



COMPAGNIE DU  
BOIS SAUVAGE

2016  
ANNUAL REPORT  
(SUMMARY)

SUMMARY OF THE ANNUAL REPORT OF COMPAGNIE DU BOIS SAUVAGE  
ANNUAL MEETING OF SHAREHOLDERS ON 26 APRIL 2017  
Financial Year 2016

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**Compagnie du Bois Sauvage is an investment holding company,  
quoted on Euronext Brussels, with a stable 'family' principal  
shareholder.**

The Company aims to focus on a limited number of holdings, whether listed on the stock exchange or not, mainly in the industrial sector. Its goal is to reserve the necessary means for the development of the companies of the Group.

It aims to maintain close relations with the companies in which it invests and to be involved in the recruitment of executives and in strategic development.

In the interests of its own shareholders, the Company requires a regular income from its investments in order to provide a steadily growing dividend, if possible.

## 1. LETTER TO THE SHAREHOLDERS

While there was an economic upturn in Europe in the first quarter of 2016, the rest of the year once again saw low growth. The vote in favour of Brexit and its impact on the pound sterling, the wait-and-see attitude before the US elections, and the referendum in Italy were all factors that affected growth in Europe.

As regards the holdings of Compagnie du Bois Sauvage, the results are satisfying even though the above-mentioned events had varying degrees of impact.

It is in this context that operating profit before disposals and fair value adjustments of Compagnie du Bois Sauvage stands at EUR 39.2 million (versus EUR 33.6 million in 2015). The increase in this area is due principally to the following elements:

- an almost 2% increase in the turnover of UBCM (the Chocolatier Group: Neuhaus, Jeff de Bruges, Corné Port-Royal and Artista Chocolates) and the consolidation of solid operating profitability. This profitability was, however, impacted in 2016 by the costs associated with the restructuring of the production branch of Corné Port-Royal, which was brought into Artista Chocolates,
- the increase in dividends received to EUR 15.1 million in 2016 up (versus EUR 10.4 million in 2015), resulting mainly from the earnings of Berenberg Bank, which, alongside its operating profit, realized an exceptional capital gain on the sale of almost all its shares in Universal Investment GmbH,
- the results of equity accounted associates at EUR 3.2 million in 2016 (versus EUR -0.2 million in 2015). The strong increase can be attributed largely to Recticel.

Net profit attributable to the Group of EUR 31.4 million takes into account profit on disposals of EUR 6.7 million, impairments of EUR -1 million (mainly in the Noël Group), and tax expenses of EUR 9.8 million.

Net comprehensive income attributable to the Group was EUR 45 million, as compared to EUR 59.2 million in 2015. This amount corresponds to the net profit or loss attributable to the Group, adjusted for fair value adjustments of the investments in Umicore (EUR +31 million), Berenberg Bank (EUR -14.1 million), Gotham City (EUR -1.5 million), Bone Therapeutics (EUR -1 million) and Recticel (EUR -0.8 million), as well as for exchange rate differences on foreign operations (EUR -0.2 million).

The Company bolstered up its equity by EUR 0.5 million following the exercise of 2,300 subscription rights at a price of EUR 232.41 per share in April 2016. The Group recorded a net consolidated debt of EUR 0.9 million as at 31 December 2016.

After the 2015 dividend payment (EUR 12.5 million) and after deduction of the Group's own shares acquired in 2016 (EUR 0.8 million), the Group's equity amounted to EUR 405,2 million (versus EUR 372.7 million in 2015).

Given the strong operating profit and the solidity of its assets, the Company is proposing to continue its dividend growth policy and to take the dividend to EUR 7.52 gross per share, thereby indicating its confidence in the future.

