gross will be payable with effect from 03 May 2012, at the head office and at bank counters, in exchange for Coupon 24.

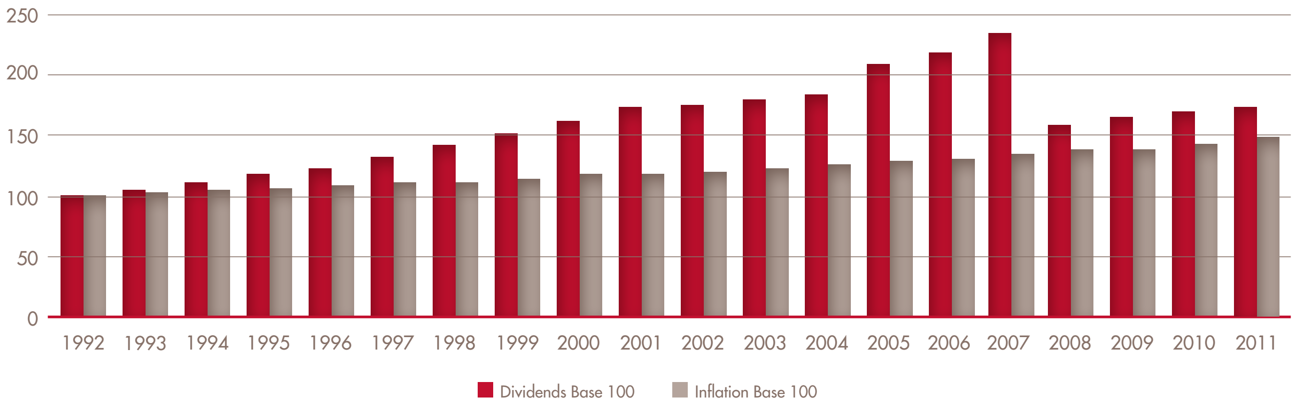
The Compagnie du Bois Sauvage share will be quoted ex-coupon 24 as from 27 April 2012.

This dividend is higher than last year's dividend of EUR 6.80 gross. On the basis of the stock market price at 31 December 2011, it procures a gross return of 4.29%.

After distribution, the book shareholders' equity for the Company will amount to EUR 343,698,670.48.

DIVIDEND VERSUS INFLATION

Base 100 in 1992



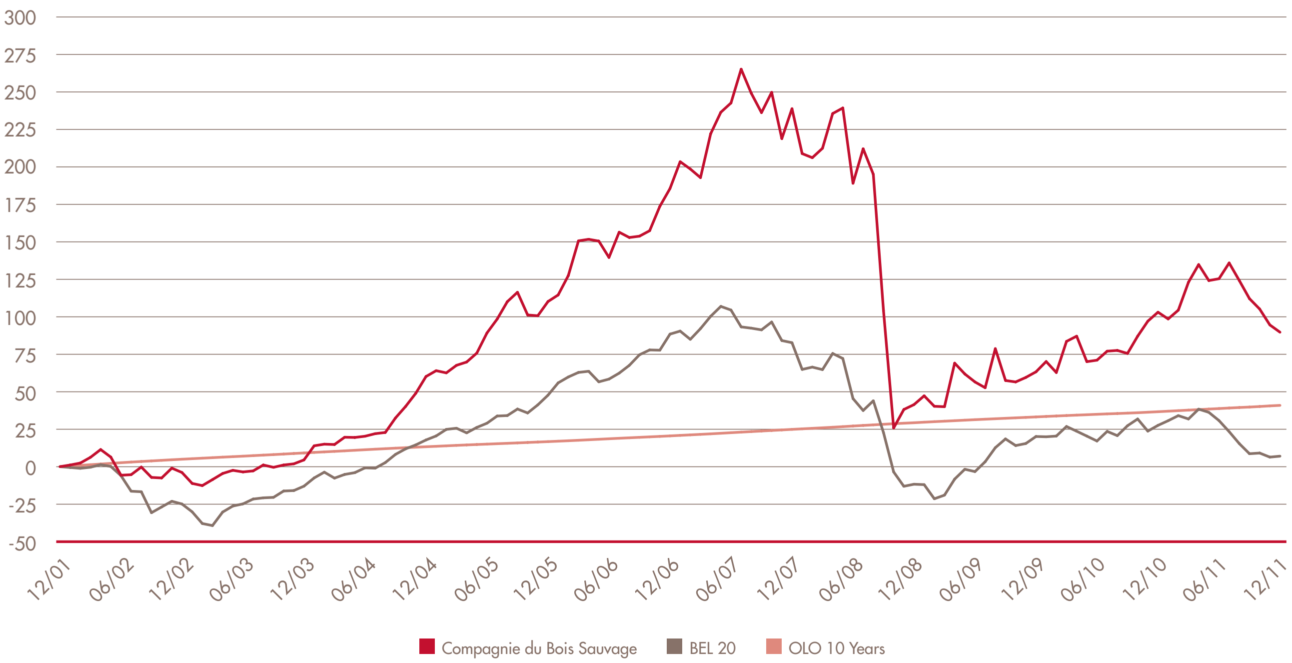
TOTAL RETURN FROM 31.12.01 TO 31.12.11

	Return total	Annuel
Compagnie du Bois Sauvage	89.68%	6.61%
BEL 20	7.00%	0.68%
OLO 10 YEARS	40.88 %	3.49%

Source: Bloomberg

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

In %



10. ELEMENTS THAT COULD AFFECT A PUBLIC TAKEOVER BID

At 31 December 2011, the capital amounted to eighty million five hundred and eighty thousand, six hundred euros (EUR 80,580,600), represented by one million five hundred and eighty-two thousand (1,582,000) shares, without designation of face value, entirely paid up, each representing one/one million five hundred and eighty-two thousandth (1/1,582,000th) of the authorized capital, against 1,562,710 at the end of 2010.

Each share gives the right to a vote, without prejudice to the provisions of the Companies Code.

The capital will be able to be increased or decreased on one or more occasion by decision of a general meeting ruling in the manner envisaged for amendments of the Articles of Association.

The increase can be accomplished by the creation of new shares of the same type as the existing shares or of shares enjoying other rights or representing a different amount of the authorized capital, these shares being able to be paid up, either in cash, or by means of the Company's reserves, or by contributions in kind.

Except decided otherwise by the General Meeting under the conditions prescribed for amendments of the Articles of Association, the subscription of the shares issued for cash will be irreducibly reserved on for former shareholders, in proportion to their share in the authorized capital at the time of the capital increase.

At the time of each capital increase, the Board of Directors will be able, under the conditions that it thinks fit, to enter into any agreements in order to guarantee the realization of the increase, in particular having the new capital subscribed under the conditions that it is to establish, by one or more guarantors, with onus on the latter, if the meeting decides otherwise, to offer to the bearers of the former shares irreducibly to retrocede the new shares to them.

The Board of Directors has the authorization to increase the authorized capital and has the authorization to acquire a number of own shares. See more detail in the by Law and Annual Report in French Note 15.

The Company has no knowledge of any shareholders' or directors' pact that could involve restrictions on the transfer of shares and/or the exercise of the right to vote.

The structure of the shareholding is detailed on Page 20.

11. VALUATION METHOD FOR THE CALCULATION OF THE INTRINSIC VALUE AT 31 DECEMBER 2011

The intrinsic value, before distribution, of the Compagnie du Bois Sauvage share has been calculated as at 31 December 2011.

The following hypotheses were adopted for this calculation:

- The fair value of the significant investment buildings (over a million euros) is periodically evaluated by an independent expert, whereas that of the other buildings is estimated in-house by reference to the updating of the future rents. The valuation by an independent expert is based mainly on the return method (which is calculated overall on the basis of a capitalization rate that takes account of the market rental value) and that of the unit prices (which consists in determining the sale value on the basis of the values (excluding acquisition expenses) per square meter for the not-built ground areas and/or the possible construction areas).

- The stock market prices at 31 December 2011 have been used to value the listed companies.