During 2016, the Compagnie du Bois Sauvage Group mainly:

- acquired a holding in **Fidentia BeLux Investments SCA/CVA** (FBLI) in the amount of EUR 25 million, half in the form of shares and half as a subordinated loan. Fidentia BeLux Investments, newly created by Fidentia Real Estate Investments, made its first investment in Hippogone SA/NV, owner of the Solaris building ([www.fidentia.be](http://www.fidentia.be)),
- subscribed for EUR 12 million in the new **First Retail International 2 SA/NV** (FRI<sup>2</sup>) fund, of which EUR 3 million were paid up. This fund is active in the development of retail parks in Europe,
- participated in the capital increase of **Artista Chocolates SA/NV** by contributing the production branch of Corné Port-Royal. The Group acquired nearly 75% of the shares in that company. The joining of production forces by the two companies and their flexibility will allow to strengthen the presence of the Group on the chocolate market and to develop a second production site to offer the market a diverse supply,
- paid up USD 1.4 million in **Gotham City Residential Partners II, LP**,
- subscribed to the capital of **Nanocyl SA/NV** for an amount of EUR 0.2 million,
- received USD 10.4 million from the **DSF III** and **Gotham City Residential Partners I, LP** (USA) funds,
- received a repayment of EUR 0.2 million from the **Matignon Technologies II** fund,
- reduced its holdings in **Bone Therapeutics** and **Guy Degrenne**,
- in November 2016, issued bonds for a total amount of EUR 21.3 million to a limited number of Belgian and international institutional investors; these bonds have a term of 7 years and an annually payable interest rate of 2%,

- secured refinancing for its 2013-2018 debenture loan of EUR 45 million via bank loans at market rate for a period of 5 years (2018-2023).

In the context of the renewal of the authorization given by the Extraordinary General Meeting of 27 April 2016 for the buyback of own shares, Compagnie du Bois Sauvage proceeded in 2016 to buy back 2,495 own shares for a total amount of EUR 0.8 million.

Measures to improve shareholder information 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 semi-annually.

The average daily number of shares processed in 2016 was 475.

Taking into account the two non-recurring elements mentioned above, the intrinsic value (in-the-money) stood at EUR 369 per share as at 31 December 2016 (EUR 335.2 as at 31 December 2015).

Compagnie du Bois Sauvage wishes to thank its shareholders for their confidence and support during the financial year. Our thanks are also due to all the Group's employees for their professionalism and sincere commitment.

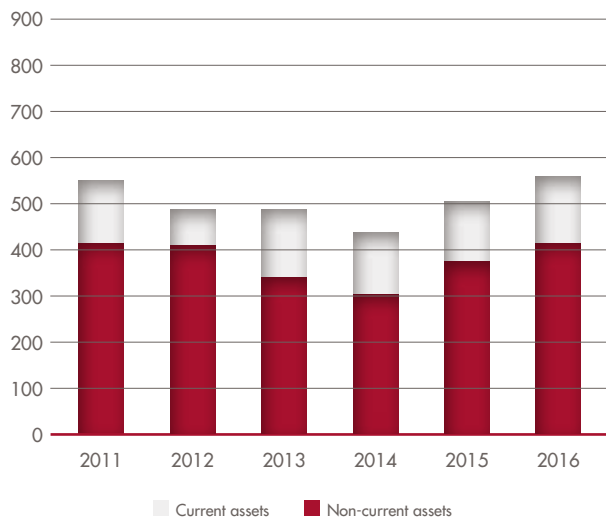
6 March 2017

**The Chairman**  
Frédéric Van Gansberghe  
Representative of Ecostake SA/NV

## 2. KEY FIGURES AS AT 31 DECEMBER

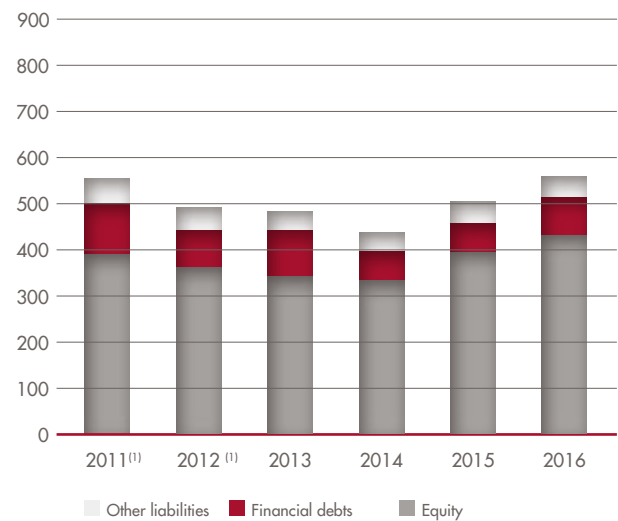
### ASSETS – HISTORICAL TREND

Consolidated accounts (in millions of euros)



### LIABILITIES – HISTORICAL TREND

Consolidated accounts (in millions of euros)

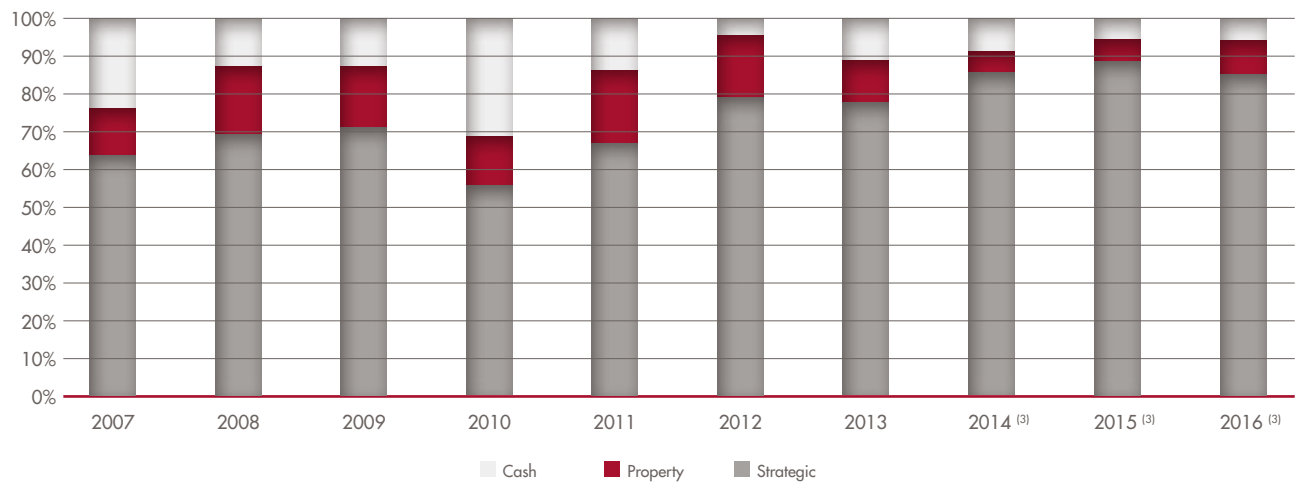


(1) Equity in 2011 and 2012 takes account of the capital reductions of respectively EUR 40.6 million and EUR 39.4 million.

### EVOLUTION OF THE CONSOLIDATED PORTFOLIO

Intrinsic value as at 31 December <sup>(2)</sup>

Total in euros 1,060,667,920 757,680,115 758,571,487 813,968,415 571,074,038 542,063,934 558,737,076 496,405,908 600,582,302 670,565,412



(2) See the French version of the annual report for the valuation methods for the calculation of the intrinsic value.

(3) Excluding cash items of the Chocolatier Group.

in thousands of euros	2016	2015	2014	2013
Group equity	<b>405,194</b>	372,723	312,832	318,109
Intrinsic value 'in-the-money' <sup>(1) (3)</sup>	<b>622,094</b>	564,464	459,018	456,338
Consolidated net profit (loss) (attributable to the Group)	<b>31,437</b>	32,884	-1,073	-1,403
Market capitalisation at year-end	<b>515,667</b>	415,198	333,287	337,171