- The main unlisted holdings have been valued as follows:
  - The Berenberg Bank has been the subject of a valuation on the basis of an average between the rectified net assets and the price/earning ratio of comparable companies. When the average is lower than the rectified net asset, only this method is adopted, which was the case at 31 December 2011. The rectified net asset corresponds to the consolidated equities of the bank increased by an estimate of goodwill that reflects (i) the valuation of the portfolio of the assets under management (Private and Asset Management Bank) and (ii) the valuation of the Corporate and Investment Banking activity. A discount of 30% is then applied to the obtained result in order to take account of this holding's illiquidity.
  - The Noël Group (in the Group via Surongo America) has been valued by an independent expert. This valuation was made on the basis of "Business Units" by using, according to their relevance, either an evaluation model based on a DCF (Discounted Cash Flow) or on the basis of sale transactions on comparable companies.
  - The Neuhaus Company has been valued on the basis of the 2011 results and its 3-year Business Plan. The methods used are the DCF and the multiples of comparable companies.
  - The valuation of Serendip is based on his equity corrected to take into account the fair value of the group Galactic which is based on a multiple of the consolidated EBITDA.

- The other unlisted companies have been valued, in the absence of a reliable method, on the basis of their company or consolidated net booked assets (IFRS if available) or maintained at cost.

- No liquidation tax has been calculated

- No account has been taken of possible company liabilities

- No account has been taken of any risks or liabilities other than those reported in their consolidated Financial Statements.

Warning

Compagnie du Bois Sauvage reminds investors that the calculation of the intrinsic value is prone to uncertainties and to the risks inherent in evaluation of this kind, and does not constitute a measurement of the current or future value of the Company's ordinary shares.

11. VALUATION METHOD FOR THE CALCULATION OF THE INTRINSIC VALUE AT 31 DECEMBER 2011

THE INTRINSIC VALUE PER SHARE TREND IS THE FOLLOWING:

	31/12/2011 (1)	31/12/2010
Intrinsic "in the money" value	**279.72**	325.97
Intrinsic "fully diluted" value	**275.56**	319.19

(1) The intrinsic values at 31 December 2011 take account of the capital reduction of EUR 26 per share carried out in July 2011.

The intrinsic "fully diluted" value assumes the conversion of all the convertible bonds and the exercise of all of the warrants and options in circulation.

The intrinsic "in the money" value assumes the conversion of the convertible bonds and the exercise of the warrants and options if the conversion or exercise price is lower than the stock market price.

INTRINSIC "FULLY DILUTED" VALUE TREND

12. PROSPECTS FOR 2012

Post-closure events, projects and prospects

There is at this time no investment dossier in the process of realization. The Company continues nevertheless to be attentive to any proposal that could strengthen its existing strategic axes.

13. FINANCIAL TIMETABLE

Financial timetable

Dividend ex-date:	27 April 2012
Dividend record date:	02 May 2012
Dividend payment date (Coupon 24):	03 May 2012

Annual results:	1st fortnight of March
Annual General Meeting:	fourth Wednesday of April
Half-yearly results:	2nd fortnight of August

14. SPONSORSHIP

Continuing its policy with regard to cultural sponsorship, Compagnie du Bois Sauvage took part in prestige events organised by the non-profit-making "Les Amis de la Cathédrale" association and supported the "Queen Elizabeth Competition" as well as the "Bruocsella Club" and the "Fondation Louvain" (Compagnie du Bois Sauvage Prize).

Compagnie du Bois Sauvage has also occasionally supported non-profit-making medical or social associations, such as the "Défi Vélo Institut St Joseph" and "Face".

CONSOLIDATED AND STATUTORY FINANCIAL STATEMENTS
Financial Year 2011

TABLE OF CONTENTS

Consolidated Financial Statements
54 Consolidated Statement of the Financial Situation
55 Consolidated Statement of the Comprehensive Income
56 Consolidated Statement of change in Equity
57 Consolidated Cashflow Statement

58 Statutory Auditor's Report

Consolidated financial statements for the period ended 31 December 2011

Presented to the General Meeting on 25 April 2012

CONSOLIDATED STATEMENT OF THE FINANCIAL SITUATION AT 31 DECEMBER

x € 1,000	**2011**	2010
Non-current Assets	**420,710**	**459,428**
Fixed Assets	33,027	33,885
Investment Properties	42,997	41,549
Goodwill	10,962	10,962
Intangible Assets	12,700	11,220
Shareholdings Consolidated Using the Equity Method	120,096	128,683
Shareholdings Available for Sale	186,896	220,227
Other Assets	12,156	10,241
Deferred Tax Assets	1,876	2,661
Current Assets	**130,864**	**304,572**
Inventories	10,446	9,193
Customers and Other Debtors	32,655	202,292
Current Tax receivable	6,869	6,775
Financial Assets at Fair Value Through Profit or Loss	15,931	31,692
Other Assets	20,101	3,761
Cash and Cash Equivalents	44,862	50,859
Non-current Assets Held for Sale	**407**	**0**
Total Assets	**551,981**	**764,000**