	2016	2015	2014	2013
<b>Consolidated net profit (loss) per share (attributable to the Group) (EUR)</b>				
Basic <sup>(2)</sup>	<b>18.68</b>	19.89	-0.67	-0.89
Diluted <sup>(2)</sup>	<b>18.68</b>	19.89	-0.67	-0.89
<b>Number of shares</b>				
Outstanding	<b>1,683,262<sup>(4)</sup></b>	1,680,962	1,625,000	1,575,346
In-the-money	<b>1,685,767<sup>(5)</sup></b>	1,683,312	1,628,400	1,581,896
Fully diluted	<b>1,685,767<sup>(5)</sup></b>	1,688,312	1,721,746	1,721,746
<b>Intrinsic value per share at year-end (EUR)</b>				
In-the-money <sup>(3)</sup>	<b>369.03</b>	335.22	281.88	288.48
Fully diluted <sup>(3)</sup>	<b>369.03</b>	335.20	279.71	284.60
<b>Gross dividend per share</b>	<b>7.52</b>	7.44	7.36	7.28

	2016	2015	2014	2013
Average daily volume processed	<b>475</b>	819	731	597
Average daily capital (EUR) <sup>(3)</sup>	<b>131,115</b>	189,324	162,421	112,488
<b>Price (EUR)</b>				
Year-end	<b>306.35</b>	247.00	205.10	214.03
Highest	<b>319.75</b>	252.00	235.85	215.00
Lowest	<b>232.00</b>	205.50	190.00	176.12

(1) The valuation method for the calculation of the intrinsic value is described in the french version of the 2016 annual report.

(2) See calculation and definitions in Note 25 on the french version of the 2016 annual report.

(3) See definitions of 'in-the-money' and 'fully diluted' on the french version of the 2016 annual report.

(4) Including 2,495 treasury shares held by Compagnie du Bois Sauvage at 31 December 2016.

(5) Excluding treasury shares





## **Consolidated and Separate Financial Statements as at 31 December 2016**

Presented to the General Meeting of 26 April 2017

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER

in thousands of euros	2016	2015
<b>Non-current assets</b>	<b>413,719</b>	<b>372,870</b>
Property, plant and equipment	39,932	39,292
Investment property	10,395	10,406
Goodwill	11,003	10,962
Intangible assets	21,445	20,678
Equity-accounted investments	113,240	103,592
Investments available for sale	194,283	179,597
Other assets	20,147	5,107
Deferred tax assets	3,274	3,236
<b>Current assets</b>	<b>144,321</b>	<b>131,952</b>
Inventories	18,789	18,300
Trade and other receivables	43,761	37,757
Current tax assets	4,594	3,227
Financial assets at fair value through profit or loss	13,611	11,640
Other assets	3,437	2,493
Cash and cash equivalents	60,129	58,535
<b>Non-current assets held for sale</b>	<b>0</b>	<b>0</b>
<b>Total assets</b>	<b>558,040</b>	<b>504,822</b>

in thousands of euros

	<b>2016</b>	2015
<b>Equity</b>	<b>431,138</b>	<b>394,256</b>
<b>Group equity</b>	<b>405,194</b>	<b>372,723</b>
Share capital	152,848	152,313
Retained earnings	155,438	136,291
Reserves	96,908	84,119
<b>Non-controlling interests</b>	<b>25,944</b>	<b>21,533</b>
<b>Liabilities</b>	<b>126,902</b>	<b>110,566</b>
<b>Non-current liabilities</b>	<b>76,529</b>	<b>53,894</b>
Borrowings	65,956	44,671
Provisions	1,951	1,384
Deferred tax liabilities	8,448	7,734
Other non-current liabilities	174	105
<b>Current liabilities</b>	<b>50,373</b>	<b>56,672</b>
Borrowings	14,575	18,487
Provisions	1,430	1,433
Trade and other payables	26,009	27,901
Current tax liabilities	6,237	7,167
Other liabilities	2,122	1,684
<b>Total equity and liabilities</b>	<b>558,040</b>	<b>504,822</b>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AS AT 31 DECEMBER

in thousands of euros	2016	2015
<b>Operating income</b>	<b>216,404</b>	<b>208,721</b>
Turnover	198,798	195,436
Interest and dividends	15,612	11,088
Rental income	1,120	919
Other income	874	1,278
<b>Operating expenses</b>	<b>-180,425</b>	<b>-174,968</b>
Raw materials and consumables used	-114,540	-110,281
Employee expenses	-53,177	-52,379
Depreciation, impairment losses and provisions	-8,237	-7,911
Finance costs	-3,050	-2,933
Other expenses	-1,421	-1,464
<b>Share of profit (loss) of equity accounted investments</b>	<b>3,205</b>	<b>-160</b>
<b>Operating profit (loss) before disposals, fair value adjustments and impairments</b>	<b>39,184</b>	<b>33,593</b>
Profit (loss) on disposals	6,675	2,092
Fair value adjustments and impairments	-1,003	12,784
<b>Profit (loss) before tax</b>	<b>44,856</b>	<b>48,469</b>
Income tax expense	-9,805	-11,604
<b>PROFIT (LOSS) OF THE PERIOD</b>	<b>35,051</b>	<b>36,865</b>
<b>Other comprehensive income</b>	<b>13,543</b>	<b>26,270</b>
<b>Items not to be reclassified subsequently to profit or loss</b>	<b>-1,403</b>	<b>1,327</b>
Share of other comprehensive income of equity accounted investments	-1,403	1,327
<b>Items to be reclassified subsequently to profit or loss</b>	<b>14,946</b>	<b>24,943</b>
Investments available for sale		
Fair value adjustments	17,469	20,966
Transfer to profit (loss) on impairment	0	0
Transfer to profit (loss) on disposal	-2,976	-704
Exchange differences on foreign operations	-180	4,606
Share of other comprehensive income of equity accounted investments	633	75
<b>COMPREHENSIVE INCOME OF THE PERIOD</b>	<b>48,594</b>	<b>63,135</b>
<b>Profit (loss) of the period</b>	<b>35,051</b>	<b>36,865</b>
Attributable to Group	31,437	32,884
Non-controlling interests	3,614	3,981
<b>Comprehensive income of the period</b>	<b>48,594</b>	<b>63,135</b>
Attributable to Group	44,980	59,154
Non-controlling interests	3,614	3,981

### EARNINGS (LOSSES) PER SHARE AS AT 31 DECEMBER

in euros	2016	2015
Basic	18.68	19.89
Diluted	18.68	19.89

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in thousands of euros	Share capital		Reserves			Retained earnings	Group equity	Non-controlling interests	Equity
	Share capital	Share premium account	Revaluation / hedging reserves <sup>(1)</sup>	Treasury shares	Foreign currency translation reserve				
<b>Balance as at 31 December 2014</b>	<b>81,250</b>	<b>58,021</b>	<b>59,786</b>	<b>0</b>	<b>-1,937</b>	<b>115,712</b>	<b>312,832</b>	<b>20,231</b>	<b>333,063</b>
Change in accounting standard IAS 19							0		0
Investments available for sale									
Fair value adjustments			20,966				20,966		20,966
Transfer to profit (loss) on impairment							0		0
Transfer to profit (loss) on disposal			-704				-704		-704
Share of hedging and actuarial reserves of equity accounted investments			1,402				1,402		1,402
Changes in scope of consolidation							0		0
Foreign exchange translation differences						4,606	4,606		4,606
Other							0		0
<b>Other comprehensive income</b>	<b>0</b>	<b>0</b>	<b>21,664</b>	<b>0</b>	<b>4,606</b>	<b>0</b>	<b>26,270</b>	<b>0</b>	<b>26,270</b>
Net profit (loss) of the period						32,884	32,884	3,981	36,865
<b>Comprehensive income of the period</b>	<b>0</b>	<b>0</b>	<b>21,664</b>	<b>0</b>	<b>4,606</b>	<b>32,884</b>	<b>59,154</b>	<b>3,981</b>	<b>63,135</b>
Dividends paid						-11,960	-11,960	-2,723	-14,683
Share capital and share premium account	2,798	10,244					13,042		13,042
Changes in scope of consolidation							0		0
Operations with treasury shares (purchase/cancellation)							0		0
Other						-345	-345	44	-301
<b>Balance as at 31 December 2015</b>	<b>84,048</b>	<b>68,265</b>	<b>81,450</b>	<b>0</b>	<b>2,669</b>	<b>136,291</b>	<b>372,723</b>	<b>21,533</b>	<b>394,256</b>
Investments available for sale									
Fair value adjustments			17,469				17,469		17,469
Transfer to profit (loss) on impairment							0		0
Transfer to profit (loss) on disposal			-2,976				-2,976		-2,976
Share of hedging and actuarial reserves of equity accounted investments			-770				-770		-770
Changes in scope of consolidation							0		0
Foreign exchange translation differences						-180	-180		-180
Other							0		0
<b>Other comprehensive income</b>	<b>0</b>	<b>0</b>	<b>13,723</b>	<b>0</b>	<b>-180</b>	<b>0</b>	<b>13,543</b>	<b>0</b>	<b>13,543</b>
Net profit (loss) of the period						31,437	31,437	3,614	35,051
<b>Comprehensive income of the period</b>	<b>0</b>	<b>0</b>	<b>13,723</b>	<b>0</b>	<b>-180</b>	<b>31,437</b>	<b>44,980</b>	<b>3,614</b>	<b>48,594</b>
Dividends paid						-12,506	-12,506		-12,506
Share capital and share premium account	115	420					535		535
Changes in scope of consolidation						274	274	797	1,071
Operations with treasury shares (purchase/cancellation)					-754		-754		-754
Other						-58	-58		-58
<b>Balance as at 31 December 2016</b>	<b>84,163</b>	<b>68,685</b>	<b>95,173</b>	<b>-754</b>	<b>2,489</b>	<b>155,438</b>	<b>405,194</b>	<b>25,944</b>	<b>431,138</b>