x € 1,000	**2011**	2010
Shareholders' Equity	**384,108**	**429,425**
Group Equity Capital	**369,198**	**416,002**
Capital	167,200	200,300
Undistributed Profit	140,152	125,009
Reserves	61,846	90,693
Non controling interest	**14,910**	**13,423**
Liabilities	**167,873**	**334,575**
Non-current Liabilities	**86,351**	**260,122**
Interest bearing liabilities	78,572	243,941
Provisions	585	586
Deferred Tax Liabilities	6,321	6,104
Other Non-current Liabilities	873	9,491
Current Liabilities	**81,522**	**74,453**
Interest bearing liabilities	37,298	30,855
Provisions	419	309
Suppliers and Other Creditors	23,155	21,793
Tax Liabilities Due	5,736	5,958
Other Liabilities	14,914	15,538
Total Liabilities and Stockholders' Equity	**551,981**	**764,000**

CONSOLIDATED STATEMENT OF THE COMPREHENSIVE INCOME AT 31 DECEMBER

x € 1,000	**2011**	2010
Operating income	**152,997**	**148,220**
Sales	134,877	121,505
Interests and Dividends	13,957	20,534
Rental Income	3,440	3,435
Other Income	723	2,746
Operating Expenses	**-123,288**	**-127,888**
Purchasing	-70,311	-61,323
Personnel Expenses	-37,022	-35,914
Amortisations, Impairments and Provisions	-7,173	-7,376
Financial Expenses	-7,657	-21,303
Other Expenses	-1,125	-1,972
Share in the Profit of Shareholding Consolidated using the Equity Method	**5,924**	**5,586**
Operating Income before Disposals, Fair Value Adjustments and Depreciations	**35,633**	**25,918**
Result on Disposals	16,086	96,694
Fair Value Adjustments and Depreciations	-7,175	9
Pre-tax Profits	**44,544**	**122,621**
Income taxes on profits	-9,888	-9,161
PROFIT FOR THE YEAR	**34,656**	**113,460**
Other Elements of the comprehensive income	**-29,733**	**-54,286**
Shareholdings Available for Sale		
Fair Value Adjustments	-21,735	33,444
Transfers to Profit-and-Loss Following Depreciation	-53	0
Transfers to Profit-and-Loss Following Disposals	-7,709	-92,257
Exchange Differences on the Conversion of Activities Abroad	45	4,877
Share in the Profit of Holdings Consolidated using the Equity Method	-281	-350
Other	0	0
COMPREHENSIVE FINANCIAL YEAR RESULT	**4,923**	**59,174**
Financial Year Result	**34,656**	**113,460**
Group Share	31,090	108,593
Non controling interest	3,566	4,867
Comprehensive Financial Year Result	**4,923**	**59,174**
Group Share	1,357	54,307
Non controling interest	3,566	4,867

(1) In the 2010 Annual Report, this amount was included in the fair value adjustments of the holdings that were for sale,