(1) available-for-sale investments accounted for using the equity method.

## CONSOLIDATED CASH-FLOW STATEMENT

in thousands of euros	2016	2015
<b>Profit (loss) before tax</b>	<b>44,856</b>	<b>48,469</b>
Adjustments		
Profit (loss) on disposals	-6,675	-2,092
Fair value adjustments and impairments	1,003	-12,784
Share of profit (loss) of equity accounted investments	-3,205	160
Finance costs	3,050	2,933
Interest and dividend income	-15,612	-11,088
Depreciation, impairment losses and provisions	8,237	7,911
Other	150	991
Increase (decrease) in working capital		
Current assets <sup>(1)</sup>	-6,436	708
Current liabilities <sup>(2)</sup>	-1,412	13
Interest paid	-3,092	-2,740
Interest received (incl. IRS)	514	626
Dividends received		
Equity-accounted investments	2,942	2,654
Other investments	15,097	10,444
Taxes paid	-11,210	-9,312
<b>Cash flows relating to operating activities</b>	<b>28,207</b>	<b>36,893</b>
(Acquisition)/disposal of equity-accounted investments	-11,730	-22,758
(Acquisition)/disposal of investments available for sale	7,604	-5,565
(Acquisition)/disposal of other financial instruments	-17,646	260
(Acquisition)/disposal of investment property	-110	-15
(Acquisition)/disposal of tangible assets	-7,590	-7,590
(Acquisition)/disposal of intangible assets	-1,563	-1,376
(Acquisition)/disposal of other non-current assets	-11	-611
<b>Cash flows relating to investment activities</b>	<b>-31,046</b>	<b>-37,655</b>
New loans	21,300	0
Repayment of loans	-3,927	1,029
Capital increase/(decrease)	535	13,042
Dividends paid to the Group's shareholders	-12,506	-11,960
Dividends paid to minority shareholders	0	-2,723
Sale (purchase) of treasury shares held	-754	0
Other	-215	1,917
<b>Cash flows relating to financing activities</b>	<b>4,433</b>	<b>1,305</b>
<b>Net cash flows of the period</b>	<b>1,594</b>	<b>543</b>
Cash and cash equivalents, beginning balance	58,535	57,992
Effect of exchange rate changes on cash and cash equivalents	0	0
<b>Cash and cash equivalents, ending balance</b>	<b>60,129</b>	<b>58,535</b>

(1) Increases and decreases in working capital relating to inventories, accounts receivable, other assets and non-current assets held for sale.

(2) Increases and decreases in working capital relating to trade and other payables.



ANNUAL REPORT 2016  
(SUMMARY)

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