FINANCIAL YEAR RESULT PER SHARE AS AT 31 DECEMBER

x € 1,000	**2011**	2010
Basic	19.67	69.49
Diluted	19.66	67.55

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY

	Capital		Reserves						
x € 1,000	Share Capital	Share Premiums	Reserves for re-evaluation (1)	Treasury stock held	Conversion difference	Undistributed Profit	Group Equity Capital	Minority Holdings	Shareholders' Equity
Balance as at 31 December 2009	**118,766**	**81,534**	**154,649**	**0**	**-8,070**	**26,493**	**373,372**	**46,808**	**420,180**
Shareholdings Available for Sale									
Fair Value Adjustments			33,444				33,444		33,444
Transfers to Profit-and-Loss Following Depreciation							0		0
Transfers to Profit-and-Loss Following Disposals			-92,257				-92,257		-92,257
Share of the Coverage Reserves of the Equity Method Holdings			-350				-350		-350
Conversion Differences Variations					4,877		4,877		4,877
Other							0		0
Other Elements of the Overall Result	**0**	**0**	**-59,163**	**0**	**4,877**	**0**	**-54,286**	**0**	**-54,286**
Net Financial Year Result						108,593	108,593	4,867	113,460
Comprehensive Financial Year Result	**0**	**0**	**-59,163**	**0**	**4,877**	**108,593**	**54,307**	**4,867**	**59,174**
Dividends Paid						-10,314	-10,314	-2,117	-12,431
Capital and Share Premiums							0		0
Change in the Scope of Consolidation						301	301	-36,148	-35,847
Movements on Own Shares				-1,600			-1,600		-1,600
Other						-64	-64	13	-51
Balance as at 31 December 2010	**118,766**	**81,534**	**95,486**	**-1,600**	**-3,193**	**125,009**	**416,002**	**13,423**	**429,425**
Holdings Available for Sale									
Fair Value Adjustments			-21,735				-21,735		-21,735
Transfers to Profit-and-Loss Following Depreciation			-53				-53		-53
Transfers to Profit-and-Loss Following Disposals			-7,709				-7,709		-7,709
Share of the Coverage Reserves of the Equity Method Holdings			-281				-281		-281
Conversion Discrepancy Variations					45		45		45
Other							0		0
Other Elements of the Overall Result	**0**	**0**	**-29,778**	**0**	**45**	**0**	**-29,733**	**0**	**-29,733**
Net Financial Year Result						31,090	31,090	3,566	34,656
Comprehensive Financial Year Result	**0**	**0**	**-29,778**	**0**	**45**	**31,090**	**1,357**	**3,566**	**4,923**
Dividends Paid						-10,572	-10,572	-2,093	-12,665
Capital and Share Premiums	-38,185	5,085					-33,100		-33,100
Change in the Scope of Consolidation							0		0
Movements on Own Shares (Purchase/Cancellation)				886		-5,361	-4,475		-4,475
Other						-14	-14	14	0
Balance as at 31 December 2011	**80,581**	**86,619**	**65,708**	**-714**	**-3,148**	**140,152**	**369,198**	**14,910**	**384,108**

(1) Available-for-Sale Holdings using the Equity Method

CONSOLIDATED CASHFLOW STATEMENT

x € 1,000	2011	2010
Pre-tax Profits	**44,544**	**122,621**
Adjustments		
Result on Disposals	-16,086	-96,694
Fair Value Adjustments and Depreciations	7,175	-9
Share in the Profit of Holdings Consolidated using the Equity Method	-5,924	-5,586
Financial Expenses	7,657	21,303
Interest and Dividend Income	-13,957	-20,534
Amortisations, Impairments and Provisions	7,173	7,376
Other	-124	-1,634
Changes in Need for Revolving Funds		
Current Assets Elements (1)	-3,587	-5,142
Current Liabilities Elements (2)	1,678	-2,332
Interest Paid (Including IRS)	-17,013	-21,447
Interest Received	1,967	661
Dividends Received		
Holdings Consolidated Using the Equity Method	2,934	3,406
Other Holdings	-12,254	19,046
Tax Paid	-9,202	-7,648
Cashflow from Operational Activities	**19,489**	**13,387**
(Acquisitions)/Disposals of Shareholdings	198,326	28,812 (3)
(Acquisitions)/Disposals of Other Financial Instruments	-3,612	1,615
(Acquisitions)/Disposals of Real Estate Investments	3	286
(Acquisitions)/Disposals of Other Fixed Assets	-7,662	-4,941
(Acquisitions)/Disposals of Other Non-current Assets	-1,901	-173
Cashflow from Investment Activities	**185,154**	**25,599**
New Loans	0	14,537
Loan Repayments	-159,748	-52,885
Capital Increase/(Decrease)	-33,100	0
Dividends Paid to the Group's Shareholders	-10,572	-10,314
Dividends Paid to the Minority Shareholders	-2,093	-2,117
Sales (Purchases) of Own Shares	-4,475	-1,600
Other	-652	-92
Cashflow from Financing Activities	**-210,640**	**-52,471**
Net Financial Year Cash Flow	**-5,997**	**-13,485**
Cash and Cash Equivalents at the Start of the Financial Year	50,859	64,013
Exchange Effect on Cashflow and Equivalents in Currencies	0	331
Cash and Cash Equivalents at the End of the Financial Year	**44,862**	**50,859**

(1) Variations of working capital requirements relating to Stocks, Customers, Other Assets and Non-current Assets held for sale of which a reclassification of 2010 figure for an amount of EUR 10 million into (Acquisition/disposals of other financial instruments).
(2) Variations of working capital requirements relating to Suppliers, Creditors and Other Liabilities.
(3) As the sale of the holding in Bank Degroof was closed on 31 January 2011, the "Holdings Acquisitions/Disposals" line takes no account of the cash part at 31 December 2010.

Deloitte Bedrijfsrevisoren / Reviseurs d'Entreprises
Berkenlaan 8b
1831 Diegem
Belgium
Tel.: +32 2 800 20 00
Fax: +32 2 800 20 01
www.deloitte.be

COMPAGNIE DU BOIS SAUVAGE SA

STATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011 TO THE SHAREHOLDERS' MEETING

To the shareholders

As required by law and the company's articles of association, we are pleased to report to you on the audit assignment which you have entrusted to us. This report includes our opinion on the consolidated financial statements together with the required additional comment.

Unqualified audit opinion on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Compagnie du Bois Sauvage SA ("the company") and its subsidiaries (jointly "the group"), prepared in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium. Those consolidated financial statements comprise the consolidated statement of financial position as at 31 December 2011, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The consolidated statement of financial position shows total assets of 551.981 (000) EUR and the consolidated statement of comprehensive income shows a consolidated profit (group share) for the year then ended of 31.090 (000) EUR.

The financial statements of several significant entities included in the scope of consolidation have been audited by other auditors. Our opinion on the accompanying consolidated financial statements, insofar as it relates to the amounts contributed by those entities, is based upon the reports of those other auditors.

The board of directors of the company is responsible for the preparation of the consolidated financial statements. This responsibility includes among other things: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with legal requirements and auditing standards applicable in Belgium, as issued by the "Institut des Réviseurs d'Entreprises/Instituut van de Bedrijfsrevisoren". Those standards require that we plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement.

Deloitte Bedrijfsrevisoren / Reviseurs d'Entreprises
Burgerlijke vennootschap onder de vorm van een coöperatieve vennootschap met beperkte aansprakelijkheid /
Société civile sous forme d'une société coopérative à responsabilité limitée
Registered Office: Berkenlaan 8b, B-1831 Diegem
VAT BE 0429.053.863 - RPR Brussel/RPM Bruxelles - IBAN BE 17 2300 0465 6121 - BIC GEBABEBB

Member of
Deloitte Touche Tohmatsu
Limited

In accordance with these standards, we have performed procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we have considered internal control relevant to the group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the group's internal control. We have assessed the basis of the accounting policies used, the reasonableness of accounting estimates made by the company and the presentation of the consolidated financial statements, taken as a whole. Finally, the board of directors and responsible officers of the company have replied to all our requests for explanations and information. We believe that the audit evidence we have obtained, together with the reports of other auditors on which we have relied, provides a reasonable basis for our opinion.

In our opinion, and based upon the reports of other auditors, the consolidated financial statements give a true and fair view of the group's financial position as of 31 December 2011, and of its results and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the EU and with the legal and regulatory requirements applicable in Belgium.

Additional comment

The preparation and the assessment of the information that should be included in the directors' report on the consolidated financial statements are the responsibility of the board of directors.

Our responsibility is to include in our report the following additional comment which does not change the scope of our audit opinion on the consolidated financial statements:

- The directors' report on the consolidated financial statements includes the information required by law and is in agreement with the consolidated financial statements. However, we are unable to express an opinion on the description of the principal risks and uncertainties confronting the group, or on the status, future evolution, or significant influence of certain factors on its future development. We can, nevertheless, confirm that the information given is not in obvious contradiction with any information obtained in the context of our appointment.

Diegem, 16 March 2012

The statutory auditor
DELOITTE Bedrijfsrevisoren / Reviseurs d'Entreprises
BV o.v.v.e. CVBA / SC s.f.d. SCRL
Represented by

Eric Nys

Corine Magnin

NOTES

NOTES

NOTES

NOTES

NOTES

ANNUAL REPORT 2011

Compagnie du Bois Sauvage S.A.

rue du Bois Sauvage, 17

B-1000 Brussels

Tel.: +32 (0)2 227 54 50

Fax: +32 (0)2 219 25 20

www.bois-sauvage.be